

06/15/2009

\$4.5 million in funding approved

By Amy Revak , Herald-Standard

Two projects in Fayette County aimed at cleaning up blight and providing affordable housing will receive \$4.5 million as a result of funding through the federal economic stimulus package.

Gov. Edward Rendell announced Wednesday that foreclosed properties in Fayette County and other areas in southwestern Pennsylvania will be turned into nearly 1,500 units of affordable housing with the award of more than \$85 million in federal economic recovery money.

Locally, the Fayette County Redevelopment Authority will receive \$1.8 million and the Uniontown Senior Partnership will receive \$2.7 million.

From the Neighborhood Stabilization funding, the county redevelopment authority will receive \$1.8 million to buy 15 foreclosed properties and demolish 50 other properties in Uniontown, Connellsville and Masontown. Twelve of the foreclosed properties will be rehabilitated and sold to income-eligible households. Five houses will be constructed in Masontown on land previously owned by the authority.

The authority voted to apply for \$1.9 million of funding in January.

Executive director Andrew French said he has been anticipating approval of the funding, which must be obligated within 18 months.

French said while about \$60 million was allocated across the state, there were about \$140 million in applications received.

"We're happy about the fact that we were able to get funded," French said.

French previously explained that the authority had been working in conjunction with the Uniontown and Connellsville redevelopment authorities to determine where the foreclosed properties are located throughout the county. He said the Fayette County Redevelopment Authority will be the applicant, but it is a cooperative effort.

French said he has learned that about 150 foreclosed properties are made available annually in the county through sheriff's sales, with about 90 of those being owned by financial institutions.

French said plans are to purchase as many as 15 foreclosed properties, the majority of which would be rehabilitated and sold. He said a few may have to be demolished, but about 12 of the properties may be renovated and sold to first-time homebuyers.

Additionally, French said 50 more properties might be purchased with the idea to demolish them to eliminate blight.

Another part of the plan is to construct as many as five new houses in the Masontown area to sell, as well as to make recreation improvements for a targeted area of Uniontown.

For the second funding allocation, from the Pennsylvania Housing Finance Agency, Uniontown Senior Housing will receive \$2,782,421 for the development of 36 senior citizen units at a site on North Gallatin Avenue.

Last year, members of the Gallatin Avenue Concerned Citizens Association gave a development firm approval to build a senior citizen housing development complex where the American Legion building is currently located.

At that meeting, David Burg of PIRHL Development presented plans for the site.

The Ohio-based firm and Fayette County Community Action Agency are working together as project developers.

Burg previously indicated that the housing development would have 36 apartment units, including 12 one-bedroom units and 24 two-bedroom units.

Advertisement

WE KEEP YOU GOING

We will match any competitors prices
including the \$4 generic drug plan

FREE DELIVERY

Medicine
Stop
Pharmacy

609 National Pike East, Brownsville, PA 724.785.7900

Burg said the one-bedroom apartments would rent for about \$435 a month and the two-bedroom apartments will rent for about \$532 a month. Only people ages 55 and older will be allowed to rent an apartment and they must meet income requirements, Burg said, noting every applicant would be screened before being granted residency.

In addition to the individual apartments, the housing development will have 2,500 square feet of community space such as a computer room, living area and laundry facilities, Burg said.

Burg said PIRHL has a site contract with the American Legion for the property, which is located on Gallatin Avenue, and said construction is tentatively set for the spring of 2010 if financing is acquired as expected.

Having the association's support would make it easier for PIRHL to obtain financing and would help move the project along, Burg said.

The new investment is part of a statewide announcement totaling more than \$380 million that the governor made Wednesday at a former school that is being converted into apartments in Steelton, Dauphin County. He said the statewide projects will provide jobs for some 3,000 workers, help at least 1,000 families with new home down payment assistance, and find affordable housing for 5,000 families.

"This is great news for families who have been hit hard by the foreclosure crisis in Pennsylvania, as the investments we are announcing today will help provide affordable housing for tens of thousands of Pennsylvanians," said Rendell. "This is clear evidence that President Obama's stimulus bill and Congress' efforts to address the impact of this housing emergency are making a real difference in Pennsylvania.

Rendell said the funding for the 99 projects that will make affordable housing more prevalent in the state comes from the Neighborhood Stabilization and Low-Income Housing Tax programs.

Neighborhood Stabilization will provide \$57 million to help rehabilitate properties that were subject to foreclosure as a result of sub prime mortgage lending practices.

Neighborhood Stabilization funding - authorized by the federal Housing and Economic Recovery Act of 2008 and administered by the state Department of Community and Economic Development - will assist 650 families through 28 projects undertaken by local governments across Pennsylvania. The money will allow local governments and their partners to acquire, rehabilitate and resell foreclosed properties, and to redevelop vacant and blighted sites.

The Low-Income Housing Tax Credit program will provide \$320 million in stimulus funding to help put more than 3,580 families in affordable rental housing units. The funding will be made available by the Pennsylvania Housing Finance Agency.

"With all of this money, people in Easton, Williamsport, Lebanon, Uniontown, Erie and elsewhere will soon have safe, affordable places to raise families, get back on their feet and, most importantly, someplace to call home," Rendell said.

ZEBLEY MEHALOV & WHITE, P.C.
Law Offices

HAVE YOU BEEN ARRESTED? DUI?
CALL ON THE EXPERIENCE OF MARK MEHALOV

UNIONTOWN
724.439.9200
Mill Street Square - Uniontown

MON VALLEY
724.632.3383
National Pike West - Centerville

©The Herald Standard 2009