

Authority receives rehabilitation funding

Amy Revak Herald-Standard | Posted: Wednesday, August 11, 2010 4:00 am

The Fayette County Redevelopment Authority is one of only three agencies throughout Pennsylvania to obtain additional federal neighborhood stabilization funding to use to rehabilitate downtowns. With the additional \$600,000 allocation, the authority will receive a total of \$2.4 million. So far the money has been used to demolish, rehabilitate and construct homes in the county's three biggest towns.

Executive director Andrew French said Tuesday that the authority originally received \$1.8 million, and then embarked on a joint venture with the Uniontown Redevelopment Authority, the Connellsville Redevelopment Authority and the borough of Masontown to utilize that allocation.

The neighborhood stabilization program (NSP) money, distributed by the state Department of Community and Economic Development, is a part of the federal stimulus money geared toward helping restore depressed areas.

French said the original allocation was used to purchase six foreclosed properties in Uniontown that were rehabilitated for sale to low-to-moderate-income homebuyers.

The homebuyers purchased the houses at either the appraised value or the amount of money that was put into each building, French said. He said the authority, through deferred loans, was able to make the properties more attractive for purchase.

Also, two foreclosed homes in Connellsville were purchased and are being rehabilitated and will be sold.

French said two homes were demolished in Connellsville and 15 homes were demolished in the Uniontown. The projects were undertaken jointly between the city of Uniontown, the redevelopment authorities of the county and city and Threshold Housing of Uniontown.

Also, in Masontown, three new homes were constructed in Masontown at the former site of the Masontown School. French said all three have been sold and three other houses are being constructed - two on River Avenue and one on Church Avenue extension.

French said the additional \$600,000, which must be obligated - or put out to contract - by the end of September, will be used to build additional homes in Masontown and Uniontown.

French said a total of six homes would be constructed in Masontown, including five on Debolt Avenue and one at an undetermined location. Four will be constructed using the NSP funds and the other two will be built using funding from the U.S. Department of Agriculture.

French said a self-help housing program will be used in which potential homeowners work on all the new homes, which will likely be appraised at between \$140,000 and \$160,000 each.

French said the homes would be purchased at between \$80,000 and \$100,000, utilizing in kind labor and deferred loans to lower the cost.

A total of 25 percent of the homes must benefit families who are below 50 percent of the area median income, which is \$63,000 for a family of four. French said normally the projects are for people whose income is up to 100 percent of the median income.

Also, plans are to build three homes on Maple Street in Uniontown initially with the funding. French said up to 10 homes may eventually be constructed utilizing money recycled into the program from homes sales.

The new homes in Uniontown will be built on property owned by the Uniontown Redevelopment Authority, and a request for proposals will be issued for potential developers, French said.

To determine which agencies would be awarded additional money, French said the state looked at the high performers and Fayette County had close to 90 percent of the money obligated, and 80 percent expended, which was one of the highest in the state.

"Some people weren't so happy because they had to recapture their money but we were happy," French said.

Donna Enrico, chief of the community development operations division, center for community financing for DCED, said only three grantees were given second allocations of the federal money, which totaled about \$4 million.

Enrico said there were 30 original grantees throughout the state that received \$59.1 million. He said the state then got 11 requests for additional money after the agencies that didn't meet the deadlines lost some of their funding.

"We selected ready to go projects," Enrico said.

Even more neighborhood stabilization money could be on the way for Fayette County. Enrico said the state is slated to receive NSF III money in the fall. The amount has not been announced.

"We're excited about it," Enrico said.