

Anti-blight spending suits U.S., 2 cities say

By L. Lamor Williams – Arkansas Democrat-Gazette

LITTLE ROCK -- After 50 years of marriage and renting, David and Patricia Spencer are elated to finally be home—owners, even though they know their time in their new home is limited.

“Whatever time we have left, we can live out in our own space,” said Spencer, who is 71 and a minister. “It’s kind of unexplainable what you really feel. There’s a self-worth that comes along with it. I’ve never played myself short or played God short on what could be done, but sometimes you think something just isn’t meant for you.”

Such outcomes are what city and federal officials have hoped for from the national Neighborhood Stabilization Program, which has distributed \$6.82 billion in stimulus money to 633 entities around the country to revitalize ailing communities.

Among the distribution’s recipients are Little Rock, which got \$8.6 million, and North Little Rock, which got \$6.4 million. The grants’ terms require entities to have 50 percent of the money spent by next month and all projects completed by Feb. 11, 2013.

Andre Bernard, the director of Little Rock’s Housing and Neighborhood Programs Department, reported this week that the city has met its obligation and earned a grade of A from the U.S. Department of Housing and Urban Development, which administers the grant.

Bernard said the program has 96 properties in varying stages of completion, including the one in which the Spencers now reside at 1000 S. Maple St.

Of the total \$8.6 million grant, Bernard said, \$7.7 million has been obligated to the projects and the city won’t have a problem meeting the 2013 deadline.

He said the city was able to meet the 2012 deadline after one of its partners reduced its workload.

“We weren’t worried that we’d miss the deadline,” Bernard said. “One of the things we did differently was that Habitat for Humanity reduced the number of properties they were going to address, and the city took the role as developer. Also, some of the acquisition issues partners were having were resolved, and they were able to move forward with developing those properties.”

In addition to working with Habitat for Humanity, the city also partnered with Better Community Developers and the Little Rock Housing Authority, now known as the Metropolitan Housing Alliance.

According to a report provided by Bernard, the city has 45 properties in the works, the Housing Alliance has 29, Better Community Developers has 17, and Habitat for Humanity has five.

Included in the Better Community Developers' properties is a \$1 million "empowerment" center. The center will have 30 single-person rooms that will house men and women separately, Bernard said. Residency will be based on income, he said.

Bernard said four homes have been sold through the program — two by Better Community Developers and two by the Housing Alliance. Another four or five have been rented, he said.

"As we sell units, we'll turn the proceeds around and redevelop additional properties," Bernard said. "We're going to put that money right back into the community."

Bernard said that to find out how to purchase or rent any of the properties, residents can contact program coordinator Kevin Howard at (501) 918-5268.

Spencer said he purchased his home through Better Community Developers, which requires applicants to take homeownership classes and works with them throughout the process. He and his wife, who is 70, moved into their home Aug. 1.

"I had heard about Better Community Developers and the program, but I was thinking I'm too old. This probably isn't for me," Spencer said. "One day I just asked the question: 'Is it possible?' And they said yes. We took the classes, filled out the application, and it was more or less a done deal."

Darryl Swinton, director of housing and neighborhood development for Better Community Developers, said it's hard to describe the feeling he gets when the agency is able to help someone become a homeowner.

"Just being able to help individuals fulfill the American dream of owning their own home is priceless," he said. "There's no requirement that applicants be first-time buyers, but in our program both of the homes we sold were sold to first-time homebuyers."

Once the program is completed, HUD expects that nationally 95,000 vacant or abandoned properties will have been addressed and that 90,000 jobs will have been created, said Patricia Campbell, a regional spokesman based in Fort Worth.

"In general, the purpose is to stabilize neighborhoods that are in danger of becoming blighted because of high rates of foreclosures," Campbell said. "Such neighborhoods are prone to seeing depressed real-estate values, blight and higher crime rates, so the grants focus on such areas."

While Little Rock and North Little Rock are faring well, other cities with grants aren't, HUD reports.

The agency issued grades of A through F to each grant recipient on the basis of the amount of grant money spent. The top grade means that the entity has spent 50 percent or more of its allocation. A

grade of B is 35 percent or more; F means the recipient has spent less than 5 percent.

Those that haven't spent half of the money by next month risk losing the remainder. Little Rock has spent 50.3 percent according to the report, and North Little Rock has spent 43 percent.

Joan Bohannon, the director of North Little Rock's Community Development Agency, said she expects the municipality to reach the 50 percent threshold soon.

"The way it works is that the contractors are always working on something, so it's just a matter of when they put in their request for payment," she said. "So we're happy. We're not on the slowspenders list."

Campbell said that taking grant money back will be a last resort and HUD will "provide technical assistance to help grantees get on track." The worst city on the list is New York which has reportedly spent less than 1 percent of its money and risks losing about \$9.6 million of its roughly \$20 million grant.

Meanwhile, the Spencers are happy to be free from annual rent increases. If they were still renting their apartment, the rent would be about \$100 more than their \$600 mortgage payment, David Spencer said.

"Now we have a nice backyard for our great-grandkids, and we seem to have attracted some of them on a daily basis," he said. "I just love it."