

Executive Summary Draft

(For Public Comment)

The City of Canton, Ohio
Neighborhood Stabilization Program Grant Submission
NSP Substantial Amendment

Grant Request \$ 35,000,000.00

Purpose

The Draft Neighborhood Stabilization Program (NSP) Plan was prepared in response to the enactment of the American Recovery and Reinvestment act of 2009 where 1.93 Billion is allocated to address vacant abandoned and foreclosed properties.

As a requirement of the American Recovery and Reinvestment act of 2009, the city is required to utilize funding in the areas at the Census Tract level based on the estimated number and percentages of foreclosures and others that combines it with the estimated foreclosure rate and vacancy. Scores were ranked from 1 to 20 with 20 being census tracts with greatest need selecting an index score of 18 and above.

Eligible Activities and Evaluation Criteria

Eligible activities which can be undertaken with NSP funds are as follows:

- a. establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft seconds, loan loss reserves, and shared equity loans for low and moderate, middle income homebuyers;
- b. purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;
- c. establish land banks for homes that have been foreclosed upon;
- d. demolish blighted structures; and
- e. redevelop demolished or vacant properties.

Canton Home Recovery Committee

The City of Canton formed the Canton Home Recovery Committee to assist with developing a plan to address the needs to the community relating to vacant abandoned and foreclosed home. This committee comprised of Council Members, Department of Development, Local Non profits, for-profits, developers, lenders and realtors who have experience in foreclosure housing development.

Proposed Activities

The city of Canton with its partners will allocate funding to support a program designed to facilitate the community's acquisition of vacant, abandoned and foreclosed properties. These activities will result in the stabilization of the neighborhoods affected and will achieve long term economic benefits.

The activities considered are:

Acquisition-Land Bank

Rehabilitation

Redevelopment

Demolition

Home Buyer Assistance

Counseling

Financing Mechanisms

Admin

Target Areas

The City of Canton as lead agency of a consortium of the Stark County Region has identified 18 census tracts in the City of Canton, 5 in the City of Massillon and 12 in the Stark County (outside of The City of Canton and Massillon).

Distribution of funds

The city of Canton will use funds in the following areas as prescribed by HUD. 25% the allocation must be used to benefit housing for persons 50% and below of the area median income.

Administration 10% Cap	\$ 3,500,000.00
Demolition 10% Cap	\$ 3,500,000.00
Acquisition-Land Bank	\$26,500,000.00
/Rehab/Redevelopment/ New Construction	
Home Buyer Assistance	\$1,000,000.00
Housing Counseling	\$ 500,000.00

Public Comment Period

This draft is available in print Public comments shall be in writing and must be addressed to Carmen West, Deputy Director of Development, Canton City Hall, 218 Cleveland Ave. SW, 5th Floor, Canton, Ohio, 44701 and received no later than 4:00 P.M. on July 14, 2009 The NSP application must be received by the U.S. Department of Hud no later than 5:00 P.M. on July 17, 2009