

\$210,000 grant OK'd for housing rehabilitation

Wednesday, May 7, 1980 ITHACA JOURNAL 3

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Ithaca Neighborhood Housing Services today won a \$210,000 federal grant for renovating 16 two-family houses in old downtown neighborhoods of the city.

"This is a tremendous coup for Ithaca," said Elisabeth Prentice, executive director of the rehabilitation agency, who received the news from the office of Rep. Matthew F. McHugh (D-27th Dist.)

Prentice said Washington officials told her more than 1,000 applicants competed nationally for the funds, less than 70 projects were chosen, and that the grant here was one of the largest. The average amount was \$125,000, she said.

Confirmation is expected later today from the Rev. Geno Baroni, assistant secretary of the federal Department of Housing and Urban Development.

Prentice said the grant will expand the agency's home recycling program in Southside and Northside neighbor-

hoods. Vacant or deteriorating houses are bought, renovated and resold at the appraised value, preferably to persons already living in the neighborhood.

Nine homes are now being recycled with agency funds, she said. Duplexes cost more to renovate, and that was the reason for applying for additional funds.

Prentice said one apartment in the two-family homes will be occupied by the owner, and the other will be rented to tenants aided by Section 8 federal rent subsidies.

"We wanted to increase the supply of rental units that are affordable and of good quality," she said. "Very few are now available in the city."

Prentice said Neighborhood Housing Services already has several properties in mind.

The funds are expected in July and will support purchase, renovations and resale during the next 30 months.

The project was suggested by Paul Testa, the agency's

recycling coordinator, and aided by Ithaca city planners. Prentice said they have been working on the application since December, when she became the new NHS director.

Strong cooperation from local bankers was a key factor in the application's success, she said. Citizens Savings Bank gave "the lead commitment" for first-mortgage financing, she said, and was joined by Savings and Loan Association, Tompkins County Trust Co. and First Bank of Ithaca.

In addition to the bank commitments, the buyers of the duplexes will be aided by second mortgages available at low interest rates through NHS.

Competing for the federal grants were organizations throughout the nation that planned neighborhood improvements of various types, including housing rehabilitation.

They applied to Baroni, who is HUD's assistant secretary for neighborhoods, voluntary associations and

consumer protection. Baroni has been in the news in recent days because of the papal edict restricting the participation of Catholic priests in public life, and it is not yet clear whether he will continue in his post.

Ithaca Neighborhood Housing Services is a non-profit corporation established by the city in cooperation with neighborhood residents and local banks. The first small-city NHS in the United States, it has been recognized as a model for similar agencies in other cities.

In the past three years, agency staff helped guide the rehabilitation of 145 Southside and Northside homes; granted 72 low-cost loans totaling \$682,000; provided small-scale repairs for 126 clients, many of them elderly; and helped 30 renters buy the houses they occupy. The emphasis is on helping low-income families.

The purposes of recycling, one of several NHS programs, are to rescue derelict houses, strengthen blocks in appearance and property value, and add more housing to the city's short supply.