

# PRESS RELEASE

Mayor's Office • 100 East Michigan Blvd. • Michigan City, IN 46360 • (219) 873-1400 • Fax: (219) 873-1515  
www.emichigancity.com

## For Immediate Release

**Date:** June 4, 2009

**Contact:** Judith Pinkston, CDBG Program Director for the City of Michigan City  
219-873-1419, ext. 340

A joint release of:



## Michigan City Receives \$2.8 Million in Neighborhood Stabilization Program Grant Funds

Mayor Charles Oberlie and Community Development Director, Judith Pinkston, announced today that the City of Michigan City has been awarded \$2.8 Million of Neighborhood Stabilization Program (NSP) grant funds by the Indiana Housing and Community Development Authority (IHCDA). As part of the Housing and Economic Recovery Act of 2008, the Department of Housing and Urban Development created the Neighborhood Stabilization Program (NSP) to mitigate the negative impacts of vacant and abandoned houses on neighborhoods of greatest need. NSP is a component of the Community Development Block Grant Program (CDBG).

Mayor Chuck Oberlie said, "On behalf of Michigan City, I extend our thanks to the Indiana Housing and Community Development Authority staff for recognizing the merits of our grant application and I thank our own Judy Pinkston for preparing a detailed plan of action that will positively impact the many residents of our Westside neighborhoods. I look forward to working with Westside residents as we begin the task of removing blighted structures and then helping to create new housing on the Westside."

The Westside of the City is the targeted neighborhood for all of the NSP funds. The Westside Project area is bordered by Wabash Street to the east, Sheridan to the west, W.4<sup>th</sup> Street to the north and Ferry Street to the south. This area is experiencing the highest rates of foreclosure, subprime mortgages and risk of home abandonment. In addition, studies have shown that this area has the most substandard and unsafe housing in the City. The proposed activities funded by the NSP grant will attempt to slow down the decline of the neighborhood by removing blighted structures and stabilizing the neighborhood.

The City will partner with Citizens Concerned for the Homeless, LaPorte County Habitat for Humanity; the Michigan City Housing Authority, and Housing Opportunities, Inc. as well as the City's Code Inspection Department. Proposed projects include demolition of approximately 30 blighted structures that have been identified as unsafe premises estimated cost \$500,000; redevelopment of a vacant structure owned by Citizens Concerned for the Homeless to create a combination learning center and apartment estimated cost \$100,000; and approximately \$2.2 million will be used for the redevelopment of foreclosed vacant properties generating 16 new homes either through new construction and/or rehabilitation of those vacant homes.

The timeframe for the projects varies, however, the City expects that some demolitions could occur as early as this fall with some of the remaining projects expected to be bid during 2010. The result of these funds being expended in the Westside should be significant. The livability and safety of the neighborhood should improve since removal of blighted structures helps reduce criminal activities around these houses and also ensures that the blighted unsafe structures do not become tempting to children in the neighborhood. According to Judith Pinkston, Community Development Director, "The removal of blighted structures will make the whole neighborhood look better and less desolate. In addition, the building of new homes and rehabilitation of vacant homes in the target area will help restore a sense of pride in the Westside. This effort should have a positive impact not only on the visual and aesthetics, but is a positive step to assist Westside residents who have tried to maintain their properties only to have an adjacent vacant property continue to worsen with graffiti and neglect."

###