



NEWS RELEASE

From Mayor Dean DePiero

FOR IMMEDIATE RELEASE
Tuesday, February 10, 2009

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PARMA BATTLES FORCLOSURE CRISIS WITH APPLICATION FOR STATE GRANT

(PARMA) – The City of Parma is asking the State of Ohio to approve its Neighborhood Stabilization Program (NSP) in the amount of \$1.6 million. The money would be used to combat the negative impact on its neighborhoods being felt nationwide due to the ongoing foreclosure crisis.

“The state money would have a great impact on our city to stay ahead of the effects of foreclosure,” said Parma Mayor Dean DePiero. “The city will be able to acquire and demolish vacant and foreclosed homes that have deteriorated into a state of total disrepair and potential danger.”

The second facet of Parma’s NSP will be Nuisance Demolition, a process to prevent foreclosed homes from dropping housing values in the community.

“One frustrating aspect of the foreclosure crisis has been the unwillingness of the banks to maintain the foreclosed home or even take ownership of it,” said Community Services and Economic Development Director Erik Tollerup. “As a result, these structures have been left to decay amidst well maintained residential neighborhoods – depressing housing values and the appearance of the neighborhood. That will not happen with this program.”

The Department of Housing and Urban Development allocated \$116,859,223 to the State of Ohio in late 2008 for its NSP activities. City of Parma inspectors will closely monitor foreclosed housing and make a recommendation to City Council if the home is eligible to receive Summary Nuisance Abatement. Once City Council approves, Parma will contract for demolition, and send the bill for the demolition services to the property owner to repay the NSP fund.

“We’re taking a common sense approach,” said Mayor DePiero. “After careful consideration and study of Parma’s demographics and its foreclosed inventory, the city determined that downsizing the numbers of homes available within the city was the best approach to stabilizing values. It makes sense.”

(more)

The City of Parma is requesting the State of Ohio approve its Neighborhood Stabilization Program plan totaling \$1,611,677.

“All you have to do is look around any neighborhood in any city and you can appreciate what this grant money will do,” said Director Tollerup. “Foreclosed homes that are still viable will still sell for less than market value in the foreseeable future. But removing the obsolete homes from the stock will create a stabilizing effect for the local market and an immediate positive impact for the surrounding neighbors.”

The Neighborhood Stabilization Program (NSP) application is available for public viewing and comment on the city website www.cityofparma-oh.gov , at the City Council Office (6611 Ridge Road) or at the Community Services & Economic Development Office (5592 Broadview Road #101) during normal business hours.

The public can comment on the City of Parma NSP plan between February 10th and February 25th by calling Erik Tollerup at (216) 661-7412 or by e-mailing him at etollerup@cityofparma-oh.gov.

“We certainly want the public’s input,” said Director Tollerup. “Our plan is not set in concrete and is still open for modification right up to the point we offer our final draft to the State on February 27.”

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