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City gets \$1.5m to rehab homes in foreclosure

By *PATRICK MEIGHAN* Staff Writer

NASHUA – The city has been approved to get \$1.5 million to buy and resell foreclosed and abandoned properties on Main Street and in the Tree Streets neighborhood.

Additionally, Harbor Homes Inc. received \$2.09 million for a similar program in the Tree Streets and French Hill neighborhood. The governor and Executive Council recently announced that Nashua was approved for the federal Neighborhood Stabilization Funds. The state had approved the city's preapplication for the money last spring, all but assuring the money would be forthcoming.

The city had applied for a \$5.9 million slice of what was anticipated to be a \$19.6 million state pie. The amount of federal money the state had available to disburse through the program turned out to be \$18.03 million, with the city and Harbor Homes getting a combined \$3.59 million, or 19.9 percent of the total disbursed statewide.

The city of Manchester was awarded \$7.74 million, the most in the state, and will subgrant portions to other organizations to redevelop foreclosed, vacant or abandoned properties in West Granite, Corey Square and the Hollow neighborhoods, according to the N.H. Community Development Finance Authority. Berlin received \$4.3 million and Rochester \$2.4 million.

Nashua officials waited until the final approval came before taking the first step in starting the program – signing a contract with Bedford civil engineering company T.F. Moran Inc., which will begin the process of identifying the properties and working with the city to find perspective buyers.

Mayor Donnalee Lozeau said she signed the contract with T.F. Moran on Monday. The Board of Aldermen gave its approval to the city to enter the program after a public hearing last April.

Nashua was picked as a "tier one" community, along with Manchester, Derry, Rochester and Berlin, and invited to apply for the funds. The U.S. Department of Housing and Urban Development disburses the funds through the state.

The money will allow the city to purchase and then resell properties, with an emphasis on encouraging home ownership, city officials said.

Under the grant agreement, proceeds from properties that are resold will be returned to the N. H. Community Development Finance Authority, which then will channel the money to lower priority "tier two" communities, officials said.

Properties that can't be resold will be rented, and the city will partner with Harbor Homes and the Nashua Housing Authority, city officials said.

Patrick Meighan can be reached at 594-6518 or pmeighan@nashuatelegraph.com.

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