

**OFFICE OF THE LT. GOVERNOR**  
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Sue Ellspermann  
LT. GOVERNOR

**For Immediate Release**  
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**Lt. Governor Sue Ellspermann Announces  
Blight Elimination Program Awards  
for Marion and Lake Counties**

*Five applicants awarded \$15 million  
to address blighted homes*

Indianapolis – Lt. Governor Sue Ellspermann today announced that five Indiana cities received a combined award of more than \$15 million to help eliminate blighted and abandoned homes in those communities through the Hardest Hit Fund Blight Elimination Program (BEP). The five initial cities are East Chicago, Gary, Hammond, Indianapolis and Lawrence. They are the successful applicants in the first of six rounds of funding that will make a total of \$75 million available for blight elimination to reduce foreclosures.

The Blight Elimination Program provides an opportunity for local units of government in all 92 Indiana counties to compete for funding to eliminate blighted, vacant and abandoned homes and decrease foreclosures.

“We sincerely thank the U.S. Treasury for its support to make Indiana’s Blight Elimination Program a reality,” said Ellspermann. “Through the demolition and redevelopment process, these five Indiana cities will see a positive impact on their property values, public safety and sense of community.”

“Neighborhoods across Indiana that have been struggling with the damaging effects caused by vacant and abandoned properties will soon see the benefit of these federal funds,” said Treasury Under Secretary for Domestic Finance Mary Miller. “We believe this program is a critical step in preventing foreclosures by reducing blight in our communities and hope these efforts help stabilize neighborhoods for years to come.”

The Blight Elimination Program funds will be drawn from the \$221.7 million Hardest Hit Fund money allocated to Indiana. In February 2014, the U.S. Department of the Treasury approved the use of \$75 million of Indiana’s Hardest Hit Funds by Indiana Housing and Community Development Authority (IHCDA) for successful BEP applicants. The partnership between IHCDA and Treasury allows IHCDA to provide funding to local units of government to

eliminate blighted properties and offer a variety of end uses for the newly cleared parcels, such as green space or redevelopment.

The State of Indiana has been divided into six funding divisions. Any local unit of government wishing to receive funds to eliminate blighted homes must apply to IHCDA. Applicants will apply for funds from the funding division in which their county is located.

“The goal of the Blight Elimination Program is to help reduce foreclosures, stabilize homeowner property values and increase public safety in communities throughout Indiana,” said Mark Neyland, IHCDA Director of Asset Preservation, who supervises Indiana’s Hardest Hit Fund Program. “A blight elimination program of this size and scope has never occurred in this state. This is truly a once-in-a-lifetime opportunity to eliminate blighted properties in dozens of neighborhoods, and revitalize those areas through greening and other productive end uses.”

IHCDA estimates that approximately 4,000 blighted and/or abandoned homes in Indiana will be eliminated through the Blight Elimination Program. Interested local government officials should visit [www.877GetHope.org/blight](http://www.877GetHope.org/blight) to learn more and apply.

## **Background**

Blighted, vacant and abandoned homes are a serious issue for Indiana homeowners, neighborhoods and communities. Sadly, the State of Indiana has the dubious distinction of having the highest percentage of abandoned foreclosed homes in the country. RealtyTrac and 24/7 Wall Street have reported that roughly 30 percent of Indiana’s foreclosed homes are abandoned. Many of these properties quickly fall into a state of blight and attract undesirable or unlawful activity, thereby negatively impacting Indiana homeowners and neighborhoods by reducing property values and draining local government resources. Many Indiana communities simply lack the resources necessary to combat this growing problem alone.

The U.S. Department of the Treasury established the Housing Finance Agency Innovation Fund for the Hardest-Hit Markets (Hardest Hit Fund) to provide financial assistance to families in the states most impacted by the downturn of the housing market. The U.S. Department of the Treasury designed the overall program to give each participating state the flexibility to tailor its program to the unique factors contributing to its state’s foreclosure problems. Eighteen states and the District of Columbia administer Hardest Hit Fund assistance to qualified homeowners struggling to make their mortgage payments.

Since IHCDA’s announcement that it was exploring the use of Hardest Hit Funds to eliminate blighted and abandoned properties, many have expressed concern that doing so might detract from the mission of helping struggling homeowners avoid foreclosure. IHCDA reassures the public that blight elimination is simply one more instrument in the foreclosure prevention tool kit. As of April 30, 2014, approximately 3,300 homeowners have received an estimated \$37.8 million in Hardest Hit Fund mortgage payment assistance; and another \$81.2 million has been reserved to make mortgage payments for the approved homeowners currently enrolled in the program. For more information on Indiana’s Hardest Hit Fund, visit [www.877GetHope.org](http://www.877GetHope.org).

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**About The Indiana Housing and Community Development Authority:** The Indiana Housing and Community Development Authority (IHCDA), chaired by Lt. Governor Sue Ellspermann, creates housing opportunity, generates and preserves assets, and revitalizes neighborhoods by investing financial and technical resources in the development efforts of qualified partners throughout Indiana. IHCDA believes that growing Indiana's economy starts at home. For more information, go to [www.ihcda.in.gov](http://www.ihcda.in.gov).

*The Lieutenant Governor manages the following agencies of State government: Office of Defense Development, Office of Community and Rural Affairs, Indiana State Department of Agriculture, Office of Tourism Development, Office of Small Business and Entrepreneurship and the Indiana Housing and Community Development Authority.*

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