

THE OPINION OF THE RGJ EDITORIAL BOARD

Housing Authority could save neighborhoods from blight

Leveraging the \$4.7 million in neighborhood stabilization funds promised by the federal government to help consumers trapped in the home foreclosure crisis won't help people who already have lost their homes. But it could help others who want and deserve a chance to purchase and live in a home. It also could help the city by saving neighborhoods from sliding into the rundown conditions we call "blight."

Combined with a plan to turn over the city's authority to pay a \$1 purchase price for homes owned by the U.S. Department of Housing and Urban Development

SNAPSHOT

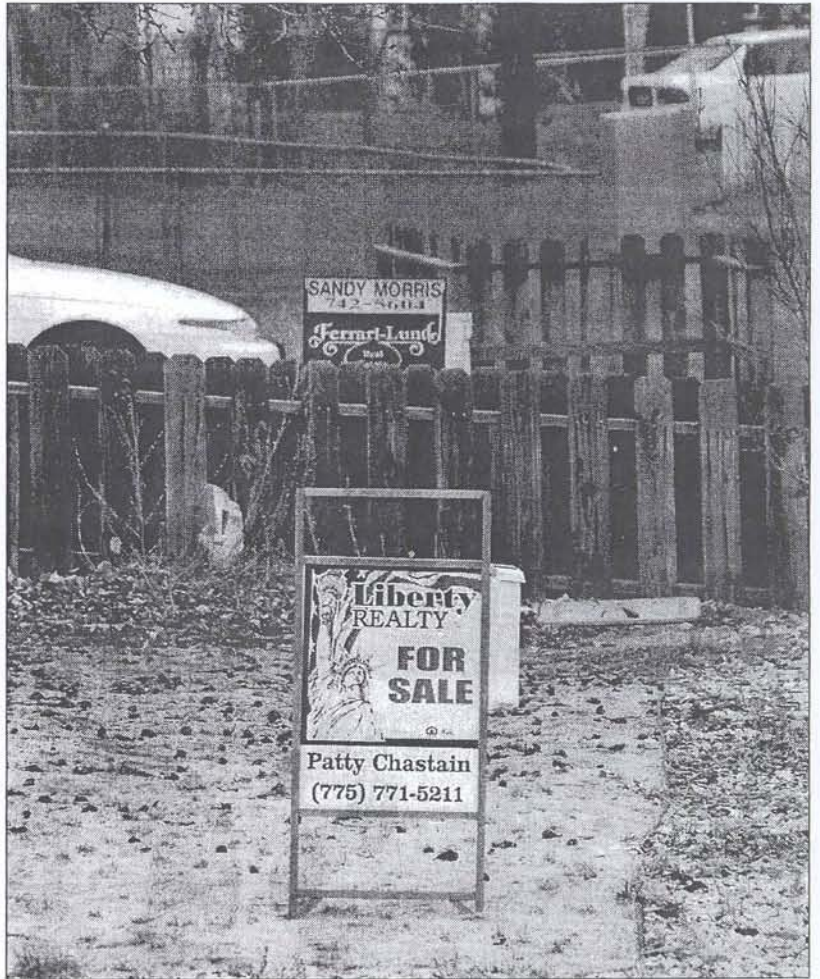
TOPIC: Foreclosures

OUR VIEW: Reinvesting funds from selling, renting and leasing could make a difference.

and inviting Sparks and Washoe County to join in, the Reno Housing Authority might make a real difference. Reinvesting funds from reselling, leasing or renting distressed properties could also make a difference in the financial viability of the Housing Authority.

Federal rules allow local agencies to purchase homes that have been on the market for more than six months without an offer. It has been reported that the Housing Authority has taken the bull by the horns and already is operating under those rules to rehabilitate neighborhoods. Officials deserve credit for their proactive efforts.

The Oliver/Montello area, west Sparks and parts of Reno where the volume of foreclosures is high would help hard-working low-income people, if they want to live there. That's a job that is natural to the Housing Authority. However, this new proposal seems, instead, to target



RENO GAZETTE-JOURNAL FILE PHOTO

For sale signs were seen on Nov. 26 on Mount Baldy Street in Stead.

middle-income people. Several neighborhoods are on the drawing board for such rehabilitation, including in Stead. The city needs to address that one possible contradiction.

In an admirable departure from the causes of the housing crisis, it is expected that proof of income and a down payment will be required.

Extending from the discussion about how to help troubled homeowners and how to prop up local housing markets, the stabilization funds have been a long

time coming. Still, the city won't see a dime until at least Feb. 1.

Taxpayers who are concerned that the city might find itself trapped in a home sales business should remember that government's job is to protect its citizens. Putting residents into homes that are consistent with their means is one way the city can do its job.

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