

**Schedule A – Local Program (Local Action Plan)**

**LOCAL ACTION PLAN TEMPLATE**

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**A. Identification of Area(s) of Greatest Need**

The City of New London is a small city, both in population (27,674 according to the CT Department of Economic and Community Development/DECD) and in land area (5.7 square miles). In 2008 it was designated the sixth most *distressed municipality* in the State of Connecticut (CT DECD), a move from tenth just two years prior.

The chart below reflects figures from the 2000 Census. However, the economy is suffering now more than in 2000. The unemployment rate is one example of a statistic that is clearly no longer accurate; the Connecticut rate is up 1.4% and the New London rate is up by 1.8% since the 2000 Census. It can be extrapolated that the unemployment rate for the target area is now well above the 10% mark.

**Demographic and Socio-Economic Characteristics  
City of New London and NSP Target Area**

	Connecticut	City of New London	Target Area*
Population	3,405,565	27,654	3,175
% Racial Minority	18.5%	36.5%	42%
Unemployment Rate	5.2%	6.8%	8.5%
Median Household Income	\$53,935	\$33,809	\$35,417
Median Family Income	\$65,521	\$38,942	\$39,093
Per Capita Income	\$28,766	\$18,437	\$16,863
% Below Poverty	7.9%	15.8%	20.4%
Housing Units	1,301,670	11,560	1,468
% Owner Occupied Housing Units	66.8%	37.9%	47%
% Renter Occupied Housing Units	33.2%	62.1%	53%
Median Year Structure Built	1961	1943	1940

\* Target area includes Census Block Groups 6904.1, 6904.2, and a portion of 6903.2.

New London is third in the state in the percentage of all loans that are in foreclosure and is seventh in the percentage of sub-prime loans. Nearly 8.5% of all loans are delinquent by 30 days or more, leading to the probability of a significant increase in foreclosures in the coming months.

Sixteen structures containing 29 units in the target area are now bank-owned. Some of these structures are eyesores and attract vandalism. Such homes can attract squatters, increasing the