

# Action Plan

**Grantee:** Lake County, OH

**Grant:** B-08-UN-39-0005

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|---------------------------------|-----------------------|
| <b>LOCCS Authorized Amount:</b> | \$ 3,402,859.00       |
| <b>Grant Award Amount:</b>      | \$ 3,402,859.00       |
| <b>Status:</b>                  | Reviewed and Approved |
| <b>Estimated PI/RL Funds:</b>   | \$ 318,985.14         |
| <b>Total Budget:</b>            | \$ 3,721,844.14       |

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## Funding Sources

**No Funding Sources Found**

## Narratives

### Areas of Greatest Need:

To meet the statutory targeting requirement for NSP activities, the County will utilize data provided by HUD and use the Foreclosure Risk Score prepared by HUD.

To find the area benefit eligible communities, we added up the number of  $\geq 120\%$  persons and total persons in each community by census tracts and block groups. Any community with over 51% of

This analysis produced 3 lists of local communities: Whole Area (Community) Eligible, Some Eligible Areas, and Community Not Eligible. We will use these lists to determine where demolitions can be done with NSP funds. The County Has determined that the Cities of Painesville, Eastlake and the Village of Madison are the areas showing the greatest need.

### Distribution and and Uses of Funds:

Utilizing the data provided by HUD, it has been determined that the areas of greatest need, including those areas with the highest percentage of foreclosures and housing units financed by a subprime related loans have been identified by the County as the City of Painesville, City of Eastlake and Madison Township.

Activities will focus on acquisition/construction/rent (option to sell) of new single family dwelling units through a partnership with Western Reserve Community Development Corporation (WRCDC). A secondary, yet just an important project, is the construction of a 17 unit permanent supportive apartment housing community in Painesville. Through our partnership with Extended Housing, Inc, this project will meet the 25% seta aside provision.

The County will also consider selling a vacant lot (acquisition, demo due to blight) to adjacent income eligible landowners. Similar to homes that are sold, an NSP lien would be filed on the property detailing the affordability period and requirements.

These projects will be accomplished via Developer Agreements with WRCDC and Extended Housing Inc.

### Definitions and Descriptions:

Blight:

Per the State of Ohio's Board of Building Standards, a blighted structure is a blighted structure is a structure in which its conditions make it imminently dangerous to health, safety or general welfare of its occupants or the public. Conditions include those that do not comply with state, county or municipal health, welfare or safety including conditions that are structurally unsafe, unsanitary or not providing adequate safe exists, or that constitutes a fire hazard, existing use constitutes a hazard to public health, welfare or safety by reason of inadequate maintenance, dilapidation or obsolescence and does not comply with housing, building, HQS or city housing maintenance codes. If the blighted structure cannot be repaired or rehabilitated at a cost equal to or less than 50% of its assessed value as shown by the most recent appraisal the property may be considered for demolition.

Affordable Rents:

The approved 2005-2009 Lake County Consolidated Plan defines affordable rents as those at or below the applicable Fair Market Rent (FMR) for the Cleveland Area Metropolitan Area as defined by HUD. This definition of affordable rents will also be



>used for the Lake County NSP.

Lake County will ensure continued affordability by requiring the use of an enforcement document against each piece of real property. All units receiving assistance greater than \$10,001 will hold a Declaration of Covenants against the property with a long term affordability component meeting or exceeding HOME Investment Partnership standards. Affordability standards will be as follows: NSP assistance for homebuyer programs, acquisition/rehabilitation/resell: \$10,001 - \$40,000 will require continued affordability for 15 years. NSP funding of more than \$40,001 will require continued affordability for 20 years. Acquisition or new construction of rental units will mandate an affordability period of not less than 20 years at any funding level.

All units will be monitored for continued affordability during their required period of affordability. Repayment Agreements will be subject to the Lake County Subordination Policy in the event a homeowner chooses to sell, refinance or transfer the title of the real property. In the event a homeowner does not fulfill the 10 year period of affordability, repayment to the NSP program will be required and funds will be used for another NSP eligible project. All units subject to a Declaration of Covenants will be maintained as affordable housing units until said Declaration is satisfied. All rental housing created will be subject to ongoing monitoring of its physical condition and required to meet Housing Quality Standards (HQS) for its predetermined period of affordability. Monitoring schedules will follow the HOME standard requiring NSP properties of 1-4 units be monitored every 3 years, properties with 5-25 NSP units will be monitored every 2 years and properties with 26 or more NSP units will be monitored annually. If NSP funds assist a property that was previously assisted with HOME funds, but on which the affordability restrictions were terminated through foreclosure or transfer in lieu of foreclosure, Lake County will revive the HOME affordability restrictions for the greater of the remaining period of HOME affordability or the continuing affordability requirements of the NSP notice.

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>Lake County will require that all NSP assisted homebuyers complete a pre-purchase workshops conducted by the Fair Housing Resource Center, Inc. They are a HUD Certified Housing Counseling Agency that works with residents to meet pre-purchase, post-purchase, foreclosure and reverse mortgage needs.

### **Low Income Targeting:**

Lake County will subcontract with two (2) area nonprofit agencies that serve the special needs population. Extended Housing, Inc. will administer a new construction project that will provide 17 new efficiency apartments for the special needs population in Lake County. Secondly, Western Reserve Community Development Corporation will create new single family rental housing opportunities throughout the identified target areas.

### **Acquisition and Relocation:**

Lake County intends to partner with local non profits and contract with parties who have experience in acquisition and rehabilitation.

All homebuyers will have incomes at or below 120% of AMI and will be located through a marketing campaign, which may include, but not be limited to, newspaper or tv ads, local non profit campaigns, notices on the websites, etc.. A centralized waiting list will be created as needed.

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>Applications shall be processed by Lake County or its contracted agent(s). Lake County is aware that mortgages are difficult to obtain, and many homebuyers will have damaged credit. Lake will work with local counselors to assist homebuyers with credit repair and homebuyer counseling. Lake County also intends to work with local banks to develop programs and is developing a strategy for direct mortgage assistance and a lease to purchase program.

Lake County, or its agents, shall work with local contractors with the appropriate licenses and insurance. Rehabilitation specifications shall be developed for each property. Bids shall be awarded through a competitive bid process and will be awarded to the lowest responsible bid. Lake County reserves the right to designate a bid as non responsible due to capacity or performance issues.

Project managers shall inspect the properties and ensure that work is being completed and appropriate permits and inspections have occurred. When purchasers are identified prior to rehabilitation, homebuyers will have input into the specification development for items such as color selections. All homes will be sold for the lesser of the cost of acquisition and rehab or appraised value. A financial strategy is under development to ensure affordability and documents shall be required to ensure continued affordability.

Lake County does intend to demolish units which conditions are substandard and are not cost effective to rehabilitate. These properties will be determined as blight and creating a hardship on surrounding low/mod neighborhoods. Properties located in most low mod areas will meet the affordable housing definition as set by HUD. It is the County's intent to develop these properties with new permanent housing opportunities for households at or below 120% AMI.

### **Public Comment:**

The Action Plan and Substantial Amendment will be made available via internet and hard copies at various county offices.

Per discussions with our HUD rep, staff changed the Project Title for Project 01 to "Acquisition/Rehabilitation/Redevelopment." This will conform with DRGR specifications and will help clarify the eligible uses in our NSP plan.

Feb. 2011: Verified proposed accomplishments and beneficiaries per HUD technical guidance.

March 2011: The Action Plan was amended, per technical guidance to reflect budget adjustments for Activities 02, 05 and 06 due to the expenditure of program income originally booked for Activity 02. Internally we account 100% for the budgets of all 3 of our these activities, but the budget within DRGR for Activity 02 is too low to fulfill the remaining expenses. The figure is low because the program income dollars (budgeted for Activity 02) were the first drawn from Activity 02's budget, regardless of the activity we were invoiced for; for example, the first handful of invoices received in the winter of 2010 were for activities 05/06, rather than activity 2. That said, as required by NSP guidance, we used the program income (rather than program funds) to pay these bills via the DRGR voucher method. Therefore, our budgets for Activities 05 and 06 are high because the first invoices were paid with PI rather than Program Funds. The budget adjustments taken in this Action Plan are based on Technical Guidance received on March 30, 2011. It should be noted that many communities are encountering this issue of correctly budgeting program income expenditures in DRGR.

The adjusted budgets are discussed in the narratives of activities 02, 05, 06.

August 2011: A home constructed under activity 02 was sold and Program Income of \$101,432.84 was received. Initially, staff thought we would need to adjust the obligations and budgets in the Action Plan and DRGR as noted in the "March 2011" narrative above, but research and guidance from HUD help desk indicated that PI should be reflected during the QPR stage and is not obligated in DRGR.

Staff attempted to increase the budget and obligation in Activity 02 but was unable to do so because this would result in an overall budget in



excess of our total NSP grant. Furthermore, unlike the "March 2011" description the obligations and budgets of the other Activities does not require any adjustments.

The difference between this amendment and the "March 2011" situation is that we had to adjust budgets/obligations in multiple activities due to PI being used for all the activities and drastically reducing the funds available for activity 02 which is where we need the funds. While we understand traditionally the PI is the first amount to be invoiced, we would like to restrict this to only Activity 02 which will allow us to fulfill the 6 homes described in DRGR. If future issues arise, staff will work with CPD and HUD help desk to correct the system.

August 17, 2011: Staff reduced the budget for Activity 05 by \$101,432.84 (Program Income received due to sale of home in July) and increased the budget of Activity 02 by the same amount. This PI was budgeted for Activity 02 but because PI is required to be used before program funds, we had to use the \$101,432.84 for Activity 05 invoices. This minor adjustment is similar to the amendment in March and is based on HUD TA.

December 15, 2011: During a financial review, staff discovered that budgets for activities 02 and 06 were not representative of the true figures. While reviewing the Action Plan the difference between the "Total Budget:" amount, \$3,646,195.91 and the sum of the "Project Budget" was \$57,112.84. This is the amount of program income drawn from Activities 02 (\$9,573.45) and 06 (\$47,539.39). Therefore, we increased the Project budget by \$57,112.84 and then increased the budget for activity 02 by \$9,573.45 and the budget for activity 06 by \$47,539.39. These figures tie with our internal property tracker.

February 2012: As the current administration continues to evaluate the NSP program, we decided to amend Activity 02 and reduce it to 5 homes opposed to 6. The sixth parcel (Argonne St.) in Painesville, Ohio will be included in a newly created land bank activity (Eligible Use C). It was discovered the home met the NSP definition of foreclosure because it was delinquent on the property taxes. This documentation is in the file.

This amendment was posted to the Lake County Planning Commission website and hard copies were made available at various County offices during the 15 day citizens participation period.

May 2012: See Activities 01 and 02 for explanation. Staff has reclassified eligible uses within our NSP 1 and 2 programs. Staff has also made minor budget adjustments to Activity 01 to complete the final home.

Finally, staff will be "holding back" \$25,358.21 of administrative funds to meet the 25% setaside for all PI collected after October 2010 that is required to be directed to the 50% LMI project (Extended Housing). We have sold one home after this date and collected \$101,432.84. Should we sell another home prior to grant closeout, we will direct 25% of those funds to the Extended Housing project as well.

January 2013: A home in Project 01 (528 Bank St.) was sold producing \$75,648.23 of PI. Staff increased the Budget for Project 04 (McKinley Grove) by \$44,270.26. This represents 25% of the PI from the sale of the two homes (Bank St. and Beachpark) in Project 01. This fulfills the 25% of PI requirement. The balance of the PI (\$31,377.97) was directed to Project 01.

February 2013: A new activity was created under Project 01. This activity (08) will allocate funds for the acquisition and ultimate rehabilitation of a single family home in Madison, Ohio. The unit will be leased to an individual meeting the 50% AMI income limits. This will bring Lake County into compliance with 25% setaside requirement.

The project is funded with the balance of our PI from the 528 Bank St. sale (\$24,720.51) and the balance of funds in our NSP III activity (\$14,188.62).

August 2014:

Aug. 2014: Activity 07 was amended, based on p. 33 of the NSP Closeout Guide (rev. 4/22/14) amending eligible use D to include demolition as eligible uses under Acquisition and Disposition. The parcel is in a low income Census Tract and identified in our Substantial Amendment. The activity meets the LMMA National Objective by removing a structure that poses a detriment to an NSP target area. This amendment was shared with OneCPC to ensure compliance with the rules (question ID: 31570). This amendment was also shared with our NSP Close-out staff during our close-out call that occurred on Aug. 1, 2014.

Per NSP close-out guidance, staff has completed a correction to Performance Report 3, Addresses. Staff will review the amendment upon approval to ensure the download was completed accurately.

## Project Summary

| Project # | Project Title                         | Grantee Activity #                   | Activity Title                                 |
|-----------|---------------------------------------|--------------------------------------|--|
| 01        | Acquisition/Rehabilitation/Redevelopm | 02                                   | NSP 1, Phase 1 (WRDCDC)                        |
|           |                                       | 05                                   | Future NSP 1, Phase III (WRDCDC)               |
|           |                                       | 06                                   | NSP I, Phase II (WRDCDC)                       |
|           |                                       | 08                                   | 50% AMI rental                                 |
| 02        | Administration                        | 01                                   | 24CFR570.206(a)(1)-Planning and Administration |
| 03        | Eliminated Activity (Sept., 13, 2010) | 03                                   | Eliminated activity (Sept. 13, 2010)           |
| 04        | Redevelopment-Extended Housing Inc.   | 04                                   | 24CFR570.201(a)-Rental Housing                 |
| 05        | Acquisition and Disposition           | 07                                   | Argonne  |
| 9999      | Restricted Balance                    | <i>No activities in this project</i> |  |



# Activities

**Project # / Title:** 01 / Acquisition/Rehabilitation/Redevelopment

**Grantee Activity Number:** 02  
**Activity Title:** NSP 1, Phase 1 (WR CDC)

**Activity Type:**  
 Rehabilitation/reconstruction of residential structures

**Activity Status:**  
 Under Way

**Project Number:**  
 01

**Project Title:**  
 Acquisition/Rehabilitation/Redevelopment

**Projected Start Date:**  
 01/15/2009

**Projected End Date:**  
 01/14/2013

**Project Draw Block by HUD:**  
 Not Blocked

**Project Draw Block Date by HUD:**

**Activity Draw Block by HUD:**  
 Not Blocked

**Activity Draw Block Date by HUD:**

**Block Drawdown By Grantee:**  
 Not Blocked

**National Objective:**  
 LM MI: Low, Moderate and Middle Income National Objective for NSP Only

**Total Budget:** \$ 838,633.30  
**Other Funds:** \$ 0.00  
**Total Funds:** \$ 838,633.30

**Environmental Assessment:**

**Benefit Report Type:**  
 Direct (Households)

| Proposed Beneficiaries | Total | Low | Mod | Low/Mod% |
|------------------------|-------|-----|-----|----------|
| # Renter Households    | 2     |     | 2   | 100.00   |
| # Owner Households     | 3     |     | 3   | 100.00   |
| # of Households        | 5     |     | 5   | 100.00   |

| Proposed Accomplishments | Total |
|--------------------------|-------|
| # of Singlefamily Units  | 5     |
| # of Housing Units       | 5     |
| # of Properties          | 5     |



**Activity is being carried out by Grantee:**

No

**Activity is being carried out through:**

**Organization carrying out Activity:**

Western Reserve Community Development

**Proposed budgets for organizations carrying out Activity:**

| Responsible Organization              | Organization Type | Proposed      |
|---------------------------------------|-------------------|---------------|
| Western Reserve Community Development | Unknown           | \$ 831,975.84 |

**Location Description:**

Cities of Painesville, Eastlake and Madison

**Activity Description:**

Purchasing and rehabilitating homes. Neighborhoods will be stabilized and low to middle income families will obtain homeownership.

As part of our staff transition in late 2010, Lake County staff, along with Western Reserve Community Development Corporation verified the eligible uses on the properties in this phase. The classifications are as follows:

1. 325 Fifth St., Eligible Use B
2. 528 Bank St., Eligible Use E
3. 723 E. 343rd, St., Eligible Use B
4. 34045 Beachpark Rd., Eligible Use B
5. 370 Sanford St., Eligible Use E
6. 568 Argonne St., Eligible Use E

March 2011: The total project for this activity was adjusted to reflect the proper amount of \$682,330.62. Program income of \$141,904.07 was "booked" for future use under this activity. Due to program income being drawn down prior to program funds, expenditures for activities 05 and 06 were paid from PI and thus reduced the funds budgeted for activity 02. This adjustment was based on technical guidance provided to staff on March 30, 2011.

August 17, 2011: Staff reduced the budget for Activity 05 by \$101,432.84 (Program Income received due to sale of home) and increased the budget of Activity 02 by the same amount. This PI was budgeted for Activity 02 but because PI is required to be used before program funds, we had to use the \$101,432.84 for Activity 05 invoices. This minor adjustment is similar to the amendment in March and is based on HUD TA. The new budget for this activity is \$783,763.46. This amount will allow Lake County to fulfill the 6 homes noted in the original action plan.

February 2012: Staff and Western Reserve have reduced the proposed beneficiaries from 6 to 5. The single lot has been re-programmed into a new Land Bank Activity as it met the NSP definition of foreclosure.

May 2012: Per TA and monitoring advice, staff has reclassified all homes in this activity to Eligible Use E. NSP Resource Exchange guidance notes that Use E, vacant properties, eligible uses of NSP 1 funding for redevelopment are rehab and new construction of housing.

1. 325 Fifth St., Eligible Use E
2. 528 Bank St., Eligible Use E
3. 723 E. 343rd, St., Eligible Use E
4. 34045 Beachpark Rd., Eligible Use E
5. 370 Sanford St., Eligible Use E

Also, staff reduced the admin/planning budget and increased the budget in activity 02 by \$38,638.93 to fulfill the budget shortfall to complete the final home in this activity (5285 Bank St.). The new NSP 1 (Activity 02) budget is \$831,975.84.

Western Reserve Community Development Corporation is deferring their developers fee until another NSP home is sold.



**Grantee Activity Number: 05**  
**Activity Title: Future NSP 1, Phase III (WRCDC)**

**Activity Type:**  
 Rehabilitation/reconstruction of residential structures

**Project Number:**  
 01

**Projected Start Date:**  
 09/18/2010

**Project Draw Block by HUD:**  
 Not Blocked

**Activity Draw Block by HUD:**  
 Not Blocked

**Block Drawdown By Grantee:**  
 Not Blocked

**National Objective:**  
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

**Environmental Assessment:**

**Benefit Report Type:**  
 Direct (Households)

**Activity Status:**  
 Under Way

**Project Title:**  
 Acquisition/Rehabilitation/Redevelopment

**Projected End Date:**  
 03/01/2013

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 1,097,955.38  
**Other Funds:** \$ 0.00  
**Total Funds:** \$ 1,097,955.38

| Proposed Beneficiaries | Total | Low | Mod | Low/Mod% |
|------------------------|-------|-----|-----|----------|
| # Renter Households    | 5     |     | 5   | 100.00   |
| # Owner Households     | 2     |     | 2   | 100.00   |
| # of Households        | 7     |     | 7   | 100.00   |

| Proposed Accomplishments | Total |
|--------------------------|-------|
| # of Singlefamily Units  | 7     |
| # of Housing Units       | 7     |
| # of Properties          | 7     |

**Activity is being carried out by Grantee:**  
 No

**Activity is being carried out through:**

**Organization carrying out Activity:**  
 Western Reserve Community Development Corporation

**Proposed budgets for organizations carrying out Activity:**

| Responsible Organization                          | Organization Type | Proposed      |
|---|-------------------|---------------|
| Lake County Commissioners                         | Unknown           | \$ 0.00       |
| Western Reserve Community Development Corporation | Non-Profit        | \$ 925,919.93 |



**Location Description:**

City of Painesville

**Activity Description:**

The developer will utilize NSP funds to construct up to seven homes approximately 1,100 - 1,400 sq. ft. within the Asper Commons Subdivision located in the City of Painesville; an NSP program target area. Asper Commons is a subdivision in the City of Painesville off of Richmond St. It was developed by the developer from land assembled from vacant parcels and at least one residential unit which was demolished. The subdivision contains 11 single family residential sub lots. Two lots have been built and two lots will be combined to existing open space for a community park. This leaves seven single family residential lots available for this program.

These sites will be used to construct new single family homes for sale and/or rent to eligible low-moderate-middle income (LMMI) households per HUD NSP guidelines. The developer is required to document and verify income eligibility of all renters. The developer shall ensure affordable rents according to HUD guidelines. The developer will make these homes available to the Lake County housing non profit community and other support services like the Veterans Administration to help them provide housing to those with the greatest need.

These units will be owned and managed by the developer. They will be built to a higher standard of energy efficiency than now required and will utilize proven sustainable technologies and construction best management practices including but not limited to pervious pavement driveways, rain barrels, tankless hot water heaters and energy efficient appliances. To ensure best management practices are considered, the planning process will include consultations with the Lake County Grants Administrator, the City of Painesville, Fair Housing, and the staffs of the Lake County Planning Commission and Lake County Soil and Water.

All properties in this activity are classified as Eligible Use E, Vacant Properties.

March 2011: The total project for this activity was adjusted to reflect the proper amount of \$1,027,325.77. Program income of \$141,904.07 that was "booked" for future use under activity 02 was used to pay for \$84,791.23 worth of activity 05 invoices. This new budget reflects the actual budget amount and corresponds with internal accounting material. This adjustment was based on technical guidance provided to staff on March 30, 2011.

August 17, 2011: Staff reduced the budget for Activity 05 by \$101,432.84 (Program Income received due to sale of home) and increased the budget of Activity 02 by the same amount. This PI was budgeted for Activity 02 but because PI is required to be used before program funds, we had to use the \$101,432.84 for Activity 05 invoices. This minor adjustment is similar to the amendment in March and is based on HUD TA. The new budget for this activity is \$925,919.93.



**Grantee Activity Number:** 06  
**Activity Title:** NSP I, Phase II (WRCDC)

**Activity Type:**  
 Rehabilitation/reconstruction of residential structures

**Activity Status:**  
 Under Way

**Project Number:**  
 01

**Project Title:**  
 Acquisition/Rehabilitation/Redevelopment

**Projected Start Date:**  
 09/19/2010

**Projected End Date:**  
 03/01/2013

**Project Draw Block by HUD:**  
 Not Blocked

**Project Draw Block Date by HUD:**

**Activity Draw Block by HUD:**  
 Not Blocked

**Activity Draw Block Date by HUD:**

**Block Drawdown By Grantee:**  
 Not Blocked

**National Objective:**  
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

**Total Budget:** \$ 550,000.00  
**Other Funds:** \$ 0.00  
**Total Funds:** \$ 550,000.00

**Environmental Assessment:**

**Benefit Report Type:**  
 Direct (Households)

| Proposed Beneficiaries | Total | Low | Mod | Low/Mod% |
|------------------------|-------|-----|-----|----------|
| # Renter Households    | 2     |     | 2   | 100.00   |
| # Owner Households     | 1     |     | 1   | 100.00   |
| # of Households        | 3     |     | 3   | 100.00   |

| Proposed Accomplishments | Total |
|--------------------------|-------|
| # of Singlefamily Units  | 3     |
| # of Housing Units       | 3     |
| # of Properties          | 3     |

**Activity is being carried out by Grantee:**  
 No

**Activity is being carried out through:**

**Organization carrying out Activity:**  
 Western Reserve Community Development

**Proposed budgets for organizations carrying out Activity:**

| Responsible Organization              | Organization Type | Proposed      |
|---------------------------------------|-------------------|---------------|
| Western Reserve Community Development | Unknown           | \$ 550,000.00 |





**Location Description:**

Cities of Eastlake, Painesville and Madison.

**Activity Description:**

The DEVELOPER will utilize NSP funds to acquire property and construct up to three homes approximately 1,100 - 1,400 sq. ft. within the primary and secondary target areas noted in Lake County's Substantial Amendment.

These sites will be used to construct new single family homes and rent or sell them to eligible low-moderate-middle income (LMMI) households per HUD NSP guidelines. The developer is required to document and verify income eligibility of all renters. The developer shall ensure affordable rents according to HUD guidelines. The developer will make these homes available to the Lake County housing non profit community and other support services like the Veterans Administration to help them provide housing to those with the greatest need.

These units will be owned and managed by the developer. They will be built to a higher standard of energy efficiency than now required and will utilize proven sustainable technologies and construction best management practices including but not limited to pervious pavement driveways, rain barrels, tankless hot water heaters and energy efficient appliances. To ensure best management practices are considered, the planning process will include consultations with the Lake County Grants Administrator, the City of Painesville, Fair Housing, and the staffs of the Lake County Planning Commission and Lake County Soil and Water.

Long-term, lease-purchase options will be available for qualified individuals and subject to affordability terms. Affordability standards as required by Section 92.254 of the HOME Program regulations will be as follows: NSP assistance for homebuyer programs, acquisition/rehabilitation/resell: \$10,001 - \$40,000 will require continued affordability for 15 years. NSP funding of more than \$40,001 will require continued affordability for 20 years. Acquisition or new construction of rental units will mandate an affordability period of not less than 20 years at any funding level.

As part of our staff transition in late 2010, Lake County staff, along with Western Reserve Community Development Corporation verified the eligible uses on the properties in this phase. The classifications are as follows:

1. 321 Morrell Ave., Eligible Use B
2. 1312 E. 342nd St., Eligible Use E
3. 57 Sterling Ave., Eligible Use E

March 2011: The total project for this activity was adjusted to reflect the proper amount of \$502,460.61. Program income of \$141,904.07 that was "booked" for future use under activity 02 was used to pay for \$47,539.39 worth of activity 06 invoices. This new budget reflects the actual budget amount and corresponds with internal accounting material. This adjustment was based on technical guidance provided to staff on March 30, 2011.

May 2012: Per guidance and research on the NSP Resource Exchange, 321 Morrell is reclassified to Eligible Use E. This was a vacant property.

**Grantee Activity Number:** 08  
**Activity Title:** 50% AMI rental

**Activity Type:**  
 Acquisition - general

**Project Number:**  
 01

**Projected Start Date:**  
 03/01/2013

**Project Draw Block by HUD:**  
 Not Blocked

**Activity Draw Block by HUD:**  
 Not Blocked

**Block Drawdown By Grantee:**  
 Not Blocked

**National Objective:**  
 LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

**Environmental Assessment:**  
 UNDERWAY

**Benefit Report Type:**  
 Direct (Households)

**Activity Status:**  
 Planned

**Project Title:**  
 Acquisition/Rehabilitation/Redevelopment

**Projected End Date:**  
 05/01/2013

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 38,909.13  
**Other Funds:** \$ 0.00  
**Total Funds:** \$ 38,909.13

**Proposed Beneficiaries**

|                     | Total | Low | Mod | Low/Mod% |
|---------------------|-------|-----|-----|----------|
| # Renter Households | 1     | 1   |     | 100.00   |
| # of Households     | 1     | 1   |     | 100.00   |

**Proposed Accomplishments**

|                                   | Total |
|-----------------------------------|-------|
| # of Singlefamily Units           | 1     |
| # of Housing Units                | 1     |
| # of Parcels acquired voluntarily | 1     |
| # of Properties                   | 1     |

**Activity is being carried out by Grantee:**  
 No

**Activity is being carried out through:**

**Organization carrying out Activity:**  
 Western Reserve Community Development Corporation

**Proposed budgets for organizations carrying out Activity:**

| Responsible Organization                          | Organization Type | Proposed     |
|---|-------------------|--------------|
| Western Reserve Community Development Corporation | Non-Profit        | \$ 38,909.13 |



**Location Description:**

Activity includes the acquisition and rehabilitation of a single family home in Madison, Ohio (Oldsmar Avenue). This is a target area in Lake County.

**Activity Description:**

The home will be acquired and rehabed for lease to a family/person meeting the 50% AMI threshold. NSP funds will be used for the acquisition and WRDCDC funds will complete the rehab. The home was a HUD owned unit and WRDCDC received a 10% discount through the FHA First Look Program.

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**Project # / Title: 02 / Administration**

**Grantee Activity Number: 01**  
**Activity Title: 24CFR570.206(a)(1)-Planning and Administration**

**Activity Type:**

Administration

**Project Number:**

02

**Projected Start Date:**

01/15/2009

**Project Draw Block by HUD:**

Not Blocked

**Activity Draw Block by HUD:**

Not Blocked

**Block Drawdown By Grantee:**

Not Blocked

**National Objective:**

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

**Environmental Assessment:**

**Benefit Report Type:**

NA

**Activity Status:**

Under Way

**Project Title:**

Administration

**Projected End Date:**

03/13/2013

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 298,361.07

**Other Funds** \$ 0.00

**Total Funds** \$ 298,361.07



**Activity is being carried out by Grantee:**

No

**Activity is being carried out through:****Organization carrying out Activity:**

Lake County Commissioners

**Proposed budgets for organizations carrying out Activity:**

| Responsible Organization  | Organization Type | Proposed      |
|---------------------------|-------------------|---------------|
| Lake County Commissioners | Unknown           | \$ 337,000.00 |

**Location Description:**

Lake County Commissioners  
 Federal Grants Office  
 105 Main Street Painesville, OH 44077

**Activity Description:**

These funds will be used to provide administrative activities including, but not limited to: personnel to carry out contract management functions.

The County experienced a staff transition during the 2010 Summer. In order to proceed in accordance with NSP guidelines, staff has been working diligently with HUD and the ULI (technical assistance). Lake County staff is confident in the direction of the NSP program. Recent work activities include:

- evaluation/and edits to Action Plan (based on HUD guidance)
- creation of property tracker database (ULI support)
- internal audit of financial position
- corrective financial actions
- finalizing Developer Agreements with respective parties in order to meet obligation deadlines.

**Project # / Title: 03 / Eliminated Activity (Sept., 13, 2010)**

**Grantee Activity Number:** 03  
**Activity Title:** Eliminated activity (Sept. 13, 2010)

**Activity Type:**

Rehabilitation/reconstruction of residential structures

**Project Number:**

03

**Projected Start Date:**

01/15/2009

**Project Draw Block by HUD:**

Not Blocked

**Activity Draw Block by HUD:**

Not Blocked

**Activity Status:**

Under Way

**Project Title:**

Eliminated Activity (Sept., 13, 2010)

**Projected End Date:**

07/13/2013

**Project Draw Block Date by HUD:****Activity Draw Block Date by HUD:**

**Block Drawdown By Grantee:**

Not Blocked

**National Objective:**

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

**Total Budget:** \$ 0.00

**Other Funds** \$ 0.00

**Total Funds** \$ 0.00

**Environmental Assessment:**

**Benefit Report Type:**

Direct (Households)

**Proposed Beneficiaries**

# of Households

| Total | Low | Mod | Low/Mod% |
|-------|-----|-----|----------|
|       |     |     | 0.0      |

**Proposed Accomplishments**

# of Housing Units

**Total**

7

# of Properties

8

**Activity is being carried out by Grantee:**

No

**Activity is being carried out through:**

**Organization carrying out Activity:**

Western Reserve Community Development

**Proposed budgets for organizations carrying out Activity:**

**Responsible Organization**

Western Reserve Community Development

**Organization Type**

Unknown

**Proposed**

\$ 212,144.00

**Location Description:**

County-wide Properties to be demolished will be properties that are in a LMA as defined by CDBG and not less than 51% low mod by census

**Activity Description:**

Purchase and demolish the structure, secure utilities and remove any debris, waste or environmental hazards

**Project # / Title:** 04 / Redevelopment-Extended Housing Inc.-25% set-aside

**Grantee Activity Number:**

04

**Activity Title:**

24CFR570.201(a)-Rental Housing



**Activity Type:**

Acquisition - general

**Project Number:**

04

**Projected Start Date:**

09/18/2010

**Project Draw Block by HUD:**

Not Blocked

**Activity Draw Block by HUD:**

Not Blocked

**Block Drawdown By Grantee:**

Not Blocked

**National Objective:**

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

**Environmental Assessment:****Benefit Report Type:**

Direct (Households)

**Activity Status:**

Under Way

**Project Title:**

Redevelopment-Extended Housing Inc.-25%

**Projected End Date:**

03/01/2013

**Project Draw Block Date by HUD:****Activity Draw Block Date by HUD:****Total Budget:** \$ 894,985.26**Other Funds** \$ 0.00**Total Funds** \$ 894,985.26**Proposed Beneficiaries**

# Renter Households

|                     | <b>Total</b> | <b>Low</b> | <b>Mod</b> | <b>Low/Mod%</b> |
|---------------------|--------------|------------|------------|-----------------|
| # Renter Households | 17           | 17         |            | 100.00          |
| # of Households     | 17           | 17         |            | 100.00          |

**Proposed Accomplishments**

# of Multifamily Units

# of Housing Units

Total acquisition compensation to owners

# of Parcels acquired voluntarily

# of Parcels acquired by admin settlement

# of Parcels acquired by condemnation

# of Properties

**Total**

17

17

1

1

1



**Activity is being carried out by Grantee:**

No

**Activity is being carried out through:**

**Organization carrying out Activity:**

Extended Housing, Inc.

**Proposed budgets for organizations carrying out Activity:**

| Responsible Organization | Organization Type | Proposed      |
|--------------------------|-------------------|---------------|
| Extended Housing, Inc.   | Unknown           | \$ 850,715.00 |

**Location Description:**

The Project Site is located in a targeted revitalization neighborhood in the City of Painesville, Ohio and in very close proximity to Western Reserve Community Development and Extended Housing as well as local amenities.

**Activity Description:**

- Two story new construction, approximately 17,000+ square feet permanent support housing apartment community
  - 50% of tenants will be homeless with mental illness, the remaining tenants will be low income and disabled
  - 17 one-bedroom units (fully furnished with on-site supportive services). Possibly efficiency units if a variance is approved by the City of Painesville.
    - Common Areas include and are not limited to kitchen, laundry, office space(s), Community Room/Celebration Room, bathroom(s)
    - Extended Housing, Inc. will own and manage the property.
    - Rent will be the FMR of \$633 which includes all utilities. Tenants will either have income sufficient at 30% of their income to meet the \$633 rent structure or a rental subsidy through SPC, HOME, etc.
    - Subsidies to come from Extended Housing’s current subsidies or from new SPC vouchers Supportive Services
    - Extended Housing, Inc. will continue its practice of working with service providers
    - Pathways, Inc.’s Crisis Hotline will operate on site from 8:00 a.m. – 11:00 p.m. Monday through Friday
    - Project Community Room available for the following groups:
      - BRIGES: Mental Health Consumer Empowerment’s “Wellness Management & Me” Lifeline’s “Daily Living Skills”
    - Volunteers to work alongside residents to offer a “Monthly Meal” to persons in the community
    - Office Space on Site available for a service provider to meet with residents as needed
    - On Site Staff via Extended Housing, Inc., 11:00 p.m. – 3:00 a.m. Daily
    - Integrated treatment involves a number of elements. The following services are available through the dual disorders program:
      - case management
      - money management
      - special counseling and groups specifically designed for people with dual disorders
      - education regarding medications and other steps to recovery from both illnesses
      - supported employment services
      - information and supports for family members and loved ones
- May 2012: Staff will be "holding back" \$25,358.21 of administrative funds to meet the 25% setaside for all PI collected after October 2010 that is required to be directed to the 50% LMI project (Extended Housing). We have sold one home after this date and collected \$101,432.84. Should we sell another home prior to grant closeout, we will direct 25% of those funds to the Extended Housing project as well.

**Project # / Title: 05 / Acquisition and Disposition**

**Grantee Activity Number: 07**  
**Activity Title: Argonne**



**Activity Type:**

Clearance and Demolition

**Project Number:**

05

**Projected Start Date:**

02/15/2012

**Project Draw Block by HUD:**

Not Blocked

**Activity Draw Block by HUD:**

Not Blocked

**Block Drawdown By Grantee:**

Not Blocked

**National Objective:**

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

**Environmental Assessment:**

EXEMPT

**Benefit Report Type:**

Area Benefit (Census)

**Activity Status:**

Under Way

**Project Title:**

Acquisition and Disposition

**Projected End Date:**

09/13/2014

**Project Draw Block Date by HUD:****Activity Draw Block Date by HUD:****Total Budget:** \$ 3,000.00**Other Funds** \$ 0.00**Total Funds** \$ 3,000.00**Proposed Accomplishments**

# of Properties

**Total**

1

LMI%:

**Activity is being carried out by Grantee:**

No

**Activity is being carried out through:****Organization carrying out Activity:**

Western Reserve Community Development Corporation

**Proposed budgets for organizations carrying out Activity:****Responsible Organization**

Western Reserve Community Development Corporation

**Organization Type**

Non-Profit

**Proposed**

\$ 3,000.00

**Location Description:**

Activity will occur at 568 Argonne Ave., Painesville, Ohio. This is a low income census tract and is identified as a target area in the Substantial Amendment.

**Activity Description:**

This project will allow WRDC and the County to explore potential end uses for this parcel including:

- infill single family development
- sale to adjacent income eligible landowners (side lot expansion)

Aug. 2014: The parcel is in a low income Census Tract and identified in our Substantial Amendment. The change in eligible use D to include demolition as an eligible use under Acquisition and Demolition led to this amendment. The activity meets the LMMA National Objective by removing a structure that poses a detriment to an NSP target area.

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## Action Plan Comments:

Reviewer - Action Plan changes are found to be acceptable and will permit the grantee to move forward in a clearer, simpler manner. - BLG 9/15/10

Reviewer - Grantee has had rehabilitation and redevelopment on its action plan and had previously aggregated these activities under rehabilitation in DRGR. Grantee separated some activities, which impacted re-allocation of funds, added redevelopment to project title, and posted for public comment. The updates to Grantee Activities #2, 5, and 6 are acceptable. - OA 1/7/2011

Reviewer - Approved - TB - 1/7/11

Reviewer - Grantee reviewed and updated the proposed accomplishments and beneficiaries in the Action Plan per HUD HQ guidance sent on 1/28/2011. The updates are acceptable. -OA 2/11/2011

Reviewer - Approved - TB - 2/11/11

Reviewer - Grantee adjusted the budget for Activities 02, 05, and 06 by moving PI of \$141,904.07 generated from Activity 02 to Activity 05 (\$84,791.23) and Activity 06 (\$47,539.39). The PI was used to pay invoices for the latter two activities as those invoices came first. Budgets for Activities 05 and 06 were reduced by those PI amounts. Later on, Activity 02 budget was increased to reflect actual development contract. Substantial amendment is not required as the PI was used for the same beneficiary, same eligible activity, and same area already included in the Action Plan. Grantee stated that the 3/30/2011 issue-specific Technical Guidance was provided by ICF and ULI, from whom the grantee had previous TA. The adjustments are acceptable. OA 4/1/2011

Reviewer - Approved - TB - 4/4/11

Reviewer - Grantee was trying to obligate PI to activity 2. DRGR does not allow PI to be obligated due to the obligation would go over the grant amount. The only change made to this amendment is the narrative explaining why a change was made and the subsequent actions. Recommend Approval. BW-8/9/11

Reviewer - Approved - TB - 8/9/11

Reviewer - Grantee has changed budgets due to PI First In, First out rule. PI used to pay invoices from Activity 5. Grantee is moving funds from Activity 5 that were covered with PI and moving them to Activity 2 to cover future development costs. Grantee is following guidance with the revision. Recommend Approval. BW -8/17/11

Reviewer - Approved - TB - 8/29/11



- Reviewer - Grantee changed budgets to show shortfalls that were occurring in Activity 2 and 5 budgets and to the overall grant amount. Recommend Approval- BW 12/15/11
- Reviewer - Concurrence and approval; RTH 12/15/11
- Reviewer - Grantee has created a landbanking activity and needed to revise the action plan. Lake County followed all relevant regulations for public participation. Activity is acceptable. Recommend Approval. BW 2/16/12
- Reviewer - Recommend Approval. RTH 2/16/12
- Reviewer - Grantee has made changes to work toward finishing the implementation of NSP 1. To make that happen, money from admin was needed to cover a gap in the financing to finish construction on a NSP home. Changes in use was agreed to by myself and the planning director. Recommend Approval. BW 6/1/12
- Reviewer - Recommend Approval RTH 6/1/12
- Reviewer - Grantee has added PI to the appropriate budgets from a recent NSP sale. All budgets are within the grant + PI amount. Recommend Approval. BW 1/2/13
- Reviewer - Recommend Approval: RTH 1/2/13
- Reviewer - See comments from 1/2/13. Changes did not save within DRGR, grantee caught the error and re-submitted with the correct changes. Recommend Approval. 1/3/13
- Reviewer - Recommend Approval: 1/3/13
- Reviewer - Grantee has added a new activity (#8) in order to meet the LH 25 set aside aspect of the NSP 1 grant. Activity budgets were adjusted accordingly. Admin is below the 10% cap. Recommend Approval 2/5/13 BW
- Reviewer - Recommend Approval: RTH 2/6/13
- Reviewer - Recommend Approval: RTH
- Reviewer - Recommend Approval: RTH

## Action Plan History

| Version               | Date       |
|-----------------------|------------|
| B-08-UN-39-0005 AP#1  | 08/15/2014 |
| B-08-UN-39-0005 AP#2  | 08/06/2014 |
| B-08-UN-39-0005 AP#3  | 02/06/2013 |
| B-08-UN-39-0005 AP#4  | 01/03/2013 |
| B-08-UN-39-0005 AP#5  | 01/02/2013 |
| B-08-UN-39-0005 AP#6  | 06/01/2012 |
| B-08-UN-39-0005 AP#7  | 02/16/2012 |
| B-08-UN-39-0005 AP#8  | 12/15/2011 |
| B-08-UN-39-0005 AP#9  | 08/29/2011 |
| B-08-UN-39-0005 AP#10 | 11/23/2009 |

