

Action Plan

Grantee: Reading, PA

Grant: B-09-CN-PA-0014

LOCCS Authorized Amount:	\$ 5,000,000.00
Grant Award Amount:	\$ 5,000,000.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 1,750,000.00
Total Budget:	\$ 6,750,000.00

Funding Sources

Funding Source	Funding Type
B-09-CN-PA-0014	Other Federal Funds

Narratives

Executive Summary:

Executive Summary

The City of Reading, Our City Reading, Inc. and the Reading Housing Authority welcomes the opportunity to address the foreclosure crisis within the City through the usage and implementation of Neighborhood Stabilization Funding 2. The City is fortunate enough to have the commitment of two very strong partners with a long, proven track record of success in rehabilitating housing units and providing decent, safe and affordable homes to low/mod individuals and families. Census tracts were identified due to the high impact of vacancy and foreclosure rates – the consortium wanted to have the most direct impact on the targeted geography that met HUD’s criteria, among which, will have funding going to the purchase and rehabilitation of single family dwellings and no multi-family dwellings even considered for funding. We are confident that this team can meet all rules and requirements (25% of funding to 50% below area medium income for example) set forth and look forward to getting to work on undertaking this momentous assignment.

Target Geography:

Targeted Geography

The targeted geography for the NSP2 program was selected due to the number of foreclosures within the census tracts chosen. The following census tracts were selected: 10 (foreclosure score 13, vacancy score 18, max score 18), 11 (foreclosure score 14, vacancy score 18, max score 18), 12 (foreclosure score 15, vacancy score 18, max score 18), 13 (foreclosure score 15, vacancy score 19, max score 19), and census tract 18 (foreclosure score 12, vacancy score 17, max score 17).

The first four tracts are located centrally within the City’s downtown core while 18 is located in a vital “gateway” into the City.

Program Approach:

Program Approach

The three entities comprising of the NSP2 consortium have been addressing issues of neighborhood stability in the City of Reading for some time, including the issue of foreclosure and the destabilizing effect that this has had on neighborhoods. Please view our budget below.

CDBG Eligible Activity
Responsible entity
Amount in original NSP2 application
Proposed number of units in original NSP2 application



Revised budget amount
Revised number of units
Acquisition of foreclosed and vacant homes for renovation
City of Reading Community Development Department with Our City-Reading
\$1,080,000.00

120
\$675,000.00

80
Renovation of foreclosed, abandoned and vacant homes
Our City-Reading
\$4,320,000.00

120
\$2,700,000.00
80

Homeownership counseling
Our City-Reading

\$40,000.00
120
\$25,000.00
80

Acquisition of homes meeting the HUD guidelines for rental renovation for families at 50% or below medium income
City of Reading Community Development Department & the Reading Housing Authority
\$394,094.00

31
\$246,308.75
20

Renovation of homes meeting the HUD guidelines for rental renovation for families at 50% or below medium income
The Reading Housing Authority

\$1,593,056.00
31
995,660.00
20

Homeownership counseling
The Reading Housing Authority

\$12,850.00
31
\$8,031.25
20

Project Administration

City of Reading CD Dept. Our City Reading and the Reading Housing Authority
\$560,000.00

151
\$350,000.00
100

Total(s):
\$8,000,000.00
151
\$5,000,000.00
100

Consortium Members:

Consortium Members

The Consortium is comprised of the City of Reading, Pennsylvania (lead agency), the Reading Housing Authority (RHA) and Our City-Reading, Inc.
Our City Reading (OCR)

Our City Reading is a 501C non profit corporation with a three pronged mission: to create pride and stability through home ownership to Reading's first time home buyers, to bring new high quality job opportunities to the area, and-to enhance the quality of life for city and surrounding community residents. In 2001 Our City Reading began to interact with government entities, bankers, and local building contractors, to fully restore market and sell houses in all areas of the city of Reading. As of January 2007, Our City Reading has assisted over 300 families to become first time homebuyers. OCR's banking partners provided low interest loans, at rates below standard residential housing mortgage rates.

OCR's non-profit structure, high volume purchasing of home restoration materials, local contractors and the favorable financing arrangements have made the transition from rental to home ownership very affordable for our inner city Reading residents. Homes sell for less than most residents now pay in rent per month including taxes and insurance.

Currently OCR has renovated and restored over 425 houses within the City of Reading providing first time homebuyers an excellent home at affordable costs. Please check out Our City-Reading's website at: <http://www.ourcityreading.org/ocr/index.htm>



The Reading Housing Authority (RHA)

The Reading Housing Authority (RHA) is a Public Housing Agency that is organized under the laws of Pennsylvania, and whose primary contract is with the U.S. Department of Housing and Urban Development (HUD). The agency was organized in 1939 under the U.S. Housing Act in order to meet the housing needs of residents of the City of Reading, many of whom who could not otherwise afford housing that was decent and safe. The agency continues to seek that end today, by offering quality, affordable housing options and opportunities for the families that are served.

The Reading Housing Authority operates different programs in order its goal. Affordable rents for income eligible individuals and families in the agency's 1600+ Public Housing Apartments and Townhouses that are located in 8 different developments throughout the City of Reading. Through the Section 8 Housing Choice Voucher Program, more than 600 families are assisted in paying their rent to private landlords. In its Homeownership programs, participants are able to purchase a house in the City of Reading by utilizing short and long term assistance with budgeting and rent/mortgage payments. The Homeownership program uses both the Public Housing and Section 8 Housing Choice Voucher programs to assist those interested in homeownership and many families have taken advantage of these programs and become homeowners.

The City of Reading, Community Development Department

The City of Reading's Community Development Department is well versed in administering federal grants from HUD — we are an entitlement community receiving an allocation of CDBG, HOME and ESG each year. In addition to these funds the City is currently administering activities funded through our HPRP and CDBG-R grants. The City has three full time community development specialists, one full time fiscal officer and a full time rehabilitation specialist. Our department director has vast experience in community and economic development/revitalization. The Department's direct line is (610) 655-6211. Daniel Z. Wright, the system administrator can be reached at Daniel.wright@readingpa.org

How to Get Additional Information:

How to get additional information

To contact the City of Reading:
<http://www.readingpa.gov> homepage

Crystal I. Edwards, Community Development Manager
(610) 655-6392 or crystal.edwards@readingpa.org

Lenin Agudo, Community Development Director
lenin.agudo@readingpa.org(610) 655-6211

Contacts/additonal information regarding Our City-Reading

<http://www.ourcityreading.org/ocr/index.htm> homepage

Communications regarding affordable housing: Carrie Miller, Housing Director (610) 898-6138 or carriemiller@boscovs.com

Project Management/Construction: Garreth Donly, (610) 898-6166 or gdonly@boscovs.com

Mr. Albert Boscov, Chairman (610) 898-1011 or aboscov@boscovs.com

Contacts/Additional Information regarding the Reading Housing Authority
<http://www.readingha.org> homepage

info@readingha.org.
Daniel Luckey, Executive Director

Reading Housing Authority
400 Hancock Boulevard

Reading, PA. 19611-1802
Phone: (610) 775-4813
Fax: (610) 777-5965

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
1	NSP Acquisition	B-1	NSP Acquisition LMMI - CD/OCR
		B-2	NSP Acquisition LM - CD/RHA
2	NSP Acquisition and Rehabilitation	B-3	NSPAcq.Rehab.ForeclosedLMMI
		B-3.1 Vacant	B-3.1 - Rehab Vacant LMMI OCR
		B-4	NSP Acq.Rehab. LH25



3	Cancelled: Homeownership	B-5	Homeownership Counseling
		B-6	Homeownership Counseling - RHA
4	NSP Administration	B-7	NSP Administration
9999	Restricted Balance		<i>No activities in this project</i>



Activities

Project # / Title: 1 / NSP Acquisition

Grantee Activity Number: B-1
Activity Title: NSP Acquisition LMMI - CD/OCR

Activity Type:
Acquisition - general

Activity Status:
Under Way

Project Number:
1

Project Title:
NSP Acquisition

Projected Start Date:
04/15/2010

Projected End Date:
12/30/2011

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: \$ 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%
80		80	100.00

Proposed Accomplishments

of Properties

Total
80

Activity is being carried out by Grantee:
No

Activity is being carried out through:

Organization carrying out Activity:
Our City Reading

Proposed budgets for organizations carrying out Activity:

Responsible Organization
Our City Reading

Organization Type	Proposed
Non-Profit	\$ 675,000.00



Location Description:

Targeted geography based upon foreclosure score & located centrally within the City of Reading and the gateway into the City.

Activity Description:

Acquisition of vacant/foreclosed/abandoned properties in Central City of Reading as well as Gateways of Reading.



Grantee Activity Number: B-2
Activity Title: NSP Acquisition LM - CD/RHA

Activity Type:
 Acquisition - general

Project Number:
 1

Projected Start Date:
 04/15/2010

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)

Proposed Beneficiaries

of Households

Total	Low	Mod	Low/Mod%
20	20		100.00

Proposed Accomplishments

of Properties

Total
20

Activity is being carried out by Grantee:
 No

Activity is being carried out through:

Organization carrying out Activity:
 Our City Reading

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Our City Reading

Organization Type

Non-Profit

Proposed

\$ 246,308.75

Location Description:



Activity Description:

Acquisition of homes meeting the HUD guidelines for rental renovation for families at 50% or below medium income

Project # / Title: 2 / NSP Acquisition and Rehabilitation

Grantee Activity Number: B-3
Activity Title: NSPAcq.Rehab.ForeclosedLMMI

Activity Type:
Rehabilitation/reconstruction of residential structures
Project Number:
2
Projected Start Date:
07/01/2009
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:
COMPLETED
Benefit Report Type:
Direct (Households)

Activity Status:
Under Way
Project Title:
NSP Acquisition and Rehabilitation
Projected End Date:
03/31/2013
Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 4,127,500.00
Other Funds: \$ 0.00
Total Funds: \$ 4,127,500.00
Program Income Account:
Our City of Reading, PI Account

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# of Households	80		80	100.00
 Proposed Accomplishments				
# of Housing Units		Total		
# of Properties		80		



Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

Our City Reading

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Our City Reading	Non-Profit	\$ 2,700,000.00

Location Description:

Activity Description:

Renovation of foreclosed, abandoned and vacant homes.

This activity includes homeownership counseling activities for NSP2 buyers. Our city-Reading, Inc. contracts with vendors like BCAP and NHS to provide home-ownership counseling to NSP2 buyers. Activity B3 now includes payment of vendors to NHS and BCAP by Our City-Reading, Inc.

Grantee Activity Number: B-3.1 Vacant
Activity Title: B-3.1 - Rehab Vacant LMMI OCR

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 2

Projected Start Date:
 07/01/2009

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:
 COMPLETED

Benefit Report Type:
 Direct (Households)

Activity Status:
 Under Way

Project Title:
 NSP Acquisition and Rehabilitation

Projected End Date:
 06/30/2012

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 297,966.30

Other Funds: \$ 0.00

Total Funds: \$ 297,966.30

Program Income Account:
 Our City of Reading, PI Account

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	2		2	100.00
# of Households	2		2	100.00

Proposed Accomplishments	Total
# of Singlefamily Units	2
# of Housing Units	2
# of Properties	2

Activity is being carried out by Grantee:
 No

Activity is being carried out through:

Organization carrying out Activity:
 Our City Reading

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Our City Reading	Non-Profit	\$ 300,000.00



Location Description:

200 and 833 North Front St. were acquired as vacant building by OCR under eligible use "E".

Activity Description:

NSP2 is funding the rehabilitation on these two properties for LMMI buyers



Grantee Activity Number: B-4
Activity Title: NSP Acq.Rehab. LH25

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 2

Projected Start Date:
 05/30/2010

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:
 COMPLETED

Benefit Report Type:
 Direct (Households)

Activity Status:
 Under Way

Project Title:
 NSP Acquisition and Rehabilitation

Projected End Date:
 03/31/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,785,786.18
Other Funds: \$ 0.00
Total Funds: \$ 1,785,786.18

Program Income Account:
 Our City of Reading, PI Account

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# of Households	20	20		100.00

Proposed Accomplishments

	Total
# of Housing Units	
# ELI Households (0-30% AMI)	
# of Properties	20

Activity is being carried out by Grantee:
 No

Activity is being carried out through:

Organization carrying out Activity:
 Our City Reading

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Our City Reading	Non-Profit	\$ 995,660.00

Location Description:



Activity Description:

Renovation of homes meeting the HUD guidelines for rental renovation for families at 50% or medium income. Although OCR will acquire and rehabilitate these units, the management will be carried out through the RHA. This includes the long term management of the rental units as well as identification and qualifications of tenants.

Project # / Title: 3 / Cancelled: Homeownership Counseling

Grantee Activity Number: B-5
Activity Title: Homeownership Counseling

Activity Type:
Homeownership Assistance to low- and moderate-income

Project Number:
3

Projected Start Date:
06/30/2010

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:
EXEMPT

Benefit Report Type:
Direct (Households)

Activity Status:
Cancelled
Project Title:
Cancelled: Homeownership Counseling

Projected End Date:
12/30/2011

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00
Other Funds: \$ 0.00
Total Funds: \$ 0.00

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	80		80	100.00
# of Households	80		80	100.00

Proposed Accomplishments	Total
# of Housing Units	80

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

Our City Reading

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Our City Reading

Organization Type

Non-Profit

Proposed

\$ 25,000.00

Location Description:

Activity Description:

Instruction, direction & guidance regarding expenses relative to homeownership and the operation of a home, maintenance and its budget.

Grantee Activity Number: B-6
Activity Title: Homeownership Counseling - RHA

Activity Type:
 Homeownership Assistance to low- and moderate-income

Project Number:
 3

Projected Start Date:
 06/30/2010

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)

Proposed Beneficiaries

Owner Households
 # of Households

Total	Low	Mod	Low/Mod%
20	20		100.00
20	20		100.00

Proposed Accomplishments

of Housing Units

Total
20

Activity is being carried out by Grantee:
 No

Activity is being carried out through:

Organization carrying out Activity:
 Reading Housing Authority

Proposed budgets for organizations carrying out Activity:

Responsible Organization
 Reading Housing Authority

Organization Type	Proposed
Non-Profit	\$ 8,031.25

Location Description:



Activity Description:

Instruction, direction and guidance regarding expenses relative to homeownership and the operation of a home, maintenance and its budget.

Project # / Title: 4 / NSP Administration

Grantee Activity Number: B-7
Activity Title: NSP Administration

Activity Type:

Administration

Project Number:

4

Projected Start Date:

01/15/2010

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:

NSP Administration

Projected End Date:

12/30/2011

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 538,747.52

Other Funds \$ 0.00

Total Funds \$ 538,747.52

Program Income Account:

Program Income Admin



Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Reading

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
City of Reading	Local Government	\$ 350,000.00

Location Description:

Activity Description:

City of Reading's administration of the NSP grant funds.

Action Plan Comments:

- SUSAN 5-3-2010 - Action Plan rejected. Grantee did not include the projects and/or activities Cannot process
- SUSAN 5-10-2010 - Resubmitted action Plan reviewed. DRGR not contains the activities as reported in the Appendix A approved April 1, 2010. Action Plan can be approved.
- Reviewer - Action Plan was reopened in response to our request on 05/21/10. The City of Reading made the following corrections/additions to their Action Plan on 05/24/10: Description under each activity, identified the specific consortia member who is responsible under Organization carrying out Activity and confirmed that no multi-family properties are being considered for funding in their Executive Summary. The revisions conincide with the City's Appendix A.
- Reviewer - Action Plan rejected (12/19/2011)Grantee withdrew sub-recipients/consortium memebbers from housing counseling line item, and neglected to establish how housing will be/ is provided in the action plan. There is added detail on the accounting of funds spent in this area without a formal agreement allowing the activity by any of the consortium members. Grantee claims to have listed changes in Activity B-3, but no change posted.
- Reviewer - 05/30/2014 Based on email from Crystal of the City of Reading, the City needed to increase the budgets even more based on PI and expenses, so another adjustment is needed.
- Reviewer - This amendment is to increase the proposed budgets due to increased estimated program income. No other changes.



Action Plan History

Version	Date
B-09-CN-PA-0014 AP#1	07/22/2014
B-09-CN-PA-0014 AP#2	05/30/2014
B-09-CN-PA-0014 AP#3	05/16/2014
B-09-CN-PA-0014 AP#4	07/10/2013
B-09-CN-PA-0014 AP#5	01/14/2013
B-09-CN-PA-0014 AP#6	11/06/2012
B-09-CN-PA-0014 AP#7	05/17/2012
B-09-CN-PA-0014 AP#8	01/27/2012
B-09-CN-PA-0014 AP#9	05/25/2010
B-09-CN-PA-0014 AP#10	05/10/2010

