

Grantee: Cincinnati, OH

Grant: B-08-MN-39-0003

July 1, 2020 thru September 30, 2020 Performance Report

Grant Number: B-08-MN-39-0003	Obligation Date:	Award Date:
Grantee Name: Cincinnati, OH	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$8,361,592.00	Grant Status: Active	QPR Contact: AISHA TZILLAH
LOCCS Authorized Amount: \$8,361,592.00	Estimated PI/RL Funds: \$1,264,958.65	
Total Budget: \$9,626,550.65		

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

The City of Cincinnati is made up of 52 neighborhoods, all of which have been impacted by the foreclosure crisis. The City will focus its efforts on 10 of the neighborhoods most impacted which include the following: East Price Hill, West Price Hill, Avondale, Westwood, Northside, Evanston, College Hill, South Fairmont, Bond Hill, and Madisonville. The City used the following data to determine the areas of focus: HMDA high cost loan rate, City data on foreclosures in 2006 and 2007 based on the county Auditor's website, City data on vacant buildings, and City data on bank-owned buildings. Each of the neighborhood groups was ranked based on those factors. These ranks were then combined through a weighted formula in which a neighborhood's rank was given the following weight for each factor: - 70% City data on foreclosures in 2006 and 2007 based on the county Auditor's website - 10% HMDA high cost loan rate - 10% City data on vacant buildings - 10% City data on bank-owned buildings. In sum the neighborhoods selected had a total of 2,021 foreclosures in 2006 and 2007, or 66.5% of all foreclosures reported citywide. The neighborhoods had HMDA high cost loan rates ranging from 66% to 13%. A total of 738 vacant buildings, or 44.3% of all vacant buildings in the City, were reported in these neighborhoods. In addition, 639 bank owned buildings, or 60.6% of all bank owned buildings in the City, are in these ten neighborhoods.

Distribution and and Uses of Funds:

As described in the section above, the City of Cincinnati examined the following criteria: City data on foreclosures in 2006 and 2007 based on the county Auditor's website; HMDA high cost loan rate; City data on vacant buildings; and City data on bank-owned buildings. These criteria showed that throughout the City, but in particular the ten neighborhoods of greatest need, the City would benefit from redevelopment of foreclosed homes and elimination of blighted buildings. In order to accomplish this the City intends to focus its Neighborhood Stabilization Resources on the following eligible uses, funded at the following levels: Eligible Use Total Allocation (A) Establish Financing Mechanisms \$812,500 (B) Acquisition and Rehabilitation \$2,231,400 (C) Establish Land Banks \$0 (D) Demolition \$2,381,533 (E) Redevelopment \$2,100,000 Planning and Administration \$836,159 TOTAL FUNDING \$8,361,592

Definitions and Descriptions:

Blighted Structure: The City's definition of "blighted structure" in the Cincinnati Municipal Code is provided below.

Sec. 727-1-B. Blighted Premises. "Blighted premises" shall mean premises which because of their age, obsolescence, dilapidation, deterioration, lack of maintenance or repair or any combination thereof constitute a serious fire hazard, a serious health hazard, a substantial and unreasonable interference with the reasonable and lawful use and enjoyment of other premises within the neighborhood or a factor seriously depreciating property values in the neighborhood.

Affordable Rents: The City of Cincinnati will define "affordable rents" for the Neighborhood Stabilization Program using the Low HOME rents definition as stated in the Building HOME training manual. This citation is below.

Units must have rents which are no greater than: Thirty (30) percent of the tenant's monthly adjusted income, OR thirty (30) percent of the annual income of a family whose income equals 50 percent of median income (Low HOME Rent), OR if a project has a federal or state project-based rental subsidy and the tenant pays no more than 30 percent of his or her adjusted income toward rent, the maximum rent may be the rent allowable under the project-based rental subsidy program.

Continued Affordability: When Neighborhood Stabilization Program (NSP) funds are used to develop affordable rental housing in the City of Cincinnati, a Compliance Period is established at project completion and is based on the number of assisted units developed and the amount of NSP funding invested. This period will range from 5 to 20 years based on the amount of NSP funds invested per unit, and following the HOME regulations for the affordability period. Maximum rent levels



will be established annually using the HIGH HOME RENT LIMIT as published by HUD in the HOME Program Rents schedule. The City of Cincinnati reserves the right to impose lower Maximum Rents ("Low HOME Rent Limit") in units designated to serve households that are at or below 50% of the Area Median Income. In that Compliance Period, tenant rents will be monitored in a way similar to the method used by the City to monitor HOME funds. Tenant Leases will be reviewed to insure language that is not applicable has been removed. Tenant rents will be monitored annually during the affordability period to ensure compliance. The City will determine if properties are in compliance by conducting desk audits of signed self-certifications, on-site visits, and tenant file reviews. On smaller projects, the City will assess 100% of the tenants occupying NSP assisted units to verify that tenant rents and income meet program requirements. Projects consisting of approximately 25 units or more are evaluated by randomly selecting at least 20% of the NSP-assisted units. A correction period will be noted to allow property management opportunities to correct any findings or concerns. Owners who do not meet the NSP requirements within the remediation period will be referred to the Law Department for legal action. In addition, owners who have not resolved compliance violations will be excluded from participating in other City housing programs until they have corrected the deficiencies and remained in compliance for

Definitions and Descriptions:

r a year.

Low Income Targeting:

HUD requires Grantee to identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income. At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income (\$2,100,000). The City of Cincinnati intends to use approximately \$2,345,000 of its grant funds to benefit individuals or families whose incomes do not exceed 50 percent of area median income. City anticipates directing these resources towards the rehabilitation of affordable rental units.

Public Comment:

Citizen Participation. The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements. Public Hearings on Proposed 2008 Action Plan Substantial Amendment for the Neighborhood Stabilization Program

The City of Cincinnati held four public hearings on the 2008 Action Plan Substantial Amendment for the Neighborhood Stabilization Program. The first was held in City Council Chambers on October 9, 2007. A notice of this public hearing appeared in the Cincinnati Enquirer, the newspaper of general circulation, on October 1, 2008, and in the City Bulletin on October 7, 2008. In addition, notice of the public hearing was e-mailed to all 52 of the City's neighborhood Community Councils. The second public hearing was held on Monday October 13, 2008. This hearing was organized by City Council member Jeff Berding. His office provided email notification of the meeting to relevant parties. The final two public hearings on the Neighborhood Stabilization Program were part of regular Cincinnati City Council Finance Committee meetings on November 17, 2008 and November 24, 2008. Publication for 15-day Comment Period

As of November 13, 2008, the City published the 2008 Action Plan Substantial Amendment for the Neighborhood Stabilization Program for a 15-day comment period. The Proposed 2008 Action Plan Amendment was made available for citizen review online at [http://www.cincinnati-oh.gov/cmgr/pages/-12848/-](http://www.cincinnati-oh.gov/cmgr/pages/-12848/), and in the Office of Budget and Evaluation, City Hall, 801 Plum Street, Cincinnati. A paid advertisement notifying the public of the availability of the 2008 Action Plan Substantial Amendment for the Neighborhood Stabilization Program budget was run on October 1, 2008 in the Cincinnati Enquirer, a widely distributed newspaper. Notice was also placed on the City Cable Bulletin Board, run in the City Bulletin on October 7, 2008. The 2008 Action Plan Substantial Amendment for the Neighborhood Stabilization Program was made available to all interested parties, in both electronic and paper format, who request one by calling the Office of Budget and Evaluation, 352-3232. In finalizing its 2008 Action Plan Substantial Amendment for the Neighborhood Stabilization Program, the City considered comments received from citizens at the public hearings or in writing 15 days after the publication of the 2008 Action Plan Substantial Amendment for the Neighborhood Stabilization Program. In general comments received either advocated for the funds to be used for a particular type of activity, such as blight removal or rehabilitation. The City also received comments from individuals advocating for funds to be allocated to their neighborhood. The City's plan allocates resources to both rehabilitation activities as well as blight removal activities. Further, the 2008 Action Plan Substantial Amendment provides a detailed explanation of how neighborhoods of greatest need were determined. The City intends to focus resources in those neighborhoods based on the proposals that come forth from organizations within the neighborhoods. The City has provided a summary of public comments and other relevant public notice materials in Attachment C of the Amendment document.

Acquisition and Relocation:

Acquisition and relocation. The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.

The City of Cincinnati plans to demolish and potentially convert low- and moderate-income dwelling units through the Neighborhood Stabilization Program. Specifically, the City of Cincinnati expects to demolish 150 housing units. The City projects that each of those units could have housed individuals with incomes less than or equal to 80% of area median income. The number of new housing opportunities made available to individuals with incomes less than or equal to 120% of area median income will total 50. The number of dwelling units expected to become available for households whose income does not exceed 50 percent of area median income, is 24. For specific assumptions on subsidies provided through each type of activity, please refer to the activity descriptions.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$10,068,194.64
Total Budget	\$0.00	\$9,616,818.78

Total Obligated	\$0.00	\$9,201,060.65
Total Funds Drawdown	\$0.00	\$9,198,093.86
Program Funds Drawdown	\$0.00	\$8,233,822.06
Program Income Drawdown	\$0.00	\$964,271.80
Program Income Received	\$0.00	\$1,016,241.82
Total Funds Expended	\$0.00	\$9,211,075.50
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Target	Actual
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$1,254,238.80	\$0.00
Limit on Admin/Planning	\$836,159.20	\$928,765.47
Limit on Admin	\$0.00	\$928,765.47
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$2,406,637.66	\$2,661,725.86

Overall Progress Narrative:

NSP1 is currently in planning phase for single family new construction development in the Northside community. The project was anticipated to begin by the first quarter of 2020 however no movement has been made during 2020.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
90002A, NSP1 Purchase & Rehabilitation Project	\$0.00	\$1,643,671.95	\$1,439,808.29
90002B, NSP1 Purchase and Redevelopment Project	\$0.00	\$2,109,888.67	\$1,349,434.81
90003, NSP1 Redevelopment - 25% Set Aside - Affordable	\$0.00	\$2,483,561.86	\$2,191,842.57
90004, NSP1 Hazard Abatement & Demolition	\$0.00	\$2,455,965.00	\$2,452,960.95
90005, NSP1 Administration	\$0.00	\$931,731.30	\$799,775.44



