

**Grantee: Cuyahoga County, OH**

**Grant: B-11-UN-39-0002**

**October 1, 2018 thru December 31, 2018 Performance**

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**Grant Number:**

B-11-UN-39-0002

**Obligation Date:****Award Date:****Grantee Name:**

Cuyahoga County, OH

**Contract End Date:****Review by HUD:**

Reviewed and Approved

**Grant Award Amount:**

\$2,551,533.00

**Grant Status:**

Active

**QPR Contact:**

Paul Herdeg

**LOCCS Authorized Amount:**

\$2,551,533.00

**Estimated PI/RL Funds:**

\$81,326.26

**Total Budget:**

\$2,632,859.26

## Disasters:

### Declaration Number

NSP

## Narratives

### Summary of Distribution and Uses of NSP Funds:

HUD has established a "needs score" for every census tract and block group in the nation. This data was used to assign a minimum score within each state that a block group had to meet to be eligible to utilize NSP3 assistance. In Ohio that minimum score is 17. Along with the "Needs score" data, HUD also provided information at the block group level on vacancy rates, foreclosures, and housing price declines. Cuyahoga County, Department of Development staff have twice worked with staff at the Federal Reserve Bank of Cleveland to utilize their proprietary modeling data on where foreclosures are likely to occur in the next 6, 12, and 18 month periods. The same models were utilized in the County's NSP1 application and in both instances the models predicted expanding risks of foreclosure into the suburban communities. Staff at the Department of Development believe that using the HUD developed "risk score" is the best comparable measure of local community housing distress. For that reason, the county has adopted the risk score of 17 to identify areas where its allocation of NSP3 funding can be used to address eligible activities.

NSP3 funds will be used for demolition, rental housing development (25% set-aside for very low income), and other eligible activities carried out by local communities, with funds awarded on a competitive basis. Eligibility for the competitive funding will be targeted to areas of greatest need as determined by block groups or aggregation of contiguous block groups with a "need score" of 17 or greater. All projects will benefit low-, moderate-, and middle-income persons under the area benefit, housing, and/or limited clientele requirements depending on the type of project selected for funding.

Grant applications will be scored by department staff with points being awarded for projects that will have 1) a noticeable impact on the area(s) proposed, 2) a community's demonstrated capacity to oversee grant funds, and 3) activities that are appropriate for the housing stock. Since projects will be selected on a competitive basis, the budget for each project is not known at this time. We expect to award \$1,148,190.00 of NSP3 funds for six 18-month grants: three Tier 1 grants will be awarded with a maximum of \$250,000 each to applicants with target areas having an impact score of two or greater, and three Tier 2 grants will be awarded from the remaining funds (at least \$398,190) allocated to this activity to applicants with target areas having an impact score of 1 or greater. No Tier 2 grant award will exceed \$150,000. Competitive grant applications will be made available to the twenty Cuyahoga County municipalities having block groups that meet the need score threshold as determined by data provided by HUD.

### How Fund Use Addresses Market Conditions:

Communities that receive municipal grant funding will propose plans directly addressing the area's current housing stock in eligible block groups. The number of units to be addressed must be equal to or exceed the impact number as determined by HUD data. (This information will be provided to each of the twenty eligible communities on maps developed with the HUD "impact data" applied to each block group.) Proposed plans may include acquisition, rehab, new construction, and land banking of properties. Communities will be required to spend all grant funds within 18 months.

Funding for demolition will be tracked separately because the NSP3 regulations limit that activity a specific percentage of the NSP3 grant. As part of a community strategy, the need for demolition to support use of NSP3 funding to revitalize their NSP3 area is strongly encouraged and estimates of demolition funding needs will be encouraged to supplement a community's application. (The county is seeking a waiver from HUD to have the limit on demolition activities raised from 10% to 20% of our grant.)



### Ensuring Continued Affordability:

HOME rules will be applied to determine what action is needed if a household occupying an NSP assisted rental unit experiences increased income above 50% of area median. No household will be required to move from an NSP assisted unit simply because its income has increased. All tenant protections required by the HOME program will also apply to rental of NSP assisted units. The number of NSP assisted units will be calculated as in the HOME program based on the percentage of total project costs paid by NSP funds. Fixed or floating units may be used on a project-by-project basis.

If ownership of a property is transferred during the affordability period, the recapture provisions, following the HOME regulations, will be applied.

### Definition of Blighted Structure:

Because Ohio is a "home rule" state, we will allow each community in which NSP funded demolition is carried out to determine when a residential structure contains specific physical defects which render it harmful to the public welfare and therefore require its demolition. No structure will be considered blighted for any reason other than specific physical defects – that is, functional obsolescence will not be considered in determining blight for NSP funded demolition.

### Definition of Affordable Rents:

HOME program rules will be applied to NSP funded rental projects. The high HOME rent limit will apply to all NSP assisted units and the low HOME rent limit will apply to 20% of the NSP assisted units under the same conditions and exceptions as in the HOME program. The number of NSP assisted units will be calculated based on the percentage of the total project costs that are paid by NSP funds exactly as in the HOME program. Fixed or floating units may be used on a project-by-project basis.

### Housing Rehabilitation/New Construction Standards:

Each foreclosed house purchased with NSP funding will be inspected by the local community under its regular point of sale inspection program. (Communities without a point of sale inspection program can participate in the NSP3 program if they agree to perform point of sale inspections on NSP3 assisted properties.) Funds must be escrowed as required by local ordinances with a minimum escrow of 100% of the estimated cost to repair code violations. A lead risk assessment will be carried out as required by HUD regulations and any area of deteriorated paint exceeding the de minimis amount of lead must be repaired by a person properly trained in lead safe work practices, with a subsequent clearance examination required.

All NSP assisted rental housing must be constructed or renovated, as applicable, in full compliance with the applicable local housing code and must pass any inspection required under local law to receive a certificate of occupancy.

Purchasers and developers will be encouraged to use energy efficient and environmentally friendly green construction techniques. All gut rehabilitation of new construction up to three stories shall be designed to meet the standards for Energy Star Qualified Homes. All gut rehabilitation or new construction of mid- or high-rise multifamily housing shall be designed to meet ASHRAE Standard 90.1-2004, Appendix G plus 20 percent.

### Vicinity Hiring:

Recipients awarded funding will be required to comply with Section 3 regulations at 24 CFR 135 and, to the greatest extent feasible, provide for the hiring of employees who reside in the vicinity or contract with small businesses that are owned and operated by persons residing in the vicinity of such projects, as defined by the Secretary of the U.S. Department of Housing and Urban Development for projects funded under an NSP3 grant.

### Procedures for Preferences for Affordable Rental Dev.:

Twenty-five per cent of the Cuyahoga County's NSP allocation will be used to purchase and redevelop qualifying property, which will be rented to households with incomes at or below 50% of area median. Qualifying property includes vacant property as well as abandoned or foreclosed residential property. Vacant property may include the site formerly occupied by a demolished building and it may include non-residential buildings.

### Grantee Contact Information:

Kimberly Cooper, Development Specialist Housing, Cuyahoga County Department of Development, 1701 E. 12th Street, 1st Floor, Cleveland, Ohio 44114, Telephone (216) 443-7267, Email [kcooper@cuyahogacounty.us](mailto:kcooper@cuyahogacounty.us)

Sara Parks Jackson, Program Officer, Cuyahoga County Department of Development, 1701 E. 12th Street, 1st Floor, Cleveland, Ohio 44114, Telephone (216) 443-8160, Email [spjackson@cuyahogacounty.us](mailto:spjackson@cuyahogacounty.us)

Paul Herdeg, Housing Manager, Cuyahoga County Department of Development, 1701 E. 12th Street, 1st Floor, Cleveland, Ohio 44114, Telephone (216) 443-7257, Email [pherdeg@cuyahogacounty.us](mailto:pherdeg@cuyahogacounty.us)

Harry Conard, Grants Administration Manager, Cuyahoga County Department of Development, 1701 E. 12th Street, 1st Floor, Cleveland, Ohio 44114, Telephone (216) 443-7531, Email [hconard@cuyahogacounty.us](mailto:hconard@cuyahogacounty.us)

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$2,632,859.26
Total Budget	\$0.00	\$2,632,859.26
Total Obligated	\$0.00	\$2,511,696.46
Total Funds Drawdown	\$0.00	\$2,496,182.32
Program Funds Drawdown	\$0.00	\$2,495,247.65



Program Income Drawdown	\$0.00	\$934.67
Program Income Received	\$0.00	\$80,426.26
Total Funds Expended	\$0.00	\$2,505,032.32
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	\$382,729.95	\$0.00
Limit on Admin/Planning	\$255,153.30	\$18,516.28
Limit on Admin	\$0.00	\$18,516.28
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$658,214.82	\$637,884.00

## Overall Progress Narrative:

All planned activities are complete. We are reconciling the Program Income received and used by subrecipient cities to determine if another rental activity must be carried out to meet the 25% minimum requirement of total funds used to develop housing for households at or below 50% of area median income.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
NSP3 1, Redevelopment - Rental for <=50% AMI (Set-aside)	\$0.00	\$637,884.00	\$637,884.00
NSP3 2, Redevelopment - Municipal Grants	\$0.00	\$1,451,074.84	\$1,338,762.04
NSP3 3, Demolish Blighted Structures	\$0.00	\$509,870.00	\$501,020.00
NSP3 4, Administration	\$0.00	\$34,030.42	\$17,581.61

## Activities

**Project # / Title:** NSP3 1 / Redevelopment - Rental for <=50% AMI (Set-aside)

**Grantee Activity Number:** NSP3-1

**Activity Title:** Redevelopment for Rental <=50%

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Project Number:**

NSP3 1

**Projected Start Date:**

06/01/2011

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Completed

**Project Title:**

Redevelopment - Rental for <=50% AMI (Set-aside)

**Projected End Date:**

03/31/2013

**Completed Activity Actual End Date:**

**Responsible Organization:**

Cuyahoga County

**Overall**

**Total Projected Budget from All Sources**

**Oct 1 thru Dec 31, 2018**

N/A

**To Date**

\$637,884.00

**Total Budget**

\$0.00

\$637,884.00

**Total Obligated**

\$0.00

\$637,884.00

**Total Funds Drawdown**

\$0.00

\$637,884.00

**Program Funds Drawdown**

\$0.00

\$637,884.00

**Program Income Drawdown**

\$0.00

\$0.00

**Program Income Received**

\$0.00

\$0.00

**Total Funds Expended**

\$0.00

\$637,884.00

Cuyahoga County

\$0.00

\$637,884.00

**Most Impacted and Distressed Expended**

\$0.00

\$0.00

**Match Contributed**

\$0.00

\$0.00

### Activity Description:

Through a competitive process, one or more rental projects to redevelop vacant or foreclosed residential buildings or eligible vacant land will be selected. The number of NSP3 assisted units will depend on the ratio of NSP3 funding to the total project cost. All NSP3 assisted units will be affordable to, and actually rented to, households with incomes at or below 50% of area median.

### Location Description:

Competitive funding will be available Countywide, with a preference for projects located outside the cities of Cleveland, East Cleveland, and Euclid, since these cities have their own NSP3 funds.

### Activity Progress Narrative:

Completed and fully reported in a previous period. An additional activity may be added to this project if our pre-closeout review shows a need to spend some Program Income to develop rental housing for households at or below

50% of Area Median Income.

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	1/1
#Units with bus/rail access	0	8/1
#Sites re-used	0	1/1
#Units w/ other green	0	8/8
# ELI Households (0-30% AMI)	0	7/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	8/8
# of Multifamily Units	0	8/8

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	8/8	0/0	8/8	100.00
# Renter Households	0	0	0	8/8	0/0	8/8	100.00

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

## Project # / Title: NSP3 2 / Redevelopment - Municipal Grants

<b>Grantee Activity Number:</b>	<b>NSP3-2</b>
<b>Activity Title:</b>	<b>Redevelopment - Muni Grants</b>

### Activity Category:

Rehabilitation/reconstruction of residential structures

### Project Number:

NSP3 2

### Projected Start Date:

### Activity Status:

Under Way

### Project Title:

Redevelopment - Municipal Grants

### Projected End Date:



06/01/2011

12/31/2016

**Benefit Type:**

Direct ( HouseHold )

**Completed Activity Actual End Date:****National Objective:**

NSP Only - LMMI

**Responsible Organization:**

Cuyahoga County

Overall	Oct 1 thru Dec 31, 2018	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$1,451,074.84
<b>Total Budget</b>	\$0.00	\$1,451,074.84
<b>Total Obligated</b>	\$0.00	\$1,338,762.04
<b>Total Funds Drawdown</b>	\$0.00	\$1,338,762.04
<b>Program Funds Drawdown</b>	\$0.00	\$1,338,762.04
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$61,171.26
<b>Total Funds Expended</b>	\$0.00	\$1,338,762.04
Cuyahoga County	\$0.00	\$1,338,762.04
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Through a competitive process, the following communities have received subgrants: Berea (1 for-sale house), Cleveland Heights (2 for-sale houses), Lakewood (3 for-sale houses), South Euclid (1 for-sale house), and Shaker Heights (6 rental units in 2 houses, 1 for-sale house).

**Location Description:**

Communities with eligible block groups having a foreclosure risk score 17 or above will submit competitive funding proposals. All funded activities will be carried out in eligible block groups.

**Activity Progress Narrative:**

Completed and accomplishments fully reported in a previous quarter. Review of the amount of Program Income received and used by subrecipient cities is ongoing.

**Accomplishments Performance Measures**

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	10/10
#Sites re-used	0	9/10
#Units & other green	0	10/10

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	14/14
# of Multifamily Units	0	6/6
# of Singlefamily Units	0	8/8



## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	4/0	10/14	14/14	100.00
# Owner Households	0	0	0	0/0	8/8	8/8	100.00
# Renter Households	0	0	0	4/0	2/6	6/6	100.00

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

## Project # / Title: NSP3 3 / Demolish Blighted Structures

<b>Grantee Activity Number:</b>	<b>NSP3-3</b>
<b>Activity Title:</b>	<b>Demolish Blighted Residential Structures</b>

### Activity Category:

Clearance and Demolition

### Project Number:

NSP3 3

### Projected Start Date:

06/01/2011

### Benefit Type:

Area ( )

### National Objective:

NSP Only - LMMI

### Activity Status:

Under Way

### Project Title:

Demolish Blighted Structures

### Projected End Date:

12/31/2016

### Completed Activity Actual End Date:

### Responsible Organization:

Cuyahoga County

### Overall

	Oct 1 thru Dec 31, 2018	To Date
Total Projected Budget from All Sources	N/A	\$509,870.00
Total Budget	\$0.00	\$509,870.00
Total Obligated	\$0.00	\$501,020.00
Total Funds Drawdown	\$0.00	\$501,020.00
Program Funds Drawdown	\$0.00	\$501,020.00
Program Income Drawdown	\$0.00	\$0.00



<b>Program Income Received</b>	\$0.00	\$19,255.00
<b>Total Funds Expended</b>	\$0.00	\$509,870.00
Cuyahoga County	\$0.00	\$509,870.00
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

### Activity Description:

Residential structures which have been declared blighted by the local municipality, using its own definition of blight, will be demolished.

### Location Description:

Demolition of blighted residential structures will be carried out only in eligible block groups which have both a foreclosure risk score of 17 or above, and at least 51% Low-Moderate-Middle income population according to the NSP3 data supplied by HUD. Specific census tracts and block groups have been entered into the Action Plan based on specific demolition sites identified.

### Activity Progress Narrative:

Completed and accomplishments reported in a previous quarter.

### Accomplishments Performance Measures

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Properties</b>	0	47/50

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Housing Units</b>	0	45/50
<b># of Multifamily Units</b>	0	2/0
<b># of Singlefamily Units</b>	0	43/50

### Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

### Activity Locations

No Activity Locations found.

### Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

<b>Other Funding Sources</b>	<b>Amount</b>
No Other Funding Sources Found	
Total Other Funding Sources	

## Project # / Title: NSP3 4 / Administration

**Grantee Activity Number:** NSP3-4  
**Activity Title:** Administration

**Activity Category:**

Administration

**Project Number:**

NSP3 4

**Projected Start Date:**

10/01/2010

**Benefit Type:**

( )

**National Objective:**

N/A

**Activity Status:**

Under Way

**Project Title:**

Administration

**Projected End Date:**

03/31/2014

**Completed Activity Actual End Date:**

**Responsible Organization:**

Cuyahoga County

**Overall**

**Total Projected Budget from All Sources**

**Oct 1 thru Dec 31, 2018**

N/A

**To Date**

\$34,030.42

**Total Budget**

\$0.00

\$34,030.42

**Total Obligated**

\$0.00

\$34,030.42

**Total Funds Drawdown**

\$0.00

\$18,516.28

**Program Funds Drawdown**

\$0.00

\$17,581.61

**Program Income Drawdown**

\$0.00

\$934.67

**Program Income Received**

\$0.00

\$0.00

**Total Funds Expended**

\$0.00

\$18,516.28

Cuyahoga County

\$0.00

\$18,516.28

**Most Impacted and Distressed Expended**

\$0.00

\$0.00

**Match Contributed**

\$0.00

\$0.00

**Activity Description:**

County staff and subrecipients and/or vendors will carry out eligible administrative activities including planning, monitoring, and evaluation.

**Location Description:**

Administration of the countywide Neighborhood Stabilization 3 Program.

**Activity Progress Narrative:**

Holding this activity open to pay for staff time needed for pre-closing review and possible additional rental activity.

## Accomplishments Performance Measures

### No Accomplishments Performance Measures

## Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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