

Grantee: Dayton, OH

Grant: B-11-MN-39-0006

July 1, 2019 thru September 30, 2019 Performance Report

Grant Number: B-11-MN-39-0006	Obligation Date:	Award Date:
Grantee Name: Dayton, OH	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$3,115,780.00	Grant Status: Active	QPR Contact: Erin Jeffries
LOCCS Authorized Amount: \$3,115,780.00	Estimated PI/RL Funds: \$0.00	
Total Budget: \$3,115,780.00		

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

The programs proposed in the City's NSP3 plan will result in the stabilization of the neighborhoods through the elimination of blighting properties, the renovation of foreclosed homes for sale and for rent to income eligible households, and new construction activities to complement existing redevelopment efforts. In order to ensure that NSP3 funds are used for activities that make a tangible impact within the selected target areas, staff analyzed eligible census tracts and the potential of acquiring foreclosed properties to stabilize the neighborhood and increase the health of the housing market within these target areas. The result is to narrow the NSP1 and NSP2 target geography for the NSP3 program. NSP3 funds will be used to expand and enhance the current efforts of the NSP1 and NSP2 programs and other redevelopment activities underway in the target areas. Given the high vacancy rates and very low absorption rates, the NSP3 program as a whole will seek to demolish at least 300 blighted housing units, purchase and rehabilitate up to 40 units, and land for future sale or rental to low- to moderate-income households. As a targeted approach, the City's NSP3 program is proposing to address 42 census tracts within the eligible target areas. Through analysis, staff believes that the program outlined in this application will make a significant improvement to the stability and marketability of the targeted neighborhoods.

How Fund Use Addresses Market Conditions:

The housing market within the target areas has suffered from an increasing vacancy rate. With job opportunities waning, the region has witnessed a dramatic loss in population, especially within the City of Dayton. Since reaching its peak in the 1960s census the city, the region's core, has lost 110,000 residents or 42% of its peak population of 262,000. This population loss leaves empty homes and businesses in the region. Vacant homes that languish for long periods of time have the effect of making adjacent homeowners less likely to maintain and reinvest in their own properties. The deferred maintenance and continued vacancy begins the process of disinvestment that has spiraled into the target areas, which are now characterized by substantial numbers of foreclosed, abandoned, and vacant residential properties. The elimination of blight is a key aspect of the City's strategy. With property values and population declining, and vacancy rates on the rise, the City must "right-size" the housing market through the elimination of blight, before any redevelopment efforts will be sustainable. The City will encourage the reuse of the demolished properties by providing incentives to income eligible households to expand their yards. The City will also use land banking as a way to develop new open space and pocket park areas, as well as community gardens and other community amenities with NSP3 funds. The City of Dayton's NSP3 program plans to undertake various methods to stabilize the targeted neighborhoods including: NSP Eligible Use B: Acquisition and Rehab, NSP Eligible Use C: Land Bank, NSP Eligible Use D: Demolish blighted structures, and NSP Eligible Use E: Redevelopment. During the development of the City's NSP2 program, a market study was conducted to aid in determining the needs of the community and the best use for stabilization funds. Results from this study have been considered in developing the City's NSP3 program. The market study had the following observations and recommendations (the complete market study is available upon request).

Ensuring Continued Affordability:

The City will ensure continued affordability for NSP3 income eligible households through deed restrictions and specific language regarding affordability in respective grant/loan notes. In considering multi-family rental units purchased utilizing NSP3 funds and conveyed to a non-profit organization, language regarding affordability will be included in the agreement and deed restrictions will be required. In most instances, the clientele being served by a particular non-profit organization will already meet the income guidelines for lower rents.

The City will follow the applicable HOME regulations for the purposes of establishing and maintaining the affordability of the units. Certain capital project funding sources, such as Low-Income Housing Tax Credit, incomes and rents must be maintained for 15 years and following the compliance period, the owner must enter into an extended use period of an



additional 15 years by filing a Restrictive Covenant on the development with the County Recorder.

To ensure that affordability guidelines are adhered to, the City will enforce deed restrictions on applicable projects. The City will also conduct regular monitoring of each project to verify that applicable rules and regulations (including affordability periods) are being followed. For homeownership units, the City will utilize the HOME recapture provision to ensure affordability.

In order to ensure there is steady stream of families able to rent or purchase homes that are funded with NSP3 funds, the City is partnering with HUD approved counseling agencies. The City funds various homebuyer education courses and homebuyer fairs that develop families and promote available units. Since time is of the essence, the City may enter into contracts with various Realtors to market and sell the available homes. The City consults with agencies such as the City of Dayton Human Relations Council and the Miami Valley Fair Housing Center to ensure appropriate affirmative marketing techniques and address fair housing compliance. These agencies are also contracted to provide fair housing education to Realtors through the local Board of Realtors.

Additionally, the City has procured marketing and public relations services currently being used for the NSP1 and NSP2 programs. These services will be carried over into NSP3. These services are being used to market current City of Dayton NSP homes. The marketing elements include television, outdoor and newspaper advertising, and collateral material such as QR codes, over-sized postcards, partner counter cards, posters, statement stuffers, site signs, and a standalone website. The marketing elements will be used to attract potential homebuyers, and to increase the awareness of NSP efforts to the community at large.

Definition of Blighted Structure:

The City of Dayton adheres to the following definition and guidelines for placing blighted structures in its Nuisance Abatement Program. City of Dayton Revised Code of General Ordinances- Building Regulations (152.01) Public Nuisance. Any underground container or storage tank, fence, wall, garage, shed, house, lot, building, structure, tree, pole, smoke stack, or any excavation, basement, cellar, well, cistern, sidewalk subspace, walks, driveways, terrace steps or parts thereof, which has any or all of the conditions or defects hereinafter described shall be deemed to be a public nuisance I.

Definition of Affordable Rents:

Affordable rents will be defined according to the City of Dayton's current HOME Investment Partnerships Program, FY 2010 Income Limits Summary for Montgomery County, Ohio.

FY 2010 Income Limit Category

Very Low (50%) Income Limits

- \$21,600 – 1 person
- \$24,700 – 2 person
- \$27,800 – 3 person
- \$30,850 – 4 person
- \$33,350 – 5 person
- \$35,800 – 6 person
- \$38,300 – 7 person
- \$40,750 – 8 person

Extremely Low (30%) Income Limits

- \$12,950 – 1 person
- \$14,800 – 2 person
- \$16,650 – 3 person
- \$18,500 – 4 person
- \$20,000 – 5 person
- \$21,500 – 6 person
- \$22,950 – 7 person
- \$24,450 – 8 person

Low (80%) Income Limits

- \$34,550 – 1 person
- \$39,500 – 2 person
- \$44,450 – 3 person
- \$49,350 – 4 person
- \$53,300 – 5 person
- \$57,250 – 6 person
- \$61,200 – 7 person
- \$65,150 – 8 person

Housing Rehabilitation/New Construction Standards:

Housing assisted with NSP funds must meet local building, housing and zoning codes in compliance with 24 CFR, Part 92.251. Homes to be rehabilitated after transfer of ownership interest must follow guidelines as stipulated in 24 CFR, Part 92.251(b). All repairs must be done in accordance with local building code standards. Properties renovated with any source of HUD funding must meet all building code standards when the renovation is complete.

Vicinity Hiring:

The City of Dayton and its Subrecipients, Contractors, and Subcontractors will be required to comply with vicinity hiring as a condition of receiving NSP3 funds. In order to encourage vicinity hiring the City will reach out to contractors who plan to hire as a result of rehabilitation activities, and request that they hire within the proposed target areas. Contractors will also be encouraged to purchase materials and contract with small businesses that are owned and operated by persons residing in the vicinity of the NSP projects.

Procedures for Preferences for Affordable Rental Dev.:

The City will commit \$778,945.00 of its NSP3 funds 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. This total amount represents 25% of the City's NSP funding. The following is a brief description of the projects to be funded to meet this need: funds will be allocated to projects such as the construction of housing on vacant and abandoned lots in eligible areas for residents having incomes at or below 50% AMI; and, funding to support the purchase and rehab of single and multi-family units that have been abandoned or foreclosed in NSP3 targeted neighborhoods.



Grantee Contact Information:

City of Dayton, Ohio
 Dept. of Planning & Community Development Dept.
 City of Dayton, Ohio
 101 W. Third St.
 Dayton, OH 45402
 (937) 333-3670

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$3,115,780.00
Total Budget	\$0.00	\$3,115,780.00
Total Obligated	\$0.00	\$3,115,780.00
Total Funds Drawdown	\$0.00	\$2,848,780.66
Program Funds Drawdown	\$0.00	\$2,848,780.66
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$54,084.56
Total Funds Expended	\$0.00	\$3,115,780.00
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	\$467,367.00	\$0.00
Limit on Admin/Planning	\$311,578.00	\$311,578.00
Limit on Admin	\$0.00	\$311,578.00
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$778,945.00	\$778,945.00

Overall Progress Narrative:

No activity.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
nsp3p001, Land Banking	\$0.00	\$62,316.00	\$50,736.19
nsp3p002, Demolition	\$0.00	\$1,526,732.00	\$1,395,377.17
nsp3p003, NSP3 Set-Aside	\$0.00	\$778,945.00	\$778,945.00
nsp3p004, Planning & Administration	\$0.00	\$311,578.00	\$311,578.00
nsp3p005, SF Acq & Rehab	\$0.00	\$436,209.00	\$312,144.30



