

Montgomery County, Ohio
NSP Amendments
Submitted June 18, 2010

NSP Activity Changes Related to Funding

- 1. Activity number 01-1, Low Income Targeting- DMHA Acq**
Delete \$514,068.95 from
Total \$514,068.95 available
Add \$514,068.95 to Low Income Targeting- DMHA Rehab (activity number 01-2)
Total \$514,068.95 Re-Allocated
- 2. Activity number 01-3, Low Income Targeting-Homeless Solutions Acq.**
Reduce budget from \$500,000 to \$290,000
Total \$210,000 available
Add \$210,000 to new Activity 01-4, Low Income Targeting-Rehabilitation
Total \$210,000 Re-allocated
- 3. Activity number 02-1, Funding Mechanisms for Purchase & Redevelopment of foreclosed Upon Homes & Residential Properties**
Delete \$500,000
Total \$500,000 available
Add \$450,000 to the Neighborhood Stab. & Housing Pres.-CC Rehab Activity (03-2)
Add \$50,000 to new Activity 03-3, Neighborhood Stab. & Housing Pres.-CC Disposition
Total \$500,000 Re-Allocated

Narrative Related to Funding

- 1. Activity number 01-1, Low Income Targeting-DMHA Acq**
The original projections for acquisition were over estimated. The original plan was to acquire several large multi-family units, however, such units that met the NSP guidelines were not available. Smaller multi-family units were acquired which reduced the acquisition cost. The remaining funds need to be moved to cover the rehabilitation of units acquired under this activity.
- 2. Activity number 01-3, Low Income Targeting-Homeless Solutions Acq.**
The original projections for acquisition were over estimated. A new low income targeting activity for the rehabilitation of these acquired properties will be created. The remaining funds from this acquisition activity will fund the new low income targeting rehabilitation activity.
- 3. Activity number 02-1, Funding Mechanisms for Purchase & Redevelopment of foreclosed Upon Homes & Residential Properties**
This activity was originally set up to provide direct homeownership assistance to NSP homebuyers. Based upon HUD guidance from a recent webinar, direct homeownership assistance must be provided out of program income. This activity will be deleted and reallocated to the rehab and disposition activities listed above.

NSP Activity Changes Related to Performance Measures

- 1. Activity Number 01-1, Low Income Targeting-DMHA Acq**
 - Reduce number of properties from 10 to 4
 - Reduce number of units from 125 to 16
 - Reduce number of persons benefitting from 200 to 30
 - Reduce number of parcels acquired voluntarily from 10 to 4
 - Reduce acquisition compensation to owners from \$750,000 to \$207,992.59
- 2. Activity Number 01-2, Low Income Targeting-DMHA Rehab**
 - Reduce number of properties from 10 to 4
 - Reduce number of units from 125 to 16
 - Reduce number of persons benefitting from 200 to 30
- 3. Activity Number 01-3, Low Income Targeting-Homeless Solutions Acq.**
 - Reduce number of properties from 10 to 4
 - Reduce number of units from 75 to 7
 - Reduce number of households benefitting from 75 to 7
 - Reduce number of persons benefitting from 75 to 15
 - Reduce number of parcels acquired voluntarily from 10 to 4
 - Reduce total acquisition compensation to owners from \$500,000 to \$290,000
- 4. Add Activity Number 01-4 Low Income Targeting-Rehabilitation**
 - Budget, \$210,000
 - Number of properties 4
 - Number of units 7
 - Number of households benefitting 7
- 5. Activity Number 04-1 NSP Demolition**
 - Reduce number of properties from 77 to 45

Narrative Related to Performance Measures

- 1. Activity Number 01-1 & 01-2, Low Income Targeting-DMHA Acq & Rehab**

The original projections for acquisition and rehabilitation for this activity were over estimated. The original plan was to acquire and rehab several large multi-family units, however, such units that met the NSP guidelines were not available. Smaller multi-family units were acquired which will reduce the performance measures indicated above for both activities.
- 2. Activity Number 01-3 & 01-4, Low Income Targeting-Homeless Solutions Acq.**

The original projections for acquisition for this activity were over estimated. The original plan was to acquire two large multi-family units, and rehab the properties with other funds. However, such units that met the NSP guidelines were not available. Smaller multi-family units were acquired which will leave NSP funds available for rehabilitation.

NSP Activity Changes & Narrative Related to National Objectives

- 1. Activity Number 04-1 NSP Demolition**

Correct national objective from LMMI to LMMA. The national objective for this activity was erroneously listed as LMMI and should have been listed as LMMA. A correction is needed.

G. NSP INFORMATION BY ACTIVITY

1. **Activity Name:** Low Income Targeting-DMHA Acquisition/Rehab
2. **Activity Type:** Housing-purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell or rent, to households with incomes at or below 50% of area median income. Correlated CDBG regulation: 24 CFR 570.201(a), (b), & 570.202
3. **National Objective:** LH25: Funds targeted for housing for households whose incomes are at or below 50% area median income.
4. **Activity Description:** Montgomery County will allocate a total of \$1,500,000 for the purchase and redevelopment of abandoned and foreclosed homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income.

The Dayton Metropolitan Housing Authority will use \$1,000,000 of these funds to acquire NSP eligible property(ies) to rehabilitate and/or redevelop, in order to house low income persons at or below %50 of the area median income.

5. **Location Description:** Montgomery County's eight areas of greatest need were identified in section A as according to Housing and Economic Recovery Act §2301(c) (2).
6. **Performance Measures:** 16 affordable rental units to be made available
7. **Total Budget:** \$1,000,000 to be used for purchase and rehabilitation
8. **Responsible Organization:** (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

Primary Organization:

Montgomery County Community Development
451 W Third St
Dayton, OH 45422
Administrator: Judy L Mott, phone 937- 225-6341, e-mail: MottJ@mcoho.org

Sub-recipient Organization:

Dayton Metropolitan Housing Authority
400 Wayne Ave
Dayton, OH 45410
Executive Director: Gregory Johnson, phone 937-910-7500

9. **Projected Start Date:** March 1, 2009
10. **Projected End Date:** 6/30/2013

11. Specific Activity Requirements:

- *Tenure of beneficiaries--rental or homeownership;*
Under this activity, units will be made available as affordable rentals to low income households at or below 50% of AMI.
- *Duration or term of assistance;*

For qualified renters, the initial affordability has been defined in Section C (2). The rents will remain affordable for renters for as long as they income qualify.

- *A description of how the design of the activity will ensure continued affordability*
 - If multi-family rental units are purchased using NSP funds and conveyed to a non-profit organization, language regarding affordability will be included in the agreement with such party, and deed restrictions will be required. In Section C (2) of this amendment, MCCD has outlined the requirements for affordable rent. In most instances, the clientele being served by a particular non-profit organization will meet the income guidelines for lower rents. Depending upon the funding sources of certain capital projects, such as low income housing tax credit projects, 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.
- *For acquisition activities, include discount rate:*
Montgomery County will use the discount rate described in the NSP Federal Notice requirements:
 - Each individual property purchase made with NSP funds, requires at least a 1% purchase discount
- *For financing activities, include range of interest rates:*
 - N/A

G. NSP INFORMATION BY ACTIVITY

- 12. Activity Name:** Low Income Targeting-Homeless Solutions Acquisition/Rehab
- 13. Activity Type:** Housing-purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell or rent, to households with incomes at or below 50% of area median income. Correlated CDBG regulation: 24 CFR 570.201(a), (b), & 570.202
- 14. National Objective:** LH25: Funds targeted for housing for households whose incomes are at or below 50% area median income.
- 15. Activity Description:** Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

A narrative regarding the areas of greatest need and the approach to those areas is described in section 7.

Montgomery County will allocate a total of \$1,500,000 for the purchase and redevelopment of abandoned and foreclosed homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income. These funds will be partnered through several agencies.

The Homeless Solutions Project Team will use \$500,000 of these funds to acquire an NSP eligible property(ies) to rehabilitate and/or redevelop, in order to house low income persons at or below %50 of the area median income.

- 16. Location Description:** (Description may include specific addresses, blocks or neighborhoods to the extent known.)

Montgomery County's eight areas of greatest need were identified in section A as according to Housing and Economic Recovery Act §2301(c) (2).

- 17. Performance Measures** All numbers are estimated: 4 affordable rental units

- 18. Total Budget:** \$500,000 to be used for purchase and rehabilitation

- 19. Responsible Organization:**

Primary Organization:

Montgomery County Community Development

451 W Third St

Dayton, OH 45422

Administrator: Judy L Mott, phone 937- 225-6341, e-mail: MottJ@mcoho.org

Sub-recipient Organization:

Montgomery County Homeless Solutions Team
451 W Third St
Dayton, OH 4542
Director: Tom Kelley, phone 937-225-4736

Others as identified.

20. Projected Start Date: March 1, 2009

21. Projected End Date: 6/30/2013

22. Specific Activity Requirements:

- *Tenure of beneficiaries--rental or homeownership;*
Under this activity, units will be made available as affordable rentals to low income households at or below 50% of AMI.

- *Duration or term of assistance;*

For qualified renters, the initial affordability has been defined in Section C (2). The rents will remain affordable for renters for as long as they income qualify.

- *A description of how the design of the activity will ensure continued affordability*
 - If multi-family rental units are purchased using NSP funds and conveyed to a non-profit organization, language regarding affordability will be included in the agreement with such party, and deed restrictions will be required. In Section C (2) of this amendment, MCCD has outlined the requirements for affordable rent. In most instances, the clientele being served by a particular non-profit organization will meet the income guidelines for lower rents. Depending upon the funding sources of certain capital projects, such as low income housing tax credit projects, 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.
- *For acquisition activities, include discount rate:*
Montgomery County will use the discount rate described in the NSP Federal Notice requirements:
 - Each individual property purchase made with NSP funds, requires at least a 5% purchase discount
 - The aggregate purchase discount for all properties purchases with NSP funds will be at least 15%
- *For financing activities, include range of interest rates:*
 - N/A

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) **Activity Name:** Funding Mechanisms for Purchase & Redevelopment of Foreclosed Upon Homes & Residential Properties....

(2) **Activity Type:** Affordability Gap Financing for Homebuyers of Purchased and Redeveloped Homes. Correlated CDBG regulation: 24 CFR 570.206

(3) **National Objective:** LMMI (Housing and Economic Recovery Act §2301(c) (3) (A) (i) & (ii))

(4) **Activity Description:**

(5) **Location Description:** (Description may include specific addresses, blocks or neighborhoods to the extent known.)

(6) **Performance Measures:**

(7) **Total Budget:** The budget for funding mechanisms is \$0.

(8) **Responsible Organization:** (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

Primary Organization:

Montgomery County Community Development
451 W Third St

Dayton, OH 45422

Administrator: Judy L Mott, phone 937- 225-6341, e-mail: MottJ@mcoho.org

G. NSP INFORMATION BY ACTIVITY

(1) **Activity Name:** NSP Demolition

(2) **Activity Type:** §2301(c)(3)(D) Demolition of Blighted Structures; Correlated CDBG regulation: 24 CFR 570.201(d) Clearance for blighted structures only

(3) **National Objective:** LMMA (Housing & Economic Recovery Act §2301(f) (3) (A) (i) & (ii))

(4) **Activity Description:**

Anticipated demolition will happen in a couple ways: in conjunction with neighborhoods where we are conducting our purchase/rehab activities, and where it is determined that demolition is appropriate for some neighborhoods in order to eliminate health and safety risks and also create opportunities for future development. In both instances, the areas of greatest need will be based on HUD data; particularly where vacancies are high and the structures are beyond reasonable repair and habitation.

The expected benefit to income-qualified areas is that 45-50 blighted structures will be removed from their neighborhoods creating green space, safe cleared lots, the elimination of locations which attract undesirable/unlawful activities, and opportunities for redevelopment. Rather than solely focusing on neighborhoods at or below 120% AMI it is more likely that funds used for this activity will be used in devastated neighborhoods that meet the low income requirement for those below 80% of area median income.

(5) **Location Description:** Priority will be given to neighborhoods identified as having the greatest need: Harrison Township, Huber Heights, Jefferson Townships, Miami Township, Miamisburg, Riverside, Trotwood and West Carrollton. Opportunities for demolition in other eligible census tracts will be considered as they relate to overall stabilization of that neighborhood and dependent upon the availability of funds.

(6) **Performance Measures:** 45-50 blighted structures will be demolished

(7) **Total Budget:** \$500,000

(8) **Responsible Organization:** Demolition will be managed by the Montgomery County Community Development Staff under the leadership of Judy Mott, Manager, 451 West Third Street, 10th Floor, Dayton, OH 45422, 937-225-6341/mottj@mcoho.org. Demolition contracts could be awarded directly through the office or could be delegated under subrecipient agreements with our CHDO or the eligible jurisdictions.

(9) **Projected Start Date:** April 1, 2009

(10) **Projected End Date:** July 30, 2013

(11) **Specific Activity Requirements:**

N/A