

# Action Plan

**Grantee:** Lake County, OH

**Grant:** B-08-UN-39-0005

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**Grant Amount:** \$ 3,402,859.00

**Status:** Modified - Resubmit When Ready

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## Funding Sources

**No Funding Sources Found**

## Narratives

### Areas of Greatest Need:

To meet the statutory targeting requirement for NSP activities, the County will utilize data provided by HUD and use the Foreclosure Risk Score prepared by HUD.

To find the area benefit eligible communities, we added up the number of  $\geq 120\%$  persons and total persons in each community by census tracts and block groups. Any community with over 51% of  $\leq 120\%$  persons is completely eligible. Individual census tracts and block groups are also eligible within communities that do not reach the 51% threshold for the whole community.

This analysis produced 3 lists of local communities: Whole Area (Community) Eligible, Some Eligible Areas, and Community Not Eligible. We will use these lists to determine where demolitions can be done with NSP funds. The County Has determined that the Cities of Painesville, Eastlake and the Village of Madison are the areas showing the greatest need.

### Distribution and and Uses of Funds:

Utilizing the data provided by HUD, it has been determined that the areas of greatest need, including those areas with the highest percentage of foreclosures and housing units financed by a subprime related loans have been identified by the County as the City of Painesville, City of Eastlake and Madison Township.

Activities will focus on acquisition/construction/rent (option to sell) of new single family dwelling units through a partnership with Western Reserve Community Development Corporation (WRCDC). A secondary, yet just an important project, is the construction of a 17 unit permanent supportive apartment housing community in Painesville. Through our partnership with Extended Housing, Inc, this project will meet the 25% set aside provision.

These projects will be accomplished via Developer Agreements with WRCDC and Extended Housing Inc.

### Definitions and Descriptions:

**Blight:**

Per the State of Ohio's Board of Building Standard's, a blighted structure is "A blighted structure" is a structure in which its conditions make it imminently dangerous to health, safety or general welfare of its occupants or the public. Conditions include those that do not comply with state, county or municipal health, welfare or safety including conditions that are structurally unsafe, unsanitary or not providing adequate safe exists, or that constitutes a fire hazard, existing use constitutes a hazard to public health, welfare or safety by reason of inadequate maintenance, dilapidation or obsolescence and does not comply with housing, building, HQS or city housing maintenance codes. If the blighted structure cannot be repaired or rehabilitated at a cost equal to or less than 50% of its assessed value as shown by the most recent appraisal the property may be considered for demolition.

**Affordable Rents:**

The approved 2005-2009 Lake County Consolidated Plan defines "affordable rents" as those at or below the applicable Fair Market Rent (FMR) for the Cleveland Area Metropolitan Area as defined by HUD. This definition of affordable rents will also be used for the Lake County NSP.

Lake County will ensure continued affordability by requiring the use of an enforcement document against each piece of real property. All units receiving assistance greater than \$10,001 will hold a Declaration of Covenants against the property with a long term affordability component meeting or exceeding HOME Investment Partnership standards. Affordability standards will be as follows: NSP assistance for homebuyer programs, acquisition/rehabilitation/resell: \$10,001 - \$40,000 will require continued affordability for 15 years. NSP funding of more than \$40,001 will require continued affordability for 20 years. Acquisition or new construction of rental units will mandate an affordability period of not less than 20 years at any funding level.

All units will be monitored for continued affordability during their required period of affordability. Repayment Agreements will be subject to the Lake County Subordination Policy in the event a homeowner chooses to sell, refinance or transfer the title of the real property. In the event a homeowner does not fulfill the 10 year period of affordability, repayment to the NSP program will be required and funds will be used for

another NSP eligible project. All units subject to a Declaration of Covenants will be maintained as affordable housing units until said Declaration is satisfied. All rental housing created will be subject to ongoing monitoring of its physical condition and required to meet Housing Quality Standards (HQS) for its predetermined period of affordability. Monitoring schedules will follow the HOME standard requiring NSP properties of 1-4 units be monitored every 3 years, properties with 5-25 NSP units will be monitored every 2 years and properties with 26 or more NSP units will be monitored annually. If NSP funds assist a property that was previously assisted with HOME funds, but on which the affordability restrictions were terminated through foreclosure or transfer in lieu of foreclosure, Lake County will revive the HOME affordability restrictions for the greater of the remaining period of HOME affordability or the continuing affordability requirements of the NSP notice.

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 >Lake County will require that all NSP assisted homebuyers complete a pre-purchase workshop conducted by the Fair Housing Resource Center, Inc. They are a HUD Certified Housing Counseling Agency that works with residents to meet pre-purchase, post-purchase, foreclosure and reverse mortgage needs.

**Low Income Targeting:**

Lake County will subcontract with two (2) area nonprofit agencies that serve the special needs population. Extended Housing, Inc. will administer a new construction project that will provide 17 new efficiency apartments for the special needs population in Lake County. Secondly, Western Reserve Community Development Corporation will create new single family rental housing opportunities throughout the identified target areas.

**Acquisition and Relocation:**

Lake County intends to partner with local non profits and contract with parties who have experience in acquisition and rehabilitation. All homebuyers will have incomes at or below 120% of AMI and will be located through a marketing campaign, which may include, but not be limited to, newspaper or tv ads, local non profit campaigns, notices on the websites, etc.. A centralized waiting list will be created as needed.

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 >Applications shall be processed by Lake County or its contracted agent(s). Lake County is aware that mortgages are difficult to obtain, and many homebuyers will have damaged credit. Lake will work with local counselors to assist homebuyers with credit repair and homebuyer counseling. Lake County also intends to work with local banks to develop programs and is developing a strategy for direct mortgage assistance and a lease to purchase program.  
 Lake County, or its agents, shall work with local contractors with the appropriate licenses and insurance. Rehabilitation specifications shall be developed for each property. Bids shall be awarded through a competitive bid process and will be awarded to the lowest responsible bid. Lake County reserves the right to designate a bid as non responsible due to capacity or performance issues.  
 Project managers shall inspect the properties and ensure that work is being completed and appropriate permits and inspections have occurred. When purchasers are identified prior to rehabilitation, homebuyers will have input into the specification development for items such as color selections. All homes will be sold for the lesser of the cost of acquisition and rehab or appraised value. A financial strategy is under development to ensure affordability and documents shall be required to ensure continued affordability.  
 Lake County does intend to demolish units which conditions are substandard and are not cost effective to rehabilitate. These properties will be determined as blight and creating a hardship on surrounding low/mod neighborhoods. Properties located in most low mod areas will meet the affordable housing definition as set by HUD. It is the County’s intent to develop these properties with new permanent housing opportunities for households at or below 120% AMI.

**Public Comment:**

The Action Plan and Substantial Amendment will be made available via internet and hard copies at various county offices. Per discussions with our HUD rep, staff changed “Project Title” for Project 01 to “Acquisition/Rehabilitation/Redevelopment.” This will conform with DRGR specifications and will help clarify the eligible uses in our NSP plan.

**Project Summary**

Project #	Project Title	Grantee Activity #	Activity Title
01	Acquisition/Rehabilitation/Redevelopment	02	NSP 1, Phase 1 (WR CDC)
		05	Future NSP 1, Phase III (WR CDC)
		06	NSP I, Phase II (WR CDC)
02	Administration	01	24CFR570.206(a)(1)-Planning and
03	Eliminated Activity (Sept., 13, 2010)	03	Eliminated activity (Sept. 13, 2010)
04	Redevelopment-Extended Housing Inc.	04	24CFR570.201(a)-Rental Housing
9999	Restricted Balance	<i>No activities in this project</i>	

**Activities**

**Grantee Activity Number:** 01  
**Activity Title:** 24CFR570.206(a)(1)-Planning and Administration

**Activity Type:**

Administration

**Activity Status:**

Under Way

**Project Number:**

02

**Project Title:**

Administration

**Projected Start Date:**

01/15/2009

**Projected End Date:**

03/13/2013

**National Objective:**

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

**Total Budget, Program Funds:**

\$ 340,000.00

**Other Funds Total:**

\$ 0.00

**Environmental Assessment:**

**Total Funds Amount:**

\$ 340,000.00

**Benefit Report Type:**

NA

**Activity is being carried out by Grantee:**

No

**Activity is being carried out through:**

**Organization carrying out Activity:**

Lake County Commissioners

**Proposed budgets for organizations carrying out Activity:**

**Responsible Organization**

Lake County Commissioners

**Organization Type**

Unknown

**Proposed**

\$ 340,000.00

**Location Description:**

Lake County Commissioners

Federal Grants Office

105 Main Street Painesville, OH 44077

**Activity Description:**

These funds will be used to provide administrative activities including, but not limited to: personnel to carry out contract management functions.

The County experienced a staff transition during the 2010 Summer. In order to proceed in accordance with NSP guidelines, staff has been working diligently with HUD and the ULI (technical assistance). Lake County staff is confident in the direction of the NSP program. Recent work activities include:

- evaluation/and edits to Action Plan (based on HUD guidance)
- creation of property tracker database (ULI support)
- internal audit of financial position
- corrective financial actions
- finalizing Developer Agreements with respective parties in order to meet obligation deadlines.

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**Grantee Activity Number:** 02  
**Activity Title:** NSP 1, Phase 1 (WRCDC)

**Activity Type:**  
 Rehabilitation/reconstruction of residential structures

**Activity Status:**  
 Under Way

**Project Number:**  
 01

**Project Title:**  
 Acquisition/Rehabilitation/Redevelopment

**Projected Start Date:**  
 01/15/2009

**Projected End Date:**  
 01/14/2012

**National Objective:**  
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

**Total Budget, Program Funds:** \$ 550,000.00

**Other Funds Total:** \$ 0.00

**Environmental Assessment:**

**Total Funds Amount:** \$ 550,000.00

**Benefit Report Type:**  
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# of Total Households benefiting	5		5	100.00

Proposed Accomplishments	Total
# of Housing Units	5
# of Properties	5

**Activity is being carried out by Grantee:** No      **Activity is being carried out through:**

**Organization carrying out Activity:**  
 Western Reserve Community Development

**Proposed budgets for organizations carrying out Activity:**

Responsible Organization	Organization Type	Proposed
Western Reserve Community Development	Unknown	\$ 550,000.00

**Location Description:**  
 Cities of Painesville, Eastlake and Madison

**Activity Description:**  
 Purchasing and rehabilitating homes. Neighborhoods will be stabilized and low to middle income families will obtain homeownership.  
 As part of our staff transition in late 2010, Lake County staff, along with Western Reserve Community Development Corporation verified the eligible uses on the properties in this phase. The classifications are as follows:

1. 325 Fifth St., Eligible Use B
2. 528 Bank St., Eligible Use E
3. 723 E. 343rd, St., Eligible Use B
4. 34045 Beachpark Rd., Eligible Use B
5. 370 Sanford St., Eligible Use E
6. 568 Argonne St., Eligible Use E

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**Grantee Activity Number:** 03  
**Activity Title:** Eliminated activity (Sept. 13, 2010)

**Activity Type:**  
 Rehabilitation/reconstruction of residential structures

**Activity Status:**  
 Under Way

**Project Number:**  
 03

**Project Title:**  
 Eliminated Activity (Sept., 13, 2010)

**Projected Start Date:**  
 01/15/2009

**Projected End Date:**  
 07/13/2013

**National Objective:**  
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

**Total Budget, Program Funds:** \$ 0.00

**Other Funds Total:** \$ 0.00

**Environmental Assessment:**

**Total Funds Amount:** \$ 0.00

**Benefit Report Type:**  
 Direct (Households)

<b>Proposed Beneficiaries</b>	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Low/Mod%</b>
# of Total Households benefiting				0.0

<b>Proposed Accomplishments</b>	<b>Total</b>
# of Housing Units	7
# of Properties	8

**Activity is being carried out by Grantee:** No  
**Activity is being carried out through:**

**Organization carrying out Activity:**  
 Western Reserve Community Development

**Proposed budgets for organizations carrying out Activity:**

<b>Responsible Organization</b>	<b>Organization Type</b>	<b>Proposed</b>
Western Reserve Community Development	Unknown	\$ 212,144.00

**Location Description:**  
 County-wide Properties to be demolished will be properties that are in a LMA as defined by CDBG and not less than 51% low mod by census

**Activity Description:**  
 Purchase and demolish the structure, secure utilities and remove any debris, waste or environmental hazards

**Grantee Activity Number:** 04  
**Activity Title:** 24CFR570.201(a)-Rental Housing

**Activity Type:**

Acquisition - general

**Activity Status:**

Planned

**Project Number:**

04

**Project Title:**

Redevelopment-Extended Housing Inc.-25% set-aside

**Projected Start Date:**

09/18/2010

**Projected End Date:**

03/01/2013

**National Objective:**

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

**Total Budget, Program Funds:**

\$ 850,715.00

**Other Funds Total:**

\$ 0.00

**Total Funds Amount:**

\$ 850,715.00

**Environmental Assessment:**

**Benefit Report Type:**

Direct (Households)

**Proposed Beneficiaries**

# of Total Households benefiting

**Total**

17

**Low**

17

**Mod**

**Low/Mod%**

100.00

**Proposed Accomplishments**

# of Housing Units

**Total**

17

Total acquisition compensation to owners

1

# of Parcels acquired voluntarily

1

# of Parcels acquired by admin settlement

# of Parcels acquired by condemnation

# of Properties

1

**Activity is being carried out by Grantee:**

No

**Activity is being carried out through:**

**Organization carrying out Activity:**

Extended Housing, Inc.

**Proposed budgets for organizations carrying out Activity:**

**Responsible Organization**

Extended Housing, Inc.

**Organization Type**

Unknown

**Proposed**

\$ 850,715.00

**Location Description:**

The Project Site is located in a targeted revitalization neighborhood in the City of Painesville, Ohio and in very close proximity to Western Reserve Community Development and Extended Housing as well as local amenities.

**Activity Description:**

- Two story new construction, approximately 17,000+ square feet permanent support housing apartment community
- 50% of tenants will be homeless with mental illness, the remaining tenants will be low income and disabled
- 17 one-bedroom units (fully furnished with on-site supportive services). Possibly efficiency units if a variance is approved by the City of Painesville.

- Common Areas include and are not limited to kitchen, laundry, office space(s), Community Room/Celebration Room, bathroom(s)
  - Extended Housing, Inc. will own and manage the property.
  - Rent will be the FMR of \$633 which includes all utilities. Tenants will either have income sufficient at 30% of their income to meet the \$633 rent structure or a rental subsidy through SPC, HOME, etc.
  - Subsidies to come from Extended Housing's current subsidies or from new SPC vouchers Supportive Services
  - Extended Housing, Inc. will continue its practice of working with service providers
  - Pathways, Inc.'s Crisis Hotline will operate on site from 8:00 a.m. – 11:00 p.m. Monday through Friday
  - Project Community Room available for the following groups:
    - BRIGES: Mental Health Consumer Empowerment's "Wellness Management & Me" Lifeline's "Daily Living Skills"
  - Volunteers to work alongside residents to offer a "Monthly Meal" to persons in the community
  - Office Space on Site available for a service provider to meet with residents as needed
  - On Site Staff via Extended Housing, Inc., 11:00 p.m. – 3:00 a.m. Daily
  - Integrated treatment involves a number of elements. The following services are available through the dual disorders program:
    - case management
    - money management
    - special counseling and groups specifically designed for people with dual disorders
    - education regarding medications and other steps to recovery from both illnesses
    - supported employment services
    - information and supports for family members and loved ones
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**Grantee Activity Number:** 05  
**Activity Title:** Future NSP 1, Phase III (WR CDC)

**Activity Type:**  
 Rehabilitation/reconstruction of residential structures

**Activity Status:**  
 Under Way

**Project Number:**  
 01

**Project Title:**  
 Acquisition/Rehabilitation/Redevelopment

**Projected Start Date:**  
 09/18/2010

**Projected End Date:**  
 03/01/2013

**National Objective:**  
 LM MI: Low, Moderate and Middle Income National Objective for NSP Only

**Total Budget, Program Funds:** \$ 1,112,144.00

**Other Funds Total:** \$ 0.00

**Environmental Assessment:**

**Total Funds Amount:** \$ 1,112,144.00

**Benefit Report Type:**  
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# of Total Households benefiting	7		7	100.00

Proposed Accomplishments	Total
# of Housing Units	7
# of Properties	7

**Activity is being carried out by Grantee:** No      **Activity is being carried out through:**

**Organization carrying out Activity:**  
 Lake County Commissioners

**Proposed budgets for organizations carrying out Activity:**

Responsible Organization	Organization Type	Proposed
Lake County Commissioners	Unknown	\$ 1,112,144.00

**Location Description:**  
 City of Painesville

**Activity Description:**

The developer will utilize NSP funds to construct up to seven homes approximately 1,100 - 1,400 sq. ft. within the Asper Commons Subdivision located in the City of Painesville; an NSP program target area. Asper Commons is a subdivision in the City of Painesville off of Richmond St. It was developed by the developer from land assembled from vacant parcels and at least one residential unit which was demolished. The subdivision contains 11 single family residential sub lots. Two lots have been built and two lots will be combined to existing open space for a community park. This leaves seven single family residential lots available for this program.

These sites will be used to construct new single family homes for sale and/or rent to eligible low-moderate-middle income (LM MI) households per HUD NSP guidelines. The developer is required to document and verify income eligibility of all renters. The developer shall ensure affordable rents according to HUD guidelines. The developer will make these homes available to the Lake County housing non profit community and other support services like the Veterans Administration to help them provide housing to those with the greatest need.

These units will be owned and managed by the developer. They will be built to a higher standard of energy efficiency than now

required and will utilize proven sustainable technologies and construction best management practices including but not limited to pervious pavement driveways, rain barrels, tankless hot water heaters and energy efficient appliances. To ensure best management practices are considered, the planning process will include consultations with the Lake County Grants Administrator, the City of Painesville, Fair Housing, and the staffs of the Lake County Planning Commission and Lake County Soil and Water.

All properties in this activity are classified as Eligible Use E, Vacant Properties.

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**Grantee Activity Number:** 06  
**Activity Title:** NSP I, Phase II (WRCDC)

**Activity Type:**  
 Rehabilitation/reconstruction of residential structures

**Activity Status:**  
 Under Way

**Project Number:**  
 01

**Project Title:**  
 Acquisition/Rehabilitation/Redevelopment

**Projected Start Date:**  
 09/19/2010

**Projected End Date:**  
 03/01/2013

**National Objective:**  
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

**Total Budget, Program Funds:** \$ 550,000.00

**Other Funds Total:** \$ 0.00

**Environmental Assessment:**

**Total Funds Amount:** \$ 550,000.00

**Benefit Report Type:**  
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# of Total Households benefiting	3		3	100.00

Proposed Accomplishments	Total
# of Housing Units	3
# of Properties	3

**Activity is being carried out by Grantee:** No  
**Activity is being carried out through:**

**Organization carrying out Activity:**  
 Western Reserve Community Development

**Proposed budgets for organizations carrying out Activity:**

Responsible Organization	Organization Type	Proposed
Western Reserve Community Development	Unknown	\$ 550,000.00

**Location Description:**  
 Cities of Eastlake, Painesville and Madison.

**Activity Description:**  
 The DEVELOPER will utilize NSP funds to acquire property and construct up to three homes approximately 1,100 - 1,400 sq. ft. within the primary and secondary target areas noted in Lake County's Substantial Amendment. These sites will be used to construct new single family homes and rent or sell them to eligible low-moderate-middle income (LMMI) households per HUD NSP guidelines. The developer is required to document and verify income eligibility of all renters. The developer shall ensure affordable rents according to HUD guidelines. The developer will make these homes available to the Lake County housing non profit community and other support services like the Veterans Administration to help them provide housing to those with the greatest need. These units will be owned and managed by the developer. They will be built to a higher standard of energy efficiency than now required and will utilize proven sustainable technologies and construction best management practices including but not limited to pervious pavement driveways, rain barrels, tankless hot water heaters and energy efficient appliances. To ensure best management practices are considered, the planning process will include consultations with the Lake County Grants Administrator, the City of Painesville, Fair Housing, and the staffs of the Lake County Planning Commission and Lake County

Soil and Water.

Long-term, lease-purchase options will be available for qualified individuals and subject to affordability terms. Affordability standards as required by Section 92.254 of the HOME Program regulations will be as follows: NSP assistance for homebuyer programs, acquisition/rehabilitation/resell: \$10,001 - \$40,000 will require continued affordability for 15 years. NSP funding of more than \$40,001 will require continued affordability for 20 years. Acquisition or new construction of rental units will mandate an affordability period of not less than 20 years at any funding level.

As part of our staff transition in late 2010, Lake County staff, along with Western Reserve Community Development Corporation verified the eligible uses on the properties in this phase. The classifications are as follows:

1. 321 Morrell Ave., Eligible Use B
  2. 1312 E. 342nd St., Eligible Use E
  3. 57 Sterling Ave., Eligible Use E
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## Action Plan History

**Version**

B-08-UN-39-0005 AP#1

**Date**

11/23/2009