



# NSP2 CONSORTIUM AGREEMENT

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**Participating Members:**                    **Lake County, Ohio, Ashtabula County, Ohio, Geauga County, Ohio, and Western Reserve Community Development (CHDO)**

## **Neighborhood Stabilization Program 2 (“NSP2”)**

This Agreement is made between the County of Lake, Ohio, hereinafter called “the County”, Ashtabula County, Ohio, hereinafter called “Ashtabula,” Geauga County, Ohio, hereinafter called “Gauga”, and Western Reserve Community Development (WRCD), hereinafter called “WRCD”.

WHEREAS, the Congress of the United States has enacted the American Reinvestment and Recovery Act of 2009 (Public Law 111-005)(“Recovery Act”) for additional activities under Division B, Title III of the Housing and Economic Recovery Act of 2008 (Public Law 110-289)(“HERA”), as amended, for the purpose of assisting in the redevelopment of abandoned and foreclosed homes under the Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes heading, referred to as the Neighborhood Stabilization Program (“NSP”); and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) subsequently issued a Notice of Fund Availability, which in Section II(A)(4) permits two or more private or public nonprofit organizations that collectively have the capacity and experience to carry out the proposed NSP2 activities in the target geography to enter into mutual cooperation agreements to form consortiums for the purpose of obtaining funding from the NSP2 program; and

WHEREAS, NSP2’s general purposes are 1) to invest funds in programs and projects that will revitalize target neighborhoods and reconnect those targeted neighborhoods with the economy, housing market, and social networks of the community and metropolitan area as a whole; 2) to rapidly arrest the decline of targeted neighborhoods that have been negatively affected by abandoned or foreclosed properties; 3) to assure that no less than 25% of funds granted are used for purchase and redevelopment of abandoned and foreclosed homes and residential properties to house individuals and families whose incomes do not exceed 50 percent of area median income; 4) to ensure the longest feasible continued affordability of housing which will remain desirable for the longest feasible period; 5) to support projects that optimize economic activity and the highest number of jobs created or retained or that will provide other long term economic benefits; 6) to integrate NSP activities with other Federal policy priorities and investments, including energy conservation and efficiency, sustainable and transit-oriented development, integrated metropolitan area-wide planning and coordination, improvements in public education and access to healthcare; and 7) to leverage resources and remove destabilizing influences such as blighted homes, that can prevent programs from producing results; and

WHEREAS, the above listed participating consortium members desire to enter into affordable housing development activities which are directed toward the above general purposes and for



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that reason wish to seek such federal funding as may be available to them pursuant to the Act; and

WHEREAS, the Act contemplates and encourages the joining together by agreement of contiguous communities into a consortium for the purpose of carrying out the objectives of the Act; and

WHEREAS, HUD requires that one organization must be designated as the lead applicant, which is responsible for submitting the application, and if selected for funding, execute the NSP2 agreement with HUD and assume responsibility for the grant on behalf of the consortium in compliance with all program requirements; and

WHEREAS, the participating consortium members listed above have agreed that is in the best interest of carrying out the objectives of the Act within Butler County that the participating consortium members join together in affordable housing development activities.

NOW, THEREFORE, in consideration of the matters set forth above and below, the parties agree as follows:

1. The Counties of Lake, Ashtabula and Geauga and WRCD, hereby form a consortium to be known as the Lake County Ohio NSP2 Consortium, hereinafter referred to as the "Consortium". The Consortium shall apply for NSP2 Program funding. The Counties of Lake, Ashtabula and Geauga and WRCD agree to cooperate to assist the Consortium and to cooperate in undertaking housing assistance activities for the NSP2 Program.
2. Lake shall be authorized and designated as the lead applicant and shall act in a representative capacity for the Counties of Lake, Ashtabula and Geauga and WRCD for the purposes of this Agreement and to implement the consortium's NSP2 program.
3. Lake County, as the lead entity, will assume overall responsibility for ensuring that the Consortium's NSP2 program is carried out in compliance with the requirements of the NSP2 program as listed in the approved application.
4. Lake County, in cooperation with the other consortium members, shall prepare and submit on behalf of the Consortium the required NSP2 application and all required certifications to the Secretary of Housing and Urban Development for NSP2 funds under the terms of the Notice of Fund Availability ("NOFA") for the Neighborhood Stabilization Program 2 under the American Recovery and Reinvestment Act, 2009. The program descriptions shall include the proposed use of NSP2 funds for each category of eligible activity (as needed), the amount of NSP2 funds for each category of eligible activity. Lake County, as the lead member, assumes all responsibility for environmental review, decision-making and action for projects on behalf of the consortium in accordance with the requirements of 24 CFR Part 58. All parties of this



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Agreement are aware that the Consortium is responsible for reserving not less than 25% of the funds it receives through the Consortium for the purchase and redevelopment of abandoned and foreclosed-upon homes and residential properties to house individuals and families whose incomes do not exceed 50 percent of area median income.

5. If projects or activities within the Counties of Lake, Ashtabula and Geauga and WRCD are approved and funded, the Counties of Lake, Ashtabula and Geauga and WRCD may elect to be responsible for the implementation of those projects or activities, or it may elect to have Lake County implement them. The parties acknowledge that, whatever the participating consortium member elects, Lake County will have the responsibility and authority for the overall implementation of the program and for the proper use of the NSP2 appropriations and any and all program income generated from the expenditure of these funds in accordance with the requirements of the Act.
6. All participating consortium members must inform Lake County of any program income generated by the expenditure of NSP2 funds received. The use of any such program income and distribution of funds based on jurisdictional location of the project and/or who is responsible for project implementation will be agreed to by the participating consortium members in a separate Consortium Funding Agreement. The consortium members understand that failure to agree to terms and timely execute the Consortium Funding Agreement will result in disapproval of NSP2 funding. In anticipation of receiving funding for NSP2, the consortium members will endeavor to complete in final form the required Consortium Funding Agreement no later than November 1, 2009. Contingent upon funding approval of the consortium NSP2 application by HUD, the required Consortium Funding Agreement must be executed by each consortium member's Board and/or Council no later than December 1, 2009 to receive funding.
7. This Agreement shall be for a term starting with the date of each participating jurisdiction's signature below and ending when all NSP funds and program income have been expended as spelled out in the funding agreement, and shall not be terminated by any party before that date except as a result of HUD action.
8. Each member of the Consortium shall be entitled to an amount of the NSP2 funding awarded to the Consortium based on a pro-rated share of that member's percentage of the total grant funds requested by the Consortium. For example, if the Consortium's total funding allocation is \$10,000,000 and the NSP2 application shows one member's requested funds to be 10% of the total grant requested by the consortium as a whole, then that member shall be entitled to \$1,000,000 of the funds so allocated to the Consortium. A member may voluntarily relinquish a part of or all of its NSP2 allocation to the other member of the Consortium, through a subsequent legal document signed by that member.
9. Each party to this Agreement agrees to affirmatively further fair housing.



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10. Upon unanimous approval of all existing Members, Lake County shall be authorized to take all necessary action, to amend the consortium agreement to add new members to the consortium. The Consortium Funding Agreement shall contain express provision(s) for determining the reallocation of the distribution of funds upon the addition of new member(s) to the Consortium.

IN WITNESS WHEREOF, the parties have hereunto set their hands  
this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

**LAKE COUNTY:**

Deleted: BUTLER

BOARD OF COMMISSIONERS:

\_\_\_\_\_  
Daniel P. Troy, President

\_\_\_\_\_  
WITNESS

**WESTERN RESERVE COMMUNITY DEVELOPMENT**

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Emily Lipovan, Executive Director