

Montgomery County, Ohio

Mission Statement:

*To improve and maintain the quality of
life and economic health of
Montgomery County*

**Judy Dodge, Commissioner
Dan Foley, Commissioner
Debbie Lieberman, Commissioner
Deborah Feldman, Administrator**



Neighborhood Stabilization Plan (NSP) Substantial Action Plan Amendment 2008



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Montgomery County

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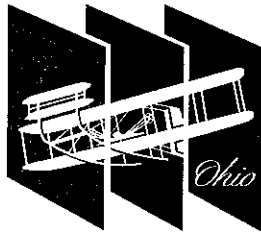
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Deborah A. Feldman

ASSISTANT COUNTY ADMINISTRATOR

Joseph P. Tuss

November 26, 2008

Jorgelle Lawson, Director
Community Planning and Development
U. S. Department of Housing and Urban Development
Ohio State Office
200 N. High Street
Columbus, OH 43215-2499

Dear Ms. Lawson:

On behalf of the Montgomery County Board of County Commissioners, please find enclosed an original and four (4) copies of the Neighborhood Stabilization Program Plan. This plan is a substantial amendment to the County's FY08 Action Plan. The original includes the signed certifications and SF-424 forms. We trust that you will find that the document meets all requirements and provides a practical strategy for addressing the areas of greatest need in Montgomery County. We look forward to a timely review and approval.

Should you have any questions, please feel free to contact me at 937-225-6341.

Sincerely,

Judy Mott, Manager
Montgomery County Community Development Office

enclosures

NSP GRANT SUBMISSION TEMPLATE **& CHECKLIST**

NSP grant allocations can be requested by submitting a paper NSP Substantial Amendment or a form under the Disaster Recovery Grant Reporting (DRGR) system. This template sets forth the suggested format for grantees under the NSP Program. A complete submission contains the information requested below, including:

- (1) The NSP Substantial Amendment (attached below)
- (2) Signed and Dated Certifications (attached below)
- (3) Signed and Dated [SF-424](#).

Grantees should also attach a completed NSP Substantial Amendment Checklist to ensure completeness and efficiency of review (attached below).

THE NSP SUBSTANTIAL AMENDMENT

Jurisdiction(s): Montgomery County, Ohio	NSP Contact Person: Judy Mott Address: 451 W. Third Street, 10 th Floor Dayton, OH 45402 Telephone: 937.225.6341; Fax: 937.496.6629 Email: mottj@mcoho.org
Jurisdiction Web Address: <ul style="list-style-type: none">• www.mcoho.org/ced	

A. AREAS OF GREATEST NEED Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.

Response:

Montgomery County Community Development (MCCD) has analyzed the following sources of data to determine the NSP areas of greatest need within Montgomery County, Ohio:

Data provided by HUD:

1. HUD's "estimated foreclosure and abandonment risk score"- this data provided a score for each neighborhood from 0 to 10, where 0 indicated a very low risk and 10 suggested a very high risk
2. HUD's "predicted 18 month underlying problem foreclosure rate"- this data estimated foreclosure starts in last 6 quarters
3. Federal Reserve Home Mortgage Disclosure Act (HMDA) - data based upon the percent of all loans made between 2004 and 2006 that are high cost at the Census Tract Level
4. US Postal Service data on residential addresses identified as being vacant for 90 days or longer as of June 2008 at the Census Tract level
5. HUD's 50% and 120% Area Income Limits

Local data:

1. Vacant and Abandoned Property Report, as self reported by participating Montgomery County Jurisdictions
2. Montgomery County Sheriff's Mortgage Foreclosure Report (total homes listed for sale at auction) from 1-1-08 to 8-16-08
3. Montgomery County Mortgage Foreclosure Filings Report from 1/1/2005 to 12/31/2007 as provided by the Montgomery County Recorder's Office

In order to properly analyze the data, it was placed into spreadsheets and sorted by various categories. MCCD also worked with the Montgomery County Auditor's office to geographically map the data.

MCCD first identified income qualifying census tracts according to HUD's NSP guidelines of 120% of the area median income. Upon identifying the income qualifying areas, MCCD then sorted HUD's data according to the foreclosure risk score, predicted 18 month foreclosure rate, and HMDA data from highest to lowest. Of the 181 income qualifying areas, 98 or 54% of them have foreclosure risk scores of 9 or higher. This 54% also contains the highest predicted 18 month foreclosure rate percentages and the highest HMDA percentages, of all of the qualifying areas.

Based upon the analysis above, which correlates with the local data analysis described in the follow paragraphs, MCCD has identified the greatest areas of need by focusing on the 54% of the income qualifying areas. The neighborhoods represented in this 54% include:

Harrison Township	Miamisburg
Huber Heights	Riverside
Jefferson Township	Trotwood
Miami Township	West Carrollton

Local data, reviewed by MCCD, confirms the Montgomery County eight areas of greatest need identified. For example, in analyzing the Montgomery County Sherriff's Mortgage Foreclosure Report for the period of 1-1-08 to 8-16-08, MCCD reviewed 1,035 mortgage filings in Montgomery County, excluding the cities of Dayton and Kettering. Of those 1,035 filings, 632 (61%) are represented by the eight areas of greatest need.

Further, in analyzing the Montgomery County Mortgage Filing Report, as provided by the Montgomery County Recorder's Office, from the period of 1-1-2005 to 12-31-2007 (excluding the cities of Dayton and Kettering) there were a total of 3,913 mortgage foreclosure filings. The eight areas of greatest need represent 2,440 (62%) of the total 3,913 mortgage filings during the period of 1-1-2005 to 12-31-2007.

The areas of greatest need represent 8 of the 28 total jurisdictions that MCCD serves. The areas of greatest need are also considered inner ring suburbs and are adjacent to the City of Dayton which is the Montgomery County seat. In reviewing the Montgomery County areas of greatest need, 57% of the total 94 greatest need census tract/block groups, are also included in current CDBG target areas.

B. DISTRIBUTION AND USES OF FUNDS: Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need.

Response:

Montgomery County has used the data provided by HUD to identify areas of greatest need. This data includes the identification of census tracts that include the greatest percentage of home foreclosures, the highest percentage of homes financed by a subprime mortgage and identified as likely to face a significant rate of home foreclosures. The County's traditional CDBG target areas are all eligible and demonstrate the greatest need. By increasing the AMI to 120% there are several additional tracts that are also now eligible. Some of these areas are adjacent to the

traditional target areas and some appear in various jurisdictions throughout the county. The greatest needs correspond to the traditional target areas as well as some new neighborhoods and are identified in Section A.

Funds will support a variety of projects including the establishment of funding mechanisms, the purchase/rehabilitation of single or multi-family units in order to sell or rent them, and the demolition of blighted structures. Anticipated program income will allow projects to continue moving forward and could also be used toward a low-income tax credit project in one of our target areas.

The purchase and rehabilitation of single and/or multi-family units will take place in neighborhoods that are in eligible tracts where at least 51% of the residents have incomes at or below 120% of the AMI. These neighborhoods include: Harrison Township, Trotwood, Jefferson Township, Huber Heights, Miamisburg, Miami Township, Riverside and West Carrollton. Montgomery County will partner with such organizations as CountyCorp (our CHDO) and other housing agencies to use NSP funds to acquire and improve residential structures that will be occupied by households whose income is at or below 120% AMI. Funding mechanisms will be created by CountyCorp to make the houses affordable.

Demolition of blighted structures will coincide with census tracts where it has been determined that in addition to acquiring and rehabilitating houses and multi-family units it is in the best interest of the new development and existing neighbors for various structures to be demolished. In areas where we wouldn't necessarily do purchase/rehab some demolition will take place to eliminate the blighting influence of structures in neighborhoods where the clearance of such structures would have a positive impact on the remaining properties. Harrison Township, Jefferson Township, and Trotwood are likely candidates for demolition of blighted structures.

Montgomery County will use 25% of its allocation to partner with such agencies as the Dayton Metropolitan Housing Authority on tax credit and other projects that will create rental units that will be available and affordable to persons and families whose incomes do not exceed 50% AMI. Partnerships with the County's Homeless Solutions Project and other agencies serving limited clientele will also create affordable rental opportunities in our target areas for persons and families whose incomes do not exceed 50% AMI. All eight neighborhoods previously mentioned could be locations for this affordable housing depending on the availability and acquisition of suitable structures to be used for such a purpose. Because we have 181 qualifying census tracts it is possible that in addition to the eight jurisdictions already mentioned properties could be acquired and redeveloped in other jurisdictions using the same data to expand beyond the top 54% of qualifying areas (as mentioned in Section A: Areas of Greatest Need).

C. DEFINITIONS AND DESCRIPTIONS

(1) Definition of “blighted structure” in context of state or local law.

Response:

Blighted structure- a property in Montgomery County can be considered blighted if the following conditions are in place. This definition of a blighted structure was taken from Ohio Revised Code, General Chapter 1.08, with the effective date of 10-10-2007: 2007 SB7. As used in the Revised Code:

(A) “Blighted area” and “slum” mean an area in which at least seventy per cent of the parcels are blighted parcels and those blighted parcels substantially impair or arrest the sound growth of the state or a political subdivision of the state, retard the provision of housing accommodations, constitute an economic or social liability, or are a menace to the public health, safety, morals, or welfare in their present condition and use.

(B) “Blighted parcel” means either of the following:

(1) A parcel that has one or more of the following conditions:

- (a) A structure that is dilapidated, unsanitary, unsafe, or vermin infested and that because of its condition has been designated by an agency that is responsible for the enforcement of housing, building, or fire codes as unfit for human habitation or use;
- (b) The property poses a direct threat to public health or safety in its present condition by reason of environmentally hazardous conditions, solid waste pollution, or contamination;
- (c) Tax or special assessment delinquencies exceeding the fair value of the land that remain unpaid thirty-five days after notice to pay has been mailed.

(2) A parcel that has two or more of the following conditions that, collectively considered, adversely affect surrounding or community property values or entail land use relationships that cannot reasonably be corrected through existing zoning codes or other land use regulations:

- (a) Dilapidation and deterioration;
- (b) Age and obsolescence;
- (c) Inadequate provision for ventilation, light, air, sanitation, or open spaces;
- (d) Unsafe and unsanitary conditions;
- (e) Hazards that endanger lives or properties by fire or other causes;
- (f) Noncompliance with building, housing, or other codes;
- (g) Nonworking or disconnected utilities;
- (h) Is vacant or contains an abandoned structure;
- (i) Excessive dwelling unit density;
- (j) Is located in an area of defective or inadequate street layout;

- (k) Overcrowding of buildings on the land;
 - (l) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
 - (m) Vermin infestation;
 - (n) Extensive damage or destruction caused by a major disaster when the damage has not been remediated within a reasonable time;
 - (o) Identified hazards to health and safety that are conducive to ill health, transmission of disease, juvenile delinquency, or crime;
 - (p) Ownership or multiple ownership of a single parcel when the owner, or a majority of the owners of a parcel in the case of multiple ownership, cannot be located.
- (C) When determining whether a property is a blighted parcel or whether an area is a blighted area or slum for the purposes of this section, no person shall consider whether there is a comparatively better use for any premises, property, structure, area, or portion of an area, or whether the property could generate more tax revenues if put to another use.
- (D) (1) Notwithstanding any other provision of this section, absent any environmental or public health hazard that cannot be corrected under its current use or ownership, a property is not a blighted parcel because of any condition listed in division (B) of this section if the condition is consistent with conditions that are normally incident to generally accepted agricultural practices and the land is used for agricultural purposes as defined in section 303.01 or 519.01 of the Revised Code, or the county auditor of the county in which the land is located has determined under section 5713.31 of the Revised Code that the land is “land devoted exclusively to agricultural use” as defined in section 5713.30 of the Revised Code.
- (2) A property that under division (D) (1) of this section is not a blighted parcel shall not be included in a blighted area or slum.

Montgomery County locally defines a slum/blight area if the neighborhood meets two of the three criteria listed below:

- Proportion of units in deteriorating state (one-fourth needing minor or major rehabilitation or demolition)
- Average value of owner-occupied units being lower than 80% of the average value of housing in Montgomery County.
- Public improvements deterioration (two or more types of improvements are lacking or are in a deteriorated or deteriorating state)

(2) Definition of “affordable rents.” **Note:** Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability.

Response:

Montgomery County defines affordable rents as households paying no more than 30% of their income for rent, not to exceed fair market rents. In many cases, this is substantially less than fair market rents and the low HOME rent limit.

(3) Describe how the grantee will ensure continued affordability for NSP assisted housing.

Response:

Montgomery County will ensure continued affordability through deed restrictions and specific language about affordability in the grant/loan note. If multi-family rental units are purchased using NSP funds and then conveyed to a non-profit organization, language will be included about affordability 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. Depending on certain capital projects 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.

(4) Describe housing rehabilitation standards that will apply to NSP assisted activities.

Response:

Montgomery County will utilize rehabilitation standards that will comply with local applicable laws, codes and other requirements relating to housing safety, quality and habitability, in order to sell the homes to qualified families. It is anticipated that FHA will provide a substantial portion of the mortgages to qualified homebuyers, so rehabilitation standards should also meet FHA standards. Properties will be inspected and items addressed (where applicable) using the Uniform Physical Condition Standards. Montgomery County will work in tandem with CountyCorp, its nonprofit housing and economic development arm, to ensure that housing units are decent, safe and sanitary and that the housing unit will not need additional federal funds injected, unless the unit becomes vacant and minimal work is needed prior to being re-occupied. Energy efficiency practices will be undertaken as appropriate to assist in the long-term sustained affordability of the housing unit.

D. LOW INCOME TARGETING Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used 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: \$ 1,500,000 .

Response:

Montgomery County will allocate \$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. One of the primary partners will be the Homeless Solutions Project team. In 2006, Montgomery County and the City of Dayton approved a 10-Year Homeless Solutions Plan to end chronic homelessness and reduce overall homelessness in our community. Two major goals of that Plan are to provide 1800 additional affordable housing units and 750 units of supportive housing for those who need affordable housing coupled with services.

Montgomery County and the Dayton Metropolitan Housing Authority have committed to a plan to provide 150 units of permanent supportive housing in our community in the next two years. The Housing Authority will provide 150 Project-based Section 8 Vouchers to cover the operating expenses of the housing. Montgomery County has committed a total of \$400,000 of capital funding from their HOME allocation from HUD. Additional capital funding will be needed for acquisition and rehabilitation of units for this housing. Neighborhood Stabilization Program funding could be used to assist with this very important community goal by providing funds for capital needs.

In addition, CountyCorp, working in collaboration and partnership with other housing providers, will submit low income housing tax credit applications that will benefit Montgomery County NSP areas of greatest need as identified in section A. This is in compliance with and furtherance of the goals for affordable housing units in Montgomery County's Consolidated Plan, and in meeting the goals set forth in the local Permanent Supportive Housing Plan.

E. ACQUISITIONS & RELOCATION Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., $\leq 80\%$ of area median income).

If so, include:

- The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Response:

Montgomery County intends to demolish or convert a limited number of low and moderate income dwelling units, those defined as being less than 80% of area median income. This includes the following:

- # of low and moderate income dwelling units reasonably expected to be demolished or converted as a direct result of NSP-assisted activities-

75-100 residential units demolished

Possibly 20 units that CountyCorp will convert to lease/purchase that do not sell during first four months on the market

- #of NSP affordable housing units made available to low, moderate and middle income households

40 units proposed for purchase/rehabilitation by CountyCorp and resold to households less than 120% of area median income

- # of dwelling units reasonably expected to be made available for households whose incomes do not exceed 50% of area median income

150 units to be completed through acquisition/rehabilitation efforts, partnering with DMHA and the Homeless Solutions Project, and the RFPs being put out through those agencies, in affiliation with HOME funds, for homeless persons and Section 8 project-based vouchers

50 units to be completed through partnership with DMHA to acquire and demolish a foreclosed multi-unit property and rebuild at less density, **or** to acquire and rehabilitate a foreclosed multi-unit property that might have been vacant or had high vacancy rates, which would provide additional affordable housing units and would assist in meeting the goals identified in the Consolidated Plan

25 units to be completed using NSP program income and leveraged with Low Income Housing Tax Credit Program, through CountyCorp, on land that is currently owned by CountyCorp and/or Harrison Township, and land that could be redeveloped as a result of NSP assisted demolition

No relocation is anticipated as a result of NSP activity; however, if some unforeseen circumstance does arise that necessitates relocation, then the Uniform Relocation Assistance and Real Property Acquisition Policy Act will be followed

340-365 total units proposed

F. PUBLIC COMMENT Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Summary of Comments

Montgomery County is required, as part of their Neighborhood Stabilization Program (NSP) Plan, to provide a summary of comments that were received. Some of these comments were received during the development of the Plan. Others will be received after the public notice is published announcing that the Plan is available for comments and after the Plan has been placed on the County’s website. These comments will also be incorporated into the County’s submission.

These questions/comments were received at a meeting held on October 24, 2008. This meeting included representatives from Montgomery County Community Development’s two advisory committees, jurisdictional representatives, individuals from the Miami Valley Regional Planning Commission, from CountyCorp and the Miami Valley Fair Housing Center.

Question/Comment	Response
• Structures only?	Yes, but with redevelopment on vacant/demolished property
• Regarding housing in non-red areas?	No, does not meet income guidelines but might have foreclosure issues
• Black borderlines on Maps?	Geography boundaries
• Foreclosure data on website?	Yes
• Where did data come from?	HUD mostly
• Inspector General and audits, concerned about waste and spending	No response required but we share the same concerns
• Green areas on map? Can properties be bought there for this program?	No, does not meet the income guidelines for the program
• Comment/question re: fair housing/counseling-will issues for homeowners be resolved?	Answer by Jim McCarthy-Fair Housing Center-predatory loan or more a budget issue? Can they negotiate with the lender? Homeownership Center has rescue funds for eligible homeowners, up to \$3K.
• Maps available on line?	Yes, on county’s website
• Comment regarding magnitude of problem; changes and resources; tracking system. Feel positive about the presentation but minimal confidence that we have the requisite infrastructure to be creative enough to stabilize neighborhoods in the time frame and monies allowed.	We too understand this is a major problem in the county and that resources are limited. Trying to work strategically to get “biggest bang for buck.”
• Can jurisdictions apply for funds?	Currently there is no application planned.
• Demolition of residential/commercial blighted structures?	Yes, NSP funds apply to blighted structures.
• Approach seems very comprehensive	
• Very information; lots of good information	
• General comments/interest from jurisdictions hoping to receive a portion of the funds to address issues in their respective jurisdictions	

Comments were also received at a meeting of the First Suburbs group on October 22, 2008. The Dayton Ohio First Suburbs Consortium Council of Governments is an association of government elected and appointed officials representing mature built-out communities in the Dayton Metropolitan Area.

Question/Comment	Response
<ul style="list-style-type: none"> • What time is the meeting for the jurisdictions on the 24th? 	10 a.m. (this was provided on-site to the person inquiring)
<ul style="list-style-type: none"> • Interest in eligibility for existing vacant buildings in previously approved areas, as well as not yet qualified...how long does jurisdiction have to get the area qualified for a neighborhood not previously qualified? 	County will supply jurisdictional data to this jurisdiction so they can see how their community is impacted by foreclosures and the risk of foreclosures, and their eligibility.
<ul style="list-style-type: none"> • How does down payment assistance work? One person expressed their concern that part of the problem of the foreclosure situation is that the purchaser did not have any of their own funds in the property. How will this help things? 	Down payment assistance will help with affordability gap. This will not be a grant but will be a second mortgage that the homebuyer will repay.
<ul style="list-style-type: none"> • MVRPC will share results of vacant properties report. 	This information would be helpful as we move into implementation.
<ul style="list-style-type: none"> • Once application is complete and submitted to HUD, please share with Dayton and Kettering. Kettering is submitting application through State's program. There could be a regional benefit by adopting consistent plans. 	Montgomery County's NSP Plan will be available.
<ul style="list-style-type: none"> • Good presentation of program, seems like program will be beneficial. Concern about their jurisdiction's eligibility 	County will address areas of eligibility at 10.24.08 meeting and will follow-up with jurisdiction about areas/needs

Comments received during the public comment period November 10 to 25, 2008.

Question/Comment	Response
<ul style="list-style-type: none"> • It appears as though you are using more funds for administrative dollars than demolition? 	We allocated the full 10% for administration because we need to spread the funds over a four year period. However, we are not anticipating that we will spend the full administrative reserve, if there are dollars remaining, we will reallocate them to other NSP eligible projects.
<ul style="list-style-type: none"> • Why are there so few dollars reserved for demolition? 	We are looking at demolition as a complement to stabilization, not a priority for stabilization. We are also looking at demolition as a final part of our project once program income has been generated. We will also seek other funds for demolition.
<ul style="list-style-type: none"> • The units purchased and/or rehabbed by DMHA and the Homeless Solutions team, who will own them and how many will be made accessible? 	We are unsure of the details. DMHA will own some of the units. Historically, DMHA has made 5% of the units accessible.
<ul style="list-style-type: none"> • Please re-evaluate the Level I and II areas. 	We have re-evaluated them and made adjustments.

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

1. **Activity Name:** Affordability Gap Financing
2. **Activity Type:** Funding Mechanisms for Purchase & Redevelopment of Foreclosed Upon Homes & Residential Properties. 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:** 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.

Response:

A narrative regarding the areas of greatest need and the approach to those areas is described in section 5. The expected benefit to income-qualified persons is that quality, affordable housing will be made available to low-to-moderate-to-middle income persons not traditionally served with CDBG funds. The expanded income eligible census tract areas will also benefit from stabilization of the area through the remediation of abandoned and foreclosed properties. According to a recent article in the Dayton Business Journal (October 24, 2008), a foreclosed home that has become blighted typically chops approximately \$7,500 off the value of adjacent properties. By stabilizing such properties, MCCD expects to see an increase in property value in NSP neighborhoods served.

5. **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). Montgomery County will follow a two tiered approach in working in the identified areas of need, as follows:

Level I Areas- Level I neighborhoods are best described as areas where foreclosed homes are destabilizing the area, however prior to the high risk subprime loan epidemic, there was not an overwhelming number of vacant homes. There are not major preexisting conditions that make redevelopment extremely difficult if foreclosed properties are addressed. In general, the housing stock is sound. Montgomery level 1 areas of greatest need include, but may not be limited to:

Jefferson (060300)
Harrison Township (080200, 000500, 080300)
Huber Heights (100302, 100201)
Miami Township (050101)
Miamisburg (030100, 050402)
Riverside (090600, 090302, 091000)
Trotwood (070500)
West Carrollton (050301, 050101, 050303)

Level II Areas – Level II areas are best described as distressed areas with housing that has been foreclosed/abandoned and the reuse of such housing is not economically practical. These areas call for a larger dedication of resources in order to have any impact. These areas may be more suited for an acquisition and demolition project in order to allow for a grander scale development in the future. The area could be defined either as the site of a large multi-family apartment complex that is blighting the surrounding residential area or an area comprised of a number of contiguous square blocks that have a high concentration of abandoned or blighted properties. Census tracts include, but may not be limited to:

Jefferson Township (060200, 050301, 030200, 060100)
Harrison Township (000300, 080700, 080100, 080600, 001600, 080500)
Trotwood (070300, 070201, 070700, 070202, 000100, 070400, 070102, 070101)

For the funding mechanism activity (affordability gap financing) that is tied to purchase/rehabilitation, Montgomery County will focus on the level 1 areas. However, depending upon the availability of eligible properties for acquisition and rehab, and general market conditions, other LMMI qualifying areas may also be considered.

6. **Performance Measures:** Up to 40 households will receive affordability gap financing, most of which will be in the middle income levels of 81-120% of AMI.

7. **Total Budget:** The budget for funding mechanisms is \$500,000.

8. **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@mcohio.org

Sub-recipient Organization:

CountyCorp
130 West 2nd Street, Suite 1420, Dayton, OH 45402
Chief Executive Officer: Steve Naas, phone 937-225-6328

9. **Projected Start Date:** April 1, 2009

10. **Projected End Date:** September 30, 2012

11. Specific Activity Requirements:

Housing related activities, response:

- *tenure of beneficiaries--rental or homeownership;*
Under this activity, there will be affordable gap financing available for up to 40 qualified buyers (some buyers may not require assistance). These funds will provide 15-20% of the purchase price for the homebuyer; this coupled with FHA or other financing will cover the remaining costs. The range available for homebuyers is \$11,250 to \$15,000. This is projected on the sale of a \$75,000 home.
- *duration or term of assistance;*
The affordable gap financing will stay with the property until it is sold, not to exceed 10 years. This will be considered a buyer second mortgage.
- *a description of how the design of the activity will ensure continued affordability*
If a single family property has been purchased using NSP funds, and subsequently sold to a qualified buyer, Montgomery County will ensure continued affordability of this activity through deed restrictions and specific language regarding affordability in the grant/loan note.

For financing activities, include:

- *range of interest rates*
0% interest

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

1. **Activity Name:** Neighborhood Stabilization and Housing Preservation
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 120% of area median income. Correlated CDBG regulation: 24 CFR 570.201(a), (b), & 570.202
3. **National Objective:** LMMI (Housing and Economic Recovery Act §2301(f) (3) (A) (i) and (ii))
4. **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 5.

The expected benefit to income-qualified persons is that quality, affordable housing will be made available to low-to-moderate-to-middle income persons not traditionally served with CDBG funds. The expanded income eligible census tract areas will also benefit from stabilization of the area through the remediation of abandoned and foreclosed properties. According to a recent article in the Dayton Business Journal (October 24, 2008), a foreclosed home that has become blighted typically chops approximately \$7,500 off the value of adjacent properties. By stabilizing such properties, MCCD expects to see an increase in property value in NSP neighborhoods served.

Funds for this activity will be used to meet the low income housing requirement for those below 50% of area median income. MCCD is planning a multi-family unit project, in partnership with the local housing authority to benefit persons at or below 50% of the area median income using NSP funds to acquire, rehab and/or demolish one or more multi-family units that are abandoned or foreclosed. MCCD is also planning to partner with the Homeless Solutions Program to provide supportive housing to people that are homeless or at risk of homelessness. In addition, CountyCorp, working in collaboration and partnership with other housing providers, will submit low income housing tax credit applications that will benefit Montgomery County NSP areas of greatest need as identified in section A. The approximate number of affordable units to be made available through these projects is 225.

5. 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). Montgomery County will follow a two tiered approach in working in the identified areas of need, as follows:

Level I Areas- Level I neighborhoods are best described as areas where foreclosed homes are destabilizing the area, however prior to the high risk subprime loan epidemic, there was not an overwhelming number of vacant homes. There are not major preexisting conditions that make redevelopment extremely difficult if foreclosed properties are addressed. In general, the housing stock is sound. Montgomery level 1 areas of greatest need include, but may not be limited to:

Jefferson (060300)
Harrison Township (080200, 000500, 080300)
Huber Heights (100302, 100201)
Miami Township (050101)
Miamisburg (030100, 050402)
Riverside (090600, 090302, 091000)
Trotwood (070500)
West Carrollton (050301, 050101, 050303)

Level II Areas – Level II areas are best described as distressed areas with housing that has been foreclosed/abandoned and the reuse of such housing is not economically practical. These areas call for a larger dedication of resources in order to have any impact. These areas may be more suited for an acquisition and demolition project in order to allow for a grander scale development in the future. The area could be defined either as the site of a large multi-family apartment complex that is blighting the surrounding residential area or an area comprised of a number of contiguous square blocks that have a high concentration of abandoned or blighted properties. Census tracts include, but may not be limited to:

Jefferson Township (060200, 050301, 030200, 060100)
Harrison Township (000300, 080700, 080100, 080600, 001600, 080500)
Trotwood (070300, 070201, 070700, 070202, 000100, 070400, 070102, 070101)

For the purchase rehabilitation activity, Montgomery County will focus on the level 1 areas. However, depending upon the availability of eligible properties for acquisition and rehab, and general market conditions, other LMMI qualifying areas may also be considered.

6. **Performance Measures** (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

All numbers are estimated:

- 75-100 eligible properties to be acquired for demolition to benefit persons at 120% or below AMI
- 40 single family homes to be acquired for rehab and sale/lease purchase to benefit persons at 80-120% of AMI
- 50 affordable rental units to be made available as part of the multi-family project in partnership with the housing authority to benefit persons at 50% or below AMI
- 150 affordable rental units to be made available as part of the project in partnership with the Homeless Solutions Project to benefit persons at 50% or below AMI
- 25 additional units from a potential tax credit project with funds from program income to benefit persons at 50% or below AMI

Projected total units to be affected 340-365

7. **Total Budget:** (Include public and private components)
\$2,890,000-to be used for acquisition and rehabilitation
\$1,500,000 estimated program income from the sale rehabilitated homes
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@mcohio.org

Sub-recipient Organization:

CountyCorp

130 West 2nd Street, Suite 1420, Dayton, OH 45402

Chief Executive Officer: Steve Naas, phone 937-225-6328

9. **Projected Start Date:** March 1, 2009

10. **Projected End Date:** December 31, 2011

11. Specific Activity Requirements:

- *Tenure of beneficiaries--rental or homeownership;*

Under this activity, there will be a mix of rental and homeownership opportunities made available to LMMI persons. MCCD is planning to provide at least 40 housing units for purchase and/or lease purchase. An additional 200-225 units will be made available as affordable rentals.

- *Duration or term of assistance;*

For qualified homebuyers, the assistance will be in the form of affordable gap financing and will stay with the property until it is sold, not to exceed 10 years.

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 a single family property has been purchased using NSP funds, and subsequently sold to a qualified buyer, Montgomery County will ensure continued affordability of this activity through deed restrictions and specific language regarding affordability in the grant/loan note.

- 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:*

- Not applicable for this activities, see Section G-Funding Mechanisms

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

1. **Activity Name:** NSP Demolition
2. **Activity Type:** Demolition of Blighted Structures; Correlated CDBG regulation: 24 CFR 570.201(d) Clearance for blighted structures only
3. **National Objective:** LMMI (Housing and 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 our data; particularly where vacancies are high and the structures are beyond reasonable repair and habitation.
 - The expected benefit to income-qualified persons is that 77-100 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 50% 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:** 77-100 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

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

1. **Activity Name:** NSP Redevelopment
2. **Activity Type:** Redevelop Demolished or Vacant Properties; Correlated CDBG regulation: 24 CFR 570.201 (a) (b) (c)
3. **National Objective:** LMMI (Housing and Economic Recovery Act §2301(c) (3) (E))
4. **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.

Response:

A narrative regarding the areas of greatest need and the approach to those areas is described in section 5. The expected benefit to income-qualified persons is that quality, affordable housing will be made available to low-to-moderate-to-middle income persons not traditionally served with CDBG funds. The expanded income eligible census tract areas will also benefit from stabilization of the area through the remediation of abandoned and foreclosed properties. According to a recent article in the Dayton Business Journal (October 24, 2008), a foreclosed home that has become blighted typically chops approximately \$7,500 off the value of adjacent properties. By stabilizing such properties, MCCD expects to see an increase in property value in NSP neighborhoods served.

5. **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). Montgomery County will follow a two tiered approach in working in the identified areas of need, as follows:

Level I Areas- Level I neighborhoods are best be described as areas where foreclosed homes are destabilizing the area, however prior to the high risk subprime loan epidemic , there was not an overwhelming number of vacant homes. There are not major preexisting conditions that make redevelopment extremely difficult if foreclosed properties are addressed. In general, the housing stock is sound. Montgomery level 1 areas of greatest need include, but may not be limited to:

Jefferson (060300)
Harrison Township (080200, 000500, 080300)
Huber Heights (100302, 100201)
Miami Township (050101)
Miamisburg (030100, 050402)
Riverside (090600, 090302, 091000)
Trotwood (070500)
West Carrollton (050301, 050101, 050303)

Level II Areas – Level II areas are best described as distressed areas with housing that has been foreclosed/abandoned and the reuse of such housing is not economically practical. These areas call for a larger dedication of resources in order to have any impact. These areas may be more suited for an acquisition and demolition project in order to allow for a grander scale development in the future. The area could be defined either as the site of a large multi-family apartment complex that is blighting the surrounding residential area or an area comprised of a number of contiguous square blocks that have a high concentration of abandoned or blighted properties. Census tracts include, but may not be limited to:

Jefferson Township (060200, 050301, 030200, 060100)

Harrison Township (000300, 080700, 080100, 080600, 001600, 080500)

Trotwood (070300, 070201, 070700, 070202, 000100, 070400, 070102, 070101)

There are no specific sites currently selected for redevelopment. The County has assisted Harrison Township, Trotwood and Jefferson Township (all Level II areas) with CDBG-funded housing demolition over the past 2-3 years. All three areas also have substantial amounts of low income housing. In the County's Consolidated Plan for FY08-12, the County indicated that they would discourage additional development of housing in these areas. However, all three communities participate in the County's Real Estate Acquisition Program, a land banking related program, which allows jurisdictions to acquire properties at a discounted value and hold them for future redevelopment.

6. **Performance Measures:** Up to 25 households, whose incomes are less than 50%, will be housed as part of this LIHTC project.
7. **Total Budget:** The budget for redevelopment is \$1,500,000-\$3,200,000, based on the amount of program income generated from the purchase/rehab/sale to persons at 81-120% of AMI.
8. **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@mcohio.org

Sub-recipient Organizations:

CountyCorp

130 West 2nd Street, Suite 1420, Dayton, OH 45402

Chief Executive Officer: Steve Naas, phone 937-225-6328

DMHA

400 Wayne Avenue, Dayton OH 45402

Chief Executive Officer: Greg Johnson, phone 937-910-7500

9. **Projected Start Date:** April 1, 2009

10. **Projected End Date:** July 30, 2013

11. **Specific Activity Requirements:**

Housing related activities, response:

- *tenure of beneficiaries--rental or homeownership;*
Under this activity, there will be affordable gap financing available for up to 40 qualified buyers (some buyers may not require assistance). These funds will provide 15-20% of the purchase price for the homebuyer; this coupled with FHA or other financing will cover the remaining costs. The range available for homebuyers is \$11,250 to \$15,000. This is projected on the sale of a \$75,000 home.
- *duration or term of assistance;*
The affordable gap financing will stay with the property until it is sold, not to exceed 10 years. This will be considered a buyer second mortgage.
- *a description of how the design of the activity will ensure continued affordability*
If a single family property has been purchased using NSP funds, and subsequently sold to a qualified buyer, Montgomery County will ensure continued affordability of this activity through deed restrictions and specific language regarding affordability in the grant/loan note.

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

1. **Activity Name:** NSP Administration
2. **Activity Type:** Administration and Planning HERA §2301(c)(3); Correlated CDBG regulation: 24 CFR 570.205 and 206 General Administration and Planning and 24 CFR 570.200(h) Pre-award costs
3. **National Objective:** LMMI (Housing and Economic Recovery Act §2301(f) (3) (A) (i) & (ii))
4. **Activity Description:** All administrative activities and pre-award costs not including activity delivery costs.
5. **Location Description:** Montgomery County, OH exclusive of the cities of Dayton and Kettering which are their own entitlement communities
6. **Performance Measures:** no more than 10% of funds will be used for administrative costs.
7. **Total Budget:** \$598,800
8. **Responsible Organization:** Administration 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.
9. **Projected Start Date:** March 1, 2009
10. **Projected End Date:** July 30, 2013
11. **Specific Activity Requirements:** N/A

CERTIFICATIONS

- (1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) **Section 3.** The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.
- (10) **Use NSP funds \leq 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.
- (11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by

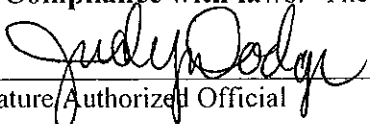
assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive Force.** The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction will comply with applicable laws.



Signature/Authorized Official

11/6/08
Date

President
Title

REFER TO RESOLUTION NO. 08-1743
 DATED 11/7/08

APPLICATION FOR FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION: Application <input checked="" type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	<input type="checkbox"/> Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	2. DATE SUBMITTED 11/26/2008	Applicant Identifier
		3. DATE RECEIVED BY STATE	State Application Identifier
		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

5. APPLICANT INFORMATION

Legal Name: Montgomery County, Ohio	Organizational Unit: Department: Community and Economic Development
Organizational DUNS: 071277115	Division: Community Development
Address: Street: 451 W. Third Street	Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: Ms. First Name: Judy
City: Dayton	Middle Name
County: Montgomery	Last Name Mott
State: Ohio	Zip Code 45422
Country: United States of America	Email: mottj@mcchio.org

6. EMPLOYER IDENTIFICATION NUMBER (EIN):

31-6000172

Phone Number (give area code) 937-225-6341	Fax Number (give area code) 937-496-6629
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8. TYPE OF APPLICATION:

New
 Continuation
 Revision
 If Revision, enter appropriate letter(s) in box(es)
 (See back of form for description of letters.)
 A C
 Other (specify)

7. TYPE OF APPLICANT: (See back of form for Application Types)

B-County
 Other (specify)

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:

14-218

TITLE (Name of Program):
 CDBG Entitlement/NSP

12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):
 Montgomery County, excluding the Cities of Dayton and Kettering

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
 Funds will be used for financing mechanisms under the NSP for purchase and redevelopment of foreclosed homes and residential properties, for demolition of blighted structures, for purchase/rehab and resell of housing units, and for the redevelopment of vacant/demolished properties

13. PROPOSED PROJECT

Start Date: 01/01/09	Ending Date: 07/30/13
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14. CONGRESSIONAL DISTRICTS OF:

a. Applicant 3 & 8	b. Project 3 & 8
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15. ESTIMATED FUNDING:

a. Federal	\$	5,988,000 ⁰⁰
b. Applicant	\$	⁰⁰
c. State	\$	⁰⁰
d. Local	\$	⁰⁰
e. Other	\$	⁰⁰
f. Program Income	\$	1,500,000 ⁰⁰
g. TOTAL	\$	7,488,000 ⁰⁰

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

a. Yes. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:

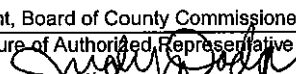
b. No. PROGRAM IS NOT COVERED BY E. O. 12372
 OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

Yes If "Yes" attach an explanation. No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative

Prefix Ms.	First Name Judy	Middle Name
Last Name Dodge		Suffix
b. Title President, Board of County Commissioners		c. Telephone Number (give area code) 937/225/6470
d. Signature of Authorized Representative 		e. Date Signed 11/6/08

NSP Substantial Amendment Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the NSP Substantial Amendment and SF-424.

Contents of an NSP Action Plan Substantial Amendment

Jurisdiction(s): <u>Montgomery County, Ohio</u> Jurisdiction Web Address: <u>www.mcoho.org/ced</u>	NSP Contact Person: Judy Mott Address: 451 W. Third Street, 10 th Floor Dayton, OH 45402 Telephone: 937.225.6341 Fax: 937.496.6629 Email: <u>mottj@mcoho.org</u>
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The elements in the substantial amendment required for the Neighborhood Stabilization Program are:

A. AREAS OF GREATEST NEED

Does the submission include summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction?

Yes No . Verification found on page 2-3.

B. DISTRIBUTION AND USES OF FUNDS

Does the submission contain a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures?

Yes No . Verification found on page 3-4.

Note: The grantee's narrative must address the three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

C. DEFINITIONS AND DESCRIPTIONS

For the purposes of the NSP, do the narratives include:

- a definition of "blighted structure" in the context of state or local law,
Yes No . Verification found on page 5-6.
- a definition of "affordable rents,"
Yes No . Verification found on page 6.
- a description of how the grantee will ensure continued affordability for NSP assisted housing,
Yes No . Verification found on page 7.

- a description of housing rehabilitation standards that will apply to NSP assisted activities?

Yes No . Verification found on page 7.

D. LOW INCOME TARGETING

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?

Yes No . Verification found on page 8.

- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income?

Yes No . Verification found on page 8.

Amount budgeted = \$1,500,000.00

E. ACQUISITIONS & RELOCATION

Does grantee plan to demolish or convert any low- and moderate-income dwelling units?

Yes No . (If no, continue to next heading)

Verification found on page 9.

If so, does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?

Yes No . Verification found on page 9.

- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion)?

Yes No . Verification found on page 9.

- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?

Yes No . Verification found on page 9.

F. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the grantee jurisdiction's usual methods and on the Internet for no less than 15 calendar days of public comment?

Yes No . Verification found on page 10 and in attachment to plan.

Is there a summary of citizen comments included in the final amendment?

Yes No Verification found on page 10 and 11.

G. INFORMATION BY ACTIVITY

Does the submission contain information by activity describing how the grantee will use the funds, identifying:

- eligible use of funds under NSP,
Yes No Verification found on page 12, 15, 19, 20, 23.
- correlated eligible activity under CDBG,
Yes No Verification found on page 12, 15, 19, 20, 23.
- the areas of greatest need addressed by the activity or activities,
Yes No Verification found on page 12, 16, 19, 20, n/a for administration.
- expected benefit to income-qualified persons or households or areas,
Yes No Verification found on page 12, 15, 19, 21, n/a for administration.
- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes No Verification found on page 15.
- appropriate performance measures for the activity,
Yes No Verification found on page 13, 17, 19, 21, 23.
- amount of funds budgeted for the activity,
Yes No Verification found on page 13, 17, 19, 21, 23.
- the name, location and contact information for the entity that will carry out the activity,
Yes No Verification found on page 13, 17, 19, 21, 23.
- expected start and end dates of the activity?
Yes No Verification found on page 13, 17, 19, 22, 23.
- If the activity includes acquisition of real property, the discount required for acquisition of foreclosed upon properties,
Yes No Verification found on page 18.
- If the activity provides financing, the range of interest rates (if any),
Yes No Verification found on page 14.

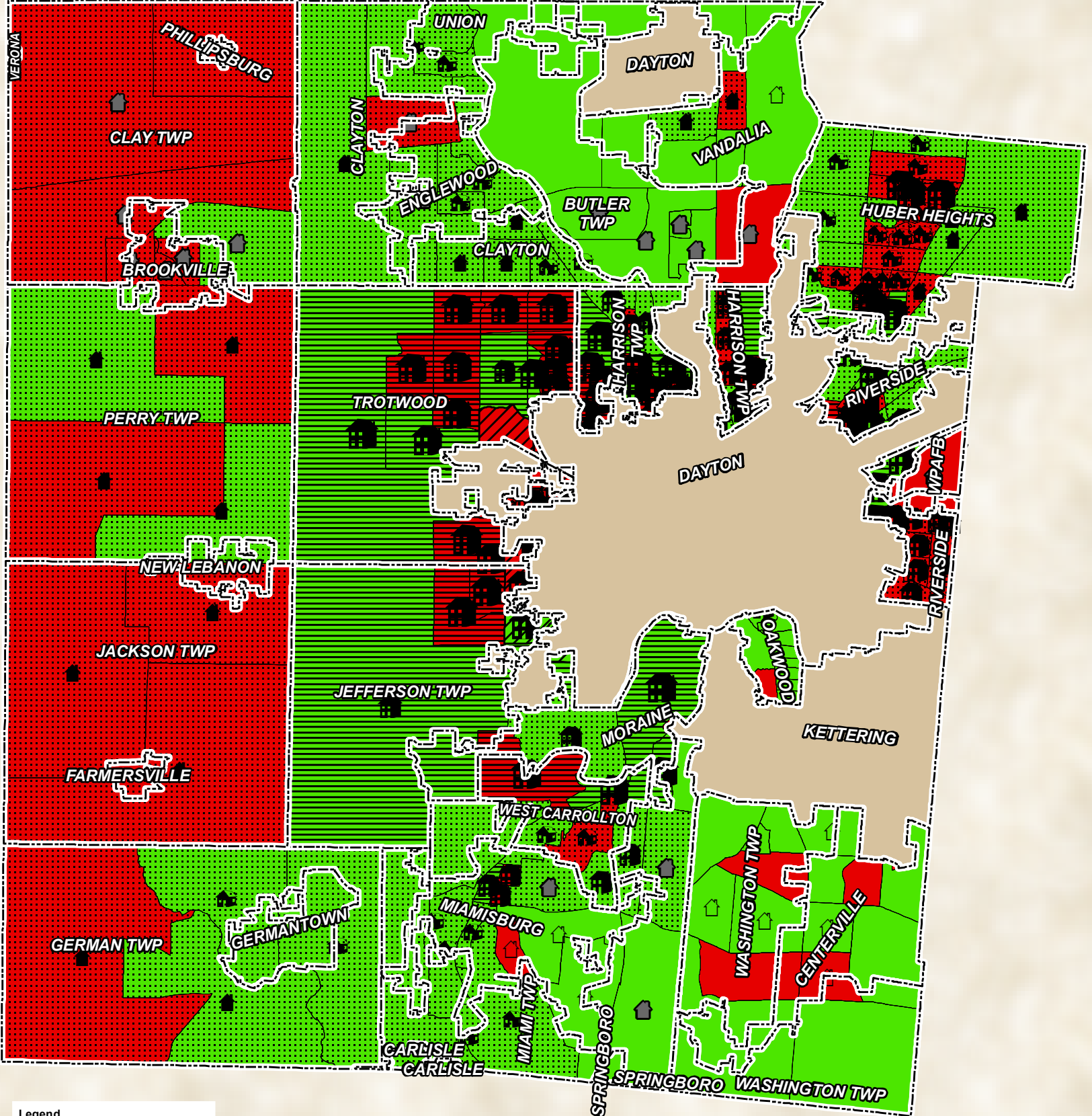
- If the activity provides housing, duration or term of assistance,
Yes No . Verification found on page 14, 18, 22.
- tenure of beneficiaries (e.g., rental or homeownership),
Yes No . Verification found on page 14, 18, 22.
- does it ensure continued affordability?
Yes No . Verification found on page 14, 18, 22.

H. CERTIFICATIONS

The following certifications are complete and accurate:

- | | | |
|--|---|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-lobbying | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) Authority of Jurisdiction | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) Consistency with Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (5) Acquisition and relocation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (6) Section 3 | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (7) Citizen Participation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (8) Following Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (9) Use of funds in 18 months | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use NSP funds \leq 120 of AMI | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (11) No recovery of capital costs thru special assessments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (12) Excessive Force | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with anti-discrimination laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with lead-based paint procedures | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (15) Compliance with laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

Neighborhood Stabilization Program - Montgomery County Eligible Areas



Legend

- YES - Income does meet requirements
- NO - Income does not meet requirements
-
-
-
-
-
-

Predicted Past 18 Mos. Foreclosures

-
-
-
-
-
-
-

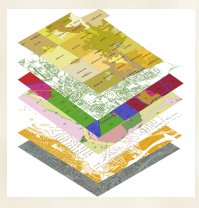
Corporation Line

Karl L. Keith
Montgomery County Auditor

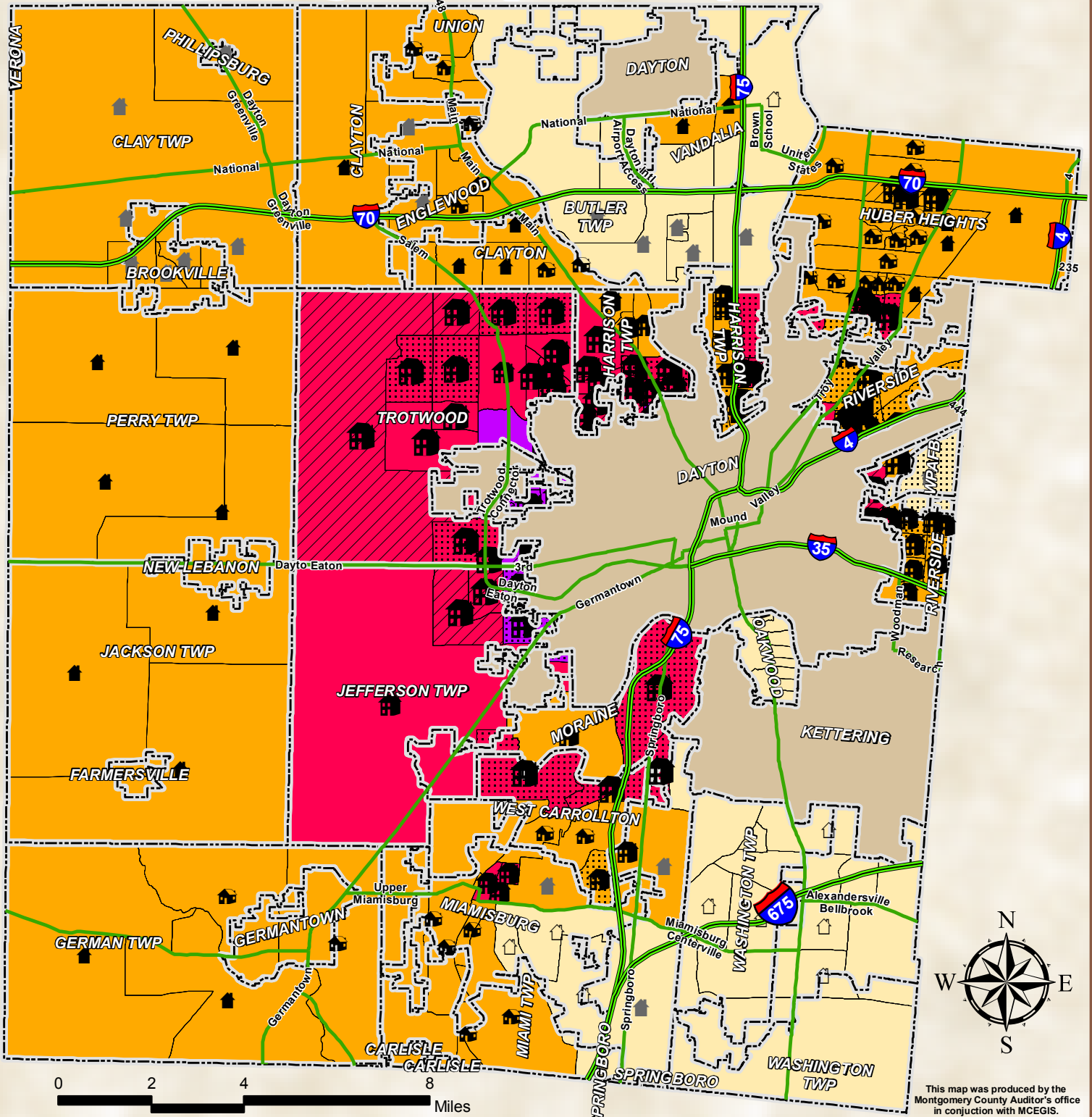
This map was produced by the Montgomery County Auditor's Office in conjunction with MCEGIS. October 2008

MONTGOMERY
COUNTY

MCEGIS
Montgomery County Enterprise Geographic Information System



Neighborhood Stabilization Program Montgomery County Data



This map was produced by the Montgomery County Auditor's office in conjunction with MCEGIS. October 2008

Legend

Estimated Risk of Foreclosure Score

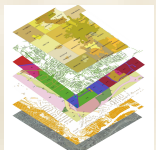
- 5% Risk Score
- 6% Risk Score
- 7% Risk Score
- 8% Risk Score
- 9% Risk Score
- 10% Risk Score

Percent of Vacant Homes

- 0 - 4.9%
- 5.0% - 9.9%
- 10.0% - 14.9%
- 15.0% - 19.9%
- 20.0% - 40.0%

Predicted Past 18 Mos. Foreclosures

- 0 - 4.9%
- 5.0% - 9.9%
- 10.0% - 14.9%
- 15.0% - 19.9%
- 20.0% - 25.0%
- Corporation Line



08-1743

**RESOLUTION NO. 08-1743
NOVEMBER 4, 2008**

RESOLUTION AUTHORIZING THE SUBMISSION OF THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) SUBSTANTIAL AMENDMENT OF THE FY08 ACTION PLAN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND AUTHORIZING THE CLERK TO PUBLISH A LEGAL ADVERTISEMENT REGARDING THE NSP PLAN BEING AVAILABLE FOR PUBLIC COMMENTS.

WHEREAS, the Montgomery County Board of County Commissioners, is a grant recipient of the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) program, Home Investment Partnerships (HOME) program, and Emergency Shelter Grant (ESG) program; and

WHEREAS, the County must amend its FY08 Action Plan to receive Neighborhood Stabilization Program funds, a component of the Housing and Economic Recovery Act of 2008, which allocated \$3.92 billion nationally to CDBG entitlement communities, for the purposes of stabilizing neighborhoods affected by foreclosures; and

WHEREAS, the County has communicated and/or met with numerous elected county officials and appropriate other county departments, nonprofit organizations and public agencies, the CCAC/CDAC, and with representatives from the urban county cooperating jurisdictions to develop a plan to address areas of greatest need; and

WHEREAS, a legal advertisement will be published in the Dayton Daily News regarding the NSP plan being available for comments, with those comments being received through November 25th, and a summary of those comments incorporated into the NSP Plan submission on or before December 1, 2008.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Montgomery County, Ohio, that this Resolution authorizing the submission of a Neighborhood Stabilization Program (NSP) Substantial Amendment of the FY08 Action Plan to the U.S. Department of Housing and Urban Development **and authorizing the Clerk to publish a legal advertisement regarding the NSP Plan being available for public comments be, and is hereby, approved.**

BE IT FURTHER RESOLVED that the Clerk of Commission certify this resolution and make an imaged copy of this resolution available on the Montgomery County, Ohio, website at <http://www.mcoho.org/>.

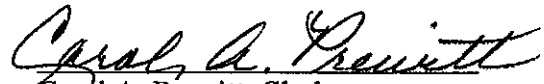
PAGE 2
RESOLUTION NO. 08-1743
NOVEMBER 4, 2008

Mrs. Lieberman moved the adoption of the foregoing resolution. It was seconded by Mr. Foley, and upon call of the roll the following vote resulted:

Mrs. Lieberman, aye; Mr. Foley, aye; Ms. Dodge, aye: Carried.

I hereby certify that the foregoing is a true and correct copy of a resolution duly adopted by the Board of County Commissioners of Montgomery County, Ohio, the 4th day of November, 2008.

THE BOARD OF COUNTY COMMISSIONERS HEREBY FINDS AND DETERMINES THAT ALL FORMAL ACTIONS RELATIVE TO THE ADOPTION OF THIS RESOLUTION WERE TAKEN IN AN OPEN MEETING OF THIS BOARD OF COUNTY COMMISSIONERS, AND THAT ALL DELIBERATIONS OF THIS BOARD OF COUNTY COMMISSIONERS, AND OF ITS COMMITTEES, IF ANY WHICH RESULTED IN FORMAL ACTION, WERE TAKEN IN MEETINGS OPEN TO THE PUBLIC, IN FULL COMPLIANCE WITH APPLICABLE LEGAL REQUIREMENTS, INCLUDING SECTION 121.22 OF THE REVISED CODE.

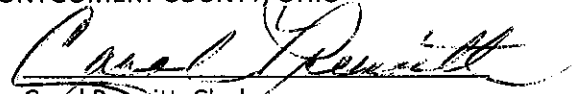

Carol A. Prewitt, Clerk
Board of County Commissioners
Montgomery County, Ohio

Public Notice

Montgomery County Neighborhood Stabilization Program Plan

The Montgomery County Neighborhood Stabilization Program (NSP) Plan, a substantial amendment to the FY08 Action Plan, is available for review at www.mcohio.org/ced. Montgomery County is eligible to receive \$5,988,000 to address, where feasible, areas within Montgomery County (excluding the Cities of Dayton and Kettering) that have high home foreclosure rates, a high number/percentage of subprime loans, and a high number/percentage of properties that are delinquent or in default. Eligible uses and activities are identified in the Plan. A requirement of this plan is a 15-day comment period prior to submission. Written comments may be received online or may be mailed to the address below, through November 25, 2008. A summary of the comments will be incorporated into the NSP Plan submission. For more information, please contact Judy Mott, Manager, Community Development, P.O. Box 972, Dayton OH 45422, or at 225-6341.

BY ORDER OF THE BOARD OF COUNTY COMMISSIONERS OF MONTGOMERY COUNTY, OHIO


Carol Prewitt, Clerk

Published in the Dayton Daily News on November 10, 2008

1 certified ad

To news on November 4, 2008

Dayton Daily News

AFFIDAVIT OF PUBLICATION

P.O. Box 643080

Cincinnati, OH 45264-3080

937-225-2107

MONT. COUNTY BD. OF COMMISSION

451 W. THIRD ST.

DAYTON, OH 45422

STATE OF OHIO

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Montgomery County Neighborhood Stabilization Program Plan

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BY ORDER OF THE BOARD OF COUNTY COMMISSIONERS OF MONTGOMERY COUNTY, OHIO.

Carol Prewitt, Clerk

11113138

Before me, the undersigned, a Notary public in and for said County, personally came Nadia Vagedes who being first duly sworn says he/she is the Legal Advertising Agent of the Dayton Daily News, which he/she says is a newspaper of general circulation in Montgomery, Clark, Warren, Butler, Clinton, Greene, Preble, Miami, Darke, Mercer, Shelby, Fayette, Logan, Hamilton, Clermont, Auglaize, and Champaign Counties, and State of Ohio, and he/she further says that the Legal Advertisement, a copy of which is hereunto attached, has been published in the said Dayton Daily News 28 Lines, 1 Time(s), last day of publication being 11/10/2008, and he/she further says that the bona fide daily paid circulation of the said Dayton Daily News was over (25000) at the time the said advertisement was published, and that the price charged for same does not exceed the rates charged on annual contract for the like amount of space to other advertisers in the general display advertising columns.

Signed

N. Vagedes

Sworn or affirmed to, and subscribed before me, this 11/10/2008. In Testimony Whereof, I have hereunto set my hand and affixed my official seal, the day and year aforesaid.

Invoice No.	11113138
Ad Cost	\$148.40
Paid	\$0.00
Due	\$148.40

Notary Public

Lorna M. Foer
LORNA M. FOER, Notary Public
In and for the State of Ohio
My Commission Expires July 4, 2010

