

B. Narrative Statements

- 1. Factor 1 – Need and Market Conditions**
- 2. Factor 2 – Demonstrated Capacity**
- 3. Factor 3 – Soundness of Approach**
- 4. Factor 4 – Leveraging, integration, removal of negative effects**
- 5. Factor 5 – Energy efficiency**
- 6. Factor 6 – Neighborhood transformation, and economic opportunity**

**Toledo-Lucas County Consortium
Neighborhood Stabilization Program 2 (NSP2)
Narrative**

1. Factor 1: Need/Extent of the Problem (40 points)

a. Target geography. (10 points; also a threshold factor)

The Toledo-Lucas County Consortium's NSP2 geographic target area has a neighborhood stabilization index score of 18.72, reflecting its high rate of home foreclosures and vacancies.

The list of census tracts with their respective index scores follows:

Census Tract	Foreclosure Score	Vacancy Score	Max Score		Census Tract	Foreclosure Score	Vacancy Score	Max Score
2	19	16	19		42	20	20	20
3	19	17	19		43.02	16	16	16
4	19	19	19		44	19	19	19
6	19	18	19		45.03	15	16	16
7	20	18	20		46	19	20	20
9	20	20	20		47.01	20	20	20
10	19	19	19		47.02	19	19	19
11	20	19	20		48	20	20	20
12.02	20	20	20		49	20	20	20
13.03	18	18	18		50	19	18	19
16	20	20	20		51	20	19	20
17	20	20	20		52	18	19	19
18	20	20	20		53	19	20	20
19	20	20	20		54	20	20	20
21	19	19	19		55.02	17	16	17
22	20	20	20		57.03	17	16	17
23	19	18	19		61	17	14	17
24.02	20	19	20		62	17	14	17
25	20	20	20		63	17	16	17
26	20	20	20		66	19	19	19
29	20	20	20		67	19	19	19
30	20	20	20		69	15	15	15
31	20	20	20		72.04	13	15	15
32	20	20	20		73.01	16	11	16
33	20	20	20		73.03	18	15	18
34	17	14	17		74	19	16	19
36	20	20	20		75	17	12	17
37	11	15	15		84	17	12	17
38	13	17	17		86	19	13	19
39	19	18	19		87	17	14	17
40	19	20	20		88	19	11	19
41	20	20	20		101	16	15	16

The target is comprised of:

• **NSP1 TARGET AREAS WITHIN THE CITY OF TOLEDO**

The centerpiece of the NSP2 strategy is to assemble additional resources to more effectively and rapidly stabilize targeted neighborhoods selected for NSP1 that have been negatively affected by abandoned or foreclosed properties. This strategy will dramatically increase the likelihood that the

NSP2 programs and projects will successfully revitalize these targeted neighborhoods. These neighborhoods include the following:

Tipping Point Neighborhoods -- These initial areas include ‘tipping point’ neighborhoods showing early signs of disinvestment that are characterized by 1) high percent of homes financed by subprime mortgage-related loans; 2) large numbers of home foreclosures and 3) areas identified by the City of Toledo as likely to face a significant rise in the rate of home foreclosures.

New Schools/New Neighborhoods -- The initial NSP area also consists of priority census tracts that include Toledo neighborhoods with new schools being constructed as part of the Toledo Public Schools’ (TPS) school building project, Building for Success, as part of the New Schools New Neighborhoods (NSNN) initiative. The NSNN initiative was created to assist in improving both the learning environments in TPS and the physical conditions in close proximity to those schools. NSP2 will focus on key census tracts where five new schools will be opening in the Fall 2009 and 11 others will be built or have major renovation work performed during the same NSP2 time frame (Schools opening in the Fall of 2009 are in NSP2 census tracts: 53, 3, 33, 19 and 39. New and renovated schools are in census tracts: 10, 47.01, 2, 13.03, 7, 36, 11, 54 and 22). The 11 new or renovated schools represent over \$130 million of additional community investment that will complement the neighborhood stabilization initiative. These are also areas with increasing foreclosure rates.

Toledo CDC Target Neighborhoods where 1) there are existing revitalization plans to allow NSP activities to relate and support an overall stabilization strategy and 2) substantial investments have already occurred. These areas include the Dorr Street Corridor, Old South Toledo La Onda neighborhood, Victoria Hill Coalition/Prentice Park neighborhood, St. Vincent Legacy neighborhood, Ironwood neighborhood and Hi-Level neighborhood. These are also neighborhoods with increasing foreclosure rates, large number of vacancies and blighted properties.

- **ADDITIONAL TARGET AREAS IN NEED OF STABILIZATION** – Several additional neighborhoods with high and increasing rates of foreclosure are included in the NSP2 Program:

Additional Tipping Point Neighborhoods – additional tipping-point neighborhoods experiencing high and increased rates of residential foreclosure.

Additional Neighborhoods that are part of the New Schools New Neighborhoods (NSNN) Program – including Woodward High School (census tracts 9, 10 and 11) that are also experiencing increased foreclosure and vacant properties.

Neighborhoods served by community development corporations with revitalization plans – including Viva South Toledo (CTs 42 and 54), United North (CTs 29 and 30); Neighborhoods in Partnership (CT 21) and Organized Neighbors Yielding eXcellence (CT 34) -- that are also experiencing increased foreclosure and vacant properties.

Neighborhoods in Lucas County Outside the City Of Toledo Experiencing Increased Foreclosure and Disinvestment:

- CT 101 in Oregon (Lucas County), adjoining the targeted CTs in East Toledo (part of the City of Toledo).
- CT 84 in Sylvania Township (Lucas County), adjoining “tipping point” neighborhoods in the City of Toledo.
- CTs 87 and 88 in Springfield Township (Lucas County) adjoining “tipping point” neighborhoods in the City of Toledo.

These census tracts show increased signs of disinvestment including high foreclosure rates.

The NSP2 target area was selected based on a balance between 1) addressing increased foreclosure and 2) making a meaningful impact in stabilizing the selected neighborhoods.

While NSP2 strategies will be spread throughout the target area, there will be a concentrated focus on “tipping point” neighborhoods of contiguous blocks with particularly high rates of foreclosure such as Library Village Neighborhood (CTs 6 and 7), Secor Gardens Neighborhood (CTs 66 and 67) and Highland Heights Neighborhood (CTs 32, 36, 39 and 40, 43.02 and 44). In many of these areas, one or two foreclosed homes on a block will need to be addressed. The focus in other CTs will be stabilizing blocks with foreclosed properties as part of a comprehensive community rebuilding strategy.

Based upon “HUD Provided Local Data” updated 11/17/08, on the HUD NSP web site – the Toledo target area has 35,856 homes with mortgages. Of these properties, 4,082 or 11.38 % were foreclosed. More than one out of every ten residential properties in Toledo’s target area with a mortgage was foreclosed. This figure is conservative as it does not include homes foreclosed solely due to delinquent Lucas County property taxes.

As discussed in later sections, the NSP2 Target Area is particularly plagued by high unemployment. For example, two of Toledo’s largest employers, General Motors Powertrain and the Chrysler assembly plant have both been recently downsized and idled. The GM Powertrain plant is less than one mile from the NSP2 target area while the Chrysler facility is within this target area. Toledo’s April 2009 unemployment rate was 12% -- while data is not available for the target area, it is estimated to be higher than the rate for the entire City. The increasing unemployment rate is the major contributing factor to the high rate of home foreclosures.

Acquiring Foreclosed Properties

The Consortium intends to work with the National Community Stabilization Trust (NCST) to identify and purchase foreclosed and abandoned properties from financial institutions. The Consortium also intends to work closely with Lucas County, a Consortium member, to identify and purchase property tax foreclosed properties to promote productive property reuse and neighborhood stability. Strategies to acquire foreclosed properties will be part of the County’s broader foreclosure prevention initiative led by the “Save Our Homes Task Force.” The Consortium will also explore the opportunity of purchasing HUD foreclosed properties as they become available.

b. Market conditions and demand factors (30 points)

(1) A reasonable projection of the extent to which the market(s) in your target geography is likely to absorb abandoned and foreclosed properties through increased housing demand during the next three years, if you do not receive this funding.

National Home Management Solutions (NHMS) provides information regarding foreclosed properties being absorbed into the market. HUD allows local governments to purchase any foreclosed HUD property for the price of \$1.00, if that property has been marketed for sale in the Management and Marketing (M&M) program for longer than 180 days. Often known as the “Dollar Homes Sale,” this is one part of HUD’s “Good Neighbor” programs. As of June 25, 2009, there were 48 properties on the list of residential properties for sale – which appears to be a typical number of available properties. Only one property has been turned over as a “Dollar Home” signifying that over a six month period 98% of these available homes were absorbed. In a one-month period about eight or 16% of the foreclosed properties were absorbed (sold or lawfully reoccupied) based upon this data. It is understood that much of the turnover resulted from the reduced prices of these HUD properties which turn over at a quicker pace than other homes on the market based upon data from the Toledo Board of Realtors. Further, these

homes are not always adequately improved, thereby contributing to substandard housing conditions in the target area.

The Ohio Housing Finance Agency (OHFA) also has market data, as part of its 2009 LIHTC program, which provides further insights into the target area. Market data for the primary sub-markets that generally coincide with the NSP Target Area includes:

- Single Family Housing Credit Vacancy Rate
- Multi-Family Housing Credit Vacancy Rate
- Market Rent Vacancy Rate (households with incomes above 60% area median)
- Family Penetration Rate
- Growth Rate for Income-Qualified Households (60% or less of area median income)

The data is shown below -- shaded areas represent characteristics that provide preference compared with statewide characteristics

Sub-Market	Single Family Credit Vacancy Rate	Multi-Family Housing Credit Vacancy Rate	Market Rent Vacancy Rate	Family Penetration Rate	Growth Rate for Income Qualified Households
Toledo North	N.A.	N.A.	11.8%	0.0%	-10.6%
Toledo Oregon	N.A.	N.A.	1.7%	4.39%	-13.2%
Toledo South Central	1.3%	N.A.	5.5%	13.89%	-8.8%
Toledo Southwest	6.6%	N.A.	24.41%	0.0%	-10%
Toledo West	1.7%	12.5%	5.6%	20.78	-7.5%
Statewide Average	4.2%	8.4%	5.4%	25.8%	0.0%
For Preference	<=	<=	<=	<=	>

As shown, the NSP2 target area is provided preference in most of OHFA's 2009 housing market criteria. The data is available at this site: <http://www.ohiohome.org/lihtc/marketcriteria.pdf>

(2) The extent to which over-building of housing units, over-valuation of housing, or loss of employment is a critical factor, or the most critical factor, causing abandonment and foreclosure in the target geography.

The most critical factor causing abandonment and foreclosure in the target geography is the increased rate of unemployment in Toledo and surrounding areas as described below in (4). Toledo's unemployment rate has been above 12% all year according to the Bureau of Labor Statistics as shown below:

January, 2009	February 2009	March 2009	April 2009
13.4%	12.4%	12.1%	12.0%

Similarly, the unemployment rate for the Toledo, OH Metropolitan Statistical Area for April, 2009 was 12.0% according to the Bureau of Labor Statistics.

According to *"Toledo at the Tipping Point -- Strategies for Reclaiming Vacant Properties and Revitalizing Neighborhoods -- A Final Assessment Report"* by The National Vacant Properties Campaign Study Team, August 1, 2008: Toledo was characterized as "The perfect storm of an unstable housing market, slowing economy and rising interest rates were tracked in the Toledo Blade throughout

2007 and into 2008. Mortgage filings declined and housing prices fell while available units increased. The Toledo metro area's decline in housing sales was among the largest in the state. The area's foreclosure rate increased between 2006 and 2007, moving Toledo from 30th to 19th among the top 100 US metropolitan areas. A report by RealtyTrac indicates the area has been increasing its national ranking since 2006, climbing from 46th in that summer to 26th in late summer 2007. The percentage of metro Toledo properties in foreclosure is also higher than other Ohio metro areas."

It also concluded that: "Despite having these programs in place, recent housing and economic indicators signal changes that could easily tip Toledo into a vacant property crisis. A rapid rise in home foreclosures often leads to an increase in long-term vacant houses - a precursor to potential abandonment. The alarming increase in the rate of mortgage foreclosure and the weakening of the housing market suggests that Toledo's problems with vacancy and abandonment could become significantly worse in the coming years. A 2008 study by RealtyTrac Inc. found that the Toledo metro area ranked 19th in foreclosure filings in 2007 among the top 100 U.S. metropolitan areas, an increase from 30th in 2006."

(3) The income characteristics of households in your target geography and information on housing cost burden for households at the 50 percent, 80 percent, and 120 percent of area median.

The median income of the households in the target area is \$32,059, lower than the City of Toledo, Lucas County and Ohio's median household income based on 2000 Census data – as shown below:

NSP2 Median Income	Toledo Median Income	Lucas County Median Income	Ohio Median Income
\$32,536	\$32,546	\$38,004	\$40,956

Below are the median incomes of the 64 CTs in the target area:

CT	2000 Median Income						
2	43,402	23	9,909	42	22,931	61	41,321
3	41,706	24.02	24,522	43.02	43,257	62	39,821
4	40,638	25	23,077	44	39,732	63	44,599
6	39,975	26	19,750	45.03	38,597	66	27,219
7	33,144	29	9,256	46	29,583	67	25,625
9	25,012	30	14,671	47.01	24,638	69	44,896
10	29,162	31	29,740	47.02	27,596	72.04	40,303
11	30,349	32	19,224	48	27,076	73.01	40,136
12.02	17,926	33	15,236	49	31,188	73.03	22,304
13.03	42,629	34	12,500	50	32,917	74	36,450
16	31,164	36	19,155	51	24,621	75	35,025
17	20,873	37	10,171	52	29,972	84	44,159
18	20,817	38	20,156	53	26,607	86	41,817
19	24,884	39	33,628	54	22,120	87	37,327
21	25,707	40	25,552	55	46,919	88	51,882
22	18,937	41	21,667	57.03	40,490	101	37,476

Based on 2000 Census data, there are 5,227 renter households in the target area that have a housing cost burden – paying 30 percent or more of income on housing costs as shown below.

Range of Toledo MSA Median Income	# Households	% of Renter Households
up to 50%	2,201	17%
50 to 80%	2,172	36%
80% to 120%	854	16%

(4) Any relevant social, governmental, educational, or economic factors contributing to local market conditions and contributing to neighborhood decline or instability within the target geography.

A June 2009 report by the Brookings Institute, *Tracking Economic Recession and Recovery in America's 100 Largest Metropolitan Areas*, documented the particularly distressful economic factors contributing to local market conditions that are impacting neighborhood decline and instability within the Toledo target geography. This report tracked quarterly indicators of economic recession and recovery in the nation's 100 largest metropolitan areas that includes Toledo. According to the report, "Economic pain is widespread in Midwestern metro areas that depend heavily on the auto industry and its supply chain. Most metro areas in Michigan and Ohio have experienced employment and output declines exceeding national averages."

It further stated, "All 100 of the nation's largest metro areas have lost jobs during the recession, though pain has varied significantly." According to the Brookings report, overall, the 100 largest metro areas have suffered a 2.7 % decline in employment from their peak job levels, just short of the nationwide decline of 2.9 percent for the 1st quarter of 2009. Toledo's employment change for this quarter was a staggering 8.8% decline – the fourth worst of the top 100 metropolitan areas. The NSP2 target area has been particularly impacted. For example, two of Toledo's largest employers, General Motors Powertrain and the Chrysler assembly plant have both been recently downsized and idled. The GM Powertrain plant is less than one mile from the NSP2 target area while the Chrysler facility is within this target area.

According to this report, unemployment rates in Toledo followed a similar downward spiral. "Metropolitan unemployment rates range from 4 percentage points below to 8 percentage points above the national average of 9 percent. The metropolitan areas with the highest unemployment rates in March 2009 generally had the greatest percentage job losses since the recession began in their local economies." Toledo's unemployment rate for March 2009 was 12.2% -- 8th worst of the top 100 metropolitan areas according to the Brookings report. This trend has been a major contributor to the growing foreclosure issue for the Toledo NSP2 target area.

(5) A narrative describing which NSP2 activity categories are most likely to stabilize the target geography and why, based on the information in the above paragraphs.

It should be noted that many of the homes "absorbed" are being purchased by investors that are not adequately improving the properties or screening occupants. Therefore, public intervention by the Consortium is necessary to ensure that the homes are not just purchased – but are adequately improved and made affordable as part of the broader neighborhood stabilization strategy.

A primary focus of the NSP2 program is to restore the local real estate market in the target area which is experiencing high rates of foreclosure and lower home values. This will be accomplished by acquiring

foreclosed properties and providing assurance that the homes will be rehabilitated and aggressively marketed for future owners/tenants. These households will be screened and provided extensive training including financial management. Confidence will also be restored to the neighborhood by demolishing selected abandoned properties that are contributing to the increased disinvestment.

Based upon the absorption rate and large number of foreclosed and vacant properties, Toledo's NSP2 program is a strategic balance of:

- Acquiring foreclosed properties;
- Redeveloping foreclosed properties for home ownership;
- Redeveloping select properties for rental housing development;
- Demolition of foreclosed/blighted properties with planned reuses for the resulting vacant sites.

While NSP2 strategies will be spread throughout the target area, there will be a concentrated focus on "tipping point" neighborhoods of contiguous blocks with particularly high rates of foreclosure. In many of these areas, only one or two foreclosed homes on a block will need to be addressed. The focus in other CTs will be stabilizing blocks with foreclosed properties as part of a comprehensive community rebuilding strategy.

A strong and comprehensive homebuyer counseling and financial management component is critical to the overall program to: 1) help participating families become mortgage ready and 2) generate a pipeline of qualified buyers for homes rehabilitated by Consortium members and partners.

Further, the scattered site multifamily properties throughout the target area have a destabilizing impact. These properties will be strategically selected and rehabilitated to enhance the overall program. Similarly, the program includes acquiring blighted/foreclosed properties where demolitions will help to stabilize the neighborhoods. Within tipping-point neighborhoods, demolitions will primarily occur where homes will be rebuilt.

A key to stabilizing the target areas is to allow the resources of all Consortium members to work on their main tasks in an effective and coordinated way to accomplish the overall program objectives. The Consortium structure brings the appropriate partners together to ensure strong teamwork in overseeing the implementation of the overall project.

2. Rating Factor 2: Demonstrated Capacity of the Applicant and Relevant Organizational Staff (40 points)

a. Past Experience of the applicant. (30 points)

Toledo, the lead applicant, is applying as a Consortium: The Toledo-Lucas County Consortium. The list of Consortium members, followed by examples of recent experience (within the last 24 months) of each consortium member managing neighborhood stabilization activities similar to the ones included in our program follows.

Toledo-Lucas County Consortium Members

- **City Government**
 - ✓ City of Toledo

- **County Government**
 - ✓ Lucas County

- **501(c)(3) Nonprofit Organizations**
 - ✓ Friendship New Vision Inc.
 - ✓ Maumee Valley Habitat for Humanity
 - ✓ Neighborhood Housing Services of Toledo Inc.
 - ✓ Northwest Ohio Development Agency
 - ✓ Professional Remodelers Organization
 - ✓ Toledo Local Initiatives Support Corporation (LISC)
 - ✓ United North Corporation

- **501(c)(6) Nonprofit Organization**
 - ✓ Home Builders Association of Greater Toledo, Inc

- **Public Housing Authority**
 - ✓ Lucas Metropolitan Housing Authority

- **For-Profit Organizations**
 - ✓ Karp and Associates
 - ✓ R. Gant, LLC

CITY GOVERNMENT

1. City of Toledo (Lead Consortium Applicant)

The Department of Neighborhoods (DON) is the lead City of Toledo agency responsible for administering programs, projects and activities related to CDBG, HOME, ADDI and ESG. The mission of the DON is to work with the community to create and maintain clean, safe, attractive neighborhoods. DON provides financial and technical support for the renovation and construction of housing units, revitalizing neighborhoods by enforcing applicable codes and abating nuisances, by becoming involved with citizens, connecting them to their city government and collaborating with those private, public and non-profit entities whose purpose is to enhance the quality of life in Toledo.

Examples of recent activities:

- Provided direct financing for projects that have resulted in 395 units being newly constructed, rehabbed or repaired since January 1, 2008. Of these units, 169 were single-family homes.
- Over 131 single-family, owner-occupied homes were rehabbed or repaired through one of the City's programs since January 1, 2008

- 115 residential units have been made lead-safe through either the City's Lead Hazard Control Grant program or the City's owner-occupied rehab program since January 1, 2008.
- Demolished an average of 300 units per year using general fund and other funds.
- Controls 877 land banked lots which it maintains. In addition, the City mows and maintains hundreds of privately owned properties and bills owners for the service.

COUNTY GOVERNMENT

2. Lucas County

Lucas County, whose jurisdiction includes the City of Toledo, performs many state-mandated services that all counties must provide, including the property tax foreclosure process.

Examples of recent activities:

- Part of a NSP consortium that includes Lucas County, Wood County, the City of Bowling Green and the City of Oregon. Acting as the grantee for the consortium which includes administrative and fiscal management of the program.
- Management of the CDBG CHIP program. The primary activity of the CHIP program is housing rehabilitation.
- Lucas County has administered the CDBG Formula program successfully for many years. It has primarily been used to further elimination of slum and blight within the county. This includes numerous construction and public service activities. The formula program has demonstrated Lucas County's ability to work productively with all of the political subdivisions within the jurisdiction.

NONPROFIT ORGANIZATIONS

3. Neighborhood Housing Services of Toledo Inc.

Neighborhood Housing Services of Toledo, Inc. (NHST) is a non-profit, community-based development organization that has been engaged in the rebuilding of Toledo neighborhoods since 1977. NHST's focus is on residential housing and the factors that contribute to affordability. NHST is a chartered member of the National NeighborWorks® Network which is sponsored by NeighborWorks® America.

Examples of recent activities:

- Developed 53 new single family housing units for lower income households through the South East Toledo Homes I and II projects. Both projects together raised approximately \$8 million in equity from the National Equity Fund through the sale of housing tax credits. Key Bank provided construction financing. NHST developed the project design, construction financing, permanent financing, construction management, tenant income certification, lease-up and asset management.
- NHST is a non-profit lender. When borrowers default on mortgage loans, NHST has to become involved in managing recovered housing assets. One strategy is to use a lease with an option to buy.
- NHST is involved in a variety of rehabilitation efforts. First, houses taken back following a foreclosure typically have up to \$10,000 reinvested to make the home suitable for the next occupant. Second, NHST loan products include homeowner occupied rehabilitation financing. In the last nine months, NHST has closed 18 rehabilitation loans.
- Provides weatherization services. Many of these projects cost as much as \$6,000, which qualifies them to be considered rehabilitation. In the last 12 months there have been 65 projects completed costing \$6,000 or more.
- NHST is a licensed HUD Housing Counseling Agency and conducts homebuyer education sessions. The session participants constitute a potential resident population. On average, 25 potential residents

attend the initial orientation session, which is held every third week throughout the year. NHST holds a sub-license for HUD Housing Counseling through the master license that has been issued to NeighborWorks® America. In the last nine months, NHST has counseled 332 households.

4. United North Corporation

United North Corporation (UN) was founded in 2007 to merge the strengths of the Lagrange Development Corporation (LDC) and NorthRiver Development Corporation (NRDC) to better serve residents of North Toledo. The UN is a non-profit corporation with LDC and NRDC as its sole members. UN's mission is: "To channel the synergy of collective North Toledo neighborhoods and create the avenue needed to stabilize, stimulate, rebuild, grow and organize."

Examples of recent activities:

- Developed Edison Place, 32 affordable and market rate homeownership units within the Chase New School New Neighborhood target area. Leveraged public and private investments to build a new subdivision and provide new infrastructure, totaling an investment of over \$5.3 million.
- Developed United North School Homes I, 24 new construction single family homes, 4-bedrooms and two-car garages, surrounding the Toledo Public Schools' school building project, Building for Success, as part of the New Schools New Neighborhoods initiative. Funded with Low Income Housing Tax Credits. Total project cost is \$5.1 million.
- United North School Homes II – a LIHTC reservation has been awarded and all sites have been acquired for 2nd phase of UNSH that will include 24 additional homes. Construction will begin late 2009. Total project cost is \$5.3 million.
- Self manages 80 single-family homes and apartment units, in addition to over 30,000 square feet of commercial space. UN assists with marketing, outreach, tenant recruitment and counseling.
- In 2007, completed a quality of life plan for the service area, engaging over 1,200 residents in the community planning process. UN focused on defining strategies that would have a sustainable impact in its neighborhoods. UN developed a relationship with residents, local businesses, government officials, and other stakeholders to create comprehensive investment strategies that integrate physical development needs with the socio-economic fabric of the community.

5. Friendship New Vision, Inc (FNV)

Friendship New Vision, Inc (FNV) is a non-profit faith-based, community development corporation, established in 2004. Its mission is to facilitate community growth and revitalization through enhanced physical, economic, and social development. FNV has focused on housing development as part of a broader community strategy.

Examples of recent activities:

- Acquired and rehabilitated five vacant homes and constructed one new home in the Secor Gardens and surrounding neighborhood. All homes were sold to first time homeowners except for one rental and one lease-purchase.
- Partnered with the University of Toledo for the planning of the "Revitalization of Dorr Street," the major arterial street within the community.
- Provides comprehensive social services and family strengthening activities to the Toledo community including crisis intervention, case management, housing assistance, lead based paint education and job training. Approximately 25 families attend each month. of which 75% have improved economically. FNV is licensed through OJFS for its Early Learning Day Care Center. Bowling

Green State University Mental Health Department is partnering with FNV to provide free individual and family counseling service to the community.

- Developer of the Tutoring Academy for at-risk K-6 grades students attending public schools, sponsored in partnership with the Toledo Public Schools and the Ohio Department of Education. Over 30 children are enrolled in the program in the first month, and 85% of the students have advanced academically.
- Partnered with the Lucas County Criminal Justice Council to develop a Rites of Passage Program with the goal of decreasing the disproportionate number of minority youth in the criminal justice system.
- HUD Certified Credit Counseling Agency. Secured over \$225,000 for lower income first-time homebuyers. Potential buyers are required to participate in a minimum of ten hours of homebuyer education covering financial management, home maintenance and lead based paint education.

6. Maumee Valley Habitat for Humanity

Maumee Valley Habitat for Humanity is the local affiliate of Habitat for Humanity and has been working in the Toledo /Lucas County area since 1988. Its mission is to provide safe, decent, affordable housing for low income, partner families. Qualified partner families purchase their homes with zero interest loans provided by Maumee Valley Habitat for Humanity. Partner families are required to provide “sweat equity” hours as their down payment.

Examples of recent activities

- Provided housing for 19 partner families achieved through 16 new construction homes and three rehab projects. For each of these projects, Habitat has brought the complete package of property, materials, labor (both hired and volunteer), construction management, building design, landscaping, etc. Along with the complete construction function, Habitat is unique in its ability to bring a qualified homeowner, complete with financing, provided by the affiliate, as the end purchaser of the developed property. Habitat partner families qualify for the program by meeting specified financial requirements, including completion of “sweat equity” hours before they become home owners. The “zero interest” mortgages are generated and held by Maumee Valley Habitat for Humanity.
- All partner families are pre-qualified for homeownership through Habitat for Humanity mortgages. A comprehensive marketing plan has been recently implemented to recruit qualified partner families. On average, partner families work for about one year in the program before becoming home owners.
- Worked effectively with numerous organizations in the Toledo area. Partners include nonprofits (Home Builders Association, United Way Women’s Initiative, Toledo Bar Association, etc.), for profit (Anderson’s, Owens Corning, First Energy, etc.), and faith based organizations (St. Joan of Arc, First Presbyterian of Maumee, Sylvania United Church of Christ, etc).

7. Northwest Ohio Development Agency

NODA was founded in 1998 and opened for business in 2001. NODA is a Community Development Financial Institution (CDFI) certified by the U.S. Department of Treasury. NODA is also a HUD-certified housing counseling agency. NODA helps people become self-sufficient and builds stable communities. NODA fulfills its mission by providing loans, investment capital, grants and supportive services in a holistic fashion to people and organizations within its targeted markets.

Examples of recent activities:

- Provided emergency home repair grants to 37 homeowners and administered an Individual Development Account (IDA) matched-savings program to Lucas County residents. IDAs help low to moderate-income households build economic self-sufficiency. Participants save toward homeownership, home repair/improvement, micro-enterprise start-up or expansion or post-secondary education. NODA recently graduated its 100th participant in the IDA Program.

- Received operating and investment capital from a variety of sources, including CDFI Fund, Signature Bank, Waterford Bank, Huntington Bank, 5/3 Bank, Ohio CDC Association, US Department of Housing and Urban Development, Westfield Insurance, Nationwide Insurance, Farmer's Insurance, United Way of Greater Toledo and local foundations.
- NODA partners with its affiliate, the Toledo Fair Housing Center, on the *Restoring the Dream Program* that saves families from losing their homes to foreclosure. To date, *Restoring the Dream* has saved homeowners almost 6.5 million dollars through loan modifications, work-outs and mortgage assistance grants. NODA also partners with local lenders, CDC's, Neighborhood Properties, Inc., the City of Toledo, Lucas County, LMHA, Lucas County Department of Job and Family Services and the Ohio Housing Finance Agency.
- NODA is a HUD-certified housing counseling agency with two certified housing counselors on staff. NODA offers counseling for first-time homebuyers, credit counseling, predatory lending counseling, and foreclosure prevention counseling. NODA provided 321 counseling appointments in FY 07 and 294 in FY 08. NODA also graduated 26 participants from the Successful Money Management class in FY 07 and 19 in FY 08. Finally, nine people graduated from the How to Navigate the Potholes of Predatory Lending class in FY 07, and 19 people graduated from the class in FY 08.
- As a Community Development Financial Institution, NODA provides first and second position mortgages, refinance loan products, as well as home improvement and home repair loans.

8. Home Builders Association of Greater Toledo

Home Builders Association (HBA) of Greater Toledo is a 501(c)(6) nonprofit Association representing 500 plus members related to the housing industry. The HBA's main objectives are to protect, promote and serve its members through education, community service and legislative involvement. HBA has been serving the housing industry since 1939.

Examples of recent activities:

- Showcasing area home contractors through its annual House & Home Show.
- Marketing homes through its annual Parade of Homes.
- Partnering with Maumee Valley Habitat for Humanity on numerous home building projects in the Toledo area.
- Being responsible for and overseeing the overall safety program of 1,000 plus volunteers during the recent Extreme Makeover Home construction process.
- We have members experienced in every aspect of the housing industry such as home inspectors, title companies, heating, plumbing, etc. HBA provides fast, honest answers on what is needed and its costs then coordinate various activities to be sure all is done in a timely fashion.

9. Professional Remodelers Organization

Professional Remodelers Organization has been serving Toledo since 1969 and will soon be celebrating its 40th anniversary. Its mission is to ensure professionalism in the remodeling industry. It has the goal of screening qualified remodeling contractors.

Examples of recent activities:

- Provided materials and volunteers to help Maumee Valley Habitat of Humanity build homes.
- Provided volunteer contractors for The Helping Hand Ministry to help a low income and elderly family complete needed repairs on their home.
- Donated materials and labor for a major portion of the local Extreme Makeover home summer 2008.
- As part of The House Next Door, a spinoff of the Extreme Makeover, Professional Remodelers Organization donated and erected an addition for a family whose son was paralyzed in an accident.

- Provided free home repairs to help the spouses of active service people who are serving overseas as part of the O-OHIO program operated by the Army Reserve.
- Regularly fulfilled requests from the community to help repair homes for families unable to afford the needed improvements.
- Conducted Home and Garden Shows showcasing techniques for home improvements.

10. Toledo LISC

The Local Initiatives Support Corporation (LISC) is dedicated to helping community residents transform distressed neighborhoods into healthy and sustainable communities of choice and opportunity. Since 1989, LISC Toledo, has invested \$9,395,001 in these communities, which has leveraged an additional \$83,026,523 in investment from public and private sources for revitalization efforts. Across the country, over the past 29 years, LISC has invested \$9 billion in low- and middle-income communities, which has leveraged an additional \$28.2 billion in investment. LISC is already a key player in making HUD's NSP work in cities throughout the country. Their staff, financial resources, partnerships, and community development expertise supplement and enhance the impact of NSP funds. Through a network of 29 offices around the country and support from its national staff headquartered in New York City, LISC has led and supported the formation of local strategies to stabilize neighborhoods. LISC's NSP-related work has focused not only on supporting NSP grantees to develop and implement NSP strategies, but also on bolstering the capacity of nonprofit developers to successfully undertake NSP projects.

Examples of recent activities include:

- Conducted and wrote two community plans, trained board members on strategic planning activities, and gave technical assistance on housing development plans. Additionally, LISC has underwritten pre-development and construction loans and grants for local real estate development projects.
- Selected by the Lucas Metropolitan Housing Authority to help in their redevelopment planning for over 300 units of public housing for very low income families.
- Commissioned a study and report on vacant properties called "Toledo at the Tipping Point," which makes several key implementation recommendations that are currently underway.
- Specific projects have included United North School Homes I and II (LIHTC), South East Toledo Homes I and II (LIHTC), CHOICE Senior Housing II Project (LIHTC) and Edison Place, a market rate single family sub-division. These projects will provide more than 100 new housing options for primarily low and low-moderate income community residents.
- LISC Toledo plays a leadership role in working productively with other organizations, convening NSP grantees and nonprofit and for-profit partners to develop comprehensive, strategic, community-focused neighborhood stabilization plans, acquisition strategies focused on maximizing neighborhood stabilization benefits, and market-appropriate disposition options.
- Providing direct TA to NSP1 grantees to develop NSP proposals and implementation plans and support early implementation roll-out.
- Providing extensive TA around analysis and mapping of foreclosure trends, NSP target neighborhood selection, and data sources to track and monitor properties selected for acquisition, rehabilitation or demolition.
- Providing technical guidance on NSP regulations, formation of single-purpose entities to acquire REO, purchase agreements for REO acquisitions, and integration with the National Community Stabilization Trust's REO transfer function.
- Providing capacity and needs assessments for non-profits, grants to improve staffing capacity and build technical skills, expert consultant assistance and retooling business plans.
- Deploying extensive expertise in housing finance to identify private and other public funds to leverage NSP resources, create loan loss reserves and other financial mechanisms, design new financial tools and assist nonprofits to build viable financial models for their NSP involvement.

- LISC has significant organizational capacity and a long history of managing and deploying government funds. Currently, LISC manages \$77.3 million in government funding from 68 government sources. LISC has successfully managed government contracts for most of the past two decades; multiple government and independent reviewers have evaluated their programs, each finding that their administration of funds was fully accountable and effective. Under the HUD Section 4 Capacity Building Program, LISC operates one of the largest federally funded capacity building programs in the country.
- In 2008, LISC was a founding member of the National Community Stabilization Trust (NCST), along with several partners. NCST is a nonprofit designed to facilitate the transfer of foreclosed and abandoned homes from financial institutions to localities to promote neighborhood stability. NCST has successfully developed a strong transfer agent capability that permits the cost-effective and transparent flow of foreclosed and abandoned properties from financial institutions to localities at below market prices, consistent with NSP requirements.
- Toledo LISC utilizes the LISC Green Development Center to aid in forming energy efficiency strategies and as an active member in the National Vacant Properties Campaign, access is available to a great deal of technical assistance. Toledo has already undertaken a vacant property study, and is currently implementing many of the recommended strategies.
- LISC's Affordable Housing Preservation Initiative works to preserve affordable rental housing threatened by gentrification and expiring rent and mortgage subsidies and regulatory agreements (including tax credit agreements). By building partnerships with non-profit development organizations and offering training and technical and financial resources for preservation activities, the Preservation Initiative can help keep affordable rental properties safe and available to communities for low-income individuals.

PUBLIC HOUSING AUTHORITY

11. Lucas Metropolitan Housing Authority (LMHA)

LMHA is a political subdivision in the State of Ohio that has been providing housing to families in both the rental and homeownership markets for over 75 years. Currently, the LMHA manages over 3,100 rental units, including 256 scattered sites, as part of the low-income public housing program and 190 market rate units. Additionally, the LMHA administers over 3,700 Housing Choice Vouchers in the Toledo Metropolitan Statistical Area. Its mission statement is "Through its programs and partnerships, the Lucas Metropolitan Housing Authority is committed to building better neighborhoods by providing comprehensive housing opportunities for qualified individuals and families through creative and professional services in partnership with the greater community."

LMHA has a history of partnering with other organizations to carry out its mission. Current partnerships include: NHS of Toledo providing housing counseling in support of Section 8 HO program, and co-developing projects in Hyde Park subdivision with United North CDC. LMHA has recommended HUD approval for project-based Section 8 vouchers with Friendship New Vision in support of a housing project they are undertaking.

LMHA administers a nationally recognized Section 8 Homeownership program through its Family Self Sufficiency Program and has assisted over 100 former Section 8 renters to become homeowners since 2001. This program currently has a staff of 4 case managers and has a case load that is one of the largest in the country. The LMHA also operates a Public Housing Family Self Sufficiency and Homeownership Program through the Resident Services Department.

Examples of recent activities include:

- The primary focus prior to 2005 was market rate housing. Homes were built and sold in North Toledo and Spencer Township. LMHA has also partnered with the City of Toledo to construct

homes for sale to low-income households in North, Southwest and Central Toledo. These homes were subsidized with HOME dollars.

- In December 2008, began construction on the first low-income public housing project in Toledo in 25 years. The Houck Townhomes will be completed by August 1, 2009 and will add six newly constructed units to the LMHA portfolio.
- Manages over \$5,000,000 in capital improvement projects annually to upgrade and modernize units within the LMHA portfolio

FOR-PROFIT ORGANIZATIONS

12. R. Gant, LLC

R. Gant, LLC is a full-service construction company formed in 1998 and headquartered in Toledo. It seeks to be involved in projects where its input as a general contractor/construction manager provides benefit to the outcome of each project, regardless of whether they are members of a design-build team, or are low bidders on a project already designed. In its approach to project delivery, the owner, architect, consulting engineers, subcontractors and suppliers form a tightly-knit team in which all parties share a common goal: the faithful execution of the design, fulfilling the owner's program requirements, on schedule and within the owner's budget.

Examples of recent activities include:

- Assisted the developers of The Dorr Street Brownstones with pre-construction marketing activities, which include community awareness meetings to market housing units, development of list of interested buyers, development of marketing materials and negotiating sale agreement with realtor.
- Played a key role in accessing capital for a six-unit new construction residential project located in Toledo, Ohio. The total project cost was approximately \$800,000. R. Gant helped to acquire capital from the City Of Toledo, Toledo-Lucas County Housing Fund, Inc and Fifth/Third Bank for the project known as The Dorr Street Brownstones.
- Worked productively with other organizations -- played a key role in the \$600 million Toledo Public Schools' Re-building Project. In addition to the more than 40 new and renovated schools, Gant has worked closely with community based organizations in the New Schools/New Neighborhood Initiative. This initiative has included CDCs, businesses and local governmental entities.

13. Karp and Associates

Karp and Associates engages in real estate development and provides development consulting services to for-profit, private non-profit, quasi-public and public entities. With an emphasis on mixed use and multi-family projects, the vast majority involves federally certified historic rehabilitation in the urban centers of Midwest communities. Its mission is: *Improving the built environment of our urban cores.*

Examples of recent activities include:

- Standart Lofts, Toledo OH - Built in 1906, the 7 story, 88,000 square foot historic brick structure had been sitting vacant for several years before this organization purchased it in late 2007. Working closely with the City of Toledo, a rehabilitation plan was developed to complement an existing small stock of rental housing in the immediate community. Financing was assembled to include Federal and the recently enacted Ohio historic rehabilitation tax credits, along with conventional financing. The \$11MM rehabilitation plan includes the creation of 75 market rate housing units. Its related organization, Buildtech Ltd. Construction • Development, which has nearly two decades of historic rehab general contracting experience, is moving through construction toward a 2010 completion.
- The Durant, Flint MI -- Built in 1920 and named for the founder of General Motors, The Durant Hotel, at eight stories and 160,000 square feet has stood as the City of Flint's most prominent piece of historic architecture. Closed and vacant since 1974, the tax reverted property was acquired by the Genesee County Land Bank (GCLB) in 2005. Karp and Associates entered into a partnership with

GCLB in 2008 and assembled 13 different sources of grants and other financing to make feasible the \$34MM project. At completion in January 2010, the federally certified historic rehabilitation will have 93 high end market rate apartments, and 20,000 square feet of commercial space, 10,000 of which will be occupied by the U. of Michigan – Flint Art Department.

b. Management structure (10 points)

(1) You must provide a description of your management structure.

The Toledo-Lucas County Consortium includes two units of government, eight non-profit organizations, a public housing authority and two for-profit developers. The City of Toledo is the lead applicant for the Consortium. The Consortium creates an environment to allow the NSP2 project members to work on their main tasks in an effective and coordinated way. The Consortium structure brings the appropriate partners together to ensure strong teamwork to effectively carryout the stabilization strategy.

Members shall act as a “board of directors,” that is to include one representative from each organization. The “board” is expected to meet monthly. An Executive Committee of the Consortium board shall be established and responsible for administrative and financial oversight, monitoring and the day-to-day communications with all members and project partners. The Executive Committee is expected to meet more frequently than the full Consortium board of directors. We anticipate that additional Committees will be established including:

- Policy Committee
- Housing Development and Programs Committee;
- Finance Committee;
- Community Outreach Committee.

The Consortium shall contract with a Consortium Coordinator for three years to be responsible for its day to day activities including the functioning of the Consortium Board. Responsibilities of the Consortium Coordinator shall include:

- Overall management of the Consortium.
- Serve as the primary contact for individual Consortium members.
- Work with the National Community Stabilization Trust (NCST) to identify and purchase foreclosed and abandoned properties from financial institutions.
- Work with Lucas County to identify and help members secure property tax foreclosed properties.
- Work with Consortium members to establish a marketing plan to generate interest in the rehabilitated properties and to locate qualified buyers.
- Secure additional team members including, for example, an appraiser, home inspector, realtor and real estate attorney following required procurement practices for these services. Contracts are to be approved by the Consortium Board.

The Consortium shall be responsible for establishing a site/project selection policy that addresses the specific criteria for all acquisition, development and demolition of individual properties included in the program. The Consortium shall also be responsible for the approval of individual projects based upon this policy including the acquisition, development and demolition activities. The purpose of this procedure is to ensure that all activities contribute to the effectiveness of a cohesive NSP2 program.

The City of Toledo, the lead Consortium applicant, shall be responsible for all monitoring and reporting.

Further details regarding the respective roles of Consortium members is described later in this section.

An Organization Chart follows. The respective roles of each Consortium team member as part of the overall program is summarized on the Management Organization Chart and described above.

Figure 1 -- NSP2 Organization Chart

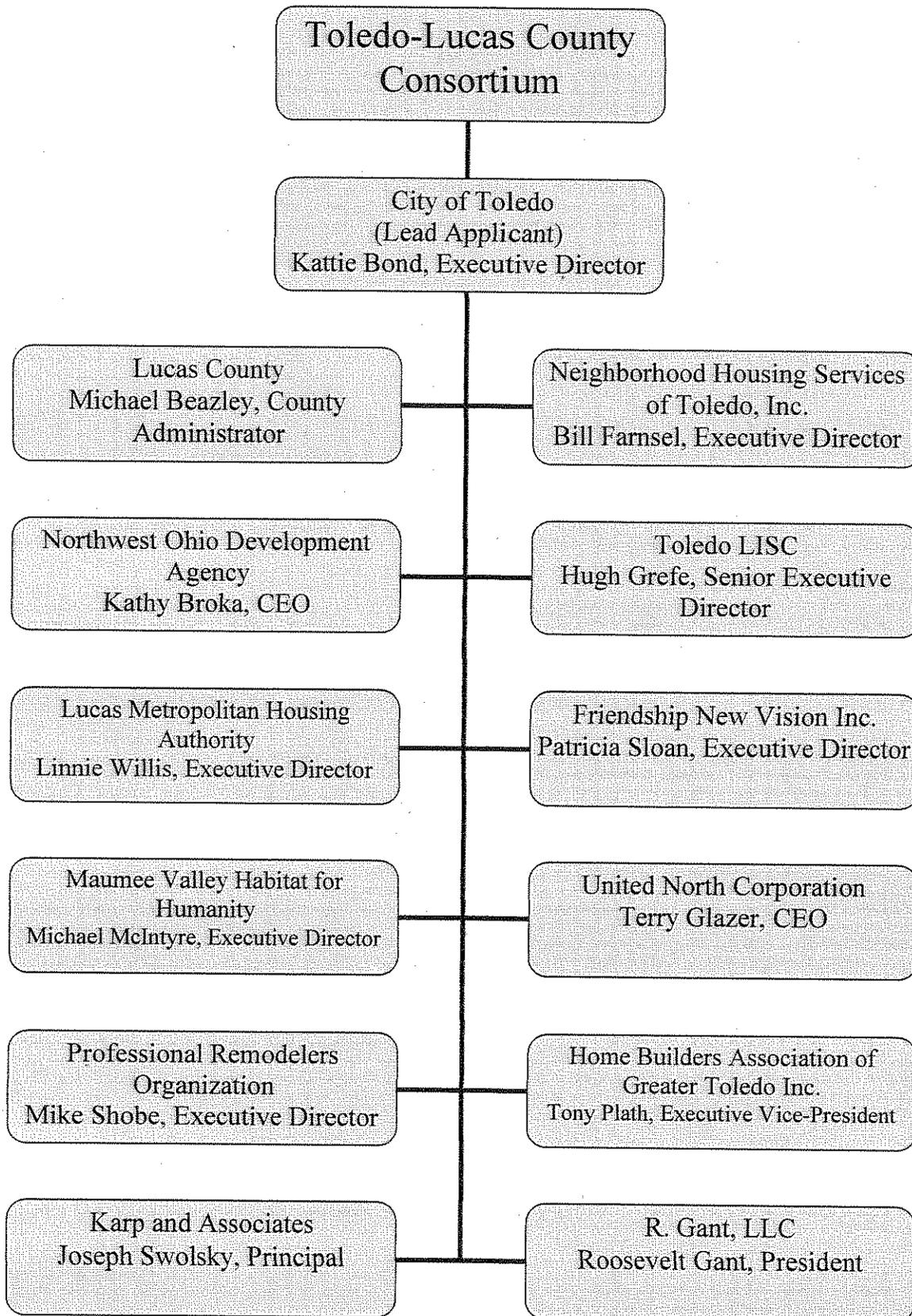
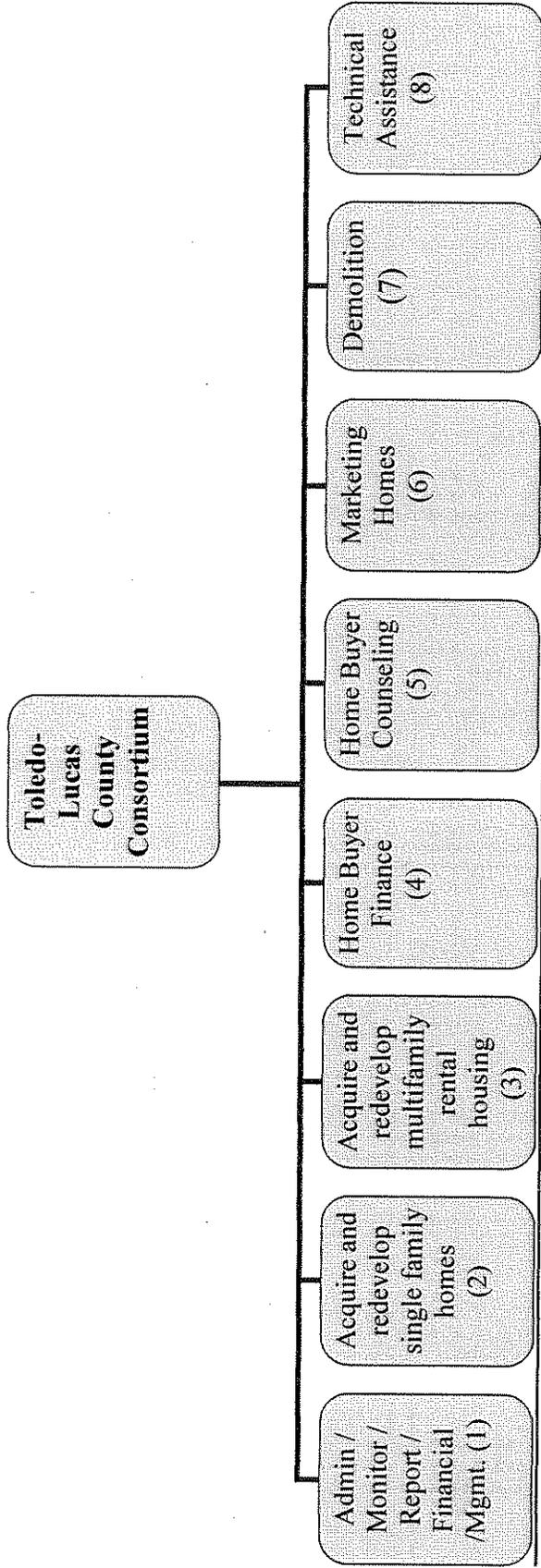


Figure 2 – Toledo-Lucas County NSP2 Consortium Management Chart



Activity	Responsible Consortium Member
(1) Administer / Monitor / Reporting / Financial Management / Environmental Reviews	<ul style="list-style-type: none"> City of Toledo
(2) Acquire And Redevelop Single Family Homes	<ul style="list-style-type: none"> NHS of Toledo United North Friendship New Vision Lucas Metropolitan Housing Authority Maumee Valley Habitat for Humanity R. Gant, LLC Karp and Associates Private developers to be selected by Consortium um
(3) Acquire And Redevelop Multifamily Rental Housing	<ul style="list-style-type: none"> NHS of Toledo United North

	<ul style="list-style-type: none"> • Lucas Metropolitan Housing Authority • Private developers to be selected by Consortium • Karp and Associates • NHS of Toledo • NODA • Area lending institutions • City of Toledo • NODA • Friendship New Vision • NHS of Toledo • Home Builders Association • R. Gant, L.L.C • Lucas Metropolitan Housing Authority • Friendship New Vision • NHS of Toledo • United North • Realtor(s) to be selected by the Consortium
(4) Home Buyer Finance	
(5) Homebuyer Counseling	
(6) Marketing Homes	
(7) Demolition	<ul style="list-style-type: none"> • City of Toledo
(8) Technical Assistance	<ul style="list-style-type: none"> • Toledo LISC • R. Gant, LLC • Karp and Associates • Professional Remodelers Organization • Home Builders Association • Lucas Metropolitan Housing Authority
<ul style="list-style-type: none"> • General Contracting Support • Construction Management • Asset Management • Organizational Development • Housing Development 	

Individual backgrounds and roles are described below.

CITY GOVERNMENT

1. City of Toledo (Lead Consortium Applicant)

Kattie Bond, Executive Director, Department of Neighborhoods, has been with the City for 14 years. She is responsible for Building Inspection, Code Enforcement, Housing and Administrative Services.

Mike Badik, Commissioner, Housing and Administrative Services, Department of Neighborhoods since 2006, has previously held several senior housing positions with the City. Prior to the City he was Executive Director of several CDCs in Toledo and Fostoria, Ohio.

Maria Gorney, Manager, Administrative Services is responsible for all monitoring and reporting functions. She has a BA degree with an accounting major and prior administrative experience.

Ebenezer Osei-Kwame, Historical/Environmental Review Officer and Specialist has a M.A. degree in geography and 15 years of experience with environmental assessments.

Primary Role in the Consortium will include:

- Program administration, monitoring, and reporting;
- Performing all environmental and historic reviews; and
- Demolishing foreclosed and blighted homes.

COUNTY GOVERNMENT

2. Lucas County

The Lucas County staff person to be involved in the management of the NSP 2 program is Bob Klocinski, Budget Analyst, Lucas County Office of Management & Budget. His background includes 10 years experience with the State of Ohio, Department of Job and Family Services as the Fiscal Supervisor for NW Ohio. Several County Departments (Treasurer, Sherriff and Auditor) impact the property tax foreclosure process – all will contribute to the Consortium:

Ruth Seth, County Foreclosure Coordinator, Lucas County Treasurer Office supervises all foreclosure department employees and is responsible for organizing all procedures between the county offices involved in foreclosure actions. This includes the Prosecutor's, Treasurer's, Sheriff's, Auditor's and Clerk of Courts offices.

Cathleen Tillman, – Director - Civil Division, Lucas County Sheriff Office is responsible for appraising, advertising and selling all foreclosed properties, disburses proceeds and recording deeds for all Lucas County foreclosures.

John Mattimoe, Staff Attorney and Rick Caris, Real Estate Analyst / Consultant, for the Lucas County Auditor office has the primary responsibility to assess the value of each post foreclosure parcel and the subsequent impact on the entire neighborhood's valuation.

Primary Role in the Consortium will include:

Lucas County plans to involve all resources and offices of county government in the implementation of the NSP 2 program. This includes the County Auditor, the County Treasurer, and the Sheriff's Department, the County offices primarily responsible for the property tax foreclosures process within Lucas County. This process will facilitate the Consortium's efforts to address property tax foreclosures in addition to bank foreclosures within the target area.

NONPROFIT ORGANIZATIONS

3. Neighborhood Housing Services of Toledo

William E. Farnsel, Executive Director, has served as director since 1981 and holds a Master of Public Administration from the University of Toledo. Mr. Farnsel will serve as lead person for policy and development decision making.

Nancy L. Dey, Fiscal Officer, has served as chief financial officer since 1986 and holds a Bachelor of Arts from Lourdes College. Ms. Dey will serve as the day to day manager of development equity and construction financing.

Jack W. Dickerson, Development Specialist, has served as the principal housing official for NHST since 1996 and holds General Contractor (remodeling) licenses issued by the City of Toledo, City of Maumee and City of Oregon. Mr. Dickerson will be responsible for inspections, development of work specifications, interim inspections and construction fund disbursements.

Primary Role in the Consortium will include:

- Acquiring, developing and managing rental units for low and moderate income buyers;
- Acquiring and developing new and renovated housing for affordable and market rate buyers;
- Provide homebuyer counseling, education and money management training;
- Assisting existing home owners to access programs available to maintain their homes;
- Managing a home purchase loan program for people who cannot obtain financing through conventional lenders; and
- Serving as fiscal agent for consortium members.

4. United North Corporation

Terry Glazer, Chief Executive Officer, has a Masters in Urban Planning, has three years experience as a neighborhood planner and 5 years as a real estate appraiser. Has been Executive Director of Lagrange Development Corporation for 18 years and UN's CEO for two years.

Kim Cutcher, Chief Operating Officer, has a Bachelor's Degree in Public Administration and completed graduate work towards a Masters in Education. Completed NDC's Real Estate Development Program and was also selected by LISC as a participant in the Executive Leadership Institute.

Dave Steel, Chief Financial Officer, has a Masters Degree in Accounting and is a certified public accountant. Provides experience in deal structuring, contract compliance, accounting & finance.

Nancy Sobecki, Housing Programs and Marketing Manager, oversees all UN housing programs. During the past 10 years she has been in charge of home loan and grant programs. During the past three years Nancy has overseen housing renovation and new construction. She is a certified homeownership trainer and completed courses through the NeighborWorks Training Institute.

Toni Hames, Housing Specialist and Property Manager, has successfully completed certification programs with CHAM and MAHMA, and maintains tax credit compliance certification.

Primary Role in the Consortium will include:

- Acquiring, developing and managing rental units for low and moderate income buyers;

- Acquiring and developing new and renovated housing for affordable and market rate buyers (below 120% median income);
- Assisting existing home owners to access programs available to maintain their homes, and counseling buyers to improve credit.

5. Friendship New Vision, Inc (FNV)

Patricia E. Sloan, Executive Director, manages the day to day operations of FNV. She has 34 years of management experience. Ms. Sloan assists with the Home Buyer Education classes and acts as the liaison between the board and the staff.

Don Tisdale, Housing Specialist, has 30 years experience in the skilled trades and is also a certified OSHA instructor.

Tina Mesley, Housing Consultant, is a licensed realtor and has over 15 years experience in the housing industry.

Tisdale and Mesley handle all the field work for housing development, including the rehabs and new constructions projects. They prepare the bids packages, advertise the bid postings and work directly with the contractor and the City.

Primary Role in the Consortium will include:

- Acquisition and rehabilitation of vacant and abandoned homes and new home construction
- Provide homebuyer counseling, education and training;
- Provide comprehensive social services and family strengthening activities to households assisted with NSP2 resources.

6. Maumee Valley Habitat for Humanity

Michael McIntyre, Executive Director, is responsible for strategic initiatives and its day to day operations. Prior to Habitat, Mike was a Partner with Aggie-Titam, LLC, a firm specializing in real estate and other venture capital investments.

Tim Sterns, Assistant Construction Manager since 2000, has held various financial accounting positions including teaching at the college level. Tim has a M.B.A. from the U. of Toledo.

Amy Merkel, Finance Manager, is a C.P.A. and has an Accounting degree from B.G.S.U.

Don Flenner, Board Member, is President of Hallmark Development, specializing in residential land development and sales. Don has an Engineering degree and M.B.A. from the U. of Toledo.

Primary Role in the Consortium will include:

- Acquisition and new construction of single family homes and home buyer financing for households with incomes below 50% of the area median income.
- Provide assistance in marketing homes for sale.

7. Northwest Ohio Development Agency

Kathy Broka, President and CEO, of both NODA and the Fair Housing Center since 2007, where she works to help end housing discrimination, to provide capital to those in need and to encourage people to become financially self-sufficient. She has spent the past 15 years working for both agencies. She has a

B.S. degree in Education and serves on the City Foreclosure Prevention Task Force, Lucas County Foreclosure Task Force, Toledo Housing Implementation Committee, and the Greater Toledo Housing Coalition.

Tiffany Zimm joined NODA in May 2001, as its first Director. She has a M.B.A. and extensive banking experience. As an Assistant VP of Sky Bank, she was responsible for mortgage underwriting and Quality Control for mortgages. She also developed leadership and supervisory skills while managing two banking centers. Tiffany will be responsible for program implementation and management, including all lending activities through NSP2.

Primary Role in the Consortium will include:

- Managing a home purchase loan program for people who cannot obtain financing through conventional lenders
- Providing counseling and money management training.

8. Home Builders Association of Greater Toledo

Tony Plath has been the Executive Director of the HBA for the past six years and is a licensed real estate broker in the state of Ohio with experience in remodeling and managing over 600 housing units.

Jennifer Lynch is the Events Coordinator at the HBA responsible for marketing our home shows, Parade of Homes.

Primary Role in the Consortium will include:

Marketing NSP2 homes as the result of its experience marketing its House & Home Shows and Parade of Homes. HBA will also work closely with Consortium partners to coordinate the rehabilitation of the foreclosed homes with its list of members who provide all the services and products related to the housing industry.

9. Professional Remodelers Organization

Mike Shobe, Executive Vice President, has been providing the leadership for organization for over five years and will be responsible for management of all of its NSP2 responsibilities.

Primary Role in the Consortium will include:

- Helping homeowners select a capable and licensed remodeling contractor.
- Provide training for contractors participating in NSP2.

10. Toledo LISC

Hugh Grefe, Senior Executive Director for the Toledo operations of LISC, is responsible for overseeing the strategic direction of the Toledo office, including the development of new initiatives, partnerships and programs. Joining the LISC staff in the fall of 1994, Grefe had served on the program's Local Advisory Committee for several years and has supported LISC involvement in Toledo since 1988. In 2002, the Fannie Mae Foundation awarded Grefe a Fellowship to attend the Program for Senior Executives in State and Local Government at the John F. Kennedy School of Government at Harvard.

Kathleen Kovacs, Program Officer since 2004, supports all work related to neighborhood stabilization. Has been responsible for awarding over \$760,000 in operating grants to CDCs as well as underwriting loans in the amount of \$2,611,500 for project development. Under her guidance training programs for Economic Development, Outcomes Measurement, Homeownership Development and Financial

Leadership were initiated. Previously, Kovacs was the executive director of Neighborhoods in Partnership, a Toledo CDC, for over ten years. During her tenure more than 185 units of housing were created, 75 rehabilitated, 36,000 sq. ft. of commercial space developed and two youth programs added to the NIP portfolio. Ms. Kovacs has a MS in Community Economic Development from Southern New Hampshire University.

LISC Toledo is supported by its national staff which includes experts in areas relevant to NSP such as green development, housing preservation, financing mechanisms, accessing investment capital, supporting housing authorities, community safety, and vacant property revitalization.

Primary Role in the Consortium will include:

- Provide Pre-development Grants up to \$10,000 each;
- Provide up to \$1 million in construction financing and bridge loans for qualified projects.
- Provide training and technical assistance to developers participating in the NSP2 Program in areas such as Board of Director's capacity building, financial management, asset management, and site selection and acquisition.

PUBLIC HOUSING AUTHORITY

11. Lucas Metropolitan Housing Authority

Linnie Willis, Executive Director, has served in senior management level positions with LMHA since 1982. She directs the management of all low income housing programs, home ownership programs, and the administration of rental assistance programs.

Ronald Jackson, Deputy Director, is the direct supervisor for Housing Operations, Modernization, Development and Maintenance functions, oversight of current redevelopment projects and assists the Executive Director with oversight of the Authority. Previously, he was Deputy Director for the Chesapeake Redevelopment and Housing and Authority for five years.

Matthew Sutter, Manager of Development and the lead staff person for NSP II, has over 10 years of housing experience and has previously administered the Section 8 HO program at LMHA. Since 2005 he has been the lead staff person in all development related activities. It is anticipated that the LMHA will hire a Project Coordinator to write the specifications and manage the rehabilitation process.

NSP2 development activities will likely be carried out under a newly created 501(c)(3) non-profit organization, Lucas Development Corporation (LDC). The Executive Director of LDC will be Linnie B. Willis the Executive Director of LMHA. In this scenario, the LDC will contract with the LMHA to staff the organization and to accomplish the NSP2 goals.

Primary Role in the Consortium will include:

- Acquiring and developing new and renovated housing for affordable and market rate home buyers – for both homeownership and rent.
- Marketing homes -- LMHA has a ready pool of interested buyers that are contained within its current portfolio of residents. Once approved, the LMHA will begin to market the program to interested residents and direct those residents to case management that is currently in place to help facilitate homeownership

FOR-PROFIT ORGANIZATIONS

12. R. Gant, LLC

Roosevelt Gant, President, has more than 25 years of experience in the private and public sector that has included management, strategic planning, business development, marketing, public relations,

organizational analysis, systems design, project management, contract negotiation and compliance, quality control, workforce development and community relations. Experience includes 16 years in the construction industry. Gant's project role is management of housing development with a focus on acquisition, contract development and compliance, sale of properties and property management oversight.

Allen Allred, Project Manager/Estimator, has more than 25 years of experience in the construction industry. Experience includes the acquisition and development of property, specification and work scope development, estimating, project management, marketing manager, bidding and scheduling. Alfred will participate in the acquisition of properties, the development of specifications, work scopes and budget to conform to NSP requirements and bidding.

Kimakus Johnson, Project Manager, has eight years of construction industry experience including maintaining project schedule, updating drawings, coordinating pre-bid meetings, project submittals, punch list and closeout activities. Johnson facilitates bid processes. He will also orientate/educate contractors on project requirements and policy requirements.

Vic Bert, Field Superintendent, has more than 30 years of construction industry experience and is an experienced journeyman carpenter with foreman and superintendent background. He is skilled in project budgeting material and equipment management, safety and contract compliance. Bert will supervise the on-site renovation and/or construction activities for all housing projects.

Primary Role in the Consortium will include:

- Acquiring and developing new and renovated housing for affordable and market rate home buyers.
- Provide training and technical assistance to developers participating in the NSP2 Program in areas such as site selection, acquisition, construction management and development.

13. Karp and Associates

Richard Karp, President of Buildtech Ltd. Construction • Development, and managing partner of Karp and Associates. Over the last 23 years utilizing Historic Rehabilitation and LIHTCs, HOME funds and sources, he adaptively reused millions of square feet of historic commercial buildings for several non-profit and for-profit entities and many projects for his own portfolio, inclusively over \$97 million. Through his work as a developer, consultant, and general contractor, he has been presented the Governor's Award for Historic Preservation, Michigan Historic Preservation Network's Tax Credit Award, Historic District Commission's Lansing Preservation Stewardship Award and Franklin Street to Main Street's Entrepreneurial Spirit in Restoration of Historic Properties Award.

Joseph H. Swolsky started in real estate brokerage and development in 1973. In 1981 Mr. Swolsky and his associate, Robert Gersten, became partners and began Lanecor Associates, whose initial business was locating sites and constructing Lane Drug Stores in Ohio. Over a period of seven years, they successfully developed over 75 stores. Lanecor expanded to being primarily a tenant-oriented developer/broker, developing strip shopping centers anchored by major chain stores and groceries. In 1991 Mr. Swolsky and Mr. Gersten formed two new companies: Park West Realty, Inc. and Park West Management, Inc. They have an interest in over 30 retail properties totaling in excess of 2,000,000 square feet.

Kevin J. Prater has over 15 years of experience in historic rehab and new construction of multi-family, office, retail and light industrial. Skills include feasibility analysis, project management and value engineering.

Primary Role in the Consortium will include:

- Acquiring, developing and managing rental units for both market rate and low and moderate income buyers.
- Acquiring and developing new and renovated housing for affordable and market rate buyers.
- Provide training and technical assistance to developers participating in the NSP2 Program in areas such as site selection, acquisition and development.

(2) References.

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3. Rating Factor 3: Soundness of approach (45 points)

a. Proposed Activities (15 points)

(1) Briefly describe the overall neighborhood stabilization program.

The Toledo NSP2 Consortium program will expand the NSP1 initiative and assemble and focus the programs and resources of thirteen organizations on our expanded target area as described under rating Factor 1. While NSP2 strategies will be spread throughout the target area, there will be a concentrated focus on “tipping point” neighborhoods of contiguous blocks with particularly high rates of foreclosure. In many of these areas, only one or two foreclosed homes on a block will need to be addressed. The strategy in other neighborhoods will be to stabilize blocks with foreclosed properties as part of a comprehensive community rebuilding strategy. Following this strategy, the NSP2 program will make a meaningful impact at the end of the three years.

The Consortium will work with the National Community Stabilization Trust (NCST) to identify and purchase foreclosed and abandoned properties from financial institutions. The Stabilization Trust allows buyers an opportunity to acquire a property before it goes to market, resulting in better property conditions and lower acquisition and development costs. The Consortium also intends to work closely with Lucas County, a Consortium member, to identify and purchase tax foreclosed properties to promote productive property reuse and neighborhood stability. The Consortium will work closely with the County’s foreclosure task force, “Save Our Homes Task Force.”

The Consortium’s primary goal is to stabilize Toledo and Lucas County neighborhoods impacted by accelerating foreclosure and vacancies. To reach this goal, the NSP2 program consists of the following program components:

Foreclosed and Blighted Single Family Homes

The centerpiece of NSP2 is the acquisition of 175 foreclosed single family homes for redevelopment and purchase by homebuyers. Single-family rehabilitation resale initiatives is a productive strategy to stabilize neighborhoods and turn foreclosed, vacant, and/or blighted properties into newly renovated homes for families in need of quality housing. The purpose of single-family rehabilitation resale component is two-fold: (1) stabilize a residential area that is experiencing decline/disinvestment, (2) provide affordable, quality housing for families.

Consortium members and selected developers will acquire foreclosed, vacant, and/or blighted properties significantly below market value. Home renovation will range from minor repairs to major rehabilitation. Program also includes new construction of single family homes on foreclosed vacant lots and vacant sites resulting from demolition. The purchase price of the home will often be discounted to make the property more desirable to buyers and make it more affordable for families who may not otherwise be able to afford it at its current value.

This component consists of the following:

- Homebuyer financing mechanisms including 2nd mortgages, and down payment assistance for single family homes. It is understood that different households will require different levels of homebuyer assistance based on several factors, including their credit and income. The program is therefore designed to provide various levels of financing:
 - 100% home buyer financing – interest range from 2% - 6% based upon the ability of the homebuyer to repay the loan, up to a 30 year amortization period.
 - 20% down payment financing – loans will be forgiven on a prorated basis as long as the property is occupied as the primary residence.
- Lease-purchase for households with credit scores that can not currently qualify for financing – 50% of the take-out construction financing for 25 future homebuyers. Interest rates will range from 2% - 6% based upon the ability of the developer to repay the loan, 10 year term, 30 year amortization

period. Once rehabilitation of the property is complete, the developer pays back the acquisition/rehabilitation financing by taking out a mortgage on the property. Following the lease period, the tenant/purchaser is given the right to purchase the property. The Consortium will work with Self-Help's Center for Responsible Lending's Foreclosure Recovery Initiative that is designed to minimize the costs of lease-purchase programs including foreclosed properties.

- Construction Financing including:
 - Fifth Third Bank is providing \$5,000,000 of construction financing for 100% of the value of the homes. NSP2 will be used to guarantee the construction loans for the 1st two years of the program – 1st 135 homes.
 - Toledo LISC is providing \$1,000,000 of early cash flow gap financing. NSP2 will guarantee these bridge loans for the 1st two years of the program – 1st 135 homes
 - Appraisal gap financing – Sales and appraisals in the target have demonstrated that the development costs exceed the sales and appraisal values. This gap will need to be financed for the 1st 135 homes, otherwise it will be impossible to sell the home.
 - The release of the \$6,000,000 construction loan guarantee will be returned to provide 100% construction financing for the final 40 homes in the NSP2 program.

Foreclosed and Blighted Rental Housing

Foreclosed and blighted apartments are scattered through the target area, impacting the stability of the neighborhoods. The Consortium members and other private developers will be recruited to acquire and rehabilitate these properties. The units will then be rented, predominantly to households with incomes 50% below the area median income. There are three subcategories for rental housing:

- Rental housing developed by CDCs without LIHTCs;
- Multi-family apartments developed by the Lucas Metropolitan Housing Authority and other developers recruited and selected by the Consortium; and
- Rental of single family homes.

Homebuyer Counseling

The homebuyer counseling component is critical to the overall program to: 1) help participating families become mortgage ready and default resistant; and 2) generate a pipeline of qualified buyers for homes rehabilitated by Consortium members and partners. Home buyer counseling includes: 1) Instruction on mechanical systems; 2) Analysis of affordability; 3) Development of down payments through IDA programs; 4) 10 hours of pre-closing training; 5) Follow-up post closing; and 6) Loan account servicing.

Demolition

There are blighted homes in the target area in which the renovation costs are outside the parameters of the program and will require demolition. Demolition activities will be prioritized based upon their proximity to recent or planned development and areas where demolitions will help to stabilize the neighborhoods. Within tipping-point neighborhoods, demolitions will primarily occur where homes will be rebuilt. In some instances demolished homes will yield suitable building sites that will lead to a newly constructed single-family house.

Coordinated Components That Will Not Be Funded With NSP2

The New School, New Neighborhoods (NSNN) initiative was created to assist in improving the physical conditions in close proximity to Toledo Public Schools (TPS) and the living environments in proximity to these schools. The initiative is working with over 50 community partners to coordinate the timing of investments in community revitalization and school construction in order to generate and inspire community growth and development. As is the case with HUD's NSP, the NSNN Initiative is designed to target specific neighborhoods with real opportunity for stabilization and revitalization. Initially, four

new school neighborhoods were targeted that represented over \$36 million in new school investment and as a result, helped stimulate new housing development projects near some of these schools.

Housing strategy will focus on key CTs where five new schools will be opening in the Fall 2009 and 11 others will be built or have major renovation during the same NSP2 time frame (Schools opening in the Fall 2009 are in NSP2 census tracts: 53, 3, 33, 19 and 39. New and renovated schools are in census tracts: 10, 47.01, 2, 13.03, 7, 36, 11, 54 and 22). The 11 new or renovated schools represent over \$130 million of additional neighborhood revitalization that will support the neighborhood stabilization initiative. R. Gant, LLC will represent the Consortium in working with TPS to maximize each other's efforts and to create a specific marketing effort targeting households which: 1) meet the NSP guidelines; 2) benefit from home ownership opportunities and 3) benefit from the TPS educational experience.

Eligibility of Activities

The following eligible activities categories will be carried out, all correlating with Eligible Activities from the CDBG Entitlement Regulations as described in the NSP2 NOFA, Appendix 1, Section H.

- Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves and shared-equity loans for low- and moderate-income homebuyers;
- Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;
- Demolish blighted structures; and
- Redevelop demolished or vacant properties as housing.

Federal Regulations

Consortium members are committed to following all applicable federal regulations as they apply to the receipt, expenditure and administration of NSP2 Funds. The Toledo-Lucas County Consortium will abide by the monitoring process, required environmental and historic reviews before any action that can have a significant impact, NSP2 required wage rates, procurement and relocation requirements for NSP2 activities. All NSP funded projects will comply with Section 3 of the Housing and Urban Development Act of 1968. Further, the Consortium is committed to a full and transparent community process with meaningful participation.

Relocation

While the intent is to focus on vacant foreclosed and blighted properties, if there are any occupied properties that require acquisition, the Consortium is committed to following the Uniform Relocation Act. This includes developing a relocation plan and ensuring that bona fide tenants are given proper notice (by previous owners) before they purchase any property. The Consortium will honor bona fide leases that were in place prior to foreclosure.

(2) Uses of funds and firm commitments

(a) Indicate how you will use NSP2 funds by providing a list or table showing the amount of funds budgeted for each eligible use and CDBG eligible activities.

Activity	# Homes	Budget	Responsible Entity
A. Financing mechanisms for purchase and redevelopment of foreclosed properties			
1. 100% of home buyer financing	25	\$1,312,500	<ul style="list-style-type: none"> • NHS of Toledo • NODA • Fifth Third Bank • City of Toledo
2. 20% down-payment assistance loans forgiven on a prorated basis	75	\$ 1,750,000	<ul style="list-style-type: none"> • NHS of Toledo • NODA • Fifth Third bank • City of Toledo
3. 50% take-out financing for lease - purchase program (potential buyers not initially able to secure financing)	25	\$875,000	<ul style="list-style-type: none"> • NHS of Toledo • NODA • Fifth Third bank • City of Toledo
B. Purchase & Rehabilitate abandoned or foreclosed homes to sell, rent or redevelop			
1. * Guarantees of: A) (\$5,000,000) 5/3 Bank construction guarantee of the value of 1 st 135 homes for sale - average \$70,000 construction and B) (\$1,000,000) LISC cash flow bridge loan for predevelopment	135	\$6,000,000	<ul style="list-style-type: none"> • NHS of Toledo • United North • Lucas Metro Housing Auth. • Friendship New Vision • Maumee Valley Habitat • R. Gant, LLC • Karp and Associates • Private developers • Fifth Third Bank • Toledo LISC
2. Gap between appraised value and development cost for 1 st 135 homes for sale	135	\$6,750,000	<ul style="list-style-type: none"> • NHS of Toledo • United North • Lucas Metro Housing Auth. • Friendship New Vision • Maumee Valley Habitat • R. Gant, LLC • Private developers
3. Release of NSP2 loan guarantee funds to finance 100% construction of homes 136-175 for sale	40	0	<ul style="list-style-type: none"> • NHS of Toledo • United North • Lucas Metro Housing Auth. • Friendship New Vision • Maumee Valley Habitat • R. Gant, LLC • Private developers
4. Rental – CDCs, non-LIHTC	24	\$840,000	<ul style="list-style-type: none"> • NHS of Toledo • United North
5. Rental – LMHA and other developers	100	\$3,500,000	<ul style="list-style-type: none"> • Lucas Metro Housing Auth. • Private developers
6. Rental -- Single Family	10	\$700,000	<ul style="list-style-type: none"> • NHS of Toledo • United North • Lucas Metro Housing Auth
C. Home Buyer Counseling	175	\$ 52,500	<ul style="list-style-type: none"> • NODA • Friendship New Vision • NHS of Toledo

D. Demolition	272	\$ 2,722,500	City of Toledo
E. Administration		\$ 2,722,500	<ul style="list-style-type: none"> • City of Toledo • Consortium Members
TOTAL BUDGET		\$27,225,000	

*assumes 50% of homes are outstanding at any one time

(b) Briefly describe the proposed activities in a narrative.

A. Financing mechanisms for purchase and redevelopment of foreclosed properties

A primary activity will be providing homebuyer financing to restore the real estate market in the target area. The sale prices of NSP-financed homes will be either the appraised value or the total project costs (acquisition, rehabilitation, including 15% developer fee, and other eligible soft costs), whichever is less. When NSP2-funded projects are sold to eligible homebuyers, the developers will pay off the outstanding construction loans with the income generated by the sale proceeds.

To reflect the varying degrees of available home financing available and to entice buyers, there will be three levels of homebuyer financing:

- 100% of the sales price – 25 homebuyers. Interest rates will range from 2% - 6% based upon the ability of the homebuyer to repay the loan, up to a 30 amortization period.

# Homes	Average Mortgage	Cost/Home	Total Cost
25	\$70,000	\$70,000	\$1,312,500

- 20% down payment financing – 125 homebuyers. Down-payment assistance loans will be forgiven on a prorated basis as long as the property is occupied as the primary residence. Similar to NSP1, there will be a 0% interest rate charged for families at or below 50% AMI, 2% charged for families with incomes at or below 50% to 80% AMI, and 4% for families with incomes 80% to 120% AMI.

# Homes	Average Mortgage	Cost/Home	Total Cost
125	\$70,000	\$14,000	\$1,750,000

- 50% of the sales price for lease purchase take-out financing for homes not initially sold – 25 lease-purchasers. Interest rates will range from 2% - 6% based upon the ability of the developer to repay the loan, 10 year term, 30 year amortization period. Once rehabilitation of the property is complete, the developer pays back the acquisition/rehabilitation financing by taking out a mortgage on the property. Following the lease period and a counseling program, the tenant/purchaser is able to purchase the property. The Consortium shall work with the Self-Help's Center for Responsible Lending's Foreclosure Recovery Initiative that is designed to minimize the costs of foreclosed properties, lease-purchase programs involving foreclosed properties.

# Homes	Average Mortgage	Cost/Home	Total Cost
25	\$70,000	\$35,000	\$875,000

All home buyers will have incomes at or below 120% of the area median income. A minimum of 20% of the homebuyers will have incomes at or below 50% of the area median income

B. Purchase & Rehabilitate abandoned or foreclosed homes to sell, rent or redevelop

1. Construction Loan Guarantees homes 1-135 NSP2 funds will be used to guarantee 100% of home value for two years of the program of a 1) Fifth Third Bank construction loans for the 1st 135 homes; and 2) Toledo LISC predevelopment bridge loans. The budget is based upon:

# Homes	Average Sales Price (loan)	Outstanding at a single time	Cost of NSP2 Loan Guarantee
135	\$70,000	50%	\$ 6,000,000

2. Construction Gap financing for homes 1-135 Gap between appraised values and development costs, as the result of typical development costs being above the average depressed home values. NSP2 funds will finance this gap between the both the Fifth Third Bank construction loan and Toledo LISC bridge loans (both being guaranteed by NSP2) and the total development cost.

Average Development Cost	Average Loan	Average Gap	# Homes	Total Cost
\$120,000	\$70,000	50,000	135	6,750,000

3. Construction financing for homes 135 to 175 These homes will have 100% construction loans resulting from the staggered release of the NSP2 funds used to guarantee the initial 135 homes.

Average Development Cost	Average Loan	# Homes	Financed w/ release of NSP2 guarantees converted to permanent financings	Additional NSP \$
\$120,000	\$120,000	40	4,800,000	0

4. Rental – Non LIHTC by a CDC - gap financing as a grant to help CDCs acquire and redevelop rental housing without LIHTCs – primarily benefitting tenants at or below 50% median incomes.

# Units	Subsidy/Unit	Total Cost
24	\$35,000	\$840,000

5. Rental –LMHA & other developers – Gap financing in the form of a grant to LMHA & other developers to be recruited to acquire and redevelop rental housing without LIHTCs

# Units	Subsidy/Unit	Total Cost
100	\$35,000	3,500,000

6. Rental – single family homes – Gap financing in the form of a grant to help acquisition and development of single family homes by developers for rental, primarily benefitting tenants below 50% median incomes.

# Units	Subsidy/Unit	Total Cost
10	\$70,000	\$700,000

All renters will have incomes below 120% of the area median income. A minimum of 70% of the rental units will be for households with incomes 50% or less of the area median.

C. Home Buyer Counseling

Three Consortium members, NHST, NODA and FNV, will provide home buyer counseling for potential home buyers. Based upon past experience, one out of seven applicants who completes homeownership training will eventually purchase a housing unit. Therefore, 1,225 clients will participate in the programs to achieve 175 qualified homebuyers over three years. The cost will be \$300 of NSP2 funds matched by

\$900 for each client – cost of households not purchasing a home is included as an administrative expense.

D. Demolition

City of Toledo will demolish 272 blighted housing units. The program cost is \$2,722,500. Demolition will be used as a strategy to remove blighted structures in the targeted neighborhoods. Targeted demolitions will be undertaken to remove blighting and criminal influences in order to promote property values in those neighborhoods and support existing, or planned investment. Demolition activities will be prioritized based upon their proximity to recent or planned development and areas where demolitions will help to stabilize the neighborhoods. In tipping-point neighborhoods, demolitions will primarily occur where homes will be rebuilt.

E. Administrative

Consortium is budgeting 10% of total program cost, or \$2,722,500, for administrative expenses for the City of Toledo and other Consortium members. This figure includes the personnel costs of the City and other Consortium members to administer, manage and market the NSP2 program. Costs will include:

- Marketing;
- Environmental and historic reviews;
- Cost for contracting with a Consortium Coordinator (three years);
- Costs for contracting services for other service providers including appraisals, title work and termite inspection and earnest monies for properties that are not purchased;
- Home buyer counseling for potential buyers that do not purchase NSP2 homes;
- Supplies; and
- Consulting expenses.

(c) Identify whether the other funds are firmly committed (legally obligated to a specific activity or under your control and budgeted for a specific activity) or not. See II.A.5 and Rating Factor 4.

Yes, the other funds are firmly committed.

(d) Demolition and preservation.

(i) Your narrative must address why, based on market conditions, you chose the proposed mix of demolition of housing units versus preservation of housing units.

Based upon market conditions – large number of vacant blighted homes that require demolition and a high absorption rate – the focus of the NSP2 program is a blend of 1) an aggressive acquisition/demolition program targeting blighted properties discouraging disinvestment and 2) the acquisition / rehabilitation of foreclosed properties to preserve housing units.

(ii) If you are proposing to demolish or convert any low- and moderate-income dwelling units as a result of NSP2-assisted activities, you must identify all information required in Appendix 1, paragraph K.1. in an appendix to your application.

The Consortium is not planning to demolish or convert any low- and moderate-income dwelling units as a result of NSP2-assisted activities.

(iii) If you believe the market conditions in your target geography warrant an exception to

the limitation that no more than 10 percent of NSP2 funds may assist demolition activities, request the exception and justify your choice.

The Consortium is not requesting an exception to the limitation that no more than 10 percent of NSP2 funds may assist demolition activities

b. Project completion schedule. (5 points)

A project completion schedule chart is shown on the next page. More than 50% of the allocated funds shall be expended within two years of the date funds become available and 100% shall be expended within three years of such date.

b. Project Completion Schedule --- Organizations carrying out each activity are shown on the "NSP2 Consortium Management Chart" -- See Figure 2.

Activity	Month																																					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36		
Consortium Procedures																																						
Secure Team (1)																																						
Monitoring																																						
Acquire 175 SF & lease-pur + ownership																																						
Redevelop 175 SF																																						
Close Homebuyer Financing																																						
Close 25 lease/purch. contracts																																						
Acquire 134 Rental																																						
Redevelop 134 rental units																																						
Homebuyer Counseling																																						
Acquire 272 demo sites																																						
Demolish 272 homes																																						

(1) Consortium to secure additional team members; i.e. Consortium Manager, appraiser, home inspector, realtor, real estate attorney.

Income targeting for 120 percent and 50 percent of median (5 points)

All NSP2 funds shall provide benefit to families and persons whose income does not exceed 120 percent of area median income. Further, a minimum of 25 percent of the funds shall be used to purchase and redevelop abandoned or foreclosed homes or residential properties for households with incomes no greater than 50% of AMI.

The Consortium anticipates spending a minimum 20% of its homeownership funds (homebuyer financing and acquisition/redevelopment) -- \$ 3,337,500 to acquire and rehabilitate 35 houses for occupancy by households whose income do not exceed 50% AMI. In additional 70% of the NSP resources for rental housing, \$3,528,000, will be used to acquire and rehabilitate 94 rental units for occupancy by households whose income do not exceed 50% AMI.

d. Continued affordability (5 points)

All NSP2 funded units shall remain affordable to families and individuals whose income does not exceed 120 percent of area median income. Further, housing units assisted under the minimum 50% affordability provision shall remain affordable to households with incomes no greater than 50% of AMI. The Consortium shall require deed restrictions be placed on all properties in which NSP2 funds are used at the time of property transfer to the City, other Consortium members, subrecipients or NSP2 contractors and developers. Additionally, the affordability requirement shall be included as one of the conditions with any grant agreement, loan agreement and mortgages. The City of Toledo, the lead member of the Toledo NSP2 Consortium, currently provides for affordability requirements within its current HOME and NSP1 grant and loan documents. Affordability restrictions will be for:

- Less than \$15,000 of NSP2 \$-- 5 years
- \$15,000 to 40,000 of NSP2 \$-- 10 years
- \$40,000 or above of NSP2 \$ -- 15 years

The maximum gross rent chart schedule for NSP2 assisted units is shown below. There will be a rent reasonable test, in consultation with Lucas Metropolitan Housing Authority, in establishing rents. For home buyers, incomes shall be certified using the City of Toledo's HOME method of verifying, adjusting and certifying incomes. Income certification will be supported by the homebuyer counseling program in which incomes will be certified. For rental housing, income certification will be required upon initial occupancy and when units are reoccupied following CDBG rules.

Bedrooms	Efficiency	1	2	3	4	5
50% rent limit	\$541	\$579	\$695	\$803	\$896	\$988
120% rent limit	\$1,082	\$1,158	\$1,390	\$1,606	\$1,792	\$1,976

Source: HUD Rent and income limits, effective March 19, 2009.

Net rents will be determined by reducing the above gross rents by the Lucas Metropolitan Housing Authority's utility allowance chart.

e. Consultation, outreach, communications (5 points)

Ensuring transparency is a requirement for all the Recovery Act programs.

(1) Describe how you have consulted with units of local government and states.

The City of Toledo, recipient of NSP1 funds, is the lead organization for the NSP2 Consortium and has been actively engaged in all phases of program design. The City, particularly the Department of

Neighborhoods, will also be engaged in all phases of program implementation. Lucas County has also been consulted regularly regarding NSP2 and is a member of the Consortium. Four of the census tracts are in Lucas County, outside the City of Toledo. Further, accessing County property tax foreclosed properties is a critical component of program design.

Consortium members have also consulted extensively with the Ohio Housing Finance Agency (OHFA) and other State organizations regarding NSP2 Program including participating in State training programs. There have also been many discussions between Consortium members and OHFA regarding leveraging State of Ohio programs including enhanced resources as the result of the American Recovery and Reinvestment Act of 2009.

(2) Describe your proposed outreach and affirmative marketing actions and how you will ensure that you have qualified families available as NSP2-assisted units become available.

The broad scope of the Toledo NSP2 Consortium members will facilitate and enable an aggressive effective and attainable community outreach and affirmative marketing campaign. These actions will include distributing program information through:

- Active promotion by all Consortium members and their respective board members;
- NSP2 web site and web sites of all Consortium members;
- Community development corporations operating in the target area;
- Neighborhood associations operating in the target area;
- Vast block watch network operating in the target area;
- Community outreach meetings to describe the program and funding opportunities;
- Media releases focusing on newspapers operating in the target areas including *The Blade*, *Toledo City Paper*, *Toledo Free Press*, and minority focused papers including *Toledo Journal*, *Sojourner's Truth*, *El Tiempo* and *La Prensa*;
- LMHA will mail homeownership information pamphlets to all public housing and Section 8 households that may be eligible to enter their respective programs based on their current income; and
- Publicity through the many churches within the target area.

Further actions to ensure that we have qualified families available as NSP2-assisted units become available include:

- To entice purchasers, the NSP2 Consortium will provide homebuyer financing at favorable terms to meet the need of potential homebuyers.
- Homeowners will have to complete a minimum of eight hours of housing counseling from one of the three qualified HUD housing counseling agencies – Neighborhood Housing Services of Toledo, Friendship New Vision and Northwest Ohio Development Agency are Consortium members. Counseling programs will establish a pipeline of qualified families.
- Each of the Consortium members and partners, including CDCs, Neighborhood Associations and Block Watch Programs will utilize their respective networks to promote the program and facilitate the referral and application processes.
- The LMHA has a ready pool of interested buyers that are contained within its current portfolio of residents. LMHA will market the program to interested residents and direct those residents to case management to help facilitate homeownership.

(3) Describe how you will continually communicate program design, progress, opportunities and results.

A Toledo NSP2 2 Consortium Web page will be established to continually communicate program policy, design, progress, opportunities and results. All Consortium members' web sites will have links to this site. There will be an easily navigated system for interested parties to submit complaints and other issues that need resolution. This web site will be managed by Neighborhood Housing Services of Toledo, which will forward the submission to the appropriate member or partner for a response and resolution. It will be the Consortium's policy that all persons submitting a complaint will receive a response within 15 working days. Complaints not easily resolved will be addressed by the full Consortium to resolve the issue.

f. Performance and monitoring

(1) Describe your monitoring plan.

City of Toledo, Department of Neighborhoods (DON), the lead applicant for the NSP2 Consortium, will oversee both performance and monitoring of the NSP2 grant. This Department currently performs all monitoring responsibilities for CDBG, HOME and NSP1 funds. The City shall follow all NSP2 requirements described in the NOFA – Appendix 1, Section O.

DON will oversee both performance and monitoring of the NSP2 grant. DON Administrative Services will conduct monthly and quarterly reviews of accomplishments and financial activity and provide guidance to the DON Housing Section. All activities of Consortium member and other subgrantees will be required to report monthly to the Housing Section regarding their activity. The City Housing Section will establish a format for reporting and establish eligibility criteria. Monthly meetings will be held between the Housing Section and Administrative Services to assess the progress of NSP2.

2) Describe how you will meet the internal audit requirement.

The internal auditor role will be explicitly authorized in each Consortium agreement to carry out internal audits of any NSP2-assisted activity. This internal audit function will continually examine potentially risky areas of program operations and management and provide regular and valuable feedback to program managers and to those who hold them accountable. This feedback will include identification of risky management practices, missing or ineffective internal controls, areas that are not in compliance with program requirements, and ineffective implementation of established policies.

Key staff positions within the Department of Neighborhoods responsible for internal audit:

- Manager, Housing Section: responsible for day-to-day operations of the NSP2, overall implementation and authorizing expenditures for NSP2 grant
- Administrator, Housing Section: assists manager with oversight of day-to-day operations of the NSP 2, including overall implementation.
- Intermediate Clerk, Housing Section: responsible for records verification and proper record keeping of subgrantees.
- Administrative Technician/Intermediate Account Clerk, Administrative Services: responsible for drawdown requests and review of supporting documentation.
- Program Monitoring Specialist, Administrative Services: responsible for monitoring overall program and eligibility; providing feedback and recommendations to Housing Section, especially for high-risk agencies.
- Administrative Analyst, Administrative Services: responsible for oversight of monitoring staff.

4. Rating Factor 4: Leveraging other funds, or removal of substantial negative effects (10 points)

a. Leverage.

We intend to participate in the REO property acquisition and leveraged financing programs offered by the National Community Stabilization Trust (Stabilization Trust). These activities are complementary with and non-duplicative of neighborhood stabilization activities that we are undertaking locally. In order to participate in the financing programs offered by the Stabilization Trust, we intend to establish a financing approach consistent with HUD NSP requirements which, through collaboration with the Stabilization Trust, will leverage significantly more private loan capital to finance the acquisition and rehabilitation of vacant and foreclosed homes than would be possible without coordination with the Stabilization Trust.

Additional leverage is described below:

Description of Leverage	Value
Fifth Third Bank construction loan – 175 homes; average \$70,000 loan; 50% outstanding	5,000,000
Toledo LISC – Bridge loan	1,000,000
Friendship New Vision line of credit – Carpe Diem of Cortez, LLC	250,000
United North’s Edison Place construction loan - remaining homes to be constructed	200,000
United North line of credit – Huntington Bank	200,000
Maumee Valley Habitat line of credit – Signature Bank	285,000
Neighborhood Housing Services of Toledo line of credit – Key Bank	250,000
National Community Stabilization Trust – line of credit for acquisition	8,000,000
Lucas Metropolitan Housing Authority -- equity	1,113,000
R. Gant, LLC – equity	150,000
Karp and Associates equity in Berdan Bldg	2,000,000
Toledo Home Builders Association – marketing through Parade of Homes and House & Home Show (three years)	250,000
Toledo LISC -- Grant for Consortium’s operations	18,000
NODA -- Counseling— 375 clients	337,500
Friendship New Vision -- Counseling -- 375 clients	337,500
Neighborhood Housing Services of Toledo -- Counseling -- 375 clients	337,500
Total	\$19,728,500
NSP2 Proposed Funding	27,225,000
Leverage Ratio	.72

b. Calculate the value (using the HUD-provided rubric in Appendix 3.

		X 1.5
Vacant properties to be addressed by acquisition and rehab	309	464
Vacant properties to be addressed by demolition	272	390
Total vacant properties addressed	569	854
All vacant properties in target area (1)	7,414	
Score:		.12

(1) HUD provided Local Level data for NSP, Content updated on 11/17/08 “total 90 day vacant residential address” by census tract.

5. Rating Factor 5: Energy efficiency improvement and sustainable development factors (10 points)

Describe how you will incorporate specific energy efficient, environmentally friendly or other sustainable or green elements in some or all of your NSP2 activities.

a. Transit accessibility.

All NSP2 target areas census tracts are currently transit accessible and include convenient bus routes through the Toledo Area Regional Transit Authority. Most of these bus routes have direct connection to the downtown, a regional employment center and center for government and a broad list of social service agencies. Further, every TARTA bus is 100% wheelchair accessible and equipped with bicycle racks. Further information regarding TARTA routes is available at <http://www.tarta.com>.

b. Green building standards.

City of Toledo and consortium members will comply with the required NSP2 rehabilitation standards. All new construction and rehabilitation activities will be required to meet or exceed the Energy Star for New Homes standard. All moderate rehabilitation or energy retrofits will purchase only Energy Star products and appliances.

All new construction projects funded through the NSP2 program will, at a minimum, comply with the Energy Star Qualified Homes standard. LISC, in partnership with the Environmental Protection Agency, has developed an online guide to the Energy Star Qualified Homes program to guide practitioners through the process of planning, designing, and building energy efficient homes at http://www.lisc.org/section/goals/healthy/green_dev/energy_star/.

For NSP2-funded rehabilitation projects, all replacements taking place will utilize Energy Star-labeled products and the WaterSense label. Mid- or high-rise multifamily gut rehabilitation projects funded through the NSP program will meet the ASHRAE Standard 90.1-2004, appendix G plus 20 percent. Other multifamily rehabilitation will follow the recommendations outlined in LISC's *Green Rehabilitation of Multifamily Rental Properties: A Resource Guide*, to the extent possible based on a lifecycle cost analysis and other considerations. This guide and other green building resources are available at <http://www.lisc.org/greenpreservation>.

Developers and staff will be trained regarding green building standards in partnership with the Ohio housing Finance Agency and National LISC.

c. Re-use of cleared sites.

All demolition sites will be re-used within the term of the NSP2 grant as either:

- Replacement housing.
- Community gardens to beautify the block and mitigate the visual blight resulting from abandoned properties. The Consortium shall partner with Toledo GROWS, the community gardening outreach program of Toledo Botanical Garden. GROWS is a grassroots nonprofit organization dedicated to the continued growth and success of community-based gardens in the city of Toledo and throughout Northwest Ohio. Further information is available at <http://www.toledogarden.org/content/toledogrows/>.
- Sale to neighbors, demonstrating an ability to maintain their own property, and willing to landscape and maintain the cleared site.

d. Deconstruction. HUD will award one point if you will use deconstruction techniques for your NSP2 demolition activities. Deconstruction means salvaging and re-using materials resulting from demolition activities.

Maumee Valley Habitat for Humanity will be responsible for using deconstruction techniques for NSP2 demolition activities. Habitat will salvage, store reusable materials to its warehouse and seek a reuse, particularly for materials and homes that have architectural and/or historic significance and interest.

e. HUD may award one point for other sustainable development practices you describe and propose to incorporate into your NSP2 activities. Green practices recommended by HUD as part of the HOME Investment Partnerships program are included in Appendix 2 as a reference.

The following sustainable development practices will be incorporated into the NSP2 activities:

1. *Transportation Choices.* Multifamily housing development projects will be located within a one-quarter mile of at least two, or one-half mile of at least four community and retail facilities.
2. *Protecting Environmental Resources.* NSP2 supported projects will not be located within 100 feet of wetlands; 1,000 feet of a critical habitat; or on steep slopes or prime farmland.
3. *Erosion and Sediment Control.* City of Toledo and consortium members will implement EPA's Best Management Practices for erosion and sedimentation control during construction.
4. *Sustainable Landscaping.* Native trees and plants that are appropriate to the site's soils and microclimate, will be selected.
5. *Energy Efficient Landscaping.* Trees and plants will be located to provide shading in the summer and allow for heat gain in the winter.
6. *Durable Materials.* Materials that last longer than conventional counterparts such as stone, brick or concrete will be used.
7. *Resource Efficient Materials.* Layouts and advanced building techniques that reduce the amount of homebuilding material required will be used.
8. *Local Source Materials.* Materials from Toledo and Lucas County sources that are close to the job site will be used.
9. *Sealing Joints.* City of Toledo and consortium members will seal all wall, floor and joint penetrations to prevent pest entry; provide rodent and corrosion proof screens (e.g., copper or stainless steel mesh) for large openings.
10. *Termite-resistant Materials.* City of Toledo and consortium members will use termite-resistant materials in areas known to be infested.
11. *Tub and shower Enclosures: Moisture Prevention.* City of Toledo and consortium members will use one-piece fiberglass or similar enclosure or, if using any form of grouted material, use backing materials such as cement board, fiber cement board, fiber-glass reinforced board or cement plaster for new construction projects.
12. *Green Maintenance Guide.* City of Toledo and consortium members will provide a guide for homeowners and renters that explains the intent, benefits, use and maintenance of Green building features, and encourage additional Green activities such as the City of Toledo Curbside Recycling Program, gardening and use of healthy cleaning materials.
13. *Resident Orientation.* The developer will provide a walk-through and orientation to the homeowner or new tenant.

6. Rating Factor 6: Neighborhood transformation and economic opportunity

(1) Certify that your proposed NSP activities are part of or consistent with established plans.

The Toledo NSP2 Consortium certifies that its proposed NSP2 activities are part of and consistent with established comprehensive, sustainable development, and economic revitalization plans. The most relevant plans include the following:

- *Toledo 20/20 Comprehensive Plan – Toledo by Choice*. This adopted comprehensive plan provides a series of recommendations to guide the future growth of the City with a focus on Toledo's neighborhoods. A copy of the plan is available at the City of Toledo's web site or at the following web address:
<http://www.ci.toledo.oh.us/LinkClick.aspx?fileticket=Y%2fesqlse%2fVg%3d&tabid=305&mid=812>
- *Connecting the Pieces*. This City adopted plan was prepared by a broad range of community collaborators in the "Connecting the Pieces" process for Main/Starr Business District, Garfield Heights Neighborhood and International Park areas in East Toledo, which received the first Toledo LISC Sustainable Communities of Choice grant. The goal is to leverage the Marina District, Toledo Public Schools and South East Toledo Homes I and II (lease-purchase housing developments) investments in East Toledo. The primary investment is the Marina District, a 125-acre \$320 million mixed-use development located on the Maumee River, about ½ miles from the CityView Senior Housing site. The property has been cleared of long-term environmental hazards and the construction of the first element of the project has been completed. The plan is available at:
http://www.lisc.org/toledo/resources/publications_10881/connecting_11144.pdf
- *New Schools New Neighborhoods Plan (NSNN)*. NSNN is an adopted neighborhood-based redevelopment plan for three target areas in Toledo. All three neighborhoods are target areas within the subject NSP2 proposal. The total project cost, which includes contributions from the State of Ohio, will be approximately \$800 million. This project will result in the construction or rehabilitation of approximately 60 schools. Toledo Public Schools' comprehensive school building project, Building for Success aims to spur large scale transformative neighborhood revitalization efforts that produce concrete and measurable outcomes for schools and neighborhoods. The overall goal is to authentically and appreciably strengthen the fabric of community, improve the quality of life in the target neighborhood, improve student and school performance, and lead to a ripple effect in adjacent and nearby neighborhoods. A copy of the NSNN plan is available at:
http://www.lisc.org/toledo/resources/publications_10881/neighborhoods_10890.pdf
- *City of Toledo 5-year Consolidated Plan and One-year Action Plan (July 1, 2005 – June 30, 2006)*. This comprehensive 5-year community development plan provides much of the foundation for the NSP2 strategy.
- *Lucas County Comprehensive Housing Improvement Strategy for Fiscal years 2005 – 2009*. The County's CHIS was adopted by the Lucas County Commissioners May 31, 2005 and focuses on the need for the rehabilitation of blighted and vacant homes.
- *North Toledo Quality of Life Plan*. United North held a series of community visioning sessions in 2007 to provide neighborhood residents and businesses the opportunity to assist in planning programs that lead to an improved quality of life for North Toledo residents. By undertaking a structured community planning process involving local residents, businesses and community leaders, the UN created a "place based" strategy to improve the community's quality of life. This comprehensive community development strategy is designed to strengthen the North Toledo community from within – through planning, organizing, and human development, allowing the neighborhood to take better advantage of larger market forces to:

- Attract retail and housing development to north Toledo.
- Achieve economic balance in north Toledo neighborhoods.
- Create stronger connections to city-wide business, employment and educational opportunities.

A copy of the plan is available at:

<http://unitednorth.org/AboutUN/documents/NorthToledoQualityofLifePlan5-12-09.pdf>

(2) How proposed NSP2 activities relate to and increase the effectiveness of the above plans.

The proposed NSP2 activities will help implement and increase the effectiveness of the above described plans. For example, housing improvements around the new schools being built by Toledo Public Schools will directly support implementation of the *New Schools New Neighborhoods Plan*.

One of the goals of the Connecting the Pieces Plan is to “Garfield Heights – to reverse the early stages of decline and disinvestments in this older residential neighborhood.” The NSP2 program will help carry out the recommendations in this plan.

The *North Toledo Quality of Life Plan* will be supported by the mix of demolition of abandoned homes, homebuyer counseling and new housing development.

The targeting of market-driven neighborhoods stabilization resources, including housing rehabilitation and demolition, will help carry out the *City of Toledo 5-year Consolidated Plan and One-year Action Plan (July 1, 2005 – June 30, 2006)*. Similarly, the County CHIS also supports the actions in the four census tracts outside the City.

At a broader scale, the NSP2 recommendations will help the implementation of the *Toledo 20/20 Comprehensive Plan*. This plan outlines a comprehensive strategy of neighborhood stabilization including the type and scale of housing development and demolition included in the NSP2 proposal.

C. Disclosures

- 1. SF-LLL (Disclosure of Lobbying Activities, as applicable)**
- 2. HUD-2880, Applicant/Recipient Disclosure/Update Report (“HUD Applicant Recipient Disclosure Report”)**

C.1. SF-LLL, Disclosure of Lobbying Activities, as applicable

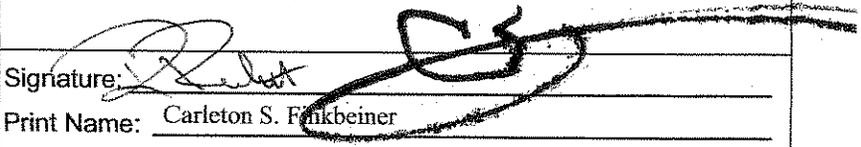
DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB

0348-0046

(See reverse for public burden disclosure.)

1. Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance		2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award		3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____	
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: City of Toledo One Government Center, Suite 1800 Toledo, Ohio 43604 Congressional District, if known: 4c OH-009			5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:		
6. Federal Department/Agency: U.S. Department of Housing and Urban Development		7. Federal Program Name/Description: Neighborhood Stabilization Program 2 (NSP2) CFDA Number, if applicable: 14.256			
8. Federal Action Number, if known:		9. Award Amount, if known: \$			
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI): None		b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI):			
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.		Signature:  Print Name: Carleton S. Finkbeiner Title: Mayor Telephone No.: 419.245.1001 Date: 7-14-09			
Federal Use Only:			Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)		

**C.2. HUD-2880, Applicant/Recipient Disclosure/Update
Report (“HUD Applicant Recipient Disclosure Report”)**

Applicant/Recipient Disclosure/Update Report

U.S. Department of Housing
and Urban Development

OMB Approval No. 2510-0011 (exp. 8/31/2009)

Instructions. (See Public Reporting Statement and Privacy Act Statement and detailed instructions on page 2.)

Applicant/Recipient Information Indicate whether this is an Initial Report or an Update Report

1. Applicant/Recipient Name, Address, and Phone (include area code): City of Toledo, One Government Center, Suite 2200, Toledo, Ohio 43604 (419) 245-1001	2. Social Security Number or Employer ID Number:
3. HUD Program Name Neighborhood Stabilization Program 2 (NSP2)	4. Amount of HUD Assistance Requested/Received \$27,225,000.00
5. State the name and location (street address, City and State) of the project or activity: Toledo-Lucas County Consortium Neighborhood Stabilization Program 2, application #482389611	

Part I Threshold Determinations

1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. (For further information see 24 CFR Sec. 4.3). <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1 - Sep. 30)? For further information, see 24 CFR Sec. 4.9 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No.
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

If you answered "No" to either question 1 or 2, **Stop!** You do not need to complete the remainder of this form. **However,** you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name and Address	Type of Assistance	Amount Requested/Provided	Expected Uses of the Funds
none			

(Note: Use Additional pages if necessary.)

Part III Interested Parties. You must disclose:

- All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
- any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	Social Security No. or Employee ID No.	Type of Participation in Project/Activity	Financial Interest in Project/Activity (\$ and %)
unknown			

(Note: Use Additional pages if necessary.)

Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.

I certify that this information is true and complete.

Signature 	Date: (mm/dd/yyyy) 7-14-09
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D. Appendices

- 1. Definitions**
- 2. Rehabilitation Standards**
- 3. Code of Conduct**
- 4. Leveraging documentation**
- 5. Signed Certifications**
- 6. Calculation of removal of negative effects**
- 7. Summary of citizen comments**
- 8. Documentation of firm commitment executed by each for-profit partner**

D.1. Definitions

- a. “Blighted Structures”**
- b. “Affordable Rents”**

DEFINITIONS

Definition of “blighted structure” in context of state or local law

Using Ohio Revised Code Section 1.08(B) as its guide, the City of Toledo has for this grant defined “blighted structure” to mean either of the following:

- (1) A structure 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) A structure 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.

Definition of “affordable rents”

For the NSP rental projects, rents will be set no higher than high HOME rent limits for households at or below 60% area median income adjusted for family size for projects with five or less units. For NSP rental buildings with five or more units, 20% of the units must have rents set no higher than the low HOME rent limits and are available. For families with incomes between 60% and 120% area median income, families shall pay no more than 30% of their

household income adjusted income, less than utility allowances as adopted by the Lucas Metropolitan Housing Authority. In no case, may rents exceed the HUD's fair market rents.

Bedrooms	Efficiency	1	2	3	4	5
50% rent limit	\$541	\$579	\$695	\$803	\$896	\$988
120% rent limit	\$1,082	\$1,158	\$1,390	\$1,606	\$1,792	\$1,976

Source: HUD Rent and income limits, effective March 19, 2009.

The period of affordability will be the same as that prescribed for HOME projects:

- \$0 to \$14,999.99 of NSP2 funding will require a 5-year term;
- \$15,000 to \$39,999.99 of NSP2 funding will require a 10-year term; and
- \$40,000 of NSP2 funding and above will require a 15-year term.

To ensure compliance with the above affordability requirements, the Toledo-Lucas County Consortium will require deed restrictions to be placed on the properties at the time of property transfer from the lender to the Toledo-Lucas County Consortium members, their affiliates, designee or the their agents, including NSP2 third party partners or NSP2 contractors. Additionally, the affordability requirement will be included as one of the conditions within any grant agreements, loan agreements, and mortgages. The City of Toledo currently provides for affordability requirements within its current HOME grant and loan documents.

D.2. Rehabilitation Standards

REHABILITATION STANDARDS

The City of Toledo will utilize the City of Toledo housing standards that it currently utilizes for its Owner-Occupied Rehabilitation Program and its Housing Development Fund Program, both funded in part with HOME funding. The components of the City of Toledo's housing standards include the following:

- Code violations – All building, nuisance and housing code violations will be corrected. Properties will be inspected to identify code violations and rehab specification with estimated cost will be developed to clearly identify all such violations.
- Lead-Based Paint Hazards – A Lead-Based Paint Inspection (XRF testing and dust wipe sampling) and Risk Assessment by licensed personnel will be performed on each property to identify the existence and scope of any lead-based paint hazards. The standards of “Lead-Based Paint Poisoning Prevention in Federally Owned or Federally Assisted Housing”, found in 24 CFR Part 35, will apply
- Energy Efficiency – All buildings will be made as energy efficient as possible within the program guideline limits. Anticipated work will include sealing exterior openings; insulating walls, attics, and crawl spaces; replacement of energy inefficient windows and furnaces, etc. All new construction and rehabilitation activities will be required to meet or exceed the Energy Star for New Homes standard. All moderate rehabilitation or energy retrofits will purchase only Energy Star products and appliances. For NSP2-funded rehabilitation projects, all replacements taking place will utilize Energy Star-labeled products and the WaterSense label. Mid- or high-rise multifamily gut rehabilitation projects funded through the NSP program will meet the ASHRAE Standard 90.1-2004, appendix G plus 20 percent. Other multifamily rehabilitation will follow the recommendations outlined in LISC's *Green Rehabilitation of Multifamily Rental Properties: A Resource Guide*, to the extent possible based on a lifecycle cost analysis and other considerations. This guide and other green building resources are available at <http://www.lisc.org/greenpreservation>.
- Incipient Code items – New homeowners, especially lower income households, often have limited access to resources necessary for large maintenance and capital expenses in the short term. Once costs for corrections of code violations, lead-based hazard control work and energy efficiency have been completed, additional program improvements may be used to replace structural and mechanical systems, including roofs, hot water tanks, furnaces, plumbing/lighting fixtures that have short remaining life.

In addition, NSP2 housing construction will meet the accessibility standards at 24 CFR part 8.

D.3. Code of Conduct

City of Toledo



International Award for
Liveable Communities



Carlton S. Finkbeiner
Mayor



Most Business Friendly
City in North America



Top 5 Best Tasting
Drinking Water in America



Top 10 City of the Future
in North America



100 Best Communities
for Young People

July 14, 2009

Stanley Girmont, Director
Office of Block Grant Assistance
Department of Housing and Urban Development
451 Seventh Street, SW
Room 7286
Washington DC 20410

Re: City of Toledo Code of Conduct

Dear Mr. Girmont:

Attached you will find the City of Toledo's Administrative Policy #40 entitled "Ethics Policy for City Employees. This policy prohibits the solicitation and acceptance of gifts by City employees for their personal gain. It further prohibits City employees from having a financial interest in a contract with the City or a business relationship with a party or entity that enters such contracts. Further the policy places the responsibility for enforcement of this policy with department, division and agency heads, with any breaches of ethics reported to the Mayor's Advisory Committee for review.

The Commissioner of the Housing and Administrative Services, Michael Badik, will oversee the Neighborhood Stabilization Program 2 implementation and therefore is responsible for enforcement. Commissioner Badik's office phone number is 419.936.2602, with his mailing address being Michael Badik, Commissioner of Housing and Administrative Services, City of Toledo, Department of Neighborhoods, One Government Center, Suite 1800, Toledo, Ohio 43604.

All Department of Neighborhoods new employees undergo new employee orientation, which includes review of appropriate Administrative Policies and Procedures, including review of Administrative Policy #40. Additionally, appropriate Administrative Policies and Procedures are reviewed periodically during weekly Division staff meetings.

From Toledo – an International Award Winning City!



for
Carleton S. Finkbeiner

CSF/mb

ADMINISTRATIVE POLICY AND PROCEDURE

AP #40

DATE ISSUED: November 18, 1988

REVISED: July 10, 2003

SUBJECT: ETHICS POLICY FOR CITY EMPLOYEES

**EQUAL TREATMENT/"GIFTS"/CONFLICTS OF INTEREST/
USE OF CITY PROPERTY/POLITICAL ACTIVITY/
MAYOR'S ETHICS COMMITTEE**

INTRODUCTION: As public employees, all City of Toledo employees must recognize their official positions as public trusts to be held for the benefit of the entity and citizens they serve. City employees are subject to Ohio Public Ethics Law and other provisions of Ohio Law relating to public employees. A copy of certain relevant sections of Ohio Ethics law is provided to each City employee at the time that he/she joins the City work force. The Administration of the City of Toledo is, by adopting this Administrative Policy, providing guidelines which are in certain respects less ambiguous and more strict than state law. The City's policy shall control as to the specific areas addressed herein; however, this policy and its prohibitions are in addition to any legal or ethical obligations under Ohio Law, the City Charter, the Toledo Municipal Code, and other applicable canons and codes of conduct. Under all circumstances, City employees are expected to exercise judgment and common sense to avoid the perception of unethical behavior.

SUMMARY: This policy covers six (6) prohibitions, pertaining to: (1) Equal Treatment; (2) Gifts; (3) Incompatible Outside Employment; (4) Employees' Interest in Contracts with the City; (5) Use of City Property; and (6) Political Activity. Each policy is set forth with explanatory material in a separate section below. The policy also creates the Mayor's Ethics Advisory Committee.

I. Equal Treatment

A City employee shall not grant or make available to any person any consideration, treatment, advantage or favor beyond that which is the general practice of the City to grant or make available to all citizens.

- A. City of Toledo employees have a fundamental duty to serve the citizens with respect and equality. They should never permit personal feelings or friendships to influence their decisions. They should perform their duties courteously and

appropriately at all times. It is the responsibility of each City Department to ensure that employees fulfill this duty.

- B. Issues concerning violation of this policy may be referred by Departments to the Mayor's Ethics Advisory Committee. Any employee discipline arising out of violations of this policy should be reported to that Committee.

II. Gifts

City of Toledo employees shall not solicit or accept anything of value from any person or entity that is regulated by, doing business with, or seeking to do business with the City.

A. Definition of "Value."

"Anything of Value," for purposes of this Policy, shall include all, gifts, payments, loans, services, complimentary attendance seminars and conferences (unless attending as a speaker or moderator) travel expenses, or anything else, regardless of monetary value, subject to the exceptions set forth below.

B. Limited Exceptions.

(1) Items such as plaques, pens, certificates and things of a purely ceremonial or token nature shall not be considered to be "of value" for purposes of this policy so long as such items are not given on a repetitive basis (i.e. more than one such item in any calendar year) from any one source.

(2) Edible items consumed in the state of Ohio with a value of \$50.00 or less (or edible items consumed in major metropolitan areas outside of the state of Ohio with a value of \$100.00 or less) shall not be considered "of value" for purposes of this policy so long as such items are not repetitive (i.e. not accepted more than once in any calendar year from the same source.)

(3) This Policy does not prohibit honorariums, fees and expenses paid to an employee for personal appearances or speeches unrelated to the individual's City employment accepted under the following circumstances:

(a) such honorarium or fee is not being paid by any person or entity (or association of persons or entities) that is regulated by, doing business with, or seeking to do business with, the City of Toledo; and

(b) such honorariums, fees and expenses are paid in recognition of demonstrable business, professional, or charitable esthetic interests of the public employee that exist apart from and unrelated to his public employment.

(4) This policy is not intended to restrict an employee authorized to act as a representative of the City in seeking or accepting gifts, payments or contributions on behalf of the City or its public programs.

III. Incompatible Employment

City employees shall not solicit, accept, or engage in private employment with, nor shall they render services to, private persons or entities whose interests are incompatible with the public employee's official duties. All employment outside of an employee's City duties shall be reported to the Director of the employee's Department prior to its being undertaken. An employee shall not request a leave of absence for the purpose of entering employment with another employer or to be self-employed. In no event shall a City employee conduct non-City business during the time that the employee is on duty for the City.

A. Rationale.

The judgment of a public employee must be exercised first and foremost for the benefit of the public entity he/she serves, to the exclusion of private gain. For that reason, City employees must not become involved in private activity that conflicts with their official duties. Under all circumstances, City employees are expected to exercise good common sense to avoid the perception of unethical behavior.

B. Definition of "Incompatible".

"Incompatible," for purposes of this Policy, means interests or activities that may give rise to an actual, or even the appearance of, placement of an employee's private gain (or the gain of a private entity he/she serves) on a level equal to or higher than the public interest. If there is a reasonable probability that outside employment could cause personal or private interests to adversely affect the services or judgment of the employee in his/her public employment, then the outside employment is incompatible with the public employment and should not be undertaken.

C. Determinations of Incompatibility.

Certain procedures for approval of outside employment have been established by City of Toledo Collective Bargaining Agreements. In conjunction with those procedures, and independently for employees not covered by such agreements, the Mayor's Ethics Advisory Committee, established pursuant to Section VII of this Policy, will consider issues of incompatibility of the outside employment of City employees as such issues may arise.

IV. Employees' Interest in City Contracts

A City employee shall not have a financial interest in a contract with the City or a business relationship with a party or entity that enters such a contract.

A. Definition of "Financial Interest".

(1) "Financial Interest," for purposes of this Policy, means:

(a) ownership by the City Employee, or a person directly and immediately related to the City Employee by blood or marriage, or any person residing in the City Employee's home, of an interest of 5% or more in a business or other entity entering a contract with the City;

(b) involvement in any relationship entitling the City Employee or a person directly and immediately related to the City Employee by blood or marriage, or any person residing in the City Employee's home, to receive personal gain from an entity entering a contract with the City;

(c) holding a position such as officer, director, trustee, partner, or any management position in an entity entering a contract with the City.

(2) "Financial Interest", for purposes of this Policy, does not include the status of landlord or tenant to the contracting party.

B. Definition of "Personal Gain"

"Personal Gain," for purposes of this Policy, does not include an employee's or a family member's mere employment by an entity that enters a contract with the City, so long as the City Employee or family member is not entitled to a commission, bonus, or any other form of increased compensation as a result of the employer's contract with the City.

C. Definition of "Business Relationship"

For purposes of this Policy, "Business Relationship" means any relationship in which the City Employee, or a person directly and immediately related to the City Employee by blood or marriage, or a person residing in the City Employee's home, is or may be, by virtue of ownership, control, position, influence, actual interest or potential interest (whether economic or non-economic) or otherwise, affected by the business fortunes or public perception of the party or entity entering into the contract with the City so that it might reasonably be expected, or might reasonably be perceived, that the City Employee's judgment might be altered or influenced by the relationship.

- D. Employees shall on an annual basis disclose financial interests and business relationships on a form provided by the City.

V. Use of City Property

City of Toledo property in the custody of an Employee or to which an employee has access must be used in support of the operation of City of Toledo services and not for personal benefit. Each employee and his/her Department are responsible for compliance with this policy.

- A. City of Toledo property includes all items provided to an employee by the City, including but not limited to vehicles, telephones, and computers. AP #22 defines in detail the procedures for use of vehicles and specifically prohibits the use of a City vehicle for a private purpose at any time. The Finance Department has issued Policies for Information Systems Usage, which specify that the City's information systems are to be used for City government-related activities only.

In general, an employee should make absolutely no personal use of City-owned property.

B. Limited Exception

A necessary personal telephone call of limited duration (less than five minutes) will not constitute use "for personal benefit" if made infrequently and if not deemed by the employee's supervisor to interfere with the employee's assigned duties. Any cost for the use of a cell phone for such a call will be reimbursed to the City.

VI. Political Activity

No City of Toledo employee shall campaign for or against any candidate for political office or participate in political fundraising activities for candidates either: (1) while actually on duty or while being paid by the City; or (2) while (either on or off duty) in any City facility or building or from any City vehicle.

- A. This policy is in addition to any prohibitions established by the Charter of the City of Toledo or by Ohio Law, including but not limited to those contained in O.R.C. §124.57, which places strict limits on partisan political activity by classified civil service employees.
- B. This policy is not intended to prevent any employee from exercising his right to vote or from freely expressing his/her political opinions.
- C. Any employee permitted by Ohio Law to run for political office shall not use his/her City position for campaign purposes or conduct any campaign activity on City time or on City property.

VII. The Mayor's Ethics Advisory Committee

- A. There is hereby created The Mayor's Ethics Advisory Committee, which shall consist of the Chief Operating Officer, the Director of Law, the Director of Human Resources and four (4) citizens selected by the Mayor and not employed by or contractually related to the City of Toledo. The chair person shall be one of the citizen representatives.
- B. The Mayor's Ethics Advisory Committee is charged with: (1) considering questions that shall arise concerning the subject matter of this policy and any other ethics question or concern raised by the Mayor; (2) advising the Mayor with respect to those issues; and (3) making recommendations for any additional policies or procedures to be implemented.
- C. All employee disciplines arising from breaches of ethics shall be reported to the Mayor's Ethics Advisory Committee for review. The committee shall report on such review within thirty (30) days.

VIII. Responsibility

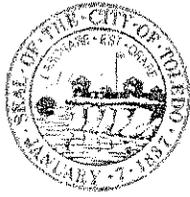
All departments, divisions, and agency heads are responsible for seeing that this Administrative Policy and Procedure is observed and enforced in their respective organizations. Employees found in violation of this policy are to be disciplined through the appropriate disciplinary procedure.

IX. Effective Date

This Administrative Policy and Procedure shall take effect and be enforced from the date of issue.

Jack Ford, Mayor

City of Toledo



Carlton S. Finkbeiner
Mayor

May 19, 2009

To Whom It May Concern:

"In my absence, pursuant to City of Toledo Charter Section 61, I designate the following City of Toledo Administration staff all powers and duties of the Mayor, including the power to enter into agreements and take any necessary actions, which I am authorized to perform on behalf of the City of Toledo."

- Robert R. Reinbolt, Chief of Staff/Safety Director/Director of Development
- Theresa M. Gabriel, Assistant Chief of Staff
- Lourdes Santiago, Assistant Chief of Staff

From Toledo – an International Award Winning City!

Carlton S. Finkbeiner
Mayor

CSF:rrr:pak



CHARTER OF THE CITY OF TOLEDO, OHIO

CHAPTER V. EXECUTIVE POWERS AND DUTIES.

CHAPTER V. EXECUTIVE POWERS AND DUTIES.

Section 61. Executive and Administrative Powers.

The Mayor shall be the Chief Executive and Administrative Officer of the City in whom the executive and administrative powers and duties of the City shall be vested subject to the appropriate delegation of such powers and duties in directors of departments and other administrative officers, boards and commissions as provided for in this Charter.

The Mayor shall have the power to appoint the Mayor's Executive Assistant, a secretary, and such additional assistants as are authorized by appropriate legislation, all without Council confirmation. Subject to confirmation by the Council, the Mayor also shall have the power to appoint the members of all boards and commissions, all directors of City departments, all the commissioners of City divisions, and all chief administrative officers of any other City agencies which shall also require the approval of their respective boards or commissions, if any. The Mayor shall have the power to appoint and shall be the appointing authority for all other officers and employees within the administrative and executive service, except as otherwise provided in this Charter.

The Mayor shall be recognized as the official head of the City by the courts for the purpose of serving civil process and by the Governor for military purposes. It shall be the duty of the Mayor to act as chief conservator of the peace within the City; to supervise the administration of the affairs of the City; to see that all ordinances and resolutions of the City are enforced; to recommend to the Council for adoption such measures as the Mayor may deem necessary or expedient; to keep the Council advised of the financial condition and the needs of the City; to prepare and submit to the Council such reports as may be required by that body in the discharge of its duties as conferred by this Charter; to prepare and submit to the Council the annual budget estimate of the City; and to exercise all other executive and administrative powers and perform such duties as are conferred or required by this Charter or by the laws of the State of Ohio upon any mayor or municipal chief executive officer, except as otherwise provided in this Charter.

Except for special engagements by authority of Council, every officer and employee must be a resident of the City of Toledo; provided however, that every officer or employee of the City of Toledo, who has established and maintained his or her residence outside the limits of the City of Toledo prior to November 7, 1972, shall be allowed to continue such residency during his or her employment with the City of Toledo; and provided further, that Council shall provide by ordinance for the waiver of the requirement of City residence for any employee where non-residence of such employee would be in the best interests of the City and where justice to such employee so requires.

(Amended by electors 11-3-92)

D.4. Leveraging documentation

- a. Fifth Third Bank construction loan -- \$5,000,000**
- b. United North's Edison Place line of credit (LISC) -
- \$200,000**
- c. United North's line of credit (Huntington Bank) --
\$200,000**
- d. Toledo LISC bridge loan -- \$1,000,000**
- e. Maumee Valley Habitat line of credit (Signature
Bank) -- \$285,000**
- f. Neighborhood Housing Services line of credit (Key
Bank) -- \$350,000**
- g. National Community Stabilization Trust line of
credit -- \$8,000,000**
- h. Lucas Metropolitan Housing Authority equity --
\$1,113,000**
- i. R. Gant, LLC equity -- \$150,000**
- j. Karp and Associates equity -- \$2,000,000**
- k. Toledo Home Builders Association of Greater
Toledo marketing in-kind value -- \$250,000**
- l. Toledo LISC Consortium operational grant --
\$18,000**
- m. Northwest Ohio Development Agency in-kind
housing counseling services -- \$337,500**
- n. Friendship New Vision in-kind housing counseling
services -- \$337,500**
- o. Neighborhood Housing Services in-kind housing
counseling services -- \$337,500**
- p. Friendship New Vision line of credit (Carpe Diem
of Cortez LLC) -- \$250,000**

Fifth Third Bank construction loan -- \$5,000,000



July 15, 2009

Kattie Bond, Director
Department of Neighborhoods
City of Toledo
One Government Center, Suite 1800
Toledo, Ohio 43604

Re: Toledo-Lucas County Consortium NSP2 Construction Project-Based Master Line of Credit

Dear Ms. Bond,

Thank you for providing Fifth Third Bank with the opportunity to express its interest in the Toledo-Lucas County Consortium Neighborhood Stabilization Program 2 ("NSP2") Construction Project-Based Line of Credit.

Fifth Third Bank (hereafter called the "Bank") hereby offers, subject to formal approval of the Bank, a conditional commitment from Bank to create a \$5,000,000.00 Project-Based Master Line of Credit in the Toledo-Lucas County Neighborhood Stabilization Program 2 Construction Project (hereafter called the "Master Line of Credit") under which Bank would provide individual Project Lines of Credit (hereafter individually called the "Project Line of Credit") for each specific project. Formal approval of each Project Line of Credit will be subject to final completion of due diligence and formal approval by the Bank.

- Borrowers:** Developers approved by the Toledo-Lucas County NSP Consortium (hereafter called the "Consortium").
- Use of the Line of Credit Proceeds:** The Master Line of Credit proceeds are to be used solely for the purpose of providing Project Lines of Credit for rehabilitating abandoned and foreclosed upon properties approved by the Consortium.
- Loan Amount:** The total principal amount of the Line of Credit will not exceed lesser of the amount of the grant provided to the Toledo-Lucas County Neighborhood Stabilization Program 2 Construction Project or Five Million Dollars (\$5,000,000.00). Project Lines of Credit will be made available to approved developers on individual properties in the amount of

the total rehabilitation costs as approved by the Consortium minus any development subsidy and acquisition costs completed prior to the purchase within approved budget. The amount of the Project Lines of Credit that will be advanced from time to time to or for the benefit of the Borrower are subject to the terms and conditions to the Toledo-Lucas County Construction Project-Based Line of Credit Agreement with Bank.

Guarantee Requirement:

The Consortium will provide a 100% guarantee of the Master Line of Credit for each Project Line of Credit by placing the amount equal to the Project Line of Credit plus any projected accrued interest and fees owed through the Completion Date into separate accounts for the benefit of the Bank.

Project Account:

At closing of each Project Line of Credit, a project cash collateral account ("Project Account") will be established at Bank. Prior to closing, the Consortium will deposit into the Project Account an amount equal to the total project costs as approved by the Consortium, including but not limited to purchase price, closing costs, construction costs, construction financing, development subsidy, developer fee costs, allowable carrying costs and other allowable project costs.

Completion Date:

"Completion" Date would mean the last day of the twenty fourth (24th) month after the Date of Closing or the maturity of the term of the grant whichever is less. All outstanding balances of the Project Lines of Credit including any outstanding interest will be paid from either the sale proceeds, permanent financing proceeds, the Project Accounts or the Guaranty by the Completion Date.

Interest Rate:

Prior to the Completion Date, advances of the proceeds of the Project Lines of Credit would bear interest at a rate to be determined for each Project Line of Credit based upon a three hundred sixty (360) day year for the actual number of days elapsed.

Repayment:

Prior to the Completion Date, interest on the outstanding principal balances of the Project Lines of Credit are due and payable monthly from the Project Accounts beginning on the first day of the first month following the Date of Closing and continuing through the Completion Date, the property sale date or permanent refinancing date, whichever comes first.

Prepayment Penalty:

Project Lines of Credit are not subject to a pre-payment penalty.

Limited Recourse:

Recourse will be limited to Project Accounts and Master Line of Credit Guaranty.

Disbursements:

All funds disbursed under the Master Line of Credit or Project Lines of Credit will be subject the Bank's Master Line of Credit Agreement, which contain such terms, covenants, and conditions, satisfactory to the Bank, including without limitation, the following:

Draws Requests: All requests for disbursement of funds will be in writing and will be submitted on forms provided by the Bank and will be consistent with the final Project cost breakdown accepted by the Bank in aggregate total and itemization. Draws will be limited to one draw per month per Project Line of Credit. No disbursement will be made for stored materials unless property secured and insured in a manner satisfactory to the Bank or its agent. Each draw request will be signed by the Borrower and approved in writing by the Consortium or its agent.

Affidavits/Lien Waivers: The Borrower will submit with all Draw Requests copies of affidavits signed by the general contractor certifying all outstanding balances due but unpaid for work in place for the Project. With each Draw Request, the Borrower will deliver to the Bank's construction inspector copies of the waivers of liens from the contractors in the respective sum received by each contractor for all of the preceding Draw Requests.

Inspections: All inspections will be completed by an agent for the Bank and an agent for the Consortium who will require lien waivers and may require further information, including, but not limited to, documents such as contracts and invoices, to complete the analysis of the Draw Request. The cost of these inspections shall be paid directly from the Borrower.

Disbursements: All disbursements will be made approximately seven (7) business days after receipt of all information required by the Bank and the Consortium to approve the requested disbursements.

Retainage: The Bank will withhold ten percent (10%) from each requested disbursement. The retainage will be held until the completion of the project. Upon completion of each Project and prior to disbursement of the retainage, the Borrower will submit evidence of completion of the Project, consisting of (i) a certificate from the Consortium that the Project has been completed in accordance with the final plans and specifications as approved by the Bank and the Consortium and (ii) copies of documentation of final permits for all required permits.

**Availability of
Neighborhood
Stabilization
Program Funds:**

Availability of the Master Line of Credit is contingent upon award of Neighborhood Stabilization Program funds from the Department of Housing and Urban Development to the Consortium

**Additional Loan
Conditions:**

An agreement that the City of Toledo will be the lead agency for the Consortium. The Bank will require approval of the plans and specification by the Consortium, and approval of the Consortium Agreement, including whether the Project Lines of Credit will require appraisal, title insurance policy, mortgage or other collateral.

Should you need additional information, please feel free to contact me. Fifth Third Bank looks forward to continuing the discussions with Toledo-Lucas County Consortium NSP2 Construction Project regarding the Master Line of Credit.

Sincerely,



Dirk VanHeyst, Senior Vice President

CC Linda Ewing, Vice President

United North's Edison Place line of credit (LISC) -- \$200,000



Local Initiatives Support Corporation
245 N. Superior St. 2nd Floor
Toledo Ohio 43604
419-242-3836

Kattie Bond
Director
Department of Neighborhoods
City of Toledo
Suite 1800
One Government Center Toledo Ohio 43604

July 13, 2009

Dear Ms. Bond:

This letter is to verify that United North Corporation has an approved line of credit loan with Local Initiatives Support Corporation with an available amount of \$200,000.

The purpose of the loan is for the construction of homes in Edison Place associated with the Neighborhood Stabilization Plan II effort.

The term on the loan is through the year 2010.

If you need additional information, please feel free to contact us.

Sincerely,

A handwritten signature in cursive script that reads "Kathleen Kovacs".

Kathleen Kovacs
Senior Program Officer

United North's line of credit (Huntington Bank) -- \$200,000



July 15, 2009

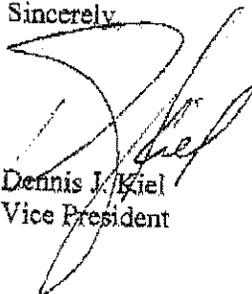
Terry Glazer
Executive Director
Lagrange Development Corporation
3106 Lagrange Street
Toledo, OH 43608

Dear Terry,

This letter is written confirmation Lagrange Development Corporation has a \$200,000.00 line of credit with Huntington National Bank to be used for home renovation under the NSP2 project.

If you have any questions, please contact me at (419) 321-1069.

Sincerely,



Dennis J. Kiel
Vice President

Toledo LISC bridge loan -- \$1,000,000



July 10, 2009

Kattie Bond, Director
Department of Neighborhoods
City of Toledo
One Government Center, Suite 1800
Toledo, Ohio 43604

Re: Toledo-Lucas County Consortium NSP2 Construction Project-Based Line of Credit

Dear Ms. Bond,

Local Initiatives Support Corporation ("LISC") is pleased to provide this letter to the City of Toledo in connection with the Toledo-Lucas County Consortium Neighborhood Stabilization Program 2 ("NSP2"). This letter expresses LISC's interest in providing a \$1,000,000 construction project-based line of credit ("Project Line of Credit"). Proceeds of the Project Line of Credit would be used to bridge NSP2 receivables.

The Loan we are considering would likely have the following terms:

- Borrowers:** Developers approved by the Toledo-Lucas County NSP Consortium (hereafter called the "Consortium").
- Use of the Line of Credit Proceeds:** The Project Line of Credit proceeds are to be used solely for the purpose rehabilitating abandoned and foreclosed upon properties approved by the Consortium.
- Loan Amount:** The total principal amount of the Project Line of Credit will be One Million Dollars (\$1,000,000). The Project Line of Credit will be made available to approved developers on individual properties in the amount of the total rehabilitation costs as approved by the Consortium minus any development subsidy completed prior to the purchase within approved budget. The amount of the Project Line of Credit that will be advanced from time to time to or for the benefit of the Borrower subject to the terms and conditions to the Toledo-Lucas County Construction Project-Based Line of Credit agreement.
- Guaranty Requirement:** The Consortium will provide a 100% guaranty of the Project Line of Credit for each project by placing the amount equal to the Project Line of Credit plus any projected interest owed through the Completion Date into separate escrow accounts.

LOCAL INITIATIVES SUPPORT CORPORATION

501 Seventh Avenue, 7th Floor ■ New York, NY 10018 ■ Phone 212-455-9800 ■ Fax 212-682-5929

WWW.LISC.ORG

- Project Escrow Account:** At closing, a separate project escrow account for each project will be established at one of the companies mutually acceptable to the Toledo-Lucas County NSP to the Consortium and LISC. Prior to closing, the Consortium will deposit into the escrow account an amount equal to the total project costs as approved by the Consortium, including but not limited to purchase price, closing costs, construction costs, construction financing, development subsidy, developer fee costs, allowable carrying costs and other allowable project costs. The amount of the Project Line of Credit that will be advanced from time to time to or for the benefit of the Borrower subject to the terms and conditions to the Toledo-Lucas County Construction Project-Based Line of Credit agreement.
- Completion Date:** "Completion" Date would mean the last day of the twenty fourth (24th) month after the Date of Closing. All outstanding balances of the Project Lines of Credits including any outstanding interest will be paid from either the sale proceeds, permanent financing proceeds or the project escrow account by the Completion Date.
- Interest Rate:** Prior to the Completion Date, advances of the proceeds of the Project Lines of Credit would bear interest at LISC's current interest rate based upon a three hundred sixty (360) day year for the actual number of days elapsed. LISC current interest rate for this type of loan is 7.0%.
- Repayment:** Prior to the Completion Date, interest on the outstanding principal balances of the Project Lines of Credit are due and payable monthly from the Project Escrow Accounts beginning on the first day of the first month following the Date of Closing and continuing through the Completion Date, the property sale date or permanent refinancing date, whichever comes first.
- Prepayment Penalty:** Project lines of credit are not subject to a pre-payment penalty.
- Appraisals:** LISC would receive prior to the Date of Closing of each project a written appraisal satisfactory to LISC in all respects including, but not limited to, a fair market valuation of the Project indicating a loan to value ratio on an "as complete" basis of not more than one hundred percent (100%).
- Title Insurance Policy:** Borrower will furnish LISC with an ALTA Loan Policy of Title Insurance by a title company mutually acceptable to the Consortium and LISC in the Project Line of Credit, insuring against mechanic's and materialman's liens and encroachments by or upon the Premises, and future advances, comprehensive, zoning and other endorsements.
- Insurance:** Borrower will obtain and maintain either builder's risk insurance coverage or permanent All Peril insurance coverage as appropriate, satisfactory to LISC on the real estate and personal property securing the Project Line of Credit.

Disbursement

All funds disbursed under the Project Line of Credit will be subject to LISC's Project Line of Credit Agreement, which contain such terms, covenants, and conditions, satisfactory to LISC, including without limitation, the following:

Draws Requests: All requests for disbursement of funds will be in writing and will be submitted on forms provided by LISC and will be consistent with the final Project cost breakdown accepted by LISC in aggregate total and itemization. No disbursement will be made for stored materials unless property secured and insured in a manner satisfactory to LISC or its agent. Each draw request will be signed by the Borrower and approved in writing by the Consortium or its agent.

Affidavits/Lien Waivers: The Borrower will submit with all Draw Requests copies of affidavits signed by the general contractor certifying all outstanding balances due but unpaid for work in place for the Project. With each Draw Request, the Borrower will deliver to LISC's construction inspector copies of the waivers of liens from the contractors in the respective sum received by each contractor for all of the preceding Draw Requests.

Inspections: All inspections will be completed by an agent for LISC and an agent for the Consortium who will require lien waivers and may require further information, including, but not limited to, documents such as contracts and invoices, to complete the analysis of the Draw Request. The cost of these inspections shall be paid directly from the Borrower.

Disbursements: All disbursements will be made approximately five (5) days after receipt of all information required by the Bank and the Consortium to approve the requested disbursements.

Retainage: LISC will withhold ten percent (10%) from each requested disbursement for hard costs. The retainage will be held until the completion of the project.

**Availability of
Neighborhood
Stabilization
Program Funds:**

Availability of the Project Line of Credit is contingent upon award of Neighborhood Stabilization Program II funds from the Department of Housing and Urban Development to the Consortium.

**Additional Loan
Conditions:**

An agreement that the City of Toledo will be the lead agency for the Consortium.

LISC will require approval of the plans and specification by the Consortium.

Upon completion of all projects and prior to disbursement of the Retainage, the Borrower will submit evidence of completion of the Project,

consisting of (i) a certificate from the Consortium that the Project has been completed in accordance with the final plans and specifications as approved by LISC and the Consortium and (ii) copies of documentation of final permits for all required permits.

The Borrower will furnish to LISC evidence that insurance premiums are paid, at least five (5) days prior to the last date for payment of such amounts before termination of insurance policy.

LISC's ability to legally commit to the Loan outlined above is conditioned on approval of the Loan by LISC's national credit committee in New York.

LISC is pleased to have the opportunity to indicate its support of and interest in helping finance this very important application.

If you have any questions regarding this letter, please feel free to contact Kathleen Kovacs, LISC's Senior Program Officer, at 419-242-3836.

Sincerely,

LOCAL INITIATIVES SUPPORT
CORPORATION

By:



Lily Lin
Vice President
& Controller

Maumee Valley Habitat line of credit (Signature Bank) -- \$285,000



Scott S. Michalak
Executive Vice President

July 7, 2009

City of Toledo

RE: Maumee Valley Habitat for Humanity

To Whom It May Concern:

Maumee Valley Habitat for Humanity has been a client of Signature Bank since 2004. We currently hold available for the organization, a \$285,000 line of credit. Current balance outstanding is zero. This facility is available to the organization to meet its funding needs arising from its mission to provide simple, affordable housing for low income people.

If I may be of further assistance in this matter, please to not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott S. Michalak", written over a horizontal line.

Scott S. Michalak
Executive Vice President

SSM:saw

Neighborhood Housing Services line of credit (Key Bank) -- \$250,000



Alvin L. Saafir, Vice President
Community Development Lending
800 Superior Ave., 18th Floor
Cleveland, Ohio 44114
Mail Code: OH-01-02-1857
(216) 828-9095 (Office)
(216) 828-9098 (Fax)

July 8, 2009

William Farnsel, Executive Director
Neighborhood Housing Services of Toledo
704 Second Street
Toledo, Ohio 43605

Re: \$250,000 Purpose & Ability Line of Credit

Dear Mr. Farnsel:

Thank you for providing KeyBank with the opportunity to express its interest in consideration of a purpose and ability line of credit. This does not represent a commitment from KeyBank to lend, but is an outline of a probable credit structure and provides a basis to go forward to the consideration of a formal commitment. Formal approval would be subject to final completion of due diligence and presentation to our loan committee.

ADVANCES

UNDER LINE: Prior to the Bank advancing funds under the Line of Credit, Borrower would execute a Promissory Note ("Note") in favor of the Bank for each Residence which the Borrower proposes to purchase and rehabilitate. The Bank would establish in advance a maximum aggregate amount to be disbursed for the purchase and rehabilitation of each Residence (hereafter referred to as "Project Amount").

The aggregate amount of all disbursements outstanding at any one time under the Line of Credit would not exceed Two Hundred and Fifty Thousand Dollars (\$250,000.00).

COLLATERAL: Each Note would be secured by an Open-End Mortgage Deed representing a first mortgage interest on the fee simple interest in each Residence to be rehabilitated (individually "Mortgage" and collectively "Mortgages") along with assignment of rents, fixture filings and an assignment of the contractors agreement.

The fee simple interest in the real estate would be subject to the Bank's approval and would be good and marketable and free and clear of any defects, and, encumbrances, restrictions, and easements which are not acceptable to the Bank in its sole discretion.

TERM: The Commitment would expire 12 months from the date of loan closing. Each note would have a term of six months. Should any property not be completed and certificate of occupancy issued within six months of the date that the note is

established with KeyBank, the principal balance including all interest and fees would be due in full for that note.

LENDING

REQUIREMENTS: Advances under the Line of Credit would be subject to the Bank's prior approval. To the extent the Borrower is in default of any of the terms and conditions of this Letter Agreement, any Note, any Mortgage, or the borrower, has suffered a material adverse change in its financial condition as determined by the Bank in its sole discretion, the Bank would not be obligated to make any further advances under the Line of Credit.

REPAYMENT: The Borrower would be required to pay the Bank interest monthly based on the aggregate principal balance of the Note. Per annum interest would be computed based on Three Hundred Sixty (360) days.

The borrower would repay all advances made under the Line of Credit for the purchase and rehabilitation of any particular residence upon the receipt of funds from the City of Toledo of which the principal balance would be due in full upon the issuance of the certificate of occupancy.

Any home acquired using KeyBank funds must be rehabilitated within 6 months of the date that the note is established with KeyBank. If it has not been completed at that time, the principal balance including any interest, fees, late charges and any other expenses or funds due must be paid in full at that time.

INTEREST RATE:

Advances of the proceeds of the Loan would bear interest at the Bank's Prime Rate plus percent (3.0%) (based upon a 360 day year for the actual number of days elapsed). In either case, the rate would fluctuate immediately with the Bank's Prime Rate. The Bank's Prime Rate is defined as that rate established from time to time by the Bank as the Bank's Prime Rate, whether or not such rate is publicly announced. The Prime Rate may not be the lowest interest rate charged by the Bank for commercial or other extensions of credit. The Bank's Prime Rate is currently Three and One Quarter percent (3.25%)

PREPAYMENT

PENALTY: None.

FACILITY

FEES: A facility fee equal to 1% of the amount of the Purpose and Ability Line of Credit must be collected at the time that this commitment is accepted by the Borrower.

LEGAL FEES: The Borrower agrees to reimburse the Bank for all of the Bank's in-house and outside legal expenses.

CLOSING

COST: The Borrower agrees to pay all expenses as incurred including, but not limited to, title company premiums and charges, survey costs, appraisal fees, recording fees and taxes, escrow agent settlement fees, property inspection fees, and all other reasonable expenses in connection with the preparation, closing and disbursement of advances.

To the extent incurred by the Bank, the foregoing expenses would be paid by the Borrower whether or not any advances have been made under the Line of Credit.

LATE FEE: The Borrower would be assessed a late fee on all payments not received by the Bank when due based upon the greater of five (5.0%) percent of the payment amount or Fifty (\$50.00) Dollars.

REAL ESTATE

APPRAISAL: The establishment of advances under the Line of Credit would be conditioned upon the prior receipt of an "as completed" appraisal satisfactory to the Bank in its sole discretion. No borrowing may exceed the lesser of 75% cost or value of real estate. The appraiser is to be selected and engaged by the Bank. The Borrower would reimburse the Bank for the cost of the appraisals.

FLOOD

INSURANCE: Evidence must be provided by the Borrower to the Bank prior to advancing any funds for the purchase of a Residence, that the property to be covered by the Mortgage is not located in a special flood hazard area as identified by HUD.

NOTICE OF

COMMENCEMENT: Borrower would comply with Sections 1311.01 to 1311.22 of the Ohio Revised Code regarding improvements to be made to the mortgaged property. A Notice of Commencement would be recorded with the County Recorder immediately following the recording of each Mortgage. There would not remain any unpaid amounts due for work or labor performed, or materials furnished, to the construction site prior to the filing of the Notice of Commencement.

**BUILDER RISK
AND HAZARD**

INSURANCE: Evidence of general liability insurance coverage with minimum limits of One Million Dollars (\$1,000,000.00) would be required upon execution of this Letter Agreement. Additionally, an all risk hazard insurance policy covering the improvements in the amount of all advances would be required prior to advancing under the Line of Credit. The insurance company must be acceptable to the Bank and "KeyBank National Association, its successors and assigns" would be names in the mortgage loss payable clause.

ADVANCES FOR

ACQUISITION Advances for acquisition of Residence would be evidenced by an executed purchase agreement between the Borrower and a seller whose form and structure are acceptable to the Bank. The Bank funds used in the acquisition of any given property would be limited to 75% of the agreed upon purchase price.

In addition, the borrower must provide evidence in writing and in a form acceptable to the Bank, from the City of Toledo of their commitment to provide funds equal to the amount of funding being provided by KeyBank for each note established (should include acquisition and rehabilitation). The commitment should evidence that the funds will be available on or before the completion of the rehabilitation of each property and will be used to pay off each note where KeyBank funds are used.

ADVANCES FOR

REHABILITATION: Advances for the rehabilitation of Residence require review and approval from the bank. The request for advances would be evidenced by a written request for financing identifying an Itemized cost estimate of the improvements to be made to the property including; hard costs, a contingency cost item, contractor profit, and sales and disposition costs, and the general contractors

contract. Bank would fund 100% of the cost to rehabilitate a particular Residence to the extent that hard costs plus all amounts previously advanced for the acquisition for the Residence do not exceed seventy-five percent (75.0%) of the market value of the Residence "subject to repair".

Prior to an advance by the Bank to the Borrower for rehabilitation costs, the Borrower would request in writing is desire for an advance under the Note. The Bank's Disbursement Application would be used to evidence the Borrower's written request.

Prior to an advance by the Bank for rehabilitation work, the Bank would require an inspection of the Residence by an inspector acceptable to the Bank. All advances for rehabilitation would be based on the percentage of completion of the work performed.

**OBLIGATION TO
DISBURSE:**

The Bank's obligation to disburse under each Note would be subject to the terms and conditions of the Letter Agreement, and the Mortgage established at that time.

Borrower would be permitted to have a maximum of three (3) Residences under rehabilitation under the Line of Credit at any one time.

The residence must be purchased, rehabilitated within 6 months or the balance on the line for that property would be due in full and the line of credit may be discontinued.

Advances for the purchase of a Residence under the Line of Credit would be limited to the lesser of seventy-five percent (75.0%) of the lesser of: acquisition price plus rehabilitation cost, appraised value or tax assessed value.

FINANCIAL

STATEMENTS:

The Borrower would be required to provide the Bank with signed, annual financial statements within ninety (90).

This does not represent a commitment from KeyBank to lend, but is an outline of a probable credit structure and provides a basis to go forward to the consideration of a formal commitment. Formal approval will be subject to final completion of due diligence and presentation to our loan committee.

Sincerely,

 v.P.

Alvin L. Saafir
Vice President
Community Development Lending

National Community Stabilization Trust line of credit -- \$8,000,000



National Community Stabilization Trust

1325 G Street, NW, Suite 800 * Washington, DC 20005-3190 * P: (202) 220-2300 * F: (202) 376-2600

July 10, 2009

Mr. Michael Badik
Commissioner of Housing
Department of Neighborhoods
City of Toledo
One Government Center, Suite 1800
Toledo, Ohio 43604

Dear Mr. Michael Badik,

The National Community Stabilization Trust (the "Stabilization Trust") is a joint venture of Enterprise Community Partners, Housing Partnership Network, Local Initiatives Support Corporation (LISC), National Council of La Raza, NeighborWorks America, and the National Urban League (collectively, the "Sponsors"). The Stabilization Trust is a specialty lender designed to aggregate capital from private financial institutions, governmental sources, philanthropic sources and social investors to provide financing products in targeted localities that will facilitate the acquisition and redevelopment of REO across the nation. The Stabilization Trust is working with capital providers and will apply to HUD for an allocation of NSP2 funds to establish and capitalize the Stabilization Trust's proposed financing products.

The City of Toledo's proposed activities generally include eligible activities under the Neighborhood Stabilization Program including the acquisition, rehabilitation and redevelopment of foreclosed or abandoned property and other strategic/underutilized properties. The Stabilization Trust has discussed with the City of Toledo, your interest in obtaining a Revolving Line of Credit financing facility of \$8,000,000. Financing from the Stabilization Trust will be made available via its leveraged private capital and available philanthropic monies. The Stabilization Trust offerings will be further enhanced to the extent NSP funds are made available.

It is the Stabilization Trust's intention to provide a Revolving Line of Credit to the City of Toledo. The Stabilization Trust's financing commitment will be subject to final NSP2 funding approval, documentation, and due diligence.

We look forward to working with you on this important program.

Sincerely,

Craig Nickerson
President
National Community Stabilization Trust

Lucas Metropolitan Housing Authority equity -- \$1,113,000



Lucas Metropolitan Housing Authority
435 Nebraska Avenue, PO Box 477
Toledo, Ohio 43697-0477
419-259-9400 Fax 419-259-9494
TDD 419-259-9529
www.lucasmha.org

Where opportunity lives.

July 15, 2009

Michael Badik
City of Toledo
Housing Commissioner
One Government Center, Suite 1800
Toledo, Ohio 43604

Mr. Badik:

Please accept this letter as certification that the Lucas Metropolitan Housing Authority (LMHA) has sufficient funds available to loan to itself or an affiliated non-profit 501(c)(3) corporation to participate in the City of Toledo's Neighborhood Stabilization Program (NSP).

The LMHA previously operated a Turnkey III lease-to-purchase program and sold 190 homes between 1986-2002. These sale proceeds were retained by the LMHA until HUD approved a use plan in August 2004 to expend them. The HUD approved use plan identifies \$1,113,000 for the purposes of operating an acquisition, rehabilitation and resale program. To date, none of these dollars have been spent. The use of these dollars is restricted to activities similar to those activities as outlined in NSP and the LMHA will use these dollars to support NSP activities.

If you should have any further questions, please feel free to contact me at (419) 259-9447.

Sincerely,

John Conway
Director of Finance

Linnie B. Willis, *Director-Secretary*
Board of Commissioners

William J. Brennan, *Chairman*, Barbara J. Fuqua, *Vice Chairman*, Bernard H. Culp, Robert B. Carter, Hugh W. Grefe

R. Gant, LLC equity -- \$150,000



R. GANT, LLC

General Contractors

Construction Managers

111 Wamba Avenue
Toledo, Ohio 43607

Phone: 419-327-4382
Fax: 419-535-7914

July 13, 2009

Mr. Mike Badik
Commissioner of Housing & Administrative Services
Department of Neighborhoods
One Government Center, Suite 1800
Toledo, Ohio 43604

RE: NSP2 – Leverage Commitment Letter - \$150,000.00

Dear Mr. Badik:

Contingent upon the award of NSP2 to the Toledo-Lucas County Consortium, R. Gant, LLC agrees to provide the following resources and services valued at \$150,000.00 in carrying out the goals and objectives contained in the Toledo-Lucas County Consortium's Proposal.

As it relates to the acquisition, redevelopment and marketing of Single Family Homes directly by R. Gant, LLC, the company will utilize its own operating capital of \$100,000.00.

As it relates to providing in-kind and donated technical assistance in the area of Construction Services to non-profit (CDC) members of the Toledo-Lucas County Consortium, R. Gant, LLC will provide \$50,000.00 of services to include:

- Develop Project Rehab Specs, Work Scope and Budget
- Identify Potential Contractors/Suppliers
- Facilitate pre-bid, bidding and post-bid review process

R. Gant, LLC looks forward to working with the City of Toledo and the Toledo-Lucas County Consortium on this project.

Sincerely,



Roosevelt Gant, President
R. Gant, LLC

**R. Gant, LLC**

Karp and Associates equity -- \$2,000,000



Martin Jarret, President
Jarret Consulting Services
620 Acklin Avenue
Toledo OH 43620

13 July 2009

RE: City of Toledo NSP2 Consortium Grant Application for the Berdan
Redevelopment in the warehouse district of downtown Toledo

Dear Mr. Jarret,

Please let this letter serve as our commitment to invest up to \$2,000,000 in equity in the above referenced project, i.e. \$1,000,000 from sources previously committed with such evidence submitted prior to you, and \$1,000,000 in cash from our organization. The equity commitment from us is conditioned upon the delivery of \$2,000,000 in grant proceeds to the Berdan Redevelopment project from the NSP2 consortium grant award.

Please let us know if we can provide further information or otherwise be of any service to you. Feel free to contact me via mobile, 517.719.3000 or email: rk@buildtech.com.

With Kindest Regards,

Richard Karp, Managing Member

Karp and Associates, LLC

Real Estate Development 401 South Washington Square Suite 102
Lansing, MI 48933
Development Consulting p: 517 374-7704
f: 517 485-1104
Program Management info@karpandassociates.com



July 13, 2009

Joseph Swolsky
Parkstone Berdan Building LLC
7255 Crossleigh Ct., Ste 101
Toledo, Ohio 43617

**RE: Parkstone Berdan Building LLC
Loan #8001050708-18**

Dear Joe:

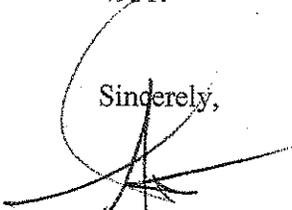
Pursuant to your recent request, this letter is to confirm the payoff balance on the subject loan. The payoff amount is \$1,038,576.08. This payoff is good through July 13, 2009, with a per diem of \$94.21.

A specific breakdown of the payoff balance is detailed below:

Principal:	\$1,025,000.00
Interest:	\$11,194.94
Late Fees:	\$2,131.14
Unpaid Fees:	\$250.00
Total:	\$1,038,576.08

If you have any questions or need further information, you may contact me at (419) 249-4931.

Sincerely,



Felix Melchor
Vice President
Special Assets

Special Assets
519 Madison Ave.- 4th Floor
Toledo, Ohio 43604
(419) 418-5779 fax

Home Builders Association of Greater Toledo marketing in-kind value -- \$250,000



HOME BUILDERS ASSOCIATION OF GREATER TOLEDO, INC.

Affiliated with the National Association of Home Builders and Ohio Home Builders Association

Dan Bollin
President

James Moline
President-Elect

Tom Bogdan
Treasurer

Mike Hojnacki
Secretary

Michael Dean
Immediate Past President

Michael Badik
Commissioner of Housing
Administrative Services
City of Toledo
One Government Center
Suite 1800
Toledo, OH 43604

Dear Mr. Badik,

This letter is to inform you of what leverage the Home Builders Association of Greater Toledo (HBA) feels they can bring to the consortium applying for the NSP2 funding.

The HBA is a 501 C6 Not for Profit association representing 500 plus members related to the housing industry. We have a large House & Home Show each year held in a 75,000 sq. ft. facility that draws 10,000 – 15,000 attendees to view our 200 plus vendors and we feel this could be a tremendous marketing tool to market the foreclosed homes and educate prospective buyers. We also have one or more Parade of Homes throughout the year when we have 20 – 60 newly constructed homes in a variety of price ranges and geographic locations and spend thousands of dollars marketing these events to the public. This could serve as an excellent opportunity to include some, if not all, of the foreclosed homes to take advantage of this huge marketing effort.

We have partnered with Habitat for Humanity in a number of their projects. In the recent Extreme Home Makeover we had members involved in just about every aspect of this huge undertaking and the HBA was responsible for the overall safety coordination and monitoring of 1,000's of volunteers.

I am a licensed real estate broker in the State of Ohio and am willing to use this expertise of 30 years experience to negotiate with the various lenders and others to be sure the consortium is obtaining these properties at realistic numbers to help ensure our success. We also have members experienced in every aspect of the housing industry such as home inspectors, title companies, heating, plumbing, etc., etc. and can get quick, honest answers on what is needed as well as cost of same and then coordinate to be sure all work is done in a timely fashion.

When looking at what we spend marketing our House & Home Show, one Scattered-Site Parade of Homes and negotiating/coordinating rehab work for a projected 175 homes, we believe our leverage to be somewhere in \$250,000 - \$300,000 range.

We look forward to being a partner in bringing this together and improving the housing stock in the Toledo/Lucas County area.

Sincerely,

Tony Plath
Executive Vice President
Home Builders Association of Greater Toledo

Toledo LISC Consortium operational grant -- \$18,000



Local Initiatives Support Corporation
245 N. Superior St. 2nd Floor
Toledo, Ohio 43604
419-242-3836

Kattie Bond
Director
Department of Neighborhoods
City of Toledo
Suite 1800
One Government Center Toledo Ohio 43604

July 13, 2009

Dear Ms. Bond:

Toledo Local Initiatives Support Corporation provided a private grant of \$18,000 to Neighborhood Housing Services of Toledo, Inc. for pre-development activities relating to the Neighborhood Stabilization Program II funding request. The grant period is April 1, 2009 through March 31, 2010.

The grant can be used for consulting, legal and accounting functions as necessary to developing a consortium of applicants, the application, and the ongoing operational needs of the consortium.

If you have any questions, please feel free to contact our office.

Sincerely,



Hugh Grefe
Senior Executive Director

Northwest Ohio Development Agency in-kind home counseling services -- \$337,500



432 N. Superior
Toledo, OH 43604
(419) 243-3734
(419) 243-3924 Fax
www.nodatoledo.org

Executive Committee

John Widmer
Board President & Chair

Ernest Walker, Jr.
1st Vice President

Pastor John Williams
2nd Vice President

Marshall Rose
Secretary

Angelita Cruz Bridges
Treasurer

Directors

Theresa Braddy

Julia Bryant

Carol Engler, Ph.D.

Leslie A. Fern

Theresa M. Gabriel

Norma King

Linda Moye, CPA

Steven Steel, Ph.D.

Winfred O. Stone, Ph.D.

Betty J. Valentine

Ricky T. Walker

July 1, 2009

Mr. Michael Badik
Housing Commissioner
City of Toledo Dept. of Neighborhoods
One Government Center Ste. 1800
Toledo, OH 43604

Dear Mr. Badik:

Please accept this letter on behalf of the Northwest Ohio Development Agency (NODA) as a firm commitment to provide counseling services to NSP 2 participants. NODA is a Community Development Financial Institution (CDFI) certified by the US Department of Treasury. NODA is also a HUD-certified Housing Counseling Agency.

Through the NSP 2 program, NODA will provide housing counseling services to 375 potential home buyers over a three-year period. The cost per person is \$1,200, with \$300 per person coming from NSP 2. The balance of \$900 per person will be in-kind leverage from NODA. The total in-kind leverage from NODA over three years will be \$337,500.

NODA looks forward to partnering with the NSP 2 Consortium to strengthen Toledo's neighborhoods. Please contact me with any questions.

Sincerely,

Katherine Broka
President & CEO



EQUAL HOUSING
OPPORTUNITY
OH MB 803852

Friendship New Vision in-kind housing counseling services -- \$337,500



friendship

FRIENDSHIP NEW VISION, INC.

5301 Nebraska Avenue P.O. Box 351838 Toledo, Ohio 43635-1838 T: (419) 534-5437 F: (419) 534-6027

July 9, 2009

Mr. Michael Badik
Commissioner of Housing
Department of Neighborhoods
City of Toledo
One Government Center, Suite 1800
Toledo, Ohio 43604

Re: Identification of Leverage:
Homebuyer Counseling

Dear Mr. Badik:

The purpose of this letter is to document the actual value of homebuyer counseling that would be delivered by Friendship New Vision, Inc. (FNVI) in connection with the Neighborhood Stabilization Program "2" effort.

The NSP 2 program budget includes a homebuyer counseling fee of \$300.00 for up to 375 households. This means that \$900.00 of the actual cost is covered by other public and private charitable sources. Therefore, the leverage value of the homebuyer counseling services provided by FNVI is \$337,500 (900 X 375 households).

The launch of the NSP 2 effort in Toledo and Lucas County represents a significant step forward toward stabilizing our community.

Sincerely,

Patricia E. Sloan
Executive Director

**Neighborhood Housing Services of Toledo in-kind housing counseling services --
\$337,500**



Neighborhood Housing Services of Toledo, Inc.

HomeOwnership Center

704 Second St. • P.O. Box 8125
Toledo, Ohio 43605
Tel. 419.691.2900
Fax. 419.691.2980 / 419.691.2999
MB. 803440.000

July 9, 2009

Mr. Michael Badik
Commissioner of Housing
Department of Neighborhoods
City of Toledo
One Government Center, Suite 1800
Toledo, Ohio 43604

Re: Identification of Leverage:
Homebuyer Counseling

Dear Mr. Badik:

The purpose of this letter is to document the actual value of homebuyer counseling that would be delivered by Neighborhood Housing Services of Toledo, Inc. (NHS) in connection with the Neighborhood Stabilization Program "2" effort.

The actual cost, per household of the comprehensive homebuyer counseling service (education) provided by NHS is approximately \$1,250.

The NSP 2 program budget includes a homebuyer counseling fee of \$350 for up to 375 households. This means that \$900 of the actual cost is covered by other public and private charitable sources. Therefore, the leverage value of the homebuyer counseling services provided by NHS is \$337,500 ($\900×375 households).

We look forward to the launch of the NSP 2 effort in Toledo and Lucas County because it represents a significant step forward toward stabilizing our community.

Sincerely,

William E. Farnsel
Executive Director



Friendship New Vision line of credit (Carpe Diem of Cortez LLC) -- \$250,000



Carpe Diem of Cortez LLC

6120 43 Rd St West
Bradenton, Florida 34210

Mr. Michael Badik
Commissioner of Housing
Department of Neighborhoods
City of Toledo
One Government Center, Suite 1800
Toledo, Ohio 43604

July 10th 2009

Dear Mr Badik:

Carpe Diem of Cortez is willing to extend to Friendship New Vision a line of credit in the amount of \$250,000.00 (Two Hundred Fifty Thousand and 00/100) For the purpose of Friendships proposed projects associated with the City of Toledo Neighborhood Stabilization Program "2".

It is our understanding that Friendship New Vision will use these funds to acquire, rehabilitate and sell single family homes in identified neighborhoods in conjunction with the Toledo / Lucas County Consortium.

This line of credit will become available July 14, 2009.

Thank you,

A handwritten signature in black ink that reads "James R. Guy". The signature is written in a cursive style.

James R. Guy
President, Carpe Diem of Cortez LLC
941-756-2496

D.5. Signed Certifications

GENERAL CERTIFICATIONS FOR STATE OR LOCAL GOVERNMENT FOR THE NEIGHBORHOOD STABILIZATION PROGRAM 2 (NSP2)

In accordance with the applicable statutes and the regulations governing the Neighborhood Stabilization Program 2, the City of Toledo, as lead agency of the Toledo-Lucas County Consortium, certifies that:

- 1. Affirmatively Furthering Fair Housing** -- The applicant certifies that it 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-Displacement and Relocation Plan** -- The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.
- 3. Anti-Lobbying** -- The applicant must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- 4. Authority of Applicant** -- The applicant certifies that it 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.
- 5. Acquisition and Relocation** -- The applicant certifies that it 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 NSP2 program published by HUD.
- 6. Section 3** -- The applicant certifies that it 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 applicant certifies that it is carrying out citizen participation in accordance with NSP2 requirements.
- 8. Use of funds** -- The jurisdiction certifies that it will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008, as modified by the American Reinvestment and Recovery Act by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.
- 9. The applicant certifies:**
 - a. That all of the NSP2 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; and

b. The applicant 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.

10. Excessive force -- The applicant, if an applicable governmental entity, certifies that it has adopted and is enforcing:

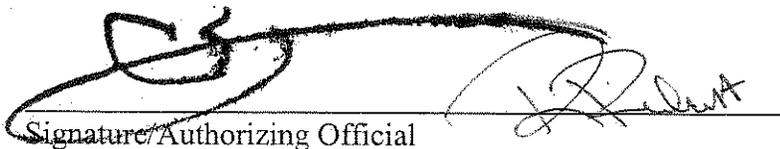
- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

11. Compliance with Anti-Discrimination Laws -- The applicant certifies that 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.

12. Compliance with lead-based paint procedures.

12. Compliance with Lead-Based Paint Procedures -- The applicant certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

13. Compliance with laws -- The applicant certifies that it will comply with applicable laws.


Signature/Authorizing Official

7-14-09
Date

MAYOR
Title

D.6. Calculation of removal of negative effect

**CALCULATION OF REMOVAL OF NEGATIVE EFFECTS USING HUD
PROVIDED RUBIC**

Calculate the value (using the HUD-provided rubric in Appendix 3.

		X 1.5
Vacant properties to be addressed by acquisition and rehab	309	464
Vacant properties to be addressed by demolition	272	390
Total vacant properties addressed	569	854
All vacant properties in target area (1)		7,414
Score: 928/7,414		.12

D.7. Summary of Citizen Comments

Summary of Citizen Comments

The City of Toledo published a public notice with the planned program information for the Toledo Consortium NSP2 Action Plan, including 1) the amount of money, 2) the uses of the funds and 3) the target geography in the Toledo Blade, the newspaper with largest circulation in the City of Toledo, on July 2, 2009 on page 2 of Section D. In addition to publishing the planned information, including 1) the amount of money, 2) the uses of the funds and 3) the target geography at the City's website located at www.toledo.oh.gov in its public notice section of the opening webpage. Public notice is attached.

In addition, the City of Toledo posted a draft of the Toledo NSP2 Action Plan application narrative at the City's website at www.toledo.oh.gov on July 3, 2009 and made hard copies of a draft NSP2 Action Plan available at several locations, including the Department of Neighborhoods' office at One Government Center, 18th floor, Toledo, Ohio; Department of Development's office at One Government Center, 22nd floor, Toledo, Ohio; Clerk of Council's office at One Government Center, 21st floor, Toledo, Ohio; all local branches of the Toledo-Lucas County Public Library; the Ability Center of Greater Toledo at 5605 Monroe St., Sylvania, Ohio; the Fair Housing Center at 432 N. Superior St., Toledo, Ohio; Lucas Metropolitan Housing Authority.

Public notices notifying the public of the availability of hard copies at the above locations and electronic version posted on at the City of Toledo's website, www.toledo.oh.gov were published in local newspaper according to the following schedule:

- LaPrensa Newspaper (published in its July 1, 2009 edition on page 14)
- The Sojourner Truth (published in its July 1, 2009 edition on page 15)
- Toledo Blade (published on June 26, 2009 in Section C on page 6)

Public notice is attached.

During the comment period, the City of Toledo, Toledo-Lucas County Consortium Lead Agency and designated agent to receive written comments, did not receive any written comments.

PUBLIC NOTICE

NSP2 Toledo Consortium

The Toledo NSP2 Consortium is applying for financial assistance from the Neighborhood Stabilization Program 2 under the American Recovery and Reinvestment Act, 2009. Recipients use the funds to stabilize neighborhoods that viability has been and continues to be damaged by the economic effects of properties that have been foreclosed upon and abandoned. The City of Toledo is the lead applicant in a Consortium consisting of non-profit and for-profit organizations. All funds will be used to benefit households incomes at or below 120% of area median income and a minimum of 25% or \$6,231,446 of all funds will be used to directly benefit people at 50% area medium income.

Proposed Amount and Use of Funds

Home Buyer Financing mechanisms (25%, 50% and 75% of value at favorable terms) for purchase of 175 foreclosed and rehabilitated properties for buyers at incomes at or below 120% of area median income: \$4,921,875

Construction financing -- purchase & development of 175 foreclosed homes by developers for sale, including loan guarantees to lending institution and grants, to address the difference between development costs and home values: \$8,531,250

Construction financing – subsidy to entice the purchase & rehabilitation of 170 foreclosed housing units for rent to households at incomes at or below 120% area median income. \$6,120,000

Home Buyer Counseling for 175 purchasers foreclosed properties: \$ 52,500

Acquisition and Demolition of 249 foreclosed and blighted properties: \$2,453,203

Administration including homebuyer counseling for those not purchasing NSP2 homes: \$2,453,203

Total Fund Requested \$24,532,031

Target Geography

Construction financing and permanent home buying financing are limited to specific qualifying census tracts, which include the following:

Census Tracts: 2, 3, 4, 6, 7, 9, 10, 11, 12.02, 13.03, 16, 17, 18, 19, 21, 22, 24.02, 25, 26, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 41, 42, 43.02, 44, 46, 47.01, 47.02, 48, 49, 50, 51, 52, 53, 54, 57.03, 61, 62, 63, 66, 67, 74, 75, 84, 86, 87, 88, 101. Demolition is limited to the qualifying census tracts where at least 51% of the households have incomes at or below 120% of AMI.

The City of Toledo will receive comments from the public beginning Friday, July 3, 2009 through Monday, July 13, 2009, at the following address:

EBENEZER OSEI-KWAME, MANAGER
CITY OF TOLEDO
DEPARTMENT OF NEIGHBORHOODS
NEIGHBORHOOD STABILIZATION PROGRAM 2
ONE GOVERNMENT CENTER, SUITE 1800
TOLEDO, OHIO 43604
(419) 245-1400/FAX: (419) 245-1413

PUBLIC NOTICE
CITY OF TOLEDO
NEIGHBORHOOD STABILIZATION PROGRAM 2

To all interested agencies, groups, and persons:

The City of Toledo is seeking comments on a proposed Neighborhood Stabilization Program 2 (NSP2) under the American Recovery and Reinvestment Act of 2009.

The Neighborhood Stabilization Program plan includes a description of available funds from the Department of Housing and Urban Development (HUD) and the eligible uses for the NSP2 grant. It contains a description of the activities to be undertaken and the expected results of those activities. The purpose of this program is to stabilize communities that have been affected by foreclosures and abandonment through the purchase and redevelopment of foreclosed and abandoned homes and residential properties.

The draft will be available for review and comments beginning Friday, July 3, 2009 on the City of Toledo website: www.toledo.oh.gov, located under the *Department of Neighborhoods*, and at the following locations:

- | | | |
|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| 1) Department of Neighborhoods
One Government Center, 18 th Floor
Downtown Toledo, Jackson & Erie | 4) All local branches of the Toledo-Lucas
County Public Library
(Refer to local telephone directory or
toledolibrary.org for locations) | 7) Lucas Metropolitan Housing
Authority
435 Nebraska Avenue
Toledo, Ohio |
| 2) Department of Development
One Government Center, 22 nd Floor
Downtown Toledo, Jackson & Erie | 5) The Ability Center of Greater Toledo
5605 Monroe Street
Sylvania, Ohio | |
| 3) Clerk of Council
One Government Center, 21 st Floor
Downtown Toledo, Jackson & Erie | 6) The Fair Housing Center
432 N. Superior Street
Toledo, Ohio | |

The City of Toledo will receive comments from the public through Monday, July 13, 2009, either through the website at www.toledo.oh.gov, or at the following address:

KATTIE M. BOND, DIRECTOR
CITY OF TOLEDO
DEPARTMENT OF NEIGHBORHOODS
NEIGHBORHOOD STABILIZATION PROGRAM 2
ONE GOVERNMENT CENTER, SUITE 1800
TOLEDO, OHIO 43604
(419) 245-1400/FAX: (419) 245-1413

Comments received during the 10-day comment period will be included in the plan submitted to HUD.

* Reasonable accommodations will be provided upon request.

D.8. Documentation of firm commitment executed by each for-profit partner

- a. **Karp and Associates**
Commitment Letter
Qualification Narrative
- b. **R. Gant, LLC**
Commitment Letter
Qualification Narrative

Karp and Associates
Commitment Letter
Qualification Narrative

Karp and Associates

Commitment Letter



Martin Jarret, President
Jarret Consulting Services
620 Acklin Avenue
Toledo OH 43620

13 July 2009

RE: City of Toledo NSP2 Consortium Grant Application for the Berdan
Redevelopment in the warehouse district of downtown Toledo

Dear Mr. Jarret,

Please let this letter serve as our commitment to invest up to \$2,000,000 in equity in the above referenced project, i.e. \$1,000,000 from sources previously committed with such evidence submitted prior to you, and \$1,000,000 in cash from our organization. The equity commitment from us is conditioned upon the delivery of \$2,000,000 in grant proceeds to the Berdan Redevelopment project from the NSP2 consortium grant award.

Please let us know if we can provide further information or otherwise be of any service to you. Feel free to contact me via mobile, 517.719.3000 or email: rk@buildtech.com.

With Kindest Regards,

A handwritten signature in black ink, appearing to be "Richard Karp", written in a cursive style.

Richard Karp, Managing Member

Karp and Associates, LLC

Real Estate Development 401 South Washington Square Suite 102
Lansing, MI 48933
Development Consulting p 517 374-7704
f 517 485-1104
Program Management info@karpandassociates.com

Karp and Associates

Qualification Narrative

For-Profit Partner Qualification Narrative

Karp and Associates

Karp and Associates engages in real estate development and provides development consulting services to for-profit, private non-profit, quasi-public and public entities. With an emphasis on mixed use and multi-family projects, the vast majority involves federally certified historic rehabilitation in the urban centers of Midwest communities. Its mission is: *Improving the built environment of our urban cores.*

Examples of recent activities include:

- Standart Lofts, Toledo OH - Built in 1906, the 7 story, 88,000 square foot historic brick structure had been sitting vacant for several years before this organization purchased it in late 2007. Working closely with the City of Toledo, a rehabilitation plan was developed to complement an existing small stock of rental housing in the immediate community. Financing was assembled to include Federal and the recently enacted Ohio historic rehabilitation tax credits, along with conventional financing. The \$11MM rehabilitation plan includes the creation of 75 market rate housing units. Its related organization, Buildtech Ltd. Construction • Development, which has nearly two decades of historic rehab general contracting experience, is moving through construction toward a 2010 completion.

The Durant, Flint MI -- Built in 1920 and named for the founder of General Motors, The Durant Hotel, at eight stories and 160,000 square feet has stood as the City of Flint's most prominent piece of historic architecture. Closed and vacant since 1974, the tax reverted property was acquired by the Genesee County Land Bank (GCLB) in 2005. Karp and Associates entered into a partnership with GCLB in 2008 and assembled 13 different sources of grants and other financing to make feasible the \$34MM project. At completion in January 2010, the federally certified historic rehabilitation will have 93 high end market rate apartments, and 20,000 square feet of commercial space, 10,000 of which will be occupied by the U. of Michigan – Flint Art Department.

R. Gant. LLC
Commitment Letter
Qualification Narrative

R. Gant, LLC
Commitment Letter



R. GANT, LLC

General Contractors

Construction Managers

111 Wamba Avenue
Toledo, Ohio 43607

Phone: 419-327-4382
Fax: 419-535-7914

July 13, 2009

Mr. Mike Badik
Commissioner of Housing & Administrative Services
Department of Neighborhoods
One Government Center, Suite 1800
Toledo, Ohio 43604

RE: NSP2 – Activity Commitment Letter

Dear Mr. Badik:

Contingent upon the award of NSP2 to the Toledo-Lucas County Consortium, R. Gant, LLC is committed to performing the following activities in carrying out the goals and objectives contained in the Toledo-Lucas County Consortium's Proposal.

R. Gant, LLC will engage in the acquisition and redevelopment of Single Family Homes, the marketing of those homes and providing technical assistance in the areas of General Contracting/Construction Management.

In addition to engaging in the acquisition and redevelopment of Single Family Homes, as a Developer/Contractor, R. Gant, LLC will offer to the non-profit members (CDCs) of the Toledo-Lucas County Consortium, donated construction services that include:

- Develop Project Rehab Specs, Work Scope and Budget
- Identify Potential Contractors/Suppliers
- Facilitate pre-bid, bidding and post-bid review process

R. Gant, LLC is also working in partnership with Toledo Public Schools (TPS) to implement under the current NSP1 Program and will continue seamlessly under NSP2, to make available affordable housing ownership opportunities, in conjunction with the development of new schools. The mutual benefit will be to create a stable base of students in new neighborhood schools, while increasing the home ownership for low to moderate income households.

Our housing strategy will focus primarily on key census tracts where 5 new schools will be opening in the Fall 2009 and 11 others will be built or have major renovation work performed during the same NSP2 time frame. The 11 new or renovated schools represent over \$130 Million of additional neighborhood revitalization that will complement the neighborhood stabilization initiative. R. Gant, LLC and TPS will work together to maximize each other efforts and to create a specific marketing effort target forward persons and families who first meet the NSP guidelines and who be benefit from the educational experience of TPS and the home ownership opportunities of R, Gant, LLC.


R. Gant, LLC

Examples Of Relevant Experience Include:

The Dorr Street Brownstones Project

- Assisted the developers of The Dorr Street Brownstones with pre-construction marketing activities, which include community awareness meetings to market housing units, development of list of interested buyers, development of marketing materials and negotiating sale agreement with realtor.
- Played a key role in accessing capital for a six-unit new construction residential project located in Toledo, Ohio. The total project cost was approximately \$800,000. R. Gant helped to acquire capital from the City Of Toledo, Toledo-Lucas County Housing Fund, Inc and Fifth/Third Bank for the project known as The Dorr Street Brownstones.

Building For Success Project & New Schools/New Neighborhoods

- Worked productively with other organizations -- played a key role in the \$600 million Toledo Public Schools' Re-building Project. In addition to the more the 40 new and renovated schools, Gant has worked closely with community based organizations in the New Schools/New Neighborhood Initiative. This initiative has included CDCs, businesses and local governmental entities.

R. Gant, LLC looks forward to working with the City of Toledo and the Toledo-Lucas County Consortium on this project.

Sincerely,



Roosevelt Gant, President
R. Gant, LLC

Toledo Public Schools



Thurgood Marshall Building

420 E. Manhattan Blvd.

Toledo, Ohio 43608

419.671.8282

419.671.8392 Fax

July 13, 2009

Office of
Superintendent

John P. Foley
Superintendent

Mr. Roosevelt Gant
President, R. Gant LLC
111 Wamba Avenue
Toledo, OH 43607

Dear Mr. Gant:

I am writing to support the Neighborhood Stabilization Program for the City of Toledo of which you are a part of. We know that together a strong school system and a strong neighborhood will make both our city and our school system reach the levels of success to which we all aspire. The communities' commitment to investing in new schools throughout our city can be enhanced by the success of this program.

I am excited to partner with your organization to support the revitalization of the neighborhoods around our new schools to achieve both economic and educational success. Just like the New Schools, New Neighborhoods initiative, the rebuilding of 31 new schools - 25 of which are in targeted neighborhoods, will provide a strong and stable opportunity for the families of Toledo Public School students to have affordable and quality homes so they remain in their home schools and can have a stable long term stability in housing and in school.

I will do whatever I can, as Superintendent, to support and promote the program and to work in partnership for the families we both wish to serve. I look forward to a successful partnership to enhance the economic viability, housing potential and learning outcomes in our community.

Sincerely,

A handwritten signature in black ink that reads "John Foley".

John Foley
Superintendent

JPF:adj

The Power Of Learning

An Equal Opportunity Employer

R. Gant, LLC

Qualification Narrative

For-Profit Partner Qualification Narrative

R. Gant, LLC

R. Gant, LLC is a full-service construction company formed in 1998 and headquartered in Toledo. It seeks to be involved in projects where its input as a general contractor/construction manager provides benefit to the outcome of each project, regardless of whether they are members of a design-build team, or are low bidders on a project already designed. In its approach to project delivery, the owner, architect, consulting engineers, subcontractors and suppliers form a tightly-knit team in which all parties share a common goal: the faithful execution of the design, fulfilling the owner's program requirements, on schedule and within the owner's budget.

Examples of recent activities include:

- Assisted the developers of The Dorr Street Brownstones with pre-construction marketing activities, which include community awareness meetings to market housing units, development of list of interested buyers, development of marketing materials and negotiating sale agreement with realtor.
- Played a key role in accessing capital for a six-unit new construction residential project located in Toledo, Ohio. The total project cost was approximately \$800,000. R. Gant helped to acquire capital from the City Of Toledo, Toledo-Lucas County Housing Fund, Inc and Fifth/Third Bank for the project known as The Dorr Street Brownstones.
- Worked productively with other organizations -- played a key role in the \$600 million Toledo Public Schools' Re-building Project. In addition to the more the 40 new and renovated schools, Gant has worked closely with community based organizations in the New Schools/New Neighborhood Initiative. This initiative has included CDCs, businesses and local governmental entities.

D.9. Signature Authorization

City of Toledo



Carleton S. Finkbeiner
Mayor

May 19, 2009

To Whom It May Concern:

“In my absence, pursuant to City of Toledo Charter Section 61, I designate the following City of Toledo Administration staff all powers and duties of the Mayor, including the power to enter into agreements and take any necessary actions, which I am authorized to perform on behalf of the City of Toledo.”

- Robert R. Reinbolt, Chief of Staff/Safety Director/Director of Development
- Theresa M. Gabriel, Assistant Chief of Staff
- Lourdes Santiago, Assistant Chief of Staff

From Toledo – an International Award Winning City!

Carleton S. Finkbeiner
Mayor

CSF:rrr:pak



CHARTER OF THE CITY OF TOLEDO, OHIO

CHAPTER V. EXECUTIVE POWERS AND DUTIES.

CHAPTER V. EXECUTIVE POWERS AND DUTIES.

Section 61. Executive and Administrative Powers.

The Mayor shall be the Chief Executive and Administrative Officer of the City in whom the executive and administrative powers and duties of the City shall be vested subject to the appropriate delegation of such powers and duties in directors of departments and other administrative officers, boards and commissions as provided for in this Charter.

The Mayor shall have the power to appoint the Mayor's Executive Assistant, a secretary, and such additional assistants as are authorized by appropriate legislation, all without Council confirmation. Subject to confirmation by the Council, the Mayor also shall have the power to appoint the members of all boards and commissions, all directors of City departments, all the commissioners of City divisions, and all chief administrative officers of any other City agencies which shall also require the approval of their respective boards or commissions, if any. The Mayor shall have the power to appoint and shall be the appointing authority for all other officers and employees within the administrative and executive service, except as otherwise provided in this Charter.

The Mayor shall be recognized as the official head of the City by the courts for the purpose of serving civil process and by the Governor for military purposes. It shall be the duty of the Mayor to act as chief conservator of the peace within the City; to supervise the administration of the affairs of the City; to see that all ordinances and resolutions of the City are enforced; to recommend to the Council for adoption such measures as the Mayor may deem necessary or expedient; to keep the Council advised of the financial condition and the needs of the City; to prepare and submit to the Council such reports as may be required by that body in the discharge of its duties as conferred by this Charter; to prepare and submit to the Council the annual budget estimate of the City; and to exercise all other executive and administrative powers and perform such duties as are conferred or required by this Charter or by the laws of the State of Ohio upon any mayor or municipal chief executive officer, except as otherwise provided in this Charter.

Except for special engagements by authority of Council, every officer and employee must be a resident of the City of Toledo; provided however, that every officer or employee of the City of Toledo, who has established and maintained his or her residence outside the limits of the City of Toledo prior to November 7, 1972, shall be allowed to continue such residency during his or her employment with the City of Toledo; and provided further, that Council shall provide by ordinance for the waiver of the requirement of City residence for any employee where non-residence of such employee would be in the best interests of the City and where justice to such employee so requires.

(Amended by electors 11-3-92)