

## EXECUTIVE SUMMARY 2010-2011 ONE-YEAR ACTION PLAN

The City of Toledo has historically received Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), and HOME Investment Partnerships Program (HOME) funds based on its status as an entitlement city/ participating jurisdiction. These funds, received through the Department of Housing and Urban Development (HUD), are designed for use toward the improvement of communities through assistance to low- to moderate-income persons and addressing slum and blight.

Due to the influx of funds from the Housing and Economic Recovery Act of 2008 (HERA) and the American Recovery and Reinvestment Act of 2009 (ARRA), the City of Toledo is the beneficiary of additional HUD funds to stimulate the economy through homeless prevention activities, foreclosure assistance, and other activities designed to maximize job creation and stabilize neighborhoods.

The Neighborhood Stabilization Program (NSP) funds were allocated to the City of Toledo in anticipation that funds would be distributed in three stipulated need categories: areas with the greatest percentage of home foreclosures, areas with the highest percentage of homes financed by sub-prime, mortgage-related loans, and areas identified as likely to face a significant rise in the rate of home foreclosures.

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) provides direct financial assistance and services to either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized.

CDBG-Recovery (CDBG-R) funds will primarily be invested in owner-occupied housing rehabilitation, infrastructure, and other public facility activities that will spur further economic investment and increased energy efficiency, while maximizing job creation/retention.

As required by HUD regulations, the City of Toledo submitted a Substantial Amendment to its 2008-2009 One-Year Action Plan for each of the stimulus grants. Goals established within the amendments for the programs will continue over the course of the next two and a half years.

In addition, through a competitive process, the City of Toledo was recently approved for an additional \$10,150,840 in Neighborhood Stabilization Program (NSP2) funds to further the efforts of stabilizing neighborhoods through the acquisition, demolition, and/or rehabilitation of abandoned, blighted, and foreclosed properties within targeted neighborhoods, primarily in the city.

These efforts, inclusive within this document, also illustrate the leverage obtained through collaborations and partnerships. The objectives as undertaken by the City of Toledo illustrate the city's efforts to ensure that at least 70 percent of funds directly benefit low – moderate-income persons.

# 2010-2011 ONE-YEAR ACTION PLAN

## CITY OF TOLEDO 2010-2011 ONE-YEAR ACTION PLAN

### Overview

The City of Toledo, like many entitlement cities, is faced with the effects of a stagnant economy: high unemployment, lack of job opportunities, and high poverty levels. The U.S. Census Bureau reported in late 2009 that Toledo was eighth on the list of poorest cities for 2008. This represents 24.7 percent of persons living below the poverty line. The need to address those most affected by poverty issues is the main concern over not only the next year, but also the next few for the City of Toledo.

As a recipient of federal funds, the City of Toledo prepares a strategic community plan every five years. The goals within this 2010-2011 Action Plan represent the first year of the 5-Year Consolidated Plan. These goals are established based on the expected resources projected to be made available for the upcoming program year. Most activities will be concentrated toward low- to moderate-income households and those neighborhoods most effected by poverty, with stimulus funds being utilized for those at risk of homelessness and “tipping point” targeted neighborhoods to stem the tide of households losing their homes. A major effort to rehabilitate residential housing units is key to promoting the stability of neighborhoods.

The City of Toledo will utilize funds from the Department of Housing and Urban Development (HUD) to implement programs that meet federal entitlement eligibility guidelines and local priorities. An inventory of resources, expected to be available for undertaking activities for the period July 1, 2010 through June 30, 2011, are as follows:

• Community Development Block Grant (CDBG)	\$ 8,761,779
• HOME Investment Partnerships (HOME)	\$ 2,697,406
• Emergency Shelter Grant (ESG)	\$ 353,061
• Community Development Block Grant-Recovery (CDBG-R)	\$ 2,141,045
• Neighborhood Stabilization Program (NSP)	\$12,270,706
• Neighborhood Stabilization Program 2 (NSP2)	\$10,150,840
• Homelessness Prevention and Rapid Re-Housing Program (HPRP)	\$ 3,275,494
• CDBG Program Income	\$ 443,500
• HOME Program Income	\$ 12,500

While CDBG, HOME, and ESG along with Program Income (PI) from CDBG and HOME are annual federal allocations and projections, the remaining grants encompass multi-year periods. Exact expenditures for the 2010-2011 period from those sources will be detailed in the year-end report to HUD.

The City of Toledo, in abiding by HUD regulations, will allocate at least 70 percent of its 2010-2011 CDBG entitlement award towards programs that directly benefit low- to moderate-income persons. It will also adhere to federal regulations and guidelines in strategically implementing programs through its 11 identified priority categories for all HUD-funded grants, as detailed further in this document. These priorities were established based on stakeholder meetings, forums, local data studies, and citizen input.

The City of Toledo will allocate funds to both operational and programmatic goals. They include:

- Public Service (Operational, Program) CDBG, ESG, HPRP
- Community Development Corporation (Program, Activity) CDBG, HOME, NSP, NSP2
- Fair Housing (Operational, Support) CDBG, CDBG-R
- Economic Development (Operational, Program) CDBG, CDBG-R
- Housing and Neighborhood Revitalization (Operational, Program) CDBG, HOME, NSP, CDBG-R
- Planning and Administration (Operational, Program) CDBG, HOME, NSP, NSP2, HPRP, CDBG-R

## **FEDERAL RESOURCES**

### **Community Development Block Grant (CDBG) - \$8,761,779**

HUD allocates CDBG on a formula basis to the City of Toledo to carry out a wide range of community development and public service activities directed at neighborhood revitalization, economic development, and improved public facilities and services.

A CDBG activity must meet one of three National Objectives:

- Benefit low- to moderate-income persons (70 percent of an entitlement community's award must be used under this objective)
- Aid in the prevention and/or elimination of slum and blight
- Address an urgent need that poses a serious and immediate threat to the health and welfare of the community

Using a HUD Outcome Performance Measurement System, all activities must meet one of three objectives: Suitable Living Environment, Decent Housing, Creating Economic Opportunities; and one of three outcomes: Availability/Accessibility, Affordability, Sustainability.

There is a 15 percent cap on activities defined as public services, as well as a 20 percent limit that may be used toward administration and planning activities.

Eligible activities include acquisition of real property, housing activities (including rehabilitation of residential properties and home purchase activities), public facilities, special assessments and interim assistance, economic development, homeless services, healthcare, and neighborhood revitalization efforts, among others.

### **HOME Investment Partnerships Program (HOME) - \$2,697,406**

The HOME Program was created by the National Affordable Housing Act (NAHA) and is intended for the purpose of providing decent, affordable housing to lower-income households, expanding the capacity of nonprofit housing providers, strengthening the ability of state and local governments to provide housing, and leveraging private-sector participation.

Participating Jurisdictions (PJ) use funds for a variety of housing activities according to local housing needs. Eligible HOME-funded activities include Homeowner Rehabilitation, Homebuyer Activities, Rental Housing, and Tenant-Based Rental Assistance. Eligible planning and administrative costs are capped at 10 percent. Additionally, PJs may use funds to assist CHDOs undertaking or planning to undertake HOME activities with operating costs. A set-aside of 15 percent of a PJ's allocation must be for housing that is owned, developed, or sponsored by CHDO's. Financial assistance can be provided in the form of a buyer subsidy to the purchaser of housing sponsored or developed by a CHDO.

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## **Emergency Shelter Grant (ESG) - \$365,330.63**

ESG, funded through the Stewart B. McKinney-Vento Homeless Assistance Act, is one of four homeless assistance programs operated by HUD's Office of Special Needs Assistance Programs. The match requirement for ESG is 1:1 and is met through a combination of federal, state, and private sources. ESG program regulations place a cap on expenditures for homeless prevention (30 percent), administration (5 percent), operating (staff costs limited to 10 percent, except maintenance), and essential services (30 percent).

ESG may be used for:

- The rehabilitation, renovation, or conversion of buildings for use as a homeless shelter
- Operating expenses
- Essential services
- Homeless prevention activities
- Administrative costs

Conditions of funding for subrecipients include the participation of a homeless, or formerly homeless person in a policy-making function within the organization (such as on the Board of Directors) and involvement of participants in the operation of the ESG-funded activity either through employment, or as a volunteer within the program. The 2010-2011 allocation includes recaptured funds in the amount of \$12,269.63 from the 22<sup>nd</sup> funding year.

## **Community Development Block Grant-Recovery (CDBG-R) - \$2,141,045**

The CDBG-R program is a HUD-funded appropriation under the American Recovery and Reinvestment Act (ARRA) of 2009. The City of Toledo submitted a substantial amendment to its 2008-2009 One-Year Action Plan as a condition for receipt of funds. Section 1602 of the ARRA requires that grantees shall use funds to maximize job creation and economic benefit, and must report on the number of jobs estimated to be created or retained.

Acceptance of the grant requires that 70 percent of CDBG-R funds be used for activities that benefit low- and moderate-income persons. Limitations on administrative costs are capped at ten percent. To ensure that CDBG-R funds are used in an expedient manner, HUD has established a deadline of September 30, 2012 by which all funds must be expended. The majority of funds for activities to be carried out under CDBG-R will be utilized during the 2010-2011 program year, with an emphasis on homeownership stability through rehabilitation and infrastructure activities that promote energy conservation and efficiency.

## **Neighborhood Stabilization Program (NSP) - \$12,270,706**

The Housing and Economic Recovery Act of 2008 provided \$3.92 billion to establish the Neighborhood Stabilization Program (NSP). The NSP made grants available to states and local governments in response to rising foreclosures and declining property values. The City of Toledo received \$12,270,706 to acquire and redevelop foreclosed properties to prevent blighting influences in the city's neighborhoods.

The City of Toledo has identified the three "needs" categories to include:

- Areas with the greatest percentage of home foreclosures;
- Areas with highest percentage of homes financed by sub prime mortgage-related loans; and
- Areas identified as likely to face a significant rise in the rate of home foreclosures.

Eligible activities include acquisition and rehabilitation, demolition, redevelopment/new construction, land banking, and financing mechanisms. In addition, up to ten percent may be allocated for administration. The City of Toledo will continue to utilize funds for eligible activities during the 2010-2011 program year.

### **Neighborhood Stabilization Program 2 (NSP2) - \$10,150,840**

A competitive award from the Neighborhood Stabilization Program, NSP2 will be undertaken as a collaborative effort of two units of government (City of Toledo, Lucas County) nine nonprofit organizations, the local public housing authority and two for-profit developers. The City of Toledo, as lead agency, is working with the partners in an effort to utilize NSP2 funds to stabilize and address the decline in targeted neighborhoods selected for the original NSP grant. Initial areas of concentration include:

- Tipping point neighborhoods showing early signs of disinvestment that are characterized by: high percent of homes financed by sub prime, mortgage-related loans; large numbers of home foreclosures; and areas identified as likely to face a significant rise in the rate of home foreclosures.
- Toledo neighborhoods with new schools being constructed as part of the Toledo Public Schools' building project *Building For Success*, as part of the New Schools, New Neighborhoods (NSNN) initiative. NSNN was created to assist in improving both the learning environments in Toledo Public Schools (TPS) and the physical conditions in close proximity to those schools.
- Targeted Toledo neighborhoods where a community development corporation is present and has: revitalization plans that allow NSP activities to relate to and support an overall stabilization strategy, and substantial investments in place.

The crux of the NSP2 will be the acquisition of foreclosed single-family homes for redevelopment and purchase by homebuyers. This strategy is projected to stabilize neighborhoods and turn foreclosed, vacant, and/or blighted properties into newly renovated homes for families in need of quality housing. Assistance will be provided in the form of mortgages and down payment assistance.

Homebuyer counseling is a critical component of NSP2 as it will generate a resource list of qualified buyers for rehabilitated homes and allow participating families to become mortgage-ready.

### **Homelessness Prevention and Rapid Re-Housing Program (HPRP) - \$3,275,494**

This allocation, authorized under Title XII of the American Recovery and Reinvestment Act (ARRA) of 2009, specifies the uses for Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds.

As part of the ARRA, the provision of homelessness prevention and rapid re-housing activities shall be undertaken. The City of Toledo submitted a substantial amendment to its 2008-2009 One-Year Action Plan as a condition for receipt of funds. Funding under this category will be used for:

- Short-term or medium-term rental assistance;
- Housing relocation and stabilization services (including housing search, mediation or outreach to property owners, credit repair, security or utility deposits, utility payments, rental assistance for a final month at a location, moving cost assistance, and case management);
- Other appropriate activities for homelessness prevention and rapid re-housing of persons who have become homeless.

Administrative costs are capped at ten percent, which is to be shared with subgrantees. Grantees must draw down 60 percent of its grant funds within two (2) years of the date that HUD signed the grant agreement and 100 percent within three (3) years of this date to ensure that HPRP funds are used in an expedient manner. The City of Toledo anticipates utilizing at least one half of its allocation during the 2010-2011 program year for eligible activities.

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## **Continuum of Care (CoC) - \$3,905,981**

The Supportive Housing Program (SHP) is also funded through the Stewart B. McKinney-Vento Homeless Assistance Act as one of four homeless assistance programs operated by HUD's Office of Special Needs Assistance Programs. SHP allocates funds annually to grantees committed to serving homeless and chronically homeless persons. This is achieved through the provision of *transitional housing*, *permanent supportive housing*, the *Homeless Management Information System (HMIS)*, and *supportive services only* projects. Eligible categories of funding include acquisition, rehabilitation, construction, leasing, operating expenses, supportive services only, and administration.

On December 31, 2009, the Toledo/Lucas County Continuum of Care's (CoC) 2009 application was awarded \$3,905,981 for 23 renewal projects. Toledo submitted one new Permanent Housing project, *Chestnut Hill II* (for 16 units designated for the chronically homeless). All projects are for renewable for the 2010-2011 program year.

(1) The renewable projects are:

- *Harbor House/300 Beds, Inc. - Harbor House Plus*, a transitional housing project that will continue to serve up to 14 women at any given time who are in recovery of substance abuse;
- *Aurora Project, Inc. - Alternative Sentencing Site*, a transitional housing project that will continue to provide services for 20 women with chronic substance abuse, either single or female heads of households;
- *Catholic Charities Diocese of Toledo, Inc. – Special Assistance for Families Accessing Housing (SAFAH) and SAFAH Expansion*, as amended, a permanent supportive housing project that will provide supportive housing for six households and stabilization services for an additional 36 households;
- *FOCUS, Inc. - FOCUS Steps to Home I & II*, a two-year *Housing First* transitional housing project for single and family households that will continue to provide ten self-contained leased units of housing coupled with support services;
- *FOCUS, Inc. - FOCUS Steps to Home*, a two-year transitional housing project for single and family households that will continue to provide 13 self-contained leased units of housing at scattered sites coupled with support services;
- *FOCUS, Inc. - FOCUS Steps to Home Permanent Housing*, a permanent supportive housing project for both homeless single adults and families with disabilities that will continue to provide 21 scattered-site housing units and intensive case management services;
- *FOCUS, Inc. - FOCUS Steps to Home TH-C*, a transitional housing project for both homeless single adults and families that will continue to provide 21 scattered-site housing units and intensive case management services, and employment training and certification assistance;
- *FOCUS, Inc. - Toledo Homeless Management Information System*, a computerized tracking and data collection system that will continue to capture system-wide information about the characteristics and service needs of residents who are homeless to note trends and provide necessary information for planning and oversight;
- *Lucas County TASC, Inc. – Walls for All*, a permanent supportive housing project that will continue to provide 20 scattered-site housing and intensive case management services to single homeless adults from the offender population with substance abuse;
- *Lucas County TASC, Inc. – Women of Tomorrow*, a permanent supportive housing project for single homeless women with substance abuse from the offender population that will continue to provide ten scattered-site housing units and intensive case management services;

- *Mental Health and Recovery Services Board – Affordable Housing for Persons with Mental Illness*, a permanent supportive housing project in partnership with Neighborhood Properties Inc. that will continue to provide 61 units for persons with Severe and Persistent Mental Illness;
- *Mental Health and Recovery Services Board - PACT Partnership*, a permanent supportive housing project in partnership with Neighborhood Properties, Inc, that will continue to provide 14 units for young adults with mental illness, 40 percent of whom are chronically homeless;
- *Mental Health and Recovery Services Board – Pathway to Shelter*, a Shelter Plus Care project in partnership with Neighborhood Properties, Inc, that provides 15 units of housing;
- *Neighborhood Health Association of Toledo, Inc. – Homeless Healthcare Transport*, providing free health-related trips to adults and children residing at homeless shelters, ensuring the continuation of care by primary care providers, as well as other medical providers as needed;
- *Neighborhood Properties, Inc. - First Avenue*, a permanent supportive housing project that will continue to serve 12 young individuals with severe and persistent mental illness re-entering the community from the criminal justice system;
- *Neighborhood Properties, Inc. - Families with Mental Illness*, a permanent supportive housing project that will continue to serve 24 families with an adult head of household suffering from mental illness;
- *Neighborhood Properties, Inc. - Fresh Start*, a permanent supportive housing project that will continue to serve 12 families with a young adult mother who is head of household suffering from co-occurring disorder (mental-illness and substance abuse);
- *Neighborhood Properties, Inc. - Haven*, a permanent supportive housing project that will continue to provide housing with support services for homeless, mentally ill single adults in the form of a 12 furnished one-bedroom apartments contained in a single apartment building;
- *Neighborhood Properties, Inc. - Housing First*, a permanent supportive housing that will continue to serve 21 homeless, mentally ill single adults with a severe and persistent mental illness housed in furnished one-bedroom apartments contained in scattered apartment buildings;
- *Neighborhood Properties, Inc. - Families with Mental Illness Expansion*, a permanent supportive housing project that will continue to serve 12 families with a single mother head of household diagnosed with severe persistent mental illness;
- *Neighborhood Properties, Inc. - Road to Recovery*, a transitional housing project in the form of 17 furnished one-bedroom apartments contained in a single apartment building that will continue to provide housing and services for homeless, single adult substance abusers coming from the streets, shelters, and treatment centers who lack a sober supportive living environment;
- *St. Paul's Community Center - Dwelling Place*, a transitional housing project that will continue to provide 12 units of housing with support services for adults who have experienced severe and persistent mental illness.

### **Federal Emergency Management Agency (FEMA) Phase 28 - \$396,199**

The Emergency Food and Shelter Board of Lucas County acts as administrator for this federal grant, which assists to supplement and expand the work of local emergency shelters, soup kitchens, and food banks. The funds are limited to program expenditures for food, served meals, shelter (either in a mass-sheltering facility or a motel/hotel), rent/mortgage assistance, and utility assistance. Award amounts are: other food - \$69,840; mass shelter - \$71,472; rent/mortgage assistance - \$31,901; utility assistance - \$121,678, and served meals - \$93,384. The 2010-2011 allocations represent a decrease of \$34,737 from the past program year.

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## **Section 8 Rental Voucher Program - \$20,000,000 estimated**

This program assists very low-income families in leasing privately owned decent, safe, and sanitary rental housing.

HUD enters into contracts with local public housing agencies (PHAs), such as Lucas Metropolitan Housing Authority (LMHA), to administer the program. The PHA issues rental vouchers to eligible, very low-income families and the families are free to locate suitable rental units that meet their needs. The PHA makes assistance payments to the private owners who lease their rental units to the eligible families. The assistance payment makes up the difference between what a very low-income family can afford and the approved rent for the dwelling. Rental units leased under this program must meet HUD housing quality standards. In selecting applicants for assistance, LMHA gives preference to families, the elderly, handicapped persons, and disabled persons who are not currently receiving rental assistance.

## **Section 8 Rental Voucher Program (Project Based) - \$3,000,000 estimated**

A PHA may choose to use up to 15 percent of its voucher assistance to implement a project-based voucher program. This component of the program encourages owners to construct, or rehabilitate rental housing for very low-income families at rents within the HUD-established, fair-market rents for the area. The assistance is tied to specific units pursuant to a contract with the owner for a defined term, usually two to five years. LMHA currently has one property (Lakewood Senior Housing) participating in this program. Two to three more service providers are eligible to receive project-based vouchers if funding becomes available.

## **Section 8 Moderate Rehabilitation Program - \$300,000 estimated**

Assists very low-income families in obtaining decent, safe, and sanitary housing in privately owned, rehabilitated buildings. Public housing agencies (PHAs) administering this program advertise the availability of funds and select landlords to participate in the program based on a competitive process. Landlords agree to rehabilitate properties to meet certain safety and sanitation standards. PHAs set the rents based on the costs of owning, managing, maintaining, and rehabilitating the property and they must fall within the maximum rents for the area as determined by HUD. HUD is not adding any additional units to this program.

## **Public Housing Modernization & Development - \$5,000,000 (Capital Fund Programs)**

Federal aid is provided directly to local Public Housing Agencies (PHAs) (e.g., LMHA) to develop housing for lower-income families. Local PHAs develop, own, and operate public housing developments. HUD furnishes technical assistance for planning, developing, and managing the projects. Likewise, HUD allocates three types of financial assistance: funding for 100 percent of development costs, annual contributions for operating subsidy, and modernization funds. The PHA may also acquire existing housing, with or without rehabilitation, from the private market. In the period 2010-2011, LMHA plans to demolish obsolete buildings and develop new housing units to replace those units. LMHA expects to retrofit all the remaining LMHA units with energy conservation measures using sustainable building products. This is expected to be financed through Energy Performance Contracts (EPC).

Currently, HUD funds only the HOPE VI program for development. LMHA will apply for a HOPE VI grant again in 2010 should the 2009 application not be approved. LMHA receives Capital Improvement funds annually.

LMHA completed the construction of six new public housing units in 2009.

Over the next two years, LMHA will expend an additional \$6,437,159 that was received under the federal stimulus funds. Sixty (60) percent must be expended by March 17, 2011.

## **Public Housing Operating Subsidy - \$23,000,000 estimated**

Federal dollars are provided to local Public Housing Agencies (PHAs) for project operations. HUD provides additional annual contributions (operating subsidies) required to help PHAs maintain and operate their housing developments, establish operating reserves, and offset operating deficits. LMHA receives operating subsidies annually based on the number and age of housing units, and the occupancy levels maintained during the preceding fiscal year.

## **Section 108 Loan**

Entitlement communities may borrow up to five times their annual entitlement for eligible economic development, public facility, and housing activities. Terms of the loan may not exceed 20 years. Communities may structure agreements such that a development entity provides for repayment. Communities must pledge future entitlement grants as a source of repayment.

## **STATE RESOURCES**

### **Ohio Department of Development (ODOD) - \$708,300**

As part of the national American Recovery and Reinvestment Act (ARRA), the State of Ohio was awarded Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds in the amount of \$26,205,724 to distribute to eligible applicants across the state. Through an application process, the State of Ohio awarded Lucas County an allocation of \$708,300. Lucas County, in undertaking the grant, contracted with the Toledo Lucas County Homelessness Board (TLCHB) to assume administrative oversight of the grant. TLCHB is partnering with the City of Toledo for the provision of financial assistance and services to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized.

### **Home Weatherization Assistance Program (HWAP) - \$4,000,000**

State-sponsored, low-income residential energy-efficiency program administered by Neighborhood Housing Services of Toledo, Inc. (NHS) that reduces low-income households' energy use, creating more affordable housing for those households at or below 150 percent of the federal poverty guidelines. Households receiving assistance through Home Energy Assistance Program, Temporary Assistance for Needy Families, or SSI are also eligible. The primary energy improvement is the elimination of air infiltration, blower-door-guided air leakage reduction, heating system repairs or replacements, and health and safety testing and inspections. The program focuses on reducing heating costs.

### **WarmChoice Weatherization Fund - \$870,000**

Funded through Columbia Gas of Ohio and administered by NHS, the program promotes community awareness of energy conservation through a comprehensive weatherization program. WarmChoice is a free weatherization and energy education program for residential customers in Toledo and the surrounding metropolitan area with the objective of helping low-income energy users save energy and money by reducing household energy consumption. Installing energy conservation measures (such as cook stove replacement, furnace repair/replacement, etc., as applicable), and educating family members on their use of energy are the primary activities to reduce energy consumption.

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## **Community Connections - \$700,000**

Funded through Toledo Edison (FirstEnergy) and administered by NHS, the program provides services to households at 150 percent of poverty line or families of military personnel called to active duty. Services include: wiring replacements and upgrades, roof repairs and replacements; electric heating and cooling system repairs and replacements, refrigerator replacement (if applicable); and weatherization for electrically heated or cooled homes.

## **Ohio Housing Trust Fund - \$402,000**

Flexible state funding source that provides affordable housing opportunities, expands housing services, and improves housing conditions for low-income persons through a wide range of housing activities that include housing development, emergency home repair, handicapped accessibility modification, and services related to housing and homelessness, including homeless prevention. Toledo Community Development Corporation (TCDC) received \$402,000 for its Englewood Senior Housing project, a Low-Income Housing Tax Credit (LIHTC) project, which will provide 38 housing units.

## **Ohio Housing Finance Agency (OHFA) - \$45,000**

Offers affordable housing opportunities, from rental assistance to homeownership, and provides access to financial resources. NHS will access Foreclosure Rescue Loans, provided as deferred payment options of up to \$5,000, depending upon monthly payment. This opportunity is offered to families at or below 115 percent AMI. A household's monthly budget must show sustainability to be eligible for a loan provision.

## **Ohio Assistance Grant Program - \$400,000**

NHS will also access funds under this program for emergency home repairs and handicapped accessibility modifications for individuals whose income is 35 percent AMI and below. NHS anticipates providing 100 households with improvements within the next two years.

## **Ohio Housing Development Assistance Program (HDAP) - \$300,000**

Offers affordable housing opportunities through the provision of construction costs to local developers to support projects. Continuing into the 2010 program year, United North Corporation (formerly NRDC and LDC) will receive additional funds to assist in the continued construction of 24 housing units as part of the New Schools, New Neighborhoods (NSNN) project around Chase and Sherman schools.

## **Ryan White Funds - \$312,902**

This program focuses on improving the quality and availability of care, quality of life, and independent living for Persons Living With HIV/AIDS (PLWHAs). Emergency assistance is provided for those most in need, including low-income, uninsured, and underinsured individuals and their families. Case managers work with the client to develop individualized plans to optimize access to the community's continuum of care, including supportive services, primary healthcare (including medical and dental care), federal/state program enrollment, medications, housing/utility assistance, treatment adherence, and risk reduction counseling.

## **Housing Opportunities for Persons With AIDS (HOPWA) - \$145,898**

This source provides funds to promote long-term comprehensive strategies for meeting the housing and supportive service needs for persons with AIDS or HIV-related diseases. AIDS Resource Center Ohio (ARC) utilizes this funding source for housing-related assistance for clients. This program helps PLWHAs and their families increase their ability to maintain safe, affordable housing. Case managers assist clients by providing housing information and linkage; rent/mortgage/utility financial aid; homelessness prevention; and development of individualized plans to obtain and retain permanent housing.

## LOCAL RESOURCES

### **Toledo-Lucas County Housing Fund (TLCHF) - \$260,600**

The purpose of the Toledo-Lucas County Housing Fund (TLCHB) is to promote stable housing within the community and support the need for flexible resources by which to address various housing endeavors. The organization, which manages its own finances, formerly was housed under the City of Toledo until 2007, when it became countywide. The TLCHF operates with three goals:

- Securing a broad-based, dedicated and locally regulated source of consistent revenue
- Providing alternative financial resources for housing development and preservation
- Seeking and building continued relationships with local jurisdictions for the development of broad-reaching policies, plans, and development activities that further TLCHF's vision.

TLCHF has encumbered funds to the following projects for 2010: Home Accessibility Program (Ability Center of Greater Toledo), emergency home-repair program (United North Corp.), tax foreclosure assistance (NODA & NHS), and an owner-occupied housing rehabilitation program (TCDC & FNV).

### **Local Initiatives Support Corporation (LISC) - \$500,000**

The Toledo Local Initiatives Support Corporation (LISC) receives operating and program funds to support local efforts. Program funds are awarded through a competitive process with funds provided directly to nonprofit agencies, minus a small administrative fee. LISC promotes the Sustainable Community of Choice strategy locally.

For the 2010-2011 program year, LISC may be able to underwrite one or two projects in addition to making additional small grants during the program year. Early in 2011, LISC will invite proposals for further implementation of the Sustainable Communities of Choice strategy. LISC will also begin implementing a grassroots community leadership development initiative in late 2010/early 2011.

LISC is actively engaged with a number of initiatives focused on vacant properties and foreclosures, including the City of Toledo's NSP efforts. LISC has and will continue to provide grant and consulting support for NSP efforts during the 2010 program year.

LISC remains active with the following entities:

- Toledo/Lucas County Housing Fund
- Lucas Metropolitan Housing Board of Commissioners
- New Schools New Neighborhoods
- United North Planning Committee
- La Onda Planning
- Adelante Development Committee
- Dorr Street Collaboration
- Cherry Street Planning Committee
- Connecting the Pieces
- Cherry-Bancroft-Summit Corridor Coalition
- City of Toledo, EDL Program
- NODA Loan Committee

# 2010-2011 ONE-YEAR ACTION PLAN

## ACTIVITIES TO BE UNDERTAKEN

As discussed in the 5-Year Consolidated Plan section of this document, the goals and strategies for the City of Toledo, both operational and programmatic, are based upon recommendations from citizen input and local studies.

### PRIORITY OPERATIONAL GOALS

Changes within the city's infrastructure, including diminishing local resources, a declining population (which also translates to a declining tax base and decreased revenue), and one of the highest foreclosure rates in Ohio, have forced the city to rethink its process for undertaking and measuring project success. The focus must entail a larger shift to concentrated and coordinated efforts that produce positive, measurable results.

These efforts also entail that the City of Toledo utilize 11 initiatives, as recommended by the community, in undertaking goals. They include:

1. Improve Coordination and Collaboration of Community Services - Coordination is critical at three levels: a) the city's continued efforts to work collaboratively with private/nonprofit entities; b) all city departments, as applicable, working in coordination to assist in nonprofit initiatives; and c) the encouragement of nonprofit entities to establish strategic alliances.
2. Strengthen the Delivery Systems for Rebuilding Neighborhoods - An assessment of CDCs to determine potential for long-term sustainability and engagement in training efforts to improve agency capability.
3. Support and Provide Funding for Community Planning - A framework for private and public investment, including capital improvement, to be established that promotes holistic revitalization strategies that include social, physical, and economic improvements.
4. End Homelessness - Continued focus on the four major goals of the Community Alliances and Strategic Efforts (CASE) Plan to Prevent, Reduce, and End Homelessness in Toledo and Lucas County, Ohio. They are: a) Homeless Prevention; b) Coordinated homeless services; c) Sufficient affordable housing; and d) Community engagement, coordination, and oversight.
5. Enhance the City's Economic Development Role - Emphasis to be placed on working in a regional context in partnership with other local economic entities. Emphasis to include small business retention and attraction, the enhancement of the downtown district, and the revitalization of neighborhood business districts.
6. Enhance Resources to Achieve Housing Goals - Utilization of and access to state and federal resources for additional housing funding opportunities. Also, an enhancement of the participation of private developers to induce stabilization and improvement in the housing stock market, and create a synergy of coordinated market-rate housing and/or commercial development that supports a targeted neighborhood.
7. Improve Customer Satisfaction – In accessing housing services, customer satisfaction surveys are to be promoted to ensure respectful resolution to applications for assistance.
8. Simplify Processes for Residents and Organizations to Receive Assistance - Improve process for providing information for individuals and agencies seeking financial and/or technical assistance.
9. Disperse Affordable Housing - Target public and private investment (local lenders, other partners) to attract additional investment for affordable housing and creating diverse neighborhoods.
10. Affirmatively Furthering Fair Housing - All persons shall be ensured of equal access to the housing of their choice in an area of their choice.
11. Target Resources for Impact – To maximize the impact of accessed resources, select neighborhoods will receive project funding, encouraging additional investment.

For the 2010-2011 program year, the City of Toledo, faced with burgeoning unemployment and increased household foreclosures, has prioritized goals according to community need taking into consideration whether the goal is a critical need and/or an emerging issue (i.e. foreclosure).

Using the operational goals as references, objectives have been established according to ranking within each category according to high, medium, lower, or lowest priority.

## PRIORITY PROGRAM GOALS

### 1. Improve Housing Conditions

A. Rehabilitate/repair owner-occupied deteriorated housing				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Rehab owner-occupied housing units ( <b>Decent Housing</b> )	55 housing units	Improve the quality of owner-occupied housing stock to existing building codes by 5 percent ( <b>Sustainability</b> )	DON, in partnership with United North Corp., ONYX, VIVA South Toledo CDC, TCDC	LISC, NODA, owner contributions
Rehabilitation Collaboration Program designed to correct moisture, ventilation, and electrical problems allowing weatherization projects to progress, promoting energy efficiency ( <b>Decent Housing</b> )	28 housing units	Increase economic efficiency by lowering operating costs, fostering energy independence, and providing discretionary income ( <b>Sustainability</b> )	EOPA, NHS, ONYX, ETFC	CDBG-R, owner contributions
Provision of repairs to the exterior residential structures of owner-occupied homes in targeted neighborhoods ( <b>Decent Housing</b> )	11 housing units	Increase economic efficiency by lowering operating costs, fostering energy independence, and providing discretionary income ( <b>Sustainability</b> )	EOPA, NHS, ONYX, TCDC, VIVA South Toledo CDC, community churches, local nonprofit groups	CDBG-R
Provision of grants for emergency home repairs to senior citizens and/or those income-eligible households ( <b>Decent Housing</b> )	TBD	Improve the quality of owner-occupied housing units/sustain housing for owners ( <b>Sustainability</b> )	TBD	CDBG

# 2010-2011 ONE-YEAR ACTION PLAN

B. Rental rehabilitation and repairs				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Provision of repairs to exterior residential structures of homes owned by LMI property owners where rental property is occupied by LMI household in targeted neighborhoods <b>(Decent Housing)</b>	3 housing units	Increase economic efficiency by lowering operating costs, fostering energy independence, and providing discretionary income <b>(Sustainability)</b>	EOPA, NHS, ONYX, TCDC, VIVA South Toledo CDC, community churches, local nonprofit groups	CDBG-R
Rehabilitation of rental units in single-family structures (1 to 4 residential units in a structure) for property owners for units occupied by LMI households <b>(Decent Housing)</b>	6 housing units	Increase neighborhood stability <b>(Sustainability)</b>	FNV, NHS, ONYX, TCDC, VIVA South Toledo CDC	CDBG-R, owner contribution
Rehabilitation of vacant, subsidized housing units to increase availability of operable housing stock for LMI households <b>(Decent Housing)</b>	30 housing units	Increase neighborhood stability within targeted areas <b>(Sustainability)</b>	TBD	CDBG, CDBG-R

C. Home maintenance education				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Provision of housing maintenance seminars promoting the preservation of homeownership by residents <b>(Decent Housing)</b>	40 households	Preservation of owner-occupied housing units through education <b>(Sustainability)</b>	FNV, NHS	HOME

D. Demolish abandoned houses and other structures				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Conduct demolition to eliminate blighting influences on neighborhoods <b>(Suitable Living Environment)</b>	300 housing units	Reduction of blight through encouragement of rebuilds on vacant lots by 10 percent <b>(Sustainability)</b>	Streets, Bridges & Harbor division of the City of Toledo, Toledo Municipal Court, community groups	CDBG, general fund
Demolition of unsafe structures, primarily within central city neighborhoods: La Onda, Dorr Street Corridor <b>(Suitable Living Environment)</b>	55 housing units	Facilitation of safe and suitable living environments within targeted neighborhoods <b>(Sustainability)</b>	CDCs, for-profit organizations	NSP

E. Housing code enforcement and nuisance abatement				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Active enforcement of housing and zoning codes, and the abatement of nuisances through diligent inspection/monitoring of properties <b>(Suitable Living Environment)</b>	7,275 persons	Increase in City of Toledo code compliance by 20 percent <b>(Sustainability)</b>	DON's Code Enforcement/ Nuisance Abatement division, Toledo Municipal Court, community groups	CDBG
Eliminate public health nuisances through enforcement of housing codes addressing rodent activity and rodent harborage <b>(Suitable Living Environment)</b>	1,300 housing units	<b>(Sustainability)</b>	Lucas County Regional Health District	CDBG

# 2010-2011 ONE-YEAR ACTION PLAN

## 2. Public Service (Social/Human Programs)

A. Promote educational enrichment and life-skills programs				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

B. Soup kitchens and feeding programs				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Provide food services, specifically, grocery items, food supplements, and food boxes to low-income and homeless families, providing savings to family budgets <b>(Suitable Living Environment)</b>	6,949 persons	Provide an average savings annually to households for utilization of housing and utility expenses <b>(Availability/Accessibility)</b>	Martin Luther King Kitchen for the Poor (500), Helping Hands of St. Louis (2,000), Toledo Seagate FoodBank (4,449)	CDBG
Provision of hot meals to homeless and impoverished individuals <b>(Suitable Living Environment)</b>	1,275 persons	Decrease episodes of hunger by providing nutritious meals to the city's homeless population <b>(Availability/Accessibility)</b>	St. Paul's Community Center	CDBG

C. Enhance access to health services, including early childcare				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Provide quality healthcare and preventative healthcare services to LMI-eligible households, including children <b>(Suitable Living Environment)</b>	4,500 persons assisted with access to a service	Decrease in illnesses by percentage through the improvement of access to healthcare services <b>(Availability/Accessibility)</b>	Neighborhood Health Association	CDBG, HHS

D. Legal assistance for housing/landlord tenant relations				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Provision of brief and comprehensive legal representation to persons at risk of homelessness, thus promoting family stabilization <b>(Suitable Living Environment)</b>	20 persons assisted with access to a service	90 percent of persons assisted will secure and/or preserve access to safe, affordable housing <b>(Availability/Accessibility)</b>	Legal Aid of Western Ohio (180), Advocates for Basic Legal Equality (100)	CDBG, HPRP, ODOB

### 3. City Infrastructure

A. Address growing flood and drainage issues in low- to moderate-income areas				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

# 2010-2011 ONE-YEAR ACTION PLAN

B. Replace old sewer, water, and gas lines in low- to moderate-income areas				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

C. Upgrade/replace street lights				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

## 4. Eliminate Homelessness

A. Permanent Supportive Housing (single-room occupancy apartments; housing for returning veterans; housing for re-entry of ex-offenders; housing for exiting institutionalized individuals; housing for foster kids reaching age of 18; housing for indigent patients leaving hospitals; housing for homeless families with children; and housing domestic violence victims.				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Provision of safe, scattered-site permanent housing to families ( <b>Decent Housing</b> )	85 persons assisted with new access to a service	77 percent will remain in permanent housing for at least six months ( <b>Sustainability</b> )	FOCUS	CDBG, SHP

B. Homeless Prevention				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Provision of direct financial assistance for individuals and families at risk of homelessness due to economic, short-term factors <b>(Suitable Living Environment)</b>	206 households	<b>Availability/Accessibility</b>	Aurora Project (10), Bethany House (4), NAOMI (8), Beach House (23), LaPosada (21), Family House (27), Family Promise of Greater Toledo (8), YWCA of Greater Toledo (5), Toledo Area Ministries (50), EOPA (50)	ESG, HPRP, ODOD

C. Supportive Services				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Provision of case management and direct financial assistance to special-needs population (persons with HIV/AIDS) to promote maintenance of permanent residence <b>(Suitable Living Environment)</b>	440 person assisted with new access to a service	<b>Availability/Accessibility</b>	AIDS Resource Center of Ohio	CDBG

# 2010-2011 ONE-YEAR ACTION PLAN

D. Transitional/temporary/emergency shelters				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Provision of safe, temporary emergency shelter or transitional facilities to individuals and families with stabilization efforts designed to promote permanent housing placement <b>(Suitable Living Environment)</b>	Shelter: 2,877 homeless persons given overnight shelter	57 percent of persons exiting the program will obtain transitional or permanent housing <b>(Availability/Accessibility)</b>	Shelters: Beach House (220), Catholic Charities LaPosada (122), Family House (730), Family Promise (63), St. Paul's Community Center (430), YWCA of Greater Toledo (475)	CDBG, ESG
	Transitional Facilities: 182 homeless persons given overnight shelter	71 percent of persons exiting the program will obtain and maintain permanent housing for at least six months <b>(Availability/Accessibility)</b>	Transitional Facilities: Aurora Project (70), Bethany House (71), Harbor House (30), NAOMI Transitional Housing (11)	CDBG, ESG, SHP,

## 5. Economic Development – Job Creation

A. Educate and retrain workforce with needed job skills				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Create vital, sustainable neighborhoods through education and job training in targeted neighborhoods <b>(Creating Economic Opportunity)</b>	15 persons	Percent of persons who obtain jobs <b>(Accessibility/Availability)</b>	United North Corp.	CDBG

B. Technical/financial assistance to small businesses to create and retain jobs				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Create viable sustainable neighborhoods with mixed-use districts within targeted service areas through technical assistance for commercial businesses <b>(Creating Economic Opportunity)</b>	22 businesses assisted	<b>(Sustainability)</b>	NHS (6), ONYX (6), United North (10)	CDBG
Process applications appropriate to City of Toledo Subdivision Rules/Regulations and the Toledo 20/20 Comprehensive Plan, including rezoning studies, detailed development plans and assistance to neighborhood groups <b>(Suitable Living Environment)</b>	10 organizations	<b>(Sustainability)</b>	Toledo-Lucas County Plan Commission	CDBG

C. Secure new capital investment				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Incentive programs such as EDL, NEDL, will be enhanced to promote retention and creation of businesses within the city <b>(Creating Economic Opportunity)</b>	4 businesses	<b>(Sustainability)</b>	Department of Development	CDBG

# 2010-2011 ONE-YEAR ACTION PLAN

D. Develop urban agriculture/vertical gardens				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Provide resources, educational opportunities and ongoing support to citizens in targeted neighborhoods to convert blighted vacant lots into community gardens <b>(Suitable Living Environment)</b>	75 persons assisted with new access to a service	Number of LMI persons in targeted areas that benefit from gardens <b>(Availability/Accessibility)</b>	Toledo GROWS	CDBG

E. Develop business incubators				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

## 6. Enhance Housing Choice

A. ADA accessibility, including helping seniors stay in place				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Housing accessibility modifications including the construction of ramps, low rise steps, handrails, porch lifts and bathroom modifications to accommodate special-needs populations, including seniors <b>(Suitable Living Environment)</b>	14 housing units	90 percent of persons assisted will increase their independent living status <b>(Availability/Accessibility)</b>	Ability Center of Greater Toledo	CDBG
New construction and lease agreements for senior-only rental apartment units to promote neighborhoods stability (year 2 of 2) <b>(Decent Housing)</b>	38 housing units	<b>(Availability/Accessibility)</b>	TCDC	CDBG

B. Improve outreach of housing programs and services				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

# 2010-2011 ONE-YEAR ACTION PLAN

C. Fair Housing				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Ensure that residents, regardless of income, shall have housing choices regardless of race, color, religion, gender, sexual orientation, familial status, national origin, disability, or military status through the investigation of fair housing complaints <b>(Suitable Living Environment)</b>	112 persons	25 percent of open discrimination cases will be resolved <b>(Sustainability)</b>	Fair Housing Center	CDBG
Affirmatively market and promote targeted neighborhoods, educating the community on the need for fair housing choice, thus ensuring that persons have continued/ varied choices for place of residence <b>(Suitable Living Environment)</b>	1 neighborhood tour	TBD <b>(Sustainability)</b>	Fair Housing Center	CDBG
Monitoring of settlement agreements, based on previous housing discrimination complaints, for continued compliance <b>(Suitable Living Environment)</b>	5 settlement agreements	75 percent of settlements monitored will remain compliant <b>(Sustainability)</b>	Fair Housing Center	CDBG

## 7. Improve Housing Affordability

A. Foreclosure Prevention				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Education, case management, and fund disbursement for short-term mortgage assistance ensuring that participants avoid foreclosure <b>(Suitable Living Environment)</b>	100 persons	<b>(Sustainability)</b>	Fair Housing Center	CDBG-R
Subsistence payments through foreclosure intervention for at-risk consumers through education, counseling and applicable financial services <b>(Decent Housing)</b>	15 households	<b>(Affordability)</b>	Neighborhood Housing Services (NHS)	

B. Rental Assistance				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Promote affordable rental housing through the use of tenant-based rental assistance <b>(Decent Housing)</b>	115 housing units	Increase existing rental unit occupancy for LMI individuals <b>(Affordability)</b>	YWCA of Greater Toledo, LMHA	HOME, tenant contributions, LMHA

# 2010-2011 ONE-YEAR ACTION PLAN

C. Homebuyer assistance				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Acquisition and rehabilitation of foreclosed properties to provide affordable, safe, and decent homes for households at or below 120 percent AMI through down-payment assistance ( <b>Decent Housing</b> )	10 households	<b>(Affordability)</b>	CDCs, for-profit organizations	NSP
Acquisition and rehabilitation of housing units for resale to LMI household, including down payment assistance ( <b>Decent Housing</b> )	9 housing units	The value of the homes rehabbed and sold will be increased by 60%.	FNV (6), United North Corp. (3)	CDBG
Education and counseling, leading to the provision of loans to LMI homebuyers ( <b>Decent Housing</b> )	18 households	Increase eligibility for homeownership ( <b>Affordability</b> )	NHS	CDBG
Provision of homeownership counseling and financial management services to LMI, limited English Proficient (LEP) individuals through a housing outreach initiative ( <b>Decent Housing</b> )	34 persons	Increase in percent of persons who will become homeowners ( <b>Availability/Accessibility</b> )	Adelante, Inc.	CDBG

D. Assist mobile home residents purchase their units				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

## 8. Improve Neighborhood Conditions

A. Vacant lot improvements				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Enhance quality of life through the purchase and conversion of properties into green space, public facilities, and/or other uses designed to promote a safe, clean, suitable living environment <b>(Suitable Living Environment)</b>	8 parcels/units	<b>(Sustainability)</b>	HUD-certified Housing Counseling agencies	NSP

B. Eliminate lead hazards				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Integrate lead-hazard controls into all housing rehabilitation projects initiated by the City of Toledo <b>(Suitable Living Environment)</b>	110 housing units	Decrease lead-based paint hazards in City of Toledo housing stock by five percent <b>(Sustainability)</b>	TLCHD, Catholic Charities, FNV, LMHA, NHS	HOME, HUD Lead Grant

# 2010-2011 ONE-YEAR ACTION PLAN

C. Green technology such as community gardens, rain gardens, alternative energy systems, LEED Certification				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

D. Environmentally clean Brownfield sites				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

E. Rodent abatement				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Reduce the number of sites with concentrated rodent infestation through placement of rodenticide at demolition sites <b>(Suitable Living Environment)</b>	300 units in a geographically targeted revitalization effort: slum/blight	Reduction of blight through encouragement of rebuilds on vacant lots and an increase in concentrated areas free from rodent infestation <b>(Sustainability)</b>	TBD	CDBG

## 9. Enhance Neighborhood Business Districts

A. Financial incentives to retain existing and to recruit new businesses				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

B. Infrastructure & streetscape improvements (curbs, street resurfacing, sidewalks, lighting)				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

## 10. Transportation Issues

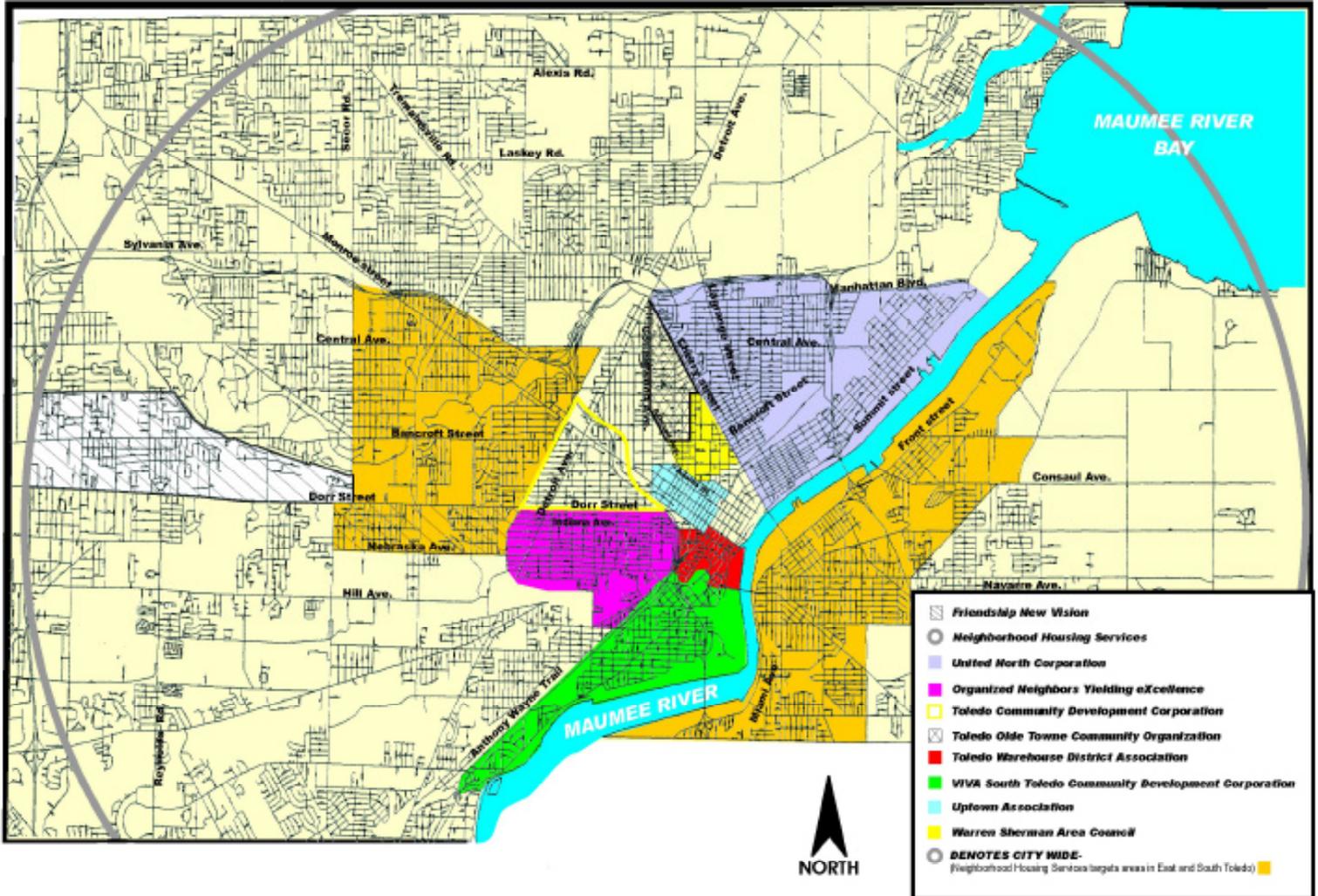
A. Improve streets, roads, and sidewalks				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Federal funds were not allocated for the 2010 program year.				

## 11. Enhance Downtown and Warehouse Districts

A. Expand façade program				
Objectives	Outcome Indicator	Outcomes	Partners	Supporting Funding Sources
Targeted commercial neighborhood improvement utilizing façade grants for concentrated enhancement <b>(Creating Economic Opportunities)</b>	5 businesses assisted	Increase in job retention/creation within the downtown district <b>(Sustainability)</b>	Uptown Association, Inc.	CDBG

# 2010-2011 ONE-YEAR ACTION PLAN

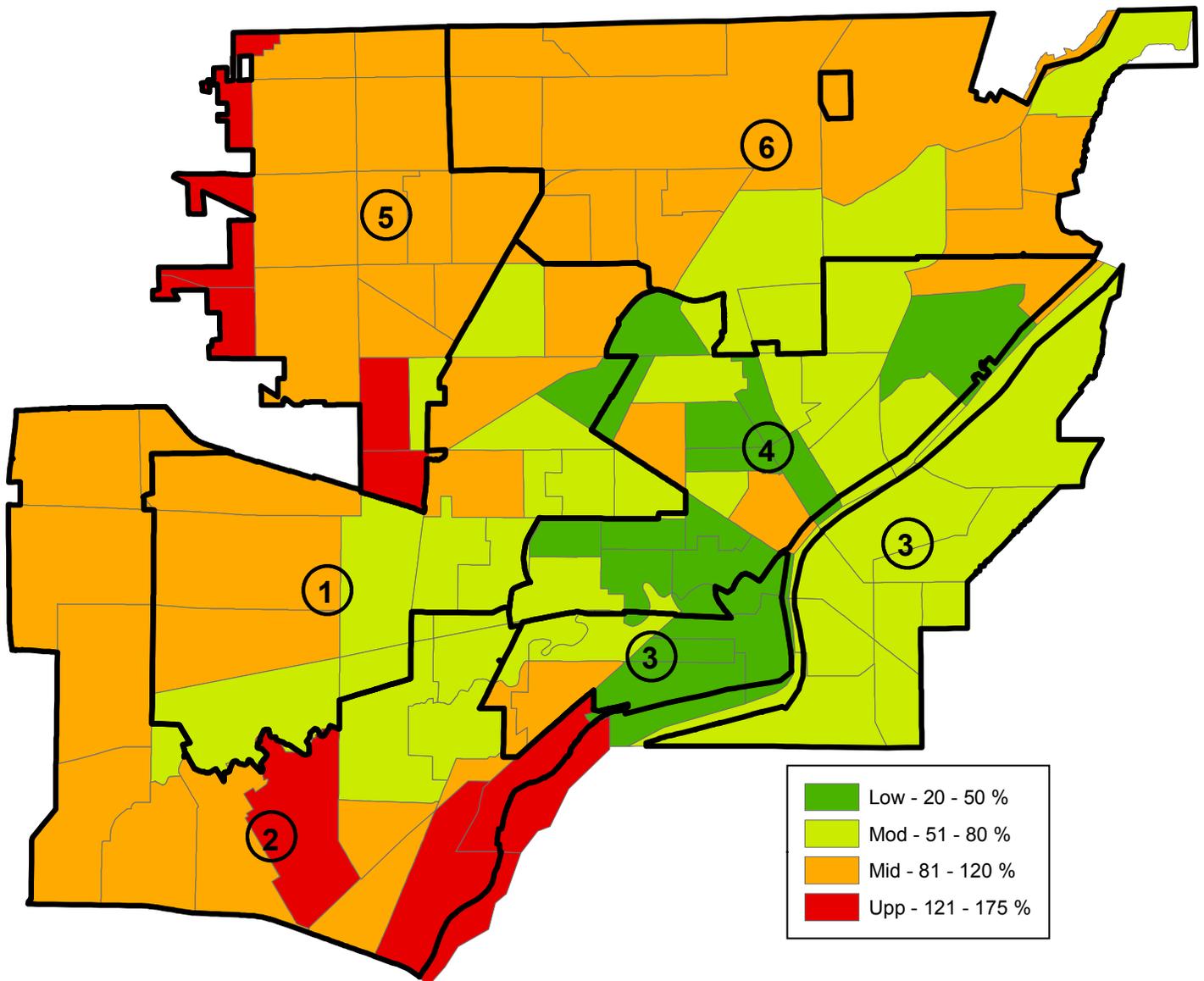
## CDCs in the City of Toledo 2010



# City of Toledo

Consolidated Plan FY2010-2015

Percent Median Family Income by Council District 2009



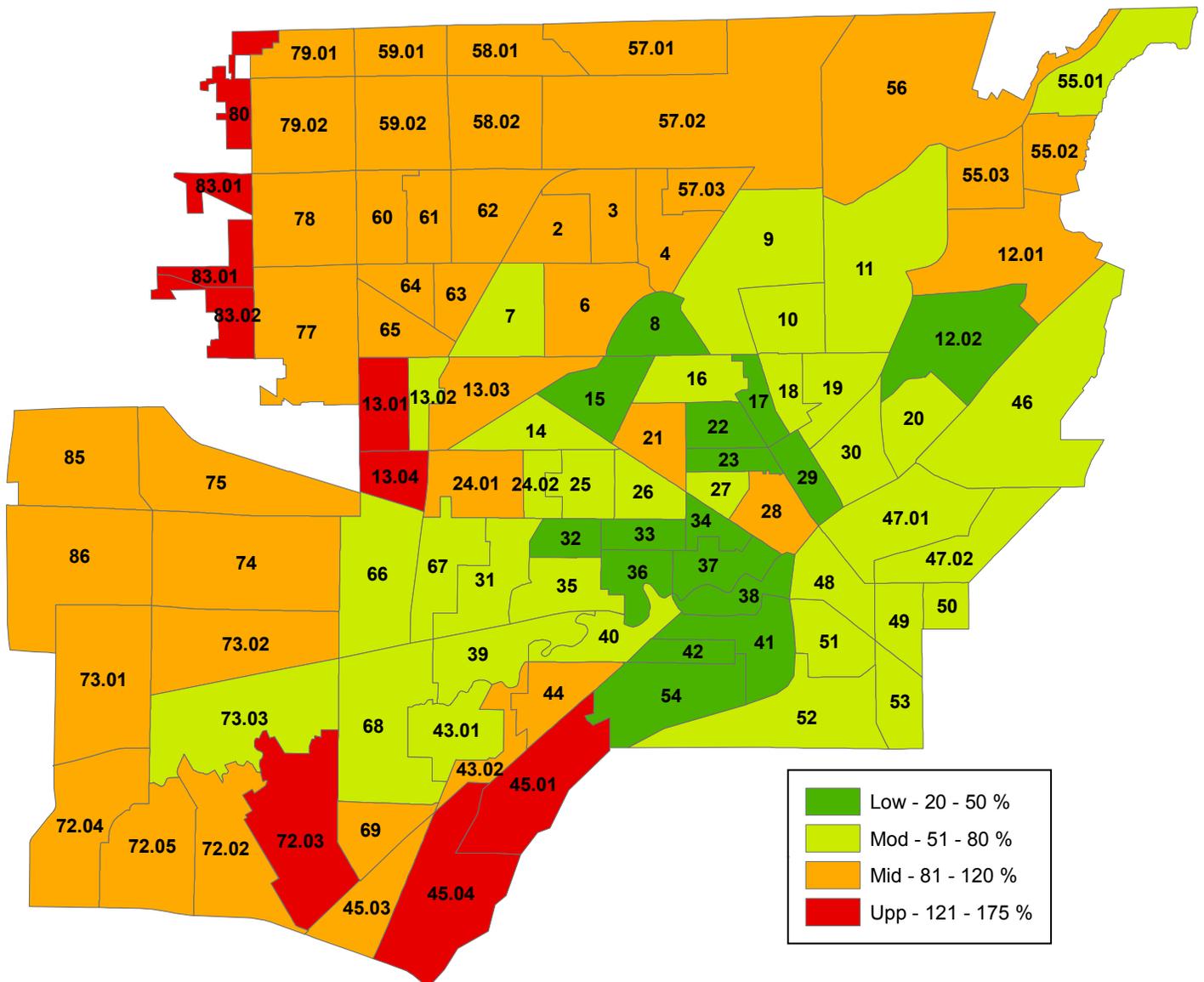
Data Source: FFIEC Census and HUD Estimated MSA/MD Median Family Incomes for 2009 CRA/HMDA Reports

Produced by: Toledo Lucas County Plan Commissions 3/10



# 2010-2011 ONE-YEAR ACTION PLAN

**Percent Median Family Income by Census Tract 2009**



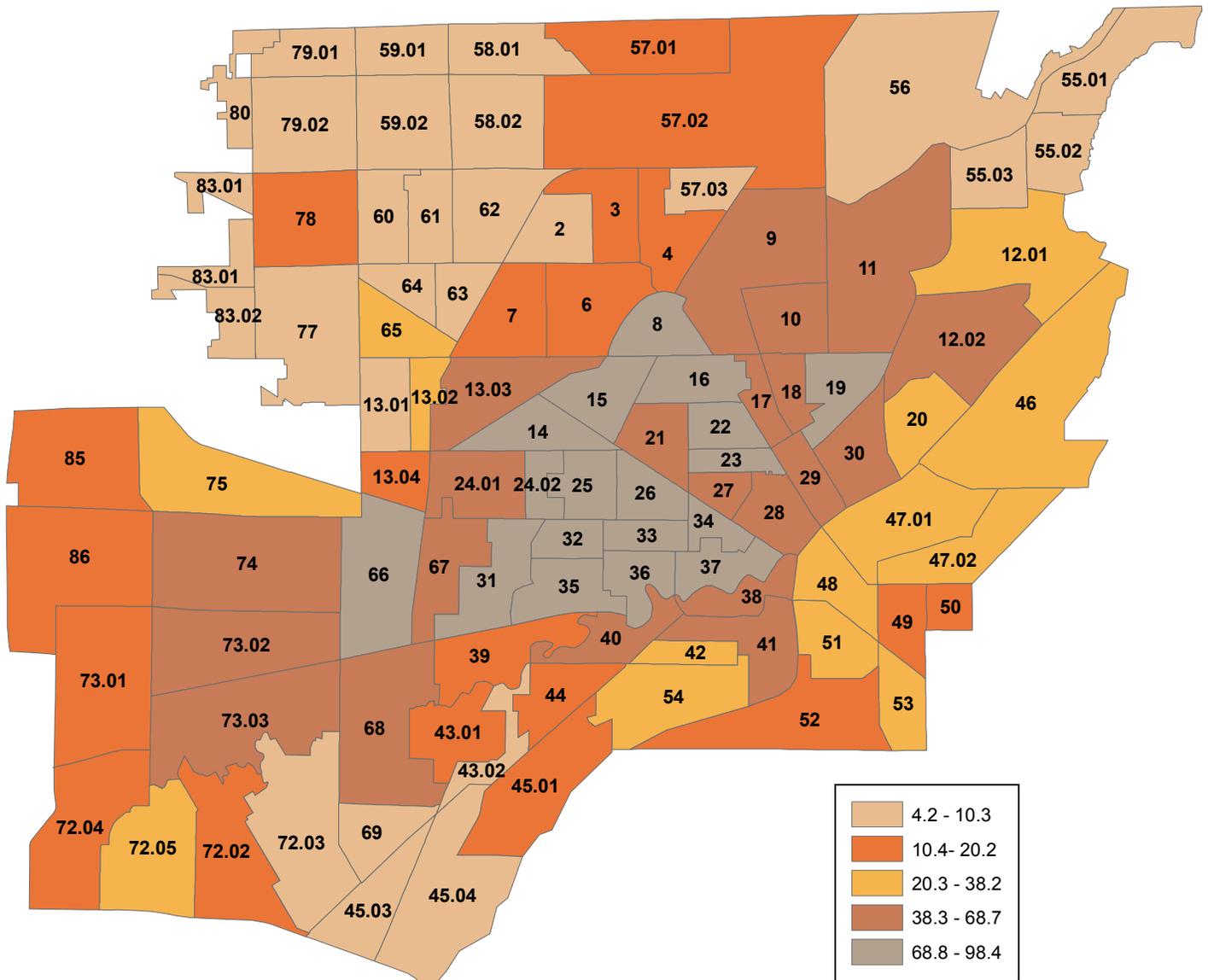
Data Source: FFIEC Census and HUD Estimated MSA/MD Median Family Incomes for 2009 CRA/HMDA Reports

Produced by: Toledo Lucas County Plan Commissions 3/10

# City of Toledo

Consolidated Plan FY2010-2015

**Percent Minority Population by Census Tract 2009**



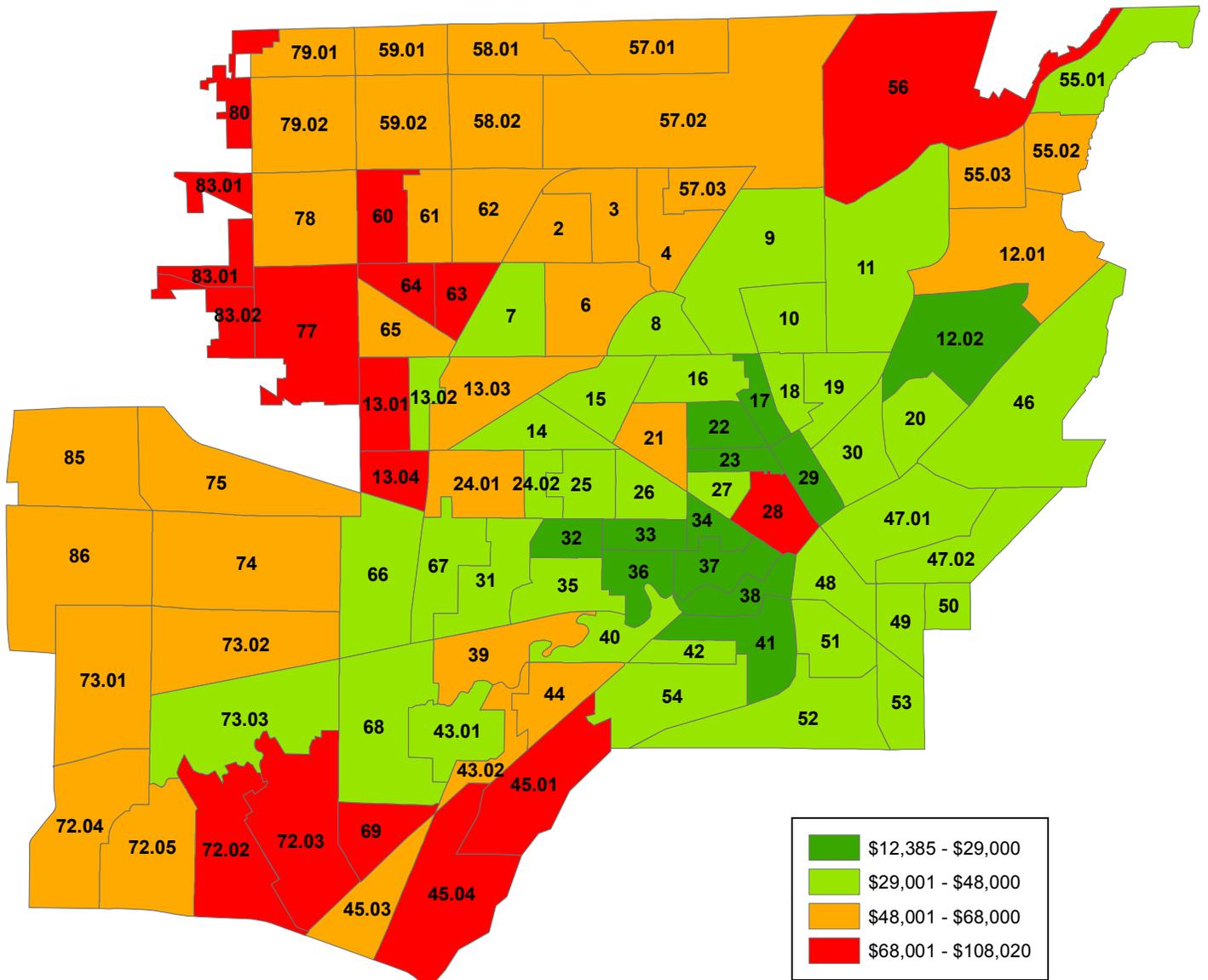
Data Source: FFIEC Census and HUD Estimated MSA/MD Median Family Incomes for 2009 CRA/HMDA Reports

Produced by: Toledo Lucas County Plan Commissions



# 2010-2011 ONE-YEAR ACTION PLAN

**Median Household Income by Census Tract 2009**



Data Source: FFIEC Census and HUD Estimated MSA/MD Median Family Incomes for 2009 CRA/HMDA Reports

Produced by: Toledo Lucas County Plan Commissions

## GENERAL STRATEGY TO MEET UNDERSERVED NEEDS

### Obstacles to Meeting Underserved Needs

The Fair Housing Center obtained information concerning foreclosure filings in the area. The data originates from both the Neighborhood Stabilization Program data files from HUD and the Foreclosure Growth in Ohio 2008 and 2009 Reports by Policy Matters Ohio. The previous Analysis of Impediments (2005) utilized detailed information collected manually with the help of the Lucas County Clerk's Office. This data covered the time period ranging from 1998 to 2004 and contained elements such as the name and address of the plaintiff, the name and address of the defendant, and interest rate information. For the year 2003, when the information in the foreclosure file made it available, the Center also collected information regarding the terms and provisions of the loans, the loan origination date, and the foreclosure filing date, along with other data.

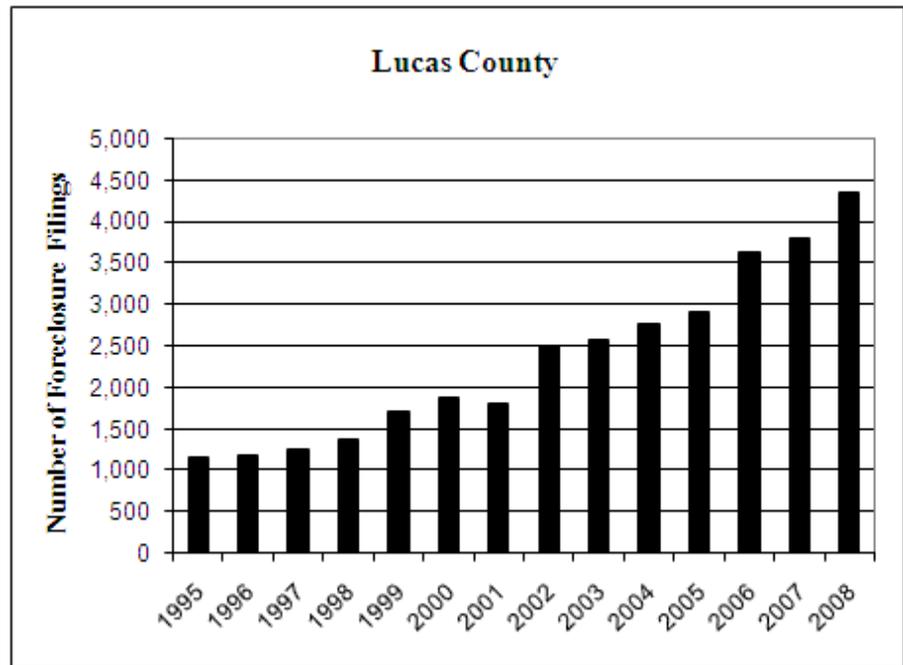
Lucas County, in a fashion similar to that observed throughout the state and the nation, has been experiencing consistently substantial numbers of foreclosures filed each year. Like other major urban counties throughout Ohio, a disproportionate majority of the foreclosures in Lucas County were being filed within the City of Toledo, with even more severe concentrations tending to occur in central city neighborhoods. Nevertheless, foreclosures and their attendant issues are no longer so narrowly confined. As the Save the Dream (Ohio's Foreclosure Prevention Effort) 2009 Report notes in its introductory remarks, "It could happen to anyone." The economic downturn and its consequences (e.g. loss of income, lack of employment opportunities, unemployment, inability to obtain financing, etc.) have generated an even more troubling situation over the past 5 years, in which the immense escalation in foreclosure filings had positioned Lucas County as fourth in the state in terms of per capita foreclosure filings for the consecutive years of 2006 and 2007.

In 1995, Lucas County witnessed 1,165 foreclosure filings. In 1998, there were 1,377 foreclosures filed in Lucas County. For 2001, the figure had risen even further, reaching a total of 1,883 foreclosures. By 2002, a near doubling of the 1998 figure was observed, with 2,509 foreclosures being filed, and the trend carried on. In the year 2004, a record 2,766 foreclosures were filed in Lucas County. The record was repeatedly broken over the subsequent years, as the year of 2005 saw 2,903 filings; 3,618 filings were recorded for 2006; and 3,796 new filings originated in 2007. The 4,359 new filings in 2008 moved Lucas County to the ranking of second in per capita foreclosure filings in the state, with only Cuyahoga County having a higher status. Considering the state of Ohio ranks nationally as having the 9<sup>th</sup> highest incidence of foreclosures, such statistics continue to be quite distressing.

The 2008 and 2009 Policy Matters Ohio Reports recognize that the greatest increases in the rate of foreclosures are occurring in the smaller, non-urban Ohio counties. Nevertheless, six of the ten largest urban counties still demonstrated higher growth rates than the state average, and seven of the largest urban counties had higher than state average foreclosure filing rates. Lucas County was among both of these groups, additionally being positioned as the county possessing the highest growth rate of all of Ohio's largest urban counties, at 14.8 percent.

# 2010-2011 ONE-YEAR ACTION PLAN

Year	Lucas Filings
1995	1,165
1996	1,170
1997	1,247
1998	1,377
1999	1,718
2000	1,883
2001	1,807
2002	2,509
2003	2,561
2004	2,766
2005	2,903
2006	3,618
2007	3,796
2008	4,359



Source: Policy Matters Ohio Foreclosure Growth in Ohio 2009 Report

HUD’s model estimates the amount of foreclosures for Toledo, Ohio over the 18-month period encompassing January 1, 2007 to June 2008 to be approximately 5,737. The Ohio Department of Development has identified a portion of Toledo, consisting of 73 census tracts, as one of its Priority Investment Areas to address Inner City Distress. According to HUD’s estimated number of foreclosures for all Lucas County census tracts, the foreclosures in these 73 tracts comprise over 45 percent of total estimated foreclosures in the county. However, the census tracts only make up approximately 34 percent of total mortgages in the county, as represented by the data.

As indicated above, a pattern involving the concentration of foreclosures in Toledo’s central city does remain. Again, this clustering can be linked to the large percentage of non-conventional financing that has occurred within the City as well as the general economic and employment conditions that have further impacted already distressed areas. However, as the foreclosure and economic crises have evolved, the pattern of foreclosures has persisted in its expansion from the central city into adjacent communities. One explanation for this can be attributed to the increased amount of refinances occurring in the sub-prime market. While the Center has previously compiled data regarding the type and level of home purchase loans made in the City of Toledo, there is no data available on the type and level of refinance loans being made. Many of the foreclosures filed are not filed on home purchase loans, but rather, refinance or home equity loans. In many cases, these refinance loans and home equity loans have been made at levels that exceed the borrowers’ ability to pay. Moreover, many of these loans are made in amounts that far exceed the true value of the home’s market value, especially after the negative effects on property values due to the recent economic downturn are taken into consideration. This results in borrowers experiencing the simultaneously detrimental circumstances of becoming over-extended in their debt and not being able to sell their homes; thus, they are left without a means of salvaging their financial situation because they often owe more than the house is worth.

The March 2009 “Interim Report to Congress on the Root Causes of the Foreclosure Crisis” by the U.S. Department of Housing and Urban Development Office of Policy Development and Research incorporates an analysis of trends in mortgage delinquencies and foreclosure starts. Furthermore, it contains a discussion of the academic literature and industry press on the root causes of the current foreclosure crisis, both of which are particularly instructive as regards the factors contributing to the current state of the national as well as local housing markets.

The analysis reveals that the initial rise in foreclosures occurred as a consequence of inherently risky subprime loans, which increasingly comprised a greater proportion of the mortgage market, and the hasty escalation in the rates of foreclosure among these loans. Moreover, the “Alt-A” loan segment of the market soon duplicated this experience, and in both areas of the market, adjustable-rate loans accounted for the fastest growing rates of foreclosure. Nevertheless, the continuing economic downturn of 2008 demonstrated a higher frequency of foreclosures, with the effects even extending to include prime, fixed-rate mortgages.

The literature review portion of the report contains an examination of the causes that scholars from various academic disciplines offer for the crisis. One way the field of economics explains the occurrence of mortgage defaults is through the option-based theory, which positions a homeowner who holds a mortgage contract as having the ability to default on their mortgage and, thus, bequeath the home back to the lenders. In accordance with this theory, the main impetus for default is the ratio of the market value of the house to the amount of outstanding debt. If the value of the mortgage debt becomes significantly greater than the value of the home, relinquishing the home to the lender becomes a more advantageous option for the owner. This theory, although prevalent in economic literature since the 1980s, does not go far enough to describe the current crisis. Certainly, a lack of equity strongly correlates with the rate of foreclosures, but sudden changes in a borrower’s financial situation are far more likely to be the root cause of delinquency, as borrowers rapidly find themselves unable to fulfill all of their debt obligations. As the report notes, these so called “trigger events” commonly include job loss or other income curtailment, health problems, or divorce. As a result, foreclosures are most accurately thought of as being driven by a two-stage process—first a trigger event reduces the borrower’s financial liquidity, then a lack of home equity makes it impossible for the borrower to either sell their home to meet their mortgage obligation or refinance into a mortgage that is affordable given their change in financial circumstances. In this view, a lack of home equity is an important determinant of foreclosures as it precludes other means that borrowers can take to resolve an inability to meet their mortgage obligations, but defaults are most commonly triggered by some other event that makes borrowers financially illiquid (HUD Office of Policy Development and Research viii).

Since the frequency of such “trigger events” has increased and the process discussed above has happened to more and more individuals and families as a result of the economic collapse, perhaps the most notable change in relation to foreclosures that has occurred throughout jurisdictions of various scales is their indiscriminate presence. Foreclosure is no longer an issue relegated strictly to the margins of destitute, inner-city districts. Foreclosure affects all regions of Ohio and homeowners of exceedingly diverse backgrounds. As the 2009 Save the Dream Annual report explains, “Sudden changes in life circumstances such as unexpected medical bills, unemployment or divorce upset the balance of a homeowner’s financial situation and can lead to unmanageable mortgage payments.” The continuation of substantial economic turbulence, of course, only intensifies these circumstances.

In March 2007, as a response to this situation, Governor Ted Strickland established the Foreclosure Prevention Task Force, which issued a report in September 2007 that contained 27 recommendations of ways that the

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state could curtail the foreclosure crisis. The primary suggestion advanced the creation of a public awareness campaign along with the holding of borrower outreach events. The aim of the awareness and outreach efforts was to urge homeowners who are either having difficulty in paying their mortgage payment or who will soon witness the reset of an adjustable rate mortgage to contact their mortgage service holder. To facilitate the process, the Save the Dream campaign was initiated in March of 2008. The state of Ohio remains committed to the campaign and continues working to implement the other recommendations offered in the Task Force's 2007 report.

The observation that foreclosures are becoming far more geographically scattered is further supported by the Economic Opportunity Planning Association of Greater Toledo, Inc.'s 2008 Community Needs Assessment, which demonstrates the magnitude of the foreclosure problem in the City of Toledo as a whole via HUD data, Lucas County Sheriff's Sale records, and information available from RealtyTrac. Additionally, the assessment reveals the highest concentration of foreclosures to be present in the following zip codes: 43605, 43609, and 43608. Responses to the EOPA's survey show 5.26 percent of people as "buying home, in foreclosure" and 7.27 percent to be "buying home, more than 1 month behind on payments." The report also comments on the tendency of unemployment, health issues, and predatory lending practices to more frequently act as contributing factors to the failure of maintaining homeownership.

As illustrated, predatory lending practices still contribute to the increased number of foreclosures. According to reports on surveys by Policy Matters Ohio, sheriffs' offices continue to report predatory lending (and not other economic factors) as a primary, or even the major cause of foreclosures. According to a study conducted by the University of North Carolina, loans with prepayment penalties and balloon note provisions have a higher probability of foreclosure.

The study estimates that a prepayment penalty increases the risk of foreclosure by approximately 20 percent. Balloon note provisions increase the risk of foreclosure by about 46 percent. Policy Matters Ohio conducted an analysis of foreclosures filed with one lender. A random sampling of this lender's foreclosures found a variety of reasons for the reported or stated cause of foreclosures. They were as follows:

- 19 percent - job loss/unemployment
- 17 percent - no contact with loan service holder: unknown cause
- 13 percent - money management/overspending
- 13 percent - divorce/separation
- 11 percent - health crisis
- 6 percent - rental property
- 5 percent - death in family
- 5 percent - borrower deceased
- 3 percent - disability or Worker's Comp
- 3 percent - property taxes, insurance, utility costs
- 3 percent - other
- 1 percent - high cost auto or consumer loan

While this was a random sampling of one lender, this analysis revealed interesting patterns. The leading stated reason for foreclosure was a loss of employment. The second most frequent reason was a breakdown in communication with the lender. Nonetheless, almost 20 percent of the borrowers in this sample were not able to make contact with their lender when they were notified of a foreclosure.

This parallels responses from consumer credit counseling agencies and matches the experience of the FHC. Many times consumers are unaware whom they should contact when they experience a problem with their loan. This is often because loans are sold multiple times and pass through the hands of a number of lenders. Moreover, the originating lender does not service many loans. This can cause confusion for the consumer. Additionally, even when a consumer knows who they should contact (often a loan service holder and not the lender), the consumer cannot make any progress in negotiating a modification or loan remediation plan because the service holder does not have the authority to do this. Furthermore, customer service representatives might be unresponsive or not understand the borrower's dilemma, particularly if the loan is predatory. Finally, many consumers are afraid to contact their lenders or have received poor advice regarding the way they should handle a foreclosure notice.

Decreasing the level of sub-prime and non-conventional lending in the new purchase and refinance markets should have a positive effect on the housing economy and result in a decrease in the number of foreclosures. The delinquency and foreclosure rates in the sub-prime market remain considerably higher than in the conventional or prime market.

According to HMDA data provided in HUD's Neighborhood Stabilization Program data files, 33.1 percent of loans were shown to be high-cost in the Toledo, OH local data area. Such high-cost loans are characterized by their higher interest rates, which HMDA distinguishes to be "at least 3 percentage points above the Treasury security of comparable maturity." As these loans possess markedly higher probabilities of foreclosure risk than loans with lower interest rates, their density is often employed as an indicator of the threat of foreclosures for the locations of observation. Of the 24 local data areas in Ohio examined in the NSP data file, Toledo ranked 12<sup>th</sup>. However, the local areas include both cities and counties (with some cities present along with the counties in which they reside).

According to figures released by the Lucas County Clerk of Courts in February of 2010, foreclosures for January 2010 were 80 percent higher than January 2009 figures. In 1999, foreclosures were around 1,100, but by 2009, they numbered over 4,100. Over the last decade, foreclosures in Lucas County have afflicted over 26,864 homes, with hundreds more moving toward auction and sheriff's sales each month.

These numbers are also detrimental to the city as a whole, as they contribute to a problem that Toledo, in particular, already had struggled with prior to the crisis. As the August 2008 report by The National Vacant Properties Campaign Study Team, "Toledo at the Tipping Point: Strategies for Reclaiming Vacant Properties and Revitalizing Neighborhoods," notes, Toledo is "challenged by a sharply increasing number of foreclosures and a weak housing market. Without aggressive action and political commitment, the number of vacant properties could quickly increase beyond the reach of local programs." The study further observes that a strong correlation exists between rapidly increasing numbers of foreclosures and the long-term vacancy of a greater quantity of properties. Such long-lasting vacancy often signals future, potential abandonment. As Toledo has been experiencing an exceedingly distressing and enduring foreclosure crisis, coupled with a weakening of the housing market, it is especially prone to worsening problems of vacancy and abandonment. For this reason, the foreclosure education and prevention programs of agencies throughout the area are invaluable. Not only do they address the primary issue of foreclosures in Toledo, but they also assist in combating the further aggravation of the problem of vacancy and abandonment, which the City may be unable to effectively address otherwise.

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## FOSTER AND MAINTAIN AFFORDABLE HOUSING

Keeping persons within their own residence, whether they rent or own, remains a priority within the City of Toledo's strategy of fostering and maintaining affordable housing. Of prime concern is the effect that high foreclosure rates have had in forcing persons to seek alternative living conditions. Metro-Toledo continues to rank among the worst within the nation's top 46 metropolitan areas in the number of foreclosures, as evidenced in the discussion above. To combat this, the City is utilizing funds awarded through the Neighborhood Stabilization Program (NSP) (NSP2) grants designed to address the burgeoning rate of foreclosures within the City of Toledo.

### NEIGHBORHOOD STABILIZATION PROGRAM (NSP)

This grant, for \$12,270,705, will continue towards the acquisition and redevelopment of foreclosed properties to prevent blighting influences in the City of Toledo's neighborhoods.

NSP funds are being utilized in three stipulated need categories:

- Areas with the greatest percentage of home foreclosures,
- Areas with the highest percentage of homes financed by sub-prime mortgage-related loans,
- Areas identified as likely to face a significant rise in the rate of home foreclosures (see attachment 1).

Funds are utilized to benefit low-, moderate-, and middle-income persons and families whose incomes do not exceed 120 percent Area Median Income (AMI). The City of Toledo is also required to set aside at least 25 percent to provide permanent housing for persons and families whose incomes do not exceed 25 percent AMI. Prospective homeowners will be required to attend and complete an eight-hour homeownership training session organized by a qualified HUD-approved counseling agency, such as Northwest Ohio Development Agency (NODA), Neighborhood Housing Services (NHS), or Friendship New Vision (FNV).

The City of Toledo is required by the Department of Housing and Urban Development (HUD) to expend the entire grant within four (4) years.

#### Eligible Activities

The City is utilizing NSP funds for the following activities:

- Acquisition and rehabilitation
- Demolition
- Redevelopment/New Construction
- Land Banking
- Financing Mechanisms
- Administration

#### **Acquisition and Rehabilitation**

The City is in the process of expending \$1.817 million to purchase and rehabilitate 18 foreclosed units that will be occupied by income-eligible households whose incomes do not exceed 120 percent AMI. This activity will provide affordable, safe, and decent homes for prospective families and persons primarily in the tipping-point neighborhoods in Toledo, including Library Village, Secor Gardens/Sleepy Hollow, Highland Heights, and the East Side.

### **Demolition**

The City projects to allocate \$404,527 to demolish 55 blighted housing units. This activity will target central city and east Toledo neighborhoods that include Chase, Garfield, Sherman, Dorr Street Corridor, La Onda, and Ironwood. This activity will be used to help create safe and suitable living environments for the targeted neighborhoods.

### **Redevelopment/New Construction**

The City will allocate \$480,000 to build four single-family units for households whose incomes do not exceed 120 percent AMI. The activity will help provide affordable, safe, clean, and decent permanent housing for prospective renters or buyers. Again, the City will primarily target redevelopment in tipping-point areas identified above.

### **Land banking**

The City of Toledo plans to spend \$235,535 towards land banking activities. Funds under this activity will be used to clean, mow, and maintain privately owned vacant properties. The City anticipates a minimum of fifty-three (53) abandoned and foreclosed properties to be on its land bank inventory, with the intent of removing at least six parcels each year to meet the ten-year disposition as required by NSP. This activity will help to provide a safe, clean, and suitable living environment in the targeted areas.

### **Financing Mechanisms**

Financing mechanisms may include down-payment assistance, permanent financing loans, and grants for rental and owner-occupied housing. Funds for this activity will come from program income generated from payments of construction financing. The city intends to primarily target its financing mechanisms for abandoned and foreclosed properties in the tipping-point areas identified above to arrest the deterioration and subsequent degeneration of these neighborhoods. The city anticipates that third-party partners will acquire and rehabilitate 12 units in the tipping-point neighborhoods and six in targeted central city neighborhoods.

### **Administration**

The City of Toledo has budgeted ten percent (\$1,227,070.60) for administrative purposes. The City of Toledo will set aside funds for personnel costs, with a large portion being utilized for contractors, vendors, equipment, and supplies. Marketing will also be allocated within the administration line item. The city will also pay HUD-approved housing counseling agencies to provide homeownership-training sessions for prospective income-qualified homebuyers. The city has budgeted \$20,000 for the purchase and licensing of an additional X-Ray Fluorescence analyzer and \$25,000 for lead training to increase the capacity of properly trained lead contractors for NSP lead hazard reduction/abatement activities. Performance measurement will be based upon a comparison of the actual total administrative expenses versus the budget amount.

## **NEIGHBORHOOD STABILIZATION PROGRAM (NSP2)**

A consortium consisting of the City of Toledo, acting as lead agency, and both nonprofit and for profit organizations applied and received \$10, million from HUD. The funds will be used to stabilize neighborhoods that have been severely impacted by the foreclosure crisis. The consortium expects to spend about \$2.25 million during the 2010-2011 program year.

NSP2 funds will be spent in three stipulated need categories that include areas with greatest percentage of home foreclosures, areas with highest percentage of homes financed by sub prime mortgage-related loans, and areas identified as likely to face a significant rise in the rate of home foreclosures. The funds shall

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be used to benefit low, moderate, and middle-income persons and families whose incomes do not exceed One-Hundred and Twenty Area Median Income (120 percent AMI). The consortium is also required to set-aside at least 25 percent of the funds to benefit persons and families whose incomes do exceed 125 percent AMI. Prospective homeowners will be required to attend and complete an eight-hour homeownership training session organized by a qualified, HUD-approved, counseling agencies. NSP2 will focus on NSP (I) target areas in an effort to effectively arrest the decline and degeneration of the property values in the neighborhoods. Though the target areas under NSP2 has been increased to include areas in Lucas County outside the City of Toledo limits experiencing increased foreclosure, efforts will be made to concentrate the funds in the tipping point neighborhoods severely impacted by foreclosure. Oregon, Sylvania Township, and Springfield Township are some of the areas outside the City of Toledo limits that may be included in the target areas under NSP2.

## **Grant Period**

The City of Toledo is required by the federal government to commit the NSP2 funds within eighteen (18) months after the grant agreement is signed by the Department of Housing and Urban Development (HUD), and expend the entire grant in four (4) years after HUD signs the grant agreement.

## **Third-Party Partners**

The consortium plans through partnership to implement NSP2. The third party partners that may be selected by the city through Request for Qualifications (RFQs) will have to meet developer standards that include current capacity, demonstrated experience, and access to private financing for housing development.

## **Eligible Activities**

The City intends to use the funds for the following activities:

- Acquisition and rehabilitation
- Demolition
- Financing Mechanisms, and
- Administration

## **Acquisition and Rehabilitation**

The consortium intends to spend about \$750,000 to purchase and rehabilitate seven (7) foreclosed units that will be occupied by households whose incomes do not exceed 120 percent AMI during the one year period. This activity will provide affordable, safe, and decent homes for prospective families and persons primarily in the tipping point neighborhoods in Toledo that include Library Village, Secor Garden/Sleepy Hollow, Highland Heights, and East Side. In addition, \$625,000 will be spent to provide six (6) rehabilitated homes to address the housing needs of people whose incomes do not exceed 50 percent AMI.

## **Demolition**

The consortium plans to spend about \$250,000 to demolish thirty-one (31) housing units. This activity will be used to remove 31 blighted units mostly in targeted central city East Toledo neighborhoods that include Chase, Garfield, Sherman, Dorr Street Corridor, La Onda and Ironwood. This activity will be used to help create safe and suitable living environmental for residents in the targeted neighborhoods. NSP2 funds may also be used to demolish dilapidated structures outside the boundaries of the City of Toledo but within Lucas County.

### **Financing Mechanisms**

Financing mechanisms may include down-payment assistance, permanent financing loans, and grants for rental and owner-occupied housing. Funds for this activity will come from program income generated from payments of construction financing. The city intends to primarily target its financing mechanisms for abandoned and foreclosed properties in the tipping point areas that include Library Village, Secor Garden/Sleepy Hollow, Highland Heights, and East Side in order to arrest the deterioration and subsequent degeneration of these neighborhoods. The city anticipates that the third party partners will acquire and rehabilitate twelve (12) units in the tipping point neighborhoods, and six (6) in targeted central city neighborhoods.

### **Administration**

The consortium will budget 10 percent of the \$10,150,840 NSP2 allocation or \$1,015,084 for administrative purposes. A portion of the administration funds will be spent on qualified homebuyers' housing counseling training, supplies, and marketing. Performance measurements will be based upon a comparison of actual total administrative expenses during the one-year period.

The City of Toledo has been severely impacted by home foreclosures. According to RealtyTrac, a recognized leader in collection of foreclosed data, foreclosure filings in metro Toledo rose from 2,086 in the first six months in 2006 to 3,152 in the first half of 2007- a 51 percent increase. RealtyTrac stated that metro Toledo ranked 20<sup>th</sup> worst among the nation's 100 biggest cities in foreclosure activity for the third quarter of 2007. Toledo placed 37<sup>th</sup> among the nation's top 46 metropolitan areas in the number of foreclosures in the first quarter of 2008 and there is little indication that the problem is waning. A total of 2,390 properties within the City of Toledo were sold at the Lucas County Sheriff's Sales from October 1, 2007 through December 17, 2008. The low economy, loss of jobs and predatory lending are some of the factors that have contributed to the foreclosure epidemic in the City of Toledo.

Foreclosed properties are not confined to the central city as one might expect, but scattered throughout the city. Though the consortium received \$10.15 million in NSP2 grant, the funds can be used to address a small portion of the total number of foreclosed properties. As a result, the consortium will primarily target its acquisition and rehabilitation of foreclosed and abandoned properties in the tipping point neighborhoods where properties may have higher values than properties in the central city neighborhoods. Acquisition and rehabilitation activities will also target other areas such as New School New Neighborhoods, areas where existing neighborhood revitalizing plans do exist, and other areas where substantial investments have already occurred.

Toledo, like major city across the country, has its share of blighted properties. Unfortunately, majority of the blighted properties are located within the central city neighborhoods. Demolition will therefore be used as a strategy to remove the blighted properties within the targeted areas in the central city. The city plans to demolish the blighted properties in order to promote the property values in those neighborhoods and support existing or planned neighborhood investments. Within the tipping point neighborhoods, demolition will primarily occur in areas where new homes will be built.

As stated earlier, the NSP2 is intended to help low, moderate, and middle persons or families whose income do not exceed 120 percent AMI. Many people within the income bracket need clean, safe, and decent permanent affordable housing but unfortunately, NSP2 will not be able completely address the problem. For example, 25 percent of the NSP2 grant will address the housing problems for families and persons whose income do not exceed 25 percent AMI. The NSP2 grant though substantial, is still inadequate to provide affordable housing

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for all low, moderate, middle people. The low economy, loss of jobs and predatory lending are some of the factors that have contributed to foreclosure epidemic in the City of Toledo. The city has therefore mapped out a strategy to ensure that the NSP2 grant has significant impacts in the neighborhoods where the funds will be

## **COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY (CDBG-R)**

This grant, in the amount of \$2,141,045, will fund six programs to support specific projects in targeted areas that will promote the creation/retention of jobs while addressing several Recovery Act objectives: economic efficiency, infrastructure improvements to promote commercial redevelopment of vacant urban renewal property, and fostering energy independence.

The six projects are:

- Rehabilitation Collaboration: Repair of residential structures through grants not to exceed \$7,5000 for the correction of moisture, ventilation or electrical issues that will assist homeowners in becoming eligible for further weatherization repairs and/or lead-base paint hazard control improvements **OR** for allowable exterior repairs in targeted areas.
- Dorr Street Infrastructure: Replacement of center lane pavement with traffic/beautification islands to accommodate an existing crosswalk at a nearby intersection, with at-grade, irrigated, planning beds with a goal to promote the redevelopment of commercial and residential vacant land.
- Foreclosure Rescue Funding Program: Partnership with the Fair Housing Center to provide foreclosure prevention assistance funds to promote the sustainability of households threatened by eviction.
- Rental Rehabilitation Program: Provision of ten-year forgivable loans for property owners of rental units in single-family structures (1 to 4 residential units in a building) where LMI households occupy units. Units must be in habitable condition.
- J. Frank Try Senior Center: Provision of funds as gap financing for the completion of a relocated senior center, maintaining a public service facility for the benefit of neighborhoods residents.
- Roof/Envelope Program: Program focusing on repairs to the exterior residential structures in targeted neighborhoods, with first priority given to LMI property owners who use the housing unit as their primary resident in the targeted neighborhood. Second priority will be given to LMI property owners of rental properties whose rental property is occupied by LMI households.
- Vacant Property Rehabilitation Assistance: program focusing on necessary repairs for making subsidized units habitable, thus stabilizing a neighborhood.

Projects funded under the ARRA and approved as a substantial amendment to the 2008-2009 One-Year Action Plan, are slated for completion in the 2010 program year.

## **OTHER EFFORTS THAT FOSTER AND MAINTAIN AFFORDABLE HOUSING**

The City of Toledo utilizes a strategy that is designed to ameliorate its ability to promote affordable housing through owner-occupied rehabilitation and other assisted-comprehensive initiatives. The City of Toledo ensures that it adheres to environmental protection laws, while preserving older housing stock and offering housing opportunities for first-time buyers, senior citizens, individuals with disabilities, and other special needs populations. This effort, while made more difficult due to the increased need for services, utilizes various agencies and programs that promote and foster stability within the housing market.

The following programs are designed to assist in maintaining and fostering affordable housing:

- **Emergency Repair Program** – Through the use of CDBG funds, two entities offer owner-occupied related services as they relate to emergency repairs: Economic Opportunity Planning Association (EOPA) offers emergency grants for persons 62 years of age or older, or disabled whose household income is between 0–40 percent of area median income; DON Housing Division coordinates a “Raise the Roof” effort which targets low- to moderate-income households who need minor home repairs or have housing code violations; and East Toledo Family Center offers a program to low- to moderate-income senior households for needed repairs and home rehabilitation to households, thereby allowing them to maintain healthy and safe living environments.
- **Toledo Code Violation Abatement Program (CVAP)** – This program, administered by Toledo Municipal Court (TMC), addresses the housing needs of low- to moderate-income homeowners cited into for housing code violations. Grants not to exceed \$4,500 are awarded to homeowners whose household income is at, or below 80 percent of area median income to alleviate housing code violations with the intended outcomes being a substantial improvement in the living conditions of the home, physical improvement to the neighborhood through the elimination of slum and blight, and the preservation of housing stock.
- **CHDO HOME Development Fund** – HOME funds are utilized for gap financing to CHDOs acting as an owner, sponsor, or developer of single-family detached housing units to be newly constructed or rehabilitated for homeownership by families earning no more than 80 percent of area median income. DON will provide a Buyer Subsidy Program that will provide direct assistance to purchasers of housing sponsored, or developed by a CHDO. The DON provides a minimum of 15 percent of its annual HOME allocation for this program for income-eligible, first-time homebuyers.
- **Relocation Program** – The City of Toledo follows a non-displacement policy for all commercial or resident tenants in projects using federal, state, and/or local funds for the following activities: demolition, rehabilitation, acquisition, or conversion. The program’s goal is to offer fair and consistent treatment through relocation planning ensuring that persons displaced or temporarily relocated are matched with appropriate resources. DON uses the Uniform Relocation Act (URA) of 1970, as amended. In cases of nonfederally-funded projects, the URA guidelines are used for assistance under the “Optional Relocation Plan.” This plan is triggered when DON serves a “72-Hour Unfit for Human Habitation” order to an occupant. If the occupant cannot secure decent, safe, and sanitary temporary housing, DON evaluates each case individually to determine the support needed. Support may include, but is not limited to assistance for a temporary hotel stay, and rental, or storage aid. DON administers referral services and counseling and may assess tenants for Section 8 eligibility.
- **Owner-Occupied Rehabilitation** – Funds are made available to homeowners living in the City of Toledo who qualify, based on household earnings of less than 80 percent of area median income, to address housing code issues, energy efficiencies, and accessibility modifications. The DON, alongside and/or in coordination with community development corporations, local lenders, NODA, and LISC, assumes responsibility for this initiative to improve the quality of occupied, homeowner housing stock.

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- Loan Program – Northwest Ohio Development Agency (NODA), a Community Development Financial Institution, offers below-market-rate loan products to assist targeted populations in increasing their financial security through homeownership. It offers loans for home purchases and provides gap financing. It also offers below-market interest rate loans for home repairs and improvements. Qualifying guidelines include owner-occupied homes, location within the target market community, and completing educational components.
- Toledo-Lucas County Housing Fund – Local nonprofit that is a cooperative effort between the City of Toledo, Lucas County, private nonprofit agencies, the business community, and other community stakeholders to promote policies and programs that address unmet housing needs, provide flexible resources to address investment gaps, and actively engage both public and private sector entities to advocate for high quality, safe neighborhoods. It provides opportunity for community partners to submit annual proposals to undertake an array of housing projects.
- Community-Based Development Organization (CBDO) – This specifically designated status given to a subrecipient qualifies an entity to undertake eligible projects under CDBG, specifically construction, under the following categories: neighborhood revitalization, community economic development, and energy conservation. A CBDO must be organized under state or local law to carry out community development activities, maintain at least 51 percent of its governing body’s membership from: low- and moderate-income residents of its area of operation; owners or senior officers of private establishments and other institutions in or serving the geographic area of operation; and/or representatives of low- and moderate-income neighborhood organizations located in the geographic area of operation. The City of Toledo currently has three CDCs who qualify CBDOs: United North Corporation, TCDC and FNV.
- Ramps and Accessibility Modifications – The Ability Center of Greater Toledo constructs ramps and makes accessible bathroom modifications for individuals with disabilities. Those persons with disabilities whose income does not exceed 80 percent of the annual federal poverty guidelines are eligible for services. After application approval and income verification, staff makes a home visit to determine needs. A ramp is designed which must meet ADA guidelines and be approved by the City of Toledo’s Division of Building Inspection before construction begins. Labor, materials, and work are performed at no charge to disabled persons.
- Affirmatively Furthering Fair Housing – The City of Toledo is dedicated to affirmatively furthering fair housing choices. It partners with the Fair Housing Center in the development of the Analysis of Impediments (AOI), including facilitating, managing, and monitoring progress towards the elimination of the community’s impediments to fair housing choice.

As per the Consolidated Plan regulations (24 CFR 91.225), the City of Toledo conducts a comprehensive review of barriers in the community that inhibit consumers from acquiring the housing of their choice based on race, color, ancestry, national origin, religion, sex, familial status, disability, military status, or sexual orientation. This analysis and respective strategic planning process coincides with the City’s Consolidated Plan timeline and is completed every five years.

Impediments to fair housing are defined by HUD as “any actions, omissions, or decisions taken because of race, color, ancestry, religion, sex, disability, familial status, national origin, military status or sexual orientation which restrict housing choices or the availability of housing choices.” The most recent five-year analysis, created for the period 2010-2015 by the City of Toledo and the FHC, includes a study of the rental, sales, lending, and insurance markets and looks at advertising issues surrounding those markets. This AOI is used as a starting point for the development of a fair housing action plan. The impediment analysis includes jurisdictional background data, an evaluation of the jurisdictions’ current fair housing program, identification of impediments to fair housing choices, an assessment of current public and private fair housing programs or activities, and recommendations for addressing identified impediments. It identifies nine impediment areas as priorities: rental, foreclosure/foreclosure prevention, assisted housing, zoning and new construction, fair housing awareness, real estate sales, lending and finance, homeowners insurance, and advertising violations.

The AOI is broken down by factors that impact open housing choice and provides a discussion of any identified impediments, followed by conclusions and recommendations for addressing impediments.

## CONTINUUM OF CARE

The Toledo/Lucas County Homelessness Board (TLCHB) facilitates the direction of the Toledo Lucas County Continuum of Care (CoC). It maintains an active partnership with the City of Toledo.

### Toledo Lucas County Homelessness Board

Created in March 2005, the Toledo Lucas County Homelessness Board (TLCHB) is the lead entity of the Toledo Lucas County Continuum of Care (CoC). The Board assures all components of a successful CoC are in place: outreach and assessment; emergency shelter; transitional housing; and permanent housing. TLCHB promotes an inclusive and comprehensive planning model, including an annual communitywide forum hosted by the TLCHB Community Engagement and Oversight Committee. In fall 2008, the community’s plan to end homelessness was adopted: *The Community Alliances and Strategic Efforts (CASE) to Prevent, Reduce and End Homelessness Plan*.

The CASE Plan consists of four major goals with objectives and strategies designated within each goal: homeless prevention; coordinated homeless services; sufficient affordable housing; and community engagement, coordination, and oversight. These goals direct the efforts of TLCHB, the Toledo Area Alliance to End Homelessness (TAAEH), a consortium of homeless service providers and stakeholders, and all public and private partners in addressing homelessness in a manner that provides everyone an opportunity to be “homed”. “Homed” is defined as *living in safe, affordable permanent housing with adequate resources and support systems so as to achieve one’s potential and contribute to the well-being of one’s immediate household and the community at large*.

To accomplish the strategies of the CASE Plan, in particular reducing the chronic homeless population and enhancement of homelessness prevention services, TLCHB has established four subcommittees, which has identified the following annual objectives:

#### *1. Creation of new permanent housing beds for chronically homeless individuals.*

Working closely with the City of Toledo Department of Neighborhoods, the Lucas County Commissioners, the Ohio Department of Development and the Ohio Supportive Housing for the Homeless Alliance, the TLCHB Sustainable Affordable Housing Committee is concentrating its planning and leadership efforts to

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duplicate the success of two new recently constructed permanent supportive housing projects, Haven and the YWCA project. In addition, whenever possible without causing harm or service deficiency, transitional housing providers will be encouraged to convert self-contained units to permanent supportive housing.

*2. Increase percentage of homeless persons staying in permanent housing over 6 months to at least 77 percent.*

This goal was met for the first time in 2009. The TLCHB Coordinated Services Committee and TAAEH will continue to promote and train best practices models of case management that include: client participation; access and receipt of mainstream resources; employment readiness; budget proficiency; and a working understanding of tenant rights and responsibilities. All CoC homeless services providers are expected to work closely with Lucas County's employment center (**The Source**), allowing clients the opportunity to receive job readiness and job seeking assistance.

*3. Increase percentage of homeless persons moving from transitional housing to permanent housing to at least 71 percent.*

Efforts will continue to seek and adhere to best practices keeping the collaborative spirit and direct services activities focused on housing stability, client participation and satisfaction. The Sustainable Affordable Housing Committee will continue to advocate for and assist providers in securing additional public and private housing subsidy for those households most at risk of remaining homeless. Last year, the goal slightly exceeded 65 percent due to the cooperative work and focus dedicated by TAAEH and the TLCHB Coordinated Services Committee.

*4. Increase percentage of persons employed at program exit to at least 20 percent.*

Despite the current high unemployment within Toledo, success during the last year can only be attributed again to the cooperative work and spirit of TAAEH and the committee work of TLCHB. This goal has exceeded its threshold by 4 percent. The Director of **The Source**, the County's one stop employment assistance agency, serves on TLCHB and staff attends TAAEH meetings regularly, keeping providers and clients aware of employment and training opportunities. TLCHB encourages, directs and monitors TAAEH members to work closely with all federally funded employment opportunities, especially those funded through ARRA. TLCHB encourages employment placement services and job coaching as a standard part of a client's case management service plan and advocates for a broad range of opportunities for residents to achieve the level of income required to sustain the household.

*5. Decrease the number of homeless households with children.*

Transitional housing with comprehensive employment and childcare services remain a high priority for TLCHB. In addition, this is a primary emphasis of the CASE Homeless Prevention and Rapid Re-Housing program (see below.) TLCHB will continue to advocate, assist and monitor the efforts of legal aid services, community resource centers and the local 2-1-1 entity to encourage a proactive approach in offering housing stability opportunities for families who are homeless.

## Homelessness Prevention

The TLCHB Homelessness Prevention Committee is charged with providing financial and support service resources deemed necessary for people to either obtain or maintain permanent housing. Their efforts are focused on: those households at imminent risk of losing housing; those persons exiting shelter and transitional housing; those persons released by public institutions without permanent housing placement; and, adequate community response in the areas of housing, education and employment. Two projects demonstrate the collaborative and comprehensive efforts of the four objectives.

They are:

A. CASE - HPRP

As a result of the ARRA of 2009, the City of Toledo and Lucas County received a combined \$4.2 million for housing stabilization services and direct financial assistance to assist in efforts designed to either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housing and stabilized. Funds from the United Way of Greater Toledo were also leveraged to support this project. TLCHB acts as the project manager, with the City of Toledo acting as administrator for the funds. A coordinated effort which also includes Lucas County TASC, FOCUS, EOPA, Toledo Area Ministries, and Lutheran Social Services centers around a centralized intake system, case management supervision, and direct case management that is projected to serve a minimum of 100 households needing rapid re-housing and 400 households needing homeless prevention assistance.

The Homeless Management Information System (HMIS) will be utilized to track data for clients served and as a method for developing reporting mechanisms for patterns of use.

B. CASE - Homeless Prevention and Housing Placement

This program, entering its 2<sup>nd</sup> year, is funded through the Ohio Department of Development (ODOD). It is projected to provide households with direct assistance (rent, deposit, utilities) to prevent homelessness and also serve households that are exiting emergency shelter with direct assistance (rent, deposit, utilities) to secure permanent housing.

### **Homeless Management Information System**

HMIS, implemented in November 2004, continues to collect and enter data on homeless persons. There is no single point of entry for HMIS. Promoting collaborative efforts among service providers, an administrator oversees the process and provides technical support for operations.

HMIS Action Steps for 2010-2011 include:

- Maintain the HMIS subcommittee under the governance of TLCHB;
- Continue to integrate HMIS in the planning, monitoring, and analysis work of TLCHB;
- Add and adhere to all new HUD-HMIS required data elements;
- Explore and expand Local-HMIS-required elements with emphasis on CoC needs, performance measurements, and data quality;
- Develop reporting mechanisms to monitor progression of the CASE Plan;
- Develop an all-inclusive/comprehensive report for all HMIS affiliations (Contributing HMIS and non-contributing HMIS organizations);
- Develop a centralized exit form that corresponds with the Centralized Intake Form;
- Continue to hold biannual executive director meetings;
- Continue to hold quarterly end-user meetings.

### **CoC Components**

- Outreach & Assessment –Teams of social workers, medical personnel, and veteran’s organization personnel engage the “chronic” homeless through street outreach: provisions of food, blankets, clothing, “street corner” assessments, hygiene supplies, crisis intervention, peer support, and transportation.

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- **Emergency Shelter** – In *most* cases, the first level of entry that homeless persons access. The goal is to stabilize an unaccompanied individual, or family in crisis and provide assessment and linkage to other service providers.

The current shelter inventory with population served and their capacity are:

Agency Name	Population Served	Number Of Beds	Other (mat/cot)	Maximum Stay (Days)
Beach House	Families & unaccompanied females	22		90
Cherry Street Mission	Unaccompanied men (recovery, mental illness)	160	60	Open
Family House	Families (general)	90	15	90
Family Promise	Families (general)	14		30
LaPosada	Families (general)	20		90
St. Paul's Community Ctr.	Unaccompanied men and women (mental illness)	30	5	30
Sparrow's Nest	Unaccompanied Women (recovery, mental illness)	26		Open
Toledo Gospel Rescue Mission	Unaccompanied males	80		5
YWCA Battered Women's Shelter	Unaccompanied females & females w/children (victims of domestic violence)	28		30
	<b>Total:</b>	470	80	

- **Transitional Housing** – Long-term temporary housing for those with specialized needs. Current transitional programs serve specific subpopulations such as domestic violence victims, those with substance abuse, ex-offenders, those experiencing abject poverty, and those with a severe and persistent mental illness. Life-skills training, parenting-skills training, job development, job placement and case management assist clients as they prepare for permanent placement into housing.

Below is a list of the transitional shelters and their capacity:

Agency Name	Population Served	Number Of Beds	Max. Stay (Months)
Aurora House	Adult women in recovery, unaccompanied and households with children	20	18
Bethany House	Adult women experiencing domestic violence, unaccompanied and households with children	24	18
Cherry Street Mission	Unaccompanied men (recovery, mental illness)	32	24
Cherry Street Mission (Sparrow's Nest)	Unaccompanied women (recovery, mental illness)	25	
FOCUS	Unaccompanied men, women, & families (general)	152	18
Harbor House	Unaccompanied Women (recovery)	14	18

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Agency Name	Population Served	Number Of Beds	Max. Stay (Months)
Idle Time Club	Unaccompanied Men (recovery)	20	10
NAOMI Transitional House	Unaccompanied Women (recovery)	5	24
Neighborhood Properties, Inc. (Road to Recovery)	Unaccompanied men and women (recovery, mental illness)	17	18
Open Door Ministry	Unaccompanied Men (recovery)	41	18
The Dwelling Place	Unaccompanied men, women, & families (mental illness)	11	24
Toledo Gospel Rescue Mission	Unaccompanied men (recovery)	5	24
	<b>Total</b>	346	

- Permanent Supportive Housing** – Housing types vary in their design, promoting a community-based, long-term living setting. Two Shelter Plus Care (S+C) projects continue to provide 30 units of housing. The rental assistance provided is matched with an equal value of supportive services provided to the target population - the mentally disabled. The Toledo/Lucas County CoC, through the TLCHB, will continue to promote permanent supportive housing and permanent housing so that each person desiring to be homed in Toledo and Lucas County has that option.

Listed below are the agencies that are currently providing permanent supportive housing:

Agency Name	Population Served	Number Of Units
Aurora Project	Families	2
FOCUS PSH	Families (21)	22
Lucas County T.A.S.C.	Homeless, ex-offenders (individuals, (4) families)	27
Neighborhood Properties, Inc.	Single men, women, & families (mental illness)	
	SHP Permanent Housing	61
	SPC Site (A Place Called Home)	15
	IDDT Scattered Sites (MHR SB)	10
	CSH Scattered Sites (State of Ohio)	5
	Homeless Veterans	21
	Homeless Families	24
	Housing First	21
	S+C Pathway to Shelter	15
	PACT Partnership	14
	First Avenue	12
	Family Expansion	12
	Fresh Start	12
	Haven	12
YWCA of Greater Toledo	YWCA Apartments	15
	<i>Sub-total # of Units (comprised of 408 beds):</i>	300
NPI – ODMH/Prevention	<i>*variable and unlikely to continue beyond 2010</i>	248
	<i>Total:</i>	548

# 2010-2011 ONE-YEAR ACTION PLAN

- **Supportive Services** – Programs designed to assist clients with services to facilitate movement toward permanent housing. Specific subpopulations served include:
  1. Chemically dependent persons
  2. Person living with HIV/AIDS
  3. Victims of domestic violence
  4. Youth
  5. Veterans
  6. Ex-offenders
  7. Chronically homeless individuals
  8. Persons with a severe and persistent mental illness

TLCHB is committed to assisting the local CoC in its efforts to implementing steps to end chronic homelessness and help assure that every citizen of Toledo desiring to be *homed*, will be. Emphasizing a comprehensive approach coupled with a macro-outlook, TLCHB expects to ultimately change the community's practice from that of *managing homelessness* to one that moves toward *ending homelessness*. Examining the root causes, providing “no wrong door” to service, implementing minimum standards of service at shelters, and providing greater access to mainstream resources are crucial for the community's success.

## JURISDICTIONAL DISCHARGE POLICY

While the City of Toledo does not have an established policy in place that oversees the myriad methods of discharge from publicly funded institutions of systems of care, it does, through the Toledo Lucas County Continuum of Care, maintain open communication with the various institutions, such as health care, foster care, and correctional facilities, to ensure that discharge from those establishments does not immediately result in homelessness for persons leaving their charge.

The TLCHB, of which the City of Toledo is an active member, addresses institutional discharge through its Homeless Prevention committee. The committee's third objective speaks to its intent: “develop a discharge-planning model from the criminal justice, medical and behavioral health systems that provides for follow-up and flexibility in individual housing plans”. The committee has also included youth aging out of foster care within its scope of service.

All institutions review current policies on a regular basis and have agreed to work together to determine where barriers may exist. The goal is to collect and share information for continued refinement of the various discharge policies within the community.

## PUBLIC HOUSING IMPROVEMENTS AND RESIDENT INITIATIVES

### Public Housing

The Lucas Metropolitan Housing Authority (LMHA) completed its Annual and Five-Year Plan for 2010 as required by Section 511 of the federal Quality Housing and Work Responsibility Act of 1998. The Plan includes LMHA's goals and objectives for serving low-income households, improving the living environment of residents, strategies to encourage involvement with public housing resident councils, and participation in various homeownership programs. Copies of LMHA's 5-year and 1-year plans are made available for public viewing at LMHA's central office, 435 Nebraska Avenue, Toledo, OH 43604, and on its web site ([www.lucasmha.org](http://www.lucasmha.org)).

LMHA maintains a commitment to continuously carry out strategies that will address inefficiencies, provide better living conditions, and empower residents. LMHA will implement the strategies and activities as described in Toledo's FY 2005-2010 Consolidated Plan, including carrying out the following activities for FY 2010.

### **Ongoing Annual Goals**

- Achieve high performance in the Public Housing Assessment System (PHAS) and in the Section 8 Management Assessment Program (SEMAP).
- Continue upgrades on data management and computer systems.
- Continue improvement in the financial management of the organization.
- Increase the availability of accessible housing.
- Create partnerships to expand housing opportunities.

### **Expand Homeownership and Family Self-Sufficiency Opportunities**

- Continue to provide homeownership opportunities using the Section 8 Housing Choice Vouchers to increase opportunities for eligible participants; assist 30 families per year to purchase their first home.
- Expand Section 8 Family Self-Sufficiency Program.
- Continue to provide homeownership opportunities for residents of public housing developments; assist ten families per year to purchase their first home.
- Expand the Public Housing Family Self-Sufficiency Program.
- Continue to explore avenues to rehabilitate and resell moderately priced homes.

### **Continue Modernization and Development Efforts**

- Continue master planning efforts at Brand Whitlock and Albertus Brown Homes in collaboration with residents, neighbors, ONYX, and the City of Toledo.
- Explore acquiring an existing affordable apartment community or market-rate community that currently has little, or no tenants utilizing the Housing Choice Voucher Program to increase the access to affordable housing in the community.
- Develop and construct affordable single-family housing for homeownership, targeting low- and moderate-income families, using reprogrammed Turnkey III funding and City HOME dollars.
- Continue major rehabilitation of numerous LMHA properties that are being financed with stimulus funds, Capital Fund Recovery Grant (CFRG).
- Develop a 2010 and 2011 Low-Income Housing Tax Credit (LIHTC) application to target family housing outside of low-income areas, and to assist with redevelopment efforts.

# 2010-2011 ONE-YEAR ACTION PLAN

## **Maintain a High Level of Property Maintenance and Management**

- Continue partnership with the Toledo Police Department and Lucas County Sheriff's office to ensure that all LMHA developments are safe and marketable to prospective residents.
- Provide daily lease enforcement to maintain high levels of curb appeal.
- Conduct annual inspections on 100 percent of its housing portfolio for physical conditions, and health and safety issues.
- Provide timely response to tenant work order requests.

## **Maintain Occupancy Activities**

- Collaborate with the Lucas County Regional Health District to identify units receiving a HAP subsidy that need lead-paint abatement to provide safe homes for families with small children.
- Increase housing opportunities in low poverty areas and decrease the number of families living in high poverty areas through the Housing Choice Voucher Program.
- Continue with designated housing facilities for "elderly only" households.
- Administer a total of 3,912 Housing Choice Vouchers, Mod Rehab Units, and utilize 98 percent of the funding from the Housing Choice Voucher Program.
- Maintain 98 percent leasing level in the Public Housing's 3,100 units.

## Resident and Special Services

The Resident and Special Services Department (RSSD) connects the frail, disabled, and families in need with community and support services. This empowers elderly and disabled residents to remain self-sufficient and to live independently as long as possible avoiding costly and unnecessary transfers to nursing homes, and assists the families by linking them with education, job training, and homeownership opportunities.

Besides the obvious benefit of resident retention, the following is a list of some of the other needs that are addressed by having a strong resident and special service department:

- Prevention of potential vacancy problems
- Decline in premature apartment turnover
- Reduction in apartment damages
- Reduction in resident crisis situations
- A marketing asset in the competitive market place of senior & family housing
- Decline in "persistent" housekeeping concerns
- Significant stress reduction on manager and other facility staff

- Assistance to management in maintaining their daily schedules without interruption for resident health, family, or personal crises
- Increased involvement in facility activities by residents
- Enhanced cooperation by families
- Elevated level of residents' self-esteem
- Heightened sense of "community" among residents and staff
- Increased awareness of available community services
- Raised awareness about aging concerns by facility staff

LMHA will continue to partner with the Central Resident Council, local Resident Councils, the Resident Advisory Board, and Block Watch leaders. Training opportunities will be provided to these various resident groups when available.

### Partnership Initiatives

LMHA continues to work with a variety of partners: YMCA, University of Toledo – National Youth Sports Program, Ohio Department of Education, Job and Family Services – Workforce Investment Agency, *"The Source"*, Youth Council, Toledo Community Recreation Program, Owens Community College, East Toledo Family Center, Penta County Vocational School, Toledo Police Department, Lucas County Sheriff's Office, Girl Scouts, Boy Scouts, St. Vincent Mercy Medical Center, Boys and Girls Club, Toledo Metropolitan Mission, City of Toledo – Department of Environmental Services, the Police Athletic League, ASSETS Toledo, Owens Community College, Meals on Wheels, Unison Behavioral Health Group, Zepf Community Mental Health Center, Area Office on Aging, and many local businesses.

LMHA remains a standard performing public housing authority (PHA).

## **EVALUATION AND REDUCTION OF LEAD-BASED HAZARDS**

The City of Toledo continues its commitment to providing lead-safe and decent, safe, and sanitary housing for eligible families. This program uses a highly coordinated network consisting of private health officials, community development corporations, LMHA, social service agencies, and other city departments. The program targets central city neighborhoods where low-income families occupy two of every three residential units and the concentration of pre-1978 structures containing lead paint is estimated to exceed 80 percent.

# 2010-2011 ONE-YEAR ACTION PLAN

The program consists of:

- Public education;
- Identifying lead hazards;
- The remediation of lead-based paint hazards in the targeted household; and
- Providing training opportunities for low- to moderate-income citizens.

The City of Toledo, Department of Neighborhoods' Housing Section administers an owner-occupied rehabilitation program and a Community Housing Development Organization (CHDO) program, both of which are required to be assessed for lead hazards. Licensed personnel conduct the assessment. Properties where lead hazards are discovered are abated through the use of lead abatement contractors, in accordance with federal regulations.

Additionally, the city continues to utilize funds from a \$3.9 million grant, through the Lead Hazard Reduction Demonstration Grant Program (LHRDGP) from HUD, to undertake lead-based paint hazard control activities to make lead-safe units. This grant, entering its third year, will provide for the successful transition of 330 housing units being made lead-safe.

All residential homes that receive down-payment assistance through HOME funds are assessed visually for lead hazards. Homes where lead hazards exist must have the home made lead-safe prior to finalizing the sale.

## **REDUCING THE NUMBER OF PERSONS BELOW THE POVERTY LINE**

Most recent U.S. Census Bureau statistics (October 2008) cite Toledo as ranking as one of the most impoverished cities, with 24.7 percent of residents living below the poverty line. The government defines poverty level as an annual income of \$22,050 or less for a family of four, or \$10,830 for a single person. The poverty level has not likely improved given that statistics were based on data from a year ago.

The worsening economy continues to claim victims as job losses and unemployment continues to remain high. For the last quarter of 2009, Toledo's unemployment rate stood at 12.5 percent, which ranks 89<sup>th</sup> nationally. For those still employed, some wage earners saw decreases in pay as companies, to reduce deficits, reduced wages for employees, whether through reduced hours or concessions in pay. Not only does this hurt the wage earner, but also the city loses income tax revenue by which to sustain programs.

Using federal funds, a concerted effort toward stabilizing those at risk of becoming homeless and/or losing their homes must remain a focus to reduce the cost of continued long-term assistance that may be needed if they are unable to maintain housing or are not quickly re-housed.

Activities that provide the greatest impact for continued employment, job training, and retention of jobs through shared resources and collaborative efforts must be promoted. A regional effort to aggressively market the Toledo area must include continued expansion in the technology field and green energy options. The growth of solar and wind-related green industries is being promoted as a viable option in the region. The enticement of businesses into the region would create new jobs through relocation and/or expansion.

These efforts would assist the City of Toledo in its efforts to expand beyond manufacturing as its base. Long a mainstay of Toledo, the continued reliance solely upon the automobile industry is not enough to sustain economic growth. Toledo does have the potential to expand in the transportation and distribution categories due to its location (waterway, airport, crossroads).

Education is also critical in continued efforts at reducing the poverty level. Studies have shown that those with a high school education or less do not fare as well as those who are highly educated or highly skilled.

The city continues to utilize stimulus grants to promote investment in economic development, housing, infrastructure, and other activities, while promoting a systemic change toward collaborative efforts.

## **DEVELOPING THE COMMUNITY'S INSTITUTIONAL STRUCTURE**

In coordination with recommendations as outlined in the proposed 2010-2015 CONPLAN, the City of Toledo continues to promote better collaboration in all efforts. The City of Toledo partners with many institutional structures, in carrying out activities designed to improve quality of life within the city, while stabilizing neighborhoods and promoting economic opportunities. Each year, efforts aimed at enhancing the coordination between service agencies and housing agencies, private and public sector agencies, and addressing gaps in service are achieved through the cooperation of major local entities. They include, but are not limited to the following:

- Toledo/Lucas County Homelessness Board (TLCHB)
- Workforce Investment Board of Lucas County
- Lucas Metropolitan Housing Authority (LMHA)
- Mental Health and Recovery Services Board of Lucas County (MHRSBLC)
- Lucas County Children's Services Board (LCCS)
- United Way of Greater Toledo

Each of the City of Toledo's partners brings specialized service components and experience. A continued commitment to these partnerships and collaborations are critical in achieving the desired outcomes for the community. As an example, the Mental Health and Recovery Services Board of Lucas County provides funding to several entities that provide treatment and support services for youth and adults in the public behavioral health system. Through the inter-relationships of these 25+ agencies, a network of potential partners is established for possible collaborative efforts in conjunction with the City of Toledo.

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Other relationships that exist consist of the business community, faith-based organizations, public service entities, housing providers, foundations, and other community organizations that advocate on behalf of those in need. Continued increased communication with all community stakeholders will result in more formalized relationships that nurture and promote the City of Toledo's annual plans and goals. A regional approach in achieving outcomes remains at the forefront as well, where applicable.

## CITIZEN PARTICIPATION

In accordance with HUD federal regulations CFR 91.105 and 91.200, the City of Toledo maintains a Citizen's Participation Plan (CPP). This document, amended in June 2009, attests to the City of Toledo's practice of obtaining input from citizens, community agencies and beneficiaries and allowing full participation at all levels such that allocation and utilization of HUD funds are conducted in an open manner with freedom of access for all interested persons.

The city of Toledo, as part of its 5-Year CONPLAN, enlisted the input from an 11-member panel that in addition to DON staff included Toledo citizens representing various nonprofit and business entities. The inclusion of citizens is essential in ensuring that the needs/desires of the community are truly considered when prioritizing goals for both the City of Toledo's 1- and 5-year plans. Citizen response assists the city to develop both short- and long-term community priorities. Annually, the Department of Neighborhoods (DON) uses its public hearing and a 30-day comment period to guarantee that the community has a forum to comment on funding recommendations and decisions as to the city's allocation of federal funds.

The City of Toledo also utilizes a Citizen's Review Committee (CRC) that is directly involved in the application process for CDBG and ESG funding. This committee is composed of City of Toledo personnel (Internal Review Committee) and outside citizens, including those from private sector businesses and those directly involved with persons of low- to moderate-income. Both of these groups collectively comprise the CRC.

The City of Toledo again utilized a Request For Application (RFA) process that included a two-year funding cycle for the 36<sup>th</sup>/37<sup>th</sup> CDBG and 24<sup>th</sup>/25<sup>th</sup> ESG years. All applicants approved for the first year would be guaranteed funds for the second year, contingent upon review of funded third-party partners' adherence to performance guidelines and administrative capacity.

CRC members' role entails that they review, score and rank applicants who apply for CDBG and ESG funding. In addition, once awards are allocated for the 2010 program year, it is the intention of the DON to maintain the IRC/CRC as year-round partners to conduct agency site visits and review structure, agency-client relationships, and a third-party partner's role within the continuum of care, as applicable. Other factors to consider: board diversity; adherence to contract conditions; commitment to meeting its proposed objectives; and meeting community needs through outcome measurements.

The DON utilizes three CRC groups: one for Community Development Corporations funded with CDBG; one for Public Service agencies funded with CDBG; and one for agencies funded through ESG.

Due to the inclusion of the 2010-2011 One-Year Action Plan within the 2010-2015 5-Year CONPLAN, opportunity for citizen comment was expanded to accept remarks for any part of the combined document.

As it relates to the 2010-2011 One-Year Action Plan, the public was afforded the following information:

- ◆ March 14, 2010 - Public Notice published in Sunday edition of *The Blade* periodical announcing a Public Hearing for citizen comments.
- ◆ March 17, 2010 - Public Notice published in weekly editions of *El Tiempo* and *The Toledo Journal* periodicals, announcing a Public Hearing for citizen comments.
- ◆ March 30, 2010 - 30-day Public Comment period begins for 2010-2015 CONPLAN, 2010-2011 One-Year Action Plan and 5-Year Analysis of Impediments *DRAFT* documents at 25 locations throughout the city.
- ◆ March 31, 2010 - First Public Hearing for 2010-2015 CONPLAN, 2010-2011 One-Year Action Plan and 5-Year Analysis of Impediments.
- ◆ April 21, 2010 - Second Public Hearing for 2010-2015 CONPLAN, 2010-2011 One-Year Action Plan and 5-Year Analysis of Impediments, and public input/comment as to 2010-2011 CDBG and ESG third-party partner recommendations.

As per the DON Citizen's Participation Plan (CPP), the announcement for the public hearings appeared in publications at least 14 days prior to the initial hearing. Letters as to the recommended allocations were sent to all interested parties, including organizations that serve primarily low- to moderate-income persons. The location of the public hearings was accessible to potential beneficiaries and accommodations for persons with special needs or requiring auxiliary aids were available upon request. Citizens were provided an opportunity to review a draft of the 2010-2011 One-Year Action Plan during the 30-day public comment period.

As a matter of policy, IRC/CRC recommendations are forwarded to the Mayor, who reviews the recommendations and provides feedback and input. Recommendations are also forwarded to the Community and Neighborhoods Development Committee before full presentation before Toledo City Council for final approval.

Citizens are also encouraged to provide feedback throughout the year, as all final copies of the One-Year Action Plan, as part of the 2010-2015 5-Year CONPLAN, are made available at a minimum of 25 public locations within the city. DON provides technical assistance to those with questions and those in need of clarification on any aspect of the funding process. The DON also allows public access to all records as it pertains to the distribution of funds, allocation recommendations, and final awards.

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Below is the timetable for the 36<sup>th</sup> Year CDBG and 24<sup>th</sup> Year ESG year-round funding process:

**November 23, 2009:** Three forums were held with selected public service, community development corporations, and ESG recipients with the purpose of obtaining feedback on the last 2-year funding process and application format and content

**January 7, 2010:** Public Service (PS) and Community Development Corporation (CDC) mandatory training and distribution of CDBG and ESG applications

**February 10, 2010:** ESG applications due by 4:45 p.m. to the City of Toledo, DON

**February 17, 2010:** CDBG applications due by 4:45 p.m. to the City of Toledo, DON

**February 19, 2010:** Training/Orientation for Internal Review Committee and Citizen's Review Committee

**March 1, 2010:** IRC Scoring of CDBG CDC applications (Part 2 & Part 3.5)

**March 8, 2010:** IRC Scoring of CDBG Public Service applications (Part 2 & Part 3.4)

**March 10, 2010:** IRC/CRC Scoring and Ranking of ESG applicants

**March 12, 2010:** IRC/CRC Scoring and Ranking of CDC applicants

**March 12, 2010:** Submit Public Notice to periodicals for Action Plan comment period (inclusive of 5-Year CONPLAN and AOI drafts) and mail announcements to interested parties of 30-day comment period and two public hearings.

**March 14, 2010:** Public Notice published in *The Blade*.

**March 17, 2010:** Public Notice published in *El Tiempo* and *The Toledo Journal*

**March 18, 2010:** IRC/CRC Scoring and Ranking of Public Service applicants

**March 26, 2010:** IRC Meeting with IRC Meeting with Mayor

**March 30, 2010:** 30-day Comment Period Begins.

**March 31, 2010:** Public Hearing scheduled for the 5-Year CONPLAN, 2010-2011 One-Year Action Plan, and 5-Year AOI draft form(s).

**April 21, 2010:** Public hearing on the Consolidated Plan, Analysis of Impediments, and 2010-2011 One-Year Action Plan in City Council Chambers

**April 27, 2010:** Submit legislation for 2010-2011 One-Year Action Plan

**April 28, 2010:** 30-day Comment Period ends

**May 4, 2010:** Agenda Review

**May 11, 2010:** City Council Reading and Passage

**May 13, 2010:** Submit 2010-2015 Five-Year CONPLAN, 2010-2011 One-Year Action Plan, and 5-Year AOI to HUD

The City of Toledo accepted all writings as to the contents of the Plan(s). Only one written comment was received and that was from Preferred Properties, Inc., a CDBG applicant requesting a summary of its CDBG application score and review. The agency was not recommended for funding. The DON met with the agency on May 14, 2010.

All public comments received at both public hearings are noted as an attachment to this document.

## **PROGRAM MONITORING**

The City of Toledo, Department of Neighborhoods (DON) has oversight of programs funded by HUD federal dollars, which encompasses the monitoring of CDBG and ESG subrecipients (third-party partners).

The DON's primary goal is to ensure that third-party partners:

- Comply with all regulations governing their programmatic, financial, and administrative operations; and
- Achieve their performance objectives on schedule and within budget.

For CDBG and ESG, DON executes a contract/grant agreement with all third-party partners, based on eligible projects and scope of work. DON's Program Monitoring Specialists ensure that eligible and achievable work plan goals meet performance measurement standards and all conditions of funding exist before a contract

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is executed with a third-party partner. In addition to all federal regulations, the City of Toledo requires all funded partners to adhere to the following standards: active membership within a selected local community alliance(s) and quarterly updates on implementation of Analysis of Impediments recommendations to the Fair Housing Center.

The CDBG/ESG written agreement, or contract, includes the following provisions that cover: Statement of Work; Statement of Budget; Maintenance and Availability of Records; Independent Audit Responsibilities; Adherence to Uniform Administrative Requirements; Reversion of Assets; Adherence to Federal Regulations; Attachments to OMB Circular 1-102 Requirements; and Compliance with all applicable Public Laws.

Third-party partner monitoring includes, but is not limited to:

- Reviewing activities to ensure federal, state, and local regulation compliance;
- Conducting general financial reviews;
- Monitoring ongoing operations to ensure compliance with contract;
- On-site review of eligibility documentation;
- Determining adequacy of performance within the contract guidelines;
- Ensuring procurement policies and practices are adhered to;
- Communicating to the agency and their governing board, DON's evaluation of third-party partner performance.

DON uses a series of Progressive Corrective Actions (PCA) to ensure compliance with program guidelines and statutory regulations, and guarantee funds are expended in compliance with federal requirements. PCA status is identified through the following:

- A **Concern** identifies issues and circumstances that may not be serious, but if left unattended, could result in a more serious occurrence, and is addressed through a *Recommended Action*.
- A **Finding** documents noncompliance with a major component of a contract, i.e., generally accepted accounting principles or federal regulation. This action identifies a *Corrective Action* and a timetable for correction of the deficiency.

DON uses four levels of intervention: Agency Notice, Agency Warning, Agency-At-Risk, and Agency Suspension as a part of its PCA. All third-party partners are notified of DON's policies and standards of performance. The DON also provides opportunities for technical assistance to assist third-party partners in understanding the myriad of rules and regulations that must be adhered to.

Below are the distinct requirements for each funding source:

## CDBG-SPECIFIC REQUIREMENTS

The primary objective of the Community Development Block Grant program is to develop viable communities through the following: by providing decent housing, a suitable living environment, and expanding economic opportunities principally for persons of low- to moderate-income (LMI). In addition to the aforementioned HUD objectives, HUD has created the following outcomes as a method for measuring success *within* an activity: Availability/Accessibility, Affordability, and Sustainability. All recipients, both grantee and subgrantees, must adhere to program-specific requirements.

Each activity shall meet at least one of three National Objectives:

### **Objective 1: Benefit to Low- to Moderate-Income Persons**

The four eligible activities are: Area benefit Activities; Limited Clientele (some select groups, domestic violence victims, elderly persons, homeless persons, etc., are presumed to be LMI by HUD); Housing; and Job Creation or Retention. All include specific 51percent minimum eligibility requirements within their parameters.

### **Objective 2: Prevention or Elimination of Slum & Blight**

Three eligible activities present for slum and blight: Area Blight (an area delineated as such under state or local law, with a substantial number of deteriorating buildings, and addressing one or more of the conditions that contributed to the deterioration of the area); Spot Blight (elimination of specific conditions of blight, or physical decay outside of a slum or blighted area); and Urban Renewal Area (activities located within a Neighborhood Development Program action area).

### **Objective 3: Urgent Need**

Activities designed to meet community development needs or that have a particular urgency due to a serious and immediate threat to the health and/or welfare of the community.

Each HUD-defined objective and implemented activity must meet clear performance standards for tracking accomplishments. It must also be an eligible activity, as defined by HUD standards. Each activity is subject to all other federal requirements.

Eligible applicants include private, nonprofit organizations defined as a secular or faith-based organization described in Section 501(c)(3) of the Internal Revenue Code of 1988.

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The applicant organization must:

- Have received Internal Revenue Service (IRS) approval exempting it from taxation under Subtitle A of the code;
- Have an accounting system that operates according to Generally Accepted Accounting Principles (GAAP);
- Have an implemented fund-accounting system;
- Practice nondiscrimination in the provision of assistance;
- Is current with all property and payroll liability taxes;
- Have a location and/or the provision of services within the City of Toledo;
- Submit HUD-approved performance measurements through its objectives, outcomes, and indicators.

## HOME-SPECIFIC REQUIREMENTS

The HOME Investment Partnerships Program, referred to as HOME, was established to expand the supply of decent, safe, sanitary affordable housing for very-low- and low-income families. To achieve this, HOME allows communities to design and implement strategies for more affordable housing; promote government, private industry, and nonprofit organization partnerships - utilizing all available resources to provide affordable housing and expand community housing development organization (CHDO) capacities to continue developing affordable housing.

Each Participating Jurisdiction (PJ) incurs a 12.5 percent match requirement for HOME dollars that it expends. Matching contributions must be a contribution that is permanent to affordable housing, provided by any public or private donor, and must come from a nonfederal source.

### Objectives

Each activity selected for HOME funding shall meet at least one of the following program objectives:

- Objective 1: To expand the supply of affordable owner-occupied housing for very-low- and low-income families. This activity includes new construction, acquisition, rehabilitation, conversion, buyer subsidy, and demolition.
- Objective 2: To expand the supply of affordable rental housing for very-low- and low-income families. This activity includes new construction, acquisition, rehabilitation, conversion, and demolition.
- Objective 3: To make housing more affordable through the use of tenant-based rental assistance.

Objective 4: To assist very-low- and low-income families obtain the skills and knowledge necessary to become homeowners and tenants.

### **Additional Eligibility Requirements**

- Housing Developers must own property or have the contractual obligation of a property owner to develop the property on behalf of an existing owner. For HOME-assisted rental housing, the developer must obtain financing, rehabilitate or construct, and also may maintain/manage the project. For first-time homebuyers' programs where the CHDO does not have ownership of the property, the developer must obtain financing, rehabilitate, or construct and transfer title of the property within a specified time frame.
- In the case of a CHDO acting as a housing sponsor for HOME-assisted rental housing, the CHDO may develop a project that it solely or partially owns and agrees to convey ownership to a second nonprofit organization at a predetermined time prior to or during development, or upon completion of the development of the project. A CHDO sponsor must always own the project and shift the responsibility to another specific nonprofit at some specified time.

### **Eligible Activities**

Funds may be used to develop and support affordable rental housing and homeownership affordability through:

- Acquisition (including assistance to first-time home buyers/ buyer subsidy)
- New construction
- Reconstruction, or moderate or substantial rehabilitation of non-luxury housing with suitable amenities
- Site improvements or conversion
- Demolition
- Tenant-based rental assistance, including security deposits
- Other expenses including financing costs, relocation expenses of any displaced persons, families, businesses, or organizations
- CHDO operating expenses
- Reasonable administrative and planning costs -- subject to a ten percent cap

The housing must be permanent or transitional housing and include permanent housing for disabled homeless persons and single-room occupancy housing.

### **Projects must benefit income-eligible persons for a minimum period of affordability as follows:**

- Acquisition or rehabilitation with a HOME investment under \$15,000.00 - 5 years.
- Acquisition or rehabilitation with a HOME investment over \$15,000.00 to \$40,000.00 - 10 years.
- Acquisition or rehabilitation with a HOME investment over \$40,000.00 - 15 years.
- New construction or acquisition of newly constructed housing - 20 years.

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The City of Toledo does not use HOME funds to refinance existing debt secured by multifamily housing being rehabilitated with HOME funds.

## ESG-SPECIFIC REQUIREMENTS

The primary objective of the Emergency Shelter Grant (ESG) is to provide an adequate and quality number of shelters and transitional facilities for the homeless. It is a formula grant program that uses CDBG data as a basis for distributing funds.

Eligible recipients include private nonprofit organizations defined as a secular or faith-based organization described in Section 501(c)(3) of the Internal Revenue Code of 1988.

The recipient organization must:

- Have received Internal Revenue Service (IRS) approval exempting it from taxation under Subtitle A of the code;
- Have an accounting system that operates according to Generally Accepted Accounting Principles (GAAP);
- Operate with a voluntary (non-paid) board which includes at least one homeless, or formerly homeless person;
- Involve program participants in the *operation* of the ESG-funded program through employment or volunteering in project activities;
- Practice nondiscrimination in the provision of assistance;
- Submit HUD-approved performance measurements through its objectives, outcomes, and indicators.

DON also implements the following additional minimum requirements for all ESG-funded shelters or transitional facilities:

- Provide a match equal to the total ESG award;
- Have been in full operation for at least one year;
- Have an implemented fund-accounting system;
- Be current with all property and payroll liability taxes;
- Be a full participant within the Homeless Management Information System (HMIS), except where prohibited by statute;
- Be an active member of the Toledo Area Alliance to End Homelessness (TAAEH) and actively participate in committees, as defined in TAAEH's bylaws.

Eligible ESG activities include:

- Renovation, rehabilitation, and conversion of buildings for use as shelters or transitional facilities. Renovation is defined as activities where costs involve 75 percent or less of the value of the building before rehab, whereas rehabilitation is defined as costs exceeding 75 percent of the value of the building before conversion. Conversion involves a change in the use of a building to an emergency shelter where the cost of conversion and any rehab costs exceed 75 percent of value before conversion.
- Essential Services, which is the provision of essential services, including those concerned with employment, health, drug abuse, or education. Limitations in this category are set at 30 percent of the total award, subject to waiver by HUD.
- Operating Costs cover expenses incurred by a recipient operating a facility including administration, maintenance, repair and security of housing, utilities, furnishings, and equipment. Limitations for this category are set at 10 percent of the total award, except maintenance and security, which are not subject to this standard.
- Homeless Prevention activities for expenses incurred to prevent homelessness, such as payment to avoid eviction or termination of utility services, or security deposits. Limitations for this category are set at 30 percent of the total award.
- Administrative costs are allowable up to 5 percent of the total award for expenses including costs to operate the program, preparation of progress reports, audits, and monitoring of recipients.

## **HPRP-SPECIFIC REQUIREMENTS**

All grantees were required to obligate funds to subgrantees by September 30, 2009. HPRP grantees are also required to expend 60 percent of HPRP funds within two (2) years (August 3, 2011) of the date that funds become available to the grantees and 100 percent of funds within three years (August 3, 2012) of the date fund became available. Administrative costs are capped at 10 percent, which is to be shared with subgrantees.

Funds are intended to target two populations:

- Individuals and families who are currently in housing but are at risk of becoming homeless and need temporary rent or utility assistance to prevent them from becoming homeless or assistance to move to another unit (prevention);
- Individuals and families who are experiencing homelessness (residing in emergency or transitional shelters or on the street) and need temporary assistance in order to obtain housing and retain it (rapid re-housing).

The four eligible categories for HPRP are: financial assistance, housing relocation and stabilization services, data collection and evaluation, and administrative costs.

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Financial assistance is limited to the following: short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, utility payments, moving costs assistance and motel and hotel vouchers. Payments are only payable to third parties, i.e. landlords or utility companies.

Housing relocation and stabilization services center on assistance to program participants and are limited to case management, outreach and engagement, housing search and placement, legal services, and credit repair.

Data collection activities involve operating an HMIS for purposes of collecting and reporting data and analyzing patterns of HPRP use. Administrative costs may be used for pre-award costs, accounting, preparing reports, obtaining audits, and other similar costs related to administering the grant. Administrative costs are limited to 5 percent of the total amount expended under HPRP.

Certain activities are specifically prohibited and ineligible, including but not limited to mortgage costs for homeowners, consumer debt, car repair, home furnishing, medical, and work or education-related materials.

HPRP eligibility requirements stipulate that the household must be at or below 50 percent of Area Median Income (AMI). In addition, any individual/family provided with financial assistance must have at least an initial consultation with a case manager or authorized representative to determine appropriate type of assistance warranted. The household must be either homeless or at risk of losing housing and meet the following circumstance: no appropriate subsequent housing options have been identified, and the household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing.

In addition, the City of Toledo, and its partner, TLCHB, stipulated that all households must meet at least one of the following eight (8) selected *additional* criteria:

- Eviction within one (1) week from a private dwelling (including housing provided by family or friends);
- Severe rental cost burden (paying more than 50 percent of income for rent and utilities);
- Pending foreclosure of rental housing;
- Sudden and significant loss of income;
- Recent traumatic life event, such as death of spouse or primary care provider, or recent health crisis that prevented the household from meeting its financial obligations;
- Significant amount of medical debt;
- Youth with past or current involvement with the foster care system; and,
- Past institutional care (prison, treatment facility, hospital).

## CDBG-R-SPECIFIC REQUIREMENTS

While HUD encourages grantees to use CDBG-R for development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation/retrofitting of buildings, there are some mandates that all grantees must adhere to.

Section 1602 of the ARRA requires that grantees shall use grant funds in a manner that maximizes job creation and economic benefit. For infrastructure activities, grantees must give preference to activities that can be started and completed expeditiously, with a goal to obligate at least 50 percent of funds for activities that can be initiated within 120 days of enactment of the Recovery Act.

Each activity carried out with CDBG-R funds requires grantees to report on the number of jobs estimated to be created or retained. Grantees must ensure that 70 percent of its CDBG-R grant be expended for activities that benefit low- and moderate-income persons. Public service activities are capped at 15 percent with limitations on administrative costs capped at 10 percent. All CDBG-R funds must be expended by grantees by September 30, 2012.

## **NSP-SPECIFIC REQUIREMENTS**

In accordance with Section 2301 (c)(2) of Housing and Economic Recovery Act (HERA) of 2008, funds distributed through the Neighborhood Stabilization Program (NSP), must ensure that funds are distributed to:

- Areas of greatest need, including those with the greatest percentage of home foreclosures;
- Areas with the highest percentage of homes financed by sub-prime mortgage-related loans;
- Areas identified as likely to face a significant rise in the rate of home foreclosures

In addition, NSP funds shall be used to benefit only individuals and households whose incomes do not exceed 120 percent AMI. The City of Toledo is also required to ensure that at least 25 percent of NSP funds shall be used to benefit individuals and households whose income does not exceed 50 percent of AMI.

For NSP purposes, the definition of “blighted structure” is identified in the context of state or local law.

As required, the City of Toledo submitted a “substantial amendment” to its 2008-2009 One-Year Action Plan, also allowing for the required public comment period for citizens to make remarks about the city’s use of funds.

The seal of the City of Tallahassee is visible in the top left corner, featuring a circular design with the text "THE CITY OF TALLAHASSEE" and "1824" around the perimeter, and a central illustration of a building and a ship.

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