



Development  
Services Agency

# Program Year 2017 Ohio Consolidated Plan Annual Action Plan

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**July 2017**

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## **Introduction**

The state of Ohio is required annually to prepare and submit an Annual Action Plan as part of the Five-Year Consolidated Plan to the U.S. Department of Housing and Urban Development (HUD), pursuant to regulations at 24 CFR 91.320, to access certain types of HUD funds. The purpose of the Annual Action Plan is to describe the programs and activities that the Development Services Agency's Office of Community Development (OCD) will administer with Federal Program Year 2017 HUD and State Fiscal Year 2018 awarded funds. The program year for PY 2017 funded activities begins on July 1, 2017 and ends June 30, 2018. The Annual Action Plan must cover five HUD programs; including the Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships Program, The National Housing Trust Fund (NHTF), the Emergency Solutions Grant (ESG) Program and the Housing Opportunities for Persons with AIDS (HOPWA) Program. Funding from these programs is awarded to the state by HUD, and distributed by the OCD. OCD has established a variety of programs for distributing the HUD funds, along with state funds. Each of the programs and activities that are proposed for PY 2017 are described in detail in the Consolidated Plan, along with the proposed funding amounts.

## **PY 2017 Citizen Participation and Consultation Process**

OCD completed a number of activities designed to obtain comments, perspectives, and citizen opinions to prepare the PY 2017 Ohio Consolidated Plan Annual Action Plan. Notification of all public hearings and meetings was made at least 10 days in advance of the meetings through newsletters, direct mail and posting on OCD's website at [http://development.ohio.gov/cs/cs\\_ocp.htm](http://development.ohio.gov/cs/cs_ocp.htm). Records of these actions and documentation are available for review at the OCD office between 8 a.m. and 5 p.m. at 77 South High Street, 26<sup>th</sup> floor in Columbus, Ohio. All facilities and meeting times selected as part of the citizen participation process were chosen to accommodate persons with disabilities. The specific citizen participation activities are described as follows.

### **1. Consolidated Plan Advisory Committee Meeting**

The PY 2017 Ohio Consolidated Plan Advisory Committee met on September 8, 2016, to provide input prior to drafting the Draft PY 2017 Ohio Consolidated Plan Annual Action Plan and the Public Hearing on Needs. The Ohio Consolidated Plan Annual Action Plan Advisory Committee is comprised of statewide stakeholders who represent a variety of organizations that are involved with programs and issues related to affordable housing, community and economic development and homelessness and supportive housing.

### **2. Public Hearing on Needs**

OCD held a public hearing on needs issues on September 15, 2016, in Room 1960 on the 19<sup>th</sup> Floor of the Riffe Center, in Columbus. OCD mailed Notification of the Public Hearing on Needs information to local communities, organizations and agencies throughout the state at least 30 days in advance. DSA also published the notification on OCD's website. The notification summarized the state's planning process for the Ohio Consolidated Plan Annual Action Plan, and solicited participation in OCD's Program Advisory Committee meetings. OCD accepted written comments on needs issues for 15 days prior to the meeting (from September 1, 2016 to September 16, 2016). Comments made at the Public Hearing on Needs, or received by OCD prior to the conclusion of the hearing, were distributed to the advisory committee members for consideration during the planning process.

### **3. Program Advisory Committees**

OCD held seven Program Advisory Committees on October 20 and 21, 2016. At least 10 members comprised the Program Advisory Committees, including local officials, program administrators, nonprofit organizations, and other agencies, organizations and individuals familiar with OCD's programs and/or the Housing Development Assistance Program administered by the Ohio Housing Finance Agency (OHFA). OCD solicited participation on the Program Advisory Committees by directly mailing information to all local communities, organizations and persons on the OCD mailing list, which includes approximately 900 communities and organizations. The mailing also provided notification about the Public Hearing on Needs. The following Program Advisory Committee meetings were held:

- Community Development Program/Residential Public Infrastructure Program Advisory Committee

- Fair Housing/New Horizons Program Advisory Committee
- Economic Development Program Advisory Committee
- Community Housing Impact and Preservation Program Advisory Committee
- Housing Development Assistance Program (HDAP) Advisory Committee
- Homeless Crisis Response Program / Housing Assistance Grant Program Advisory Committee
- Housing Opportunities for Persons with AIDS Program Advisory Committee

#### **4. Notification of Public Comment Period and Distribution of Plan**

On March 1, 2017, OCD sent notification to local communities, agencies and organizations, informing them that the Draft PY 2017 Ohio Consolidated Plan Annual Action Plan and Executive Summary was available on OCD's website for review and comment at [http://development.ohio.gov/cs/cs\\_ocp.htm](http://development.ohio.gov/cs/cs_ocp.htm). This notification announced the beginning of the mandatory 30-day public comment period on the draft plan, including a public hearing on March 16, 2017, at 1:30 p.m. at 77 South High Street, Room 1960, Columbus, Ohio. All comments received were included along with responses in the final PY 2017 Ohio Annual Action Plan submitted to HUD. In addition to the Public Hearing held on March 16, 2017, OCD held a Public Hearing on the Draft PY 2017 National Housing Trust Fund Allocation Plan on June 29, 2017, which marked the beginning of the 14-day public comment period. All comments received will be included in the final submission to HUD.

#### **Submission to HUD**

The final Ohio Consolidated Plan Annual Action Plan document will be submitted via Integrated Disbursement Information and Information Systems (IDIS) to HUD for a 45-day review period on or before May 12, 2017. Posting notification and availability of the final PY 2017 Ohio Consolidated Plan Annual Action Plan will be sent to local communities, agencies and organizations throughout the state.

## Expected Resources

The federal resources allocated to the state from HUD for PY 2017 are listed below. OCD and OHFA have established a variety of programs through which these funds will be distributed. Table 1 displays how these federal funding sources will be distributed among the various OCD and OHFA programs. Following Table 1, the guidelines for each of the programs are described in detail.

\$ 40,770,896	Community Development Block Grant (CDBG) Program
\$ 16,805,779	HOME Investment Partnerships Program
\$ 5,511,230	National Housing Trust Fund (NHTF)
\$ 5,761,933	Emergency Solutions Grant (ESG) Program
<u>\$ 1,471,505</u>	<u>Housing Opportunities for Persons With AIDS (HOPWA) Program</u>
\$ 70,321,403	Total Estimated Federal PY 2017 Funds

OCD and OHFA have established several policies on how these funds can be used. These policies are listed below for each of the five respective HUD funding sources.

### CDBG Program:

The following policies will apply to the PY 2017 CDBG funds:

1. The amount of administrative funds may be slightly higher, if the base for the state's administrative cap includes program income. Also, the amount for administration shown on Table 1 covers only OCD general administration. Grantees may be awarded additional administrative funds for local administrative costs associated with CDBG programs. Also, pursuant to guidelines issued by HUD, CDBG administrative funds will be used for HOME Program administrative costs incurred by local HOME grantees. OCD and local CDBG program administration cannot exceed 20 percent of the total CDBG allocation.
2. The funds budgeted for the Training and Technical Assistance Program is from the 1 percent allowance for technical assistance. CDBG funds will be available for the Training and Technical Assistance Program.
3. The state will distribute recaptured funds for the same type of program activities from which the recaptured funds are derived and for which they were originally programmed.
4. Funds set aside for the Economic Development Program which are not substantially committed to specific projects by April 30, 2017, will be transferred to the appropriate program, at OCD's discretion, in order to meet timeliness requirements.

In the event that the total PY 2017 CDBG allocation to the state will be either less or more than the amount the State expects to receive, OCD will allocate available state funds proportionately, based on the PY 2017 proposed budget amounts as shown on Table 1.

### HOME Program:

The following policies will apply to the PY 2017 HOME funds:

1. The 10 percent HOME administrative funds will be used for both the ODSA and HOME Program administrative costs incurred by state-funded HOME grantees. (OCD will distribute approximately 60 percent of these administrative funds to state recipients and other local grantees.)
2. In the event that the total PY 2017 HOME allocation to the state will be either less or more than the amount that the State expects to receive, OCD will allocate funds proportionately, based on the PY 2017 proposed budget amounts, as follows:
  - Community Housing Impact and Preservation Program 65 percent
  - Housing Development Assistance Program 23.8 percent
  - CHDO Competitive Operating Grant Program 1.2 percent
  - Administration 10 percent

**NHTF:**

1. The NHTF Program allocations are based on the assumption that the state will receive approximately \$5.5 million in PY 2017 NHTF Program funds from HUD.
2. Up to 10 percent of federal NHTF funds will be used for administrative costs.

**ESG Program:**

The following policies will apply to the PY 2017 ESG funds:

1. The ESG Program allocations are based on the assumption that the state will receive approximately \$5.7 million in PY 2017 McKinney Emergency Solutions Grant Program funds from HUD.
2. Up to 7.5 percent of federal ESG funds will be used for administrative costs, of that, 60 percent goes to grant recipients and 40 percent stays with OCD.

**HOPWA Program:**

The following policies will apply to the PY 2017 HOPWA funds:

Of the amount allocated for the HOPWA Program, about \$4,000 will be used for OCD general administration; local grantees may use additional funds for local HOPWA Program general administration.

**Federal Low-Income Housing Tax Credits**

The state of Ohio expects to receive \$24 million in tax credits through the Low-Income Housing Tax Credit Program in the upcoming year. The tax credits can be used to generate equity that must be used to partially or fully finance developing affordable rental housing projects. The Ohio Housing Credits are administered through OHFA, and often used in conjunction with federal HOME or Ohio Housing Trust Fund (OHTF) gap funding and private dollars to finance affordable rental housing projects.

**Other Resources**

Several OCD programs will combine federal funds with OHTF, as indicated on Table 1. Final OHTF allocations must be approved by the OHTF Advisory Committee and grant awards are contingent on approval by the state Controlling Board. Additionally, OCD expects several federal, state and private resources to be made available during PY 2017 that local communities and nonprofit organizations used in the past to fund housing- and community development-related activities. It would be extremely difficult to state the exact funding amounts from these sources. Instead, a series of tables are included that indicate the sources of other funds expected to be made available for the three major program areas covered in the Consolidated Plan. Specifically, Attachment D shows the sources of other funds expected to be made available for housing activities, as well as resources for economic development and community development programs, respectively.

**Matching Funds**

Of the four programs covered in the Annual Action Plan, three require matching funds. The HOME Program requires a 25 percent match. For every dollar of HOME funds expended, the state must provide \$0.25 of matching funds. HOME match in PY 2017 will be covered by OHTF dollars that are used in conjunction with projects funded through the HDAP.

Another program that requires matching funds is the ESG Program. For every dollar of ESG funds expended, the state must provide \$1 of matching funds. This matching requirement will be met in PY 2017 by requiring ESG Program applicants to commit matching funds in their applications for funding. No application will be approved that does not contain sufficient matching funds.

Finally, OCD CDBG administration funds expended in excess of \$100,000 must be matched on a one-to-one basis using state funds.

**Table 1: PY 2017 Estimated Resources by Program**

Programs	Federal And State Funds Total	Pct. of Total	Consolidated Plan Total <sup>(1)</sup>	Pct. of Total	Funding Sources					
					1	2	3	4	5	6
					Federal	Federal	Federal	Federal	Federal	State
					CDBG	HOME	NHTF	ESG	HOPWA	OHTF <sup>(2)</sup>
Community Housing Impact and Preservation Program	\$ 19,125,300	27.2%	\$ 19,125,300	27.2%	\$ 8,200,000	\$ 10,925,300				
Housing Development Assistance Program <sup>(2)</sup>	\$ 8,960,130	12.7%	\$ 8,960,130	12.7%		\$ 4,000,000	\$ 4,960,130			
CHDO Competitive Operating Grant Program	\$ 200,000	0.3%	\$ 200,000	0.3%		\$ 200,000				
<b>Affordable Housing Subtotal</b>	<b>\$ 28,285,430</b>	<b>40.2%</b>	<b>\$ 28,285,430</b>	<b>40.2%</b>	<b>\$ 8,200,000</b>	<b>\$ 15,125,300</b>	<b>\$ 4,960,130</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Homeless Crisis Response Grant Program <sup>(3)</sup>	\$ 5,329,900	7.6%	\$ 5,329,900	7.6%				\$ 5,329,900		
Supportive Housing Grant Program	\$ -	0.0%	\$ -	0.0%						
Housing Assistance Grant Program	\$ -	0.0%	\$ -	0.0%						
Housing Opportunities for Persons With AIDS	\$ 1,471,505	2.1%	\$ 1,471,505	2.1%					\$ 1,471,505	
<b>Homelessness &amp; Supportive Housing Subtotal</b>	<b>\$ 6,801,405</b>	<b>9.7%</b>	<b>\$ 6,801,405</b>	<b>9.7%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,329,900</b>	<b>\$ 1,471,505</b>	<b>\$ -</b>
Community Development Program <sup>(4)</sup>	\$ 20,400,000	29.0%	\$ 20,400,000	29.0%	\$ 20,400,000					
Economic Dev. & Public Infrastructure Program <sup>(5)</sup>	\$ 10,000,000	14.2%	\$ 10,000,000	14.2%	\$ 10,000,000					
Microbusiness Development Program	\$ -	0.0%	\$ -	0.0%	\$ -					
<b>Community &amp; Economic Development Subtotal</b>	<b>\$ 30,400,000</b>	<b>43.2%</b>	<b>\$ 30,400,000</b>	<b>43.2%</b>	<b>\$ 30,400,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Target of Opportunity Grant Program	\$ 1,000,000	1.4%	\$ 1,000,000	1.4%	\$ 1,000,000	\$ -		\$ -		
Training and Technical Assistance Funds	\$ 255,478	0.4%	\$ 255,478	0.4%	\$ 255,478					
Community Development Finance Fund	\$ -	0.0%	\$ -	0.0%						
Resident Services Coordinator Program	\$ -	0.0%	\$ -	0.0%						
Grantee Administration Pass-through <sup>(6)</sup>	\$ 1,570,601	2.2%	\$ 1,570,601	2.2%	\$ -	\$ 950,000	\$ 320,601	\$ 300,000	\$ -	
Office Administration	\$ 2,008,489	2.9%	\$ 2,008,489	2.9%	\$ 915,418	\$ 730,479	\$ 230,499	\$ 132,093	\$ -	
<b>Totals =</b>	<b>\$ 70,321,403</b>	<b>100%</b>	<b>\$ 70,321,403</b>	<b>100%</b>	<b>\$ 40,770,896</b>	<b>\$ 16,805,779</b>	<b>\$ 5,511,230</b>	<b>\$ 5,761,993</b>	<b>\$ 1,471,505</b>	<b>\$ -</b>

(1) The "Consolidated Plan Total" column includes the CDBG, HOME, ESG and HOPWA funds awarded to the State of Ohio.

(2) OHTF allocations are contingent upon approval by the OHTF Advisory Committee and the Director of the Development Services Agency. Further, OHTF grant awards are contingent upon Controlling Board approval. OHFA administers the HDAP, ODA will administer the Resident Services Coordinator Program, and Ohio CDC will administer the Microenterprise Business Development Program. Therefore, in addition to program funds, OHFA will receive HOME and OHTF administrative dollars and ODA will receive OHTF administrative dollars.

(3) The Homeless Crisis Response Grant Program includes the OHTF funding set asides required by ORC Section 174.02 and unrestricted OHTF dollars.

(4) The Community Development Program includes the funding allocation for the Formula Allocation and three competitive set asides; Neighborhood Revitalization Grants, Downtown Revitalization Grants, and Critical Infrastructure grants (Approximately 40% of the Community Development Program will be allocated for these competitive awards).

(5) The Economic Development and Public Infrastructure Program includes Small Business Loans, Off-Site Infrastructure, and Residential Water & Sewer projects that were previously funded in separate programs.

(6) Approximately 60% of the HOME and 70% of the ESG administration allocation will be awarded to grant recipients.

**Ohio Consolidated Plan Annual Action Plan Allocation Priorities**

Table 2 below includes the estimated budget allocations for PY 2017 based on the approved PY 2016 allocation. This chart is provided pursuant to HUD’s requirement that the Consolidated Plan contain a statement of the state’s allocation priorities and the reasons for such priorities. The program goals indicate how a particular need will be addressed and the basis for allocation references a section in the Consolidated Plan where the particular need is identified and discussed. Because these needs were examined in the 2015-2019 Consolidated Plan Strategy, references to that document are cited rather than restated. The 2015-2019 Consolidated Plan Needs Statement can be obtained from OCD and is also available online at [http://development.ohio.gov/cs/cs\\_ocp.htm](http://development.ohio.gov/cs/cs_ocp.htm).

**Table 2: State of Ohio Allocation Priorities**

<b>Programs</b>	<b>Estimated 2017 Allocations</b>	<b>Program Goals</b>	<b>Basis For Allocation</b>
<b>Homeless and Supportive Housing</b>	\$6,801,263		
Homeless Crisis Response Program	\$5,329,758	To provide a continuum of housing/services to prevent persons from becoming homeless by providing homelessness prevention services and assistance; move persons from homelessness to permanent housing through the provision of housing placement, emergency shelter, direct housing, and transitional housing; and provide long-term permanent supportive housing to homeless persons with disabilities.	Ohio 2015-2019 Consolidated Plan Strategy. The allocation is determined by HUD ESG funds.
Housing Opportunities for Persons With AIDS	\$1,471,505	OCD provides eligible non-profit organizations or units of local government with funds to devise long-term, comprehensive strategies for meeting the housing and supportive service needs of persons with AIDS or HIV-related diseases.	The state allocation for the HOPWA Program is the amount of funds allocated by HUD.
<b>Affordable Housing</b>	\$20,085,430		
Community Housing Impact and Preservation Program	\$10,925,300	Through an efficient, flexible, and impactful approach, the Community Housing Impact and Preservation Program (CHIP) will partner with Ohio communities to preserve and improve the affordable housing stock for low- and moderate-income Ohioans and strengthen neighborhoods through community collaboration.	Ohio 2015-2019 Consolidated Plan Strategy.
Housing Development Assistance Program (HDAP)	\$8,960,130	To support the capacity of housing development organizations and to provide financing for eligible housing projects to expand the supply of decent, safe, affordable housing for very low-income to moderate-income persons and households in the state of Ohio.	Ohio 2015-2019 Consolidated Plan Strategy.
CHDO Competitive Operating Grant Program	\$200,000	To provide limited operating support to organizations to continue affordable housing development and to provide capacity building opportunities to new organizations.	Capacity building for implementation of HDAP Projects.

(continued on next page)

**Table 2: State of Ohio Allocation Priorities**

Programs	Estimated 2017 Allocations		
<b>Community and Economic Development</b>	\$30,400,000	<b>Program Goals</b>	<b>Basis For Allocation</b>
Community Development Program	\$20,400,000	To provide communities with a flexible housing and community development resource that can be used to address locally identified needs that are eligible CDBG activities and qualify under the national objective of Low- and Moderate-Income Benefit or Elimination of Slum and Blight.	Ohio 2015-2019 Consolidated Plan Strategy.
Economic Development & Public Infrastructure Program	\$10,000,000	To create and retain permanent, private-sector job opportunities, principally for low- and moderate-income persons, through the expansion and retention of business and industry in Ohio communities. The creation of a safe and sanitary living environment for Ohio citizens, through the provision of safe and reliable drinking water and proper disposal of sanitary waste.	Ohio 2015-2019 Consolidated Plan Strategy.
<b>Other Programs</b>	\$1,255,478	<b>Program Goals</b>	<b>Basis For Allocation</b>
Target of Opportunity Grant Program	\$1,000,000	To provide a means to fund worthwhile "targets of opportunity" projects and activities that do not fit within the structure of existing programs, and to provide supplemental resources to resolve immediate and unforeseen needs.	Based on identified community needs and historical demand for funds.
Training and Technical Assistance Funds	\$255,478	To provide funds to intermediary organizations to conduct training and technical assistance activities.	

# **Housing, Shelter and Supportive Housing**

- **Community Housing Impact and Preservation Program**
- **Housing Development Assistance Program**
- **Community Housing Development Organization Operating Grant Program**
- **Homeless Crisis Response Program**
- **Supportive Housing Program**
- **Housing Assistance Grant Program**
- **Housing Opportunities for Persons with AIDS Program**

## **Community Housing Impact and Preservation (CHIP) Program**

**Goal:** Through an efficient, flexible, and impactful approach, the Community Housing Impact and Preservation (CHIP) Program will partner with Ohio communities to preserve and improve the affordable housing stock for low- and moderate-income Ohioans and strengthen neighborhoods through community collaboration.

**Total Funds:** Approximately \$19.1 million. Approximately \$8.3 million in CDBG funds will be combined with an estimated \$11 million of HOME Investment Partnerships Program funds and SFY 2018 Ohio Housing Trust Funds (to be determined). CHIP Program funds will be distributed in one competitive funding round.

**Eligible Jurisdictions:** Jurisdictions are eligible for PY 2017 CHIP Program funding if they have an approved CHIP Policy and Procedures Manual. Eligible jurisdictions include (see listing of all eligible jurisdictions in Table 3, on page 15):

Note: Under Section 703.06 of the Ohio Revised Code, the Ohio Secretary of State's office reviews the 10-year Census report and verifies the population totals of all municipalities and villages. The full listing of all city and village classifications can be viewed at <http://www.sos.state.oh.us/SOS/mediaCenter/2011/2011-04-13.aspx>.

1. Non-entitlement/non-participating jurisdictions (cities with a low-moderate income population at or above 25 percent and all counties) with an approved CHIP Policy and Procedures Manual (eligible to receive Community Development Block Grant (CDBG), Ohio Housing Trust Funds and HOME funds);
2. Non-entitlement jurisdictions (cities with a low-moderate income population at or above 25 percent and all counties) that are part of a participating jurisdiction consortium, as defined by the HOME Program regulations with an approved CHIP Policy and Procedures Manual (eligible to receive Ohio Housing Trust Fund and CDBG funds). Jurisdictions with an allocation of more than \$400,000 from HUD per year are eligible for a maximum CHIP Program award of \$250,000. The remaining jurisdictions must refer to "Grant Ceiling, Single-Community Applicants, Column B".
3. Entitlement/non-participating jurisdictions (cities with a low-moderate income population at or above 25 percent and all counties) with an approved CHIP Policy and Procedures Manual (eligible to receive HOME funds). Jurisdictions with an allocation of more than \$400,000 from HUD per year are eligible for a maximum CHIP Program award of \$250,000. The remaining jurisdictions must refer to "Grant Ceiling, Single-Community Applicants, Column B".

Jurisdictions awarded a 2-year grant with PY 2015 CHIP Program funding as an applicant or a partner are not eligible to apply until PY 2018.

**Grant Ceiling:** Through a competitive application process, jurisdictions may apply for a maximum award as follows:

Single-Community Applicants: Single-community applicants may apply for a maximum award outlined in the chart below. Jurisdictions that are incentivized to partner (see 1 under *Eligible Jurisdictions*, above, excluding counties with no eligible cities) but choose to apply as a single-jurisdiction applicant, must refer to Column A. Points associated with partnership development will not be awarded when scored for funding. Counties without eligible cities applying as a single-jurisdiction applicant must refer to Column B.

	A	B
Single County	\$300,000	\$400,000
Single City with a population of at least 15,000	\$250,000	\$350,000
Single City with a population between 5,000 and 14,999	\$200,000	\$300,000

Partnership Applicants: Eligible jurisdictions may collaborate to form a partnership (see Partnership Composition). The maximum award for each partnership cannot exceed the aggregate maximum total amount of each CHIP Program-eligible jurisdiction in the partnership as follows:

Partnering County	\$450,000
Partnering City (within its own County) with a population of at least 15,000	\$400,000
Partnering City (within its own County) with a population between 5,000 and 14,999	\$350,000

Regardless of the number of communities in the partnership, the maximum grant request cannot exceed \$1.6 million.

**Partnership Composition:** Parameters for developing a partnership are as follows:

- A partnership’s boundaries cannot exceed two adjacent counties.
- An eligible city can only partner within its own county, either with the county or another CHIP Program-eligible city within the county. In a scenario where the city is an applicant and their county is a partner the partnership may include an adjacent county and its eligible cities. To summarize; if the city is the applicant, the partnership cannot cross the county borders without partnering with both counties.
- One of the eligible communities (city or county) in the partnership will be the applicant/potential grantee.
- Jurisdictions are allowed to submit or be a part of only one application.

Counties without CHIP Program-eligible cities will automatically receive points associated with partnership development using the terms associated with “Grant Ceiling, Single-Community Applicants, Column B. Such counties have the option to form a partnership with an adjacent county and its eligible cities if feasible, using the terms associated with “Grant Ceiling, Partnership Applicants.”

Any eligible jurisdiction that chooses not to be a direct participant for PY 2017, either as an applicant or a partner, may do so with no effect on the applicant’s scoring or funding level by selecting one of the following options:

- **County Umbrella:** If an eligible city is not interested in being a partner for PY 2017, but is interested in CHIP Program funds being spent in their jurisdiction, the city can join their county’s service area. The application for funding must contain a letter from the city’s CEO electing for CHIP Program funds to be spent in their community under their county’s jurisdiction in order to receive points associated with partnership development. When determining the applicant’s ceiling amount, the county’s amount must be based on amounts outlined for counties under *Single-Jurisdiction Applicants, Column B* or Partnership Applicants depending on whether the county has another partnering jurisdiction. There are no incentive funds available for this option. The county may participate as a single applicant, a partnership applicant or a partner.
- **Jurisdiction Opt-Out:** If an eligible jurisdiction will not apply for CHIP Program funding in PY 2017 and is not interested in CHIP Program services within its jurisdiction, the application for funding must contain an opt-out letter from the jurisdiction’s CEO to receive points associated with partnership development. The length of the opt-out period must be defined in the letter. Applicants that do not have other partnering options must refer to *Single-Jurisdiction Applicants, Column B*. This option is only available to jurisdictions that are not interested in participating in the CHIP Program and do not want funds spent in their jurisdiction.

Grant funds cannot be spent in a jurisdiction that does not apply as a single applicant or is not part of an eligible partner’s funded application via partner or under the county umbrella option.

The Office of Community Development expects CHIP Program services to be delivered within the partnership’s jurisdictions. Partnership agreements between the applicant and partnering communities will be submitted in the application for funding. Sub-recipient agreements are prohibited. Prior to submitting an application, the partnership must prepare a plan for expending the awarded funds throughout each jurisdiction. The plan must be submitted in the application for OCD to evaluate.

Non-entitlement cities and counties that are part of a participating jurisdiction consortium and entitlement/non-participating jurisdictions may apply as single-community applicants and automatically receive points associated

with partnership development through application scoring or join an eligible partnership with the following restrictions:

- A non-entitlement/non-participating jurisdiction (see #1, “Eligible Jurisdictions”) must be the applicant,
- When determining the partnership ceiling amount, the amount for non-entitlement jurisdictions that are part of a participating jurisdiction consortium and entitlement/non-participating jurisdictions (see #2 and #3, “Eligible Jurisdictions”) must be based on the amounts outlined in “Eligible Jurisdictions”, If the partnership is formed with another single jurisdiction, the amount for non-entitlement/non-participating jurisdictions (see #1, “Eligible Jurisdictions”) must be based on amounts outlined under “Single-Community Applicants”. If the partnership is formed with multiple non-entitlement/non-participating jurisdictions (see #1, “Eligible Jurisdictions”), the amount for non-entitlement/non-participating jurisdictions may be based on amounts outlined under “Partnership Applicants”.
- No HOME funds can be spent in non-entitlement jurisdictions that are part of a participating jurisdiction consortium and no CDBG funds can be spent in the entitlement/non-participating jurisdictions.

**Eligible Project Categories with Respective Activities:**

Rehabilitation Assistance

- Owner Rehabilitation
- Rental Rehabilitation

Repair Assistance

- Owner Home Repair
- Rental Home Repair

Homeownership Assistance

- Homeownership (Down Payment Assistance/Rehabilitation or Down Payment Assistance only)
- New Construction with Habitat for Humanity

Tenant-Based Rental Assistance

Administration

Fair Housing

**Application Timing:**

Submission: May 5, 2017  
Grant Award: September 1, 2017

**Administrative Costs:** A maximum of 12 percent of the total grant request may be budgeted for eligible general administrative activities. The HOME Program administrative budget amount is limited to 10 percent of the total HOME Program funds requested. Fair housing activities may be included in the CDBG administrative funds request. Eligible administrative costs are identified at 24 CFR 570.206 for CDBG funds and 24 CFR 92.207 for HOME Program funds.

All soft costs related to work completed on a specific unit meeting a national objective or income eligibility must be paid for in one of two ways:

- (a) these costs may be charged to the unit, or
- (b) these costs may be charged to administration.

All soft costs associated with projects that do not meet a national objective or income eligibility must be charged to administration. Eligible soft costs for the CDBG Program are defined at 24 CFR Part 570.202(b) (9) and for the HOME Program at 24 CFR 92.207(b).

**Program Income:** Any program income resulting from expending HOME and CDBG funds may be retained by the grantee but must be maintained in separate accounts. However, all CDBG housing program income must be used for an eligible CDBG housing activity, and all HOME Program income must be used for an eligible HOME Program activity. Eligible program income expenditures must follow the grantees OCD-approved CHIP

Program Policy and Procedures Manual and executed Housing Revolving Loan Fund Administrative Agreement, or receive OCD's prior written approval. Use of program income must comply with the Program Policy Notice OCD 15-04 Program Income Policy at <http://development.ohio.gov/files/cs/15-04%20-%20Program%20Income%20Policy.pdf> and applicable Federal and State laws and regulations. In accordance with 24 CFR 92.504(c)(1)(viii), committed housing program income must be disbursed prior to the grantee requesting funds from the State. Committed is defined as having an executed contract or funds officially obligated in a program. Also, OCD requires that all uncommitted Housing Program Income balances at the time of application, HOME or CDBG, be committed to projects in the CHIP Program application or designated in the implementation plan to be expended during the grant period.

**Program Grant Period:** PY 2017 CHIP Program grantees must complete their programs according to the following deadlines:

- (1) all activities (except audit and balance of administration) must be completed by the end of the 26<sup>th</sup> month, following the grant agreement date;
- (2) all drawdown requests must be submitted to OCD by the end of the 27<sup>th</sup> month; and
- (3) all funds must be committed and expended in accordance with the timeline established in the program milestones, and the final performance report must be submitted by the end of the 28<sup>th</sup> month. Audit(s) of this grant must be conducted in accordance with, 2 CFR 200 and Policy Notice 16-01, Grant Operations and Financial Management Policy and Procedures.

**Program Beneficiaries:** One hundred percent (100 percent) of all funds must be budgeted for activities benefiting low- or moderate-income households.

**Fair Housing Requirements:** Communities receiving CHIP Program funds must meet Fair Housing requirements as described in the Local Government Certifications to the State (see the OCD Program Policy section of this document).

**Tenant-Based Rental Assistance:** Consistent with the state's Consolidated Plan goal of providing a continuum of care in housing assistance, the state will offer Tenant-Based Rental Assistance opportunities. The state will allow communities to establish a local Tenant-Based Rental Assistance Program through the state's decentralized CHIP Program. The state will only fund applicants if:

1. The need for Tenant-Based Rental Assistance has been identified as a need through the local planning process, and/or is part of the jurisdiction's local housing strategy, and describes the local market conditions that support the need for this type of assistance; and
2. Families or individuals provided with HOME Tenant-Based Rental Assistance are below 60 percent of the area median income and selected on the basis of either A or B, or C as follows:
  - A. The Section 8 waiting list of a Public Housing Authority (PHA) operating within the applicant's jurisdiction based on preferences established by the PHA.
  - B. A waiting list established by the participating jurisdiction based on the established Federal Preferences and/or local preferences.
  - C. Eligible families that currently reside in units designated for rehabilitation under the HOME Program without requiring them to be placed on the PHA waiting list.

**Resale/Recapture Requirements:** Program Specific Resale and Recapture Requirement may be viewed on page 112. Communities receiving CHIP Program grant awards shall abide by Program Policy Notice OCD 15-03, Finance Mechanisms for Office of Community Development Program-Funded Projects. This policy can be viewed at <http://development.ohio.gov/files/cs/15-03%20-%20Finance%20Mechanisms%20%20Draft%20for%20Internal%20Circulation%204%2027%202015.pdf>.

**Rating Criteria:** All applications are reviewed, rated, and scored based on the criteria outlined below.

Applications may achieve a score up to 100 points. The process is competitive and designed to rank, in order, the communities to be funded through the CHIP Program.

### **Needs (15 total points)**

Needs will include an assessment of the applicant's level of distress based upon an average of the following trends in the current census data related to low- and moderate-income household needs across the state using: (1) an average of the participating communities percentage of low- and moderate-income populations, (2) the percentage of households paying more than 35 percent of income for housing, (3) age of housing stock, and (4) unemployment rates. Also, it will include an assessment of the applicant's planning process for its service area.

### **Capacity (25 total points)**

Administrative capacity will include the adequacy of the proposed administrative plan; the degree of consistency with application requirements; the applicant's/consultant's experience and capacity for implementing the proposed activities, and the adequate filling of the required roles to successfully administer a grant.

### **Performance (30 total points)**

Performance scoring will be based upon the applicant's performance. Performance of non-applicant partners will not affect the overall scoring of the application, but; based on performance of each jurisdiction, the portion of the grant total attributable to any partner may be reduced by up to 50 percent of the eligible amount available to that jurisdiction if serious performance issues exist. It will be incumbent on all partner jurisdictions to fully disclose negative performance issues. Performance will include prior and current performance in administering the compliance with grant agreement(s), program regulations and policies', resolution of monitoring and/or audit findings, and progress in completing activities. Any OCD-funded program may be evaluated.

### **Impact (30 total points)**

Impact will be based on the applicant's demonstrated readiness to proceed with the proposed activities; the consistency within the community's application; federal and state program requirements, and the application instructions. Impact will also take into consideration cost effectiveness, and the applicant's ability to demonstrate collaboration with other local resources. Counties containing no CHIP Program-eligible cities and such jurisdictions not eligible to form a partnership (see "Eligible Jurisdictions #2 and #3) will automatically receive points associated for partnership development.

**Program Amendments:** Because grant awards are based on the projects proposed in the application, grantees receiving CHIP Program funds are discouraged from changing their approved projects. Grantees considering a change in program scope, location or design, number and type of beneficiaries, anticipated accomplishments, or grant deadlines, must submit a Grant Amendment Request in OCEAN. Please note the following CHIP Program specific amendment conditions:

- Grantees increasing or decreasing a previously approved **project category** by more than \$5,000 or 10 percent, whichever is greater, must request an amendment to an executed grant agreement. These thresholds must be applied to both the **project category** from which the funds are to be decreased and the **project category** to which the funds will be increased. Increases or decreases less than this threshold will be reconciled during the closeout process. **Grantees are prohibited from moving funds into an activity that is not included on the Attachment A of that funding source without an amendment.** The administration cap **cannot** be exceeded. **Activity dollars cannot be moved to administration without an amendment.**
- Requests for amendments to adjust funds between eligible project categories or reduce total grant amount, including administration dollars, will be considered with no penalty to subsequent applications during the No-Fault Amendment Period defined in the program milestones.

- OCD will issue an automatic grant deadline amendment **with penalty** if the milestones associated with the work completion and/or final drawdown dates are not met.
- The following Grant Deadline principles will apply to the TBRA activity only:

<b>Chart #1 Unexpended Funds</b>	
Percent of TBRA Activity Budget	Penalty on Future Funding Requests
10% or less	None
> 10% - 20%	Minor
> 20%	Major

<b>Chart #2 Length of Time</b>	
Number of Days Approved to Extend Grant Deadline	Penalty on Future Funding Requests
90 or less	None
91 - 180	Minor
> 180	Major

**Both** of the above charts will be used to determine the need for an amendment at the time of the request or at the time of automatic amendment issuance by OCD. A penalty will be assessed based on the more stringent of penalties between the two charts above. For example, a grantee that has 8 percent of their unexpended TBRA budget (Chart #1) that will require 180 days to complete the activity (Chart #2) will incur a Minor penalty. The principle in Chart #1 in this scenario induces no penalty; however, the principle in Chart #2 induces a minor penalty. The penalty induced by Chart #2 is the most stringent. During the extended grant period, the CDBG and HOME grants will be left open with conditions on which activities will remain active to continue administration:

- HOME – TBRA
- CDBG – Administration and Fair Housing

Any request for an amendment not outlined above will be considered on a case-by-case basis.

Formal OCD approval through the Grant Amendment Request in OCEAN and the execution of a grant amendment is required before making the changes. The OCD Amendment Policy is outlined in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy. Unless otherwise specified, OCD will consider amendments in application scoring during future funding rounds.

**PY 2017 CHIP Program Eligible Communities:** The jurisdictions in Table 3 are eligible for PY 2017 CHIP Program funding if they have an approved CHIP Policy and Procedures Manual. The following communities are eligible for PY 2017 CHIP Program Funding if no PY 2015 CHIP Program Funds were awarded to the community as an applicant or as a partner unless awarded a one-year grant.

**Table 3: PY 2017 CHIP Program CDBG and OHTF Eligible Jurisdictions**

Trumbull County	Hubbard
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**PY 2017 CHIP Program HOME Eligible Communities**

Bowling Green	Kent	Sandusky
Clermont County	Lancaster	Steubenville
Elyria	Marietta	Warren County
Fairborn	Newark	

**PY 2017 CHIP Program CDBG, OHTF and HOME Eligible Counties**

Adams	Coshocton	Hancock	Logan	Muskingum	Scioto
Allen	Crawford	Hardin	Lorain	Noble	Seneca
Ashland	Darke	Harrison	Lucas	Ottawa	Shelby
Ashtabula	Defiance	Henry	Madison	Paulding	Tuscarawas
Athens	Delaware	Highland	Mahoning	Perry	Union
Auglaize	Erie	Hocking	Marion	Pickaway	Van Wert
Belmont	Fairfield	Holmes	Medina	Pike	Vinton
Brown	Fayette	Huron	Meigs	Portage	Washington
Carroll	Fulton	Jackson	Mercer	Preble	Wayne
Champaign	Gallia	Jefferson	Miami	Putnam	Williams
Clark	Geauga	Knox	Monroe	Richland	Wood
Clinton	Greene	Lawrence	Morgan	Ross	Wyandot
Columbiana	Guernsey	Licking	Morrow	Sandusky	

**PY 2017 CHIP Program CDBG, OHTF and HOME Eligible Cities with Population over 15,000 and LMI Percent of at least 25 Percent**

Ashland	Defiance	Marysville	Norwalk	Streetsboro	Xenia
Ashtabula	Delaware	Medina	Oregon	Tiffin	Zanesville
Athens	Findlay	Mount Vernon	Piqua	Troy	
Brunswick	Fremont	New Philadelphia	Portsmouth	Wadsworth	
Chillicothe	Marion	Niles	Sidney	Wooster	

**PY 2017 CHIP Program CDBG, OHTF and HOME Eligible Cities Population under 15,000 and LMI Percent of at least 25 Percent**

Bellefontaine	Columbiana	Greenville	Maumee	Rosford	Van Wert
Bellevue	Conneaut	Heath	Napoleon	Salem	Vermilion
Belpre	Coshocton	Hillsboro	Nelsonville	Sheffield Lake	Wapakoneta
Bryan	Delphos	Huron	Northwood	St. Marys	Wauseon
Bucyrus	Dover	Ironton	Oberlin	Struthers	Wellston
Cambridge	East Liverpool	Jackson	Orrville	Tipp City	Willard
Campbell	Eaton	Kenton	Pataskala	Toronto	Wilmington
Celina	Fostoria	Logan	Port Clinton	Uhrichsville	
Chardon	Galion	London	Ravenna	Upper Sandusky	
Circleville	Geneva	Martins Ferry	Rittman	Urbana	
Clyde	Girard	New Carlisle	Shelby	Washington C.H.	

## **Housing Development Assistance Program**

**Goal:** The goal of the Ohio Housing Finance Agency's (OHFA) Housing Development Assistance Program (HDAP) is to support the capacity of housing development organizations and to provide financing for eligible housing developments to expand the supply of decent, safe, affordable housing for very low-income to moderate-income persons and households in the state of Ohio.

**Total Funds:** The HDAP will use the following resources for providing financial assistance to eligible developments. Funds will be awarded in the form of a loan or grant.

**HOME Investment Partnerships Funds:** Approximately \$4 million. Federal regulations relating to environmental review, federal wage rates, federal accessibility, federal acquisition and relocation laws (URA and Section 104(d)), long-term affordability, etc. apply.

**Ohio Housing Trust Fund (OHTF):** (Amount to be determined) The Ohio Housing Trust Fund dollars, pending Controlling Board approval, will be awarded in order to provide gap financing to developments predominantly serving low-income households with incomes at or below 50 percent of the area median income. The Ohio Housing Trust Fund gives preference to those developments that benefit households with incomes at or below 35 percent of the area median income for the county where the development is located, as established by HUD.

Ohio Housing Trust Fund resources may also be used for homeownership developments and development or rehabilitation of housing serving people with mental health issues and developmental disabilities. All households served will have incomes at or below 80 percent of the area median income. At least 50 percent of all OHTF funds are to be allocated to rural areas and small cities that would not be eligible to participate as a participating jurisdiction under the HOME Investment Partnerships Program. State prevailing wages and associated laws are applicable.

The resources described above will be allocated for preserving at-risk affordable housing, creating new affordable rental housing, and developing affordable homeownership opportunities through the following programs administered by OHFA: Housing Credit Gap Financing, (both competitive and non-competitive), and Housing Development Gap Financing (HDGF).

**National Housing Trust Fund:** Approximately \$5.5 million. The National Housing Trust Fund dollars, pending allocation, will be awarded in order to provide gap financing to developments serving extremely low-income households with incomes at or below 30 percent of the area median income. NHTF gives preference to those developments in accordance with an annual Allocation Plan and includes priority for geographic diversity, ability to obligate and undertake activities in a timely manner, affordability and project-based rental assistance, duration of affordability period, merits in meeting state housing need, and leveraging of non-federal funding sources,

### **Funding Requirements for All Gap Financing Awards:**

- 1) **Reporting and Record Keeping:** The applicant will be responsible for compliance with applicable implementation, reporting and record keeping requirements associated with the HOME Investment Partnerships Program, NHTF, OHFA, and state regulations.
- 2) **Environmental Review Requirements:** Developments may be funded with OHTF, NHTF, and/or HOME Investment Partnerships dollars at OHFA's discretion. Best efforts will be made to fund scattered site developments (10 or more non-contiguous parcels) with OHTF dollars. OHTF-funded developments are not subject to the environmental review requirements as outlined at 24 CFR Part 58; however, the recipient of funds must provide the following information to OHFA:
  - A Phase I environmental site assessment that meets American Society of Testing and Materials (ASTM) standards (E1527-00 or most current at application). In addition, the Phase I shall address any environmental conditions (on or off-site) which, while not meeting the ASTM definition of a recognized environmental condition, could pose a threat to the residents' health or safety at the site. Such potential environmental conditions include, but are not limited to,

asbestos, lead paint, mines, air quality, and explosion hazards (above ground storage tanks, overhead pipelines, and oil/gas wells). The ASTM minimum search distances for government records must be met for each site and the Phase I shall draw justified conclusions on the potential impact on the project sites. The Phase I firm shall provide recommendations regarding all identified environmental conditions. At its discretion, OHFA may make exemptions to requiring the Phase I Environmental review for small or scattered site developments.

Each development could be subject to a 24 CFR Part 58 Environmental Review, regardless of the source of funds committed to the project. All developments may be subject to an environmental review, regardless of source of funds committed to the project.

OHFA will allocate \$1,000 per development funded with HOME funds for publishing the environmental review Public Notice.

- 3) **Determination and Requirements for Assisted Units:** The amount of HOME/HDAP funds will be used to determine the number of units that are HOME assisted and must comply with HUD's High- and Low-HOME rent requirements.

The total amount of HOME and HOME-match dollars includes HDAP funding, regardless of the source, plus local dollars. The number of units that receive HOME assistance will be rounded up to determine the number of assisted units that must comply with HOME rent restrictions. OHFA may have to increase the number of HOME assisted units if: (1) the total subsidy per assisted unit exceeds the 2012 221(d)(3) limits, and/or (2) the total subsidy per assisted unit exceeds the total development cost per unit.

If there are five or more units assisted by HOME dollars (state and local) in the development, 20 percent of the assisted units will be restricted to the Low-HOME rents. Assisted units will also be distributed evenly among various unit sizes in the development. OHFA reserves the right to require that units assisted through the HDAP be distributed evenly between newly constructed units and rehabilitated units. The applicant can elect for those units to be fixed units or floating units. For homeownership developments, all units will be considered assisted.

- 4) **Rehabilitation Standards:** Developments that involve rehabilitating structures must adhere to the OCD Residential Rehabilitation Standards (RRS). Refer to OCD's RRS Handbook, or other standards agreed upon by OHFA and OCD.
- 5) **Lead-Based Paint Standards:** All housing developments designed to rehabilitate pre-1978 structures must adhere to the Ohio Development Services Agency's Lead-Based Paint Guidelines.
- 6) **Relocation Standards:** All developments, regardless of funding source, that involve rehabilitating existing occupied units must submit a Relocation Plan or rehabilitation strategy that outlines the plan to work with the tenants in place. If the development receives federal funds, the plan must meet the requirements set forth in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. If the development involves acquisition, the applicant must supply the "Real Property Acquisition and Relocation Certifications and Voluntary Acquisition Forms" for the project.
- 7) **Timeline:** The HDAP recipient will confirm that all financing is committed and submit a Closing Request to OHFA which must be received at the OHFA offices at 57 East Main Street, Columbus, OH 43215, by October 31, 2017.
- 8) **Changes to Approved Applications:** The HDAP recipient must notify OHFA, in writing, of all changes, financial or otherwise, relating to an application for financial assistance of an approved development. Failure to notify OHFA may jeopardize the applicant's ability to receive assistance in the future. If there are any substantive changes to the development prior to executing the Funding Agreement, OHFA may require the applicant to resubmit the application.

- 9) **Eligible/Ineligible Applicants:** Applicants can be private for-profit, not-for-profit developers/owners, or public housing authorities. NHTF funds may only be used for public housing in limited circumstances. For developments owned by partnerships (limited liability corporations, etc.), to qualify for financing terms available to not-for-profit organizations, the majority/controlling general partner interest must be held by a not-for-profit (for-profit affiliates of not-for-profit parent corporations qualify as a not-for-profit in a partnership situation). To request financing terms available to not-for-profit organizations, the applicant must provide evidence of IRS 501(c)(3) or 501(c)(4) status. To be eligible for funding, religious organizations must meet the provisions in 24 CFR Part 92.257.

OHFA reserves the right to evaluate developments that received other forms of federal subsidy (such as Capital Advance Grants through HUD 202 or 811; HOPE VI; Public Housing Authority funds or Rural Development 515 financing with new construction; or FAF funds) and determine what amount, if any, the development needs to be financially feasible.

Developments that have previously received an award through the Housing Development Assistance Program may not be eligible to receive additional funds. OHFA reserves the right to evaluate such developments in an appeal process to determine the facts and circumstances that necessitate the need for additional funds and to ensure projects are not over subsidized.

OHFA would prefer that HDAP resources be used to provide new opportunities for affordable housing or to preserve affordable housing for the residents of Ohio. Therefore, OHFA reserves the right to determine whether or not rehabilitating existing affordable renter-occupied housing is eligible. For this purpose, 'affordable' is defined as housing which, as a result of one of the funding sources, the population being served or the area in which the project is located, is required to maintain below market-rate rents on any of its units. Applicants requesting funds for this purpose must be prepared to present compelling reasons why HDAP funds should be used to rehabilitate an existing affordable development.

- 10) **Projects per Developer:** Developers may submit more than one proposed development per year based on the organization's capacity to implement multiple and/or simultaneous projects. OHFA reserves the right to require further information and to make a determination on organization's capacity to carry out multiple developments, which will include status and progress on projects previously using any resources provided by OHFA. OHFA may also limit the amount of HDAP awarded to any single developer.

OHFA reserves the right to combine the costs for developments located in close proximity to each other and share similar attributes such as project type, construction style, and development team.

- 11) **Cost Certification:** After construction is completed, each development will be required to obtain and submit a cost certification prepared by an independent certified public accountant or other comparable documentation approved by OHFA.

- 12) **Fee Limits:** Developer's fee for applications submitted in connection with gap financing awards must be consistent with the limits established in the Qualified Allocation Plan (QAP), Consolidated Gap Guidelines, or other funding guidelines.

- 13) **Public Notification:** Applicants intending to develop rental housing (including lease-purchase) must comply with the ORC §175.07 pertaining to public notification.

- 14) **Loans:**

- Interest rate of 2 percent, or a negotiated rate agreed upon by OHFA and the project ownership based on the project's cash flow.
- Loan will mature at the end of the affordability period. The affordability period is defined as the minimum term required in CFR 92 and any extended affordability period imposed by OHFA.
- OHFA prefers a second or shared second position if collateral will be a subordinate mortgage position. If a lower position is necessary, the applicant should indicate so in the application along with an explanation and supporting documentation.

- Collateral for Section 8 projects participating in the Mark-to-Market program: OHFA will require collateral in the portion of the owner's position to the extent that the HDAP assistance is used to fund the owner's 20 percent up-front rehabilitation contribution required by the Mark-to-Market program.
- Payments will be based on a percentage of the project's cash flow as defined by OHFA. During the entire term of the loan, repayments to the HDAP-Recipient for the HDAP loan to the project are also excluded from the definition of cash flow (except to the extent that the payment ultimately flows to OHFA). Any remaining balance on the HDAP loan is due as a balloon payment at the end of the term or upon sale, whichever is first. OHFA may agree to subordinate to other government investors (USDA Rural Development (RD) or HUD) and accept payments consistent with their terms. However, this will be evaluated on a case-by-case basis.
- Loan interest will accrue and repayment obligations will start following the project close-out, regardless of the Placed-in-Service date. Closed-out means the HDAP recipient leased the "Assisted" units, and provided the appropriate documentation to OHFA and OHFA approved the documentation.
- For HOME-funded developments, loans will be made to the development's ownership entity. OHTF loans will be made to the HDAP recipient as the project's general partner, managing member or equivalent that may then lend the funds to the project at a commercially reasonable rate. OHFA reserves the right to designate which general partner/managing member/owner, if more than one, will be the recipient.

**15) Grants:**

Grants must be requested and are available only when all of the following conditions are met:

- The eligible applicant is the controlling general partner and is a 501(c)(3) or 501(c)(4) not-for-profit (for-profit affiliates of not-for-profit parent corporations qualify as a not-for-profit in a partnership situation).
- At least 20 percent of the units in the development will be occupied by and affordable to households at or below 35 percent of the Area Median Income.
- The recipient must treat the funds as a grant for tax purposes. If the recipient is the project, it will receive an IRS Form 1099.
- The recipient cannot loan the funds to the development, but must treat it as a grant or capital contribution.

Developments that meet both the requirements established by OHFA for Permanent Supportive Housing and the above-noted conditions are also eligible to request a grant.

For Housing credit developments that request a direct grant, the HDAP funds may be included in eligible tax credit basis if the funds are a general partner's capital contribution **and** provided that the development can provide a tax-opinion certifying the funds as part of eligible basis. The development must still meet all of the above-noted requirements to be eligible for a grant. However, when considering eligibility for a grant, OHFA will apply the regulations governing the funds awarded (HOME, NHTF or OHTF) when considering how the recipient passes the award on to the development.

**16) Transitional Housing:**

Transitional housing is eligible for funding if the service population receives the appropriate supportive services and the applicant designates a minimum occupancy period for residents.

**17) Affordability Requirements:**

Developments located in Participating Jurisdiction (**PJ**) areas must show that at least **40 percent** of the development's affordable units must be occupied by and affordable to families at or below 50 percent AMI for the entire affordability period. Developments located in **Non-PJ** areas must show that at least **35 percent** of the development's affordable units must be occupied by and affordable to 50 percent AMI

households for the entire affordability period. Affordable units are defined as units that are affordable to households at or below 60 percent of the AMGI.

Rents established by project-based contracts may increase, as allowed, by that project-based assistance. Existing tenants may not be displaced to achieve the minimum occupancy percentage by very low-income households. Occupancy in up to 60 percent of the development by households with higher incomes is to occur over time; at turnover, units may be leased to higher income households.

Housing Credit Gap Financing: Projects located in PJ areas must show that at least 10 percent of units will be affordable to and occupied by households at or below 35 percent of area median income. Projects not located in PJ areas must show that at least 5 percent of units will be affordable to and occupied by households at or below 35 percent of the area median income.

**NOTE:** Existing occupancy and/or affordability restrictions imposed because of the project-based federal assistance may take precedence over OHFA requirements.

**18) Programs:**

**A. Housing Development Gap Financing (HDGF)**

HDGF provides gap financing to developers creating housing without using housing credits or multifamily tax-exempt (private activity) bonds. Applicants may apply for gap financing for rental development or preservation of existing affordable housing.

**Eligible Applicants:**

Ohio-based nonprofit and for-profit developers and public housing authorities proposing to develop rental developments financed with source(s) other than equity generated by combining low-income housing tax credits. Developments must have a minimum of four units.

**Eligible Activities:**

HDGF resources in the development budget may only be applied toward non-related, third party acquisition costs, hard costs associated with new construction or rehabilitation, developer fees, and eligible soft costs associated with actually developing renter-occupied projects that create housing opportunities.

On a case-by-case basis, the cost of previously purchased land may be considered as a portion of the total costs and therefore may be eligible for reimbursement.

HDGF resources may be utilized in mixed-use buildings; however, the HDGF application must only represent the residential portion of the development. The residential income must support the development and operating expenses of the residential portion.

**Funding Limit:**

Total HDGF funds in the development cannot exceed 50 percent of the project's total cost. OHFA may, on a case-by-case basis, agree to subsidize more than this based on the local resources available, the development design or the project location.

The HDGF will utilize funds from the Ohio Housing Trust Fund and may utilize HOME Investment Partnerships Program allocations to fund affordable rental housing development. The development must constitute creating new affordable housing units through renovation or new construction.

- Up to \$450,000 per development in HUD Participating Jurisdictions (PJs), based on funding availability.

- Up to \$700,000 per development in HUD Non-Participating Jurisdictions (Non PJs), based on funding availability.
- Up to \$750,000 per development for Permanent Supportive Housing.

OHFA reserves the right to exceed these limits, on a project basis, after performing a financial underwriting analysis of the project.

No local government match requirement will be imposed on these developments.

## **B. Housing Credit Gap Financing**

The following applies to the Housing Credit Gap Financing program for use in conjunction with 9 percent housing tax credits and the Bond Gap Financing program which is used with 4 percent non-competitive housing tax credits. They are referred to jointly herein as HCGF.

### **Eligible Applicants:**

Private housing developers and public housing authorities seeking competitive tax credits in the current Housing Credit program year. All applicants must be a sole general partner (if a CHDO), controlling/managing general partner, or a general partner/managing member with a material interest in the ownership structure of at least 25 percent.

### **Funding Limits:**

The following limits will be placed on projects in the 9 percent competitive housing credit round:

- \$600,000 for eligible Community Housing Development Organization (CHDO) projects, or an amount approved by OHFA based on the needs of the project and/or funding availability.
- \$300,000 for non-CHDO projects, or an amount approved by OHFA based on the needs of the project and/or funding availability.

The following limit will be placed on projects in the 4 percent competitive housing credit round:

- Up to \$1,000,000, based on the needs of the project, as determined through multifamily underwriting and/or funding availability.

Total HCGF funds in the development cannot exceed 50 percent of the total cost of the project.

OHFA may impose a Local Government Match Requirement. The amount of match required will depend on the amount of federal funds the Participating Jurisdiction receives as well as the nature of the proposed development. OHFA will adopt a broad definition for what constitutes match funding including, but not limited to, tax abatements, government-donated land and local HOME or Trust fund dollars.

In conjunction with multifamily tax-exempt bond financing (private purpose volume cap) for preserving affordable housing (subject to the availability of funds):

Private housing developers and public housing authorities must receive an award of volume cap on or after July 1, 2016, for acquiring or rehabilitating or substantially rehabilitating an existing HUD Section 8 or RD project. Developments must have also received a housing credits allocation. Applicants must be a sole general partner, controlling/managing general partner, or a general partner/managing member with a material interest of at least 25 percent in the ownership structure.

The development cannot have closed on the bonds prior to application. Closing "in Escrow" will be considered by OHFA to be closed.

### **Eligible Activities:**

For a HOME- and NHTF funded tax credit development, there is no restriction on the development location. For an OHTF-funded tax credit development, the development must be a PSH project or its location must be in a non-urban county as defined by OHFA in the Qualified Allocation Plan (QAP).

HDAP funds may be applied in the development budget toward non-related party acquisition, hard costs associated with new construction or rehabilitation, and developer fees associated with the project.

HCGF-assisted rental units may be converted to homeownership units under the housing credit lease-purchase program. OHFA may elect to forgive one-half of the original loan and accrued interest up to the point of sale if the unit has been maintained as safe, decent and sanitary housing. The balance due will be passed on to the homebuyer as affordability subsidy. The units will be subject to the minimum affordability period equal to the remaining affordability period established by HUD if the units had continued as rental housing. The recipient will be responsible for monitoring and reporting under the current guidelines. The recipient must require the homebuyer to provide notification if they intend to sell the property and the recipient must make a determination of whether funds must be recaptured and returned to OHFA. OHFA reserves the right to request any documentation it deems necessary to determine the eligible amount of affordability subsidy, including, but not limited to, an appraisal demonstrating the fair market value of the property.

**19) Application Review Criteria:**

All HDAP applications will include an application review and all required supporting documentation to ensure that the development is financially feasible and meets all HOME, NHTF and OHFA program requirements.

**20) Fees:**

**Application Fee:**

OHFA may elect to impose application, document correction, and funding fees as it determines is necessary. Fees may be based on threshold deficiencies and designed to encourage submission of complete and accurate applications with a likelihood of success.

**Amendment/Extensions or Reinstatement to Funding Agreements:** OHFA may elect to impose a \$500 fee for each amendment or extension made to the funding agreement. OHFA may also elect to impose a \$1,000 fee to reinstate an expired funding agreement. These fees are implemented to encourage applicants to complete developments in a timely manner and as proposed in the application.

**21) Waivers**

OHFA reserves the right to waive State-imposed requirements if the applicant demonstrates compelling reason. OHFA will review such requests on a case-by-case basis.

**22) Application Review Process:**

The application will be assigned to a Housing Grant Analyst (HGA) who will be responsible for the application review, funding agreement processing and resolving post-award implementation issues.

OHFA reserves the right to determine cost reasonableness and fees associated with the development.

Threshold Review - The threshold criteria assures that all selected developments comply with program requirements. Applications that do not meet the threshold requirements will not be considered for funding. *The only exception to this will be the Housing Credit Gap Financing developments, which will follow the Threshold Review process established in the OHFA Qualified Allocation Plan.*

### Award Process:

The Housing Credit Gap Financing developments will follow the allocation system established in the OHFA Qualified Allocation Plan. OHFA reserves the right to prioritize permanent supportive housing developments; developments located in HUD Non-Participating Jurisdictions; projects that have not previously received an award of HDAP funds; developments seeking Section 811 PRA assistance, Ohio Department of Medicaid Subsidy Demonstration or additional extremely low-income units at or below 30% AMI; and developments in which at least 25% of the total affordable units are three or more bedroom units.

Applications submitted in the HDGF round will be evaluated based on the following criteria: 1) experience and capacity of the applicant and development team; 2) financial feasibility of the development; 3) site selection; 4) development design; 5) demonstrated market for the development and 6) policies as stated in the Program Guidelines.

Proforma or Affordability Analysis - A financial review will include an evaluation to determine the amount of funds necessary to complete the actual development of the development, considering all other committed sources.

The financial review for rental housing developments includes the analysis of a 15-year proforma, assuming a 2 percent annual revenue increase, a 3 percent annual operating expense increase, and a 7 percent stabilized vacancy rate. If the proforma forecasts different assumptions, justification must be provided. The affordability analysis for rental developments requires the resident's rent and utility payments not to exceed 30 percent of an income-qualified household's income at the projected affordability level. Utility allowance information must be obtained from the local public housing authority, local utility provider, or other approved source (e.g. actual usage history on rehabilitation developments).

Pre-Award Site Visit - The Housing Grant Analyst (HGA) may conduct a site visit prior to submitting a funding recommendation. The purpose of the visit is 1) to allow the HGA to evaluate the proposed development site for suitability and impact on the surrounding community, 2) to allow the HGA to confirm the status of previously funded developments, and 3) to develop the relationship between the applicant and OHFA. Both parties can discuss any issues or concerns regarding the proposed development and the organization has an opportunity to familiarize OHFA staff with their overall programs and operations.

Formal Recommendation for Funding - The HGA will present the development and submit a funding recommendation, either for approval or rejection, to the OHFA Board's Multifamily Committee. The Committee will submit a formal recommendation to the Ohio Housing Finance Agency's Board.

Upon approval by the OHFA Board, OHFA staff will notify the community's state legislators and issue a press release.

### **23) Application Submission:**

Proposals must be submitted on a CD, with all required documents clearly labeled as detailed in the program guidelines.

Applications should be submitted to the Office of Planning, Preservation and Development, Ohio Housing Finance Agency (OHFA), 57 East Main Street, Columbus, Ohio 43215-5135.

The Housing Credit Gap Financing and Housing Credit application submission dates will be the same. The OHFA Board will determine the applications deadline for the HDGF funding round(s).

**Incomplete Applications:** OHFA will perform a preliminary review of all developments to determine whether or not a complete application has been submitted. If it is determined that OHFA cannot evaluate the proposal based on the information provided, the application will be returned to the applicant along with a written listing of the application's deficiencies.

## **CHDO Competitive Operating Grant Program**

**Goal:** To provide operating support to organizations to continue developing affordable housing.

**Total Funds Available:** The budget for this competitive program will be set at \$200,000. The maximum grant award is \$50,000 per organization, and the grant award, along with any other local HOME operating grants, must not exceed 50 percent of the organization's total operating budget.

If any portion of this allocation remains uncommitted after the application deadline, those funds may be reallocated to the PY 2017 HDAP Program.

**Grant Terms:** Grants will be written for a 12-month period starting on or after July 1, 2017.

**Eligible Applicants:** The organization must be a state-designated CHDO for a development that is partially funded by the State of Ohio's 15% HOME funds set-aside and has not yet met the "project completion" definition. Project completion means that the organization completed all the necessary title transfer requirements and construction work; the project complies with the requirements of this part (including the property standards under §92.251); the organization received its final drawdown of HOME funds for the project; and the project completion information has been entered into the disbursement and information system established by HUD, except that with respect to rental housing project completion, for the purposes of §92.502(d) of this part, project completion occurs upon construction completion and before occupancy.

**Eligible HOME-CHDO Operating Activities:** Activities including, but not limited to, the following are eligible HOME-CHDO Operating Grant activities:

- Administrative and support staff costs, including fringe benefits, for staff directly involved in housing development activities.
- Non-staff administrative costs such as supplies, travel, equipment, space and maintenance, telephone equipment and service, postage, printing and duplicating, and staff and board training.

**Ineligible HOME-CHDO Operating Activities:**

- Operating costs incurred by a CHDO operating as a sub-recipient or contractor under the HOME program for a specific development.
- Pre-development costs such as engineering, architecture, options, marketing, market studies, etc.
- All activities related to administering the Community Housing Impact and Preservation Program, Community Development Block Grant, Community Service Block Grant, or other local, State, or federal programs in which the CHDO acts as a sub-recipient.

OHFA will evaluate the necessity and efficiency of this program during the 2017 program year and reserves the right to redirect CHDO Operating Grant resources to the Housing Development Assistance Program as needed.

## **Homeless Crisis Response Program**

**Goal:** To prevent individuals and families from entering homelessness, provide for emergency shelter operations and rapidly move persons from homelessness to permanent housing.

The Homeless Crisis Response Program is divided into two components: 1) emergency shelter operations; and 2) homelessness prevention and rapid re-housing activities. This program has been designed to be consistent with the federal Emergency Solutions Grants (ESG) program.

Housing stability funds are expected to be used for only rapid re-housing activities in the entitlement areas of the state unless a waiver is requested and approved. While the rural areas (balance of state) may use funds for homelessness prevention and rapid re-housing, rapid re-housing is the priority of these funds and should be allocated throughout the homeless planning region based on the need for rapid re-housing assistance. Homelessness prevention funds should be limited for use by persons who are in a doubled-up situation, being forced to leave and facing imminent homelessness.

**Eligible Applicants:** Funding is available to eligible nonprofit organizations and units of local government for emergency shelter activities, and to state-selected nonprofit organizations and local units of government for homelessness prevention and rapid re-housing activities.

Only one state-appointed organization per Homeless Planning Region is eligible to apply for homelessness prevention and rapid re-housing funds on behalf of the region. To apply for homelessness prevention and rapid re-housing funds, each region must have a collaborative, Regional Homeless Service Coordination Plan (regional plan). Regional plans should include agreed upon participant screening criteria, common assessment tools, and referral processes, and each participant in the region implementing the program must use the same forms.

*Note: All agencies applying for emergency shelter funding must participate in this planning process and be listed in the Regional Homeless Service Coordination Plan to be eligible for emergency shelter funds.*

**Total Funds Available:** SFY 2018 Ohio Housing Trust Funds (amount to be determined); approximately \$5.3 million in PY 2017 Federal Emergency Solutions Grant funds.

### **Funding Method:**

**Emergency Shelter Activities:** Shelter programs currently funded by OCD are eligible to apply for funding based on their previous funding level. Shelter programs are eligible for renewal of 85 percent of their previous grant amount. The remaining 15 percent of the previous grant amount will be made available through a competitive evaluation based on the rating criteria below.

For currently funded shelter programs, applicants may request more than their current funding level provided a waiver is received by OCD on or before May 25, 2017 at 5 p.m., and OCD subsequently approves the request. Waiver requests must be based on program expansion or other significant factors. OCD does not anticipate approving many, if any, waiver requests for additional funding above the previous grant award because of the limited amount of shelter funds available.

Programs that received a cut in their last funding cycle may apply for their funding level prior to the cut.

Emergency shelters not currently funded by OCD may apply competitively through the PY 2017 Homeless Crisis Response Program application process. Agencies interested in applying for a new shelter program should contact OCD for technical assistance regarding need for the program and potential request amount. However, OCD advises that with homelessness prevention and rapid re-housing funds available through this program, OCD does not anticipate funding many, if any, new emergency shelters.

**Homelessness Prevention and Rapid Re-housing Activities:** Funding for homelessness prevention and rapid re-housing activities will be available via an allocation methodology through state-selected regional applicants.

This formula allocation will assure at least minimum crisis response funding levels are available for persons at imminent risk of homelessness or persons who are homeless in all areas of the state. Applicants will also be able to compete for an additional amount above their allocation based on an evaluation of program design, HMIS data quality and outcomes, coordination, and program capacity.

**Eligible Activities:**

**Emergency Shelter\*:**

1. **Shelter Operations** - Operating funds to operate and staff an Emergency Shelter program and supportive service costs to provide limited case management, goal planning, and permanent housing placement.
2. **Data Collection and Evaluation** - Costs associated with data collection/evaluation, including HMIS related activities.
3. **General Administration** - General Administration funds limited to administration costs of the portion of the Homeless Crisis Response Program grant for Emergency Shelter activities.

\*For the purposes of this program, emergency shelters that restrict admission to domestic violence victims are not eligible for funding.

**Homelessness Prevention and Rapid Re-housing:**

1. **Homelessness Prevention** – Financial assistance including rental assistance; rental application fees; rental arrears; security and utility deposits; utility payments; moving cost assistance; and, in certain circumstances, motel and hotel vouchers. Housing Relocation and Stabilization Services, which includes case management; outreach and engagement; housing search and placement services; legal services; and credit repair, are also eligible.
2. **Rapid Re-housing** - Financial assistance including rental assistance; rental application fees; rental arrears; security and utility deposits; utility payments; moving cost assistance; and, in certain circumstances, motel and hotel vouchers. Housing Relocation and Stabilization Services, which includes case management; outreach and engagement; housing search and placement services; legal services; and credit repair, are also eligible.
3. **Data Collection and Evaluation** - Costs associated with data collection/evaluation, including HMIS-related activities.
4. **Administrative Costs** – Funds may be used for grant fund accounting, preparing reports, obtaining program audits, similar costs related to administering the grant during the grant’s work completion period and staff salaries associated with these administrative costs. Administrative costs also include training for staff who will administer the program or case managers who will serve program participants, as long as this training is directly related to learning about HCRP. Please note that requests for this line item cannot exceed five percent of the total grant request.

**Matching Requirements:** Emergency shelter applicants must provide at least \$1 in local public or private resources for every two dollars in Homeless Crisis Response Program funds (a ratio of 1:2 other funds to grant funds). Grants or loans from the Ohio Development Services Agency cannot be used as match. No match is required for the housing stability category.

**Threshold Requirements:**

- Proposals for emergency shelter activity funds must be included in the Regional Homeless Service Coordination Plan to be considered for funding.

- Applicants must be participating in the appropriate Homeless Management Information System (HMIS) and meet minimum data quality standards. If not a current OCD grantee, applicants must agree to participate if awarded funding.
- Proposals must include documentation verifying the commitment of sufficient matching funds to meet the match requirements.
- Emergency shelter and rapid re-housing activities must be targeted to households who are literally homeless and homelessness prevention activities must be targeted to households at risk of homelessness with the priority being persons who are in a doubled-up situation. Homelessness prevention and rapid re-housing programs must be targeted to households below 30 percent of area median income. Income verification and documentation is required at intake; however, income is not an eligibility factor for rapid re-housing assistance until 90 days after initial intake unless the region has a waiver from OCD in which case it is 1 year.
- For Youth Shelters, the parent organization must be accredited by a recognized accreditation organization such as Council on Accreditation (COA), Commission on Accreditation of Rehabilitation Facilities (CARF), or The Joint Commission on Accreditation of Healthcare Organizations (JCAHO) or be licensed by the Ohio Department of Job and Family Services (ODJFS) to provide emergency shelter for youth.
- Only complete applications, including all essential exhibits, will be reviewed.

**Rating Criteria (Emergency Shelter):** OCD will rate emergency shelter applications based on the following criteria:

1. **Proposal Design (20 points):** The proposal narrative must clearly identify the problem to be addressed, population group(s) to be served and the activities to be undertaken. The proposal should demonstrate involvement in coordinated entry, effective diversion and the utilization of rapid re-housing funds. The proposal should also demonstrate consistency with program requirements and best practices.
2. **HMIS/Outcomes (35 points):** Based on data entered into HMIS, applicants must demonstrate acceptable performance. At a minimum specific performance measures will include the following:
  - Occupancy rates
  - Average length of stay
  - Percentage of leavers exiting to a permanent destination or transitional housing

In addition, OCD will evaluate the HMIS data quality including, but not limited to null and missing values. OCD will consider the extent to which the CoC participates in the Ohio Human Services Data Warehouse developed and administered by the Ohio Housing Finance Agency.

3. **Collaboration (5 points):** Applicants must demonstrate appropriate involvement in the planning work of their local Homeless Planning Region.
4. **Need (10 points):** Extent to which the proposal demonstrates a demand for the services provided by the program based on needs surveys, point in time counts, waiting lists, program utilization and other data. For all programs, applicants must demonstrate the methods used to determine current demand for services in their community.
5. **Capacity (10 points):** Projects will be evaluated based on the extent to which the applicant demonstrates the organization's ability to implement proposed activities. Items taken into consideration include the organization's history and descriptions of key staff involved in the project.
6. **Effectiveness (10 points):** Applicants should demonstrate how the program is cost effective based on request amount and cost per service provided.

7. Budget Reasonableness/Application Completeness (10 points): Extent to which the application meets all program thresholds and contains all required exhibits and budget figures are accurate, consistent and reasonable.

**Program Period:** Awards will be granted for 12-month or 24-month grant periods, as determined by OCD. Grantees must complete their program according to the following deadlines: (1) All activities must be completed by the end of the 12<sup>th</sup> or 24<sup>th</sup> month, as determined by the work completion date identified in the grant agreement; (2) All drawdown requests must be submitted to OCD within one month of the work completion deadline; (3) All funds must be disbursed and expended, and a final performance report must be submitted to OCD within two months of the work completion deadline.

**Reduction of Grant Request:** OCD reserves the right to award grants at amounts lower than requested in the application or less than the amount listed in the allocation amounts provided with the application materials.

**Program Amendments:** Because grant awards are based on the projects proposed in the application, grantees receiving Homeless Crisis Response funds are discouraged from changing their approved projects. OCD will consider, on a case-by-case basis, only those changes that do not negatively affect the scoring of the original competitively awarded grant. Grantees considering a change in program scope, location or design, number and type of beneficiaries, anticipated accomplishments, or grant deadlines, must submit a Grant Amendment Request in OCEAN. The following exemptions exist for program budgets:

A formal budget amendment is only necessary when a grantee wishes to transfer funds into a restricted budget category (administration). Non-restricted activities are exempted from the standard 10 percent or \$5,000 threshold in determining the need for a budget amendment. While a budget amendment is not needed to move funds between homelessness prevention and rapid re-housing activities, increasing the amount of funds expended on homelessness prevention will negatively impact scoring in future rounds of funding.

Formal OCD approval through the Grant Amendment Request in OCEAN and the execution of a grant amendment is required before making the changes. The OCD Amendment Policy is outlined in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy. OCD will consider amendment requests in application scoring during future funding rounds.

**Application Submission:** Applicants must submit applications for the Homeless Crisis Response Program by 11:59 p.m. on June 26, 2017.

**Grant Award:** Approximately four months after submission, immediately after State Controlling Board approval.

## **Supportive Housing Program**

**Goal:** To facilitate moving homeless persons to permanent housing by providing transitional housing as well as provide long-term permanent supportive housing to homeless persons with disabilities.

**Total Funds Available:** SFY 2018 Ohio Housing Trust Funds (amount to be determined).

**Funding Method:** Supportive Housing Program (SHP) funds will be awarded to eligible transitional housing and permanent supportive housing providers on a competitive basis. While the SHP is a competitive program, OCD values the importance of continuing funded programs that are performing well as an effective strategy in ending homelessness.

**Eligible Applicants:** Eligible nonprofit organizations, units of local government, public housing authorities and consortia of any eligible applicants are eligible to apply for funding. The priority for transitional housing is projects for facilities that either serve homeless youth, victims of domestic violence, persons with mental illness or persons in recovery from substance abuse and young families that comply with a national best practice or research supported design. The priority for permanent supportive housing is projects that meet the housing needs of homeless families and individuals with disabilities using a housing first methodology.

### **Eligible Activities:**

#### **Transitional Housing:**

Facility-based or sponsor-based program models, either single-site or scattered-site.

- Rental payments to support operating transitional housing projects designed to place clients in permanent housing within 4 to 24 months. The preference is for programs with an average length of stay less than 12 months.
- Supportive Services linked to transitional housing programs that are designed to help program participants attain permanent housing and housing stability in a 4- to 24-month period. NOTE: No more than 20 percent of Ohio Housing Trust Fund dollars may be spent on supportive services; therefore, please keep supportive services requests to an absolute minimum.
- Operating expenses to support the recurring costs of operating a transitional housing program. This includes both staff and non-staff costs associated with operating the program, such as front door staff.
- Administrative expenses such as accounting for grant funds, preparing reports, obtaining program audits, similar costs related to administering the grant after the award, and staff salaries associated with these administrative costs. Administrative costs also include training for staff who will administer the program or case managers who will serve program participants, as long as this training is directly related to learning about the Supportive Housing Program.
- Data Collection and Evaluation including costs associated with data collection and reporting through the use of Homeless Management Information Systems (HMIS) or a comparable client-level database. Eligible costs include purchasing HMIS software and/or user licenses; leasing or purchasing needed computer equipment for providers and the central server; costs associated with data collection, entry, and analysis; and staffing associated with operating the HMIS, including training.
- Activities are limited to households that are homeless according to the HUD definition, excluding category 3, with incomes at or below 35 percent Area Median Income (AMI) at the time of program entry.

#### **Permanent Supportive Housing:**

- Operating expenses linked to permanent supportive housing programs for homeless persons with disabilities targeted primarily to homeless individuals with mental illness or, chemical dependency,

AIDS/HIV or other permanent disabilities. Permanent Supportive Housing programs currently funded with SHP funds by OCD may apply for funding for currently funded activities.

- Bridge Funding, including first month's rent, security deposits and utility payments, designed to place homeless households into Permanent Supportive Housing units in which the household is able to remain in the same housing after receiving these services. This limited bridge funding will help eligible persons who are transitioning into permanent supportive housing obtain housing while awaiting a permanent housing subsidy. This assistance is time limited with the assurance that future housing/rental assistance is expected and shall not be used for persons currently in permanent supportive housing.
- Administrative expenses such as for grant funds, preparing reports, obtaining program audits, similar costs related to administering the grant after the award and staff salaries associated with these administrative costs. Administrative costs also include training for staff who will administer the program or case managers who will serve program participants, as long as this training is directly related to learning about the Supportive Housing Program. **NOTE:** Administrative expenses are now a standalone budget item and *should not* be rolled into other line items as in years past.
- Data Collection and Evaluation including costs associated with data collection and reporting through the use of Homeless Management Information Systems (HMIS) or a comparable client-level database. Eligible costs include purchasing HMIS software and/or user licenses; leasing or purchasing needed computer equipment for providers and the central server; costs associated with data collection, entry, and analysis; and staffing associated with operating the HMIS, including training.
- Activities are limited to households that are homeless according to the HUD definition, excluding category 3, have a HUD-defined disability, and have a household income at or below 35 percent Area Median Income (AMI) at time of program entry.

**Matching Requirements:** Applicants must provide at least \$1 in local public or private resources for every \$2 in Supportive Housing Program funds for transitional housing and permanent supportive housing (a ratio of 1:2 other funds to SHP funds). Grants or loans from the Ohio Development Services Agency cannot be used as match.

**Threshold Requirements:**

- Proposals must include documentation that the program(s) is supported by the local Continuum of Care (CoC). Agencies in communities that do not have a formal CoC, must explain the efforts the agency is making to coordinate with other agencies in the community to establish a formal CoC. Applications that do not include written verification that the agency is an active participant in its local CoC or equivalent organization, as appropriate, or whose project is not supported by the local CoC may not be reviewed. Please note documented support from the HCRP region lead is not required.
- Applicants must be participating in the appropriate Homeless Management Information System (HMIS) or, if not a current OCD grantee, agree to participate if awarded funding.
- Proposals must include documentation verifying sufficient matching funds commitment to meet the match requirements for transitional housing and permanent supportive housing programs.
- All program activities must be targeted at people who are homeless according to the HUD definition, excluding category 3.
- Applications must be complete and include essential information and exhibits.

**Rating Criteria:** OCD will rate competitive applications on the following criteria.

1. Administrative Capacity (10 points): Extent to which the applicant demonstrates the ability to successfully implement the proposed activities. Items to be considered include the organization's history and descriptions of key staff involved in the project. Past monitoring visits may be taken into account.
2. Program Design (15 points): Extent to which proposal is well designed and is likely to accomplish the stated objectives and proposed outcomes. The proposal demonstrates consistency with program requirements including, but not limited to, Housing First.
3. Targeting (10 points): The extent to which the project provides income eligibility requirements restricting participation to households up to 35 percent of Area Median Income and the agency will document that persons served by the program are homeless. Facility-based transitional housing programs should be able to demonstrate that they are targeting harder-to-serve populations including; victims of domestic violence, persons with severe and persistent mental illness, persons re-entering a community from an institution or in recovery from substance abuse or that comply with a national best practice or research-supported design.
4. Need (10 points): Extent to which the project demonstrates through local COC data or other statistics that a significant gap would exist in the continuum if the program does not receive funding.
5. HMIS/Outcomes (30 points): Based on data entered into HMIS, applicants must demonstrate acceptable performance based on performance standards. At a minimum specific performance measures will include the following:
  - Number of persons and households served
  - Occupancy rates
  - Average length of stay
  - Percentage of leavers exiting to a permanent destination (Transitional Housing)
  - Percentage of persons maintaining housing or exiting to a permanent destination (Permanent Supportive Housing)

In addition, OCD will evaluate the HMIS data quality including, but not limited to null and missing. OCD will consider the extent to which the CoC participates in the Ohio Human Services Data Warehouse developed and administered by the Ohio Housing Finance Agency.

6. Program Feasibility (15 points): Extent to which the proposal is reasonable and cost effective based on request amount, need, proposed outcomes, historic funding levels and amount requested.
7. Budget Accuracy/Reasonableness (10 points): Extent to which the application meets all program thresholds and contains all required exhibits and budget figures are accurate, consistent and reasonable.

**Program Period:** Grantees must complete their program according to the following deadlines: (1) All activities must be completed by the end of the 24th month, as determined by the work completion date identified in the grant agreement; (2) All drawdown requests must be submitted to OCD within one month of the work completion deadline; (3) All funds must be disbursed and expended, and a final performance report must be submitted to OCD within two months of the work completion deadline.

**Reduction of Grant Request:** OCD reserves the right to award grants at amounts lower than requested in the application.

**Application Submission:** The Supportive Housing Program application submission deadline is 11:59 p.m. on June 26, 2017.

**Grant Award:** Approximately four months after submission, immediately after State Controlling Board approval.

## **Housing Assistance Grant Program**

**Goal:** To promote affordable housing opportunities and improve housing conditions for low-income families and individuals.

**Total Funds Available:** SFY 2018 Ohio Housing Trust Funds (amount to be determined).

**Eligible Applicants:** Private, nonprofit organizations incorporated with Ohio's Secretary of State and granted 501.c.3 status by the Internal Revenue Service.

### **Maximum Award Amounts:**

Maximum two-year awards are \$500,000 for Emergency Home Repair/Handicapped Accessibility Modifications; and \$150,000 for Down Payment Assistance/Homebuyer Education. Maximum amounts may be changed based on Total Funds Available. Requests in excess of \$500,000 for Emergency Home Repair/Handicapped Accessibility may be made if a waiver is submitted to OCD by the date stated in the application and for the reasons stated in the PY 2017 Housing Assistance Grant Program application instructions.

### **Recommended Request Amounts:**

Funding requests must be cost effective and reasonable based on community need, historic funding levels from OCD, cost per household served, cost per outcome, etc. OCD will provide guidance on recommended request amounts in the PY 2017 Housing Assistance Grant Program application. OCD reserves the right to make awards at levels less than requested.

### **Eligible Activities:**

- Emergency home repair/accessibility modifications that, if not corrected, could pose a threat to the health or safety of the occupants. Assistance is limited to \$7,500 per unit. Income targeting to households at or below 50 percent Area Median Income (AMI).
- Down Payment Assistance – Investment of up to \$3,000 per unit for down payment assistance and associated out of pocket expense to persons with incomes at or below 65 percent of area median income.
- Homebuyer Education – pre- and post-purchase counseling must be tied to Down Payment Assistance activity. Targeted to households at or below 65 percent AMI.

**Matching Requirements:** Each \$2 in Housing Assistance Grant Program funds must be matched with \$1 in cash and/or in-kind resources. Grants or loans from the Ohio Development Services Agency cannot be used as match.

### **Threshold Requirements:**

- Proposals must include documentation verifying sufficient matching funds commitment to meet the match requirements.
- Proposals must be for eligible activities consistent with Housing Assistance Grant Program definitions and guidelines.
- Applications must be complete and include essential information and exhibits.

**Rating Criteria:** OCD will rate applications based on the following criteria.

- 1) **Program Impact (10 points):** Projects will be evaluated based on the extent to which proposal has a direct relationship to eligible categories in the Housing Assistance Grant Program.

- 2) Need (15 points): Extent to which the project fills a gap in available housing activities that cannot be provided through other means and, for Emergency Home Repair/Accessibility Modifications projects, evidence that CDBG funds are not available.
- 3) Income targeting (10 points): Extent to which the project serves low-income persons with household income at or below 50 percent of AMI for Emergency Home Repair/Accessibility Modifications and/or 65 percent AMI (with a preference of 50 percent AMI) for Down Payment Assistance/Homebuyer Counseling.
- 4) Organization History (10 points): Extent to which the applicant demonstrates the ability to successfully implement the proposed activities.
- 5) Staff Background/Experience (10 points): Projects will be evaluated based on the degree to which resumes or position descriptions are provided for key staff involved in the project and demonstrate sufficient background and experience to successfully implement the project.
- 6) Program Feasibility (15 points): The extent to which the project is reasonable and cost-effective based on the request amount, cost per housing unit, etc.
- 7) Program Coordination (10 points): Projects will be evaluated based on the extent to which documentation demonstrating coordination and support for the project or activity is provided by organizations involved in the project.
- 8) Project Design/Outcomes (15 points): The extent to which projects are well designed, clearly presented, and are likely to produce or retain housing stock and accomplish the stated objectives and proposed outcomes
- 9) Budget/Reasonableness (5 points): Extent to which budget figures are accurate, consistent and reasonable.

**Program Period:** The program year will begin March 1, 2018, provided sufficient Ohio Housing Trust funds are available. Grantees must complete their program according to the following deadlines for two year grants: (1) All activities must be completed by the end of the 24<sup>th</sup> month, as determined by the work completion date identified in the grant agreement; (2) All drawdown requests must be submitted to OCD within one month of the work completion deadline; (3) All funds must be disbursed and expended, and a final performance report must be submitted to OCD within two months of the work completion deadline.

**Reduction of Grant Request:** OCD reserves the right to award competitive grants at amounts lower than requested in the application.

**Application Submission:** The Housing Assistance Grant Program application submission deadline is 11:59 p.m. on November 17, 2017.

**Grant Award:** Approximately 8 weeks after submission and following Controlling Board Approval.

## **Housing Opportunities for Persons With AIDS (HOPWA) Program**

**Goal:** Through the federal Housing Opportunities for Persons with AIDS (HOPWA) Program, OCD provides eligible nonprofit organizations or units of local government with funds to devise long-term, comprehensive strategies to meet the housing and supportive service needs of persons with AIDS or HIV-related diseases.

**Total Funds:** Approximately \$1.4 million of federal HOPWA will be available.

**Eligible Applicants:** Private, nonprofit organizations incorporated with Ohio's Secretary of State and granted 501.c.3 status by the Internal Revenue Service; and units of local government.

**Grant Ceiling:** The maximum grant request is based on the percentage of cases of Persons Living with HIV/AIDS within the project's service area when compared to the balance of state (areas outside the Columbus, Cincinnati, and Cleveland service areas). Figures promulgated by the Ohio Department of Health are used for this calculation. An adjustment factor of 1.10 is used to account for increased need. OCD may consider requests for amounts that exceed the maximum amount; however, written approval from OCD must be obtained by the dates listed in the application.

### **Eligible Activities:**

- Short-term rental, mortgage, and/or utility assistance;
- Acquiring, rehabilitating or constructing permanent housing;
- Tenant-based rental assistance;
- Permanent Housing Placement;
- Operating a community residence;
- Permanent housing placement;
- Referral to drug and alcohol abuse treatment and counseling;
- Limited case management;
- Respite care;
- Food/nutritional services;
- Activities of daily living;
- Day care;
- Transportation;
- General administration; and
- Housing information services.
- HMIS

**Matching Requirements:** The applicant must match the requested amount of HOPWA funds at a minimum ratio of 1:1.

### **Rating System Principles:**

- (1) Degree to which the proposal meets the needs of the target population;
- (2) Evidence of local resource coordination and need for grant resources;
- (3) Evidence of local support;
- (4) Financial stability/management and applicant/administering agency stability; and
- (5) Applicant's ability to administer the program/administrative capacity.

**Rating Criteria:** OCD will rate the applications based on the following selected criteria:

- (1) **Need (15 points):** Projects will be evaluated based on the degree to which they meet the unmet needs of the community to be served by the program; need of the area's population for HOPWA eligible programming and services as described in the Consolidated Plan; and extent to which the proposal is consistent with local needs and fits into a community-wide strategy addressing those needs.

(2) Program Design (30 points): Projects will be evaluated based on the type and quality of proposed activities: emphasis on housing and housing-related activities, especially operating a community residence providing long-term housing; outreach and referral systems; criteria for selecting residents for housing and services; method for verifying client eligibility and ensuring that client needs cannot be met through other programs; case management plan and how that plan will help meet the client's needs; measures ensuring that clients receive the appropriate type, delivery and level of service; and rationale for discontinuing or limiting services. HMIS data will be based on data entered into HMIS, applicants must demonstrate acceptable performance. At a minimum specific performance measures will include the following:

- Occupancy rates
- Average length of stay
- Percentage of leavers exiting to a permanent destination

In addition, OCD will evaluate the HMIS data quality including, but not limited to null and missing values.

(3) Coordination (20 points): Projects will be evaluated on the degree to which they coordinate with other mainstream organizations in the community to meet the housing and service needs of persons with AIDS; and extent of coordination with units of local governments, local health departments or other organizations serving persons with AIDS or related diseases.

(4) Financial Management (25 points): Projects will be evaluated based on their financial management practices; internal control procedures; reasonableness of proposed budget; and amount and diversity of other funds committed.

(5) Administrative Capacity (10 points): Projects will be evaluated on the organization's staff capability to implement the proposed project: organization's history, including its experience in implementing the proposed activities; key staff's relevant educational background, professional certifications, licenses and work experience; and performance on current grant (if applicable).

**Program Period**: Grantees must complete their program according to the following deadlines: (1) All activities must be completed by the end of the 12th month; (2) All drawdown requests must be submitted to OCD by the end of the 13th month; (3) All funds must be disbursed and expended, and a final performance report must be submitted by the end of the 14th month.

**Reduction of Grant Request**: OCD reserves the right to award competitive grants at amounts lower than requested in the application.

**Application Submission**: The HOPWA application submission deadline is 11:59 p.m. on November 2, 2017.

**Grant Award**: Approximately seven (7) weeks after submission.

# Community and Economic Development

- **Community Development Program:**
  - *Community Development Allocation Grants*
  - *Neighborhood Revitalization Grants*
  - *Downtown Revitalization Grants*
  - *Critical Infrastructure Grants*
  
- **Economic Development Loan and Public Infrastructure Grant Program**
  - *Economic Development Loan Program*
  - *Economic Development Public Infrastructure Grant Program*
  - *Residential Public Infrastructure Grant Program*

## **Community Development Program**

**Goal:** To provide communities with a flexible housing and community development resource that can be used to address locally identified needs that are eligible Community Development Block Grant (CDBG) activities and qualify under the national objective of Low- and Moderate-Income (LMI) Benefit or Elimination of Slum and Blight.

The program will include funds for the Neighborhood Revitalization and Downtown Revitalization competitive set-aside programs as well as the open cycle Critical Infrastructure program.

Neighborhood Revitalization projects are designed to improve the quality of life, livability and functionality of distressed areas and neighborhoods to carry out a comprehensive strategy of revitalization. This includes, but is not limited to, projects designed to stabilize and enhance residential neighborhoods or activities that support redeveloping Brownfield sites (within low-moderate residential neighborhoods).

Downtown Revitalization projects are designed primarily to improve the quality of privately owned buildings in the Central Business District. Projects are designed to aid in the elimination of slums or blight, create and retain permanent, private-sector job opportunities for LMI households. This includes, but is not limited to, projects designed to, rehabilitate deteriorated building facades, address code violations, and improve blighted streetscapes.

Critical Infrastructure projects are designed to assist applicant communities with high-priority infrastructure improvements. This includes roads, storm drainage, fire protection facilities, and other public facilities projects. Water and sanitary sewer projects not eligible for the Residential Public Infrastructure Grant (RPIG) may also be considered for Critical Infrastructure program funding.

**Total Funds:** Approximately \$20.4 million in CDBG funds will be made available. Fifty (50) percent of Ohio's total Community Development Block Grant allocation will be committed to the Community Development Program. Of that amount, 50 percent will be allocated to the Community Development Allocation Program and 50 percent will be allocated to the PY 2017 competitive and open-cycle Community Development programs, including the Neighborhood Revitalization, Downtown Revitalization, and Critical Infrastructure Programs. Funding selections will be based on a comprehensive application review submitted for all Community Development Program programs. OCD will be flexible with the number of competitive set-aside and open cycle awards an applicant has open as it transitions to the new PY 2017 structure. Administrative capacity will be a primary consideration in allowing communities to exceed program caps.

**Application Guidelines:** Communities may apply for the Community Development Allocation Program biennially. Communities may have two (2) competitive set-aside program awards open at a time.

Communities with no open awards may apply for up to two (2) competitive set-asides biennially. A community's eligibility to receive PY 2017 competitive set-aside programs is reduced, based upon its existing open competitive set-aside programs; for example, a community awarded one (1) PY 2016 competitive set-aside is only eligible to apply for one (1) PY 2017 competitive set-asides. Critical Infrastructure awards no longer count toward a community's competitive set-aside total.

Communities may apply for multiple combinations of competitive set-asides. Please note, applicants are limited to a maximum of two (2) total competitive applications. Communities may no longer apply for more competitive set-asides than they are eligible to receive. See table below for maximum annual competitive applications, based upon set-aside program and applicant type:

<b>Competitive Set-Aside Program</b>	<b>County</b>	<b>Direct City</b>
Neighborhood Revitalization Program	2	1
Downtown Revitalization Program	2	1

Counties may apply for up to two (2) of the Neighborhood Revitalization or Downtown Revitalization competitive set-asides on behalf of different local jurisdictions (cities, villages, or townships) biennially.

Direct cities may apply for up to one (1) Neighborhood Revitalization and one (1) Downtown Revitalization competitive set-aside biennially. Neighborhood Revitalization and Downtown Revitalization target areas and budgets may not overlap. Jurisdictions awarded PY 2014, PY 2015 or PY 2016 Downtown Revitalization or Neighborhood Revitalization competitive set-aside program funds may not reapply for PY 2017 Downtown Revitalization or Neighborhood Revitalization funds unless the previous grant has been monitored and significant monitoring issues resolved. Unsuccessful Downtown Revitalization and Neighborhood Revitalization Program applicants may reapply, and successful communities may apply for alternative set-aside programs.

A project cannot be included in multiple competitive set-aside program applications, and funds from one competitive set-aside program cannot be used as leverage for another competitive application. Similarly, Allocation and/or competitive program funds from previous fiscal years cannot be used as leverage for a community's PY 2017 application.

Administrative capacity will be considered for multiple grant awards for a single applicant.

**Competitive Set-Aside Close-Out Process:** Communities can request that OCD monitor and close a competitive set-aside project if the project is complete with all funds drawn and expended by April 30, 2017. The community must submit a written request to OCD by April 30, 2017.

## **Community Development Allocation Grants**

**Total Funds:** Fifty (50) percent of the Community Development Program allocation.

**Allocation Calculation Principles:** Funding allocations for communities are determined by the following formula:

Number of LMI Individuals in the Community/ Total Number of LMI Individuals in Non-entitlement Areas X Amount of CDBG Program Funds allocated for Community Development.

A biennial grant floor of \$150,000 will be set to ensure adequate funding for eligible applications. The U.S. Department of Housing and Urban Development (HUD) provides the number of LMI persons and used the 2006 - 2010 American Community Survey Low/Moderate Income Summary Data (updated in 2014) as the basis for estimating LMI figures. The funding allocation calculation will be completed for all non-entitlement cities and counties. "Direct cities" are cities with a total population of 15,000 or greater and a LMI population of at least 30 percent. Total population was determined based upon the 2010 Census.

The funding allocation for cities that do not meet the direct city criteria will be awarded to the county of jurisdiction. All communities within the county are encouraged to collaborate with the county for project funding consideration.

Direct City status was re-evaluated in PY 2016. Counties that include a city that received a direct allocation for the 2013, 2014, and 2015 program years will be required to undertake at least one project in that city in the 2016, 2017, and 2018 program years. The county will be encouraged to apply for competitive funding on the city's behalf.

Direct city status will be re-evaluated with the next release of American Community Survey Low/Moderate-Income Summary Data and/or the 2020 Census.

**Waiver or Surrender of Funds:** A county or city may choose to surrender all or part of its funding allocation to the State. Appropriate legislative action must be taken in this regard by the local government, and a copy of this action must be submitted to OCD on or before the Community Development Program application deadline. **In the event funds are not committed to eligible activities in the Community Development Allocation Program application by the submission date, those funds will be forfeited.**

A city or county may opt to use its Community Development Allocation Program funds as local match for CDBG competitive or open cycle programs. This can be accomplished through the respective competitive application process. The project or activity must be identified as an activity in the Community Development application, even if the competitive program funds have not yet been awarded. **Communities must select alternate projects for Allocation program funds in the event the community does not receive a competitive award. Funds are not guaranteed, and delays due to failure to select alternate projects can result in forfeiture of Community Development Allocation Program funds.**

**Eligible Jurisdictions:** Under the PY 2017 Ohio State CDBG Program, the non-entitlement counties and small cities listed in Table 9 below (identified as cities by the Secretary of State as of January 1, 2015) will be able to apply for funds based entirely on the number of low- and moderate-income persons residing in the eligible community. Approximately 50 percent of the eligible communities will apply for funding in PY 2017. The remaining 50 percent will apply for funding in PY 2018.

The following categories of communities will not receive funding under the Community Development Allocation Program:

- 1) HUD Entitlement Cities (35);
- 2) HUD Urban Counties (10); and
- 3) Units of general local government with more than 50 percent of their population in an urban county.

Adjacent cities and/or counties may pool Community Development Allocation Program funds for a common project(s), and may designate one unit of government or a recognized regional organization to administer the program on behalf of the participating units of government. A legal agreement must be executed by all parties involved, and prior approval must be secured from OCD.

**Eligible Activities:** Eligible activities are outlined in Title I of the Housing and Community Development Act of 1974, as amended. To meet its community development needs, a Community Development Allocation Program grantee can select among those eligible activities.

Community Development Allocation Program funds cannot be used for housing activities, with the exception of Home Repair. OCD has funds set aside for these purposes through its Community Housing Impact and Preservation (CHIP) Program. In the event a community applies, but is not funded for a CDBG-eligible housing activity through the CHIP program in the current or previous year's application cycle, OCD will consider a community's request to waive this requirement and use Community Development Allocation Program funds for other CDBG-eligible housing activities. Waiver consideration will be based on the community's CHIP application competitiveness along with demonstrated administrative capacity to administer a housing program. Communities must select alternate projects for Community Development Allocation Program funds in the event OCD does not approve a waiver request. Waivers are not guaranteed, and delays due to failure to select alternative projects can result in forfeiture of Community Development Allocation Program funds.

Community Development Allocation Program grantees are not allowed to use their program funds to capitalize or re-capitalize local Revolving Loan Funds or acquire property for land banking for future new housing development construction.

Economic Development activities that are qualified under the LMI Direct Benefit Job Creation national objective are not eligible for Community Development Allocation, competitive set-aside or open cycle program funding. Communities should consider the Economic Development or Revolving Loan Fund programs for projects that will create or retain permanent, private sector job opportunities.

**Application Timing:**

Application Submission: July 14, 2017  
Grant Award: September 1, 2017

**Holdover Option:** Communities that held over PY 2016 Community Development Allocation Program funds will be permitted to apply for projects totaling the combined PY 2016 and PY 2017 funding amount. Communities will not be permitted to holdover PY 2017 funds for combination with future program years.

**Revolving Loan Fund Participation:** Local units of government will be required to substantially disburse any existing Revolving Loan Fund balance in conjunction with, or prior to, submitting a funding application to the State for a specific community development project. OCD may also require jurisdictions benefitting from Community Development Allocation Program projects to commit Revolving Loan Funds as leverage.

**Community Development Implementation Strategy:** Communities receiving funds from OCD are required to conduct long-term planning. Prior to PY 2013, OCD required Community Development Program applicants to conduct a Community Assessment Strategy (CAS) to qualify projects for CDBG funding. The CAS required applicants to evaluate public facilities' condition in low- and moderate-income (LMI) areas to assist in selecting and prioritizing projects. OCD redesigned the Community Development Program in PY 2013 to encourage collaboration within eligible applicant communities, and include funding for Neighborhood Revitalization, Downtown Revitalization, and Critical Infrastructure projects. The Community Development Implementation Strategy (CDIS) replaced the CAS as a tool to facilitate communication with stakeholders in eligible applicant communities. The CDIS will supplement the required Citizen Participation process, providing a format for disseminating information about the Community Development, Economic Development, and Residential Public Infrastructure programs, and assist with identifying and prioritizing potential funding opportunities. The CDIS is required for application to the PY 2017 and PY 2018 Community Development, Economic Development, and Residential Public Infrastructure Grant programs. OCD recommends that applicants to the PY 2018 Community Development Allocation Program conduct the CDIS in 2017 to allow adequate time for project identification and development; however, PY 2018 communities are not required to submit the CDIS until Community Development Allocation applications are due.

#### **Programmatic Funding Guidelines:**

**Administrative Costs:** Grantees may use up to 20 percent of the total grant for general administration, implementation, and fair housing costs. General administration costs include citizen participation, application preparation, grant agreement, environmental review, drawing down funds and overall recordkeeping, reporting, audit(s) and closeout, program compliance and performance.

Engineering, architectural and legal service costs, which are related to activities undertaken with CDBG funds, can be charged to the specific activity line item budget.

**Low- and Moderate-Income (LMI) benefit:** Regardless of which national objective a local grantee intends to meet, the program's overall benefit to persons from LMI persons shall be at least 51 percent, excluding general administration, planning, and fair housing. The 51 percent overall benefit requirement applies to all jurisdictions that receive a Community Development Allocation Program, regardless of the administering entity.

In determining whether an activity will benefit LMI persons, OCD will consider completed activity's net effect. Thus, an activity located in a LMI area, while generally a primary consideration, does not conclusively demonstrate that the activity benefits LMI persons. An activity that serves an area delineated and justified by the grantee, where most of the residents are LMI persons, will meet the LMI standard. (OCD Policy Notice 17-02: Qualifying Community Development and Residential Public Infrastructure Projects using Community Development Block Grant National Objectives provides guidance on meeting the LMI National Objective.)

Communities may request a waiver to use more than 49 percent of the funds for activities that qualify under the slum and blight national objective. Waiver requests must be submitted to OCD as an application attachment.

**Public Service Activities:** Community Development Allocation funds can be used for public service activities as long as the proposed activity is a new service, or a quantifiable increase in the existing service level. Communities may use no more than 15 percent of the grant funds, for eligible public service activities. OCD will no longer grant waiver requests to exceed the 15 percent cap.

**Planning Activities:** Community Development Allocation Program funds can be used for planning activities related to eligible CDBG projects. Planning activities will not count towards the grantee's maximum project cap. Planning activities also do not count towards the 20 percent cap on general administration and fair housing. In order to qualify for funding, planning activities must meet the following requirements:

1. The planning being undertaken must be for an eligible CDBG activity;
2. The planning activity must specifically identify the community's low- and moderate-income needs or slum and blight needs;
3. The planning activity must produce a tangible product (e.g., report or historical inventory) for OCD to review;
4. The planning activity can be undertaken only for activities that, upon implementation, meet either the low- and moderate-income or slum and blight national objectives;
5. The planning activity must further the State of Ohio's investment objectives; and
6. The planning activity's product should be used to further develop and design future applications to meet local community and economic development needs.

Communities may use no more than \$10,000 for eligible planning activities. Communities with RLF accounts will be required to use RLF funds to undertake proposed planning activities. If a community's RLF account balance is insufficient to cover the proposed planning activity cost, the community may apply for Allocation funds to cover the shortfall. Communities may also request a waiver to exceed the \$10,000 limit. A waiver request must be submitted as an application attachment and will be considered on a case by case basis.

**Home Repair Activities:** All program delivery and other soft costs related to work on a specific unit meeting a national objective must be paid for in one of two ways: (a) these costs may be charged to the activity budget (unit), or (b) these costs may be charged to administration. All program delivery or soft costs associated with projects that do not meet a national objective must be charged to administration. Eligible soft costs for the CDBG Program are defined at 24 CFR Part 570.202(b)(9).

Home Repair activities must be implemented in accordance with Ohio's Housing Rehabilitation Handbook. Grantees must develop and adopt a local Policies and Procedures Manual. Policy Notice OCD 15-03 provides guidelines for finance mechanisms for all OCD funds. The policy notice is available on OCD's Technical Assistance website.

**Fair Housing:** Communities are required to include a fair housing activity as part of the PY 2017 Community Development Program application. The proposed program should cover the period from January 1, 2018 through December 31, 2019. A fair housing activity can be treated as part of the general administrative budget, but fair housing, planning (except planning as an activity outlined above) and administrative costs cannot exceed 20 percent of the total grant amount. **If a community chooses not to fund a fair housing activity with CDBG funds, the application must identify alternative funding sources that will be used.** These funds must be committed when submitting the application. Fair housing can also be funded as a public service activity, although the community will be required to track beneficiaries to assure that at least 51 percent of the beneficiaries are low- or moderate-income. Public service activities cannot exceed 15 percent of the total grant amount.

Any fair housing activity must include a specific program design with quantifiable, measurable services, and identified beneficiaries. Fair housing does not count toward the number of allowable projects an applicant may undertake as outlined below. The state's fair housing requirements are described in the section entitled Local Government Certifications to the State.

PY 2018 Community Development Allocation communities are not required to submit a Standard Fair Housing Program plan for PY 2017, but OCD recommends that grantees maintain a Local Fair Housing Contact and continue to distribute outreach materials to agencies, organizations, or events. PY 2018 Community

Development Allocation communities that receive CHIP awards must fulfill applicable Standard Fair Housing Program requirements.

**Committing Community Development Allocation Program Funds:** Grantees committing PY 2017 Community Development Allocation Program grant funds to Residential Public Infrastructure Grant (RPIG), Critical Infrastructure (CI) or Appalachian Development (AD) program projects must reprogram the Allocation funds to other CDBG- eligible activities if the RPIG, CI or AD application is not approved by September 1, 2017. Allocation projects that entail major water or sanitary sewer improvements will be evaluated in a similar fashion to RPIG projects even if RPIG is not an identified funding source. Applicants must submit Ohio EPA Permit to Install or Plan Approval, if applicable and account for new household connections at the time of application.

All project dollars identified at the time of application must be firmly committed by the September 1, 2017 grant award. OCD will not consider an application for a subsequent grant request for another OCD-administered program (e.g. RPIG, Target of Opportunity, CI) after Allocation Program funding has been approved.

**Number of Projects:** The table below identifies the number of projects a Community Development Allocation Program applicant may undertake with CDBG funds based on the community's allocation funding level. Communities will be allowed one additional project for every successful Neighborhood Revitalization, Downtown Revitalization or Critical Infrastructure program application.

Allocation Funding Level	Projects Available
\$150,000 - 224,000	4
\$225,000 - 299,000	5
Above \$300,000	6

The maximum number of projects for counties includes projects undertaken on a countywide basis in one or more subunits of government. A project is further defined as national objective and location-specific. A project may include one or more activities with the same service area, beneficiaries, and national objective. Administration, planning, and fair housing will not count toward the allowable number of projects. **Demolition and clearance activities for the elimination of slum and blight will each count as one project regardless of the number of units or activity locations.** Activities undertaken in one service area will count as one project. This may include targeted street, water, and sewer improvements. Activities undertaken in a well-defined area or neighborhood, which may span over one or more Census areas, will count as one project as long as the physical improvement is contiguous. The same type of activity (e.g., street improvements) undertaken in various subunits of government will count for as many projects as the number of service areas in which the activity will be located, regardless of the number of contracts to be let by the grantee.

**Benefit Area Income Surveys:** The grantee may qualify a project based on an income survey of the project's benefit (or service) area, (completed according to the OCD Survey Methodology) which shows that at least 51 percent of the project beneficiaries will be low- or moderate-income. The OCD Survey Methodology is posted on OCD's Technical Assistance website at (OCD Policy Notice 17-02: Qualifying Community Development and Residential Public Infrastructure Projects using Community Development Block Grant National Objectives provides guidance on meeting the LMI National Objective.) The grantee is required to submit appropriate survey information to the State.

OCD may require an applicant to conduct an income survey to qualify a project for program funding if ACS data does not appear to adequately represent the service area.

**Applicants are not permitted to combine ACS data and data from an income survey to qualify a service area.**

Projects determined to be ineligible due to an incorrect survey methodology will result in forfeiting Community Development Allocation funds unless the survey can be corrected during the application review period. Communities are advised to seek technical assistance from OCD prior to the application submission deadline.

**Urgent Need:** Urgent Need is not an eligible national objective for the Community Development Allocation Program. OCD sets funds aside for this purpose through its Target of Opportunity Program.

**Integrated Effort:** Community Development Allocation Program grantees are encouraged to integrate any portion of their Community Development Allocation Program funds into any PY 2017 CDBG competitive set-aside programs or the open cycle Critical Infrastructure program.

**Program Amendments:** Because grant awards are based on the projects proposed in the application, Community Development Program grantees are discouraged from changing approved projects. OCD will consider, on a case-by-case basis, only those changes that would not negatively affect the approved application's scoring if the project was awarded competitively. Grantees considering a change in program scope, location or design, number and type of beneficiaries, anticipated accomplishments, or grant agreement deadline must notify OCD in writing of the proposed changes. OCD approval through the Grant Amendment Request in OCEAN and the execution of a grant amendment is required prior to proceeding with the changes. The OCD Amendment Policy is outlined in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy. **In general, amendments will not be allowed for competitively awarded activities.**

**Amending Grant Deadlines:** Although changing the grant deadline is discouraged, OCD will allow an amended grant deadline under certain circumstances. OCD may approve, deny, or request additional information regarding the amended deadline request. OCD must review and approve an amendment to the grant deadline before implementation by the grantee. Amendments to the grant deadline may negatively impact a community's Administrative Capacity rating on future applications.

An amendment to an executed grant agreement deadline is required if all work cannot be completed by the Work Completion Deadline in the executed grant agreement.

**Consideration when requesting an Amended Grant Deadline:**

1. The grantee must submit a written Grant Amendment Request at least two months before the work completion deadline in the executed grant agreement. The request must contain a detailed explanation of why the amended grant deadline is necessary and a revised timeline for project completion.
2. OCD will consider approving an amended grant deadline on a case-by-case basis. Communities requesting an amended grant deadline must demonstrate the attainment of grant milestones; Environmental Review Release of Funds submission by February 15, 2018, and procurement and execution of the project's contract(s) by September 30, 2018. Generally, extensions will be approved for no more than six months after the original Work Completion Deadline unless if the delay is because of the CDBG-funded activity's complexity and magnitude.
3. Grantees will be notified to enter Grant Amendment Requests in OCEAN for execution.

**Local Program Period:** The Grant Agreement must be executed and returned to OCD within 10 business days of the date in the cover letter. Failure to do so will result in forfeiting the grantee's allocation. Community Development Allocation Program grantees will be allowed up to 26 months to have their PY 2017 programs ready for closeout, beginning with the general date set for all Community Development Allocation Program grant agreements. Within this allowable program period, the following deadlines must be met:

1. All work must be completed by the end of the 24<sup>th</sup> month.
2. All funds must be drawn down by the end of the 25<sup>th</sup> month. This means that all "Requests for Payment and Status of Funds Report" (Form DS5) must be submitted to OCD before the end of the last business day of the 25<sup>th</sup> month. OCD will not honor any drawdown requests after this date, unless the grantee requested an extension and OCD approved the extension.

3. Grantees must request and expend all funds and submit a final performance report to OCD by the end of the 26<sup>th</sup> month.
4. Grant audit(s) must be conducted in accordance with 2CFR200, described in OCD Policy Notice 16-01: Grant Operations and Management Policy.

**NOTE:** PY 2017 Community Development Program award recipients receiving Neighborhood Revitalization or Downtown Revitalization funds will follow the same closeout timeline as the Community Development Allocation Program.

**Application Submission:** Applicants must submit applications to OCD by 11:59 p.m. on July 14, 2017, the application deadline. OCD may refuse any incomplete or late applications. **Communities that fail to meet the 11:59 p.m. deadline will forfeit their PY 2017 funding allocation.**

**Application Revisions:** During the application review process, OCD may require a community to revise its application or supply additional materials before it can be approved. If necessary, communities will be allowed up to 30 days from OCD's initial contact to adequately address the application deficiencies. Community Development Allocation Program funding is not guaranteed; the applicant's administrative capacity, as demonstrated by the timely, complete, and accurate program application submission as well as past program performance will be considered when making funding determinations. Failure to demonstrate appropriate administrative capacity is grounds for forfeiting the community's PY 2017 Community Development allocation. Likewise, submitting an ineligible activity is grounds for forfeiting a community's allocation.

Forfeited Community Development Allocation Program funds will be appropriated to the competitive set-aside and open-cycle programs.

**Redistribution of Population:** Under the Community Development Allocation Program, cities or villages whose boundaries lie in more than one county shall be considered part of the county with the largest portion of the city's or village's population.

1. For Cities or Villages split by one or more non-entitlement county boundaries, allocations to the counties will reflect the above mentioned population redistribution. Cities and Villages may only apply for funding to the county that contains the largest portion of their population.
2. Direct Cities split between an Urban (CDBG Entitlement) County and one or more non-entitlement counties will be eligible for Community Development Allocation Program funding only if the following criteria are met:
  - a) The majority of their population resides within the CDBG non-entitlement county;
  - b) Prior to April 30 of any program year, the city must submit in writing to OCD its intention to participate in the subsequent year's Ohio State CDBG Program; and
  - c) Prior to April 30 of any program year, the city must submit to OCD written certification from the urban county that the city will not be a participant in the urban county's entitlement program during the upcoming year.
3. Cities or Villages split between an Urban County and one or more State Administrated Program counties will be eligible to participate in the county Community Development Allocation Program only if the following requirements are met:
  - a) The majority of the city's or village's population resides within the CDBG non-entitlement county;
  - b) Prior to April 30 of any program year, the city or village must submit to the non-entitlement county and to OCD written certification from the urban county that the city or village will not participate in the urban county's entitlement program during the upcoming year; and,

- c) Prior to April 30 of any program year, the city or village must submit a written statement to the Community Development Allocation county and to OCD, indicating that the city or village intends to be eligible for funding through the county's Community Development Allocation Program.

**Table 4: PY 2017 Community Development Allocation Program Counties and Cities**

**County Program Grantees**

Adams County	Crawford County	Hardin County	Mercer County	Sandusky County
Ashland County	Defiance County	Harrison County	Miami County	Seneca County
Ashtabula County	Fayette County	Hocking County	Morgan County	Trumbull County
Auglaize County	Fulton County	Jackson County	Perry County	Tuscarawas County
Brown County	Gallia County	Lawrence County	Pike County	Vinton County
Carroll County	Geauga County	Licking County	Putman County	Washington County
Champaign County	Greene County	Logan County	Richland County	Wayne County
Clinton County	Hancock County	Lorain County	Ross County	Williams County
Coshocton County				

**City Program Grantees**

Ashland	Fremont	Medina	Piqua	Sidney
Chillicothe	Marion	New Philadelphia	Portsmouth	Zanesville

**Table 4: PY 2018 Community Development Allocation Program Counties and Cities**

**County Program Grantees**

Allen County	Fairfield County	Lucas County	Morrow County	Preble County
Athens County	Guernsey County	Madison County	Muskingum County	Scioto County
Belmont County	Henry County	Mahoning County	Ottawa County	Shelby County
Clark County	Highland County	Marion County	Noble County	Union County
Columbiana County	Holmes County	Medina County	Paulding County	Van Wert County
Darke County	Huron County	Meigs County	Pickaway County	Wood County
Delaware County	Jefferson County	Monroe County	Portage County	Wyandot County
Erie County	Knox County			

**City Program Grantees**

Ashtabula	Delaware	Mount Vernon	Tiffin	Wooster
Athens	Findlay	Niles	Troy	Xenia
Defiance	Marysville	Norwalk		

## Neighborhood Revitalization Grants

**Grant Ceiling:** \$500,000

**Eligible Applicants:** PY 2017 Community Development Allocation Counties and Direct Cities. Communities not receiving PY 2017 Community Development Allocation funds may not submit an application for PY 2017 Neighborhood Revitalization Grant funds.

**Eligible Activities:** Eligible activities include public facilities improvements such as constructing, reconstructing, and/or rehabilitating infrastructure in targeted areas of distress that do not fit within the criteria of other Ohio State CDBG competitive programs. At a minimum, Neighborhood Revitalization program applications must include three activities, exclusive of administration. Demolition/Clearance activities are capped at \$100,000 or 25 percent of the project request, exclusive of administration.

**Ineligible Activities:**

- Downtown revitalization activities (i.e., the program cannot be used for improvements to an area that would be considered part of the Central Business District).
- Public service or direct benefit activities;
- Housing activities (i.e., the program cannot be used for direct housing assistance such as, but not limited to, private rehabilitation, home repair and down payment assistance;
- Economic development activities (i.e., activities that would involve a loan to a private business or would require creating or retaining LMI jobs to meet CDBG eligibility requirements. Such activities are more appropriately funded through the CDBG Economic Development Program);
- Large-scale, single-purpose infrastructure projects that extend beyond the investment area targeted for the application and are better suited for the CDBG Residential Public Infrastructure Grant (RPIG) or Critical Infrastructure Grant; and
- Planning Activities

Communities funding direct benefit and/or housing projects with other sources of funds during the grant period will receive leverage or coordination points for dollars committed to the target area.

**Local Program Benefit:** The program is targeted to distressed communities or areas in Ohio that have a low- and moderate-income (LMI) population of at least 51 percent. An area-wide activity may use ACS data or income surveys to document 51 percent LMI population. Applicants may submit projects under the area-wide or spot slum and blight categories, in accordance with the OCD Community Development Program policies and requirements. However, the improvements must still be shown to have at least 51 percent LMI benefit, and the application will be rated on the same distress factors (LMI beneficiaries). Applicants are required to identify a clearly defined target area that qualifies as at least 51 percent LMI. Neighborhood Revitalization applicants can only address one target area per application submission.

**Administrative Cost:** A maximum of 15 percent or \$50,000, whichever is less, of the total grant amount may be used for general administration, environmental review, audit and close-out.

**Benefit Area Income Surveys:** The grantee may qualify a project based on an income survey of the project benefit (or service) area (completed according to the OCD Survey Methodology) which shows that at least 51 percent of the project beneficiaries will be low- or moderate-income. The OCD Survey Methodology is posted on OCD's Technical Assistance website at (OCD Policy Notice 17-02: Qualifying Community Development and Residential Public Infrastructure Projects using Community Development Block Grant National Objectives provides guidance on meeting the LMI National Objective.) **The grantee is required to submit appropriate survey information to the State, including the income surveys collected to support the LMI data.**

OCD may require an applicant to conduct an income survey to qualify a project for program funding if ACS data does not appear to adequately represent the service area. **Applicants are not permitted to combine ACS data and data from an income survey to qualify a service area. Communities are advised to seek technical assistance from OCD prior to the application submission deadline.**

**Revolving Loan Fund Participation:** Local units of government will be required to substantially disburse any existing Revolving Loan Fund balance in conjunction with or prior to submitting a funding application to the State for a specific community development project. OCD reserves the right to reduce the grant award for successful applicants with high and/or stagnant Revolving Loan Fund balances.

**Program Amendments/Extensions:** Because of the competitive nature of the Neighborhood Revitalization awards, grantees receiving Neighborhood Revitalization funds are discouraged from amending their programs. OCD will consider on a case-by-case basis only those minor changes that do not affect approved project's competitiveness. If the grantee is considering a change in program scope, location or design, number and type of beneficiaries or anticipated accomplishments, it must notify OCD of the proposed changes in writing. Formal written OCD approval is required. Amendments will be considered in application scoring during future funding rounds. The OCD Amendment Policy is stated on page 119 and outlined in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy. **Redistributing funds between activities within a Neighborhood Revitalization project does not require an amendment if there is no change to the beneficiaries, national objective or scope of work.**

**Local Program Period:** Community Development Program award recipients receiving Neighborhood Revitalization funds must complete their programs according to the following deadlines:

- 1) all activities (except audit and balance of administration) must be completed by the end of the 24<sup>th</sup> month;
- 2) all drawdown requests must be submitted to OCD by the end of the 25<sup>th</sup> month; and
- 3) all funds must be disbursed and expended, and a final performance report must be submitted by the end of the 26<sup>th</sup> month.

Grant audit(s) must be conducted in accordance with 2CFR200, described in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy.

**Application Timing:**

Submission: July 14, 2017  
Grant Award: September 1, 2017

**Neighborhood Facility Inventory:** Communities will be required to complete a Neighborhood Facility Inventory to catalog the existing condition of the public facilities (e.g. streets, sidewalks, community centers, etc.) in the target area and the degree to which the proposed Neighborhood Revitalization program will improve the identified conditions.

**Rating System Principles:** All applications will be rated according to the following criteria:

- 1) **Distress (15 points):** Distress points will be calculated based on the percent and number of LMI persons who will benefit from the proposed program.
- 2) **Leverage (15 Points):** The extent to which the community will leverage other resources; leverage will be based upon the amount of other resources as compared to the total grant request. Also, it will be based on the extent to which the community will coordinate efforts and implement other programs with the proposed activities. Leverage points will be awarded to applicants using all or a part of their Economic Development Revolving Loan Funds as matching dollars for Neighborhood Revitalization activities.
- 3) **Program Design (50 points):** Program impact will be based on the extent to which the activities are based on a comprehensive approach to address needs within the targeted area; the extent to which the

activities are consistent with the needs and strategies described in the applicant's Neighborhood Facility Inventory and Community Development Implementation Strategy; the extent to which implementing the program will result in an improved living environment and quality of life for persons residing in the area. Program impact will also take into consideration the applicant's and/or consultant's administrative capacity. Administrative capacity will include experience in administering the following aspects of OCD-administered programs; compliance with the grant agreement(s); program regulations and policies; resolving monitoring and/or audit findings; and progress in completing activities. Program impact will also take into consideration the progress of activities currently funded with Neighborhood Revitalization dollars.

- 4) **Community Participation (20 points):** The extent to which the local citizens and community organizations support selecting the proposed activities; the community's effectiveness in involving local citizens in the citizen participation process of the program planning process. The planning process should include details regarding informational, project selection and priority selection strategies.

## **Downtown Revitalization Grants**

**Grant Ceiling:** \$300,000

**Eligible Applicants:** PY 2017 Community Development Allocation Counties and Direct Cities. Communities not receiving PY 2017 Community Development Allocation funds may not submit an application for PY 2017 Downtown Revitalization Grant funds.

**Eligible Activities:** Eligible activities include, but are not limited to: uniform façade improvements; interior and exterior building code violation corrections; ancillary streetscape activities; administrative costs directly related to the downtown program; and architectural and engineering work related to specific revitalization activities.

The Downtown Revitalization program is designed primarily to improve the quality of privately owned buildings in the Central Business District. A maximum of 30 percent of CDBG grant funds, exclusive of administration, will be eligible for infrastructure activities. These activities must be stand-alone projects separate of projects overseen by other public entities such as ODOT, OPWC, etc.

Residential development, non-building-related private improvements (e.g. parking facilities, landscaping), and other investments undertaken in the downtown area during the CDBG project period can be counted as leverage or coordination. However, CDBG funds cannot be used to pay for these activities, unless a OCD grants a waiver during the grant period.

### **Ineligible Activities:**

- Neighborhood revitalization activities (i.e., the program cannot be used for improvements to an area that would be considered primarily residential);
- Projects that are designed primarily for future residential, commercial or industrial development.
- Funding to restructure or refinance existing debt, working capital, purchase or refinance equipment, training costs, or inventory costs;
- Activities related to specific downtown promotional events (i.e., festivals parades, etc.);
- Costs associated with preparing plans and studies related to implementing downtown revitalization activities; and
- Large scale, single-purpose infrastructure projects that extend beyond the investment area targeted for the application and are better suited for the CDBG Residential Public Infrastructure Grant (RPIG) or Critical Infrastructure Grant.

**Program Investment Area:** Downtown Revitalization applicants can only address conditions in the Central Business District. Applicants must submit a building map of the downtown area indicating the target area boundaries and the location of proposed revitalization activities. Communities must have adopted design review standards that include the Secretary of the Interior's Standards for Rehabilitation verbatim for the program investment area.

**Local Program Benefit/National Objective:** Communities must qualify projects under the HUD Ohio State Administered CDBG program National Objective of Prevention/Elimination of Slum or Blight.

To qualify under the HUD National Objective of Prevention/Elimination of Slum or Blight, the designated geographic area must meet the state or local legal definition of a slum, blighted or deteriorated or deteriorating area in which there is a substantial number of deteriorated or dilapidated buildings/building elements and/or deteriorated public infrastructure elements. For the purposes of this definition, substantial is defined as at least 51 percent of the buildings within the defined downtown target area. All activities funded under the slum or blight national objective must address one or more of the conditions that qualified the area as slum or blighted, i.e., interior building code violation corrections, exterior facade and building code violation corrections, and structural improvements. **In addition, slum or blight activities involving building rehabilitation are limited to building facade improvements, structural improvements, and/or interior/exterior building code violation corrections.** Applicants proposing to complete ancillary streetscape improvements must also demonstrate that at least 51 percent of the target area's infrastructure elements are substandard.

Communities qualifying a project under the "elimination of slums or blight" national objective are required to submit either a statement signed by the applicant community's Chief Executive Officer (CEO) or a resolution passed by the governing legislative body, which declares the area slum or blighted and/or deteriorated or deteriorating, based upon state or local law. This statement or resolution must detail the program target area's condition at the time of its designation (i.e., downtown building inventories must have been conducted or updated within the 12-month period immediately prior to submitting an application to OCD to document the appropriate designation). Also, a copy of a map identifying the boundaries of both the target area identified in the local designation defined as slum or blighted and the proposed program target area, must be provided with the statement or resolution to OCD.

**Downtown Inventory:** Applicants must survey the downtown program target area (which may include either the entire CBD or a portion of the downtown) and provide information about the condition, age, and use of private and public buildings, as part of the application process. This information is required to be submitted by all Downtown Revitalization Program applicants. All specific survey information relative to the identified target area must be maintained by the applicant, as well as be submitted in summary form to OCD as part of the application process.

Applicants proposing to complete incidental streetscape improvements will also be required to submit a Neighborhood Facility Inventory to catalog the existing condition of the public facilities in the identified target area.

**Administrative Cost:** A maximum of 15 percent or \$30,000, whichever is less, of the total grant amount may be used for general administration costs. **Communities may also use up to 10 percent of the CDBG hard cost per unit for soft costs.** Soft costs may be charged to each rehabilitation project and not counted against the administration cap. These include program implementation and oversight, preparing environmental review, audit, and closeout activities. Engineering, architectural and legal service costs related to activities undertaken with CDBG funds can be charged to the relative specific line item budget activity. Eligible soft costs for the CDBG Program are outlined at 24 CFR Part 570.202(b) (9).

**Revolving Loan Fund Participation:** Local units of government will be required to substantially disburse any existing Revolving Loan Fund balance in conjunction with, or prior to, submitting a funding application to the State for a specific community development project. OCD reserves the right to reduce the grant award for successful applicants with high and/or stagnant Revolving Loan Fund balances.

**Program Amendments/Extensions:** Because grant awards are based on the projects proposed in the application, grantees receiving Downtown Revitalization funds are discouraged from changing their approved projects. OCD will consider, on a case-by-case basis, only those changes that do not negatively affect the scoring of the original competitively awarded grant. Grantees considering a change in program scope, location or design, number and type of beneficiaries, anticipated accomplishments, or grant deadlines, must notify OCD in writing of the proposed changes. Formal OCD approval through the Grant Amendment Request in OCEAN and the execution of a grant amendment is required before making the changes. The OCD Amendment Policy is outlined in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy. OCD will consider amendment requests in application scoring during future funding rounds.

**Local Program Period:** Community Development Program award recipients receiving Downtown Revitalization funds must complete their programs according to the following deadlines:

- 1) all activities (except audit and grant administration) must be completed by the end of the 24<sup>th</sup> month;
- 2) all drawdown requests must be submitted to OCD by the end of the 25<sup>th</sup> month; and
- 3) all funds must be disbursed and expended, and a final performance report must be submitted by the end of the 26<sup>th</sup> month.

Grant audit(s) must be conducted in accordance with 2CFR200, described in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy.

**Application Timing:**

Submission: July 14, 2017  
Grant Award: September 1, 2017

**Design Standards:** The local legislative body must adopt and enforce (i.e., a design review process is in place and active) architectural design standards applicable to the downtown target area, incorporating the Secretary of Interior's Standards for Rehabilitation.

**Business/Building Owner Program Participation:** Applicants using Downtown Revitalization funds for private rehabilitation projects will not be required to include firm commitments from participating business/building owners with the application. However, committed program participants will be considered during scoring. OCD will not grant time amendments to allow communities to expend all funds dedicated to private improvements. OCD will not allow for amendments to shift unexpended funds to downtown infrastructure activities until proposed building rehabilitation projects are completed and all demand has been satisfied.

**Program Rating System Principles:** All applications will be rated according to the following criteria:

- 1) **Distress (10 points):** Distress will be calculated based on the target community's economic condition (e.g. percent and number of LMI persons, unemployment rate, per capita income).
- 2) **Leverage (10 points):** Leverage will be calculated based on the extent to which the community will leverage other public and private funds; leverage will be based upon the amount of other resources as compared to the total grant request. Also, it will be based on the extent to which the community will coordinate efforts and implement other programs in addition to the proposed activities.
- 3) **Program Design (60 points):** Program Design will be based on the impact physical improvements will have on the downtown buildings; the proposed finance mechanism and reasonableness of total project costs; feasibility of proposed private rehabilitation activities; the community's comprehensive strategy and the extent to which the activities are consistent with the needs and strategies described in the applicant's most recent Downtown Inventory and Community Development Implementation Strategy; effective use of CDBG funding; and overall program design and process. Program impact will also take into consideration the applicant's and/or consultant's administrative capacity. Administrative capacity will include experience in administering the following aspects of OCD-administered programs; compliance with the grant agreement(s); program regulations and policies; resolving monitoring and/or

audit findings; and progress in completing activities. Program impact will also take into consideration the progress of other projects currently funded with Community Development competitive program dollars.

- 4) **Organization Participation/Capacity (20 points):** Community should have an active downtown management or business association that promotes or coordinates downtown revitalization activities including economic development, promotional events, sound design, and blight prevention. This organization should have participation from business and building owners in the Central Business District. The organization should demonstrate the anticipated degree of the downtown's increased long-term sustainability and marketability and the extent to which the program can feasibly incorporate the Main Street Four Point Approach. Points will also be assigned based upon the level to which the local business organization supports selecting the proposed activities; the effectiveness of the community's process is in involving the business organization in the application planning process; and the commitment of the local government applicant to downtown revitalization. The planning process should include details regarding informational, project selection and priority selection strategies.

### **Critical Infrastructure Grants**

**Grant Ceiling:** \$300,000

**Eligible Applicants:** PY 2017 and PY 2018 Community Development Program Counties and Direct Cities. Counties may apply on behalf of non-direct cities, villages, and unincorporated areas.

**Critical Infrastructure Program Principles:** The Critical Infrastructure Program was created to assist communities with funding for **high priority, single-purpose, projects, such as roads, flood and drainage, and other public facilities projects with high community-wide impact and that benefit primarily residential areas.**

**Eligible Activities:** Eligible activities include constructing, reconstructing or rehabilitating infrastructure components. Eligible infrastructure components include streets and bridges; sidewalks; flood and drainage; water and sanitary sewer; and fire protection or community facilities.

**Ineligible Activities:**

- Public service or direct benefit activities;
- Planning Activities
- Economic development activities (i.e., activities that would involve a loan to a private business or would require creating or retaining LMI jobs to meet CDBG eligibility requirements. Such activities are more appropriately funded through the CDBG Economic Development Program);
- Projects in residential areas addressing deficiencies with multiple-components in multiple locations are better suited for the Neighborhood Revitalization Program;
- Projects in central business districts or commercial areas addressing deficiencies with multiple-components are better suited for the Downtown Revitalization Program;
- Projects which include road resurfacing, chip seal, or other maintenance activities
- Projects that are designed primarily for future residential, commercial or industrial development.
- Large scale, single-purpose water and sanitary sewer projects with a total project cost in excess of \$600,000 and that are better suited for the CDBG Residential Public Infrastructure Program;

**Program Investment Area:** Applicants must submit a map of the proposed service area indicating the proposed infrastructure project's location and geographic area in which the primary residents reside. Applicants are expected to explain how the service area and project beneficiaries were determined. Communities will be required to complete a Critical Infrastructure Condition Certification to catalog the targeted infrastructure's existing condition, and the degree to which the proposed Critical Infrastructure program will improve the identified conditions.

**Local Program Benefit/National Objective:** Communities must qualify activities under the HUD Ohio State Administered CDBG program national objectives of low- and moderate-income (LMI) area-wide benefit or the prevention/elimination of slum or blight.

To qualify under the HUD National Objective of LMI area-wide benefit, residents in the designated geographic area must be 51 percent LMI. Applicants may use ACS data to document 51 percent LMI population.

The grantee may also qualify an project based on an income survey of the project's benefit (or service) area (completed according to the OCD Survey Methodology) which shows that at least 51 percent of the activity beneficiaries will be low- or moderate-income. The OCD Survey Methodology is posted on OCD's website at (OCD Policy Notice 17-02: Qualifying Community Development and Residential Public Infrastructure Projects using Community Development Block Grant National Objectives provides guidance on meeting the LMI National Objective.) **The grantee is required to submit appropriate survey information to the State at the time of application, including the income surveys collected to support the LMI data.**

OCD may require an applicant to conduct an income survey to qualify a project for program funding if ACS data does not appear to adequately represent the service area.

Applicants are **not** permitted to combine ACS data and data from an income survey to qualify a service area. To qualify under the HUD National Objective of prevention/elimination of Slum or Blight, the designated geographic area must meet the state or local legal definition of substantial blighted or deteriorated public infrastructure elements. For the purposes of this definition, substantial is defined as at least 51 percent of the infrastructure within the defined target area is deteriorated.

NOTE: Reconstructing or improving public infrastructure that does not qualify as area benefit is not eligible under slum and blight unless located in a designated Central Business District.

Communities qualifying a project under the "elimination of slums or blight" national objective are required to submit either a statement signed by the applicant community's Chief Executive Officer (CEO) or a resolution passed by the governing legislative body that declares the area slum or blighted and/or deteriorated or deteriorating, based upon state or local law. This statement or resolution must detail the program target area's infrastructure conditions at the time of its designation (i.e., infrastructure surveys must have been conducted or updated within the 12-month period immediately prior to application submission to OCD to document the appropriate designation). Also, a copy of a map, identifying the boundaries of both the target area identified in the local designation defined as slum or blighted and the proposed program target area, must be provided with the statement or resolution to OCD. All survey information relative to the identified area(s) must be maintained by the program applicant and submitted as part of the program application process.

**Administration:** A maximum of 10 percent or \$20,000, whichever is less, of the total grant amount may be used for general administration, environmental review, audit and close-out.

**Expenditure of CDBG funds:** The CDBG grant funds must be expended on a pro-rata basis with the other public and private funds committed at the time of application and described in Attachment A of the grant agreement. Any Allocation funds committed to the Critical Infrastructure project may be expended in full and are not subject to the pro-rata requirement. The grantee must keep appropriate documentation of these expenditures on file to demonstrate compliance.

**Program Amendments:** Because of the project-specific nature of the application and grant award, Critical Infrastructure Program grantees are discouraged from changing their programs. OCD will consider on a case-

by-case basis only those minor changes that do not affect the approved application's competitiveness. Grantees considering a change in program scope, location or design, number and type of beneficiaries or anticipated accomplishments, must notify OCD in writing of the proposed changes. Formal written OCD approval is required before making the changes. The OCD Amendment Policy is outlined in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy.

**Local Program Period:** Community Development Program award recipients receiving Critical Infrastructure funds must complete their programs according to the following deadlines:

- (1) all activities (except audit and balance of administration) must be completed by the end of the 24<sup>th</sup> month;
- (2) all drawdown requests must be submitted to OCD by the end of the 25<sup>th</sup> month; and
- (3) all funds must be disbursed and expended, and a final performance report must be submitted by the end of the 26<sup>th</sup> month.

Grant audit(s) must be conducted in accordance with 2CFR200, described in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy.

**Application Timing:** Potential applicants will be required to submit a letter of interest for OCD review prior to moving forward with a full application. OCD will start accepting letters of interest May 1, 2017. The letter of interest form is available on OCD's Technical Assistance web page. OCD will set up the full application in OCEAN and notify the community of its availability when a letter of interest is accepted. Full applications will be accepted on an open-cycle basis from June 1, 2017 until April 1, 2018, or until such time OCD expends available funding.

**Application Review:** Applications must be submitted through OCEAN, OCD's web-based grants management system. OCD staff will conduct at least three funding rounds annually, funding permitting, and notify the community of funding decisions. **Communities are required to hold two public hearings before submitting a complete application to the State. The general public hearing may count as the first public hearing if the hearing includes information on the CDBG Critical Infrastructure Program.**

**Revolving Loan Fund Participation:** Local units of government will be required to substantially disburse any existing Revolving Loan Fund balance in conjunction with or prior to submitting a funding application to the State for assistance with local match. OCD reserves the right to reduce the grant award for successful applicants with high and/or stagnant Revolving Loan Fund balances.

**Rating System Principles:**

A Critical Infrastructure Grant Program application must meet minimum program thresholds and eligibility criteria. The Critical Infrastructure Grant Program application will allow OCD to determine the proposed project's feasibility and fundability. **Meeting minimum threshold requirements does not guarantee project funding.**

Program thresholds include the following:

- (1) **Leverage:** A minimum equal to 10 percent of the CDBG request must be leveraged from other public (e.g. Allocation, Revolving Loan Fund, local funds) and/or private sources.
- (2) **Program Impact:** The project must identify the critical need of the repairs as well as provide documentation regarding failure of the system. OCD will only consider projects for infrastructure that is in critical or poor condition in accordance with the following scale:

**Critical:** Condition of infrastructure has failed or there is an imminent threat of failure, and/or infrastructure has a documented health hazard. A state agency has issued one or more findings, recommendations, or standards for continued operation.

**Poor:** Condition of infrastructure's remaining useful life is under 5 years of service and/or a state agency has requirements for continued operation. A health hazard could arise should current conditions not be addressed.

**Fair:** Condition of infrastructure's remaining useful life is estimated between 5 and 10 years of service. There is no documented health hazard.

**Good:** Condition of infrastructure's remaining useful life is more than 10 years of service. There is no documented health hazard.

Projects that meet the minimum threshold will be rated additional points based on criteria further identifying the critical nature of the application (e.g. level of failure to the infrastructure system, readiness to proceed), impact (e.g. impact of the beneficiaries, whether proposed solution meets the identified need, useful life of proposed improvements), and distress (e.g. LMI percent of the service area, LMI percent of the infrastructure owner).

Applicants that do not meet the minimum rating thresholds will be permitted to work with OCD staff to restructure the application for resubmission. Applications that meet minimum threshold requirements, but are not funded, may be revised and resubmitted or carried over to the next project evaluation period.

## **Economic Development Loan and Public Infrastructure Grant Program**

**Total Funds:** Approximately \$10 million in CDBG funds will be made available.

**Program Categories:** Eligible applicants may submit applications for one or more of the following categories of funding: Residential Public Infrastructure Program, Economic Development Public Infrastructure Program, and/or Economic Development Loan Program.

**Local Program Benefit/National Objective:** Communities **must** qualify activities under the HUD Ohio State CDBG program national objective of low- and moderate-income benefit.

**Application Submission:** Applicants are required to submit a pre-application to OCD for review to apply for funds. OCD will evaluate the proposed project's pre-applications on its consistency with programmatic thresholds and public benefit before making the decision to invite an applicant to submit a full application.

Pre-application instructions will be available on OCD's technical assistance web page. Applications will be accepted on an open-cycle basis starting July 1, 2017, until all PY 2017 funds are awarded.

Applicants must select either the Economic Development Loan Program or the Economic Development Public Infrastructure Grant Program. Applications may not request program funds for both activities. Applicants may include leveraged funds, including CDBG Economic Development Revolving Loan Funds to fund both activities.

## **Economic Development Loan Program**

**Goal:** To create and retain permanent, private-sector job opportunities, principally for low- and moderate-income persons, through expanding and retaining business and industry in Ohio communities.

**Grant Ceiling:** Maximum of \$500,000 for direct loans; maximum grant ceiling includes project and program administration costs.

**Eligible Jurisdictions:** Non-entitlement cities and counties. Counties must apply on behalf of villages and townships; counties may also apply on behalf of cities within their jurisdiction. To limit creating new Revolving Loan Funds or in considering an applicant's administrative capacity, OCD maintains the right to require counties to apply on behalf of cities when appropriate.

**Revolving Loan Fund Participation:** Local units of government will be required to substantially disburse any existing Revolving Loan Fund balance in conjunction with or prior to submitting a funding application to the State for a specific economic development project.

**Eligible Activities:** Eligible activities include providing financial assistance to private for-profit entities (through eligible units of general local government) to carry out economic development projects directly and primarily related to creating, expanding or retaining a particular business. Financing under the State CDBG Economic Development Program may cover fixed assets, including land, building, machinery and equipment, and site preparation directly related to business or industrial development. The amount and type of financial assistance provided to a project must be deemed appropriate with respect to the financial gap and the public benefit to be derived. Financing for fixed assets must be provided in the form of a non-forgivable loan.

In addition, job training is an eligible CDBG Economic Development Program activity. The State may provide applicants up to an additional \$50,000 in Economic Development Program funds to provide training for low- and moderate-income individuals whose positions were created or retained by the recipient business.

**Ineligible Activities:**

- Financing existing debt, working capital, non-capital equipment, and inventory.
- Financing a project that involves relocating an industry or business from one area of Ohio to another. Exceptions will be made by the state on a case-by-case basis, but only if the relocation will create additional jobs, and the industry or business furnishes information to the state which demonstrates that the industry or business could not continue to operate in the existing location. Also, the applicant community must send a letter (by certified mail) to the community from which the business is relocating, explaining the reasons for relocation. The letter must include OCD's address and identify the OCD Economic Development Coordinator as the contact person.
- Financing speculative projects or buildings. Speculative buildings include those that do not have tenant commitments for at least 50 percent of the floor space or where project resources may not be sufficient to cover expenses.

**Prohibition on Assistance for Job-Pirating Activities:** CDBG regulations prohibit providing assistance that will result in relocating a plant, facility or operation from one Labor Market Area to another, as defined by the Ohio Development Service Agency's Office of Community Development, within three years of the assistance date, if such relocation will likely result in a significant job loss in the labor market area from which the relocation occurs. A significant loss is defined as losing 500 or more jobs, or 1/10th of one percent of the total labor force in the labor market area through job relocation; but in all circumstances, 25 or fewer jobs will not be considered a significant loss. Federal Register/Vol. 71, No. 100/May 24, 2006/Rules and Regulations/24 CFR Part 570/Prohibition on Use of Community Development Block Grant Assistance for Job-Pirating Activities. (Map 1 on page 67 shows the OCD-defined labor market areas.)

**Application Timing:** Project applications will be accepted on a continuous basis, beginning July 1, 2017.

**Application Review:** Applications must be submitted through OCEAN, OCD's web-based grants management system. OCD will provide access to the applicant community in OCEAN after the pre-application is submitted and reviewed. OCD will review the application and provide a written response to the applicant community within 30 days of submission. A funding decision will be made within 45 days of receiving a complete application. **Communities are required to hold two public hearings before submitting a complete application to the State. The CDBG general public hearing may count as the first public hearing if the hearing includes information on the Economic Development Program.** Communities are also required to include a discussion of the Economic Development Program and identify economic development needs as a component of the biennial Community Development Implementation Strategy.

**Administrative Costs:** Units of general local government receiving grants for economic development projects shall be allowed a maximum of \$10,000, for general administration and implementation. Counties applying on

behalf of other jurisdictions are limited to the same ceiling on administrative costs. For projects in which the \$500,000 maximum is requested, administration funds must be subtracted from the total project award. Applicants requesting substantially less than the full amount allowed will receive special consideration.

**Repayment/Program Income:** Under the PY 2017 Ohio State Administered CDBG Program, funds awarded to units of general local government for economic development projects, and any subsequent program income generated, may not need to be repaid to the state of Ohio, if all funds are expended by the grantee in the same manner as the activity (economic development) that generated the program income, provided that the local grantee has an existing and satisfactorily performing economic development Revolving Loan Fund. Funds that will be expended in a different manner must receive prior approval from the State. The State reserves the right to recapture local program income from communities that fail to adequately meet statutory and regulatory requirements. Any program income derived by the grantee through administering economic development funds must also be expended according to applicable Federal and State statutory and regulatory requirements. Smaller units of government that do not have an ongoing grant relationship with OCD, or an existing Revolving Loan Fund, will be required to arrange Revolving Loan Fund agreements with their county.

OCD will evaluate the grantee's ability to effectively administer a local Revolving Loan Fund upon application approval. If it is determined that the local Revolving Loan Fund is not being satisfactorily administered, collateral effectuation, promissory notes, and loan repayments must be provided to the State. A determination on what constitutes a "satisfactorily administered" economic development Revolving Loan Fund is the sole discretion of the State.

**Closing Binder:** An executed Closing Binder, comprised of all documents showing that the project is ready to move forward, must be received and acknowledged by OCD before drawing or expending CDBG funds.

**Drawdown Procedure:** All public and/or private funds must be expended on a prorated basis with the CDBG funds. Waivers to this policy will be granted for exceptional cases and only upon OCD's prior written approval.

**Number of Grant Awards:** A project (site specific) may receive one award up to a maximum of \$500,000 in a program year. No business may receive additional CDBG assistance until it completes its open CDBG project, in compliance with all requirements, and created/retained all the jobs to which the business committed. In addition, the prior grant must have been monitored and closed prior to considering an additional request.

**Local Program Benefit:** At least 51 percent of the jobs created and/or retained must be made available to persons of low or moderate income, as defined by the CDBG program. Job creation attributable to the CDBG-supported project must take place within 24 months of the work completion date specified in the Grant Agreement.

**Job Documentation:** The business may utilize the Ohio Department of Job and Family Services (ODJFS) and obtain a certification from that agency that a minimum of 51 percent of the jobs created were for persons of low- and moderate-income households. If ODJFS is not utilized, the business must maintain the following data on each employee hired or retained and each individual interviewed for a job:

- (1) Person's name;
- (2) Number of individuals in person's family; and
- (3) Total family income of the person being interviewed (this should be done as an over/below answer relating to the median family income for each family size).

If an employee resides in or is employed in a census tract where 70 percent or more residents have incomes at or below 80 percent of the Area Median Income, the employee is presumed to be a low- and moderate-income person. Such a presumption can also be made if an employee lives in a census tract or block group where 20 percent or more of the residents are below the poverty level, or if the assisted business and the job under consideration are located in a census tract or block group where 20 percent or more of the residents are below the poverty level. The same census tract criteria would apply to employees living in or employed in a federal empowerment zone or enterprise community.

This information, in either form, must be available in the community's program file as proof that the CDBG national objective was met.

**Program Amendments:** Because grant awards are based on the project proposed in the application, Economic Development Program grantees are discouraged from changing their approved programs. OCD will consider, on a case-by-case basis, only those changes that do not negatively impact the approved application's original scoring. Grantees considering a change in program scope, location or design, number and type of beneficiaries, anticipated accomplishments, or grant agreement deadline, must notify OCD in writing of the proposed changes. Formal OCD approval through the Grant Amendment Request in OCEAN and the execution of a grant amendment is required before making the changes. The OCD Amendment Policy is outlined in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy. OCD will consider amendment requests in application scoring during future funding rounds.

**Local Program Period:** Economic Development grantees will be allowed up to 14 months to have their PY 2017 grant(s) ready for closeout, beginning with grant agreement execution date. Within this allowable program period, the following deadlines must be met:

- 1) all activities must be completed by the end of the 12th month;
- 2) all funds must be drawn down by the end of the 13th month; and
- 3) all funds must be expended, the final performance report must be submitted, and the local program must be ready to be closed out by the end of the 14th month.

Grant audit(s) must be conducted in accordance with 2CFR200, as described in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy.

**If a project will not be completed within the time frame identified above, an alternative local program period must be requested when submitting an application and approved prior to project commencement.**

**Appropriate Analysis:** Under the Economic Development Loan Program, assistance is provided to private, for-profit businesses for eligible activities, where the assistance is appropriate to carry out an economic development project. In order to ensure that any such assistance is not unreasonably high, the State will conduct an analysis to determine that the amount of any financial assistance to be provided is not excessive, taking into account what the business actually needs in making the project financially feasible and the public benefit expected from the project.

**Rating System Principles:** An Economic Development Loan Program application must meet minimum program thresholds and eligibility criteria. The Economic Development Loan Program application will allow OCD to determine a proposed project's feasibility and fundability. **Meeting minimum threshold requirements does not guarantee project funding.**

Program thresholds include the following:

- (1) A project must create and/or retain at least five full-time, permanent jobs in the private sector;
- (2) At least 51 percent of the full-time, permanent jobs created and/or retained must be taken by or made available to persons from low- and moderate-income households;
- (3) The CDBG cost per job must not exceed \$25,000; however, to be competitive, an applicant must keep the CDBG cost-per-job ratio as low as possible;
- (4) Each CDBG dollar must leverage at least one dollar of other public or private investment in the project's fixed asset cost;
- (5) In order to be eligible for a CDBG loan, a borrower must be prepared to devote cash to the project's fixed assets equal to at least 5 percent of the total project's non-infrastructure fixed asset cost. Prior to OCD approving the loan, the borrower must demonstrate sufficient cash on hand to meet this qualification. Borrowed cash does not meet this qualification; and,

- (6) At least 15 percent of a project's fixed asset cost must be privately financed; this may include owner/developer's cash equity contribution.

OCD will assess the application to determine whether the funding being requested is appropriate to meet Federal and State economic development objectives. The following rating criteria will be used to evaluate project applications:

- (1) Program Effectiveness (60 points): Cost per job, job quality, CDBG funds re-capture terms, credit analysis, leverage ratio and equity contribution percentage.
- (2) Program Impact (24 points): Downtown location, vacant building use, coordinating with other public programs, extensive spin-off potential, significant community impact and public benefit, using Ohio made products/materials, export business, project compatibility with statewide or local development plans, new enterprise, high low- and moderate-income person job commitment, Appalachian area location, low percentage of awarded administrative funds.
- (3) Distress (16 points): Unemployment rate according to the latest monthly report and the percent of low- and moderate-income population in the county.

### **Economic Development Public Infrastructure Grant Program**

**Goal:** To create and retain permanent, private-sector job opportunities, principally for low- and moderate-income persons, through expanding and retaining business and industry in Ohio communities.

**Grant Ceiling.** Maximum of \$500,000 for off-site infrastructure projects; maximum grant ceiling includes project and program administration costs.

**Eligible Jurisdictions:** Non-entitlement cities and counties. Counties must apply on behalf of villages and townships; counties may also apply on behalf of cities within their jurisdiction. In considering an applicant's administrative capacity, OCD maintains the right to require counties to apply on behalf of cities when appropriate.

**Revolving Loan Fund Participation:** Local units of government will be required to substantially disburse any existing Revolving Loan Fund balance in conjunction with or prior to submitting a funding application to the State for a specific economic development project.

**Eligible Activities:** Eligible activities include providing financial assistance, through eligible units of general local government, for public improvements directly and primarily related to creating, expanding or retaining a particular business. Financing under the State CDBG Economic Development Public Infrastructure Program is designed to cover public infrastructure investment directly related to business or industrial development. The amount and type of financial assistance provided to a project must be deemed appropriate with respect to financial gap and public benefit.

In addition, job training is an eligible CDBG Economic Development Program activity. The State may provide applicants up to an additional \$50,000 in Economic Development Program funds to provide training for low- and moderate-income individuals whose positions were created or retained by the recipient business.

#### **Ineligible Activities:**

- Financing a project that involves relocating an industry or business from one area of Ohio to another. Exceptions will be made by the state on a case-by-case basis, but only if the relocation will create additional jobs, and the industry or business furnishes information to the state which demonstrates that the industry or business could not continue to operate in the existing location. Also, the applicant community must send a letter (by certified mail) to the community from which the business is relocating, explaining the reasons for

relocation. The letter must include OCD's address and identify the OCD Economic Development Coordinator as the contact person.

- Financing speculative projects. Speculative projects include those that do not have an identified business or industrial development as an end user for the public infrastructure or where project resources may not be sufficient to cover expenses.
- Financing site preparation or infrastructure improvements owned by an identified business or industrial development or on an identified business' or industrial development's site. Site preparation and on-site infrastructure improvements are eligible CDBG Economic Development Loan Program activities.

**Prohibition on Assistance for Job-Pirating Activities:** CDBG regulations prohibit providing assistance that will result in relocating a plant, facility or operation from one Labor Market Area to another, as defined by the Ohio Development Services Agency's Office of Community Development, within three years of the assistance date, if such relocation will likely result in a significant job loss in the labor market area from which the relocation occurs. A significant loss is defined as losing 500 or more jobs or 1/10th of one percent of the total labor force in the labor market area through relocating jobs, but in all circumstances, 25 or fewer jobs will not be considered a significant loss. Federal Register/Vol. 71, No. 100/May 24, 2006/Rules and Regulations/24 CFR Part 570/Prohibition on Use of Community Development Block Grant Assistance for Job-Pirating Activities. (Map 1 on page 67 shows the OCD-defined labor market areas.)

**Off-Site Infrastructure Activities:** While infrastructure is an eligible activity, the applicant community must demonstrate need for the funding level requested. Infrastructure funding will be based on the following guidelines:

- (1) If the infrastructure improvement is on-site, funding must be provided to the business as a loan. Such projects will be considered with an application to the CDBG Economic Development Loan Program.
- (2) OCD will require community, business and/or other financial participation toward the infrastructure costs. CDBG can only fund a portion of the minimum infrastructure necessary to adequately serve the business. In addition, applicants are reminded that CDBG funds can be used as either loans or grants. The department encourages communities to utilize negotiating methods and thorough discussion which, if appropriate, may result in a partial payback of CDBG funds to the community for future CDBG eligible activities. Such practice is not required and will not impact the department's decision in awarding CDBG funds. Any payments made to the community as a result of infrastructure repayment negotiations are maintained by the community in its Revolving Loan Fund as a revenue source to pay for infrastructure or other eligible projects in the future.
- (3) CDBG economic development funding for the off-site infrastructure portion of projects will be scaled according to local area distress, as follows:
  - Counties that are not distressed may receive up to 50 percent of the total off-site infrastructure costs.
  - Counties that are distressed may receive up to 60 percent of the total off-site infrastructure costs.
  - Counties that are highly distressed may receive up to 75 percent of the total off-site infrastructure costs.

**Note:** For the purpose of this program, distressed areas in the State are determined by ODSA's Research Office, based on unemployment rate, per capita income, poverty, and ARC distress criteria (see Map 2, page 68).

**Area-wide Downtown Projects:** Area-wide infrastructure projects in a community's defined central business district will not be funded under the Economic Development Public Infrastructure Grant Program. The Community Development Program is an available funding source for downtown-related infrastructure projects.

**Application Timing:** Project applications will be accepted on a continuous basis, beginning on July 1, 2017.

**Application Review:** Applications must be submitted through OCEAN, OCD's web-based grants management system. OCD will provide access to the applicant community in OCEAN after the pre-application is submitted and reviewed. OCD will review the application and provide a written response to the applicant community within 30 days of submission. A funding decision will be made within 45 days after OCD receives the complete application. **Communities are required to hold two public hearings before submitting a complete application to the State. The CDBG general public hearing may count as the first public hearing if the hearing includes information on the Economic Development Public Infrastructure Grant Program.** Communities are also required to include a discussion of the Economic Development Program and identify economic development needs as a component of the biennial Community Development Implementation Strategy

**Administrative Costs:** Units of general local government receiving grants for economic development projects shall be allowed a maximum of \$20,000, not to exceed 10 percent of the project request, for general administration and implementation. OCD will evaluate the community's request during application review and reserves the right to reduce the award. Counties applying on behalf of other jurisdictions are limited to the same ceiling on administrative costs. For applicants requesting the \$500,000 maximum award, administration funds must be subtracted from the total project award. Applicants requesting substantially less than the full amount allowed will receive special consideration.

**Repayment/Program Income:** Under the PY 2017 Ohio State Administered CDBG Program, funds awarded to units of general local government for economic development projects, and the subsequent program income which may be generated, may not need to be repaid to the state of Ohio, if all funds are expended by the grantee in the same manner as the activity (economic development) that generated the program income, provided that the local grantee has an existing and satisfactorily performing economic development Revolving Loan Fund. Funds expended in a different manner must receive prior approval from the State. The State reserves the right to recapture local program income from communities that fail to adequately meet statutory and regulatory requirements. Any program income derived by the grantee through administering economic development funds must also be expended according to applicable Federal and State statutory and regulatory requirements. Smaller units of government that do not have an ongoing grant relationship with OCD, or an existing Revolving Loan Fund, will be required to arrange Revolving Loan Fund agreements with their county.

OCD will evaluate the grantee's ability to effectively administer a local Revolving Loan Fund when the application is approved. If it is determined that the local Revolving Loan Fund is not being satisfactorily administered, collateral effectuation, promissory notes, and loan repayments must be provided to the State. A determination on what constitutes a "satisfactorily administered" economic development Revolving Loan Fund is the sole discretion of the State.

**Closing Binder:** An executed Closing Binder, comprised of all documents showing that the project is ready to move forward, must be received and acknowledged by OCD before drawing or expending CDBG funds.

**Expenditure of CDBG funds:** The CDBG grant funds must be expended on a pro-rata basis with the other public and private funds committed for off-site infrastructure activities at the time of application and described in Attachment A of the grant agreement. The grantee must keep appropriate documentation of these expenditures on file to demonstrate compliance. When possible, fixed asset investment should be completed prior to the commencement of off-site infrastructure activities and disbursement of CDBG funds.

**Number of Grant Awards:** A project (site specific) may receive one award up to a maximum of \$500,000 in a program year. No business may benefit from additional CDBG assistance until the business has completed its most recent prior CDBG project, in compliance with all requirements, and created/retained all the jobs to which the business committed. In addition, the prior grant must have been monitored and closed prior to considering an additional request.

**Local Program Benefit:** At least 51 percent of the jobs created and/or retained must be made available to persons from low- or moderate-income households, as defined by the CDBG program. Job creation attributable to the CDBG-supported project must take place within 24 months of project completion. Project completion

means the point in time when all construction or machinery installation involved in the project has been completed, which cannot be later than the work completion date specified in the Grant Agreement.

**Benefit Documentation for Public Improvements:** The unit of local government receiving a CDBG public improvement award to create and/or retain jobs must prepare an assessment identifying any businesses located or expected to locate in the public improvement service area. The assessment must project all jobs that are expected to be created or retained for the one-year period after completing the public improvement. Jobs created by businesses that locate in the area as a result of the public improvement at any time during the three-year period are considered in meeting the 51 percent LMI benefit national objective. If, however, the amount of CDBG assistance provided for the public improvement in relation to the number of jobs projected to be created/retained, as identified in the assessment, is such that the amount per job is less than \$10,000, the jobs created by businesses not identified in the assessment do not need to be considered.

**Job Documentation:** The business may utilize the Ohio Department of Job and Family Services (ODJFS) to obtain a certification that a minimum of 51 percent of the jobs created were for persons of low- and moderate-income households. If ODJFS is not utilized, the business must maintain the following data on each employee hired or retained and each individual interviewed for a job:

- (1) Person's name;
- (2) Number of individuals in person's family; and
- (3) Total family income of the person being interviewed (this should be done as an over/below answer relating to the median family income for each family size).

If an employee resides in or is employed in a census tract where 70 percent or more residents have incomes at or below 80 percent of the Area Median Income, the employee is presumed to be a low- and moderate-income person. Such a presumption can also be made if an employee lives in a census tract or block group where 20 percent or more of the residents are below the poverty level, or if the assisted business and the job under consideration are located in a census tract or block group where 20 percent or more of the residents are below the poverty level. The same census tract criteria would apply to employees living in or employed in a federal empowerment zone or enterprise community.

This information, in either form, must be available in the community's program file as proof that the CDBG national objective was met.

**Program Amendments:** Because grant awards are based on the project(s) proposed in the application, Economic Development Program grantees are discouraged from changing their approved programs. OCD will consider, on a case-by-case basis, only those changes that do not negatively impact the approved application's original scoring. Grantees considering a change in program scope, location or design, number and type of beneficiaries, anticipated accomplishments, or grant agreement deadline, must notify OCD in writing of the proposed changes. Formal OCD approval through the Grant Amendment Request in OCEAN and the execution of a grant amendment is required before making the changes. The OCD Amendment Policy is outlined in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy. OCD will consider amendment requests in application scoring during future funding rounds.

**Local Program Period:** Economic Development grantees will be allowed up to 14 months to have their PY 2017 grant(s) ready for closeout, beginning with the grant agreement execution date. Within this allowable program period, the following deadlines must be met:

- (1) all activities must be completed by the end of the 12th month;
- (2) all funds must be drawn down by the end of the 13th month; and
- (3) all funds must be expended, the final performance report must be submitted, and the local program must be ready to be closed out by the end of the 14th month.

Grant audit(s) must be conducted in accordance with 2CFR200, described in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy.

**If a project will not be completed within the time frame identified above, an alternative local program period must be requested when submitting an application and approved prior to project commencement.**

**Appropriate Analysis:** Under the Economic Development Public Infrastructure Grant Program, assistance is provided to private for-profit businesses for eligible activities, where the assistance is appropriate to carry out an economic development project. In order to ensure that any such assistance is not unreasonably high, the State will conduct an analysis to determine that the amount of any financial assistance to be provided is not excessive, taking into account the business' actual needs in making the project financially feasible and the public benefit expected from the project.

**Rating System Principles:** An Economic Development Public Infrastructure Grant Program application must meet minimum program thresholds and eligibility criteria. The Economic Development Public Infrastructure Grant Program application will allow OCD to determine the proposed project's feasibility and fundability. **Meeting minimum threshold requirements does not guarantee project funding.**

Program thresholds include the following:

- (1) A project must create and/or retain at least five full-time, permanent jobs in the private sector;
- (2) At least 51 percent of the full-time, permanent jobs created and/or retained must be taken by or made available to persons from low- and moderate-income households;
- (3) The CDBG cost per job must not exceed \$9,999.99 for off-site infrastructure projects; however, to be competitive, an applicant must keep the CDBG cost-per-job ratio as low as possible;
- (4) Each CDBG dollar must leverage at least one dollar in other public or private investment; and
- (5) At least 15 percent of a project's fixed asset cost must be privately financed; this may include owner/developer's cash equity contribution.

OCD will assess the application to determine whether the funding being requested is appropriate to meet Federal and State economic development objectives. The following rating criteria will be used to evaluate project applications:

- (1) **Program Effectiveness (60 points):** Cost per job, job quality, percentage of community contribution for infrastructure, credit analysis, leverage ratio and percentage of equity contribution.
- (2) **Program Impact (24 points):** Downtown location, vacant building use, coordinating with other public programs, extensive spin-off potential, significant community impact and public benefit, using Ohio made products/materials, export business, project compatibility with statewide or local development plans, new enterprise, high low- and moderate-income person job commitment, Appalachian area location, low percentage of awarded administrative funds.
- (3) **Distress (16 points):** Unemployment rate according to the latest monthly report and the percent of low- and moderate-income population in the county.

## **Residential Public Infrastructure Grant Program**

**Goal:** To create a safe and sanitary living environment for Ohio citizens, by providing safe and reliable drinking water and proper sanitary waste disposal.

**Grant Ceiling:** Maximum of \$600,000; maximum grant ceiling includes water or sanitary sewer project, on-site improvements, and program administration costs. On-site improvements are capped at \$100,000.

**Grant Floor:** Minimum of \$100,000; minimum total project cost of \$200,000. Projects with a grant request of less than \$300,000 may also be submitted under the Community Development Critical Infrastructure Program if on-site improvements are not required.

**Eligible Jurisdictions:** Non-entitlement counties, cities and villages. Counties must apply on behalf of unincorporated areas and villages that do not have a demonstrated capacity to operate a public water or wastewater system (see **Memorandum of Understanding policy** below). Cities and villages will be limited to one grant award per program year. Counties will be limited to four awards per program year. A county may receive two grant awards for applications submitted on behalf of itself and two on behalf of one or more eligible sub-units of general local government (villages and cities) within the county's jurisdiction. Jurisdictions funded under this program in PY 2016 will not be eligible for funding in PY 2017; however, counties funded in PY 2016 are allowed to apply on behalf of a different sub-unit of government within their jurisdiction. All applicants must be able to demonstrate that they have the ability to administer a Residential Public Infrastructure Grant Program. OCD may require a county to apply for grant funds on the behalf of a city or village within its jurisdiction if administrative capacity cannot be demonstrated by the city or village.

**Memorandum of Understanding:** To facilitate constructing a project funded through the CDBG Residential Public Infrastructure Grant Program, a grantee may be permitted to enter into a Memorandum of Understanding (MOU) with a municipality, local water or sewer district and/or a nonprofit water company, so that it can implement the project. The municipality, local water or sewer district and/or a nonprofit water company must be the sole or part owner of a contract funded with CDBG dollars for constructing water or sanitary sewer facility improvements. Grantees must submit a draft MOU with the application for OCD to review for compliance. OCD will not issue a grant agreement prior to approval of the draft MOU. The grantee will retain responsibility for assuring that the project meets all of OCD's grant agreement conditions.

**Local Capacity:** Applicants must be able to demonstrate an ability to operate a water or wastewater system. Villages that currently lack both systems will be considered as not having capacity. Applicants must also be able to show the proposed project's long-term financial viability.

**Eligible Activities:** The Residential Public Infrastructure Grant Program will only fund projects that provide water and/or sanitary sewer service to primarily residential users (minimum 60 percent of total users). Eligible on-site improvements include service laterals, septic tanks and well abandonment, and CDBG-eligible related fees. Applications where the primary objective is funding on-site improvements will not be considered.

**Local Program Benefit:** The program is targeted to distressed communities or areas in Ohio that have a low- and moderate-income population of at least 51 percent.

**Administrative Cost:** A maximum of 10 percent or \$20,000, whichever is less, of the total grant amount may be used for general administration, implementation (including on site delivery costs), environmental review, audit and close-out. OCD will evaluate the community's request during application review and reserves the right to reduce the award.

**Expenditure of CDBG funds:** The CDBG grant funds must be expended on a pro-rata basis with the other public and private funds committed at the time of application and described in Attachment A of the grant agreement. The grantee must keep appropriate documentation of these expenditures on file to demonstrate compliance.

**Program Benefit Survey:** The grantee may qualify a project using the 2006-2010 American Community Survey Low/Moderate Income Summary Data or an income survey of the activity's benefit area (or service area) according to the OCD Survey Methodology showing that at least 51 percent of the activity beneficiaries are low- or moderate-income. The grantee is required to submit appropriate survey information with the original application to the State. Using an additional database will only be allowed with prior OCD approval. (OCD Policy Notice 17-02: Qualifying Community Development and Residential Public Infrastructure Projects using Community Development Block Grant National Objectives provides guidance on meeting the LMI National Objective.)

OCD may require an applicant to conduct an income survey to qualify a project for program funding if ACS data does not appear to adequately represent the service area.

**Applicants are not permitted to combine ACS data and data from an income survey to qualify a service area.**

**Program Amendments:** Because grant awards are based on the projects proposed in the application, grantees receiving Residential Public Infrastructure funds are discouraged from changing their approved projects. OCD will consider, on a case-by-case basis, only those changes that do not negatively affect the scoring of the original awarded grant. Grantees considering a change in program scope, location or design, number and type of beneficiaries, anticipated accomplishments, or grant deadlines, must notify OCD in writing of the proposed changes. Formal OCD approval through the Grant Amendment Request in OCEAN and the execution of a grant amendment is required before making the changes. The OCD Amendment Policy is outlined in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy. OCD will consider amendment requests in application scoring during future funding rounds.

**Local Program Period:** PY 2017 Residential Public Infrastructure Grant Program grantees must complete their programs according to the following deadlines:

- (1) all activities (except audit and balance of administration) must be completed by the end of the 24th month;
- (2) all drawdown requests must be submitted to OCD by the end of the 25th month; and
- (3) all funds must be disbursed and expended, and a final performance report must be submitted by the end of the 26th month.

Grant audit(s) must be conducted in accordance with 2CFR200, described in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy.

Cities and villages with one open Residential Public Infrastructure Grant Program grant and counties with two open Residential Public Infrastructure Grant Program grants are not eligible to apply.

**Committing Community Development Allocation Funds:** Grantees committing PY 2017 Community Development Allocation grant funds to Residential Public Infrastructure Grant projects must reprogram the Allocation funds to other CDBG eligible activities if the Residential Public Infrastructure Grant application is not approved by September 1, 2017.

**Coordination with other OCD programs:** OCD will work with the applicant to determine the best funding sources for a project. All project funding must be firmly committed at the time of application. OCD will not consider an application for a subsequent grant request (e.g. *Community Development, Target of Opportunity, Appalachian Development*) after Residential Public Infrastructure funds are awarded. If a project includes more than one OCD funding source, the applications must be submitted at the same time.

**Revolving Loan Fund Participation:** Local units of government will be required to substantially disburse any existing Revolving Loan Fund balance in conjunction with or prior to submitting a funding application to the State for a specific water and sewer project.

**Application Submission:** Funding applications may be submitted beginning July 1, 2017. A Letter of Interest is required prior to submitting a full application. The Letter of Interest must include a brief proposed project and project area description; a summary of other funds committed to the project; a copy of the Ohio Environmental Protection Agency (OEPA) Permit to Install or Plan Approval, if applicable; a brief description of the community's current water and wastewater systems; and the community's Chief Elected Official's and grant writer's name, address, telephone number and email address. The state will review the Letter of Interest and notify the applicant if a full application will be accepted. The state will review the full application and provide the applicant a written status report within four weeks of submission.

**Readiness to Proceed:** Project design must be completed prior to application submission. Applicants submitting projects requiring Ohio Environmental Protection Agency (EPA) review and approval must provide documentation of the Ohio EPA's approval with the application.

**Direct Benefit Assistance:** Applicants must address the way in which eligible low- and moderate-income households will connect to a new water or sanitary sewer service if funding for on-site improvements is not requested.

**Assessments and Fees:**

- (1) **Special assessment definition:** The term "special assessment" means a fee or charge levied or filed as a lien against a parcel of real estate as a direct result of benefit derived from installing a public improvement, such as streets, water or sewer lines, curbs, and gutters. The amount of the fee represents the prorated share of the capital costs of the public improvement levied against the benefiting properties or a one-time charge made as an access condition to the public improvement. This term does not relate to taxes, or establishing real estate value for levying real estate, property, or ad valorem taxes, nor does it include periodic charges based on using public improvements, such as water or sewer user charges, even if such charges include recovering all or some portion of the public improvement's capital costs.
- (2) **Special assessments to recover capital costs:** Where CDBG funds are used to pay all or part of public improvement cost, special assessments may be used to recover capital costs as follows:
  - (a) Special assessments to recover the CDBG funds may be made only against properties owned and occupied by households not of low and moderate income. **Such assessments constitute program income.**
  - (b) Special assessments to recover the non-CDBG portion may be made provided that CDBG funds are used to pay the special assessment on behalf of all properties owned and occupied by low- and moderate-income households; except that CDBG funds need not be used to pay the special assessments on behalf of properties owned and occupied by moderate-income households if the grant recipient certifies that it does not have sufficient CDBG funds to pay the assessments on behalf of all the low- and moderate-income, owner-occupant households. **Funds collected through such special assessments are not program income.**
- (3) **Other uses of CDBG funds for special assessments:** Program funds may be used to pay all or part of special assessments levied against a property when such assessments are used to recover the capital cost of eligible public improvements financed solely from sources other than CDBG funds, provided that:
  - (a) The assessment represents that property's share of the capital cost of the improvements;
  - (b) Installing the public improvements was carried out in compliance with requirements applicable to activities assisted under this part of the CDBG regulations including environmental, citizen participation, and Davis-Bacon requirements; and
  - (c) Installing the public improvement meets a national objective criterion.

**NOTE:**

- (1) Under this program, special assessments cannot be paid for low- or moderate-income persons where the public improvement itself does not meet a national objective.
- (2) "To pay" an assessment for a low- or moderate-income person means to pay the whole assessment as a grant.

**Rating System Principles:**

A Residential Public Infrastructure Grant Program application must meet minimum program thresholds and eligibility criteria. The Residential Public Infrastructure Grant Program application will allow OCD to determine

the proposed project's feasibility and fundability. **Meeting minimum threshold requirements does not guarantee project funding.**

Program thresholds include the following:

- (1) Leverage: The requested CDBG Residential Public Infrastructure Grant Program funds must, at a minimum, be matched on a one-for-one basis with funds from other sources. The other funds can be non-Water and Sanitary Sewer CDBG funds, as well as funds from other public or private sources.
- (2) Program Impact: The project must alleviate the identified health hazard (this does not include fire hazards) or replace a functionally obsolete facility. A functionally obsolete facility is defined as a water treatment plant, wastewater treatment plant or water storage structure that is at least 40 years old and repairing the facility costs more than replacing the facility.
- (3) System Sustainability and the Community's Financial Capacity and Rate Structure: The system's long-term sustainability will be evaluated based on the rate structure and user population demographics. Water and/or sewer fees must be in line with the following requirements:
  - For an area without a water or sanitary sewer system:
  - User fees for a new water system must be at least 1 percent of the area median household income (MHI) or \$30/month, whichever is less.
  - User fees for a new sanitary sewer system must be at least 1 percent of the area MHI or \$30/month, whichever is less.

For an area without a **sanitary sewer system** that is interested in improving an existing **water system**, user fees for the water system must be at least 1 percent of the MHI or \$30/month, whichever is less.

For an area **without a water system** that is interested in improving an existing **sanitary sewer system**, user fees for the sanitary sewer system must be at least 1 percent of the MHI or \$30/month, whichever is less.

For an area **with a water system** that is interested in constructing a new **sanitary sewer system**, combined user fees must be at least 2 percent of the area MHI or \$60/month, whichever is less.

For an area **with a sanitary sewer system** that is interested in constructing a new **water system**, combined user fees must be at least 2 percent of the area MHI or \$60/month, whichever is less.

For an area with both a water system and a sewer system that is interested in improving either system, combined user fees must be at least 2 percent of the area MHI or \$60/month, whichever is less.

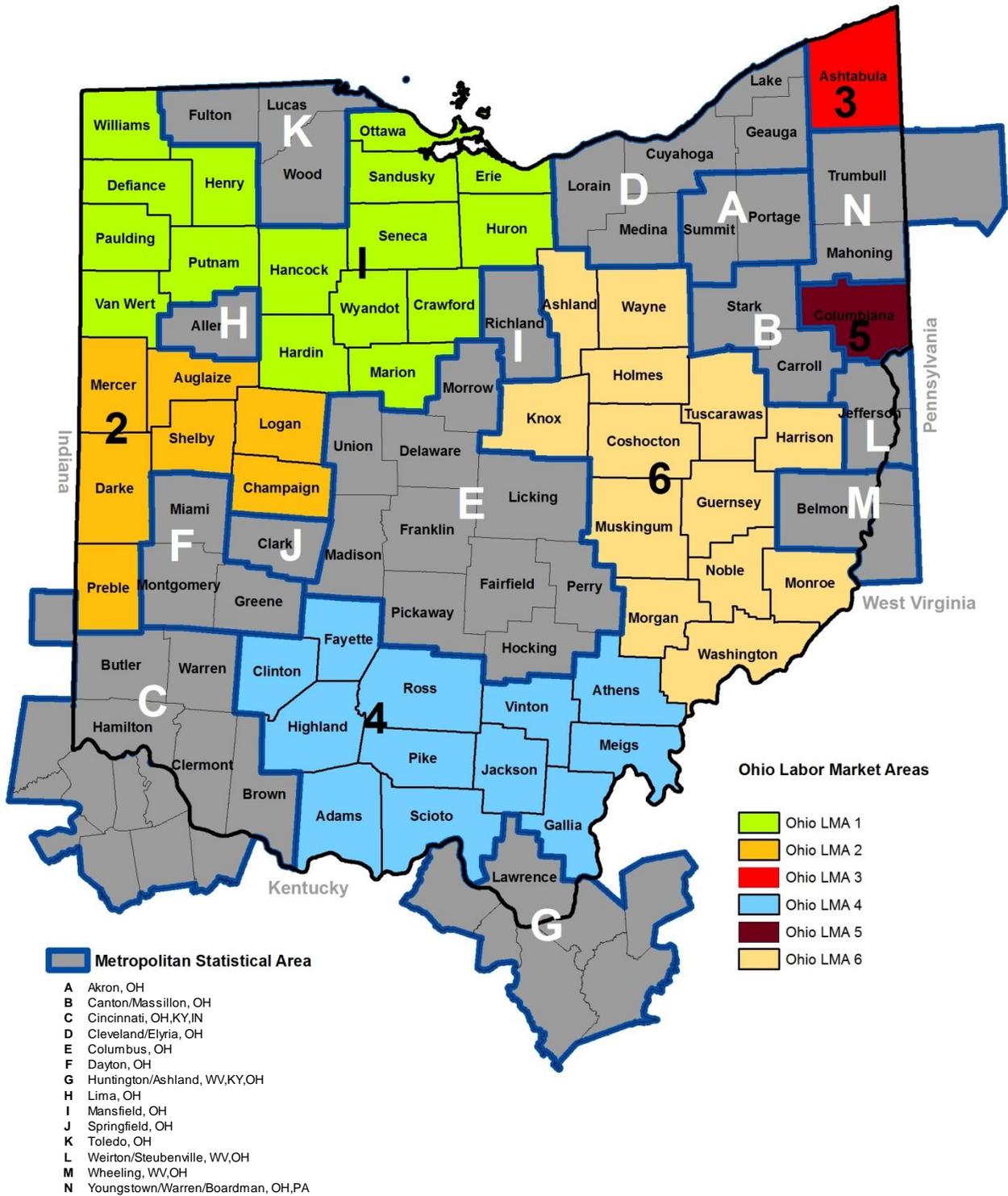
- (4) Readiness to Proceed: Project design must be completed prior to application submission. Applicants submitting projects requiring Ohio Environmental Protection Agency (EPA) review and approval must provide documentation of the Ohio EPA's approval and Permit to install with the application.

All applications will be rated according to the following criteria:

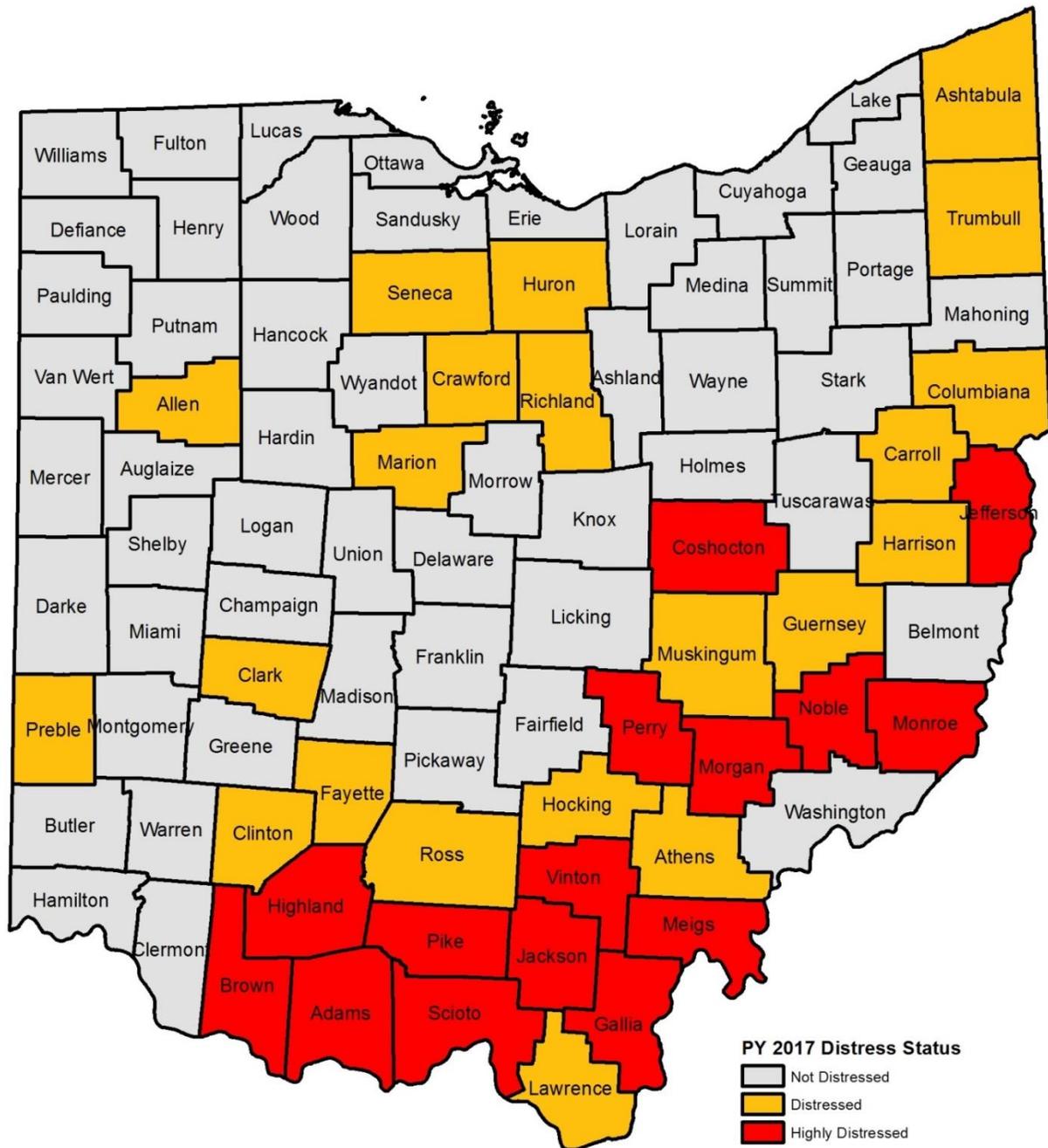
- (1) Benefit Impact (35 points): Percent of low- and moderate-income persons, and total number of persons benefiting from the program;
- (2) Leverage (10 points): Each CDBG dollar must leverage at least one dollar of other public or private funds in the approved project cost;
- (3) Program Impact (25 points): Communities under EPA mandates with documented health and safety concerns will be given priority (relationship of proposed activities to identified needs);

- (4) Regionalization and Shared Services (15 points): The applicant is a part of a regional system, which is defined by the following criteria: a system established under Sections 6103, 6117 and 6119 of the ORC; a system connected to another system for the providing water or treating wastewater, a nonprofit system that serves more than one political subdivision; and a for-profit system (not company) that serves more than one political subdivision. Shared services include, but are not limited to, entering into long term agreements for billing and plant operation with another public entity.
- (5) System Sustainability and the Community's Financial Capacity and Rate Structure (15 points): The system's long term sustainability based on rates and user population demographics and the community's ability to raise funds locally through user fees.

Map 1: 2017 CDBG Economic Development Program Labor Market Areas



## Map 2: PY 2017 Ohio Distressed Counties\*



Source: Office of Policy Research and Strategic Planning

Prepared by the Office of Community Development  
Ohio Development Services Agency  
November 2016

\*Distress is calculated by the following criteria:

- Per Capita Income must be at or below 80% of U.S. per capita income.
- Poverty is defined as 20% or greater of persons below the poverty level; in intercensal years for counties, a percentage of transfer payment income to total county income equal to or greater than 25%.
- Unemployment must be 125% or greater of the most recent U.S. 5-year average unemployment rate.
- Designated distressed by ARC (Appalachian Regional Commission).

# Target of Opportunity Grant Program

- **CDBG Target of Opportunity Grant Programs**
  - *Economic and Community Development Target of Opportunity Program*
  - *New Horizons Fair Housing Assistance Program – Set-Aside*
- **Ohio Housing Trust Fund (OHTF) Target of Opportunity Grants**
- **Homelessness Target of Opportunity Grants**
- **Neighborhood Stabilization**

## **Target of Opportunity Grant Programs**

**Goal:** To provide a means to fund worthwhile "targets of opportunity" projects and activities that do not fit within existing program structures, and to provide supplemental resources to resolve immediate and unforeseen needs.

**Total Funds:** The PY 2017 funding amounts are as follows: Approximately \$1 million in PY 2017 CDBG funds; SFY 2018 Ohio Housing Trust Funds (amount yet to be determined); Program Income from the State of Ohio's Neighborhood Stabilization Programs (based on availability of funds).

**CDBG Target of Opportunity Grant Programs:** The CDBG Target of Opportunity Grant Program provides funding for "target of opportunity" projects. The CDBG Target of Opportunity Grant Program includes the Economic and Community Development Program and a set-aside for the New Horizons Fair Housing Program. Program requirements for both programs are outlined below. The CDBG Target of Opportunity Grant Programs must be administered according to all applicable Federal and State laws and regulations.

**Economic and Community Development Target of Opportunity Program:** This program will provide funds for "targets of opportunity" investments in:

- Economic development projects that create and/or retain permanent job opportunities and are not eligible for Economic Development Program funding or feasible within the Economic Development Program guidelines.
- Community development projects that are not feasible in other funding categories or eligible for Community Development Program competitive set-aside or open-cycle Critical Infrastructure funds.
- Downtown Target of Opportunity projects. Only single building projects will be considered. To qualify, a building must be eligible for the National Register of Historic Places or in a Local Historic District.
- Housing projects benefitting severely disabled adults. Benefitting populations must meet both CDBG Housing and Community Development Act of 1974 and Section 504 of Rehabilitation Act of 1973 eligibility requirements.
- Imminent threat grants covered by the Federal CDBG Regulation.

Public Service and Planning projects are not eligible for Target of Opportunity funding

**Grant Ceiling:** Fund level is negotiated based upon need.

**Administrative Cost:** A maximum of 10 percent or \$10,000, whichever is less, of the total grant amount may be used for general administration, implementation (including on site delivery costs), environmental review, audit and close-out. OCD will evaluate the community's request during application review and reserves the right to award less than the requested amount.

**Eligible Jurisdictions:** Cities, Counties, or Villages; All applicants must be able to demonstrate the ability to administer a Target of Opportunity Program. OCD may require a county to apply for grant funds on the behalf of a city or village within its jurisdiction if administrative capacity cannot be demonstrated by the city or village.

**Eligible Activities:** Any CDBG-eligible activity with the exception of public service and planning.

**Application Timing:** Project applications will be accepted on an open-cycle basis from July 1, 2017 until May 1, 2018, or until such time OCD expends available funding.

OCD reserves the right to adjust funding levels between categories according to project and funding availability.

**Program Period:** The program period will be determined through negotiations with OCD. Grant Audit(s) must be conducted in accordance with 2CFR200, as described in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy.

**Application Procedures:** An eligible community may apply for economic and community development Target of Opportunity funds at any time during PY 2017 by submitting a written request for funds including a brief project

description, information on how the project meets a national objective if the request is for CDBG funding, and preliminary sources and uses table to the appropriate OCD Section Supervisor (i.e., Economic and Community Investment, Residential Revitalization or Supportive Housing).

OCD staff will conduct initial submission reviews at least quarterly and notify the community if a full application should be submitted. Eligibility for CDBG assistance does not guarantee project funding.

**Rating System Principles:**

- Funds are not available from any other source and/or the requested funds fill a “gap;”
- Funds are needed to make the project financially feasible.
- Project is eligible and meets at least one of the CDBG national objectives; and
- Project furthers the State of Ohio’s investment objectives

**New Horizons Fair Housing Assistance Program – Set-Aside**

**Goal:** To provide funds to units of local government or consortia of units of local government, to affirmatively further fair housing in addition to activities undertaken with their minimum fair housing program required as part of submitting the Community Development Allocation Grant Application and the Community Housing Impact and Preservation Program (CHIP) application. Affirmative fair housing strategies are to be based on locally assessed needs and commitments, as well as to further the State’s fair housing goal.

**Total Funds:** \$50,000 CDBG funds will be allocated for PY 2017.

**Note: All funds that haven’t been allocated by April 15, 2018, will be reallocated to the Economic and Community Development Target of Opportunity Program.**

**Grant Ceiling:** Up to \$15,000 for one jurisdiction, and up to an additional \$5,000 for each additional eligible jurisdiction in a consortium, for a maximum award not exceeding \$30,000.

**Eligible Jurisdictions:** Direct Community Development Allocation cities and counties.

**Eligible Activities:** Implementing analysis of impediments to fair housing strategies; activities to affirmatively further fair housing, actions relating to housing and community development to remedy or mitigate conditions limiting fair housing choice. Activities must be above and beyond the State minimum requirements. (See “Local Government Certifications to the State”.) A maximum of 15 percent of the total grant request will be allowed for general administrative and implementation costs.

**Application Timing:** On-going. Approximately one third of the available funds will be awarded in each three-month cycle, but the State reserves the right to determine the final funding level of each respective cycle.

**Application Submission:** July 1, 2017 to March 31, 2018.

**Rating and Selection Criteria:** All applications are reviewed, rated, and scored based on the criteria outlined below. The process is competitive and designed to rank order applicants to be offered funding with the limited New Horizons funds available. Applicants must score at least 72 points to be eligible for funds.

**Threshold Review:** Applications that do not meet the minimum threshold requirements will not be scored or funded. Threshold requirements are 1) the (lead) applicant is a Direct Community Development grantee, 2) all tables are included and complete, 3) signed by the CEO, 4) attached authorizing legislation for the applicant and consortia members, 5) proposed activities are eligible, 6) the program design exceeds the standard fair housing requirements, and 8) previous New Horizon grant programs have been monitored.

**Program Design/Impact (40 points):** The proposed program’s significant benefits in eliminating impediments to fair housing, the benefit to current housing activities and programs, the degree to which the program is designed to create on-going local capacity, the proposed program elements’ appropriateness and effectiveness.

Administrative Capacity/Past Performance (30 points): The adequacy of the proposed administrative plan, the applicant's experience and capacity for implementing the proposed activities, past program performance and compliance evaluation.

Cost Effectiveness (20 points): The degree to which the cost of an outcome is reasonable and appropriate for the proposed activity and the degree to which the cost of general administration is reasonable and appropriate.

Leverage and Coordination (10 points): A comparison of the amount of funds committed to fair housing in the past two years' Community Development Program and the extent to which the proposed program integrates and coordinates with other local programs, funds, and activities

**Grant Award:** Approximately four weeks after submission.

**Program Period:** Grantees have until the end of the 12th month to complete activities, all funds must be drawn by the end of the 13th month, and the grant must be closed out and the Final Performance Report must be submitted by the end of the 14th month. Grant Audit(s) must be conducted in accordance with 2 CFR 200, as described in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy.

**Program Amendments:** Because grant awards are based on the projects proposed in the application, grantees receiving Target of Opportunity funds are discouraged from changing their approved projects. OCD will consider, on a case-by-case basis, only those changes that do not negatively affect the scoring of the original competitively awarded grant. Grantees considering a change in program scope, location or design, number and type of beneficiaries, anticipated accomplishments, or grant deadlines, must notify OCD in writing of the proposed changes. Formal OCD approval through the Grant Amendment Request in OCEAN and the execution of a grant amendment is required before making the changes. The OCD Amendment Policy is outlined in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy. OCD will consider amendment requests in application scoring during future funding rounds.

**Ohio Housing Trust Fund (OHTF) Target of Opportunity Grants:** The OHTF Target of Opportunity Grants provide funding for "target of opportunity" projects and innovative proposals that will principally benefit persons below 50 percent of the area median income and meet the OHTF rules and requirements. Projects or activities must be supported by statewide or regional organizations that serve multiple counties, or provide statewide services.

**Grant Ceiling:** Funding level is determined based upon demonstrated need. OHTF Target of Opportunity Grants for individual special projects typically will not exceed \$200,000 annually. Applicants whose requests may exceed the \$200,000 request should discuss their project with OCD staff first.

**Matching Funds:** Projects should evidence at least a dollar-to-dollar match in cash and/or direct "in kind" services.

**Eligible Applicants:** Nonprofit organizations, units of local government, public housing authorities, private developers and lenders and consortia of any eligible applicants.

**Eligible Activities:** Proposals considered for target of opportunity funds must be inappropriate for funding from other state housing programs, either due to eligibility, program scope or project timing. Projects must result in identifiable outcomes and beneficiaries (cannot be seed money or start-up funds).

**Application Timing:** The SFY 2018 OHTF Target of Opportunity Grants application deadline is March 31, 2017.

**Program Period:** The program period will be determined through negotiations with OCD. Proposals may request multi-year funding, up to three years.

**Application Review:** Upon application submission, the application(s) will be reviewed by OCD staff, other state agency staff (if appropriate) and the OHTF Advisory Committee. The Ohio Development Services Agency director will make the final decision regarding project funding.

Rating System Principles:

1. Extent to which the project activity impacts low- and moderate-income persons by:
  - Improving housing conditions;
  - Increasing housing availability, affordability or accessibility;
  - Educating and informing the public about housing issues, including housing counseling; and
  - Preventing homelessness, through direct housing assistance or supportive services.
2. Extent to which the project or activity fills an unmet need or gap.
3. Extent to which the project creates or applies innovative techniques and the extent to which such techniques can be replicated or used as a model.

### **Homelessness Target of Opportunity Grants**

Approximately \$100,000 of SFY 2018 Ohio Housing Trust Funds are available through the PY 2017 Target of Opportunity Program. Eligible applicants are primarily limited to PY 2015 and PY 2016 Supportive Housing Program and Homeless Crisis Response Program grantees.

The PY 2017 Emergency Shelter Target of Opportunity Program priority is to provide funds for critical activities at existing OCD-funded emergency shelter locations. As a secondary priority and based on need and availability, these funds may also be used to fund emergency activities at OCD-funded organizations that serve homeless populations through other supportive housing models as well as organizations providing emergency shelter, but not receiving OCD homeless assistance funds. All activities must be deemed an emergency or include needs that could not be anticipated during the normal funding program cycle.

**Application Procedures** Applicants must submit an Emergency Shelter Target of Opportunity Program application to: Ohio Development Services Agency Office of Community Development at 77 S. High Street, 26<sup>th</sup> Floor, Columbus, Ohio 43215

OCD will respond with the award decision or to request additional information. Requests for additional information for project/activity review do not guarantee that any request will be funded.

**Rehabilitation Project Requirements:** Rehabilitation projects will be reviewed for: compliance with local health, building and zoning regulations; site control evidence, lease agreement or other arrangements for the project; property/building appraisal; extent to which financing is secure; proposed budget reasonableness; and proposed project completion time frame reasonableness. Rehabilitation projects must include a detailed, itemized estimate that includes labor and material costs. Estimates must be on an authorized contractor's letterhead.

**Program Period:** Grantees must complete their program according to the following deadlines:

- (1) all activities must be completed and costs paid with grant funds incurred by the end of the 12<sup>th</sup> month;
  - (2) all drawdown requests must be submitted to OCD by the end of the 13<sup>th</sup> month; and
  - (3) a final performance report must be submitted by the end of the 14<sup>th</sup> month.
- Deadlines will be adjusted if the work period is less than one year.

### **Neighborhood Stabilization:**

This program will provide funds for projects that were eligible under the state of Ohio's Neighborhood Stabilization Programs (NSP).

**Grant Ceiling:** Funding level will be determined based on the applicant's demonstrated need.

**Matching Funds:** Projects should evidence a reasonable amount of matching funds and/or direct "in kind" services.

**Eligible Recipients:** Eligible recipients of funding are as follows:

- Entitlement cities previously funded through the state of Ohio's Neighborhood Stabilization Program 1 and are located in a non-entitlement county,
- Non-entitlement cities and counties previously funded through the state of Ohio's Neighborhood Stabilization Program 1
- Non-entitlement cities and counties previously funded through the state of Ohio's Neighborhood Stabilization Program 1 and non-profit consortium members previously funded through the state of Ohio's Neighborhood Stabilization Program 2.
- Entitlement Counties that did not receive a direct allocation of NSP 1,2 or 3 from HUD.
- Ohio Housing Finance Agency

**Eligible Activities:** Any state of Ohio's Neighborhood Stabilization Program's activities is eligible, with the exception of land banking. Twenty-five percent of the state's funds must be spent on projects benefitting persons at or below 50 percent of the Area Median Income. Preference will be given to projects that meet this requirement. A maximum of 7 percent of each grant award can be used for administration.

**Application Timing:** Project applications will be accepted on an open-cycle basis from July 1, 2017 until March 31, 2018, or until such time as available funds have been expended.

**Program Period:** The program period will be determined by OCD, based upon the project scope. Grant audit(s) must be conducted in accordance with 2 CFR 200, as described in OCD Policy Notice16-01: Grant Operations and Financial Management Policy.

**Application Procedures:** Eligible applicants may apply for Neighborhood Stabilization Target of Opportunity funds by submitting a written request for funds, including a brief project description. The description should include information on how the project meets program eligibility, and a preliminary sources and uses table. Applications must be submitted to the OCD Residential Revitalization Section Supervisor.

Initial submissions will be reviewed on a quarterly basis. OCD will notify the applicant if a full application for funding will be solicited. Demonstrated NSP eligibility does not guarantee project funding.

**Rating System Principles:**

- Project is NSP-eligible and meets at least one of the CDBG national objectives;
- Demonstrated need, and a satisfactory project financial analysis has been provided;
- Demonstrated previous NSP administrative capacity;
- Funds are needed to make the project feasible;
- Priority will be given to projects that benefit persons at or below 50 percent of the Area Median Income; and
- Priority will be given to projects for NSP grantees that have previously contributed and/or are expecting to generate additional NSP Program Income as part of their NSP Target of Opportunity application.

**Program Requirements:** Neighborhood Stabilization Target of Opportunity grants must be administered according to all applicable Federal and State laws and regulations. Applicants must meet requirements for fair housing and program income. Any program income generated from projects completed under this program must be returned to OCD for redistribution under the NSP Discretionary Program. Program income returned will be determined on a pro-rated basis for projects containing other funds.

## Program Application Deadlines and Grant Award Cycles

### **Community Housing Impact and Preservation Program**

Application Submission: May 5, 2017  
Grant Award: September 1, 2017

### **Homeless Crisis Response Program**

Application Submission: June 26, 2017  
Grant Award: Approximately four months after submission

### **Supportive Housing Program**

Application Submission: June 26, 2017  
Grant Award: Approximately four months after submission

### **Housing Assistance Grant Program**

Application Submission: November 17, 2017  
Grant Award: Approximately eight weeks after submission

### **Housing Opportunities for Persons With AIDS Program**

Application Submission: November 2, 2017  
Grant Award: Approximately seven weeks after submission

### **Community Development Program (Community Development Allocation Grant / Neighborhood Revitalization Grant / Downtown Revitalization Grant / Critical Infrastructure Grant)**

Application Submission: June 16, 2017  
Grant Award: September 1, 2017

### **Economic Development Program**

Applications may be submitted on a continuous basis throughout the program year, beginning on July 1, 2017. Awards will be made approximately 45 days after application submission.

### **Residential Public Infrastructure Grant Program**

Applications may be submitted on a continuous basis throughout the program year, beginning on July 1, 2017.

### **Target of Opportunity Grant Program**

Note that the Target of Opportunity Grant Program includes: (A) CDBG Target of Opportunity Grant Programs, (B) Ohio Housing Trust Fund Target of Opportunity Grants, (C) Homelessness Grants and (D) Neighborhood Stabilization.

Application submissions will be accepted and grant awards will be made throughout the program year. All specific program deadlines and award dates are included under the program.

## **Geographic Distribution of Funds**

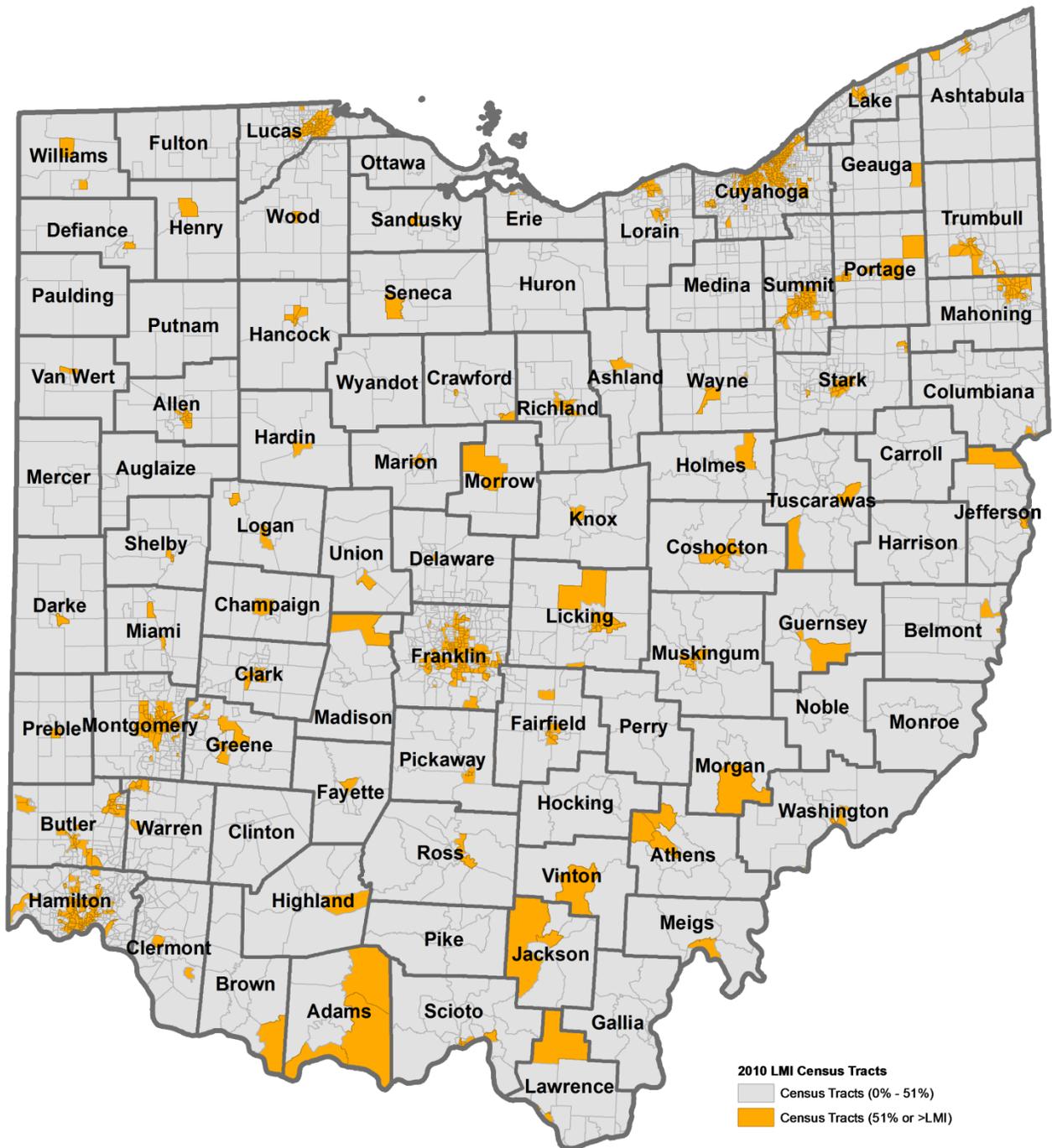
Overall, OCD does not have a geographic targeting strategy, insofar as it does not select areas of the state which will be exclusively awarded funding through a particular program. Such decisions are left to the local communities, which may restrict funding to particular neighborhoods or target specific geographic areas. However, many of OCD's competitive programs prioritize projects and activities that benefit communities with comparatively higher need levels. However, relative differences in local need is only one of many factors in the decision-making process.

The Neighborhood Revitalization Grants that are offered annually through the Community Development Program are the most highly geographically targeted funds. CDBG funds that have yet to be determined are targeted to neighborhoods and communities that are 51 percent or more low or moderate income, and are intended to address multiple needs in the community to make a significant impact on the overall quality of life in the area. The Community Development Program overall requires that communities receiving Community Development Allocation Grants target and expend at least 50 percent of their funding on local neighborhood target areas and other community needs in their local community development plans.

Map 3 shows the Census Tracts in the state that have 51 percent or more low- or moderate-income populations, based on the 2006 – 2010 American Community Survey information. Also, Map 4 shows the concentrations of minority households in the state, based on the 2010 U.S. Census minority population data for all census tracts within the state. Many of the lower-income areas have also been designated as targeted Investment Areas in their local communities.

It should be noted that not all of these federal funds are available in all areas of the state and some programs have placed limits on funding availability in certain geographic areas, particularly in areas of the state that receive additional direct funding from HUD. These restrictions are noted in the program descriptions in the Program Allocations section of the plan. Maps 5, 6, 7 and 8 show communities that receive direct allocations from the CDBG, HOME, ESG and HOPWA Programs.

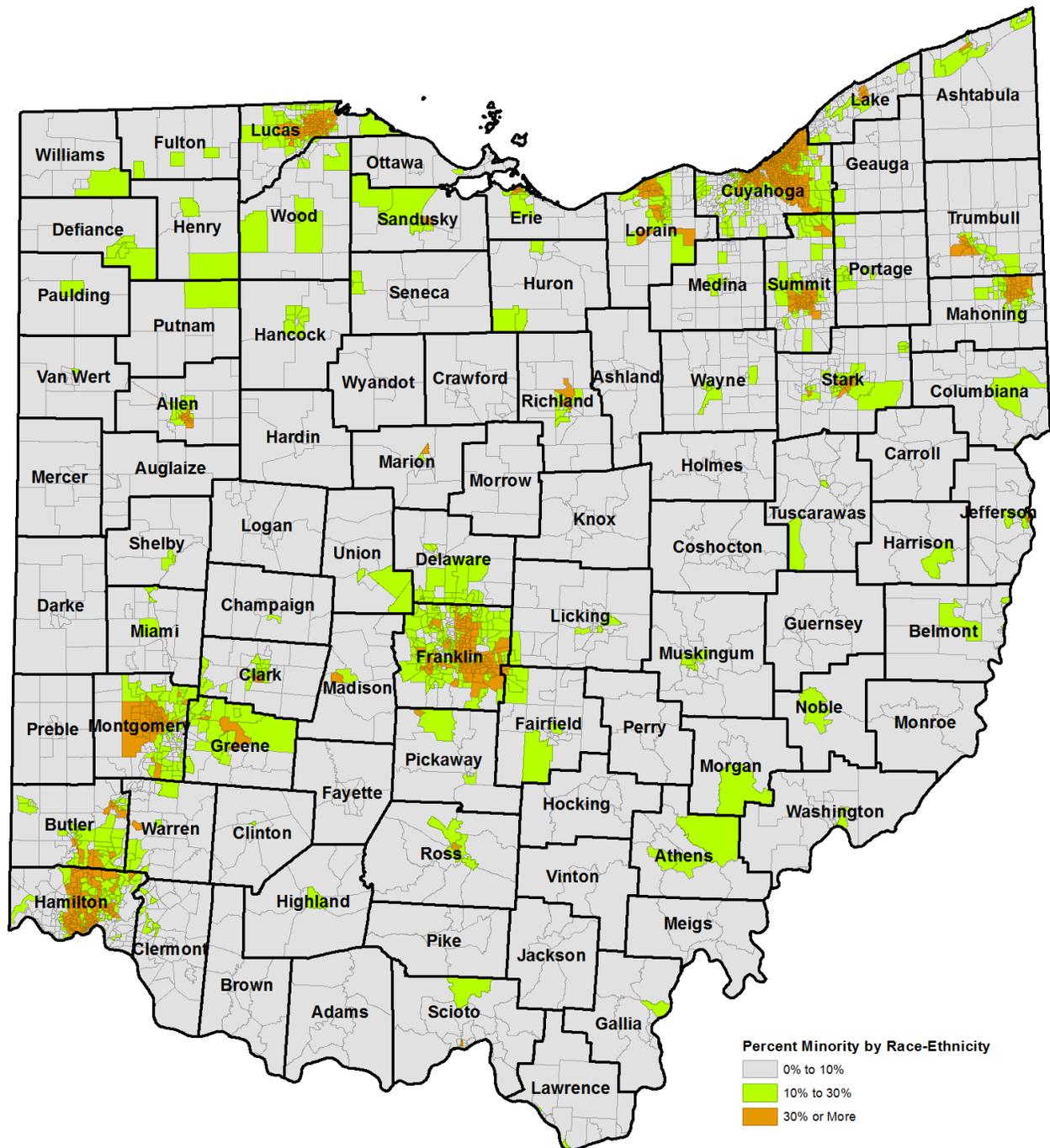
# Map 3: Ohio Census Tracts with LMI Populations Greater than or Equal to 51 Percent



Source: 2006 - 2010 American Community Survey

Prepared by the Office of Community Development  
 Community Services Division  
 Ohio Development Services Agency (October 2014)

# Map 4: Ohio Census Tracts with Areas of Minority Concentration (2010)



Source: 2010 U.S. Census

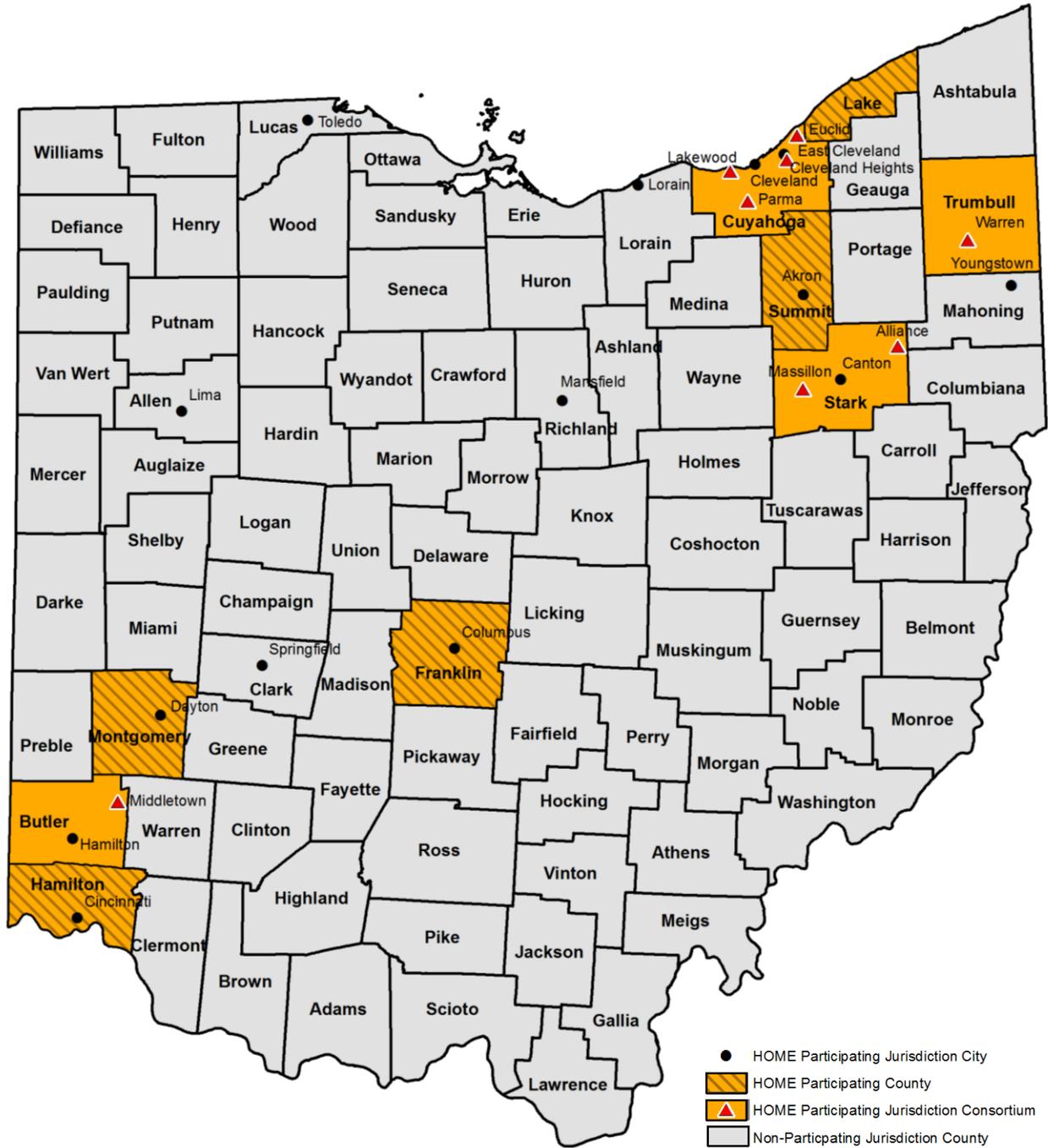
Prepared by the Office of Community Development  
 Community Services Division  
 Ohio Development Services Agency (December 2013)

# Map 5: U.S. Department of Housing and Urban Development CDBG Program 2017 Entitlement Cities and Urban Counties



Prepared by the Office of Community Development  
 Community Services Division  
 Ohio Development Services Agency (February 2015)

# Map 6: U.S. Department of Housing and Urban Development HOME Investment Partnerships Program Participating and Non-Participating Jurisdictions



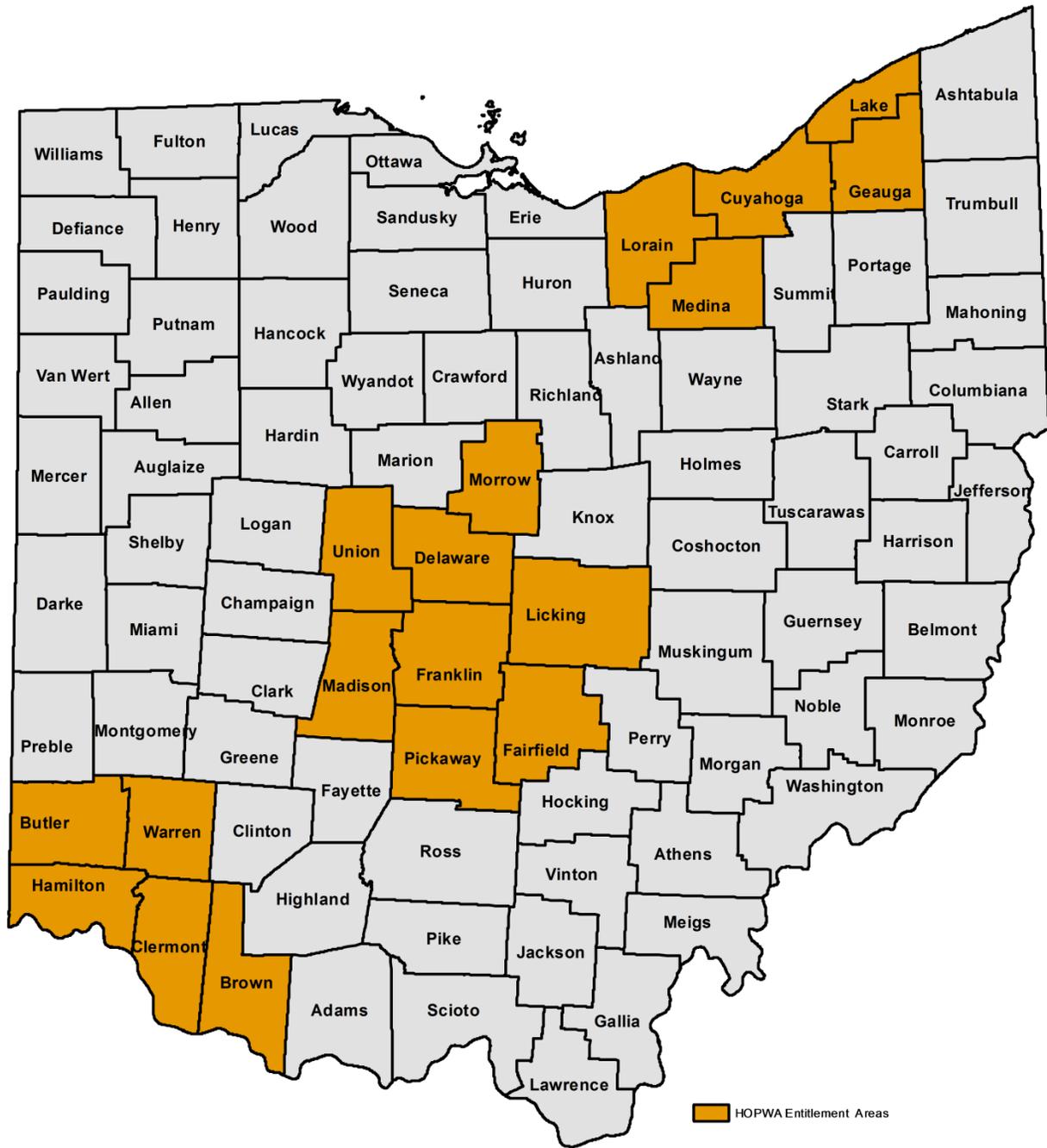
Prepared by the Office of Community Development  
 Community Services Division  
 Ohio Development Services Agency (December 2013)

# Map 7: U.S. Department of Housing and Urban Development Emergency Solutions Grant Program Entitlement Cities and Counties



Prepared by the Office of Community Development  
Community Services Division  
Ohio Development Services Agency (December 2013)

# Map 8: Housing Opportunities for Persons with AIDS (HOPWA) Entitlement Areas



Prepared by the Office of Community Development  
 Community Services Division  
 Ohio Development Services Agency (December 2013)

## **Homeless and Non-Homeless Special Needs Activities / Continuum of Care Strategy**

The state of Ohio will continue its continuum of care approach to homelessness in Ohio. This includes programs and services addressing each stage of the homeless continuum: homeless prevention, emergency shelter, transitional housing, rapid re-housing, permanent supportive housing and aftercare programs.

The state of Ohio has restructured these homeless programs to emphasize priority on preventing individuals and families from experiencing homelessness and, where homelessness does occur, rapidly moving individuals and families into permanent, sustainable housing.

### **Homelessness Prevention**

The state of Ohio will continue to provide financial assistance and services to prevent individuals and families from becoming homeless through the Homeless Crisis Response Program (HCRP) shelter diversion activities. Funds for these activities must be targeted to individuals and families who would be homeless without this assistance, and meet the following minimum criteria:

- 1) have at least an initial consultation with a case manager or other authorized representative who can determine the appropriate type of assistance to meet their needs;
- 2) be at or below 30 percent of Area Median Income (AMI); and
- 3) be at risk of losing its housing, have no appropriate subsequent housing options and lack the financial resources and support networks needed to remain in existing housing.

Eligible assistance includes: short- or medium-term rental assistance and housing relocation and stabilization services, including such activities as mediation, credit counseling, security or utility deposits, utility payments, moving cost assistance, and case management.

### **Rapid Re-Housing**

The state of Ohio will provide for tenant-based (or “transition in place”) rapid re-housing through the Homeless Crisis Response Program (HCRP) shelter diversion activities. Persons served in this category must be homeless according to HUD’s definition and at or below 30 percent of Area Median Income (AMI). Rapid Re-housing programs provide short- or medium-term rental assistance and services for households that are currently homeless, with the goal of being able to maintain housing after the subsidy ends. This assistance can include rental assistance (including back rent for months where the household has been unable to pay), utility deposits, security deposits, and/or moving costs. Housing models that require tenants to move out of their unit at the end of assistance are not eligible under this category.

### **Emergency Shelter**

The state of Ohio will continue to provide Emergency Shelter assistance to homeless families and individuals through the Homeless Crisis Response Program (HCRP). HCRP funds provide emergency shelter and supportive services to homeless persons in Ohio. OCD provides grants to eligible nonprofit organizations and units of local government to maintain, operate and staff emergency shelters for the homeless and to provide essential services to the homeless.

### **Transitional Housing**

The state of Ohio will provide Transitional Housing through the Supportive Housing Grant Program. This will include housing and supportive services designed to help program participants attain permanent housing in a 4- to 24-month period. Housing can be provided in units operated by the agency or in independent rental units in the community. For the purpose of this program, supportive housing activities are limited to facility-based or sponsor-based program models, either single-site or scattered-site. Tenant-based supportive housing activities are provided through the rapid re-housing activities in the Homeless Crisis Response Program.

### **Permanent Supportive Housing**

The permanent supportive housing component of the Supportive Housing Grant Program provides housing and supportive services to maximize disabled homeless individuals’ and families’ ability to live more independently within the permanent housing environment. Along with housing, these projects provide supportive services including case management, employment assistance and life skills.

### **Aftercare**

Aftercare services are designed to ensure that formerly homeless individuals and families are able to maintain permanent housing. These services include intensive case management and supportive services tailored to the individual's or family's goal of self-sufficiency and permanent housing.

In Ohio, aftercare services to formerly homeless families will be provided through the Homeless Crisis Response Program within the categories mentioned above.

#### Non-Homeless Special Needs

As in the past, the Ohio Department of Mental Health and Addiction Services (ODMHAS) and the Ohio Department of Developmental Disabilities (ODODD) will provide substantial resources and a variety of programs to assist special needs non-homeless populations in the state (see the Resources section of the Consolidated Plan).

ODSA will also provide funding for non-homeless special needs populations through the Housing Opportunities for Persons with AIDS (HOPWA) Program and Housing Assistance Grant Program. The HOPWA Program will provide nonprofit agencies with the resources to devise and implement long-term comprehensive strategies for meeting the housing needs of individuals and families with acquired immunodeficiency syndrome (AIDS) or related diseases. The HOPWA Program provides the following housing and supportive services: short-term emergency rental and utility assistance, operating costs for community residences, assistance with finding affordable permanent housing, case management, respite care, day care, transportation, etc.

The Housing Assistance Grant Program will also continue to fund programs that provide housing assistance to the non-homeless special needs population. The Housing Assistance Grant Program will provide funding to programs that provide emergency home repair and accessibility modifications for low-income seniors.

#### Statewide Coordination

Statewide homeless policies will be coordinated through the Balance of State Continuum of Care Advisory Committee. The Advisory Committee consists of representatives from state agencies, statewide coalitions and associations, and local homeless providers. The Advisory Committee also includes representatives from the realty and banking communities. The Advisory Committee expects to meet three times during the upcoming year to identify gaps in the state's continuum of care and develop policies and strategies to address those gaps. In addition, the Advisory Committee will participate in planning and developing the state's 2015 Continuum of Care Homeless Assistance grant to HUD.

The Ohio Development Services Agency (ODSA) will continue to promote a coordinated statewide approach to homelessness. For instance, during the past four years, the Ohio Departments of Mental Health and Addiction Services, Job and Family Services, Developmental Disabilities, Rehabilitation Services Commission and Aging have participated in planning and reviewing some ODSA applications.

A listing of the continuum of care objectives specific action steps is included on the COHHIO's website at <http://www.cohhio.org/files/pdf/BOSCOC%20Perf%20Mgt%20Plan%20FINAL%202014.pdf>. COHHIO's Performance Management Plan includes the following items that cover the Balance of State Continuum of Care:

### **Project Performance Measurement**

#### Obtaining and Maintaining Permanent Housing

- At least 30% of participants in Emergency Shelter (ES) projects will move into permanent housing at exit
- At least 83% of participants in TH projects will move into permanent housing at exit
- At least 80% of project participants remain in PSH projects for six months or more
- At least 90% of project participants remain in PSH project or exit to permanent housing (PH) as of the end of the reporting period or at program exit

#### Accessing Mainstream Resources and Earned Income

- At least 15% of adult participants in ES projects will be employed at program exit
- At least 40% of adult participants in TH projects will be employed at program exit

- At least 50% of adult participants in Rapid Re-housing (RRH) projects will be employed at program exit
- At least 15% of adult participants in PSH projects will be employed at program exit
- At least 70% of adult participants in TH projects will maintain or increase their total income (from all sources) as of the end of the reporting period or at program exit
- At least 70% of adult participants in RRH projects will maintain or increase their total income (from all sources) as of the end of the reporting period or at program exit
- At least 50% of adult participants in PSH projects will maintain or increase their total income (from all sources) as of the end of the reporting period or at program exit
- At least 50% of participants in ES projects will receive at least one source of non-cash benefits at program exit
- At least 85% of participants in TH projects will receive at least one source of non-cash benefits at program exit
- At least 85% of participants in RRH projects will receive at least one source of non-cash benefits at program exit
- At least 85% of participants in PSH projects will receive at least one source of non-cash benefits at program exit

#### Length of Time Homeless

- ES projects will have a participant average length of stay of no more than 40 days
- Facility-based TH projects will have a participant average length of stay of no more than 240 days
- Voucher-based TH projects (also known as transition-in-place projects) will have a participant average length of stay of no more than 180 days
- RRH projects will have a participant average length of stay of no more than 150 days
- RRH projects will have a participant average length of stay of no more than 150 days

#### **Setting Performance Objectives**

##### Length of Time Homeless

- ES projects will have a participant average length of stay of no more than 40 days
- Facility-based TH projects will have a participant average length of stay of no more than 240 days
- Voucher-based TH projects (also known as transition-in-place projects) will have a participant average length of stay of no more than 180 days

##### Reducing Total Homelessness

- Reduce the total number of individuals and families who are homeless by 5% annually

##### Foster Care:

The Ohio Department of Job and Family Services require a life skills assessment to be completed on all youth in custody at age 16. They are then required to develop a life skills plan 30 days after the assessment is completed. The plan is to outline the youth's strengths, limitations, and resources. This plan is to be reviewed every 90 days or until custody is terminated.

Youth that have emancipated from care can request services and support from a Public Children's Service Agency (PCSA). The PCSA is required to evaluate the strengths and needs of the young adult and then develop a plan. The plan should outline the PCSA's and young adult's responsibilities. The PCSA may assist the young adult with room and board amongst other things. Most counties throughout the State of Ohio utilize an assessment provided by the Casey Life Skills for Youth Services. Casey Life Skills provide a supplement to the assessment that is devoted to homeless youth. This assessment particularly addresses the youth/young adult's current living situation, their health, employment and education.

##### Health Care:

Discussions are occurring in the area of a discharge plan policy for health care.

##### Mental Health:

Housing is a fundamental element of a community support program. Housing denotes a sense of permanence, a place where persons intend to reside. Providing shelter is a temporary option for homeless persons when a more stable residential option is absent. It is the policy of ODMHAS that homeless shelters are not appropriate living arrangements for persons with mental illness. Patients being discharged from ODMHAS Behavioral Health Organizations/Hospitals are not to be discharged to a shelter or to the street.

Community Support Network (CSN) programs are required to have emergency housing plans in place in the event their clients undergo unexpected residential change. This emergency housing plan must be approved by the relevant ODMHAS Behavioral Health Organization's (BHO) Chief Executive Office, the contracting Board for the CSN program, and the BHO CSN Coordinator.

ODMHAS BHO and CSN programs, in conjunction with the responsible or contracting Board or agency, shall exhaust all reasonable efforts to locate suitable housing options for patients being discharged. Patients in ODMHAS BHOs shall not be discharged to homeless shelters and clients in an ODMHAS CSN program shall not be removed or relocated from community housing options to homeless shelters unless the responsible board or contract agency has been involved in the decision-making process, it is the affected person expressed wishes and other placement options have been offered to the affected person and refused. When a discharge or relocation to a homeless shelter occurs under these guidelines, the reasons shall be thoroughly documented in the person's chart and reviewed via the BHO's quality improvement process. Persons may not be discharged or relocated to homeless shelters for staff convenience, as a punitive measure, or for expediency. ODMHAS BHO policies shall be consistent with this directive.

Corrections:

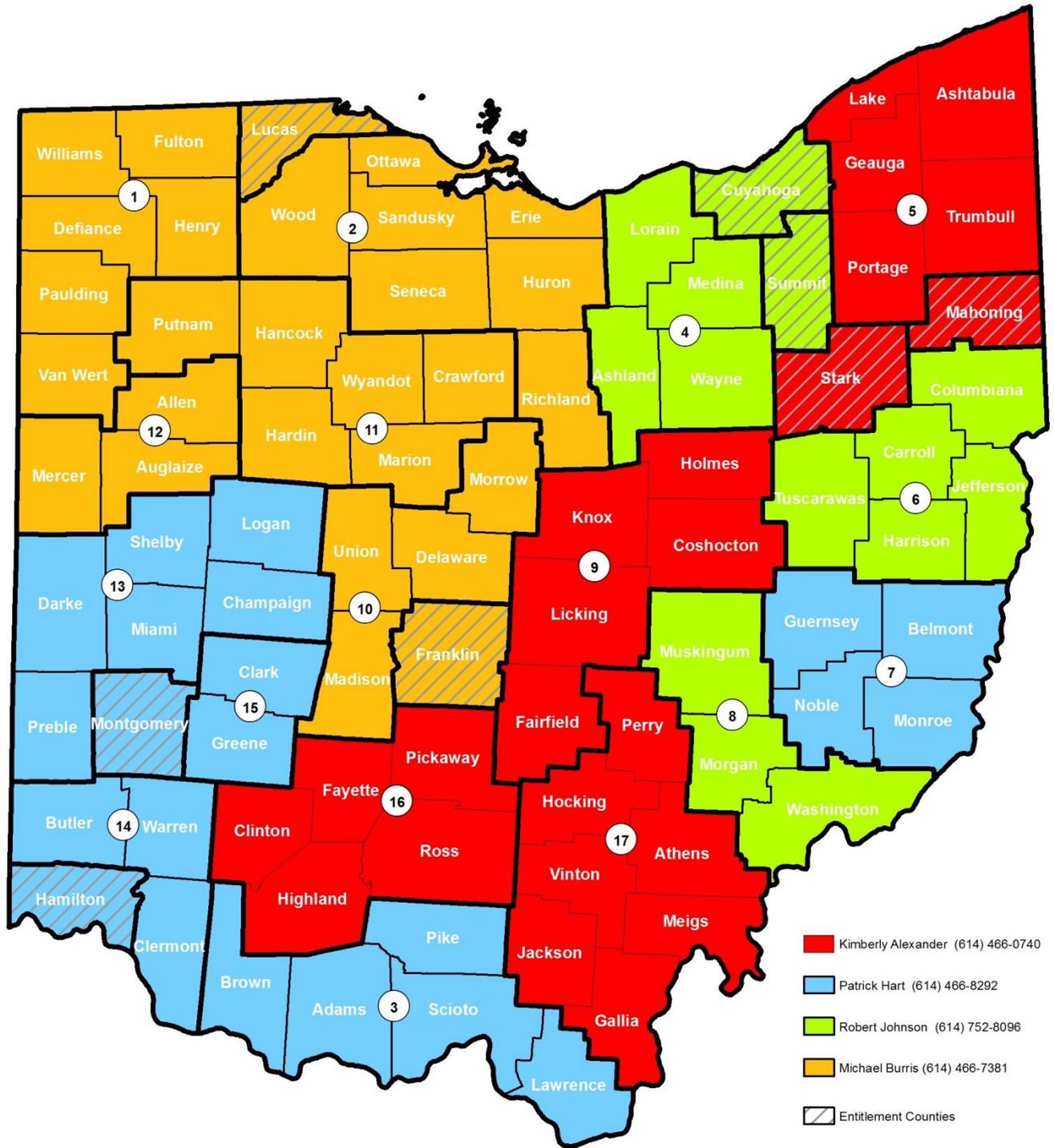
It is the Ohio Department of Rehabilitation and Corrections' (ODRC) policy not discharge persons to the streets or to a shelter. ODRC provides a holistic and systematic approach to prepare an offender for a successful reentry into the community. This will begin at the offender's admission into the department, and continue until his or her final release from supervision. Reentry planning will address an offender's programming needs, linkages to the community and appropriate community supervision activities subsequent to release.

At approximately 180 days prior to release, offenders are offered release preparation classes that address areas such as job searching, resume writing, interviewing skills, job retention, community resources, goal setting and substance abuse, mental health and medical issues. Between 90 and 120 days of release, case managers will assist offenders in determining potential housing options for release to the community. Potential housing options will be entered into the offender's reentry plan. Within 90 days of release, case managers will review with offenders the need for appropriate documentations. If required, the case manager will assist the offender in acquiring those documents needed to identify and obtain employment. Such documents may include, but are not limited to, a Social Security replacement card, birth certificate, and Veteran's Discharge Status form. If applicable, appropriate community linkages will be made for offenders with substance abuse issues, mental health diagnoses and medical concerns. Currently, there are several pilot projects going on in the State of Ohio to increase an offender's ability to access Medicaid and social security more quickly and to be linked with mental health services and housing upon discharge.

Within 30 days of release, the case manager will finalize housing plans and the need for any other documentation for identification purposes. The case manager will also discuss possible transportation plans and secure transportation if necessary. All plans for final release will be documented in the offender's reentry plan.

In addition to the above, in December 2008, HB130 as enacted, created the Ohio Ex-Offender Reentry Coalition. The purpose of the Reentry Coalition is to ensure successful offender reentry, reduce recidivism and enhance public safety. More information regarding the Reentry Coalition, as well as, other offender reentry efforts can be found in the Ohio Ex-Offender Reentry Coalition's Five Year Strategic Plan for Program Years 2010-2014 at [http://www.reentrycoalition.ohio.gov/docs/Ohio%20Ex-Offender%20Reentry%20Coalition%205%20year%20Strategic%20Plan\(4%2015%2009\).pdf](http://www.reentrycoalition.ohio.gov/docs/Ohio%20Ex-Offender%20Reentry%20Coalition%205%20year%20Strategic%20Plan(4%2015%2009).pdf)

# Map 9: Homelessness and Supportive Housing Grant Manager Regions



## **Barriers to Affordable Housing**

As HUD itself noted in the March 13, 2006 regulations revising the Consolidated Plan requirements, states have less control over barrier removal than do entitlement jurisdictions and cited comments by a group representing state community development agencies that it was difficult for states to meet goals for affordable housing barrier removal because states have very minimal control over the major barriers identified by HUD (zoning, local fees, etc.). Zoning and land use decision-making are an inherently local process, subject to a range of influences including market forces and citizen input.

This is certainly true in Ohio, which has a long tradition of local “home-rule” self-governance. In recognizing this reality, OCD instead has required each of its local Community Development Allocation grantees (which cover the entire non-entitlement area of the state) to conduct a local Analysis of Impediments and devise a strategy and a schedule to address them. These analyses are required to include an assessment of local regulations and policies that may create barriers to creating or accessing affordable housing. OCD requires communities to submit their Impediments Analysis for review. During this year and subsequent years, communities will be offered assistance to rectify any deficiencies that OCD staff identified in these local Analyses of Impediments.

## **Affirmative Marketing/Fair Housing Activities**

- OCD will continue to support developing a strong fair housing network through meetings and coordination with organizations, groups and agencies, including lenders, realtors, local fair housing administrators, state agencies and others.
- OCD will continue to provide direct funding to support local fair housing programs through the Community Development, Community Housing Impact and Preservation, and New Horizons Programs.
- OCD will prioritize the review of shelter and supportive housing program marketing and fair housing compliance.
- Local governments' fair housing responsibilities are described under the Local Government Certifications to the State heading.
- OCD will provide additional emphasis on fair housing compliance related to the Community Development Program and CHIP.
- OCD will provide training to fair housing and housing providers on fair housing issues and specifically issues related to implementing the state's standard fair housing program. One-on-one assistance will also be provided throughout the year.
- OCD will continue to promote consolidating fair housing efforts and resources through establishing consortia of local government. OCD will continue to receive and review Affirmative Marketing Plans for housing developed with five or more units. Assistance will be given to nonprofits and agencies in constructing and implementing appropriate actions. An Affirmative Marketing Handbook and Ohio Fair Housing Guide will continue to be disseminated.
- OCD will continue to provide a funding source (i.e., the New Horizons Program) for applicants who desire to implement fair housing initiatives beyond the scope of the state's standard fair housing program requirements. OCD will continue to encourage communities to pool their financial and human resources in fair housing by developing a consortium of communities.
- OCD will continue to coordinate with fair housing agencies and advocates through meetings, training, newsletters, and other forms of collaboration.
- OHFA will conduct training and educational outreach to housing providers and developers on issues related to fair housing.

- OCD will coordinate with organizations that assist persons with disabilities (i.e. independent living centers) to identify accessible CDBG, HOME, and OHTF assisted units.
- OCD will provide fair housing training specifically for CDP and CHIP.
- OCD will assist the Ohio Civil Rights Commission in holding forums on civil rights issues throughout the state.
- OCD will hold round table discussion groups on fair housing and community development.

## **Other Actions Planned for 2017**

### **Actions Planned to Address Obstacles to Meeting Underserved Needs**

The state of Ohio will continue to undertake a number of actions during PY 2017 to meet underserved needs in the state. To ensure that statewide programs are responsive to local needs, ODSA will continue to support creating homeless advisory groups made up of representatives from nonprofit homeless organizations and advocacy groups from across the state. These advisory groups provide a forum for assessing ODSA programs' design and implementation. These groups are also instrumental in identifying underserved areas in the state.

Many areas of the state lack sufficient capacity to provide a continuum of care approach to homelessness in their community. The state of Ohio will continue to work with the Coalition on Homelessness and Housing in Ohio (COHHIO) to develop that capacity. Specifically, local nonprofits and communities will be provided technical assistance for developing a local continuum of care approach to homelessness. This includes assistance in assessing local needs and improving local coordination.

ODSA will also provide technical assistance to local nonprofits to increase the range of services available in underserved areas of the state. This will consist of helping nonprofit agencies develop programs that will provide services to underserved areas of the state. In addition, ODSA will continue to evaluate and fund projects based partly on the extent to which there are unmet needs in the local community.

### **Actions to Foster And Maintain Affordable Housing**

The state of Ohio will work with other state and local agencies to address preventing foreclosures and to address the blighting influences of vacant and abandoned properties on neighborhoods. For example, funding through the Community Housing Impact and Preservation Program (HOME and CDBG) will target areas identified with the greatest need around the state of Ohio to address foreclosed, abandoned, and blighted homes within these neighborhoods. The state of Ohio will also continue to address foreclosures through the "Save the Dream" initiative. This initiative utilizes a hotline to connect homeowners in danger of foreclosure with counselors, legal services, and rescue funds, as a means to help them to avoid foreclosure.

The state of Ohio is expected to distribute about \$26 million in Housing Credits in 2017, also known as Low-Income Housing Tax Credits (LIHTC), which are allocated to both for-profit and nonprofit owners by the Ohio Housing Finance Agency (OHFA). LIHTC projects typically target populations with incomes and rents below 60 percent of Area Median Income, so additional financing subsidies are often needed. The Housing Development Assistance Program (HDAP) contains a separate set-aside, which offers funding solely in conjunction with the state's Housing Credit Program. This provides a more streamlined funding mechanism, so that tax credits and gap funds can be awarded through a single application process. To further expedite the reviews for funding and to assure that no project receives more subsidy than necessary, OHFA has established an application, which is used to apply for housing credits, affordable housing loans and HDAP.

### **Actions to Evaluate and Reduce Lead-Based Paint Hazards**

OCD is proposing the following activities to address lead-based paint hazards during PY 2017:

1. In PY 2017 OCD and ODSA will require grantees to follow the Lead-Based Paint Guidelines on page 92.
2. OCD has developed a chapter within its Housing Standards, the Residential Rehabilitation Standards (RRS) that addresses lead-based paint. OCD will require all grantees undertaking housing rehabilitation activities to meet these standards.
3. OCD will continue to provide funding for locally administered housing rehabilitation programs, which are expected to rehabilitate about 1,000 owner units and 125 renter units with PY 2017 funding. Housing units that undergo rehabilitation are required to be made lead-safe.
4. OCD will provide training and technical assistance for local program staff and local lead hazard mitigation personnel, which will include the following activities:
  - Make the Remodeler's and Renovator's Training Program available to contractors and workers throughout the state, and especially in areas served by the CHIP Program. OCD will continue to use Training and Technical Assistance funds to keep the training sessions affordable to housing rehabilitation contractors.
  - Provide affordable training for Lead Risk Assessors and Lead Clearance Technicians, as needed, especially for persons who are implementing local CHIP grant activities.
  - Provide on-site technical assistance to local CHIP grantees through a third-party contractor/trainer.
  - OCD will provide other forms of training and technical assistance support to local programs and hazard control personnel. This may include further specialized training sessions for housing program administrators, as well as preparing and distributing training materials. OCD will continue to maintain current reference information on its website at [http://development.ohio.gov/cs/cs\\_traintech.htm](http://development.ohio.gov/cs/cs_traintech.htm)
5. OCD will explore other funding sources that could assist local communities, nonprofit organizations or contractors to address lead-based paint hazards. This will include coordinating efforts with the Ohio Department of Health to identify funding sources that can assist low- and moderate-income households in paying for lead hazard mitigation costs, especially in housing units where a lead hazard control order has been issued by the Ohio Department of Health. This may include submitting an application for a HUD Lead Hazard Control Grant.
6. Maintain lines of communication with federal, state and local agencies and organizations involved with the lead-based paint issues and activities, including:
  - Distributing information directly to grantees, organizations, local health departments and other organizations, as necessary.
  - Attending meetings and trainings with organizations, grantees, etc. as needed to disseminate information, discuss issues and obtain information on lead-based paint issues.
  - Staff of the Ohio Development Services Agency (ODSA), Ohio Department of Health (ODH) and the Environmental Protection Agency (EPA) will continue to coordinate and communicate their policies and activities, and will work closely with HUD and other federal agency staff to keep up-to-date on regulatory requirements and issues. OCD/ODSA staff will attend the Lead Advisory Council meetings and participate in the Environmental Primary Prevention Workgroup.

OCD has begun reporting the total number of units that have been made lead-safe as part of the performance measurement system.

The following guidance is provided to assist housing projects or programs using federal or state funds provided through the Ohio Development Services Agency (ODSA).

1. Regardless of any information provided in these guidelines, all existing federal, state or local laws, regulations and procedures concerning lead-based paint must be followed. Awareness and adherence to these regulations is the responsibility of the agency performing or contracting for housing rehabilitation activities. Procedures for distributing information on lead-based paint hazards, including appropriate disclosure notices, must be integrated into any and all housing-related activities.
2. Local communities must develop local strategies for addressing lead-based paint in housing as part of their Consolidated Plan or, for non-HUD Entitlement communities, as part of their Community Housing Improvement Strategy (CHIS). This strategy will need to include policy on units containing children with Elevated Blood Lead levels, which, pursuant to the provisions of H.B. 248, requires lead hazard controls to be applied by licensed lead abatement contractors.
3. Except where all lead-based paint is removed, if lead hazard mitigation activities are performed on renter-occupied units financed with HUD funds or other funds covered by these policy guidelines, the owner of the units must incorporate a schedule of lead-based paint maintenance activities into regular building operations consistent with 24 CFR Part 35.935.
4. If state funding is used to directly assist housing projects or activities constructed prior to 1978, both state regulatory requirements and 24 CFR Part 35 must be followed. (Direct state assistance excludes state bond financing, state or federal tax-credits, and pre-development assistance, unless federal assistance is also involved.)
5. Agencies involved in lead-based paint hazard mitigation are encouraged to coordinate efforts with local governments, state and local health departments, Community Action Agencies, other nonprofit organizations, local housing authorities, and private sector organizations wherever possible.

### **Actions To Reduce The Number Of Poverty Level Families**

In Ohio, welfare reform, known as Ohio Works First (OWF), has been initiated by H.B. 408. Ohio works First seeks to transition clients to self-sufficiency by placing a strong emphasis on obtaining and retaining paid employment. In addition to its many implications for OWF participants in terms of an emphasis on self-sufficiency through employment, new eligibility criteria and time limits, HB 408 contains many provisions that significantly change the way the Ohio Department of Job and Family Services (and county agencies, particularly county Departments of Human Services, conduct business.

The Ohio Department of Job and Family Services provides a seamless system for providing services to people looking for jobs and employers looking for workers. ODJFS also collaborates with the Departments of Development and Education as well as the Board of Regents. These agencies will work directly with business and labor on workforce development activities. ODJFS also administers the Prevention, Retention, and Contingency (PRC) Program, which is an integral part of Ohio's welfare reform efforts. Ohio's Prevention, Retention and Contingency (PRC) program provides work supports and other services to help low-income parents overcome immediate barriers to employment. It is funded through the federal Temporary Assistance for Needy Families program. Those receiving assistance from other public assistance programs – including Disability Financial Assistance and the Supplemental Nutrition Assistance Program, also may be eligible for PRC services. Benefits and services are available for certain low-income families who need short-term help during a crisis or time of need, which includes parents of children under 18, including noncustodial parents if they live in Ohio and pregnant women or teens. A list of PRC quarterly reports that includes both statewide and county level information can be found at <http://jfs.ohio.gov/ofs/DMRS/PRC/PRC1.stm>.

In addition to the efforts listed above the State WIA Implementation Team also provides an orderly implementation of the WIA. The WIA Implementation Team was established due to the many programs affected by the legislation and includes representatives from the Department of Education, Department of Aging, ODSA,

Department of Human Services, Ohio Board of Regents, Ohio Rehabilitation Services Commission. ODSA has members of the state team. Some of the roles of the state team will include:

- Making recommendations for the design of the new workforce development system;
- Staffing specific initiatives of the State Workforce Investment Board;
- Facilitating technical assistance to local employment systems; and
- Research and information gathering.

The State WIA Implementation Team has developed several work groups to address detailed issues or problems. ODSA staff assists with several of these workgroups – Performance Measurement, Service Delivery, Local Area Designations, and State Workforce Investment Board Structure.

Through programs established by ODSA and through coordination with many of the efforts listed above there are a number of systems in place to address this particular issue. Table 51 of this report provides the number of contracts awarded to Section 3 businesses reported in PY 2014 with HOME and CDBG funding, which includes contracting with businesses in low-income areas. ESG funding through the Homeless Crisis Response and Grant Program can provide financial assistance including rental assistance; rental application fees; rental arrears; security and utility deposits; utility payments; moving cost assistance; and, in certain circumstances, motel and hotel vouchers. Housing Relocation and Stabilization Services, which includes case management; outreach and engagement; housing search and placement services; legal services; and credit repair, are also eligible. HOPWA funding can provide limited case management, transportation and day care.

#### Programs and Activities That Directly Support Job Training and Development

Apart from restructuring the human services and workforce development framework, assistance will be provided to local communities through the following programs to directly support local job training, job creation and business development.

1. The Ohio Works Incentive Program (OWIP) provides incentives to the local areas for job placement and retention of individuals into on-the-job training or unsubsidized employment. The goal of the program is to reduce dependency on the Ohio Works First program while strengthening Ohio's workforce. Ohio Works First recipients needing help finding a job should visit their nearest OhioMeansJobs Centers at <http://jfs.ohio.gov/owd/wia/wiamap.stm>.
2. The Office of Community Development's Economic Development and Microenterprise Business Development Programs, which provide loan, grant and technical assistance to communities to create jobs which principally benefit low- and moderate- income persons (refer to the method of distribution section for a complete description of the resources that will be committed through these two programs).
3. The Office of Taxation administers the Ohio Job Creation Tax Credit, the Manufacturing Machinery and Equipment Investment Tax Credit and the Brownfield Site Clean-up Tax Credit. The Office also administers and assists local implementation of Ohio's property tax incentive programs which include: the Enterprise Zone Program, the Voluntary Action Program, Community Reinvestment Areas, and Tax Increment Financing.

#### **Activities to Develop Institutional Structure**

Below is a listing of the training sessions that OCD plans to provide during PY 2017. Other training and technical assistance initiatives will likely be offered in addition to those listed here, but these are the areas that OCD will focus on during the upcoming year.

1. Program Application and Implementation Trainings. These will be set up by each program manager during the year as appropriate. Programs will include:
  - Community Housing Impact and Preservation Program (CHIP)
  - Economic Stimulus Program (if authorized by the federal government)
  - Comprehensive Downtown Revitalization Program

- Residential Public Infrastructure Grant Program
  - Community Development Program
  - Neighborhood Revitalization Grants
2. Training in support of Lead-Based Paint Hazard Control:
- Lead-Safe Renovation (Renovator's and Remodeler's Training Program)
  - Lead Inspector/Risk Assessor Training
  - Lead Inspector/Risk Assessor Training Refresher
  - Lead Supervisor/ Contractor Training
  - Lead Supervisor/Contractor Training Refresher
  - On-site Technical Assistance
  - EPA Renovation and Remodeling Refresher four-hour update training for those who have previously attended "*Lead Safe Renovation Training.*" Successful completion of this training qualifies as certification in the EPA RRP training which is required for all contractors as of May 2010.
3. OCD will investigate various sources of fair housing/fair lending information available on the Internet and disseminate information to grantees.
4. OCD will partner with agencies to provide training on access to lending issues.
5. OCD will continue to provide funds to statewide and regional nonprofits to act as intermediaries that can help groups through program design, provide direct technical assistance and help with fund raising strategies. It is anticipated that the following groups will apply for the funds:
- Ohio Community Development Corporation's Association
  - Coalition on Homelessness and Housing in Ohio
  - Corporation for Ohio Appalachian Development
  - Heritage Ohio, Inc.
  - Ohio Conference on Community Development
6. OCD will continue to offer training and technical assistance by providing funding to intermediary organizations to conduct training and technical assistance activities. Training and technical assistance support may include the following subjects:
- Building nonprofit organization staff's basic and intermediate skills in designing and developing projects.
  - Training and technical assistance for local microenterprise programs.
  - Training on establishing and operating Individual Development Accounts (IDAs).
  - Training for developing and implementing Community Economic Development (CED) strategies.
  - Training to develop Welfare to Work initiatives.
  - Training and technical assistance for downtown development programs.
  - Training and technical assistance for supportive housing programs.
  - Training and technical assistance on housing development in the state of Ohio's Appalachian area.
  - Training to develop capacity to implement housing development projects.
  - Continue to provide training on the National Main Street approach for extended technical assistance to the Ohio Main Street Communities.
  - Continue to provide technical assistance to grantees and applicants for the OCD Comprehensive Downtown Revitalization Program through Downtown Assessment Team (DART) visits and community visits as requested.
  - Heritage Ohio will conduct workshops and an Annual Conference.
  - COHHIO will continue to assist with implementing and evaluating the HCRP Program
  - COHHIO will conduct workshops and trainings to increase administrative capacity of agencies that provide assistance to the homeless and near homeless.

7. OCD will continue to develop its Internet site to include reference and resource material related to program implementation and management.
8. OCD will conduct environmental review training.
9. OCD will develop a revised training for persons who are new to implementing CDBG, HOME, and supportive housing programs.
10. OCD will conduct training on technical issues related to construction, national objectives, procurement, construction management, planning and innovative project designs.
11. OCD will continue to work with Ohio Conference of Community Development, Inc. to provide training recommended by its membership, including CDBG and HOME Certification courses.

### **Addressing the Needs of Public Housing**

The state of Ohio nor any of its agencies are designated as a public housing authority nor do they administer public housing units. These functions are performed by local public housing authorities within the state. Insofar as the state can determine and as indicated on HUD's website, there are no troubled housing authorities in the state of Ohio at the present time. The continued reductions in HUD funding to the state make it increasingly difficult for the state to continue to implement programs that assist local communities and persons, notwithstanding providing assistance to troubled public housing authorities. The state does not administer public housing units or oversee housing authorities, but as the civil rights compliance regulations are the same as the OCD housing program regulations, OCD is able to provide direct technical assistance to these agencies upon request. It is not clear what resources the state could provide to assist a troubled public housing authority, especially prior to an agency being designated as such. Certainly, should a PHA be designated as "troubled", the state would attempt to provide support to the agency, most likely using available funds from the 2 percent technical assistance CDBG funds to provide third party, perhaps a peer-to-peer, mentoring or technical assistance.

### **Actions Planned to Enhance Coordination between Public and Private Housing and Social Service Agencies**

The programs and activities that will be carried out by OCD staff over the next year will involve coordination with a number of agencies and organizations, many of which are identified below, along with a description of the type of coordination that will take place.

#### Planned Interagency Coordination for PY 2017

**Balance of State Continuum of Care Committee:** Statewide homeless policies and services will be coordinated through the committee. The committee will assist in the preparation of the Ohio Balance of State Continuum of Care application to the U.S. Department of Housing and Urban Development.

**Heritage Ohio, Inc. (HOI):** OCD staff will attend the HOI meetings in order to exchange information to help facilitate the implementation of OCD's Downtown Revitalization Grants Program. HOI is a recipient of a Training and Technical Assistance grant, and works with OCD to provide assistance to small communities interested in downtown revitalization activities.

**Ohio Department of Mental Health (ODMH):** Representatives from the Ohio Department of Mental Health will participate in the planning and review of the Homeless Crisis Response Program, Supportive Housing Program and balance of state Continuum of Care applications. Representatives also advise OHFA on provision of rental housing and necessary services for its population.

**Ohio Association of Community Action Agencies (OACAA):** OCD will continue to work with OACAA and its member agencies, especially by drawing upon the expertise and knowledge of CAA staff to administer and implement programs funded through OCD.

**Ohio Access:** OCD will continue to work with the Ohio Access Task Force to implement its vision statement of developing state agencies policies to promote Ohio's seniors and people with disabilities live with dignity in settings they prefer, maximize their employment, self-care, interpersonal relationships and community participation, and government programs that honor and support the role of families and friends who provide care.

**Ohio Conference of Community Development (OCCD):** OCD and OCCD co-sponsor conferences to benefit all Ohio communities. OCCD's State Program Committee reviews OCD programs and policies, and the State Program Training Committee coordinates training issues and activities with OCD.

**Ohio Department of Health (ODH):** OCD will coordinate its lead-based paint activities with staff of the Ohio Department of Health, which will include training, housing, and policy development. OCD will also coordinate with ODH on the development and implementation of a statewide Healthy Home/Housing plan.

**Community Development Finance Fund (CDFF):** OCD will coordinate efforts with the CDFF to provide both pre-development and project financing to non-profit organizations.

**Ohio CDC Association:** OCD will coordinate efforts with the CDC Association on the microenterprise program, non-profit housing and other related activities. OHFA works with the CDC Association on operating support for CHDOs and awards of funding through HDAP.

**Coalition on Homelessness and Housing in Ohio (COHHIO):** OCD staff will coordinate efforts with COHHIO relative to training, programs and activities relative to homelessness and housing. COHHIO will participate in preparation of state's Continuum of Care application. A representative of COHHIO also serves on the OHFA housing credit advisory committee.

**Interagency Acquisition and Relocation Task Force:** OCD staff will serve on this task force to address uniformity issues related to acquisition and relocation procedures and policies.

**Ohio Civil Rights Commission (OCRC):** OCD's fair housing coordinator will work with staff of the Ohio Civil Rights Commission to address issues of mutual concern relative to civil rights and fair housing.

**Ohio Historic Preservation Office (OHPO):** OCD staff will coordinate with OHPO staff in addressing historic preservation issues that arise relative to housing, economic and community development projects, as well as providing training on preservation issues and procedures.

**Homeless Management Information System (HMIS):** OCD will work with providers and COHHIO on the effective implementation of the balance of state's HMIS. The major focus will be on increasing the data quality of participants and development of a better reporting capacity.

**Ohio Department of Alcohol and Drug Addiction Services (ODADAS):** OCD staff will coordinate with ODADAS to market and provide technical assistance to any OCD/ODADAS affiliated organization interested in applying for OHTF Housing Assistance Grant Program funds.

**Ohio Capital Corporation for Housing (OCCH):** OCD staff will coordinate with OCCH to market and provide a series of housing development trainings throughout the state. OHFA works with OCCH in connection with the development of the housing credit program.

**Corporation for Ohio Appalachian Development (COAD):** OCD will coordinate with COAD to provide training on lead-safe housing rehabilitation procedures to reduce lead hazards existing in low-moderate income housing stock.

**Interagency Council on Homelessness and Affordable Housing (ICHAH):** OCD will coordinate with the Interagency Council on Homelessness and Affordable Housing to develop appropriate housing strategies for homeless persons and families.

**ACTION Ohio:** OCD staff serves on the board of this statewide coalition against domestic violence, advocating for victims, survivors and their families.

**Ohio Statewide Independent Living Council (SILC):** OCD staff will work with SILC to promote equal access and full inclusion and integration of individuals with disabilities into the mainstream society.

**Housing Production Goals for 2017**

The following two tables indicate the estimated housing production goals for 2017. Table 5 indicates the number of housing units or households that will receive assistance during the upcoming year, and Table 6 indicates the HOPWA production goals. These figures are based on historical production; actual outcomes may vary. The goals for providing permanent housing for homeless persons and families are integrated into the Continuum of Care actions steps from pages 84-88.

**Table 5: Housing Goals for 2017**

<b>One Year Goal for the Number of Households to be Supported</b>	<b>Annual Estimated Production</b>
Homeless	300
Non-Homeless	1,355
Special Needs	150
<b>Total=</b>	<b>1,805</b>
<b>One Year Goal for the Number of Household Housing Units Supported</b>	<b>Annual Estimated Production</b>
Renter Assistance	500
Production of New Units	200
Rehab of Existing Units	1,175
Acquisition of Existing Units	
<b>Totals=</b>	<b>1,875</b>

**Table 6: HOPWA Production Goals for 2017**

<b>Category</b>	<b>Annual Goals</b>
Short term rent, mortgage and utility assistance payments	800
Tenant Based Rental Assistance	10
Units provided in transitional housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Total =	810

**Annual Goals and Objectives**

The following Annual Goals and Objectives were developed as part of the PY 2015 – 2019 Consolidated Plan submitted to HUD in IDIS. Though a great deal of “output” measurement data (number of units, linear feet, etc.) is reported to HUD annually, HUD is looking for “outcome” data that shows how HUD programs impact communities. Recently, HUD developed as part of the eCon Planning Suite a prescribed method to report accomplishments based on funding sources in order to meet the 5-year strategic goals. The Annual Goals and Objectives are selected from a limited number of Goal Outcomes Indicators and Units of Measurements, thus

the measurements that are currently reported differ from the previously reported performance measures in that they are not as specific. The following are the Annual Goals and Objectives for PY 2017:

**Housing Preservation and Accessibility Goal**

To provide funding for a flexible, community-wide approach to preserving and making accessible affordable owner and rental housing for low- and moderate-income (LMI) households by bringing the housing unit up to program standards and codes, eliminating hazards and deficiencies in major systems, and reducing maintenance cost.

Goal Outcome Indicator	Unit of Measurement	Quantity
Rental units Rehabilitated	Household Housing Unit	175
Homeowner Housing Rehabilitated	Household Housing Unit	1,000

**Creating New Affordable Housing Opportunities Goal**

To provide funding for a flexible, community-wide approach to creating new affordable housing opportunities for low- and moderate-income (LMI) persons.

Goal Outcome Indicator	Unit of Measurement	Quantity
Rental Units Constructed	Household Housing Unit	200
Homeowner Housing Added	Household Housing Unit	30

**Supportive Housing and Fair Housing**

Provide supportive housing services to assist lower-income households with acquiring or maintaining housing, which can include downpayment assistance, fair housing activity with CDBG funds or tenant based rental assistance through the use of HOME funds. Additional supportive housing activities can include activities funded through the New Horizons Fair Housing Assistance Program that allows for the funding of activities that affirmatively further fair housing through the use of CDBG funds.

Goal Outcome Indicator	Unit of Measurement	Quantity
Direct Financial Assistance to Homebuyers	Households Assisted	100
Tenant-based rental assistance / Rapid Rehousing	Households Assisted	200

**Homelessness and Supportive Housing Goal**

To provide a continuum of housing/services to prevent persons from becoming homeless and rapidly re-housing persons when homelessness does occur by: providing homelessness prevention services and assistance; moving persons from homelessness to permanent housing through the provision of housing placement, emergency shelter, rapid re-housing, and project-based transitional housing; and providing long-term permanent supportive housing to homeless persons with disabilities. The estimated total number of outcomes for the PY 2017 CAPER will include households and persons assisted with ESG funds.

Goal Outcome Indicator	Unit of Measurement	Quantity
Tenant-based rental assistance / Rapid Rehousing	Households Assisted	600
Homeless Person Overnight Shelter	Persons Assisted	18,000
Homelessness Prevention	Persons Assisted	1,000

**HOPWA Goal**

The HOPWA Program provides annual information on program accomplishments in meeting the program's performance outcome measures: maintain housing stability; improve access to care; and reduce the risk of homelessness for low-income persons and their families living with HIV/AIDS.

Goal Outcome Indicator	Unit of Measurement	Quantity
Tenant-based rental assistance / Rapid Rehousing	Households Assisted	800

**Community Development Infrastructure/Facilities Goal**

Improve the public facilities and infrastructure in lower-income areas through LMI area-wide benefit activities, in Slum and Blight areas or on a spot Slum and Blight basis.

Goal Outcome Indicator	Unit of Measurement	Quantity
Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	650,000
Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	100
Facade treatment/business building rehabilitation	Business	150
Buildings Demolished	Buildings	20

**Community Development Public Services Goal**

Provide direct assistance to LMI persons, such as housing assistance, or needed services currently unavailable in the community.

Goal Outcome Indicator	Unit of Measurement	Quantity
Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	125,000

**Community Development Health and Safety Goal**

Address LMI persons' basic health and safety needs by providing households with potable water and/or sanitary sewage systems that meet state and federal standards, improved fire protection due to equipment and facilities acquired or improved with community development assistance and addressing imminent or immediate threats caused by natural disasters or other causes.

Goal Outcome Indicator	Unit of Measurement	Quantity
Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	15,000

**Economic Development Goal**

The principal goal is to create and retain permanent, private-sector job opportunities, principally for low- and moderate-income persons, through the expansion and retention of business and industry in Ohio communities. The Microenterprise Program is funded with OHTF funds.

Goal Outcome Indicator	Unit of Measurement	Quantity
Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1,000
Jobs created/retained	Jobs	200
Businesses assisted	Businesses Assisted	7

**Monitoring**

OCD conducts monitoring visits at least once prior to grant close out. Also, both OCD and OHFA staff provide technical assistance to CHIP and HDAP grantees, either via telephone, meetings at the state offices, or, if warranted, via site visits. Most post-award, on-site technical assistance is provided to CHIP grantees, whose programs sometimes involve activities that are new to the local program or involve new local staff. HDAP grants are for projects, rather than programs, and are typically implemented by agencies that have considerable housing development experience. Thus, there is not a significant need for on-site, post-award technical

assistance in most HDAP projects. The Community and Economic Development Section also meet with CDBG Community Development Allocation grantees before application submission to ensure eligibility and national objective compliance. Generally, staff conducts a minimum of 30 monitoring/technical assistance visits during the program year (July 1 – June 30). Also, on a calendar year basis, ODSA's Office of Audit conducts financial audits of selected grant recipients. OCD provides the Office of Audit with a selected list determined by each section supervisor based on grant size grant and program complexity. The Office of Audit adds a number of recipients based on random selection of receipts and grant disbursements.

## **Monitoring Procedures**

Monitoring visits examine some selected activities to determine that:

1. Activities meet OCD, State and/or HUD requirements.
2. Communities are timely and responsibly managing projects.
3. Communities are implementing activities outlined in the application and grant agreement.

The visit is not intended to be a comprehensive, in-depth audit of all activities and programs undertaken by the grantee, nor do staff resources permit such an approach. Site visits are selected based on empirical evidence reviewed by management and community development/housing specialists regarding grantees' expertise, program complexity, or number of grants operated by a particular recipient. The staff will monitor certain programmatic areas based on previous findings in that specific area or if the particular programmatic function has not been monitored in the past few years.

If the initial review by an OCD staff member uncovers specific problem areas, a program specialist (financial, procurement, acquisition/relocation, etc.) will be sent to conduct a detailed review of a particular program area.

At the conclusion of a monitoring visit, the staff person must conduct an exit conference with the grantee to review the monitoring results and describe any deficiencies found during the monitoring visit. Within 45 days following a monitoring visit, the staff person prepares a monitoring report that the section supervisor reviews. All monitoring tools and work papers must be placed in the Central File. Grantees have 30 days to respond to the monitoring report, and are required to respond if the staff person lists a "finding" in the report.

A computerized monitoring tracking system enables OCD staff to quickly determine problem areas and/or grantees that need monitoring as well as tracking to ensure that all grants are monitored prior to close out.

## **Monitoring Standards**

There are two types of determinations that can be made as a result of a monitoring visit:

A "Finding" is a deficiency that is a direct law/regulation or grant agreement violation (which incorporates the application documents and attendant commitments). It also is insufficient documentation that substantiates the grantee followed grant or statutory requirements. All findings require the grantee to respond to and rectify the cited deficiency.

An "Advisory Concern" is not a violation, but any deficiency that may eventually lead to a violation and "finding". It is the OCD staff person's responsibility to track the outstanding findings and advisory concerns. If the grantee has not responded within the appropriate time, staff must contact the grantee in writing with follow-up letters until all issues are resolved. Once all issues are resolved, OCD will send the grantee a written release.

## Program-Specific Requirements

### HOME Program Homeownership Assistance - Resale/Recapture

Some of the HOME assistance may be provided through homeownership assistance. To ensure affordability, the HOME program requires an affordability period based on the amount of HOME assistance. Under resale and recapture provisions, the family must own and continue to occupy the home as its principal residence throughout the period of affordability. Grantees must enforce the resale or recapture requirement if the property is sold or title is transferred.

Failure to comply with the resale or recapture requirements means that 1) the original HOME-assisted homebuyer no longer occupies the unit as his or her principal residence (i.e., unit is rented or vacant), or 2) the home was sold during the period of affordability and the applicable resale or recapture provisions were not enforced. In cases of noncompliance under either resale or recapture provisions, the Grantee must repay to the State of Ohio for remittance to the HOME Investment Trust Fund in accordance with §92.503(b), any *outstanding HOME funds* invested in the housing. The amount subject to repayment is the total amount of HOME funds invested in the housing (i.e., any HOME development subsidy to the developer plus any HOME down-payment or other assistance (e.g., closing costs) provided to the homebuyer) minus any HOME funds already repaid (i.e., payment of principal on a HOME loan). Any interest paid on the loan is considered program income and cannot be counted against the outstanding HOME investment amount. *Note that noncompliance with principal residency requirements by a homebuyer under a recapture provision is not a transfer. Consequently, the amount the Grantee must repay is not subject to prorated or other reductions included in its recapture provisions.*

The Grantee must repay the HOME investment in accordance with §92.503(b)(3) whether or not it is able to recover any portion of the HOME investment from the noncompliant homebuyer. Therefore, it is crucial for the Grantee to have enforcement mechanisms in its written agreements with homebuyers to protect its investment and minimize its risk in HOME-assisted homebuyer projects in the event of noncompliance by the homebuyer.

There are two options regarding controlling reselling homebuyer properties during the affordability period. Option 1, recapture, must be used in all cases, except for projects completed by Habitat for Humanity. Projects completed by Habitat for Humanity must use Option 2, resale. The specific requirements for Option 1 and Option 2 are as follows:

#### Option 1 – Create another Unit by “Recapturing” the HOME Investment

- Under a recapture provision, the homebuyer may sell the unit at any time during the period of affordability, at any price the market will bear, to any buyer, and all or a portion of the direct HOME subsidy will be recaptured upon transfer of the unit as described below.
- Recapture provisions will be based on the Reduction During Affordability Period model. Recapture provisions allow the grantee to reduce the amount of direct HOME subsidy to be recaptured on a pro-rata basis for the time the homebuyer has owned and occupied the housing, measured against the required affordability period. The amount subject to recapture will decline in equal increments, on an annual basis over the affordability period term or until the assisted housing is sold or otherwise transferred. The resulting ratio would be used to determine how much of the direct HOME subsidy the grantee would recapture. The pro rata amount recaptured by the grantee cannot exceed what is available from net proceeds. Net proceeds are defined as the sales price minus the superior loan repayment, other than HOME funds, and any closing costs.
- Recaptured HOME assistance must be used to assist other low-income HOME beneficiaries.
- HOME funds subject to recapture include any direct assistance to the homebuyer that reduced the purchase price from fair market value to an affordable price or any down payment or subordinate financing provided on behalf of the purchase, but excludes the amount between unit production cost and the property's market value (i.e. development subsidy). There must be an amount subject to recapture in order for a recapture provision to be used; otherwise, resale will apply.

Option 2 – Sell the Existing Property to a Subsequent Low-Income (80% of AMI) Purchaser

- Resale requirements must ensure that the home will be sold to a low-income family and the property will continue to be used as a principal residence for the remainder of the affordability period.
- For the housing to remain affordable, the subsequent purchaser’s monthly payments of principal, interest, taxes and insurance cannot exceed 30 percent of the gross income for a family with an income between 30 and 80 percent of median income for the area.
- Deed restrictions or other similar mechanisms must be used to guarantee the resale restrictions, 24 CFR 92.254.
- Resale provisions – In the event of foreclosure, the subsequent low-income owner will inherit the remainder of the affordability period. If not purchased by a low-income owner, the project will be considered non-compliant, and the Grantee must repay any *outstanding HOME funds* invested in the project for subsequent repayment to the HOME Investment Trust Fund.
- Under the resale option, the affordability period is based on the total amount of HOME funds invested in the housing, including any development subsidy.
- Under the resale option, grantees must ensure that, if the property is sold during the affordability period, the price at resale provides the original HOME-assisted homebuyer a fair return on investment. Grantees shall determine the fair return on investment by using the following calculation:
- The original homebuyer’s initial investment (i.e., any down payment), plus any investment in capital improvements made by the original homebuyer that may add value to the property. This total shall then be multiplied by the percentage change in the Consumer Price Index (CPI) over the period of ownership to determine a fair rate of return for the original buyer. This fair rate of return is then added to the owner’s initial investment and any applicable investment in capital improvements. The total amount shall be considered as the homebuyer’s fair return on investment. Note: Capital improvements are defined as improvements made to the home that are outside of general maintenance items. Actual costs of capital improvements must be documented by the original homeowner’s receipts for materials and labor. In the event that the resale price necessary to provide fair return is not affordable to the subsequent buyer, additional HOME funds may be invested in the project. The investment of additional HOME funds will require that a new affordability period be established.

The affordability period is based on the amount of HOME funds provided as direct assistance for the recapture option or total amount of HOME funds for resale option. The following table must be used for determining the period of affordability for homeownership activities:

<b>Assistance per Unit or Buyer</b>	<b>Length of the Affordability Period</b>
\$1,000* - \$14,999	5 years
\$15,000 - \$40,000	10 years
More than \$40,000	15 years

**Minority and Women’s Business Outreach**

ODSA provides several assistance programs for minority- and women-owned businesses. The Minority Business Development Division supports the growth and sustainability of small, minority and disadvantaged businesses in Ohio through Minority Business Assistance Centers (MBAC). The Division works with entrepreneurs and emerging business enterprises to help them achieve scale and market success. The overarching goal is to help small, minority and disadvantaged businesses contribute to job creation and economic growth in Ohio. The seven MBAC s serve clients in areas with the highest minority population concentrations including Akron, Cincinnati, Cleveland, Columbus, Dayton, Toledo, and Youngstown. Services

provided to minority owned businesses include accounting assistance, business management counseling, completing federal, state and local certification applications, contract procurement assistance, estimating/bidding assistance, Identifying local resources, loan packaging assistance, marketing plan development and referrals to financial assistance programs. ODSA also houses the Minority Development Financing Advisory Board, which offers financing for fixed assets to state-certified, minority-owned businesses.

The Women's Business Resource Program provides assistance for women-owned businesses through direct client services and through participation in various local programs and conferences. The MBE and WBE programs provided through ODSA conduct their own outreach and marketing efforts, and will provide these resources to businesses interested in participating in the CDBG or HOME programs.

In addition, the state will require that state recipients or sub-recipients adopt their own MBE and WBE policies. At a minimum, the recipient or sub-recipient must publicly state their MBE and WBE policy in the local print media with the widest circulation at least once annually. The local MBE/WBE policy must provide that, at least once annually, the local recipient will solicit MBE/WBE firms that wish to receive bids for projects funded through the HOME and CDBG Programs to participate.

### **Affirmative Marketing Policy**

State recipients and sub-recipient receiving HOME funds shall adopt policies and procedures that inform the public, potential tenants, and property owners of its Affirmative Marketing Policy. At a minimum, the a state recipient's Affirmative Marketing Policy must commit to include the Equal Housing Opportunity logotype in press releases and solicitations for participation in the HOME Program. The state recipient will also have a policy for referring questions and complaints to an agency or organization that can provide advice on federal housing laws. At least once annually, state recipients will conduct a public outreach effort that will make information available to the public on rental units that have received HOME assistance. Minimally, this information will include the unit addresses, unit types, and the owner's address and phone number.

At a minimum, the Affirmative Marketing Policy will require that project owners of five or more units receiving HOME assistance will comply with the following requirements:

1. Subsequent to receiving HOME assistance and throughout the period of affordability, the owner shall annually provide information on HOME-assisted units to an agency that serves LMI persons.
2. If any units are publicly advertised during the affordability period, the Equal Opportunity Housing Logo must accompany the advertisement.
3. The owner must display the Equal Housing Opportunity logo and fair housing poster in n publicly accessible area (e.g., the rental office).
4. The owner will maintain information on tenants' race, sex, and ethnicity to demonstrate the owner's affirmative marketing efforts results.
5. The owner will, for the affordability period, maintain information demonstrating compliance with sections 1, 2 and 4 above, and will make such information available to the state recipient, sub-recipient or the state of Ohio upon request.

Each recipient or sub-recipient shall maintain records indicating compliance with the above policies, including:

1. Records documenting the recipient's annual outreach efforts to Affirmatively Market HOME-assisted units. The state (or state recipients in decentralized programs) will conduct an annual evaluation of the effectiveness of these efforts. Minimally, this evaluation shall include a discussion with the organizations or agencies identified in section 1 above as to the number of referrals made based on the information provided by the HOME-assisted units' owners.

The evaluation may also include a review of the information maintained pursuant to section 4 above to review the tenant population characteristics for specific projects.

2. HOME-assisted unit owners monitoring records (to be maintained by the recipient or sub-recipient) that indicate the extent to which the owner has complied with sections 1, 2, 3, 4 and 5 above, and remedies to resolve non-compliance.

## **Policies of the Office of Community Development**

### **City Status**

For purposes of the federal programs administered under this Consolidated Plan, municipalities that attain city status must provide city designation evidence from the Ohio Secretary of State by January 1<sup>st</sup> of the year of the effective date of the Consolidated Plan.

### **CDBG**

#### **Program Income**

Under Section 104(j) of the Housing and Community Development Act of 1974, as amended, states are authorized to distribute program income when such income has been returned from local communities.

Ohio State CDBG Program guidelines are such that most program income derived from administering local grantee funds stays at the community level. Local grantees must expend their program income according to OCD Policy Notice 15-04 online at [http://development.ohio.gov/cs/cs\\_fiscalforms.htm](http://development.ohio.gov/cs/cs_fiscalforms.htm). Any program income returned to the State, due to the community's unsatisfactory compliance with statutory and regulatory requirements, will be distributed to eligible CDBG programs at OCD's discretion, based on program need and timeliness requirements.

If a local grantee community lacks the capacity to administer program income, any income that the community receives as result of a grant activity (and which is governed by HUD or federal program income regulations) must be returned to the state.

Program income may be retained by the unit of general local government if the program income will be used to continue the activity from which the program income was derived. The state will determine when an activity will be considered to be continued. Funds expended in a different manner must receive prior state approval.

Smaller units of government that do not have an ongoing grant relationship with OCD, or an existing Economic Development Revolving Loan Fund, will be required to arrange Revolving Loan Fund agreements with the county in which the community is located.

#### **Recaptured Funds**

Based on past experience, the State expects to recapture CDBG funds from local grantees for the following reasons: (1) questioned costs; (2) unallowable costs; (3) unspent funds, or funds not drawn down by local grantees after local program completion; and (4) funding commitments for local projects that do not begin within allowable time periods.

At OCD's discretion, recaptured funds will be transferred to the appropriate program and distributed in order to meet timeliness requirements.

#### **Program Set-Aside Fund Balance**

Unless otherwise provided in the State Consolidated Plan and at OCD's discretion, program set-aside funds remaining at the end of the Program Year will be transferred to the appropriate program in order to meet timeliness requirements.

#### **HOME Program Income**

OCD will allow local governments to maintain and expend HOME program income on OCD-approved, HOME-eligible activities. However, program income funds must be expended before a grantee may receive additional HOME dollars to expend on a similar activity.

In addition, OCD will allow grantees to expend up to 10 percent, of HOME program income expected to be received in a calendar year for administrative expenses directly related to managing those funds. Grantees are required to report to OCD on program income annually.

OCD requires communities that administer CDBG or HOME program income through a local Revolving Loan Fund (RLF) to submit their RLF Administration Agreements to OCD every three years for review and approval.

### **Reallocated Funds**

The State does not expect to receive any reallocated funds HUD recaptured from Small Cities grantees during the upcoming year.

### **Undistributed Funds**

If it appears likely that funds allocated to the state's programs will not be distributed within the allotted timeframe for the program, the State reserves the right to transfer any and all programs' undistributed balance to other programs that need additional funding. At OCD's discretion, funds set aside for the Economic Development Program that are not substantially committed to specific projects by April 30<sup>th</sup>, will be transferred to the appropriate program in order to meet timeliness requirements. Funds allocated for the Residential Public Infrastructure Grant Program that are not committed to specific projects by May 31<sup>st</sup> will be transferred to the Community Development Program. Undistributed CHDO Operating Grant Program funds will be transferred to the CHIP Program.

### **Use of Funds for Technical Assistance**

The State reserves its right to use up to 1 percent of each annual allocation it receives from HUD to provide technical assistance to local units of government and other entities and individuals eligible for assistance under the State CDBG Program.

### **Waiver of Plan Requirements**

Should two units of local government be unable to establish or maintain a mutually satisfactory working relationship with regard to administering the CDBG Community Development Allocation or Economic Development Programs, one or both units of government may request that OCD waive the requirements of the applicable portion of the State plan. The unit of local government requesting a waiver shall present, in writing, documented attempts to comply with the administration plan, the reasons why compliance is not possible, and submit to OCD a waiver request signed by the chief local elected official. Only cities designated as "Acquired Cities" are eligible for a waiver under the Community Development Allocation Program.

Upon receipt of a written waiver request, OCD shall take the following steps:

- (1) Conduct an investigation of the issues;
- (2) Hold at least one meeting with representatives of both units of local government in an attempt to resolve the issues; and
- (3) Make a determination within 15 working days from the receipt of a written waiver request.

A waiver shall be granted only if:

- (1) OCD is satisfied that all reasonable attempts have been made to comply with the plan's requirements;
- (2) OCD determines that some unusual or unique circumstances exist that prevents the grantees from meeting the CDBG administration plan requirements; and
- (3) Granting a waiver would best achieve the plan's objective.

Should the units of government not agree with OCD's determination, they may request, in writing, that the Director of the Community Development Division review the waiver request and make a decision within 10 working days.

## **Amendment Policy**

The OCD Amendment Policy is available in OCD Policy Notice 16-01: Grant Operations and Financial Management Policy. Program specific details on the amendment policy are available in the program sections of this Annual Action Plan.

## **Community-Based Alternatives for Individuals with Disabilities**

In *Olmstead v. L.C.*, 527 U.S. 581 (1999) (the "Olmstead decision"), the Supreme Court construed Title II of the ADA to require qualified individuals with mental disabilities be placed in community settings, rather than in institutions, whenever treatment professionals determine that such placement is appropriate and the affected persons do not oppose such placement, taking into account the resources available and the needs of others with disabilities. The state will support localities' efforts to help people who are institutionalized to have the opportunity to live close to their families and friends, to live more independently, to engage in productive employment, and to participate in community life.

The state will support strategies and policies that foster independence and participation in the community for all individuals with disabilities who are served by programs and activities assisted with funding distributed through the Ohio Consolidated Plan.

The state will not support disability-based discrimination in services, programs, or activities. However, the state will allow grantees to assist housing and provide programs and services that benefit specific disability subgroups when it is documented that there is an unmet need for the housing, services, or programs.

## **Preferences for Persons with Disabilities**

The state permits grantees to develop client selection criteria that serve the entire community, but gives a preference to persons with a special need(s).

Special needs preferences may target a specific category of individuals with disabilities (e.g., persons with HIV/AIDS or chronic mental illness) if the specific category is identified in the Consolidated and Local Plans as having unmet housing needs and the preference is required to narrow the gap in benefits and services received by such persons. However, if a grantee has a preference for persons within a class or category of disability (such as persons with HIV/AIDS or chronic mental illness), the grantee cannot discriminate against persons who fall within that class based on the presence of other disabilities. The local written selection criteria must explain what the preferences are and how the preferences will be implemented.

All programs and activities are subject to the applicable fair housing requirements, and preferences must be administered in a nondiscriminatory manner. This means that if a special needs preference is established, grantees or sub-recipients must affirmatively market activity availability across all protected classes within the preference.

When a grantee chooses to serve a particular group of persons with a specialized housing activity or program, the grantee cannot then restrict access to its other activities for the identified group. For example, a grantee may not determine that since it will provide a preference to persons with special needs under its TBRA program, it will therefore limit participation by those special needs persons in its homeownership or other affordable housing programs or forms of assistance.

When combining programs, grantees must keep in mind that the rules and regulations of all programs must be met.

## Local Government Certifications

Title I, Section 106, of the Housing and Community Development Act of 1974, as amended, requires that no amount may be distributed by the State under the CDBG program to any unit of general local government in a non-entitlement area unless such unit of general local government certifies that:

- (1) It will minimize displacement of persons as a result of activities assisted with such amounts;
- (2) Its program will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 USC 2000d et seq.) and the Fair Housing Act (42 USC 3601-20), and that it will affirmatively further fair housing;
- (3) It is following a detailed citizen participation plan which:
  - (a) provides for and encourages citizen participation, with particular emphasis on participation by persons of low- and moderate-income who are residents of slum and blight areas and of areas in which section 106 funds are proposed to be used, and in the case of a grantee described in section 106(a), provides for residents in low- and moderate-income neighborhoods' participation as defined by the local jurisdiction;
  - (b) provides citizens with reasonable and timely access to local meetings, information, and records relating to the grantee's proposed use of funds, as required by Secretary's regulations, and relating to the actual funds under this title;
  - (c) provides for technical assistance to groups representing persons of low- and moderate-income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;
  - (d) provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the developing needs, the reviewing proposed activities, and reviewing program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the disabled;
  - (e) provides for a timely written answer within 15 working days, where practicable, to written complaints and grievances; and
  - (f) identifies how non-English speaking residents' needs will be met in at public hearings where a significant number of non-English speaking residents can be reasonably expected to participate. This paragraph may not be construed to restrict the grantee's responsibility or authority for developing and executing its community development program.
- (4) It will not attempt to recover any public improvement capital costs assisted in whole or in part under Section 106 or with amounts resulting from a guarantee under Section 108 by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (i) funds received under Section 106 are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from resources other than under this title; or (ii) for purposes of assessing any amount against properties owned and occupied by persons of low and moderate income, the grantee certified to the State it lacks sufficient funds received under Section 106 to comply with the requirements of clause (i);
- (5) In order to receive Title I funds, it will adopt and enforce a policy prohibiting using excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and enforcing applicable State and local laws against physically barring entrance to or

exit from a facility or location which is the subject of such non-violent civil rights demonstration within its jurisdiction; and

- (6) The chief executive officer of the unit of general local government certifies, to the best of his or her knowledge and belief, that:
- (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant loan, or cooperative agreement;
  - (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities," in accordance with its instructions;
  - (c) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly; and,
  - (d) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Title 31, United States Code, Section 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The program certifications, which are listed above, will be contained in the grant agreement between the State and units of general local government receiving CDBG funds. At the time of grant agreement execution, grantees are also required to sign these certifications and to ensure that the requirements are met during the implementation of the grantees' program activities.

The Housing and Community Development Act of 1974, as amended through October 28, 1992, and 24 CFR 570.487 (b) require that a local unit of government that participates in the CDBG Program is required to certify that it will affirmatively further fair housing choice. The certification is found in the grant agreement with the State. Similar fair housing strategies are required if the local unit of government is participating in the HOME Investment Partnerships Program (24 CFR 92.350 and 351).

Units of local government receiving CDBG or HOME funds are required to develop and conduct activities to assure nondiscrimination in public and private housing transactions.

To comply with the certification:

- (1) Units of local government receiving State CDBG or HOME funds for the first time must conduct, or be covered by, an analysis to determine the impediments to fair housing choice within their respective

communities. The analysis must cover impediments based on race, color, religion, sex, national origin, age, disability, and familial status.

Based upon the conclusions of this analysis, recipients must identify and develop proposed actions to affirmatively further fair housing at the local level. Additionally, the proposed actions must meet the State's minimum fair housing program requirements (See below).

The analysis and proposed actions must be submitted to the State for review and approval within three months of grant award. (The delay in conducting a fair housing analysis, however, cannot be used as justification for delaying actions to affirmatively further fair housing. The Fair Housing Act, as amended, is applicable in its own terms because the HCDA expressly makes the Fair Housing Act applicable to the CDBG and HOME programs.)

Proposed fair housing actions and the analysis should be presented in the application whenever possible. If the unit of local government is covered by a current analysis and actions are being undertaken as a requirement of the Community Development Allocation Program or another current approved State CDBG or HOME program, a certification of coverage, which identifies the current program and the administering entity, must be submitted in the application. OCD may require additional actions if the unit of local government is not receiving adequate coverage and/or is participating in housing programs.

Local units of government must carry out, and clearly document, actions to remedy or mitigate conditions limiting fair housing choice.

- (2) Units of local government previously receiving State CDBG or HOME funds are expected to continue to update their analysis to determine the impediments to fair housing choice within their respective communities. The analysis must cover impediments based on race, color, creed, sex, national origin, age, religion, disability, and familial status.

Based upon the conclusions of this analysis, recipients must identify and develop proposed actions to affirmatively further fair housing at the local level. Additionally, the proposed actions must meet the State's minimum fair housing program requirements (See below).

The proposed actions must be submitted to the State for review and approval with the Community Development Allocation Program or another approved current State CDBG program. In the latter case, a certification of coverage, which identifies the current program and the administering entity, must be submitted in the application. OCD may require additional actions if the unit of local government is not receiving adequate coverage and/or is participating in housing programs.

Local units of government must carry out, and clearly document, actions to remedy or mitigate conditions limiting fair housing choice.

- (3) Fair Housing Program Requirements
  - (a) Conduct or update an analysis of impediments to fair housing choice. In cases where a unit of local government is not specifically covered by the Community Development analysis, an analysis must be conducted within three months of its application approval for CDBG or HOME funds.
  - (b) Appoint a local fair housing coordinator, who is an employee of the unit of local government, who will generally be accessible Monday through Friday. A consultant or local agency may be substituted if reasonable access to the provider can be assured and upon OCD's written approval. The name, agency, address, and phone number must be reported to and approved by OCD.

- (c) Establish and implement a process to receive fair housing complaints and forward the complaint to the Ohio Civil Rights Commission, which is charged with investigation and enforcement. Records must describe the type of referral, copies of Housing Discrimination Complaint records (HUD-903 or equivalent), referral date, and any follow-up action.
- (d) Conduct training to provide education material and activities to:
  - (i) Residents of areas in which CDBG or HOME activities are being undertaken, or to special populations affected by the activities;
  - (ii) Three civic groups or schools; and
  - (iii) If undertaking homebuyer education, training must contain a fair housing component.

Provide an agenda, minutes, an audience description, and any follow-up to occur for each session.
- (e) Develop and distribute fair housing information and materials (posters, brochures, or materials) to 10 area agencies, organizations, or public events (county fair, post office, employment services office, etc.). The local fair housing coordinator's telephone number (including a telephone number for use by the hearing impaired) must be included in this information or materials. A list of distribution locations, distribution dates, and estimated quantities of material distributed must be maintained. If a unit of local government is undertaking residential rehabilitation or new construction, tenant based rental assistance or down payment assistance, fair housing information must be provided to each applicant and/or recipient of assistance.
- (f) If a unit of local government has a fair housing resolution or ordinance, the resolution or ordinance must include coverage for all protected groups.

State review and approval of fair housing programs are required.

(4) Other fair housing actions may be required if:

- (a) The analysis of the impediments to fair housing reveals that other actions would be necessary to assure nondiscrimination in public and private housing transactions.
- (b) The unit of local government is participating in a rental rehabilitation program. An affirmative marketing plan may be required. Local units of government participating in rehabilitation of HOME- or CDBG-assisted housing containing five or more housing units are required to adopt affirmative marketing procedures and requirements and provide owners with affirmative marketing and tenant landlord information or training.

(5) Other activities units of local governments may undertake to affirmatively further fair housing are:

- (a) Adopt a local fair housing ordinance or resolution.
- (b) Provide housing discrimination/investigation service (testing).
- (c) Review publishers' advertisements (newspaper ad, radio ad) for discriminatory advertisements. Provide publishers, real estate firms, banks, savings and loan associations with fair housing advertising guidelines.
- (d) Sponsor community awareness events, such as poster, speech, and writing contests.
- (e) Develop lists of both public and private housing accessible to persons with disabilities.

- (f) Review local zoning laws and procedures to determine whether they contribute to or detract from fair housing choice.

**Grantee Assurances to the State**

The Grantee through the execution of the grant agreement will provide assurance and certify that they will follow all applicable federal regulations as required by the federal funding sources.

## **PY 2018 Citizen Participation Plan (24 CFR Part 91.115)**

### **(a)1. Applicability and Adoption of the Citizen Participation Plan**

The Ohio Development Services Agency (ODSA) Community Development Division's Office of Community Development (OCD) is the State agency responsible for administering all of the programs funded through the U.S Department of Housing and Urban Development (HUD), including:

- The Community Development Block Grant (CDBG) Program
- The HOME Investment Partnerships Program
- The Emergency Solutions Grant (ESG) Program
- The Housing Opportunities for Persons with AIDS (HOPWA) Program
- The National Housing Trust Fund (NHTF)

These four programs are required to be covered by a Consolidated Plan (including an Annual Action Plan and a five-year Strategic Plan), and the Citizen Participation requirements described at 24 CFR 91.115. This description of the state's Citizen Participation Plan for Program Year 2018, which will occur from July 1, 2018 through June 30, 2019, establishes the processes and procedures that will be followed to solicit citizen participation in the planning process. The planning process will take place prior to the PY 2018 Consolidated Plan's July 1, 2018 effective date.

### **(a)2. Encouragement of Citizen Participation**

Because of Ohio's size and diversity, OCD will provide opportunities for comment on the Consolidated Plan through a variety of strategies, as follows:

1. Notice of the availability of the PY 2016 Annual Performance Report will be sent to all Community Development Allocation Program recipients, as well as PY 2017 nonprofit grantees. This document will be available online at [http://development.ohio.gov/cs/cs\\_ocp.htm](http://development.ohio.gov/cs/cs_ocp.htm) so that it can be referenced in local public hearings. Local communities receiving comments will be asked to forward any comments to OCD, which will provide these comments to the advisory committee members during the planning process.
2. A notice about the availability of the draft PY 2018 Ohio Consolidated Plan and Executive Summary and the notice of available auxiliary aids will be distributed to local communities and organizations for comment during the 30-day public comment period. The plan documents will be posted online at [http://development.ohio.gov/cs/cs\\_ocp.htm](http://development.ohio.gov/cs/cs_ocp.htm) with copies available upon request, as well as in the OCD office.
3. Each Community Development Allocation Program and Community Housing Impact and Preservation Program (CHIP) grant recipient is required to follow a citizen participation process that involves holding a local public hearing on funding resource availability, developing a needs statement and must develop local plans to address identified needs, as discussed in paragraph (e) below. This mechanism will provide for local citizen involvement in the state's planning process.

### **(a)3. Citizen and Local Government Comment on the Citizen Participation Plan Amendments.**

The PY 2018 Citizen Participation Plan and Amendment Policy will be made available for comment by local communities and the general public because it will be distributed with the PY 2018 Consolidated Plan (see (a)(2) above), during both the public comment period and after the plan is approved.

This will allow for comment on both the draft plan document and the proposed planning process for the following year.

**(b) Development of the Consolidated Plan**

Preparing the Consolidated Plan will be the result of a process that will use an open consultation and citizen participation process that will involve internal work groups, external advisory committees, public hearings/meetings, notice publication online at [http://development.ohio.gov/cs/cs\\_ocp.htm](http://development.ohio.gov/cs/cs_ocp.htm), and considering written and oral comments. The overall process is described in detail below. (Note that specific dates cannot be given at this point, but will be identified prior to the public hearing and comment notification process.)

The first step in the planning process will be preparing the PY 2016 Consolidated Plan Annual Performance Report and the Performance Evaluation Report, a draft of which will be made available to the public for review and comment on September 1, 2017 with final submission to the HUD area office on or about September 26, 2017. Notification of the availability of the Annual Report will be made through the Public Hearing on Needs notification.

On or about September 15, 2017, a Public Hearing on Needs Issues will be held with the location to be determined. The Public Hearing on Needs notification will be directly emailed to approximately 900 local communities, organizations and agencies throughout the state and published online at [http://development.ohio.gov/cs/cs\\_ocp.htm](http://development.ohio.gov/cs/cs_ocp.htm). The notification will also summarize the state's planning process for the Consolidated Plan, and will solicit participation in OCD's Program Advisory Committee meetings. In addition to the Needs Hearing needs will also be considered at the Consolidated Plan Advisory Committee Meeting held on or about September 13, 2017. Comments made at the Public Hearing on Needs Issues and the Consolidated Plan Advisory Committee will be distributed to the advisory committee members for their consideration during the planning process.

Additionally, throughout the year, OCD staff will meet with the State Programs Committee of the Ohio Conference of Community Development (OCCD), which convenes quarterly to discuss topics and issues related to community development. OCCD's membership includes many local community development agencies, as well as other organizations and people involved with housing and community development. OCD staff will also meet with other government agencies and organizations during PY 2018 to discuss various issues related to the Consolidated Plan. These meetings may well result in identifying additional issues and recommendations that will also be included in the PY 2018 planning process.

On or about October 17 and 18, 2017, a series of meetings with each of eight Program Advisory Committees will occur. The committees will consist of no less than 10 local governments, agencies, and organizations representatives who have been involved with OCD and OHFA programs. Participation in the committee meetings will be open to the public, insofar as space is available, although OCD may specifically invite organizations and agencies to attend to ensure participation of a range of interests and perspectives is represented.

The Program Advisory Committee meetings will be held to discuss and receive input on how these programs are being administered at the State and local levels, how well fund expenditures are meeting local communities' identified needs, especially low- and moderate-income families and individuals, and ways to improve all program administration and service delivery areas. After reviewing past program accomplishments and current status, the advisory groups will make recommendations on PY 2018 programs, from application requirements and project review criteria, to training and technical assistance, funding levels and program guidelines and requirements. The 8 Program Advisory Committees are listed in the Advisory Committee Guidelines. Minutes of the Program Advisory Committees will be posted to OCD's website, maintained in the PY 2018 Consolidated Plan records, and copies of the minutes will be mailed to each of the respective Program Advisory Committees. Based on the Program Advisory Committees' recommendations and comments received by OCD, OCD will prepare a draft PY 2018 Consolidated Plan.

After revisions to the draft Plan are completed, it will be posted along with the Executive Summary on or about March 1, 2018, to the OCD website at [http://development.ohio.gov/cs/cs\\_ocp.htm](http://development.ohio.gov/cs/cs_ocp.htm). Posting notification will be sent to approximately 900 local governments, agencies and organizations to provide them with an opportunity for review and comment. Hard copies of the plan will be provided upon request. The notification of the availability

of the draft Consolidated Plan will mark the beginning of the 30-day public comment period, which will end on or about March 31, 2018. On or about March 16, 2018, approximately two weeks after the 30-day public comment period begins, OCD will hold a Public Hearing on the draft PY 2018 Ohio Consolidated Plan. Both oral and written comments will be accepted at the hearing. The public hearing location is to be determined at a later date. Notification of the Public Comment period, Public Hearing and the availability of the PY 2018 draft plan will be accomplished through direct emailing to local communities and organizations, and by posting online at [http://development.ohio.gov/cs/cs\\_ocp.htm](http://development.ohio.gov/cs/cs_ocp.htm). After the Public Hearing and the end of the comment process, OCD will consider any and all comments and recommendations, and make final revisions to the plan document. OCD will prepare responses to all comments submitted on the draft PY 2018 Consolidated Plan.

OCD will submit the Plan to the Governor's office for review and signature by the Governor, or a designated representative. The PY 2018 Ohio Consolidated Plan Annual Action Plan and consolidated Plan will then be submitted via the Integrated Disbursement and Information Systems (IDIS) website to the Columbus Area Office of the U.S. Department of Housing and Urban Development (HUD) on or about May 15, 2018, for the required 45-day review period. Upon Plan approval by HUD, the final PY 2018 Ohio Consolidated Plan and the Executive Summary will be posted on the OCD website at [http://development.ohio.gov/cs/cs\\_ocp.htm](http://development.ohio.gov/cs/cs_ocp.htm), and notification of such posting will be sent to approximately 900 local governments, organizations and individuals. Hard copies will be made available to the general public upon request.

**(c) Amendment Policy**

Minor budgetary revisions to the Consolidated Plan, which are defined as changes that do not exceed 10 percent of the original budget amount, will not constitute a substantial amendment and will be made without a public hearing or notification. However, changes to existing distribution methods or program guidelines as stated in the plan document, new program initiatives, or budgetary changes in excess of 10 percent of the original budget amount will be considered a substantial amendment and will be required to go through a formal amendment process. OCD will hold a public hearing on such an amendment, and will provide notification of the proposed amendment at least 30 calendar days prior to the public hearing. The notice will summarize the nature of the proposed amendment, the public hearing date, time and location, and procedures for submitting comments. The state may either make this notification by (1) publishing a notice in several general circulation newspapers within the state, or (2) directly transmitting a notice to local governments, agencies or organizations affected by the amendment. In the event the latter method is chosen exclusively, local Community Development grantees and/or local libraries will be requested to post notice of the proposed amendment. The notice will also be posted to OCD's website. Within five business days after the public hearing, OCD will determine whether to adopt the proposed amendment, adopt a revised version of the amendment or reject the amendment. The determination will be posted to the OCD website. If the amendment is adopted, the change will be incorporated into the Consolidated Plan, along with a summary of comments on the amendment and OCD's response to such comments.

**(d) Performance Reports**

OCD will prepare the PY 2016 Annual Performance Report and make it available for public comment and review 15 days prior to submission to HUD, which must occur no later than 90 days after the end of the state's 2016 Program Year, which will occur on June 30, 2018. The notification and hearing process is described under section (b) above.

**(e) Citizen Participation Requirements for Local Governments**

Units of general local government that receive CDBG funds from the state must adopt and follow a written local citizen participation plan which:

- Provides for and encourages citizen participation, with particular emphasis on participation by persons of low- and moderate-income who are residents of slum and blighted areas and of areas in which Section 106 funds are proposed to be used, and in the case of a grantee described in Section 106(a), provides for participation of residents in low-and moderate-income neighborhoods as defined by the local jurisdiction;

- Provides citizens with reasonable and timely access to local meetings, information, and records relating to the grantee's proposed use of funds, as required by regulations of the Secretary, and relating to the actual funds under this title; provides citizens with reasonable and timely access to local meetings, information, and records relating to the grantee's proposed use;
- Provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;
- Provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the disabled;
- Provides for a timely written answer to written complaints and grievances, within 15 working days where practicable; and,
- Identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate. This paragraph may not be construed to restrict the responsibility or authority of the grantee for the development and execution of its community development program.

**(f) Availability to the Public**

Upon HUD approval, the PY 2018 Ohio Consolidated Plan Annual Action Plan, substantial amendments and the PY 2018 Ohio Consolidated Plan Annual Action Plan Executive Summary and PY 2016 Annual Performance Report will be available to the public upon request throughout PY 2018 and PY 2019. Copies of the Consolidated Plan will remain on OCD's website for both the current and previous years. Request for copies of these documents may be made by phone, through FAX or in writing to:

Office of Community Development  
 Riffe Center, 26<sup>th</sup> Floor  
 77 South High Street  
 Columbus, Ohio 43215  
 Phone: (614) 466-2285  
 Fax: (614) 752-4575

**(g) Access to Records**

OCD will provide citizens, public agencies and other interested parties with reasonable and timely written access to information and records relating to the state's Consolidated Plan and the state's use of this assistance under the programs covered by this Citizen Participation Plan during the preceding five years. Records pertaining to projects funded within the previous five years can be made available within 24-hours of written notice specifying which records for which access is being requested. Such notification must be sent to:

Deputy Chief  
 Office of Community Development  
 Riffe Center, 26<sup>th</sup> floor  
 77 South High Street  
 Columbus, Ohio 43215

**(h) Comments and Complaints**

The PY 2018 Ohio Consolidated Plan will include a summary of comments or views made in conjunction with the Consolidated Plan or process, the Plan's amendment, or the Annual Report, as received by OCD in writing or orally at public hearings or during public comment periods during the planning process.

OCD will respond to written complaints within 15 working days of receiving such a complaint if the complaint is made in conjunction with programs covered by this Citizen Participation Plan.

If the state receives a written complaint that is made about a program or project that is administered by a sub-grantee community, OCD will refer the complaint to the local grantee community along with a transmittal letter from OCD, copied to the complainant. The local grantee community will be required to respond to the complainant in writing (with a copy of the response sent to OCD) within 15 days of the date of OCD's transmittal letter. OCD will work with the community and the complainant to ensure that the issue is resolved to the mutual satisfaction of the parties involved, and that applicable program regulations are followed.

**(i) Use of Citizen Participation Plan**

The state shall follow and document compliance with this Citizen Participation Plan.

**(j) 2015-2019 Consolidated Plan Needs Assessment and Strategy**

OCD submitted the PY 2015 – 2019 Ohio Consolidated Plan Needs Assessment and Strategy to HUD Ohio in May 2015, which has subsequently been approved. The state is required to submit statistical and analytical information that provides an overall picture of the state's housing, homeless, and community development needs. The information will assist in establishing priorities and allocating Federal and State resources, principally for extremely low-, low-, and moderate-income families. The information will also be used for developing specific objectives in accordance with the statutory goals of providing decent housing, a suitable living environment, and expanding economic opportunities. The needs information must be sufficient to support the state's strategic plan, including its priorities for allocating resources, its specific objectives and its strategy for achieving desired results.

The state drew on relevant information from previous submissions and other reports and studies, as appropriate. The process also relied on citizen input, as well as consultations with local governments, state and federal government agencies, nonprofit organizations, and social service agencies to obtain information on housing needs and other children's needs, elderly persons, persons with disabilities, homeless persons, and other persons served by such agencies.

The state produced a strategic plan that brought the needs and resources together in a coordinated housing and community development strategy. The strategic plan identified expected accomplishments and results the state hopes to achieve in terms of outputs and outcomes. The state plan was developed to achieve the following goals and objectives, principally for low- very low-, and extremely low-income residents:

- Provide decent housing,
- Create suitable living environments, and
- Expand economic opportunities.

The Consolidated Plan Annual Action Plan citizen participation and planning process was used to solicit comments and input on developing the needs assessment and strategy, however special meetings occurred in order to deal with specific topics and issues. OCD established an e-committee to gather input obtained through surveys and by using electronic media and communication. The final version of the PY 2015–2019 Ohio Consolidated Plan Needs Assessment and Strategy has been made available on the OCD website at [http://development.ohio.gov/cs/cs\\_ocp.htm/](http://development.ohio.gov/cs/cs_ocp.htm/).

**OCD Consolidated Plan Advisory Committee Guidelines**

The following guidelines will pertain to the advisory committees’ composition and function that are established in conjunction with preparing the Consolidated Plan Annual Action Plan.

1. OCD will annually establish a total of seven Program Advisory Committees as follows:
  - Community Development Program/Residential Public Infrastructure Program Advisory Committee
  - Economic Development Program Advisory Committee
  - Community Housing Impact and Preservation Program Advisory Committee
  - Housing Development Assistance Program Advisory Committee
  - New Horizons/Fair Housing Program Advisory Committee
  - Homeless Crisis Response Program /Housing Assistance Grant Program Advisory Committee
  - Housing Opportunities for Persons with AIDS Program Advisory Committee

Each committee will consist of at least 10 members selected by OCD.

Committee members must give OCD at least 24 hours’ notice if they will be unable to attend a planned meeting for which their attendance was previously confirmed. In the event a member is absent from meeting and has not provided notification, OCD may replace that committee member.

2. OCD will annually establish a Consolidated Plan Advisory Committee, comprised of approximately 42 members, representing the following areas:

County Commissioners Association	1 member
Ohio Municipal League	1 member
Ohio Township Association	1 member
Ohio Conference of Community Development	1 member
Heritage Ohio	1 member
Corporation for Ohio Appalachian Development (COAD)	1 member
Ohio Development Association	1 member
Ohio Housing Finance Agency (OHFA)	1 member
Builders/Developers/Realtors	1 member*
Nonprofit Organizations representing community development, Supportive housing and affordable housing non-profit organizations	24 members*
Ohio Civil Rights Commission	1 member
Coalition on Homelessness and Housing in Ohio (COHHIO)	1 member
Ohio Housing Authorities Conference	1 member
USDA Rural Development Office	1 member
Ohio Community Development Corporation Association	1 member
Ohio Disabilities Planning Council	1 member
Private Lending Community	1 member*
Ohio Department of Health	1 member
U.S. Department of Housing and Urban Development (HUD)	1 member

*\*These members are limited to a two-year maximum term.*

OCD reserves the right to include representatives of other groups or to select alternative members if those initially selected are unable to attend the committee meetings or participate in the planning process.

## Acronym Listing

166	166 Loan Program, Office of Strategic Business Investment Division, Ohio Development Services Agency
412	Business Development Account (412), Office of Strategic Business Investment Division, Ohio Development Services Agency
629	Roadwork Development Account (629), Office of Strategic Business Investment Division, Ohio Development Services Agency
AMI	Area Median Income
ARC	Appalachia Regional Commission
CDBG	Community Development Block Grant Program
CDC	Community Development Corporation
CSD	Community Services Division
CDFF	Community Development Finance Fund
CHDO	Community Housing Development Organization
CHIP	Community Housing Impact and Preservation
COAD	Corporation for Ohio Appalachian Development
COHHIO	Coalition on Homelessness and Housing in Ohio
ESG	Emergency Solutions Grant Program
FEMA	Federal Emergency Management Agency
FFY	Federal Fiscal Year
GOA	Governor's Office of Appalachia
HOPWA	Housing Opportunities for Persons with AIDS (HOPWA)
HOME	HOME Investment Partnerships Program
HUD	U.S. Department of Housing and Urban Development
IDIS	Integrated Disbursement and Information Systems
LIHTC	Low-Income Housing Tax Credit
LMI	Low- and Moderate-Income
OCA	Office of Community Assistance, Ohio Development Services Agency
OCD	Office of Community Development, Ohio Development Services Agency
ODA	Ohio Department of Aging
ODE	Ohio Department of Education
ODMHAS	Ohio Department of Mental Health and Addiction Services
ODJFS	Ohio Department of Job and Family Services
ODODD	Ohio Department of Developmental Disabilities
ODNR	Ohio Department of Natural Resources
ODSA	Ohio Development Services Agency
ODOT	Ohio Department of Transportation
OE	Office of Energy, Ohio Development Services Agency
OEPA	Ohio Environmental Protection Agency
OCD	Office of Community Development
OHFA	Ohio Housing Finance Agency
OHTF	Ohio Housing Trust Fund
OITP	Ohio Investment Training Program, Workforce Talent Division, Ohio Development Services Agency
OSDC	Ohio Statewide Development Corporation
OPWC	Ohio Public Works Commission
OWDA	Ohio Water Development Authority
PATH	Projects for Assistance in Transition from Homelessness (ODMH)
PJ	Participating Jurisdiction (HOME Program)
PY	Program Year
RDA	Rural Development Administration
RLF	Economic Development Revolving Loan Fund
SAFAH	Supplemental Assistance for Facilities to Assist the Homeless
SBA-504	Small Business Administration, 504 Loan Program
SBA-7A	Small Business Administration, 7(A) Loan Guaranty Program
SFY	State Fiscal Year

## Attachments

### Attachment A:

#### STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

**Affirmatively Further Fair Housing** -- The State will affirmatively further fair housing.

**Uniform Relocation Act and Anti-displacement and Relocation Plan** -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

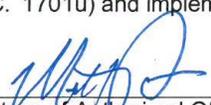
**Anti-Lobbying** --To the best of the State's knowledge and belief:

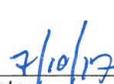
1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

**Authority of State** -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

**Consistency with plan** -- The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the State's consolidated plan.

**Section 3** -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.

  
\_\_\_\_\_  
Signature of Authorized Official

  
\_\_\_\_\_  
Date

Matt Peters  
Assistant Director

\_\_\_\_\_  
Title

## Specific Community Development Block Grant Certifications

The State certifies that:

**Citizen Participation** -- It is following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

### Consultation with Local Governments --

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;
2. It engages in or will engage in planning for community development activities;
3. It provides or will provide technical assistance to units of local government in connection with community development programs; and
4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

**Local Needs Identification** -- It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

**Community Development Plan** -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

**Use of Funds** -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available.
  2. Overall Benefit. In the aggregate, not less than 70 percent of the CDBG funds, including Section 108 guaranteed loans, received by the State during the following fiscal year(s) \_\_\_\_\_ [a period designated by the State of one, two, or three specific consecutive fiscal year(s)] will be used for activities that benefit persons of low and moderate income.
-

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG Funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

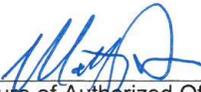
In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

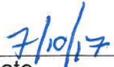
**Excessive Force** -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

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

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

**Compliance with Laws** -- It will comply with applicable laws.

  
\_\_\_\_\_  
Signature of Authorized Official  
**Matt Peters**  
Assistant Director

  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

---

**Specific HOME Certifications**

The State certifies that:

**Tenant Based Rental Assistance** -- If it plans to use HOME funds for tenant-based rental assistance, tenant-based rental assistance is an essential element of the State's consolidated plan.

**Eligible Activities and Costs** -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §92.205 through §92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

**Subsidy Layering** -- Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

  
\_\_\_\_\_  
Signature of Authorized Official

3/10/17  
\_\_\_\_\_  
Date

**Matt Peters**  
**Assistant Director**

\_\_\_\_\_  
Title

---

## **Emergency Solutions Grant Certifications**

Each State that seeks funding under the Emergency Solutions Grants Program must provide the following certifications:

**Matching Funds** – The State will obtain any matching amounts required under 24 CFR 576.201 in a manner so that its subrecipients that are least capable of providing matching amounts receive the benefit of the exception under 24 CFR 576.201(a)(2).

**Discharge Policy** – The State will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

**Confidentiality** – The State will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

The State will ensure that its subrecipients comply with the following criteria:

**Major rehabilitation/conversion/renovation** – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

**Essential Services and Operating Costs** – If ESG funds are used for shelter operations or essential services related to street outreach or emergency shelter, the subrecipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the applicant serves the same type of persons (e.g., families with children, unaccompanied youth, veterans, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

**Renovation** – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

**Supportive Services** – The subrecipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.

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**Homeless Persons Involvement** – To the maximum extent practicable, the subrecipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted ESG.

**Consolidated Plan** – All activities the subrecipient undertakes with assistance under ESG are consistent with the State's current HUD-approved consolidated plan.



\_\_\_\_\_  
Signature of Authorized Official

**Matt Peters**

Assistant Director

\_\_\_\_\_  
Title

7/10/17  
\_\_\_\_\_  
Date



**Housing Opportunities for Persons With AIDS Certifications**

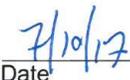
The State HOPWA grantee certifies that:

**Activities** -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

**Building** -- Any building or structure assisted under the program shall be operated for the purpose specified in the consolidated plan:

1. For a period of not less than 10 years, in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,
2. For a period of not less than 3 years, in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

  
\_\_\_\_\_  
Signature of Authorized Official

  
\_\_\_\_\_  
Date

**Matt Peters**  
\_\_\_\_\_  
Assistant Director  
Title



## APPENDIX TO CERTIFICATIONS

### INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

#### **Lobbying Certification**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

---

**Attachment B:**

**424 Forms**

**APPLICATION FOR FEDERAL ASSISTANCE**

OMB Approved No. 3076-0006

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	<b>2. DATE SUBMITTED</b> August 4, 2017	Applicant Identifier
			<b>3. DATE RECEIVED BY STATE</b>	State Application Identifier
			<b>4. DATE RECEIVED BY FEDERAL AGENCY</b>	Federal Identifier 39
<b>5. APPLICANT INFORMATION</b>				
Legal Name: State of Ohio		<b>Organizational Unit:</b> Department: Ohio Development Services Agency		
Organizational DUNS: 808847743		Division: Community Services Division		
<b>Address:</b> Street: 77 South High Street, 26th Floor		<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>		
City: Columbus		Prefix: Mr.	First Name: Matthew	Middle Name
County: Franklin		Last Name LaMantia		
State: Ohio	Zip Code 43215	Suffix:		
Country: USA		Email: Matthew.Lamantia@development.ohio.gov		
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b> 31-1334820		Phone Number (give area code) (614) 728-6994	Fax Number (give area code) (614) 752-4575	
<b>8. TYPE OF APPLICATION:</b> <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify)		<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types) A. State Other (specify)		
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b> TITLE (Name of Program): Housing Opportunities for Persons With AIDS Program		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b> FY 2017 Housing Opportunities for Persons With AIDS Program, passed through to eligible units of local government and non-profit organizations. Awards are made on a competitive basis via statewide application process.		
<b>12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):</b> All areas		<b>9. NAME OF FEDERAL AGENCY:</b> U.S. Department of Housing and Urban Development		
<b>13. PROPOSED PROJECT</b> Start Date: 7/01/17		Ending Date: 6/30/18	<b>14. CONGRESSIONAL DISTRICTS OF:</b> a. Applicant    b. Project	
<b>15. ESTIMATED FUNDING:</b>		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>		
a. Federal	\$	1,471,505 <sup>00</sup>	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:	
b. Applicant	\$	<sup>00</sup>	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
c. State	\$	<sup>00</sup>		
d. Local	\$	<sup>00</sup>		
e. Other	\$	<sup>00</sup>		
f. Program Income	\$	<sup>00</sup>		
g. TOTAL	\$	1,471,505 <sup>00</sup>	<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b> <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>				
a. Authorized Representative				
Prefix Mr.	First Name David		Middle Name	
Last Name Goodman		Suffix		
b. Title Director, Ohio Development Services Agency		c. Telephone Number (give area code) (614) 466-3379		
d. Signature of Authorized Representative 		e. Date Signed 8/10/17		

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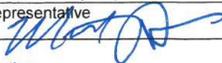
**Matt Peters**  
Assistant Director

Standard Form 424 (Rev.9-2003)  
Prescribed by OMB Circular A-102

**APPLICATION FOR FEDERAL ASSISTANCE**

OMB Approved No. 3076-0006

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application		<b>2. DATE SUBMITTED</b> August 4, 2017	Applicant Identifier
<input type="checkbox"/> Construction	<input type="checkbox"/> Pre-application	<b>3. DATE RECEIVED BY STATE</b>	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	<b>4. DATE RECEIVED BY FEDERAL AGENCY</b>	Federal Identifier
<input type="checkbox"/> Non-Construction	<input checked="" type="checkbox"/> Non-Construction		39
<b>5. APPLICANT INFORMATION</b>			
Legal Name:		<b>Organizational Unit:</b>	
State of Ohio		Department: Ohio Development Services Agency	
Organizational DUNS: 808847743		Division: Community Services Division	
<b>Address:</b>		<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>	
Street: 77 South High Street, 26th Floor		Prefix: Mr.	First Name: Matthew
City: Columbus		Middle Name	
County: Franklin		Last Name LaMantia	
State: Ohio	Zip Code 43215	Suffix:	
Country: USA		Email: Matthew.LaMantia@development.ohio.gov	
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b> 31-1334820		Phone Number (give area code) (614) 644-7918	Fax Number (give area code) (614) 752-4575
<b>8. TYPE OF APPLICATION:</b> <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types) A. State Other (specify)	
Other (specify)		<b>9. NAME OF FEDERAL AGENCY:</b> U.S Department of Housing and Urban Development	
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b> TITLE (Name of Program): Community Development Block Grant Program 14-228		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b> FY 2017 Community Development Block Grant Program passed through to eligible units of local government for housing, economic and community development activities. Awards are made on a formula and competitive basis via statewide application process.	
<b>12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):</b> All areas except: HUD entitlement cities and urban counties		<b>14. CONGRESSIONAL DISTRICTS OF:</b> a. Applicant b. Project	
<b>13. PROPOSED PROJECT</b> Start Date: 7/01/17		Ending Date: 6/30/18	
<b>15. ESTIMATED FUNDING:</b>		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>	
a. Federal	\$ 40,770,896 <sup>00</sup>	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
b. Applicant	\$ 1,021,604 <sup>00</sup>	DATE:	
c. State	\$ <sup>00</sup>	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
d. Local	\$ <sup>00</sup>	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
e. Other	\$ <sup>00</sup>	<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b>	
f. Program Income	\$ <sup>00</sup>	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
g. TOTAL	\$ 41,792,500 <sup>00</sup>		
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>			
a. Authorized Representative			
Prefix Mr.	First Name David	Middle Name	
Last Name Goodman		Suffix	
b. Title Director, Ohio Development Services Agency		c. Telephone Number (give area code) (614) 466-3379	
d. Signature of Authorized Representative 		e. Date Signed 7/10/17	
		Assistant Director	

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**APPLICATION FOR  
FEDERAL ASSISTANCE**

OMB Approved No. 3076-0006

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application		<b>2. DATE SUBMITTED</b> August 4, 2017	Applicant Identifier
<input type="checkbox"/> Construction	Pre-application	<b>3. DATE RECEIVED BY STATE</b>	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	<b>4. DATE RECEIVED BY FEDERAL AGENCY</b>	Federal Identifier
<input type="checkbox"/> Non-Construction			39
<b>5. APPLICANT INFORMATION</b>			
Legal Name: State of Ohio		<b>Organizational Unit:</b> Department: Ohio Development Services Agency	
Organizational DUNS: 808847743		Division: Community Services Division	
<b>Address:</b> Street: 77 South High Street, 26th Floor		<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>	
City: Columbus		Prefix: Mr.	First Name: Matthew
County: Franklin		Middle Name	
State: Ohio		Last Name LaMantia	
Zip Code 43215	Suffix:		
Country: USA		Email: Matthew.Lamantia@development.ohio.gov	
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b> 3 1 - 1 3 3 4 8 2 0		Phone Number (give area code) (614) 644-7918	Fax Number (give area code) (614) 752-4575
<b>8. TYPE OF APPLICATION:</b> <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify)		<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types) A. State Other (specify)	
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b> TITLE (Name of Program): Emergency Solutions Grant Program 1 4 - 2 3 1		<b>9. NAME OF FEDERAL AGENCY:</b> U.S Department of Housing and Urban Development	
<b>12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):</b> All		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b> FY 2017 Emergency Solutions Grant Program passed through to eligible units of local government and non-profit organizations. Awards are made on a formula and competitive basis via statewide application process.	
<b>13. PROPOSED PROJECT</b> Start Date: 7/01/17		<b>14. CONGRESSIONAL DISTRICTS OF:</b> a. Applicant    b. Project	
Ending Date: 6/30/18			
<b>15. ESTIMATED FUNDING:</b>		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>	
a. Federal	\$ 5,761,993 <sup>00</sup>	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
b. Applicant	\$	DATE:	
c. State	\$ 5,761,993 <sup>00</sup>	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
d. Local	\$	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
e. Other	\$	<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b>	
f. Program Income	\$	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
g. TOTAL	\$ 11,523,986 <sup>00</sup>		
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>			
a. Authorized Representative			
Prefix Mr.	First Name David	Middle Name	
Last Name Goodman		Suffix	
b. Title Director, Ohio Development Services Agency		c. Telephone Number (give area code) (614) 466-3379	
d. Signature of Authorized Representative  Assistant Director		e. Date Signed 7/10/17	

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**APPLICATION FOR FEDERAL ASSISTANCE**

OMB Approved No. 3076-0006

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application		<b>2. DATE SUBMITTED</b> August 4, 2017		Applicant Identifier	
<input type="checkbox"/> Construction		<input type="checkbox"/> Construction		<b>3. DATE RECEIVED BY STATE</b>	
<input checked="" type="checkbox"/> Non-Construction		<input type="checkbox"/> Non-Construction		State Application Identifier	
<b>5. APPLICANT INFORMATION</b>		<b>4. DATE RECEIVED BY FEDERAL AGENCY</b>		Federal Identifier	
Legal Name:		Organizational Unit:		39	
State of Ohio		Department: Ohio Development Services Agency		Division: Community Services Division	
Organizational DUNS: 808847743		<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>			
<b>Address:</b>		Prefix: Mr.		First Name: Matthew	
Street: 77 South High Street, 26th Floor		Middle Name			
City: Columbus		Last Name LaMantia			
County: Franklin		Suffix:			
State: Ohio		Zip Code 43215		Email: Matthew.Lamantia@development.ohio.gov	
Country: USA		Phone Number (give area code)		Fax Number (give area code)	
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b>		(614) 728-6994		(614) 752-4575	
3 1 - 1 3 3 4 8 2 0		<b>8. TYPE OF APPLICATION:</b>			
<input checked="" type="checkbox"/> New		<input type="checkbox"/> Continuation		<input type="checkbox"/> Revision	
If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)					
Other (specify)		<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types)			
		A. State			
		Other (specify)			
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b>		<b>9. NAME OF FEDERAL AGENCY:</b>			
TITLE (Name of Program): HOME Investment Partnerships Program		U.S Department of Housing and Urban Development			
1 4 - 2 3 9		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b>			
<b>12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):</b>		FY 2017 HOME Investment Partnerships Program passed through to eligible units of local government for housing activities. Awards are made on a competitive basis via statewide application process.			
All areas		<b>14. CONGRESSIONAL DISTRICTS OF:</b>			
<b>13. PROPOSED PROJECT</b>		a. Applicant		b. Project	
Start Date: 7/01/17		Ending Date: 6/30/18		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>	
<b>15. ESTIMATED FUNDING:</b>		a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON			
a. Federal \$ 16,805,779. <sup>00</sup>		DATE:			
b. Applicant \$ . <sup>00</sup>		b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372			
c. State \$ . <sup>00</sup>		<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW			
d. Local \$ . <sup>00</sup>		<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b>			
e. Other \$ . <sup>00</sup>		<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No			
f. Program Income \$ . <sup>00</sup>		<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>			
g. TOTAL \$ 16,805,779. <sup>00</sup>		a. Authorized Representative			
		Prefix Mr.		First Name David	
		Last Name Goodman		Middle Name	
		b. Title Director, Ohio Development Services Agency		Suffix	
d. Signature of Authorized Representative		c. Telephone Number (give area code) (614) 466-3379		e. Date Signed	
		Matt Peters Assistant Director		7/10/17	

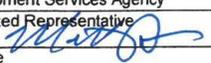
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**APPLICATION FOR FEDERAL ASSISTANCE**

OMB Approved No. 3076-0006

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application		<b>2. DATE SUBMITTED</b> August 4, 2017		Applicant Identifier	
<input type="checkbox"/> Construction		<input type="checkbox"/> Construction		<b>3. DATE RECEIVED BY STATE</b>	
<input checked="" type="checkbox"/> Non-Construction		<input type="checkbox"/> Non-Construction		State Application Identifier	
<b>5. APPLICANT INFORMATION</b>		<b>4. DATE RECEIVED BY FEDERAL AGENCY</b>		Federal Identifier	
Legal Name:		Department:		39	
State of Ohio		Ohio Development Services Agency			
Organizational DUNS: 808847743		Division: Community Services Division			
<b>Address:</b>		<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>			
Street: 77 South High Street, 26th Floor		Prefix: Mr.		First Name: Matthew	
City: Columbus		Middle Name			
County: Franklin		Last Name LaMantia			
State: Ohio		Zip Code 43215		Suffix:	
Country: USA		Email: Matthew.LaMantia@development.ohio.gov			
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b>		Phone Number (give area code)		Fax Number (give area code)	
31-1334820		(614) 644-7918		(614) 752-4575	
<b>8. TYPE OF APPLICATION:</b>		<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types)			
<input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision		A. State			
If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		Other (specify)			
Other (specify)		<b>9. NAME OF FEDERAL AGENCY:</b> U.S Department of Housing and Urban Development			
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b>		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b>			
TITLE (Name of Program): National Housing Trust Fund Program		FY 2017 National Housing Trust Fund Program passed through to eligible units of local government for housing activities. Awards are made on a competitive basis via statewide application process.			
<b>12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):</b>					
All areas					
<b>13. PROPOSED PROJECT</b>		<b>14. CONGRESSIONAL DISTRICTS OF:</b>			
Start Date: 7/01/17		Ending Date: 6/30/18		a. Applicant	
				b. Project	
<b>15. ESTIMATED FUNDING:</b>		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>			
a. Federal		a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON			
\$ 5,511,230.00		DATE:			
b. Applicant		b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372			
\$ .00		<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW			
c. State		<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b>			
\$ .00		<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No			
d. Local					
\$ .00					
e. Other					
\$ .00					
f. Program Income					
\$ .00					
g. TOTAL					
\$ 5,511,230.00					
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>					
<b>a. Authorized Representative</b>					
Prefix Mr.		First Name David		Middle Name	
Last Name Goodman		Suffix			
b. Title Director, Ohio Development Services Agency		c. Telephone Number (give area code) (614) 466-3379		e. Date Signed	
d. Signature of Authorized Representative 		Matt Peters Assistant Director		2/10/17	

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Prescribed by OMB Circular A-102

## **Attachment C:**

### **Comments and Responses on the Draft PY 2017 Ohio Consolidated Plan**

The Office of Community Development held the 30-day public comment period beginning on March 1, 2017, along with a Public Hearing that will take place on March 16, 2017, in the Riffe Center on the 19<sup>th</sup> Floor. All comments received along with the corresponding responses prepared by OCD and the OHFA concerning the Draft PY 2017 Ohio Consolidated Plan have been included below:

**Comment:** Grantees that receive an allocation this year either be excluded from submitting a competitive set aside application this year, or points should be added to competitive applications for those excluded from submitting an allocation application this year.

**Response:** The Neighborhood Revitalization and Downtown Revitalization programs will remain as competitive set-asides to the Allocation program, and communities can only apply for these funds in the program year in which they receive Allocation funds. Additionally, OCD encourages communities receiving an Allocation to use Allocation funds as leverage for competitive and open cycle applications. OCD redesigned the Critical Infrastructure program to allow all eligible Community Development program grantees to apply on an open cycle basis regardless of the year of Allocation funding. OCD is developing its rating parameters for this program and will consider how to weight projects in communities not receiving an Allocation.

**Comment:** A comment was received that opposed the proposed reduction in the Allocation Program and increase to the competitive set-aside funds as this proposed change would not benefit counties with larger populations.

**Response:** The formula by which the Allocation is calculated did not change for PY 2017. Therefore, communities with larger low- and moderate-income (LMI) populations will still receive larger allocations than small communities and communities with small LMI populations. The reduction in Allocation funds for communities with larger populations can be off-set with application to competitive set-aside and open cycle programs. Larger communities often have more benefit areas around which to structure competitive projects. Larger communities also can structure more impactful projects by demonstrating a larger number of beneficiaries. Additionally, larger communities often have more staff capacity for planning, project structuring, and administration, all of which are reviewed favorably in making funding decisions for competitive awards.

**Comment:** Support for the CDBG Downtown Revitalization Grant Program has been received. The program helps remove slum and blight and improves the downtown by creating jobs and LMI housing.

**Response:** OCD has set-aside approximately 50 percent of its CDBG funds for the CD Program, which includes a competitive DT Revitalization Program. OCD also sets funds aside for a Target of Opportunity Program. Rehabilitation of historic buildings is one of the eligible activities.

### **Comments and Responses on the Draft PY 2017 National Housing Trust Fund Allocation Plan**

OCD held a Public Hearing on the Draft PY 2017 National Housing Trust Fund Allocation Plan on June 29, 2017, which marked the beginning of the 14-day public comment period. There were no comments received.

Lowering Barriers to Housing. Commenter recommended the Allocation Plan award points to developments that "show leniency and flexibility" to prospective tenants with limited criminal histories. The Allocation Plan requires NHTF recipients to conform to HUD's April 4, 2016, guidance regarding the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions. This is a minimum requirement applicable to all recipients.

Operating Subsidies. Commenter inquired on the status of a NHTF-supported operating subsidy program. Based on the relatively low Program Year 2017 NHTF funding allocation and per recommendation of the original NHTF Advisory Committee, Ohio is not pursuing an operating subsidy program at this time but agrees that it is a valuable proposal worthy of future consideration when sufficient resources are committed to Ohio's NHTF

program. OHFA anticipates reviewing this proposal further when the annual NHTF allocation exceeds \$10 million.

Deeper Income Targeting. Commenter recommended the Allocation Plan award points to developments that support deeper income targeting. In the final draft of the Allocation Plan, the “Rent Affordability in Addition to Minimum Requirements” category was expanded to include additional points for income targeting households at the 15 percent of Area Median Income level.

**Attachment D:**

**Additional Resources for Housing, Homeless and Supportive Services\***

Agency	Program	Beneficiary Type					Activity Type							
		Owner	Home-buyer	Renter	Home-less	Special Needs(1)	Acquire Only	New Const.	Rehabilitation	Weatherization/Repair	Transitional Hsg.	Homeless Prevention	Rental Asst.	Support Services
OHFA	Housing Development Loan Program	x		x			x	x	x					
Ohio Dept. of Aging	Resident Service Coordinator Program			x		x								x
OHFA	Housing Credit Program			x				x	x		x			
OHFA	Single Family Mortgage Revenue Bond Program		x				x							
OHFA	Mortgage Credit Certificate Program		x				x							
OCA	Home Weatherization	x		x						x				
OCA	Home Energy Assistance Program	x		x										x
ODA	Home Repair and Modification Program	x							x					
OCS	Community Services Block Grant				x							x		x
United Way					x							x		x
FEMA	Emergency Food and Shelter Program				x							x		
ODE	Education of Homeless Youths				x							x		x
ODJFS	Title 20				x									x

Agency	Program	Beneficiary Type					Activity Type							
		Owner	Home-buyer	Renter	Home-less	Special Needs(1)	Acquire Only	New Const.	Rehabilitation	Weatherization/Repair	Transitional Hsg.	Homeless Prevention	Rental Asst.	Support Services
ODODD	Community Capital Assistance Grants				x	x	x		x			x		
ODODD	Supported Living Program				x	x						x	x	x
ODODD	Purchase of Service				x	x						x		x
ODMHAS	Community Capital Funding Program					x	x	x						
ODMHAS	Residential Services Program				x	x						x		x
ODMH	PATH Program				x	x						x		x
CDFF	Linked Deposit Program		x	x			x	x	x					
CDFF	Pre-Development Program		x	x			x	x	x					
USDARD	Section 502 Single Family Housing - Direct		x				x	x						
USDARD	Guaranteed Rural Housing		x				x	x						
USDARD	Section 504 Rural Housing Loans and Grants		x						x					
USDARD	Section 515 Rural Rental Housing			x				x	x					
USDARD	Section 533 Housing Preservation Grants		x						x					
Ohio Dept. of Health	Ryan White					x						x		x
ODADAS	HUD Homeless Assistance HUD Homeless Assistance 1996 Continuum of Care						x							x

(1) Special Needs Persons are non-homeless, and may include frail elderly persons, persons with AIDS, and disabled families.

Note: Resources include funds provided through state and federal agencies and foundations.

The non-OCD funds listed have been significantly utilized by OCD grantees. There are funds utilized by OCD grantees that are not listed on this matrix.

## Additional Resources for Economic Development\*

Agency	Program	Geography	Activity Type					Financing Type	
			Machinery & Equipment	New Construction	Rehabilitation	Infrastructure	Training & Tech. Support	Tax Credit / Abatement	Direct Assistance
ODSA	Road Work Development Fund - 629 Account	Statewide				x			
ODSA	Enterprise Zones	State Enterprise Zones						x	
ODSA	166 Loan Program	Statewide	x	x	x				x
ODSA	166 Regional Loan Program	Statewide	x	x	x				x
ODSA	Business Development - 412 Program	Statewide	x			x			x
ODSA	Ohio Enterprise Bond Fund	Statewide	x	x	x				x
OSDC	Small Business Admin. 504 Loan Program	Statewide	x	x	x				x
OSDC	Small Business Admin. 7(A) Loan Guaranty	Statewide	x	X	x				x
EDA	Economic Development Grant Programs	Statewide		x	x	x	x		x
GOA	Appalachia Regional Commission	Appalachian Counties		x	x	x	x		x
USDARD	Rural Business Enterprise Grants	Rural Areas/Cities < 50,000	x	x		x	x		x
USDARD	Business & Industrial Guaranteed Loans	Rural Areas/Cities < 50,000	x						x
USDARD	Intermediary Relending Program	Rural Areas < 25,000	x	x	x	x	x		x
OWDA	Issue 2	Statewide				x			x
ODOT	Various Programs	Statewide				x			x

(1) Note: There is a maximum amount of funds that may be used for Training & Technical Support activities.

Note: Resources include funds provided through federal agencies and other state agencies.

The non-OCD funds listed have been significantly utilized by OCD grantees. There are funds utilized by OCD grantees that are not listed on this matrix.

## Additional Resources for Community Development\*

Agency*	Program	Eligible Geographic Area	Activity Type						
			Public Facilities				Community Facilities	Private Rehabilitation	Public Services
			Streets	Water & Sewer	Flood & Drainage	Other			
USDARD	Community Facility Guaranteed Loans	Small Towns/Rural Areas	x			x	x		
USDARD	Community Facility Loans	Small Towns/Rural Areas	x			x	x		
USDARD	Water & Waste Disposal Loans & Grants	Small Towns/Rural Areas		x					
USDARD	Solid Waste Management Grants	Small Towns/Rural Areas		x					
USDARD	Water & Waste Disposal	Small Towns/Rural Areas		x					
OWDA & OEPA	Ohio Water Pollution Control Loan Fund	Statewide		x		x			
OWDA	Construction Loans	Statewide		x					
OWDA	Planning Loans	Statewide		x					
OWDA & OEPA	OWDA Two Percent Hardship Drinking Water Loans	Statewide		x					
OEPA	Municipal Wastewater Assistance Program	Statewide		x					
ODNR	Grant and Loan Programs	Statewide		x	x	x			x
OPWC	State Capital Improvements Program (Issue 2)	Statewide	x	x	x	x			
OPWC	Local Transportation Improvements Program (Issue 2)	Statewide	x						
GOA	Appalachia Regional Commission	Appalachian Counties	x	x	x	x	x		x
ODOT	Various Programs	Statewide	x						

Note: Resources include funds provided through federal agencies and other state agencies.

The non-OCD funds listed have been significantly utilized by OCD grantees. There are funds utilized by OCD grantees that are not listed on this matrix.

**Attachment F:**



**Development  
Services Agency**

# **Program Year 2017 Ohio Consolidated Plan National Housing Trust Fund Allocation Plan**

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**July 2017**

Prepared By:  
Ohio Development Services Agency  
Community Services Division  
Office of Community Development

**John R. Kasich, Governor of Ohio**  
**David Goodman, Director**  
Ohio Development Services Agency

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## Introduction

### NHTF Overview

The National Housing Trust Fund (NHTF) was established by Title I of the Housing and Economic Recovery Act of 2008 (HERA), Section 1131 (Public Law 110-289) to increase and preserve rental housing as well as increase homeownership for very low- and extremely low- income families, including those experiencing homelessness, through formula grants to states. HERA authorized Fannie Mae and Freddie Mac (the GSE's) to set aside 4.2 basis points of unpaid principal purchases. 65 percent of those set asides are dedicated to the National Housing Trust Fund while the remaining 35 percent is reserved for the Capital Magnet Fund. Contributions to the NHTF were originally scheduled to begin in FY2010 but suspended following the GSE's conservatorship. In December 2014, the GSEs were instructed to set aside NHTF funds beginning in FY2015.

HERA did not make the labor standards of Davis-Bacon applicable to the NHTF and the U.S. Department of Housing and Urban Development (HUD) did not require Davis-Bacon labor standards in the NHTF Final Rule. The Affirmatively Furthering Fair Housing requirements applicable to HUD funding recipients and all fair housing laws do apply to NHTF activities, including HUD's April 4, 2016, guidance regarding the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions.

On February 8, 2016, Governor Kasich sent a designation letter to HUD Secretary Julian Castro identifying the Ohio Development Services Agency (ODSA) as Ohio's NHTF administrator and the Ohio Housing Finance Agency (OHFA) as the allocating entity. HUD interpreted this designation to name ODSA as the grantee and OHFA as the subgrantee. OHFA will not subgrant any NHTF funds. In June 2017, HUD published the Housing Trust Fund Allocation Notice, making \$5,511,230 available to Ohio in Program Year 2017.

The state of Ohio is required to submit an annual allocation plan for ODSA, as well as an annual action plan for the subgrantee OHFA. This NHTF Allocation Plan will serve as the ODSA NHTF Allocation Plan. The final submittal will include both ODSA's and OHFA's NHTF Allocation Plans. The grant agreement, which outlines the requirements of the subgrantee has been included in Attachment A.

### Ohio's NHTF Planning Process

**Original Allocation Plan:** A NHTF Public Forum was held on February 25, 2016, to discuss implementing Ohio's expected allocation. The forum was attended by federal, state, and local agencies; advocacy organizations; and members of the development community. Following the Public Forum an open invitation encouraging interested parties to attend three Advisory Group Work Sessions was posted online. Held between March and May 2016, these sessions identified and refined the following public objectives for the NHTF: achieving lower rents in Housing Tax Credit properties, allocating dollars to support non-Housing Tax Credit multifamily developments, and preserving existing affordable housing through the leveraging of 4 percent Housing Tax Credits. The Advisory Group did not recommend preferences or limitations to a particular segment of extremely- or very-low income households; accordingly, Ohio does not intend to limit beneficiaries or give preferences to a particular segment of the extremely low income population in its NHTF program.

With this information, ODSA submitted a draft Allocation Plan for posting to ODSA's website commencing the formal comment period on June 24, 2016. A public forum on the draft Allocation Plan was held on June 21, 2016, and a public hearing was held on June 26, 2016. In response to the feedback received through these public comment opportunities, a final Allocation Plan was completed, revised to incorporate HUD suggestions, and received HUD approval on December 30, 2016.

**Program Year 2017 (PY17) Updates:** This PY17 Allocation Plan builds upon the original allocation plan to implement best practices identified in operations of the NHTF program and to incorporate changes and revisions necessary to comply with the Interim Rule or HUD approval requirements. This PY17 Allocation Plan was released for public comment on June 22, 2017, and was the subject of a Public Hearing on June 29, 2017. The final draft was submitted to HUD for approval on or around August 1, 2017.

Note that all NHTF activities must adhere to the requirements of 24 CFR Part 93; to any extent this Allocation Plan conflicts with that Interim Rule, the Rule shall govern. These guidelines may be subject to change pending developments in federal and state legislative requirements and/or ODSA policy. All awards are contingent upon the availability of funds to the ODSA's Office of Community Development.

Questions concerning the NHTF should be directed to:

Office of Community Development  
Riffe Center, 26<sup>th</sup> Floor  
77 South High Street  
Columbus, Ohio 43215  
Phone: (614) 466-2285  
[lan.thomas@development.ohio.gov](mailto:lan.thomas@development.ohio.gov)

Also See: §93.303(d)(3)

### **Ohio Consolidated Plan Housing Needs**

As a formula block grant, NHTF allocations must be made in accordance with Ohio's Consolidated Plan (ConPlan). ODSA, through a public input process, develops the five-year ConPlan to identify affordable housing and community development needs and implements a framework to address those needs.

As articulated in the ConPlan, the goal of the Housing Development Assistance Program (HDAP) is "to support the capacity of housing development organizations and to provide financing for eligible housing developments to expand the supply of decent, safe, affordable housing for very low-income to moderate-income persons and households in the state of Ohio." HDAP and, through it, NHTF complement and advance the following policy objectives identified in the Program Year 2015-2019 ConPlan:

1. **Homeless and Supportive Housing.** Provide a continuum of housing/services to prevent persons from becoming homeless and rapidly re-housing persons when homelessness does occur.
2. **Housing Preservation and Accessibility.** Provide funding for a flexible, community-wide approach to preserving and making accessible affordable owner and rental housing for low- and moderate-income households by bring the housing unit up to program standards and codes, eliminating hazards and deficiencies in major systems, and reducing maintenance cost.
3. **Creating New Affordable Housing Opportunities.** Provide funding for a flexible, community-wide approach to creating new affordable housing opportunities for low- and moderate-income persons.
4. **Supportive Housing/Fair Housing.** Provide supportive housing services to assist lower-income households with acquiring or maintaining housing.

Also See: 24 CFR §91.101

## Distribution of Funds

### Description of Distribution of Funds

Ohio was allocated \$5,511,230 in Program Year 2017. As permitted by the Interim Rule, up to \$551,123.00 will be used to offset administrative costs. All programmatic funds will be distributed through OHFA's existing Housing Development Assistance Program. Subject to applicant demand and qualification, OHFA anticipates the following subcategories of NHTF assistance will be issued through HDAP:

- \$3,000,000 Bond Gap Financing (BGF).
- \$1,960,107.00 Housing Development Gap Financing (HDGF).

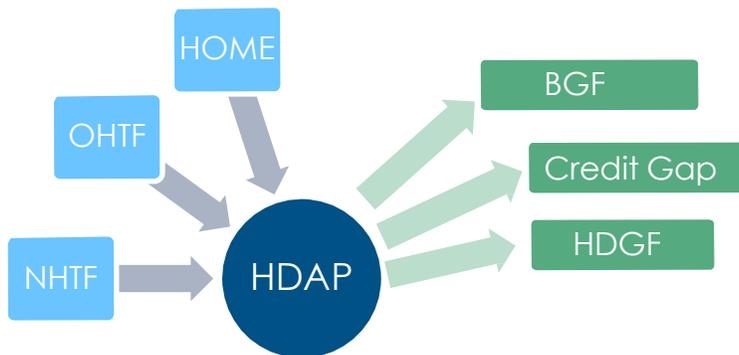
Applicants must meet all eligibility criteria for an HDAP award through the Ohio Housing Trust Fund (OHTF) or HOME program; however, applicants are not required to obtain OHTF or HOME funding in order to qualify for a NHTF award. OHTF/HOME HDAP sections of the application will be scored before NHTF.

HDAP funds are awarded on a competitive basis. Final awards are based upon project need. It is OHFA's intention that NHTF funds will be used to expand the overall number of housing units available to the Extremely Low Income (ELI) population and to prevent supplantation of existing resources that are already creating ELI units. Therefore, OHFA reserves the right to reject any application that does not appear to contribute to increasing the number of ELI units.

Due to the limited availability of funds, NHTF will be limited to one award per developer and one award per county in Program Year 2017, unless no feasible alternatives exist. Applicants may apply for the following maximum NHTF award amounts:

Program	HOME/OHTF	NHTF Max	Total HDAP Award
BGF	\$1 - \$1,000,000	\$500,000	\$1,500,000
BGF	\$0	\$750,000	\$750,000
HDGF	\$500,000	\$750,000	\$1,250,000

Awarded funds are structured as a deferred loan with payment due on sale. The mandatory rental affordability period and the loan term are 30 years. The interest rate is 0.00%.



If there are insufficient qualifying applications to commit the full NHTF award through BGF or HDGF, any remaining funds will be distributed through the Housing Credit Gap Financing program.

All HDAP funds, including those utilizing NHTF, must receive approval from the OHFA Board.

See: §91.220(5)(B), §93.200

## **Eligible Activities**

NHTF funds may be used for the production, preservation, and rehabilitation of affordable rental housing. This specifically includes but may not be limited to new construction, reconstruction, or rehabilitation of non-luxury housing with suitable amenities, including real property acquisition, site improvements, conversion, demolition, financing costs, and relocation expenses of any displaced persons. NHTF funds may only be used for public housing in limited circumstances. See 24 CFR §93.203 for further information.

Due to the limited amount of funding available in the 2017 funding cycle, Ohio's NHTF funds are not available for operating subsidies or to refinance existing debt secured to rental housing units.

All NHTF activities must meet minimum standards as set forth in the [HDAP Consolidated Program Guidelines](#), the [Multifamily Program Guide](#), and the [Multifamily Underwriting Guidelines](#). Awardees must adhere to the standards set forth in OHFA's [Uniform Relocation Documents](#) to minimize displacement of residents during rehabilitation activities.

Minimum rehabilitation standards are governed by the [Housing Rehabilitation Handbook Part II](#) as issued by ODSA. This guide includes standards for:

- Health and safety;
- Major systems;
- Lead-Based Paint;
- Accessibility;
- Disaster Mitigation;
- State and local Codes, Ordinances, and Zoning Requirements; and
- Inspectable Areas and Observable Deficiencies from HUD's Uniform Physical Condition Standards identified by HUD as applicable to NHTF-assisted housing.

NHTF funded housing must meet the accessibility requirements in 24 CFR part 8, which implements section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. For "Covered multifamily dwellings," as defined at 24 CFR 100.201, the housing must meet the design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619). Note that NHTF funds may be used for improvements that permit use by a person with disabilities, even if they are not required by statute or regulation.

If the remaining useful life of one or more major system is less than the affordability period, NHTF recipients will be required to establish a replacement reserve and make monthly payments to the reserve that are adequate to repair or replace the systems as needed.

Rental housing owners may limit tenants or give a preference in accordance with 24 CFR §93.303(d)(3) only to the extent such a preference complies with all fair housing requirements and is described in the ConPlan.

Also See: §91.220(5)(B-H), §93.200, §93.320(k)(5), §91.301, §93.301(b)(1)(ii)

## **Maximum Per-Unit Development Subsidy**

NHTF may not be used in connection with luxury housing. NHTF expenditures must be reasonable and based on actual costs. The maximum per unit development subsidy shall be the same as the HOME maximum per unit subsidy limit as determined by HUD. See §221(d)3 – 234 for further information. These limits vary by bedroom and, in some program years, geographic location. The 2016 HOME Program limits are specifically incorporated herein and set forth below:

<b>Efficiency</b>	<b>1br</b>	<b>2br</b>	<b>3br</b>	<b>4br</b>
<b>\$137,361.60</b>	\$157,466.40	\$184,276.80	\$247,708.80	\$271,908.00

The designation of HOME maximum per-unit subsidy limits is justified, reasonable, and appropriate under the NHTF Interim Rule. The decision to use the HOME subsidy limits is reinforced by internal analysis of the total development costs of affordable multifamily rental housing properties in Ohio from 2010-2015. Despite significant differences between individual projects, the data showed relatively little geographic variation. There was only an 11 percent difference in average development costs amongst our three largest counties; similarly, there was only a 13 percent difference between the average of the three largest counties and the balance of our smaller areas. Accordingly, the data do not support consistently higher development costs in some geographic areas over others.

Setting the NHTF maximum per-unit subsidy limits at the existing HOME limits is allowed by HUD and cost data indicate the use of the HOME limits is appropriate as the initial baseline cap for the amount of NHTF investment that may be put into any NHTF-assisted unit. However, it is important to note that the cap is not the only mechanism OHFA will use to allocate no more NHTF funds than allowable and necessary for project quality and affordability. Each application for NHTF funding will be reviewed and analyzed in accordance with OHFA’s Multifamily Underwriting Guidelines. Further, OHFA staff has extensive experience in this area, including through its allocation and administration of the HOME Program. The review includes an examination of sources and uses (including any operating or project based rental assistance) and a determination that all costs are reasonable. Through its underwriting process, OHFA will ensure that the level of NHTF subsidy provided: 1) does not exceed the actual NHTF eligible development cost of the unit, 2) that the costs are reasonable and in line with similar projects across the state, 3) the developer is not receiving excessive profit, and 4) NHTF funding does not exceed the amount necessary for the project to be successful for the affordability period.

Also See: §91.300, §93.320(k)(5)

**First Time Homebuyer**

Ohio does not intend to use any NHTF funds for homebuyer activities in the 2017 funding cycle. As such, there are no applicable resale, recapture, or affordability provisions related to homebuyer activities.

§91.220(5)(E-F), §93.320(5)(v-vi), §93.304(f), §93.305

**Eligible Applicants**

Eligible applicants include private for-profit housing developers, not-for-profit 501(c)(3) and 501(c)(4) organizations, and public housing authorities. Additional eligibility criteria are set forth in the [HDAP Consolidated Program Guidelines](#) and incorporated herein. Applicants must qualify meet all HDAP eligibility criteria to qualify for HDAP funding through NHTF.

Applicants must demonstrate sufficient experience and capacity to:

- own, construct, rehabilitate, manage, and operate affordable multifamily rental housing;
- undertake, comply, and manage eligible NHTF activity; and
- manage other programs that may be used in conjunction with NHTF funds including, but not limited to, HDAP.

Applicants must make acceptable assurances that it will comply with the requirements of the NHTF program during the entire program period.

## Application Requirements

### HDGF Application Fee

For applicants seeking NHTF funding in concert with a HDGF proposal, a \$3,000 NHTF Final Application fee will be assessed in addition to all other fees set forth in the Consolidated Gap Guidelines

### Threshold Requirements

Applicants must submit a qualifying HDAP application and meet all requirements of that program. Refer to the HDAP Consolidated Program Guidelines for further information.

Applicants must complete a NHTF Supplemental Application. The Supplemental Application will collect the following mandatory information; failure to respond to or satisfy these threshold requirements will result in removal from NHTF consideration.

- a. Experience and Capacity
- b. Project Feasibility
- c. Description of eligible activities to be conducted with NHTF funds
- d. Statement describing how the application meets the priority housing needs of the State
- e. Statement describing developer's ability to obligate and implement in a timely manner
- f. Statement describing how the project meets state housing needs
- g. Statement describing if/how NHTF units will be integrated with higher income units
- h. Statement describing potential for resident success
- i. Statement describing method for achieving affordability
- j. Statement describing tenant recruitment and selection process
- k. Certification of Compliance with all NHTF requirements

In no case shall rent plus utilities on any NHTF-assisted unit(s) exceed 30 percent of Area Median Income (AMI). In addition to other HDAP affordability requirements<sup>1</sup>, NHTF funded projects must also commit to providing affordable rents to extremely low income households. Above OHTF/HOME requirements, the greater of the following must also be provided to qualify for a NHTF award:

- 10 percent of affordable units will be rent restricted at 30 percent of 30 percent AMI
- 5 units will be rent restricted at 30 percent of 30 percent AMI

All NHTF rent restrictions must be reflected in the Gap Financing Application. OHFA encourages all attempts to reduce rents below the 30 percent of AMI minimum requirements. If an applicant does not qualify, or is not selected for NHTF funding, OHFA will reevaluate the budget for HDAP funding through OHTF/HOME with or without the additional NHTF rent restrictions and applicants may amend the budget accordingly at the final application.

Recipients of NHTF funds must consider mitigating criteria in deciding whether to select any tenant in the development, including but not limited to regarding the following circumstances:

1. Tenant-applicants lacking proof of employment and/or income at three or more times the monthly cost of rent;
2. Tenant-applicants with no credit history; and
3. Tenant-applicants with an eviction history.

Also See: §91.220(5)(B), §93.250, §93.302(b)(1)(i), §93.320(5), §91.320(k)(5)(ii)

<sup>1</sup> All HDAP developments must commit to one of the following selections, based on the location of the proposed project: (A) HUD Participating Jurisdiction: A minimum of 40 percent of the affordable units must be affordable to households with incomes at or below 50 percent of AMI (B) Non-HUD Participating Jurisdiction: A minimum of 35 percent of the affordable units must be affordable to households with incomes at or below 50 percent of AMI

NHTF Recipients must adhere to all guidance contained in HUD’s [Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions](#) including but not limited to prohibitions on exclusionary policies based on arrests without convictions and requirements to consider mitigating circumstances for conviction records.

**Competitive Requirements**

In addition to threshold criteria, the NHTF Supplemental Application will collect the following competitive scoring information. Points for each criterion will be awarded at the discretion of OHFA. Applications with the highest scores will be selected for funding. For applications including multiple or scattered sites, all sites must meet competitive criteria to earn points.

Each of the following competitive criteria are designed to provide priority funding for rental projects based on the merits of the application meeting the priority housing needs identified in the ConPlan including the presence of substandard housing, severe overcrowding, and cost burdened residents.

Category	Points	Point Breakdown
Rent Affordability in Addition to Minimum Requirements	30	30 Pts – Additional 10% units affordable at or below 15% AMI
		20 Pts – Additional 10% units affordable at or below 30% AMI
		10 Pts – Additional 5% units affordable at or below 30% AMI
Geographic Diversity <sup>2</sup>	30	30 Pts – Opportunity Index Rating “Very High”
		20 Pts – Opportunity Index Rating “High”
		10 Pts – Opportunity Index Rating “Moderate”
Affordability Leveraging	20	20 Pts – Commitment of one of the following subsidies on 100% of NHTF-assisted units:
		• Section 8 or Rural Development Rent Subsidy
		• New Units with 811 Rent Subsidy
		• Other local, state, or federal subsidy as determined by OHFA that limits tenant rental contribution to 30% of gross household income
		15 Pts – Commitment of one of the above subsidies on at least 50% of total units in the development
10 Pts – Commitment of one of the above subsidies on at least 25% of total units in the development		
Local Leveraging	10	5 Pts – >50% Financing is from non-federal <sup>3</sup> sources 5 Pts – Project does not request OHTF/HOME HDAP
Duration of Affordability Period	5	5 Pts – Budget demonstrates positive or breakeven cash flow through year 30
Meeting Priority Housing Needs	5	5 Pts – Proposal “Preserves Affordable Housing” or “Creates New Affordable Housing Opportunities” (defined ConPlan goals to meet priority housing needs of the State)

Also See: §91.220(5)(A), §93.320(5)(i), §91.320(k)(5)(i)

<sup>2</sup> This geographic distribution priority is consistent with Ohio’s ConPlan and the certification that Ohio will affirmatively further fair housing. The Opportunity Mapping Tool and additional information is available on OHFA’s website at <https://ohiohome.org/ppd/opportunitymap.aspx>.

<sup>3</sup> Non-Federal Funding Sources include but are not limited to equity, OHTF, private debt, Federal Home Loan Bank’s Affordable Housing Program, foundations, In-kind donations, tax abatements, and other state and local resources.

### **Priority Funding Based on Merits in Meeting Housing Need**

In the event of a tie score, the following waterfall of creative and innovative elements or increased affordability standards, each designed to meet priority housing needs identified in the ConPlan, will determine funding priority:

1. Developments seeking Ohio 811 Project Rental Assistance Program rental subsidy
2. Developments that receive the most points under the Geographic Diversity category
3. Developments with other funding requiring affordability restrictions beyond 30 years
4. Developments with the most units affordable at or below 30 percent AMI
5. Developments offering units with 3+ bedrooms that are affordable at or below 30 percent AMI

Also See: §91.220(5)(A), §93.320(5)(i) , §91.320(k)(5)(i)

### **Submission Instructions**

Submissions will flow through the HDAP program. All applicants must submit a complete HDAP application and a NHTF Supplemental Application. Please see the HDAP Consolidated Program Guidelines for full application instructions.

### **Contract Execution & Draws**

All recipients of NHTF must execute an agreement, as drafted by OHFA, that meets the requirements of 24 CFR §93.404. A [Guide to Drawing the HDAP](#) was created to assist applicants as they work with OHFA staff during the construction phase.

### **Performance Goals & Benchmarks**

OHFA expects that in Program Year 2017, NHTF will support six new or preserved housing developments and will create at least 100 units with rents that do not exceed 30 percent of 30 percent AMI and are therefore affordable to extremely low income families. Recipients of NHTF funds will be responsible for compliance with applicable reporting, file and physical inspections, and record keeping requirements described in guidance published on the [OHFA Office of Program Compliance](#) website.

Also See: §93.320(k)(5)(iii), §91.220(5)(C)

STATE OF OHIO  
«FUNDING»  
«PROGRAM\_NAME»  
CFDA No. «CFDA»

GRANT AGREEMENT

F.T.I. Number: «FTI\_Number»

Grant Number: «Grant\_Number»

This Grant Agreement (the "Agreement") is made and entered into between the Ohio Development Services Agency, located at 77 South High Street, P.O. Box 1001, Columbus, Ohio 43216-1001 (the "Grantor"), and «Legal\_Name», located at «Address», «City», «State» «Zip», (the "Grantee"), for the period beginning «Grant\_Start\_Date» and ending «Grant\_End\_Date» (the "Grant Period").

BACKGROUND INFORMATION

A. Pursuant to the provisions of the Cranston-Gonzalez National Affordable Housing Act (NAHA), as amended, (the "Act"), the United States Department of Housing and Urban Development ("HUD") has been authorized by the Congress of the United States to make grants to states through the HOME Investment Partnerships Program ("HOME") and has made available a grant to the State of Ohio through Grantor.

B. Grantor, through its Division of Community Services, has been designated and empowered to receive, administer and disburse HOME funds for housing activities to units of general local government in Ohio.

C. Grantee has submitted to Grantor an application, which is not attached hereto but is incorporated herein by reference as if fully set forth herein, to Grantor setting forth a list of activities (herein referred to individually as "Project" or collectively as "Projects"), and Grantor has approved the Project(s).

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants hereinafter set forth, the parties hereby agree as follows:

STATEMENT OF THE AGREEMENT

1. Award of Grant Funds. Grantor hereby grants funds to Grantee in the amount of «Amount» (the "Grant Funds"), for the sole and express purpose of providing for the performance of the «Program\_Name», and undertaking the Project(s) as listed in Attachment A, "Scope of Work," which is attached hereto, made a part hereof, and incorporated herein by reference. The award of the Grant Funds shall be contingent upon the special conditions set forth in Attachment B, attached hereto, made a part hereof and incorporated herein by reference, which must be complied with in full.

2. Scope of Work. Grantee shall undertake the Project(s) as listed in Attachment A and the application. Grantor may, from time to time, as it deems appropriate and necessary, communicate specific instructions and requests and provide guidance and direction to Grantee concerning the performance of work described in this Agreement. Within a reasonable period of time, Grantee shall comply with such instructions and fulfill such requests to the satisfaction of Grantor. These instructions and requests are to ensure the satisfactory completion of the work contemplated under this Agreement.

3. Use of Grant Funds. The Grant Funds shall be used solely for the stated purposes set forth in this Agreement and Attachment A, and the expenditures shall be supported by contracts, invoices, vouchers and other data as appropriate, including the reports listed in accordance with the schedule set forth in Attachment C, which is attached hereto, made a part hereof and incorporated herein by reference, evidencing the costs incurred. Any and all interest earned on the Grant Funds shall be remitted to the US Department of Housing and Urban Development (HUD), as specified by Grantor. If the Grant Funds are not expended in accordance with the terms, conditions and time period set forth in this Agreement or the total amount of the Grant Funds exceeds the eligible costs of the Project(s), the amounts improperly expended or not expended shall be returned to Grantor within 30 days after the expiration or termination of this Agreement. Grantee shall not pledge the Grant Funds as security for any loan or debt of any kind other than that described in this Agreement. Grantee shall require delivery before payment is made for purchased goods, equipment or services unless the Grantee obtains satisfactory security from the vendor.

4. Term. The parties agree that the term of this Agreement shall be the Grant Period. Grantee shall not incur any expenses to be reimbursed with the Grant Funds except during the Grant Period.

5. Payment of Grant Funds. Payment to Grantee of the Grant Funds shall be made upon the timely submission to Grantor of a "Request for Payment and Status of Funds Report" as listed in Attachment B, which is attached hereto, made a part hereof and incorporated herein by reference. Grantor reserves the right to suspend payments should Grantee fail to provide required reports in a timely and adequate fashion or if Grantee fails to meet other terms and conditions of this Agreement.

6. **Accounting of Grant Funds.** Grant Funds shall be deposited and maintained in a separate fund account upon the books and records of Grantee (the "Account"). Grantee shall keep all records of the Account in a manner that is consistent with generally accepted accounting principles. All disbursements from the Account shall be for obligations incurred in the performance of this Agreement and shall be supported by contracts, invoices, vouchers, and other data, as appropriate, evidencing the necessity of such expenditure. Grantor may withhold payment requests if Grantee fails to comply with the above requirements until such compliance is demonstrated.

7. **Reporting Requirements.** Grantee shall submit to Grantor the reports required in Attachment C. All records of the Grantee shall be maintained in accordance with the Office of Community Development Financial Management Rules and Regulations Handbook (the "Handbook"), which is not attached hereto but is incorporated herein by reference. The Handbook is available for review at: [http://development.ohio.gov/cs/cs\\_fiscalforms.htm](http://development.ohio.gov/cs/cs_fiscalforms.htm).

8. **Grantee Requirements.** Grantee shall comply with assurances and certifications contained in Attachments D and E, which are attached hereto and made a part hereof.

9. **Records, Access and Maintenance.** Grantee shall establish, and physically control for at least three years from the final close out of this Agreement such records as are required by Grantor, including but not limited to, financial reports, intake and participant information, program and audit reports. The parties further agree that records required by Grantor with respect to any questioned costs, audit disallowances, litigation or dispute between Grantor and Grantee shall be maintained for the time needed for the resolution of any such issue. If for any reason Grantor shall require a review of the records related to the Project(s), Grantee shall, at its own cost and expense, segregate all such records related to the Project(s) from its other records of operation.

10. **Inspections.** At any time during normal business hours upon three days prior written notice and as often as Grantor may deem necessary and in such a manner as not to interfere unreasonably with the normal business operations, Grantee shall make available to Grantor, and to appropriate state agencies or officials, for examination, all of its records with respect to matters covered by this Agreement including, but not limited to, records of personnel and conditions of employment and shall permit Grantor to audit, examine and make excerpts or transcripts from such records.

11. **Audits.** An audited Grantee shall submit to the Federal Audit Clearinghouse and make available for public inspection a copy of the audit, data collection form and reporting package as described in C CFR 200 Subpart F – Audit Requirements within the earlier of 30 days after receipt of the auditor's report(s) or nine months after the end of the audit period. In addition Grantees must notify the Grantor when their audit reporting package is submitted to the Federal Audit Clearinghouse. Notification should be sent to [singleaudit@development.ohio.gov](mailto:singleaudit@development.ohio.gov) and must take place within seven (7) days following submission of the reporting package to the Federal Audit Clearinghouse. In lieu of or in addition to the notification, Grantees may electronically submit their single audit report to [singleaudit@development.ohio.gov](mailto:singleaudit@development.ohio.gov) or mail one copy of the single audit report to Special Projects Coordinator, Audit Office, P. O. Box 1001, Columbus, Ohio 43216-1001.

12. **Equal Employment Opportunity.** Grantee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, disability, age, military status, or ancestry. Grantee will take affirmative action to ensure that applicants are considered for employment and that employees are treated during employment, without regard to their race, religion, color, sex, national origin, disability, age, military status, or ancestry. Grantee will, in all solicitations or advertisements for employees placed by or on behalf of Grantee, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin, disability, age, military status, or ancestry. Grantee will incorporate the requirements of this paragraph in all of its respective contracts for any of the work for which the Grant Funds are expended (other than subcontracts for standard commercial supplies or raw materials), and the Grantee will require all of its subcontractors for any part of such work to incorporate such requirements in all subcontracts for such work.

13. **Prevailing Wage Rates and Labor Standards.** In the commission of any Project(s) wherein federal funds are used to finance construction work as defined in the Code of Federal Regulations (CFR) Title 29, Part 5 to the extent that such activity is subject to the Davis-Bacon Act (40 United States Code (U.S.C.) 3141 to 3148, as amended), all laborers and mechanics employed by contractors or subcontractors on any such construction work assisted under this Agreement shall be paid the wages that have been determined by the U.S. Secretary of Labor to be the wages prevailing for the corresponding classes of laborers and mechanics employed on project(s) of a character similar to the contract work in the civil subdivision of the state wherein the work is to be performed. In addition, all laborers and mechanics employed by contractors or subcontractors on such construction work assisted under this Agreement shall be paid overtime compensation in accordance with the provisions of the Contract Work Hours and Safety Standards Act, 40 U.S.C. 3701 to 3708. Furthermore, Grantee shall require that all contractors and subcontractors shall comply with all regulations issued pursuant to these acts and with other applicable federal and state laws and regulations.

In the event that the construction work to be undertaken does not lie within the purview of the Davis-Bacon Act, and neither the federal government nor any of its agencies prescribes predetermined minimum wages to be paid to mechanics and laborers to be employed in the construction work to be assisted by this Project(s), Grantee will comply with the provisions of Ohio Revised Code (ORC) Sections 4115.03 to 4115.16, inclusive, as applicable, with respect to the payment of all mechanics and laborers employed in such construction work.

14. **Use of Federal Grant Funds.** Grantee acknowledges that this Agreement involves the use of federal funds and as such, is subject to audit by the agency of the United States Government granting the funds to Grantor for the purposes of performing the work and activities as listed in Attachment A. Grantee shall fully indemnify Grantor for any cost of Grantee which is disallowed by said federal agency and which must be refunded thereto by Grantor.

15. **Property and Equipment Purchases.** All items purchased by Grantee are and shall remain the property of Grantee, except if Grantor exercises its right to terminate this Agreement pursuant to paragraph 17, in which case all property and equipment purchased by Grantee with any Grant Funds herein awarded shall revert to Grantor. Grantee shall provide for the security and safekeeping of all items obtained through this Agreement.

16. **Certification of Grant Funds.** None of the rights, duties and obligations described in this Agreement shall be binding on either party until all statutory provisions of the ORC, including but not limited to, Section 126.07, have been complied with, and until such time as all funds have been made available and are forthcoming from the appropriate state agencies.

17. **Termination.**

a. Grantor may immediately terminate this Agreement by giving reasonable written notice of termination to Grantee for any of the following occurrences:

- i. Failure of Grantee to fulfill in a timely and proper manner any of its obligations under this Agreement.
- ii. Failure of Grantee to submit any report required by this Agreement that is complete and accurate.
- iii. Failure of Grantee to use the Grant Funds for the stated purposes in this Agreement.
- iv. Cancellation of the grant of funds from HUD.

b. **Early Termination:** Grantor may also terminate this Agreement if Grantee (i) defaults under another Agreement between the Grantor and/or the Tax Credit Authority and Grantee and/or the Clean Ohio Council, (ii) admits Grantee's inability to pay its debts as such debts become due, (iii) Grantee commences a voluntary bankruptcy, (iv) an involuntary bankruptcy action occurs against Grantee which remains undismissed or unstayed for 60 days, (v) Grantee fails to meet the minimum funding requirements under the Employee Retirement Income Security Act or other such employee benefits plan, or (vi) Grantor has reason to believe Grantee has ceased operations at the Project location. The events permitting early termination by Grantor shall be considered a default by Grantee and subject to the Effects of Termination under Section 18 of this Agreement.

18. **Effects of Termination.** Within 60 days after termination of this Agreement, Grantee shall surrender all reports, documents, and other materials assembled and prepared pursuant to Agreement, which shall become the property of Grantor, unless otherwise directed by Grantor. After receiving written notice of termination, Grantee shall incur no new obligations and shall cancel as many outstanding obligations as possible. Upon compliance with this Section, Grantee shall receive compensation for all activities satisfactorily performed prior to the effective date of termination.

19. **Forbearance Not a Waiver.** No act of forbearance or failure to insist on the prompt performance by Grantee of its obligations under this Agreement, either express or implied, shall be construed as a waiver by Grantor of any of its rights hereunder.

20. **Conflict of Interest.** No personnel of Grantee, contractor of Grantee or personnel of any such contractor, and no public official who exercises any functions or responsibilities in connection with the review or approval of any work completed under this Agreement, shall, prior to the completion of such work, voluntarily or involuntarily acquire any personal interest, direct or indirect, which is incompatible or in conflict with the discharge or fulfillment of his or her functions or responsibilities with respect to the completion of the work contemplated under this Agreement. Grantee shall immediately disclose in writing to Grantor any such person who, prior to or after the execution of this Agreement, acquires any personal interest, voluntarily or involuntarily. Grantee shall cause any such person who, prior to or after the execution of this Agreement, acquires any personal interest, voluntarily or involuntarily, to immediately disclose such interest to Grantor in writing. Thereafter, such person shall not participate in any action affecting the work under this Agreement unless Grantor determines that, in light of the personal interest disclosed, his or her participation in any such action would not be contrary to the public interest.

21. **Liability.** Unless Grantee is an Ohio political sub-division and can prove to Grantor that it is self-insured, Grantee shall maintain liability and property insurance to cover actionable legal claims for liability or loss which are the result of injury to or death of any person, damage to property (including property of Grantor) caused by the negligent acts or omissions, or negligent conduct of Grantee, to the extent permitted by law, in connection with the activities of this Agreement. Furthermore, each party to this Agreement agrees to be liable for the negligent acts or negligent omissions by or through itself, its employees, agents and subcontractors. Each party further agrees to defend itself and themselves and pay any judgments and costs arising out of such negligent acts or omissions, and nothing in this Agreement shall impute or transfer any such liability from one to the other.

22. **Adherence to State and Federal Laws, Regulations.**

a. **General.** Grantee shall comply with all applicable federal, state, and local laws in the performance of Grantee's obligations under this Agreement, the completion of the Project and the operation of the Project as long as Grantee has any obligation to Grantor under this Agreement. Without limiting the generality of such obligation, Grantee shall pay or cause to be paid all unemployment compensation, insurance premiums, workers' compensation premiums, income tax withholding, social security withhold, and any and all other taxes or payroll deductions required for all employees engaged by Grantee in connection with the Project, and Grantee shall comply with all applicable environmental, zoning, planning and building laws and regulations.

b. **Ethics.** Grantee, by its signature on this document, certifies: (1) it has reviewed and understands the Ohio ethics and conflict of interest laws including, without limitation, ORC Sections 102.01 et seq., 2921.01, 2921.42, 2921.421, 2921.43, and 3517.13(I) and (J), and (2) will take no action inconsistent with those laws, as any of them may be amended or supplemented from time to time. Grantee understands that failure to comply with the ethics and conflict of interest laws, is in itself, grounds for termination of this Agreement and the grant of funds made pursuant to this Agreement and may result in the loss of other contracts or grants with the State of Ohio.

23. **Outstanding Liabilities.** Grantee represents and warrants that it does not owe: (1) any delinquent taxes to the State of Ohio (the "State") or a political subdivision of the State; (2) any amount to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (3) any other amount to the State, a state agency or a political subdivision of the State that are past due, whether or not the amounts owed are being contested in a court of law.

24. **Falsification of Information.** Grantee represents and warrants that it has made no false statements to Grantor in the process of obtaining this award of the Grant Funds. If Grantee has knowingly made a false statement to Grantor to obtain this award of the Grant Funds, Grantee shall be required to return all the Grant Funds immediately pursuant to ORC Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to ORC Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC 2921.13(F)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than 180 days.

25. **Public Records.** Grantee acknowledges that this Agreement and other records in the possession or control of Grantor regarding the Project are public records under ORC 149.43 and are open to public inspection unless a legal exemption applies.

26. **Miscellaneous.**

a. **Governing Law.** This Agreement shall be governed by the laws of the State of Ohio as to all matters, including but not limited to matters of validity, construction, effect and performance.

b. **Forum and Venue.** Grantee irrevocably submits to the non-exclusive jurisdiction of any federal or state court sitting in Columbus, Ohio, in any action or proceeding arising out of or related to this Agreement, Grantee agrees that all claims in respect of such action or proceeding may be heard and determined in any such court, and Grantee irrevocably waives any objection it may now or hereafter have as to the venue of any such action or proceeding brought in such court or that such court is an inconvenient forum. Nothing in this Agreement shall limit the right of Grantor to bring any action or proceedings against Grantee in the courts of any other jurisdiction. Any actions or proceedings by Grantee against Grantor or the State of Ohio involving, directly or indirectly, any matter in any way arising out of or related to this Agreement shall be brought only in a court in Columbus, Ohio.

c. **Entire Agreement.** This Agreement, including its exhibits and documents incorporated into it by reference, constitutes the entire agreement and understanding of the parties with respect to its subject matter. Any prior written or verbal agreement, understanding or representation between the parties or any of their respective officers, agents, or employees is superseded and no such prior agreement, understanding or representation shall be deemed to affect or modify any of the terms or conditions of this Agreement.

d. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions of this Agreement.

e. **Notices.** All notices, consents, demands, requests and other communications which may or are required to be given hereunder shall be in writing and shall be deemed duly given if personally delivered or sent by United States mail, registered or certified, return receipt requested, postage prepaid, to the addresses set forth hereunder or to such other address as the other party hereto may designate in written notice transmitted in accordance with this provision.

1. In the case of Grantor, to:

Ohio Development Services Agency  
Office of Community Development  
77 South High Street, P.O. Box 1001  
Columbus, Ohio 43216-1001  
Attn: Deputy Chief

2. In the case of Grantee, to:

«Legal\_Name»  
«Address»  
«City», «State» «Zip»  
Attn: «CEO\_Name», «CEO\_Title»

- f. **Amendments or Modifications.** Either party may at any time during the term of this Agreement request amendments or modifications, as described in the applicable State of Ohio Consolidated Plan Submission. Requests for amendment or modification of this Agreement shall be in writing and shall specify the requested changes and the justification of such changes. The parties shall review the request for modification in terms of the regulations and goals relating to the Project(s). Should the parties consent to modification of this Agreement, then an amendment shall be drawn, approved, and executed in the same manner as the original Agreement.
- g. **Pronouns.** The use of any gender pronoun shall be deemed to include all the other genders, and the use of any singular noun or verb shall be deemed to include the plural, and vice versa, whenever the context so requires.
- h. **Headings.** Section headings contained in this Agreement are inserted for convenience only and shall not be deemed to be a part of this Agreement.
- i. **Assignment.** Neither this Agreement nor any rights, duties, or obligations described herein shall be assigned, subcontracted or subgranted by Grantee without the prior express written consent of Grantor.
- j. **Permissible Expenses.** If "travel expenses," as defined in Ohio Administrative Code Section 126-1-02(the "Expense Rule"), are a cost of the Project and are eligible for reimbursement with Grant Funds, Grantee shall be reimbursed accordingly. Grantee agrees that it shall not be reimbursed and Grantor shall not pay any items that are deemed to be "non-reimbursable travel expenses" under the Expense Rule, whether purchased by the Grantee or Grantor or their respective employees or agents.
- k. **Binding Effect.** Each and all of the terms and conditions of this Agreement shall extend to and bind and inure to the benefit of Grantee, its successors and permitted assigns.
- l. **Survival.** Any provision of this Agreement which, by its nature, is intended to survive the expiration or other termination of this Agreement, including, without limitation, any indemnification obligation, shall so survive and shall benefit the parties and their respective successors and permitted assigns.
- m. **Counterparts; PDF Accepted.** This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Copies of signatures sent by facsimile transmission or provided electronically in portable document format ("PDF") shall be deemed to be originals for purposes of execution and proof of this Agreement.

**Signature:** Each of the parties has caused this Grant Agreement to be executed by its authorized representatives as of the dates set forth below their respective signatures effective as of the Effective Date:

**GRANTEE:**

«Legal\_Name»

«CEO\_Name», «CEO\_Title»

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**GRANTOR:**

State of Ohio  
Development Services Agency

«Director», Director

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

HOME INVESTMENT PARTNERSHIPS PROGRAM  
HOUSING DEVELOPMENT ASSISTANCE PROGRAM (HDAP)

ATTACHMENT B

SPECIAL CONDITIONS

1. **GRANT EXECUTION.** This Agreement must be signed by Grantee's authorized official, approved by its governing body, and returned to the Grantor within 30 working days. Failure to do so may result in the cancellation of this Agreement.
  
2. **ROLES AND RESPONSIBILITIES.**
  - a. **Roles.** Grantor for purposes of the HOME Investment Partnerships Program is considered the Participating Jurisdiction (PJ) by the U.S. Department of Housing and Urban Development (HUD). As the PJ for HOME funding, Grantor is responsible for tracking and reporting the HOME match requirement. However, Grantee must determine which Ohio Housing Trust Fund-funded HDAP projects awarded by Grantee meet the HOME match requirements and report the determinations to Grantor.
  
  - b. **Responsibilities.** Grantee must implement policies and procedures acceptable to Grantor to ensure that proper compliance requirements for HOME-funded projects are met (HOME Program regulations set forth in 24 CFR Part 92 and all other applicable state and federal regulations). Grantor will monitor Grantee to ensure these policies and procedures are followed. These procedures include but are not limited to:
    - i. **Project Review and Funding.** Grantee must ensure compliance with HOME eligibility requirements. Project review and funding eligibility expenditures may only be incurred for those activities contained in Attachment A of this Agreement. In no case may expenditures be incurred for a program or project considered ineligible under 24 CFR Part 92.214 of the HOME Program regulations.
  
    - ii. **Grant Amendments.** Amendments to this Agreement may only be made with prior approval by Grantor.
  
    - iii. **Environmental Review Requirements.** Except for projects and/or sites that qualify for a waiver as described in the September 29, 1998 letter from Community Planning and Development of HUD Columbus to Grantor, Grantee must obtain the appropriate release of funds from Grantor for each funded project prior to allowing recipients to commit any private or federal funds and prior to submitting a draw for HOME funds to Grantor for the funded project.
  
    - iv. **Anti-displacement and Relocation Certification.** Grantee certifies that it will adopt a Residential Antidisplacement and Relocation Assistance Plan and will require its recipients to adopt a Residential Antidisplacement and Relocation Assistance Plan.
  
    - v. **Housing Rehabilitation Activities.** Any and all housing rehabilitation activities must meet or exceed Office of Community Development (OCD) current Residential Rehabilitation Standards (RRS) contained in Part II of the OCD Housing Handbook and comply with Section 8 Housing Quality Standards and state and local housing code requirements as outlined in 24 CFR Part 92.251. The OCD Housing Handbook can be found on the OCD website here: [http://development.ohio.gov/cs/cs\\_affordhousing.htm](http://development.ohio.gov/cs/cs_affordhousing.htm)
  
    - vi. **Four-Year Project Completion.** HOME Investment Partnership-funded projects not completed within four years of the commitment date, as determined by a signature of each party to the written agreement, must be repaid to the Grantor as required in 24 CFR 92.205(e)2. For purposes of complying with this requirement, completion shall mean that all necessary construction work has been completed and the project has received a certificate of occupancy or other local certification indicating that construction or rehabilitation has been completed and the project is ready for occupancy. For owner-occupied rehabilitation projects, completion means that all rehabilitation work has been completed, a final inspection has been performed, and the homeowner has accepted the work, as indicated by a final sign-off.
  
    - vii. **Assessment of Project Underwriting, Developer Capacity, and Market Need.** In accordance with 24 CFR 92.250(b) - prior to the Grantee entering into a legally binding written agreement to provide HOME funds to a HOME activity, the grantee must:
      - Underwrite the project or evaluate the underwriting of another funder;
      - Assess the development capacity and fiscal soundness of the developer; and
      - Examine the neighborhood market conditions to ensure adequate need for each project.

- viii. **Homebuyer Activities.** In accordance with 24 CFR 92.254(a)(3), HOME Investment Partnership-funded homebuyer projects (i.e. Homeownership, New Construction and Acquisition/Rehabilitation/Resale activities) that have not been sold to an eligible homebuyer within nine months of completion must be converted to a HOME rental unit that complies with all HOME requirements found at 24 CFR Part 92, for the period of affordability applicable to such rental units. The homebuyer unit will be considered "sold" if the grantee has a ratified sales contract for the unit within nine months of completing project construction. Completing project construction shall mean that all necessary construction work has been completed and the project has received a certificate of occupancy or other local certification indicating that construction or rehabilitation has been completed and the project is ready for occupancy.
- ix. **CHDO Development Capacity.** The Grantee may not reserve HOME funds to a CHDO for development activities unless it has been determined that the CHDO has staff with demonstrated development experience as required in 24 CFR Part 92.2 (9). The Grantee must ensure that the current CHDO staff has experience developing projects of the same size, scope, and level of complexity as the activities for which HOME funds are being reserved or committed. This requirement applies to all reservations and commitments of CHDO set-aside funds made from the Grantor's HOME allocation in which the CHDO is operating as the developer. The Grantee must provide evidence to the Grantor to certify the CHDO's capacity is sufficient for each project prior to the reservation of funds.
- x. **Affirmative Fair Housing and Marketing.** Grantee will affirmatively further fair housing by conducting an analysis to identify impediments to fair housing choice, take appropriate actions to overcome the effects of any impediments identified through the analysis, and maintain records reflecting the analysis and actions in this regard. Grantee will adopt affirmative marketing procedures and requirements for rental and homebuyer projects containing five or more HOME-assisted units and will comply with the requirements of 24 CFR 92.351.
- xi. **Construction Period Monitoring and Closeout.** Grantee is responsible for managing the day-to-day operations of the HDAP, monitoring the performance of all entities receiving HOME funds from Grantee to assure compliance with the requirements of this part, and taking appropriate action when performance problems arise. By the end of the Grant Period and prior to submitting final Housing Report data to Grantor, Grantee must complete an on-site review and a closeout review of each project.
- xii. **Affordability Requirements.** Grantor and Grantee will enter into a Memorandum of Understanding specifying a Long-Term Compliance and Monitoring Strategy.
- xiii. **Drawdown Requests.** Grantee may not request disbursement of funds under the Agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed.
- xiv. **Reversion of Assets.** Upon expiration of this Agreement, Grantee will transfer to Grantor any HOME funds on hand and any accounts attributable to the use of HOME funds.
- xv. **Other Requirements.** Other responsibilities as are cited in the body of this Agreement.
- xvi. **Debarred, Suspended, or Ineligible Contractors.** Grantee shall not enter into a contract with a contractor listed in the U. S. Government's Excluded Parties List System and will maintain evidence.
- xvii. **Tenant Participation.** If a community housing development organization receives HOME funds through this Agreement, Grantee must have on file the Tenant Participation Plan as described in 24 CFR Part 92.303 of the HOME Program Regulations.
- xviii. **Recipient Agreement.** Grantee must submit to Grantor Board-approved project Executive Summaries, as evidence of a written agreement. Each agreement between Grantee and the HDAP recipient must include a scope of services along with the project data.
- xix. **Executing a Written Agreement.** Before disbursing any HOME funds to any recipient (e.g., for-profit housing developer, nonprofit organization, or a community housing development organization), Grantee must enter into a written agreement with the recipient ensuring compliance with the requirements of 24 CFR Part 92.504 and Attachment B. A funding recipient must also enter into a written agreement before it disburses funds to any recipient. The recipient's agreement remains in effect during the period for affordability under 24 CFR Part 92.252 or 24 CFR Part 92.254, as applicable, or during any period that the recipient has control over HOME funds. Grantee is responsible for ensuring that HOME funds are expended in accordance with all appropriate HDAP requirements. Grantee's use of a recipient does not relieve Grantee of this responsibility.
- xx. **Provisions in Written Agreement.** At a minimum, the written agreement between Grantee and recipient must include provisions concerning the following items:

1. **Use of the HOME Funds.** The agreement must describe the use of the HOME funds, including the tasks to be performed, a time period for completing the tasks, and a budget. These items must be in sufficient detail to provide a sound basis for Grantee to monitor performance under the agreement effectively.
2. **Affordability.** The agreement must require housing assisted with HOME funds to meet the affordability requirements of 24 CFR Part 92.252 or 24 CFR Part 92.254, as applicable, and must require repayment of the funds from the recipient to Grantee, if the project does not meet the affordability requirements for the specified time period. If the owner or developer is undertaking rental projects, the agreement must establish the initial rents and the procedures for rent increases. If the owner or developer is undertaking homeownership projects for sale to homeowners in accordance with 24 CFR 92.254(a), the agreement must set forth the recapture requirements which must be imposed on the housing.
3. **Repayments.** If the recipient is a contractor, nonprofit organization, for-profit housing developer or a community housing organization, OHFA may require the repayment, interest and or any other return on the investment of HOME funds and, if so, will ensure that the returned HOME funds are remitted to Grantee.
4. **Project Requirement.** The agreement must require compliance with project requirements in 24 CFR Part 92 Subpart F, as applicable in accordance with the type of project assisted.
5. **Property Standards.** Any and all housing rehabilitation activities must meet or exceed OCD RRS and comply with Section 8 Housing Quality Standards and state and local housing code requirements as outlined in 24 CFR Part 92.251 and the lead-based paint requirements in 24 CFR part 35, subparts A, B, J, K, M, and R, upon completion.
6. **Housing Quality Standard.** The agreement must require owners of rental housing assisted with HOME funds to maintain the housing in compliance with applicable Section 8 Housing Quality Standards and state and local housing code requirements for the duration of the agreement.
7. **Other Program Requirements.** The agreement must require the recipient to carry out each activity in compliance with all federal laws and regulations described in 24 CFR Part 92 Subpart H, except that the recipient does not assume the PJ's responsibilities for environmental review in 24 CFR Part 92.352 or the intergovernmental review process in 24 CFR Part 92.357.
8. **Affirmative Fair Housing and Marketing.** The agreement must specify the recipient's affirmative marketing responsibilities in accordance with 24 CFR Part 92.351.
9. **Nondiscrimination.** The agreement must require the recipient to comply with the federal requirements and nondiscrimination established in 24 CFR 92.350.
10. **Minority Business Development and Section 3 Plan.** The agreement must require the recipient to adopt a Minority Business Development and Section 3 Plan, which will include minority-owned business, women-owned business, and Section 3 contracting goals. The Minority Business Development and Section 3 Plan will require contractors and subcontractors to have contracting goals. The recipient will require all contractors and subcontractors to report performance goals to Grantee.
11. **Debarred, Suspended, or Ineligible Contractors.** The agreement must require that the recipient shall not enter into a contract with a contractor listed in the U. S. Government's Excluded Parties List System and will maintain evidence.
12. **Conditions for Religious Organizations.** Where applicable, the agreement must include the conditions prescribed in 24 CFR Part 92.257 for the use of HOME funds by religious organizations.
13. **Displacement, Relocation, and Acquisition.** The agreement must require compliance with displacement, relocation and acquisition requirements in accordance the 24 CFR 92.353.
14. **Residential Antidisplacement and Relocation Plan.** The agreement must require recipients to adopt and implement a Residential Antidisplacement and Relocation Assistance Plan.

15. Federal Labor Standards. The agreement must require compliance with labor requirements in 24 CFR 92.354. The agreement must require the submission of a Labor Standards Enforcement Report to Grantee.
16. Conflict of Interest. The agreement must require compliance with conflict of interest provisions in 24 CFR 92.356(f).
17. Requests for Disbursements of Funds. The agreement must specify that the recipient may not request disbursement of funds under the agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed.
18. Environmental Review. The agreement must state that the recipient may not proceed with the project prior to Grantee receiving the appropriate release of funds from Grantor.
19. Records and Reports. The agreement must specify the particular records to be maintained and any information or reports that must be submitted to Grantor in order to assist Grantee in meeting its record keeping and reporting requirements (Attachment C).
20. Enforcement of the Agreement. The agreement must provide for a means of enforcement by Grantee. The means of enforcement may include liens on real property, deed restrictions, or covenants running with the land. The affordability requirements in 24 CFR Part 92.252 must be enforced by deed restriction. In addition, the agreement must specify remedies for breach of the provisions of the agreement.
21. Suspension or Termination of the Agreement. The agreement must specify that, in accordance with 24 CFR Part 85.43, suspension or termination may occur if the recipient materially fails to comply with any term of the agreement, and that the agreement may be terminated for convenience in accordance with 24 CFR Part 85.44.
22. Duration of the Agreement. The agreement must specify that the agreement is in effect for the period of affordability required by the 24 CFR Part 92.252 or 24 CFR Part 92.254. If the housing assisted under the agreement is homeownership housing, the agreement must be in effect at least until completion of the project and ownership by the low-income family.
23. Community Housing Development Organization Provisions. If the nonprofit owner or developer is a community housing development organization and is using set-aside funds under 24 CFR 92.300, the agreement must include the appropriate provisions under 24 CFR 92.300 and 92.301.

3. TIMEFRAME TO MAKE AWARDS. Grantee shall award all Grant Funds, as evidenced by OHFA Board approval, by June 15<sup>th</sup> of year one of this Agreement. All funding agreements with recipients must be executed within five months of said date.

4. PROGRAM INCOME. Any program income resulting from expenditures of grant funds must be remitted to the Ohio Development Services Agency upon receipt.

5. **PROGRAM COMPLETION AGREEMENTS.** All activities, as identified in Attachment A of this Agreement, must be completed and work finished, by «Work\_Completion\_Date». Any work not completed by this time may not continue without written approval by Grantor. There must also be a clause in each contract or agreement, funded in whole or part with HOME funds under this Agreement, which stipulates that work must be completed no later than «Work\_Completion\_Date».

6. **DRAWDOWN REQUESTS.** Within the first eighteen months of the Grant Period, Grantee must draw and expend all of the HOME administrative funds and the Community Housing Development Organization Competitive Operating Grant Program operating funds. Notwithstanding the above, administrative dollars allocated specifically to projects must be expended on the projects as committed or expended by Grantee on eligible administrative costs by «Drawdown\_Date». All HDAP project dollars must be drawn and expended by «Drawdown\_Date».

7. **CLOSEOUT REQUIREMENTS.**

- a. Grantee must submit a grant status report by the end of the 18<sup>th</sup> month of this Agreement, as described in Attachment C to this Agreement.
- b. Final Performance Reports for Grantee's program, as described in Attachment C to this Agreement, must be submitted to Grantor by «Grant\_End\_Date».
- c. Grantee is required to submit a Housing Report by Site Address for each project funded with HDAP funds. This report is due once the project is completed and the HOME-assisted units are occupied. The reports must be submitted to Grantor as soon as possible and no later than the final completion date of this Agreement.
- d. Audit reports must be submitted according to the timeframes and procedures set in Attachment C of this Agreement.

8. **UNIVERSAL IDENTIFIER AND CENTRAL CONTRACTOR REGISTRATION.** As a recipient of federal funds, Grantee will be required to maintain an active registration in the federal Central Contractor Registry (CCR) through the System for Award Management (SAM) as required by 2 CFR Part 25. Information on registration is available at [www.sam.gov](http://www.sam.gov).

«PROGRAM\_NAME»

ATTACHMENT C

REQUIRED REPORTS

Grantee shall submit the reports listed below in an adequate and timely fashion. Grantor shall provide a format for these reports and shall instruct Grantee on the proper completion of said reports.

All report forms and requirements listed herein shall be provided by Grantor, but shall not be construed to limit Grantor in making additional and/or further requests, nor in the change or addition of detail to the items listed below:

1. Grantee shall submit to Grantor a Status Report within thirty days of the request by Grantor.
2. Grantee shall submit a Final Performance Report at the conclusion of the project(s) which are the subject of this Agreement.
3. Grantee shall comply with the reporting requirements as outlined in 2 CFR 200 and provided in 15-06 - OCD Grant Operations & Financial Management Program Policy Notice. The OCD Program Policy Notices can be found at [http://development.ohio.gov/cs/cs\\_policynotices.htm](http://development.ohio.gov/cs/cs_policynotices.htm).
4. Grantee shall retain all records, receipts, etc., for a period of three years after the "Final Closeout" of this Agreement per 2 CFR 200.333. Grantor shall notify Grantee in writing once this Agreement has met the necessary requirements of "Final Closeout."
5. If applicable, Grantee shall submit a Certificate of Completion upon the expenditure of all Grant Funds provided under this Agreement.

«PROGRAM\_NAME»

ATTACHMENT D

GRANTEE ASSURANCES AND CERTIFICATIONS

The following assurances will be contained in this Agreement between the Grantor and Grantee.

Grantee hereby assures and certifies that:

1. It possesses legal authority to apply for and accept the grant, and to execute the proposed program.
2. Its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the filing and acceptance of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
3. It has facilitated or will facilitate citizen participation by:
  - a. providing adequate notices for two public hearings ten days in advance of the hearing;
  - b. holding two hearings on the proposed application before adoption of a resolution or similar action by the local governing body authorizing the filing of the application. The first hearing must present all eligible Office of Community Development funded programs and allow citizen input, while the second hearing must be held to discuss specific application proposals that the community intends to submit (the community need only hold the first hearing once annually to discuss the current fiscal year eligible Office of Community Development programs);
  - c. providing for citizen participation by holding one public hearing when considering amendments to grants funded through the Office of Community Development; and
  - d. it is following a detailed citizen participation plan which:
    - i. provides for and encourages citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blight areas and of areas in which Section 108 funds are proposed to be used, and in the case of a grantee described in section 108(a) of the National Environmental Policy Act of 1969, provides for participation of residents in low- and moderate-income neighborhoods as defined by the local jurisdiction;
    - ii. provides citizens with reasonable and timely access to local meetings, information, and records relating to Grantee's proposed use of funds, as required by regulations of the Secretary, and relating to the actual funds under this title;
    - iii. provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by Grantee;
    - iv. provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the disabled;
    - v. provides for a timely written answer to written complaints and grievances, within 15 working days where practicable; and
    - vi. identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate. This paragraph may not be construed to restrict the responsibility or authority of Grantee for the development and execution of its community development program.
4. Its chief executive officer or other officer of applicant approved by the state:
  - a. consents to assume the status of a responsible Federal Official under the National Environmental Policy Act of 1969 insofar as the provisions of such Act apply to 24 CFR 570 and to the Community Development Program; and
  - b. is authorized and consents on behalf of the applicant and himself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his responsibilities as such an official.

5. It will comply with the requirements of 2 CFR 200 as they relate to the application, acceptance, and use of Federal funds under this part.

6. It will comply with:

- a. Section 110 of the Housing and Community Development Act of 1974, as amended, 24 CFR 570.487, and State law and regulations regarding the administration and enforcement of labor standards;
- b. the Provisions of the Davis-Bacon Act (46 U.S.C. 3141-3148) with respect to prevailing wage rates (except for projects for the rehabilitation of residential properties of fewer than <NUMBER OF UNITS> units);
- c. the Contract Work Hours and Safety Standards Act of 1962, 40 U.S.C. 3701-3708, that mechanics and laborers (including watchmen and guards) employed on federally assisted contracts be paid wages of not less than one and one-half times their basic wage rates for all hours worked in excess of forty in a work-week; and
- d. the Federal Fair Labor Standards Act, 29 U.S.C. 201 et seq., requiring that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week.

7. It will comply with all requirements imposed by HUD and the State concerning special requirements of law, program requirements, and other administrative requirements, approved in accordance with 2 CFR Part 200.

8. It will comply with the provisions of Executive Order 11296, relating to evaluation of flood hazards and Executive Order 11288 relating to the prevention, control, and abatement of water pollution.

9. It will require every building or facility (other than a privately owned residential structure) designed, constructed, or altered with funds provided under this Part to comply with the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped," Number A-117.1-R 1972, subject to the exceptions contained in 41 CFR 101-19.604. The applicant will be responsible for conducting inspections to ensure compliance with these specifications by the contractor.

10. It will comply with:

- a. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d - 2000d-7), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. These regulations are codified at 24 CFR Part 1.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance will obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits.

- b. Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601), as amended by the Fair Housing Amendments Act of 1988 (Pub. L. 100-430, 102 Stat. 1619) administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing; and will take action to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services. Implementing regulations appear as 24 CFR Part 100 - 155.
- c. Executive Order 12259, Leadership and Coordination of Fair Housing in Federal Programs, requiring that programs and activities relating to housing and urban development be administered in a manner affirmatively to further the goals of Title VIII of the Civil Rights Act of 1968.
- d. Section 109 of the Housing and Community Development Act of 1974 (42 U.S.C. 3535(d) and 42 U.S.C. 5309), as amended, and the regulations issued pursuant thereto (24 CFR Part 8), which provides that no person in the United States shall, on the grounds of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds provided under this Part.
- e. Executive Order 11063 as amended by Executive Order 12259 to take all action necessary and appropriate to provide equal opportunity and nondiscrimination in the sale, leasing, rental, or other disposition of residential property and related facilities provided in whole or in part by Federal Assistance. Implementing regulations are codified at 24 CFR Part 107.

- f. Executive Order 11246, as amended by Executive Orders 11375 and 12086 and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60), which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal and Federally assisted construction contracts. Contractors and subcontractors on Federal and federally assisted construction contracts shall take affirmative action to ensure fair treatment in employment, upgrading, promotion or transfer, recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.
  - g. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), to the end that no otherwise qualified individual with handicaps shall solely by reason of his or her handicap be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance from the U.S. Department of Housing and Urban Development. Implementing regulations are codified at 24 CFR Part 8 and 9.
  - h. The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157; 24 CFR Part 40) requirements for accessibility by physically handicapped persons.
  - i. The Age Discrimination Act of 1975 (42 U.S.C. 6101) that no persons in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activities receiving Federal financial assistance. Implementing regulations are codified at 24 CFR Part 146.
11. It will comply with Section III of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by persons residing in the area of the project. Implementing regulations are codified at 24 CFR Part 135.
12. It will:
- a. to the greatest extent practicable under State law, comply with Sections 301 and 302 of Title III (Uniform Real Property Acquisition Policy) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and will comply with Sections 303 and 304 of Title III, and implementing instructions of 49 CFR Part 24;
  - b. inform affected persons of their rights and of the acquisition policies and procedures set forth in the regulations at 24 CFR Part 42; and
  - c. adopt, make public and certify that it is following a Residential Anti-displacement and Relocation Assistance Plan as described in 24 CFR Part 42.
13. It will:
- a. comply with Title II (Uniform Relocation Assistance) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR Part 24 and 24 CFR Part 42;
  - b. provide relocation payments and offer relocation assistance as described in Section 205 of the Uniform Relocation Assistance Act, as amended, and implementing instructions of 49 CFR Part 24 and 24 CFR Part 42 to all persons displaced as a result of acquisition of real property for an activity assisted under the CDBG Program. Such payments and assistance shall be provided in a fair and consistent manner that ensures that the relocation process does not result in different or separate treatment of such persons on account of race, color, religion, national origin, sex, or source of income;
  - c. assure that within a reasonable period of time prior to displacement, comparable decent, safe and sanitary replacement dwellings will be available to all displaced families and individuals and that the range of choices available to such persons will not vary on account of their race, color, religion, national origin, sex, or source of income; and
  - d. inform affected persons of the relocation assistance, policies and procedures set forth in the regulations of 49 CFR Part 24 and 24 CFR Part 42.
14. It will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
15. It will comply with the provisions of the Hatch Act, which limits the political activity of employees.
16. It will give the State, HUD and the Comptroller General through any authorized representatives access to and the right to examine all records, books, papers, or documents related to the grant.

17. It will ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the program are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the State and HUD of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.

18. It will comply with the flood insurance purchase requirement of Section 102(a) of the Flood Disaster Protection Act of 1973, P.L. 93-234, 87 Stat. 975, and approved December 31, 1973. Section 102(a) required, on and after March 2, 1974, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal assistance for construction or acquisition purposes for use in any area that has been identified by the Federal Emergency Management Agency as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.

19. It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archeological and Historical Data Act of 1966 (16 U.S.C. 469a-1, et seq.) by:

- a. consulting with State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the proposed activity; and
- b. complying with all requirements established by the State and HUD to avoid or mitigate adverse effects upon such properties.

20. It will comply with:

- a. the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and 24 CFR Part 58;
- b. Executive Order 11988, Floodplain Management;
- c. Executive Order 11990, Protection of Wetlands;
- d. the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 et seq.);
- e. the Fish and Wildlife Coordination Act of 1958, as amended (16 U.S.C. 661 et seq.);
- f. the Wild and Scenic Rivers Act of 1968, as amended (16 U.S.C. 1271);
- g. the Safe Drinking Water Act of 1974, as amended (42 U.S.C. 300(f) et seq.);
- h. Section 401(f) of the Lead-Based Paint Poisoning Prevention Act, as amended (42 U.S.C. 4831(b));
- i. the Clean Air Act of 1970, as amended (42 U.S.C. 7401 et seq.);
- j. the Federal Water Pollution Control Act of 1972, as amended (33 U.S.C. 1251 et seq.);
- k. the Clean Water Act of 1977 (P.L. 95-217); and
- l. the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 (43 U.S.C. 6901 et seq.).

21. It will adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and a policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

22. Its activities concerning lead-based paint will comply with the Lead-Based Paint requirements of 24 CFR Part 35, subparts A, B, J, K and R.

23. It will comply with all parts of Title I of the Housing and Community Development Act of 1974, as amended, which have not been cited previously as well as with other applicable laws.

24. In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable:

- a. Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1008, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

- b. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- c. Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
- d. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
- e. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- f. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
- g. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- h. Debarment and Suspension (Executive Orders 12549 and 12889)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12889 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

- i. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- j. See §200.322 Procurement of recovered materials.

«PROGRAM\_NAME»

ATTACHMENT E

LOCAL GOVERNMENT CERTIFICATIONS TO THE STATE

The chief executive officer of the unit of general local government certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. Grantee shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.