



## **Lakewood Division of Community Development**

### **Affordable Housing Programs**

#### **CDBG Eligibility Criteria**

The **City of Lakewood Division of Community Development's** *Affordable Housing Programs* satisfy the following CDBG eligibility criteria and are therefore suitable for CDBG funding consideration.

#### **CDBG National Objective**

*Low-Moderate Income Housing (LMH):* Activities including acquisition and rehabilitation that provide or improve permanent residential owner- or renter-occupied, single- or multi-family structures which, upon completion, will be occupied by low-moderate income households.

#### **CDBG-Eligible Activity Categories**

- *Housing Rehabilitation (Residential):* The acquisition, repair, rehabilitation, and reconstruction, of single- and multi-family owner- and renter-occupied housing to be occupied by low-moderate income persons including bringing property up to local codes and standards; energy efficiency/weatherization; handicapped accessibility/visitability; and emergency repair programs.
- *Housing Services:* CDBG funds may be used to pay for administration of the HOME program.

#### **HUD-Designated Performance Objective**

Provide Decent Affordable Housing

#### **HUD-Designated Performance Outcome**

Affordability

## **ABSTRACT**

### **Repair Accessibility Maintenance Program (RAMP)**

The program was initially developed in response to the 2008 Housing Crisis to help homeowners underwater in their homes to complete repairs essential to the safe occupancy of their homes. The program has been adjusted over the years to assist homeowners who for a variety of reasons cannot sustain an additional mortgage on their property or who's renovation costs have significantly increased due to environmental issues including historic preservation and lead based paint. The program lends flexibility to the City's programming to help focus on safety related improvements when the overall project is essential to the property, cannot be funded other ways or the homeowner requires financial relief to make the project affordable. Options for assistance include up to \$5,000 as a grant and up to \$15,000 as a forgivable loan.

### **HOME Activity Delivery**

The HOME Activity Delivery funds allow the City to cover administrative costs not covered by the HOME Program. The City of Lakewood through the Cuyahoga Housing Consortium receives annual allocations to own, develop or sponsor affordable housing projects. Traditionally the City has used these funds for first time homebuyer down payment assistance, to build new single-family homes or rehab existing properties for sale to low- and moderate-income homebuyers. In 2019, the Rental Restoration Loan Program was added to provide loan assistance to landlords with income eligible tenants and rents that meet HUD's affordability requirements.

### **Home Improvement Grant Program**

This program provides rebates to low- and moderate-income homeowners making repairs that bring the exterior into compliance with the Division of Housing and Building. Participants complete work utilizing their own financial resources and can receive 50% of eligible costs up to \$10,000 back in the form of a rebate. Contractors must be registered and pull permits. Owner completed improvements are rebated on materials only.

### **Home Weatherization Program**

The City's CDBG funded Weatherization Program helps income eligible homeowners who do not qualify for the State's program. These homeowners fall under 80% AMI but above the levels set by the State. Recipients receive a free energy audit and up to \$5,000 to cover the cost of eligible improvements including insulation, HVAC, hot water tanks and air sealing.

## **PROJECT NARRATIVE**

### **1. Community Needs Addressed**

Maintain, fortify, and expand Lakewood's stock of decent, safe, affordable owner- and renter- housing occupied by and available to low-moderate income families.

### **2. Primary Goals & Objectives**

Assist low-income and very low-income families and individuals by:

- Improving access to credit and financial assistance to maintain and improve their homes
- Promote long term affordability and sustainability
- Connect them with a variety of home improvement services to ensure their homes are energy efficient and well maintained.

### **3. Program Design, Uniqueness & Innovation**

Programs are designed to be flexible in meeting varying homeowner needs (rebates, forgivable loans, grants and loans with repayment) whether it's a budget, equity, financing or income related challenge. The Division also partners with a variety of providers to maximize resources (Lakewood Alive, Cuyahoga County Board of Health, State of Ohio). Examples of collaborations include: Low Interest Loan providing financial support for homeowner completing lead remediation through either Lead Safe Cuyahoga (run by the County Board of Health) or the State Board of Health's loan program; Deferred Loan participant completing exterior property improvements and receiving a \$3,500 Lakewood Alive Paint Grant to help offset the cost of repairs.

### **4. Target Population(s)**

Very-Low, Low and Moderate income Lakewood homeowners, renters and homebuyers

### **5. Geographic Service Area**

City of Lakewood, OH

### **6. Services Provided & Delivery Strategy**

City staff provides financial and technical assistance to residents seeking assistance with purchasing or renovating existing housing units. Using primarily HOME funds, we have the capacity to design and execute new single family home construction projects and work with developers and landlords seeking to improve and retain affordable rental housing units.

- Application review
- Project underwriting
- Construction management

### **7. Outreach Strategy & Efforts**

Social media, direct mail, word of mouth, water bill messages, coordination with Lakewood Alive; information included with Division of Housing and Building Correction Notices.

**8. Community Partnerships & Stakeholders**

Community Development collaborates with programs offered or facilitated through organizations like Lakewood Alive and the Cuyahoga County Board of Health to maximize resources available to homeowners. As an example, residents can receive a paint or lead remediation grant (from Lakewood Alive or the Board of Health respectively) and then receive low interest loan funding from the City to assist with payment of costs not covered by grant funding.

**9. Staffing**

Title	Hours/Week Devoted to Program	% CDBG Funded	Qualifications & Responsibilities
Programs Manager	90%	100%	Program oversight, management and application review
Planner	75%	100%	Inspections, contactor payments
Planner	25%	100%	Application intake, review and program coordination
Staff Assistant	40%	100%	File management, purchase orders, payments

**10. Implementation Schedule**

Milestone	Completion Deadline
Applications are accepting on a rolling basis throughout the year	12/31/20

**11. Projected Beneficiaries (January 1 – December 31, 2021)**

	CDBG	HOME
Total Unduplicated Households to be Served	25	26
Unduplicated Low-Moderate Income Households to be Served	25	26

*\*<80% Area Median Income*

**12. Program Evaluation**

***(data collection & analysis, outcome measurement procedures & methodology)***

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**13. Additional Data and/or Information Not Previously Requested That Strengthens the Organization’s Case for CDBG Funding Support**

Lakewood’s Division of Community Development seeks to maintain a toolbox of programs to address the various needs of the City’s low- and moderate-income homeowners. Those that can finance or pay cash for repairs may be eligible for a rebate. Those unable to access traditional credit may obtain assistance through various grant and loan products including a 0% interest rate, no monthly payment option for seniors and permanently disabled homeowners. We continue to seek out partnerships with Lakewood Alive, local lenders, the Cuyahoga County Board of Health and local non-profits to help the City’s most vulnerable homeowners, maximize resources and preserve safe and affordable housing.

**I. FY21 PROGRAM BUDGET (programs for which CDBG funding is being requested)**

**1. Expenses**

Expense Category	Total Project (A)	CDBG Only (B)	CDBG % of Total (B/A)
<b>Personnel</b>			
Salaries	\$22,000	\$22,222	100%
Fringe Benefits	\$3,200	\$3,200	100%
<b>Sub-Total</b>	<b>\$25,000</b>	<b>\$25,000</b>	<b>100%</b>
<b>Overhead &amp; Operations</b>			
Contractor Payments	\$900,000	\$245,000	16%
Fees (Title/Credit Reports & Filing Fees)	\$2,000	\$1,000	50%
Lead Assessments	\$7,500	\$5,000	67%
<b>Sub-Total</b>	<b>\$909,500</b>	<b>\$251,000</b>	
<b>Total Program Costs</b>	<b>\$934,500</b>	<b>\$276,000</b>	<b>30%</b>

**2. Funding Sources**

Source	Requested	Committed	Total
Department Funds	\$145,000		\$145,000
CDBG FY20-FY21 CDBG Carry Forward Funds (Est)	\$125,000		\$125,000
Other (Non-CDBG) Federal			
State			
Local			
County			
Earned Revenue/Fees			
<b>FY21 City of Lakewood CDBG Funding Request</b>	<b>\$145,000</b>		<b>\$145,000</b>
<b>Total Funding Sources</b>	<b>\$934,500</b>		<b>\$934,000</b>

**II. FY21 BUDGET NARRATIVE**

**1. Describe how CDBG funds will be utilized to support the proposed program.**

These funds pay for staff costs, environmental assessments like lead risk assessments and historic review, and the cost of home improvements.

**2. Describe how the proposed program would function if it does not receive full amount of requested funding.**

Will not be able to assist low income homeowners make necessary property improvements.

**3. Describe the department's efforts to develop/leverage other sources of funding to support the proposed program.**

The Department works with Lakewood Alive, the County Board of Health, Lakewood Division of Housing and Building and others to provide the maximum necessary benefit to assist the property owner. This ranges from Lakewood Alive's Paint Program, to the Lead Safe Cuyahoga Grant Program, to CHN Housing Partners when participating homeowners need credit counseling. The City's Division of Housing and Building are instrumental in helping to identify homeowners in need who may be eligible for the program. For the HOME funded Rental Restoration Loan Program, the City is partnering with Lakewood Landlords, EDEN and Lakewood Community Service Center (LCSC) to ensure decent and safe affordable rental units are retained.