

### Proposed Substantial Amendments City of Cincinnati 2011, 2012 and 2013 HUD Consolidated Plan Annual Action Plans HOME Funds

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### Proposed Substantial Amendments City of Cincinnati

### 2011, 2012 and 2013

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### A. General Information

Grantee Name	The City of Cincinnati
Name of Entity or Department Administering Funds	Department of Trade and Development
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This document serves as the application for Substantial Amendments to the 2011, 2012 and 2013 Consolidated Plan Annual Action Plans. The application describes the proposed change in the use of HOME funds, and explains how this change meets existing Consolidated Plan goals.

### **B. Summary of Substantial Amendments Proposed Changes**

The City of Cincinnati is applying for Substantial Amendments to the 2011, 2012 and 2013 Consolidated Plan Annual Action Plans as required by the US Department of Housing and Urban Development (HUD) outlined in 24 CFR Part 91. Per HUD regulations and City policy, any change of 10% or more of an individual year grant award must be made only after a substantial amendment is approved by HUD. This process includes providing public notice 15 days prior to a scheduled public hearing and inviting public comments for a period of 30 days. This process was followed and is described in Section E - Citizen Participation and Public Comments.

The proposed changes to the 2011, 2012 and 2013 Annual Action Plans are all related to the Homeless to Homes – Permanent Supportive Housing program. Changes are also proposed to move 2014 Homeless to Homes; however, this does not meet the City's policy of a change in 10% or more in grant funds.

### Proposed Changes to 2011-2014 Grants (Homeless to Homes Program)

			Amount to	% of Total
Year	Grant Number	Grant Award	Change	Grant
2011	M-11-MC-39-0213	\$2,554,534	\$493,325	19%
2012	M-12-MC-39-0213	\$2,205,497	\$600,000	27%
2013	M-13-MC-39-0213	\$2,092,556	\$543,352	26%
2014	M-14-MC-39-0213	\$2,099,044	\$169,007	8%

### C. Programs Affected by Substantial Amendment

The 2010-2014 Consolidated Plan Goal, and related Annual Action Plan Goal, involved in these changes is related to Homeless Shelters & Other Homeless Housing Support. The Goal Description states "This goal supports emergency shelter operations and essential supportive services for shelter residents as well as the development of supportive housing for chronically homeless individuals. The programs that support this goal are the ESG Homeless Shelters and the Homeless to Homes – Permanent Supportive Housing project."

Proposed changes are funds related to the Homeless to Homes - Permanent Supportive Housing program which provides gap financing for the construction or rehabilitation of new transitional housing units and new permanent supportive housing units.

Strategies to End Homelessness, the regional Continuum of Care organization, created a comprehensive plan to address the needs of area homeless in 2009. The Homeless to Homes Plan was developed with input from non-profit organizations, the business community, faith-based organizations, local government, funders, and non-profit organizations. The goals and objectives for the homeless population were developed with input from the Homeless to Homes Plan and the City of Cincinnati Administration. The Hamilton County Commission and County Department of Community Development were also consulted during the development of the recommendations in order to ensure consistent plan

implementation across both jurisdictions. The plan addressed needs for emergency shelter, transitional homes, homelessness prevention, rapid re-housing services, permanent supportive housing and long term housing placement.

The City is supporting the Homeless to Homes plan as follows:

- \$10 million in CDBG and Capital Funds to move three emergency shelters
- ESG funding for shelters, homelessness prevention and rapid-rehousing
- Administration of Shelter Plus Care funding for permanent supportive housing
- HOPWA funding for emergency medical respite for homeless patients; case management;
   Tenant based Rental Assistance (TBRA); Short Term Rent Mortgage and Utility Funds (STRMU);
   and permanent supportive housing placement services
- HOME funding for Anna Louise Inn, homelessness prevention and affordable housing development

However, the City has had difficulty securing development contracts for the Permanent Supportive Housing. One successful project currently underway is the Anna Louise Inn (ALI) project. Although the project is currently under construction, it was delayed due to many years of litigation, and the scope of the project changed from renovation to new construction. Following the successful commencement of the ALI project, there have been no development contracts executed for permanent supportive housing.

### D. Proposed Changes and Relationship to Consolidated Plan Goals

The Proposed Substantial Amendments would move PSH funds to a new program called the Pendleton Affordable Housing program. PSH funds will be utilized from program years as follows:

- 2011 \$493,325
- 2012 \$600,000
- 2013 \$543,352
- 2014 \$169,007

Note: 2014 is less than 10% of the total grant allocation of \$2,099,044 and does not require a substantial amendment.

The Pendleton Affordable Housing program will support the Rental Housing Development Goal of the 2010-2014 Consolidated Plan. The Rental Housing Development goal promotes the rehabilitation of rental housing for low to moderate income residents. The proposed HOME eligible project will be located in the Pendleton. The 40-unit project is comprised of 8 buildings that were originally constructed in the late 1800's and early 1900's. The scattered site apartments were converted to affordable housing units in 1998, and are in need of interior rehabilitation. With a historic occupancy rate of 94%, the project fills a vital need for affordable housing within the local and regional community. The rehabilitation proposed with this project is not only critical to the preservation of 8 buildings within the community, but also to the affordable housing needs of the population. The project is federally subsidized through HUD's Section 8 program; and no resident pays more than 30% of their Adjust Gross Income towards rent.

### E. Citizen Participation and Public Comment

In order to solicit and receive feedback for the 2011, 2012 and 2013 Consolidated Plan Action Plan Substantial Amendments, the City followed the Citizen Participation Process historically used prior to the submission of the City's typical Annual Action Plans.

A public hearing is scheduled for June 5, 2014, 4:00 PM at the City of Cincinnati offices at Centennial II Plaza, 805 Central Avenue, Seventh Floor. Public comments will be received regarding the Proposed Substantial Amendments to the 2011, 2012 and 2013 Consolidated Plan Annual Action Plans.

The Proposed Substantial Amendments document was available for review and comment on the City of Cincinnati's Department of Trade and Development's web page beginning May 22, 2014. Notice of this Public Hearing has been widely distributed. Paid advertisement was published in the Cincinnati Enquirer on May 22, 2014.

Additionally, the notice of public hearing was posted in the City Bulletin on May 27, 2014. Emails announcing the public hearing were sent to community and nonprofit organizations, including Community Councils, subrecipients and other leaders, on May 22, 2014. Social media, including Facebook and Twitter was also utilized to notify the public.

A detailed description of all Citizen Participation is outlined below:

Outreach	Target Group	Summary of response and attendance
Public Hearing	Broad community	Hearing scheduled for June 5, 2014
Newspaper Ad	Broad community	Published in the Cincinnati Enquirer, May 22, 2014
Emails to community leaders	Subrecipients and Community Organizations	Emails sent May 22, 2014
Facebook and Twitter postings	Broad community	Postings completed on May 22, 2014
City Bulletin	Broad community	Notice will be published on May 27, 2014

	vide the appropriate response regarding this substantial amendment by checking one of following options:
	Grantee did not receive public comments.
$\square$	Grantee received and accepted all public comments
	Grantee received public comments and did not accept one or more of the comments.

### **Summary of public comments**

To be completed after the public hearing and public comment period is complete.

Outreach	Summary of comments received
Public Hearing	Of the 36 members of the public in attendance at the hearing, 8 were in support of the substantial amendments. The remaining 28 members were in support of some of the proposed changes and against some of the proposed changes in the substantial amendments. 7 people spoke in favor of the changes and 9 people spoke in favor of some of the changes and against some of the proposed changes. Those in favor of the amendments wanted City Council to transfer funds which were set aside for permanent supportive housing (PSH) to stop a PSH project in Avondale. Those in favor of some proposed changes and against some proposed changes wanted City Council to leave a portion of the PSH funds to complete the PSH project in Avondale and to transfer the remaining funds to the proposed affordable housing project in Pendleton. One email was received after the public hearing from one of the speakers. It is attached.
Newspaper Ad	See above
Emails to community leaders	See above – also received 2 phone calls and 2 emails in response to the emails and postings. All people were asking about the hearing and citizen engagement process
Facebook and Twitter postings	See above
City Bulletin	See above

All comments received at the public hearing are listed below. Any and all additional comments will be added if received by June 22, 2014.

### PUBLIC HEARING SUMMARY AND CITIZEN COMMENTS

A public hearing was held at the offices of the Department of Trade and Development on June 5, 2014 to receive public comments on the Proposed Substantial Amendments to the City of Cincinnati's HUD Action Plans for 2011, 2012, and 2013. Opening comments and introductions were made by Kiya Patrick, Community Development Administrator. Ms. Patrick also provided an outline of the proposed changes in a PowerPoint presentation which summarized the proposed substantial amendments. 36 member of the public and 11 city staff members attended the session. 16 of the individuals in attendance spoke formally for between two and three minutes and their comments follow.

1. Mary Rivers is Executive Director of Over-the-Rhine Community Housing (OTRCH), which is the co-developer of Cutter Apartments project that has applied for \$1.8 million in HOME funds. Ask to seek a solution that funds both public supportive housing (PSH) and the Cutter apartments in Pendleton. OTRCH has supported PSH for years and is one of the largest providers in the COC. Has testified in support of Commons at Alaska and hopes that it moves forward. The City is doing a lot of work to support affordable housing of all different ranges, including the ALI project which funds PSH. As a community of service providers we do a good job of being collaborative, while we are sometimes competing for resources, we always try not to reduce the number of units of affordable housing. Asks the City, the community, and the CDAB to fund both projects. We want both projects to move forward.

Response: All information that follows was shared with City Council on June 18. The Commons at Alaska is a permanent supportive housing project that is being planned by National Church Residences (NCR) at a former nursing home site on Alaska Avenue in Avondale. Surrounding properties are single family homes. The project includes 90 units of housing for formerly homeless individuals dealing with addictions and/or mental health issues and in need of supportive services. The history of this project is outlined below:

- In 2008, the City Council asked the Continuum of Care (renamed in 2012 to Strategies to End Homelessness) to develop a comprehensive long range plan to address the needs of the homeless in the City and in Hamilton County.
- The Homeless to Homes Plan was prepared throughout 2008 and 2009 with the participation of 90 individuals representing government; business; housing and human service providers; philanthropists and funders; and faith community leaders.
- One of the recommendations in the Plan was to work with National Church Residences and similar organizations to develop Permanent Supportive Housing (PSH) in the City and County.
- In 2009, City Council adopted the Homeless to Homes Plan in full and voted to passed a motion in support of implanting the Plan.
- In 2010, NCR began discussions with the City about locating PSH in the City.
- In 2011, NCR began meetings with community councils including Walnut Hills and Avondale to discuss possible locations and elected to proceed with the proposed site in Avondale.
- In 2013, NCR applied for Low Income Housing Tax Credits (LIHTC) from the Ohio Housing Finance Agency (OFHA). Part of the application requires letters of support from the community and the City of Cincinnati.
- NCR requested \$543,000 in City HOME funds to provide gap financing for the project.
- The Avondale Community Council voted to support this project and the City Council passed a motion in support of the LIHTC project in February 2013. Seven of nine councilmembers voted in support of the project.
- In June 2013, the project received LIHTC from the OHFA.
- In December 2013, a new City Council and new Mayor took office.
- In January 2014, a resolution was introduced to rescind the motion in support of the project. The motion failed with six Councilmembers voting against it.
- A development agreement has been drafted but has not been signed by the City.
- 2. Amy Rosenthal with National Church Residences (NCR) stated that they have been working on a PSH project in the Avondale neighborhood for several years. Project is 90% funded. All of

the funding that is committed involved a federal process. Also have a HOME commitment for the PSH set aside. Funding commitments to date—up to \$12 million—has been set aside to serve a vulnerable population that continues to grow. Trying to be part of that solution. Look at a solution in which both projects can move forward and one project does not move forward at the expense of another. Supportive of all types of affordable housing including the Pendleton development.

Response: This feedback was shared with City Council on June 18.

3. Josh Spring is Executive Director of Greater Cincinnati Homeless Coalition. He is here to say that we are frustrated. We need exponentially more affordable housing than we have. Not on the behalf of staff, but a lot of politicking has taken place to pit two affordable housing developments against each other. Not acceptable to divide the Coalition. All members are committed to seeing both projects come out of the ground. We would like to see more time—a couple weeks—to seek solutions, including financial solutions, to fund both projects. There are alternative sites for Commons being considered. Not the time to make a decision until we consider all possibilities. We believe that with ALI, housing has been created or saved—the Homeless to Home plan says 1,000 PSH units. City Council has supported Commons twice. Committed to staying together. Hope that the City engages CDAB more to get input from folks who know what's going on.

Response: This feedback was being shared with City Council on June 18.

4. Kevin Finn, President of Strategies to End Homelessness (STEH), which coordinates the efforts to end homelessness. He is on the CDAB. His organization is the author of the Homeless to Homes Plan. Has been a great deal of confusion regarding the funding available. Has been provided with confusing information about how much funding has been available. The reason the \$1.8 million was sitting there is because we didn't know it was sitting there to be applied for. If the implementers of the plan didn't know, others probably didn't either. NCR is looking for a new site for the project. This should add clarity. Perhaps \$1.2 million could be moved to the other project and \$600,000 could be reserved for NCR. Find an option so that both projects can move forward. Consider the option of an advance commitment of future HOME funding. Restore PSH to \$600,000 year, not cut.

Response: This feedback was being shared with City Council on June 18.

5. Linda Lee Thomas resident of Avondale stated she is here to speak in support of reallocating the funds from PSH to affordable housing in Pendleton. Thinks that it is good that no one was aware of the funding because it represents a needed time-out to modify the plan so that it operates from a strategy of inclusiveness and transparency. The project for Avondale had no inclusion of residents. Residents only found out about this at the last minute when it went to City Council for approval. Put together a comprehensive and collaborative plan to execute the plan. Hope to make sure that her comments do not make a point that the City was attempting to hide funds, but that the residents most directly impacted by facilities were not included.

Response: All information that follows was shared with City Council on June 18. Kiya Patrick, CD Administrator explained that all HUD funds are committed by City Council ordinances which are public information. She also explained that the City is required by HUD to publish both Annual Action Plans and Annual performance reports, both of which are public information.

6. Gerry Kraus from the North Avondale Neighborhood Association said he supports the need for low-income housing but not in the zip code of 45229. Currently have more than the fair share of low-income housing in Avondale, North Avondale, and Paddock Hills. Does not know anything about the Pendleton project, but has no objection to it. The point of money for low-income housing is to de-concentrate poverty, and the opposite is happening. NCR is looking for another spot in Avondale. Would oppose this, too. Why don't we look in other neighborhoods? The model is a problem—90 units in one place. The entire concept should be reconsidered.

Response: This feedback was shared with City Council on June 18.

7. Rosalind Fultz is a resident of the contested zone between Avondale and North Avondale. She is the convener of the Avondale 29 group, grassroots effort that has opposed the Commons at Alaska project. Opposition has been about the historic and continuing concentration of poverty that has robbed Avondale and similar neighborhoods of much-needed jobs. Objective data to support the fact that Avondale 29 supports affordable housing. Friends have called for a freeze of the Commons at Alaska in order to produce the best plan to meet the needs of housing the homeless. Interesting that the alternative site is also in Avondale. Our fear is that the 1000 units that our volunteer group has found out about will be in 45229. Have not been subject to a timely, inclusive process. Reconvene the Homeless to Homes Plan. Avondale is already home to PSH. Do not need lectures about the efficacy of PSH. It is critical do to it right.

Response: Avondale 29 was formed in 2013 by residents on Alaska Avenue to oppose Commons at Alaska. It has expanded to include other residents of Avondale and neighboring North Avondale also in the 45229 zip code. The organization now includes residents from throughout Cincinnati and the region. The City is not changing neighborhood boundaries. Avondale and North Avondale are contiguous neighborhoods. There is debate for a small number of homes over which neighborhood is appropriate. This feedback was shared with City Council on June 18.

8. Marvin Kraus, lives in East Walnut Hills and is a long-time resident of the City of Cincinnati. Wants to talk about subsidized housing. Since the early 1970s when the City became a sample project, there were 7,000 units of subsidized housing given the City of Cincinnati. Have watched the effects of the 7,000 units—too many placed in a very few neighborhoods like Avondale and Over-the-Rhine. What I suggest is to look to spread out subsidized housing equally throughout Cincinnati's 52 neighborhoods. All the people interested in having decent affordable housing work together to develop a sound model, wherever it may be. Work with Planning and CMHA to develop a plan.

Response: This feedback was shared with City Council on June 18.

9. Megan Sargeant was there speaking on behalf of Caracole, an agency that provides services to people with HIV and AIDS. Supports allowing more time to reach a solution. We are not coming close to providing enough housing. Now agencies that are pitted against each other. These agencies need time to plan and support a healthy, whole community.

Response: This feedback was shared with City Council on June 18.

10. Margaret Fox is Executive Director of Metropolitan Area Religious Coalition of Cincinnati (MARCC). Served on the Homeless to Homes committee and work groups. There is PSH, transitional housing, and permanent housing. Today we are here to talk about PSH and keeping that money in that category because those units are desperately needed in the community. If a process could be developed within a time period that would not jeopardize either project, we would support that. We are here because there was a non-profit that lost in court in order to maintain their location in Lytle Park. Those legal funds—the tax credits—were not spent in that particular area. Had the Anna Louise Inn (ALI) stayed where they wanted to stay, we wouldn't be having this discussion today. MARC passed a set of housing principles in October 2013 which included the expansion of PSH, Transitional Housing, and permanent issue. Part of the issue becomes the surrounding counties have blocked the sharing of these units with the City of Cincinnati.

Response: The Anna Louise Inn (ALI) project is proceeding in a new location. The HOME funds for that project have stayed at the same level of \$2.6 million. The proposed substantial amendments are not related to ALI. This feedback was shared with City Council on June 18.

11. Martha Stephens is from Paddock Hills. She said that when I look around this room today, I feel that we're crashing. The country is crashing. We have more people without a place to live and without a chance at a job or a living wage. We can't have two new places. I've lived through Huntington Meadows—a huge estate of affordable housing that is now private market rate homes. Laurel Homes. ALI—big money got it and they're getting everything. We are playing along, just watching while everything crashes. I live in Paddock Hills, and one of the opponents of Commons at Alaska says she's protecting me from having affordable housing near me. What does that mean? I don't see how anyone can be against such a thing. I work with the Interfaith Hospitality Network (IHN). I go to a church in Avondale, and we put up homeless people in our basement for 3 or 4 weeks a year. I help cook supper one night and 30-40 people help. But it's not a drop in the bucket for what people need. Stick up for your fellow citizens.

Response: This feedback was shared with City Council on June 18.

12. Justin Jeffres is editor of Streetvibes newspaper. He stated that he is here to support in favor of Commons at Alaska and the Pendleton project. Both are worthy projects that deserve support. Whenever these projects are proposed, there are fears that the projects will bring crime and lower property values. This doesn't play out. They bring stability. The solution to homelessness is PSH. The project that NCR has done in Columbus has a great track record. Walk down Vine Street and you can't tell the difference between the properties that have affordable housing and those that cost \$300 per square foot. Commons has been in the works for years and had the support of the council. It is time that the City makes a commitment to residents.

Response: This feedback was shared with City Council on June 18.

13. Nina Caporale, creator of a Facebook page called Growing for the Neighborhood. Grateful for opportunity to have a say in funds. Approves the use of funds to rehab housing. Consider reviewing the Homeless to Homes Plan and update the plan. At this time the plan does not include any provisions for community leaders or residents to be included as stakeholders or be included. Homelessness to Homes is a comprehensive plan for the City and the County and we

support that agenda, but as other US cities have historically demonstrated, successful revitalization projects start with collaboration and communication with the community. We only win if the community process wins.

Response: This feedback was shared with City Council on June 18.

14. Jennifer Summers is a Winton Place resident and works in OTR at the Peaslee Center. Knows what it takes to put together quality affordable housing projects. Not possible to do financing unless you do it collaboratively. You have to work with community councils and typically do not get funding unless you have consulted with Community Councils. You have fewer people willing to put together projects where the development is maintained long-term. What I see now in our early learning center—families and children with extremely low-incomes seeking child care struggling to live in a decent place long enough. Feel very strongly that we should be holding up organizations that do this work. HOME dollars are the hardest to spend but the federal government says that our community needs those dollars. The community organizations that do this work should not be pitted against each other, but should be encouraged. We want to look at what a good model looks like but not until it's in your back yard.

Response: This feedback was shared with City Council on June 18.

15. Maura Wolf is a lifelong North Avondale resident and former president of the North Avondale Community Council. We have proven that you can have mixed-income neighborhoods and be successful. But our neighbors in Avondale have reached a tipping point. Health studies have shown that Avondale has the highest poverty rate, highest infant mortality rate. I urge you to approve the amendment to reallocate the funds to existing affordable housing. Studies have shown that upgrading affordable housing is better than adding new affordable housing. Large subsidized developments 90+ units do not work well in our neighborhood. Difficulties managing that number of people with those types of issues in an area that is already saturated with affordable housing. Review the Homeless to Homes Plan. The average lease is about a year. Understand the facts. There are inconsistencies between what is being told and what is actually happening.

Response: This feedback was shared with City Council on June 18.

16. Ruth Johnson-Watts is from Avondale and is trying to get more involved in neighborhoods. Doesn't understand with 52 neighborhoods why you would want to concentrate the poverty or the crime in one or five neighborhoods. Scripture tells us that when the blind lead the blind they all fall in a ditch. The people who this will affect were not included. North Avondale and Avondale don't even have a grocery store. Why put poor people in a situation where they don't have food. No place for income growth. People are having a hard enough time trying to find work in good neighborhoods. Why would you concentrate this? I want to see the homeless off the street. I care about the mentally disabled, but is this the right thing to do and are we going about it the right way? Everyone trying to do their own little thing instead of trying to involve everyone in the circle. Why are you changing the boundaries between neighborhoods?

Response: The City is not changing neighborhood boundaries. Avondale and North Avondale are contiguous neighborhoods. There is debate for a small number of homes over which neighborhood is appropriate. This feedback was shared with City Council on June 18.

Ms. Patrick convened the meeting and asked all members of the public to sign the sign in sheets attached herein. The public hearing ended at 4:54 PM.

### **Email received after public hearing**

- 1. Gerry Kraus from the North Avondale Neighborhood Association sent the attached email to Kiya Patrick, CD Administrator, on June 7, 2014. She wrote in support of moving the funds from the Avondale project to the Pendleton project for four reasons below:
  - The current proposed sites for Permanent Supportive Housing (PSH) are contrary to HUD's directive that HOME money be used to de-concentrate low income housing
  - The sites (Alaska & Reading Rd.) are in violation of the City's Zoning Code
  - The model for Permanent Supportive Housing (PSH) Plan developed by Strategies to End Homelessness is incomplete and with questionable criteria
  - After reviewing the Pendleton Affordable Housing (PAH) program I would support moving the PSH funds to PAH

Response: This feedback was shared with City Council on June 18.

2. A letter from three local agencies – Housing Opportunities Made Equal, Legal Aid Society of Southwest Ohio, and Greater Cincinnati Homeless Coalition - was sent to the Mayor and City Council on June 11, 2014. Copies of the letter which is attached were also shared with City staff and HUD staff. The three agencies support funding both projects and stated concerns that the City may violate Federal Fair Housing laws by withdrawing support for the Avondale project.

Response: This letter is attached and was sent directly to each City Council member.

3. National Church Residences sent an email to Kiya Patrick, Community Development Administrator, on June 17 and sent copies to the Mayor and City Council; Strategies to End Homelessness; the Ohio Housing Finance Agency; and City staff. This letter outlined their request that the City fund both Commons at Alaska and the Pendleton affordable housing projects.

Response: This letter is attached and was sent directly to each City Council member.

4. The Pendleton Community Council responded to an email from Mary Burke Rivers of Over the Rhine Community Housing about this substantial amendment. This email string is attached. The email from Pendleton was sent to Mary Burke on June 18 and copies were sent to the Interim City Manager, Councilmember Winburn, and other Pendleton Community Council board members. A copy was forwarded to Kiya Patrick, CD Administrator.

Response: This email will be included in an updated substantial amendment and provided to City Council prior to the June 23 committee meeting.

### **HUMAN SERVICES, YOUTH AND ARTS COMMITTEE MEETING AND CITIZEN COMMENTS**

On June 16, the City Council's Human Services, Youth and Arts Committee, the agenda included an update on the Homeless to Homes Plan from Kevin Finn and Strategies to End Homelessness. As part

of this presentation, the committee and presenter discussed this Proposed Substantial Amendments to the 2011, 2012 and 2013 Annual Action Plans. Questions were raised by Committee members and answered by Mr. Finn and Ms. Patrick about the Pendleton project and delay in the Commons at Alaska project. Committee Chair Simpson requested a report from Ms. Patrick to address questions raised. This will be shared with City Council before the June 23 meeting.

One member of the public provided comments at this meeting as outlined below:

5. John Schrider of Legal Aid Society of Southwest Ohio spoke to the Committee and shared the letter sent to the Mayor and City Council on June 11, 2014 referenced above. Mr. Schrider stated that the Pendleton project was presented to City Council earlier this year as one of nine project that were going to apply for low income housing tax credits (LIHTC); however, OTRCH did not apply for LIHTC for this project. He stated that his organization is in support of both the PSH project at Commons at Alaska and the affordable housing project in Pendleton.

Response: These notes and the related report to the Committee will be included in an updated substantial amendment and provided to City Council prior to the June 23 committee meeting.

### Summary of comments or views not accepted and the reasons for not accepting them

To be completed after the public hearing and public comment period is complete.

### Summary of comments accepted and reasons

To be completed after the public hearing and public comment period is complete.

### **Next Steps**

The Proposed Substantial Amendment will be submitted to HUD on June 26, 2014. City Council introduced an ordinance at the June 18, 2014 City Council meeting. The Budget and Finance Committee will hear the motion for the ordinance on June 23, 2014. Citizens and other interested parties can provide feedback at that time. The Committee will vote on the motion and report back to the City Council for the June 25, 2014 meeting. City Council will discuss the ordinance to submit the Proposed Substantial Amendments to the 2011, 2012 and 2013 Annual Action Plans to HUD and related transfer ordinance to re-appropriate these HOME funds pending approval by HUD on June 25, 2014. The City Council approval process includes additional opportunities for public input.



### F. Authorized Signature

By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete, and accurate to the best of my knowledge. I also provided the required assurances and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code Title 218, Section 1001).

Signature/Authorized Official	Date
Scott C. Stiles, Interim City Manager	

From: Gerry and Marvin Kraus [mailto:mgkraus@gmail.com]

**Sent:** Saturday, June 07, 2014 12:19 PM

To: Patrick, Kiya; Camp, Kayla

Subject: Amendments to HUD Consolidated Plan for HOME funds

I wish to document the oral testimony I gave Thursday, June 5, 2014, regarding the "Proposed Substantial Amendments - HUD Consolidated Plan - HOME Funds". I support the proposed substantial Amendments for 4 reasons:

- 1. The current proposed sites for Permanent Supportive Housing (PSH) are contrary to HUD's directive that HOME money be used to deconcentrate low income housing. The current plan of National Church Residences (NCR) to use HUD Home funds for a Permanent Supportive Housing (PSH) Project at either 3584 Alaska Ave. or 3362 Reading Road, are both in the Avondale neighborhood. Avondale is already overly impacted with low income housing with over 40% of its population at or below the federal poverty level (see attached documentation).
- 2. The sites (Alaska & Reading Rd.) are in violation of the City's Zoning Code. Both sites are zoned RM-1.2 (Residential Multi-family housing) which do not permit residents with severe mental health issues, a history of alcohol or substance abuse or with a history of moderate to severe criminal offenses in transitional housing. These impaired persons are described in NCR's application for a Ohio Financing Housing Agency (OFHA) grant as representing over 85% of the anticipated residents in their PSH project.
- 3. The model for Permanent Supportive Housing (PSH) Plan developed by Strategies to End Homelessness is incomplete and with questionable criteria. While this group identified the need for 1020 units for homes for the homeless, the Plan did not address criteria for sites where this housing is to be located, nor any criteria to comply with HUD's directive to "deconcentrate" low income housing. Also there are no criteria regarding access by residents to public transportation, shopping, etc. Nor were there any mandatory requirement for residents to participate in social services toward recovery of their various disabilities. There is also a question about having 90 units of housing at one site as the optimum size for rehabilitating the targeted residents. The current plan for implementing PSH projects does not at this time seem ripe for funding, in my opinion.
- 4. After reviewing the Pendleton Affordable Housing (PAH) program I would support moving the PSH funds to PAH at this time because a) it would rehabilitate existing low income housing and not add to the further concentration of poverty; b) the area in the vicinity of the PAH project is currently being upgraded with many market developments presently in the works (thanks in part to recent opening of the Horseshoe Casino) and will, indeed, fulfill the HUD mandate to deconcentrate poverty.

Thank you for your attention to my statement regarding the amendments to the HUD Consolidated Plan for HOME funds.

Mrs. Gerry Kraus Strategic Planning & Land Use Committee North Avondale Neighborhood Association (NANA)

TOTAL LOW INCOME HOUSING (ZIP 45229)

Project based units on NCR Map

Project based units NOT on NCR Map

Section 8 Housing choice VOUCHERS (2012)

TOTAL 882+ units 566+ units 2222 units 3670+ units

### SUBSIDIZED RENTAL APARTMENTS ON NCR MAP TO OHFA (Zip 45229)

The Redding (#12)		123 units
Alaska Terrace (#13)		6 units
St. Clair Manor (#18)		31 units
Avon View (#19)		50 units
415 Rockdale (#20)		12 units
Burnet Place (#22)		62 units
Forest Square (#23)		21 units
Colonial Village (#24)		66 units
Edison (#25)		25 units
Haddon Hall (26)		113 units
Rockdale (#28)		10 units
Alston Park (#30)		to be announced
	TOTAL	882+ UNITS

# = location number on map

### **SUBSIDIZED HOUSING NOT ON MAP (Zip 45229)**

1. CMHA-Rion Lane (Clinton Spgs) 39 units

<ol> <li>3522 Reading (Pionciana)</li> <li>3580-82-84 Reading (Alameda)</li> <li>3634 Reading</li> <li>3639 Reading (Buckingham)</li> </ol>	40+ units 57+ units 19+ units 39+ units
6. 3652 Reading (Entowne)	40+ units
7. 3719 Reading (S. Crescent)	39 units
8. 3744 Reading (Georgia Morris)	39 units
9. 3756 Reading (Founders)	39 units
10. 920 Burton	40+units
11. 946 Burton	39+ units
12. 915 Dana	39+ units
13. 917 Dana (927-929-931)	57 units
14. 725 Greenwood	39+ units
15.759 Greenwood	19+ units
TOTAL	566+ units



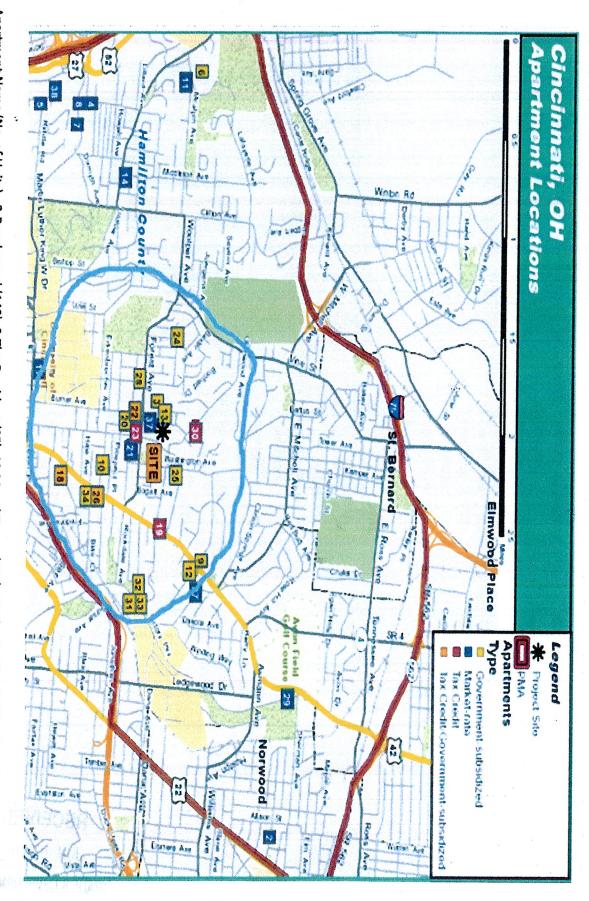
Windham	Wilson	*Washington Ave	Van Antwerp Place	Savoy Place	*S. Fred Shuttlesworth Circle	622CF JIZ - PNICOOL DIMODALI AAOT 21.02
					O	CCSING - ZIF 45229

TOTAL

\* = Joint Avondale/N. Avondale

# Subsidized Rental Apartments Near Proposed Commons at Alaska in Avondale (3584 Alaska Avenue)

(Source: Market Analysis Pages 120-121 submitted by NCR to OHFA in application for Low Income Housing Tax Credits. Obtained via FOI Request)



Manor (31), 19-Avon View (50), 20-415 Rockdale (12), 22-Burnet Place (62), 23-Forest Square (21), 24-Colonial Village (66), 25-Edison (25), 26-Haddon Hall (113), Key - Apartment Name (No. of Units) - 3-Beechwood (149), 9-The President (95), 10-Mapel Tower (119), 12-The Redding (123), 13-Alaska Terrace (6), 18-St. Clair 28-Rockdale (10), 30-Alston Park (TBD) Submitted to Cincinnati City Council per request by: LLThomas 10.10.13







06-11-2014

Mayor John Cranley City of Cincinnati Council Members 801 Plum Street Cincinnati, OH 45202

Dear Mayor Cranley and Members of Cincinnati City Council:

We are writing to support the Permanent Supportive Housing planned for development in Avondale and to support the sustaining of affordable rental housing in Pendleton. We are concerned that the City of Cincinnati may violate Federal Fair Housing laws by withdrawing support for the Avondale proposal. According to the Department of Housing and Urban Development (HUD) Permanent Supportive Housing (PSH) is housing designated for people who are currently experiencing homelessness and have a professionally verified disability. This disability could be physical, mental and/or cognitive. Permanent Supportive Housing also includes available supportive services meant to sustain stability and ensure that the person does not experience homelessness again.

The development planned by National Church Residences (NCR) to be located in Avondale would be 90 units of PSH. This proposal is one important step in implementing the City of Cincinnati's Homeless to Homes plan.

In 2009 City Council voted in favor of the Homeless to Homes plan which included the call for the creation of 1000 units of PSH and specifically for National Church Residences to develop some of these units. In early 2013 City Council voted to support this development's low-income tax credit application to the Ohio Housing Finance Agency (OHFA). Other community groups in Avondale supported the proposal. Shortly thereafter, Avondale 29 was formed by some people in Avondale to stop the development of the PSH. Soon, a motion was introduced to City Council to vote to withdraw its support. Eventually, after much debate, this motion was voted down.

Now there is an effort to amend the Consolidated Plan to move HOME dollars from their already allocated position of funding this Permanent Supportive Housing Development to a project of Over-the-Rhine Community Housing (OTRCH) in the Pendleton neighborhood called Cutter Apartments. OTRCH is working to renovate these occupied traditional affordable units in order to sustain them for years to come. Both OTRCH and NCR are members of the Greater Cincinnati Homeless Coalition and both organizations have a long track-record of creating and sustaining quality affordable housing. We believe that this effort to move dollars is an attempt to pit traditional affordable housing against permanent supportive housing. It is clear that this discussion was spurred on by members of the city government attempting to support those that are opposed to this housing. We firmly

believe that neither OTRCH nor NCR created this dilemma and neither project should suffer; instead both need to be funded

Repeatedly, over the past year-and-a-half those in Avondale in opposition to the Permanent Supportive Housing have stated that they do not want 90 people who may have a mental illness or addiction living near them. This has been expressed in front of City Council, at CMHA Board meetings, in written and video press, online, in letters and flyers and at community meetings. We believe that the act of withdrawing HOME dollars that were previously allocated by Council for this Permanent Supportive Housing project because of opposition by some neighbors would constitute a discriminatory act. This act could be easily traced to the reasons most often given by those opposing this housing over the past year-and-a-half. It would be clear that one of the reasons the city would be moving HOME dollars is because people living nearby the proposed development do not want people with addictions and/or mental illness living near them. Both conditions are protected by the Federal Fair Housing Act and the action of working to thwart such housing in any location is a breach of this law

We highly recommend that, instead, the City of Cincinnati work diligently and quickly with National Church Residences, Over-the-Rhine Community Housing, the Homeless Coalition, Strategies to End Homelessness, Legal Aid, Housing Opportunities Made Equal and Affordable Housing Advocates to find a solution that funds both the Pendleton Development and the Avondale Development. This effort must happen quickly as an extended time-table would also serve as an act to threaten one or both of the developments. It is also worth remembering that the Avondale Community Council, the Avondale Comprehensive Development Corporation and the Avondale Concerned Clergy support the Avondale development. In addition, the Metropolitan Area Religious Coalition of Cincinnati as well as the approximately 53 member organizations of the Homeless Coalition support the have been involved in supporting both the Avondale and Pendleton developments.

If ending homelessness is the goal, let's do the most we can to get there.

Sincerely,

Elizabeth Brown Executive Director

Housing Opportunities Made

Dabet EBwen

Equal

2400 Reading Road, Suite 118

Cincinnati, OH 45202 513-721-4663

elizabeth.brown@homecincy.org

John Schrider Director

Hu Elle

Legal Aid Society of Southwest

Ohio

215 E. 9<sup>th</sup> Suite 200 Cincinnati, OH 45202

513-241-9400

jschrider@lascinti.org

Josh Spring LSW
Executive Director

**Greater Cincinnati Homeless** 

Coalition

117 E. 12<sup>th</sup> St.

Cincinnati, OH 5202

513-716-7455

joshspring@cincihomeless.org

### CC:

- Department of Housing and Urban Development:
  - Columbus, OH Field Office
  - Fair Housing Office
  - Chicago Regional Office
- City of Cincinnati Department of Trade and Development
- City of Cincinnati Interim City Manager



June 17, 2014

VIA E-MAIL

Kia Patrick
Department of Trade and Development
City of Cincinnati
805 Central Avenue
7<sup>th</sup> Floor, Suite 700
Cincinnati. Ohio 45202

RE: Proposed Substantial Amendments to 2011, 2012, and 2013 HUD Consolidated Plan, Annual Action Plans, HOME Funds ("Proposed Amendment")

Dear Ms. Patrick,

We are writing representing the owner, developer, and manager of a proposed Permanent Supportive Housing (PSH) development in the Avondale community. Our proposed Avondale PSH development currently has a \$543,000 commitment for the PSH designated HOME funds. See award letter provided as Attachment A. The HOME funds were allocated to the Avondale PSH development in a manner consistent with the current 2011, 2012 and 2013 HUD Consolidated Plan.

The Avondale PSH development currently has nearly 85% of the necessary funding committed; including the \$543,000 PSH designated HOME funds. See timeline provided as Attachment B.

The above referenced Proposed Amendment would revise the 2011, 2012 and 2013 HUD Consolidated Plan and permit funds to be reallocated away from the Avondale PSH development.

We highly recommend the city find a quick solution in which **both** developments - the proposed Avondale PSH development and the Pendleton Affordable Housing development - can be funded. We are supportive of efforts to forward allocate 2015 HOME Funds to Avondale PSH and/or Pendleton Affordable Housing provided that such forward allocations are equally strong written commitments. It is important for all funders and participants (including the Federal Home Loan Bank, local housing authorities, state agencies, private construction financing and/or private vendors) have faith that HOME commitments made to developments (including Avondale PSH and Pendleton Affordable Housing) will not be reallocated unless they are replaced with equally strong written commitments. We are available at any time to have this discussion as we realized this effort must happen quickly as time is of the essence given one or both projects could be threatened.

We look forward to hearing from you or another appropriate City representative to schedule a meeting. I can be reached at <a href="mailto:mnorris@nationalchurchresidences.org">mnorris@nationalchurchresidences.org</a> or 614-273-3575, you may also reach Amy Rosenthal at <a href="mailto:arosenthal@nationalchurchresidences.org">arosenthal@nationalchurchresidences.org</a> or 614-273-3735.

Very truly yours,

Michelle Norris

President – National Church Residences Dev. Corp SVP – Business Dev & Public Policy - National Church Residences National Church Residences

cc (via e-mail):

Mayor's Office, City of Cincinnati City Council, City of Cincinnati Russell Hairston, City of Cincinnati Karen Banyai, Ohio Housing Finance Agency Darrel Davis, Ohio Housing Finance Agency Kevin Finn, Strategies to End Homelessness

### ATTACHMENT A



February 11, 2013

Ms. Amy Rosenthal Senior Project Leader National Church Residences 2335 North Bank Drive Columbus, Ohio 43220

RE: The Commons at Alaska

Dear Ms. Rosenthal:

The City of Cincinnati anticipates that we will receive an application for HOME funding from National Church Residences for The Commons at Alaska project.

The Department of Community Development is pleased to provide this letter of interest to provide financial assistance in the amount of \$543,000 at the Applicable Federal Rate of interest, which is currently 2.52% for the tax credit compliance period, approximately 30 years, with debt service of 25% of cash flow.

Funding would be contingent upon the availability of City funding, the receipt of other financing commitments including tax credits and approval by City Council. The project will also be subject to additional analysis of final cost estimates and financing terms, market information, operating budget, anticipated timetable for delivery of qualified occupied units, construction review, and satisfaction of all of the City of Cincinnati's underwriting requirements.

The project will be underwritten, sent to the Financial Review Team requesting a recommendation, then to City Council for approval.

We look forward to working with representatives from the Project Team as the project moves forward. Should you have any questions, please do not hesitate to contact Russ Hairston at <a href="mailto:russ.hairston@cincinnati-oh.gov">russ.hairston@cincinnati-oh.gov</a> or by phone (513) 352-6131.

Sincerely

Michael L. Cervay, Director

cc: Russell Hairston, Housing Division Manager

### ATTACHMENT B TIMELINE

- In 2008, the Cincinnati City Council asked the Continuum of Care (renamed in 2012 to Strategies to End Homelessness) to develop a comprehensive long range plan to address the needs of the homeless in the City and in Hamilton County.
- In 2008 & 2009, The Homeless to Homes Plan was prepared with the participation of 70 individuals representing government; business; housing and human service providers; philanthropists and funders; and faith community leaders.
  - One of the recommendations in the Plan was to work with National Church Residences and similar organizations to develop Permanent Supportive Housing (PSH) in the City and County.
- In 2009, City Council adopted the Homeless to Homes Plan in full and voted to pass a motion in support of Plan implementation.
- In 2010, National Church Residences began discussions with the City regarding locating PSH in the City.
- In 2011, National Church Residences began meetings with community councils including Walnut Hills and Avondale to discuss possible locations and elected to proceed with the Avondale neighborhood.
- In February 2013, National Church Residences applied for Low Income Housing Tax Credits (LIHTC) from the Ohio Housing Finance Agency (OHFA). Part of the application required a community outreach plan, letters of support from the community and the City of Cincinnati.
  - The Avondale Community Council voted to support this project, the City Council
    passed a motion in support of the LIHTC project, and the Mayor selected the
    property as a "top priority". Seven of nine councilmembers voted in support of
    the project.
  - National Church Residences conducted public meetings, held a bus tour to Columbus to visit PSH projects in operation, and had several one-on-one meetings with any interested stakeholders.
- In June 2013, the project received LIHTC from the OHFA.
- In July 2013, National Church Residences submitted an application for \$543,000 in PSH designated City HOME funds to provide gap financing for the project.
- In December 2013, a new City Council and new Mayor took office.
- In January 2014, a resolution was introduced to rescind the motion in support of the project. The motion failed with six Councilmembers voting against it.
- In February and March 2014, National Church Residences hosted Good Neighbor Agreement meetings in the Avondale community.
- Update Currently working with Avondale stakeholders to identify a new site. In particular, current conversations include a property near Reading Road and Blair Avenue.

From: mgbrecords@aol.com [mailto:mgbrecords@aol.com]

**Sent:** Wednesday, June 18, 2014 10:28 AM

To: mburke@otrch.org

**Cc:** Stiles, Scott; <a href="mailto:mcskirving@hotmail.com">mcskirving@hotmail.com</a>; <a href="mailto:tmara4570@aol.com">tmara4570@aol.com</a>; <a href="mailto:leigh.g@isoc.net">leigh.g@isoc.net</a>; Winburn, Charlie;

kjaarch@isoc.net

**Subject:** Re: Cutter Apartments

Good Morning Mary,

I heard and read about the plan yesterday. In the proposed possible transfer of funds from the Alaska Commons PSH Development to Pendleton, will this strictly be for the rehabilitation of the existing Cutter units, or will there be an attempt to use part of the funds for the purchase of some of the non-Cutter Wallick managed properties here in Pendleton? Will OTRCH be supporting or advocating for any PSH development in Pendleton?

Truthfully speaking Pendleton will not support another PSH development. We have one here on E. 13th Street, and being a small neighborhood, we are not willing to support the development of another.

I felt that it needed to be expressed early on so that all including the city understand our position on the issue of PSH.

So if the money possibly being pulled from the Alaska Commons Development and transferred to Pendleton for the rehabilitation of Cutter comes with any strings attached to other projects outside of the renovation only of Cutter Apartments, then we will withdraw our support of your efforts to secure funds from the city through HOME.

Sincerely,

Tabatha L. Anderson President Pendleton Neighborhood Council 512 East 13th Street, Cincinnati, OH 45202

----Original Message-----

From: Mary B. Rivers <mburke@otrch.org>
To: mgbrecords <mgbrecords@aol.com>
Cc: Ashleigh Finke <afinke@otrch.org>
Sent: Wed, Jun 18, 2014 9:24 am
Subject: Cutter Apartments
Good Morning Tabatha,

I want to provide you with an interesting update on the Cutter Apartments project.

The last time I communicated with you about the project I let you know that the timeline for application funding has been delayed but that our overall project construction timeline would remain about the same. The reason our funding timeline changed is because we opted not to apply for Low Income Housing Tax Credits earlier this year because we had received a commitment from the city of Cincinnati that they would provide the needed funding with HOME funds. (HOME funds are federal dollars allocated to cities specifically for affordable housing).

We will apply to the state for non-competitive 4% tax credit financing this fall and use the city funding as well as historic tax credits to complete the project financing.

It turns out that the city commitment of HOME funds had been set aside for Permanent Supportive Housing and would have gone to a project in Avondale called Commons at Alaska. That project would provide 90 units of permanent supportive housing for people who are homeless.

We are in an awkward position. We support permanent supportive housing (PSH), in fact we develop PSH and we are one of the largest providers of PSH in the county. We do not want to take money away from PSH. We support the Commons at Alaska project.

The issue is going before city council on Monday – it will go before the Finance Committee at 1pm on June 23<sup>rd</sup>.

Our position is that we want the city to figure out a way to fund both projects. We think it is possible and that is what we will pursue.

I will give you a call later today to discuss.

Thanks, Mary

Over-the-Rhine Community Housing 114 W. 14th St. Cincinnati, Ohio 45202 513-381-1171 www.otrch.org



## PUBLIC HEARING SIGN-IN 2011, 2012 & 2013 ACTION PLAN Substantial Amendments June 5, 2014

If you wish to speak, please complete a speaker information form on the table.

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## PUBLIC HEARING SIGN-IN 2011, 2012 & 2013 ACTION PLAN Substantial Amendments June 5, 2014

If you wish to speak, please complete a speaker information form on the table.

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