

## Attachment I

### LIMITED INCOME INDIVIDUALS

#### Recommendation 6

The Administration and City Council has a long history of supporting multiple homeownership activities and programs throughout the City. Some of these programs have a general eligibility of participation while other of these programs have restrictions based on income or income and age. Programs like the Lead Hazard Reduction Demonstration Grant Program and American Dream Down-payment Initiative are managed by City Staff in Departments like Community and Economic Development, Health, and Buildings and Inspections. Other programs like the Home Improvement Program and Housing Repair Services are administered by third party stakeholders. Below is a more exhaustive list of programs with descriptions that helps to promote and sustain homeownership.

#### **Housing Repair Services (HRS)**

Housing Repair Services (HRS), formally called Housing Maintenance Services is administered by People Working Cooperatively (PWC) and the Max Construction Group (MCG). PWC is a non-profit organization that serves low-income, elderly, and disabled homeowners by providing professional, critical home repairs, weatherization, modification, and maintenance services to help residents stay safely in their homes. MCG is a construction management company specializing commercial and residential construction projects as well as historic renovations. The types of homeowner repairs under HRS are broken into three main categories that include: Emergency Repairs, Immediate Repairs, and Critical Repairs as described below.

**Emergency Repairs.** Homeowners may receive one uncertified Emergency Repair per year provided in the form of a grant to the homeowner. Emergency Repairs are, often by necessity, performed prior to client qualification of income. Following the Emergency Repair, the client will be evaluated and, if income eligible, scheduled for other programs and services offered. The allowable maximum estimated cost without City for an emergency repair is approval of \$2,500. Services will be limited to two emergencies per household per year. Emergency Repairs are those that are considered to pose an immediate threat to the client's well-being and require immediate attention.

**Immediate Repairs.** This program addresses repairs of an emergency nature that exceed the \$2,500 limit. Generally, Immediate Repairs are expensive emergency repairs with the same need for immediate attention and same time frame as stated in the Emergency Repairs section. The average cost of an Immediate Repair is anticipated to be \$3,300 and services are be limited to one Immediate Repair per year, unless otherwise approved provided by the Department of Community and Economic Development program manager. Immediate Repairs may include modifications and accessibility improvements for physically disabled individuals to improve accessibility to house and the homeowner's personal safety. Examples are wheelchair ramps, electric lifts, grab bars/handrails. All Immediate Repairs are provided in the form of grants to the homeowners.

**Critical Repairs.** This program addresses the critical home repair needs of eligible homeowners. It is not the purpose of the program to respond to all home repair needs of the homeowner, but only repairs critical to the safety of the client and the integrity of the home. The allowable maximum expense in this category without City approval is \$10,000. All Critical Repairs are made in the form of a grant to the homeowner. Only one Critical Repair project (which may include more than one Critical Repair) will be provided every other year unless written approval is provided by the Department of Community and Economic Development program manager.

Eligibility for Critical Repairs are determined by PWC and MCG and the service limitations outlined in this paragraph shall include only those services provided to the eligible client by PWC and MCG,

and shall specifically not include services provided by any other service provider. Critical Repairs will be classified as defects affecting the integrity of the structure or shell of the house.

Eligible homeowners are homeowner occupants of property, not exceeding 3 dwelling units per building, of which one unit is occupied by the owner, within the boundaries of the City of Cincinnati for the neighborhoods referred to in the Area of Service. Homeowners meeting these criteria must qualify by income, which shall not exceed a maximum of 50 percent of the area median income (AMI) for the City, and by family size, as defined by HUD. In cases in which a Critical Repair exceeds \$10,000 AND City approval occurs, then the homeowner's income cannot exceed a maximum of 35 percent of the AMI and the homeowner must be 60 years old or older or be disabled. As evidenced below, over the last four years the City has invested approximately \$8MM in the HRS program assisting approximately 5,500 homeowners. City Council most recently appropriated \$1.8 million for this program from federal Community Development Block Grant entitlement funds.

In addition to Housing Repair Services, PWC also provides a Modifications for Mobility program. This is a critical program for PWC that targets complicated home modification projects that are typically too expensive for its low-income, disabled clients. Modifications made under this program assist some of PWC's most vulnerable clients, improving their daily mobility and independence. Below are some of the mobility services provided:

### **Compliance Assistance Repairs for the Elderly (CARE)**

Compliance Assistance Repairs for the Elderly (CARE) program is administered by the Cincinnati-Hamilton County Community Action Agency (CAA). CAA is a private, nonprofit organization that offers various services to low-income individuals and families in a holistic approach to help lift them out of poverty. Among the services they provide are homeowner repairs. The CARE program provides home repairs for low-income elderly and/or disabled homeowners. The services allow owner-occupants to comply with notices of violations by assisting with the required repairs, and in cases of significant building issues affecting the health or safety of the occupants, enabling owners to stay in their homes.

The CARE program primarily focuses within the current and former Neighborhood Enhancement Program (NEP) areas. NEP is a City community partnership that focuses on the improvement of certain areas of designated neighborhoods to help improve the quality of life. Low-income elderly and disabled owners situated in NEP areas receiving notice of building code violations may find it difficult to make the required repairs. CARE provides relief to the homeowners and neighbors as exterior repairs are corrected. If no qualified candidates in need of assistance are identified in the NEP areas, funding can be spent outside of NEP areas with written consent from the City. City Council most recently appropriated \$100,000 for this program from federal Community Development Block Grant entitlement funds.

### **Emergency Mortgage Assistance**

The Legal Aid Society of Greater Cincinnati administers Emergency Mortgage Assistance funds to help low- and moderate-income City of Cincinnati homeowners who face foreclosure due to job loss, illness, death of the primary wage earner, or other circumstances beyond their control. These homeowners can receive special assistance through the Emergency Mortgage Assistance (EMA) program, to bring their loan current if they have re-established an income stream to continue future mortgage payments.

Eligibility for one-time EMA grant of up to \$3,000 is based on the household's percentage of HUD Area Median Income, immediate risk of homelessness documented by a letter from their lender threatening foreclosure or court papers evidencing a foreclosure already filed, and the circumstances causing the mortgage default. Residency in the City of Cincinnati is required for the use of City funds. The guidelines require historic income at or below 80% of median income as established by copies of the previous year's W-2 tax returns or pay stubs, and re-establishment of an income stream sufficient to continue future mortgage payments. This program does not delay an inevitable foreclosure. If loss of the home is unavoidable, EMA funds will not be approved, and the

counselor/legal representative will outline all other options available. EMA will be provided as a grant for households at or below 80% of median income.

All clients in mortgage trouble receive in-depth Emergency Mortgage Assistance counseling. Legal Aid also negotiates a loan reinstatement or loan modification with the lender/loan servicer and represents homeowners in court to coordinate legal foreclosure prevention strategies with EMA assistance. In some cases, Legal Aid's counseling will result in loan reinstatement or loan modification, which does not require an EMA grant. City Council most recently appropriated \$190,000 for this program from federal Community Development Block Grant entitlement funds.

### **Housing Opportunities for People with AIDS (HOPWA)**

HOPWA funds nonprofit organizations to assist with meeting the housing and supportive service needs of low- and moderate-income persons with AIDS or HIV-related diseases. The program provides tenant-based rental assistance as well as short-term rent, mortgage, and utility assistance to HIV-positive individuals and families to ensure stability in safe, decent, affordable, and sanitary housing. These funds are administered by four nonprofit service providers: Caracole, Center for Respite Care, Northern Kentucky Health Independent District, and the Shelterhouse Volunteer Group. City Council most recently appropriated \$1.2 million for this program from federal HOPWA entitlement funds.

### **Living Arrangements for the Developmentally Disabled (LADD)**

LADD is a local nonprofit that has been seeking to empower adults with developmental disabilities to work, live, and connect for the past 45 years. In terms of assisting those with disabilities with housing, LADD offers subsidized, accessible housing with onsite management and supportive services. LADD also offers a Services for the Ownership and Acquisition of Residences (SOAR) program that empowers those with disabilities to obtain affordable housing and/or become homeowners. For renters, SOAR can help people obtain affordable housing through rental assistance programs funded by the Department of Housing and Urban Development. For homeownership, services include the coordination of services to help prepare someone for homeownership by accessing sources for down payment assistance, home modifications, and pre/post homeowner counseling. The City's down payment assistance program can supplement this program.

### **Single Family Homeownership (SFH)**

Habitat for Humanity of Greater Cincinnati builds and renovates single family homes for low-to moderate-income homebuyers. The program provides construction subsidy and homebuyer assistance. This program is only possible through philanthropic support, in-kind donated services, and donation of supplies. City Council most recently appropriated \$200,000 for this program from federal Home Investment Partnership (HOME) entitlement funds.