

CITY OF SPRINGFIELD
E. HIGH STREET REDEVELOPMENT
PROJECT – PHASE II
URBAN RENEWAL/DEVELOPMENT
PLAN



WASHINGTON COUNTY, KENTUCKY

SEPTEMBER 2009

CITY OF SPRINGFIELD
E. HIGH STREET REDEVELOPMENT
PROJECT – PHASE II



URBAN RENEWAL PLAN

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EAST HIGH STREET REDEVELOPMENT PROJECT – PHASE II
URBAN RENEWAL/DEVELOPMENT PLAN

INTRODUCTION

CHAPTER 1

PURPOSE

The City of Springfield has recognized the slums/blight condition of the East High Street area and is initiating a Community Development Program. By initiating this Community Development Program, the City is recognizing and responding to accelerating deterioration, blighted conditions, a shortage of suitable housing for low and moderate income families in the community, and requests by area residents for assistance in upgrading their neighborhood. The city has received funding through the Community Development Block Grant and Kentucky Housing Corporation Gap Pool Financing Programs and is therefore initiating a redevelopment project to address the properties contributing to the slums/blight condition. The current project will revitalize and improve living conditions in Phase II of the East High Street Neighborhood.

The purpose of this Urban Renewal Plan (also known as a Development Plan) is to outline the actions to be taken for the implementation of the Community Development Program. This program will seek to stimulate and guide (through the activities specified herein) public and private investments to redevelop Phase II of the East High Street Redevelopment Project Area. The project area as outlined in below is the focus of this Urban Renewal Plan.

To achieve this, the City of Springfield will initiate a Community Development Program to perform the activities specified in this plan in accordance with the provisions of the Kentucky Revised Statutes, Chapter 99.

In accordance with KRS 99.370(2) and KRS 99.540, this plan addresses the following topics:

1. Location, character and extent of public and private land ownership and uses proposed as part of the project.
2. Proposed land acquisition, demolition, and clearance activities.
3. Proposed redevelopment and improvements (if any).
4. Proposed rehabilitation activities (if any).
5. Relationships of this plan to local development objectives, strategies and standards.
6. Maximum density and building requirements.
7. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) to be followed by the City during relocation procedures.

EQUAL OPPORTUNITY-FAIR HOUSING POLICY

The City of Springfield provides equal housing opportunity and equal employment opportunity. The City of Springfield does not discriminate on the basis of race, color, disability, religion, sex, national origin or familial status. It is the policy of the City of Springfield to conduct its business in accordance with the Federal Fair Housing Law and Title VI of the Civil Rights Act of 1967, as amended by the Housing and Community Development Act of 1974. An aggrieved person may file a complaint of housing discrimination with the U.S. Department of Housing and Urban Development, Assistant Secretary for Fair Housing and Equal Opportunity, Washington, D.C. 20410.

The City of Springfield advises the public, employees and job applicants that in accordance with its Section 504 policy, the City does not discriminate on the basis of handicapped status in admission or access to, or treatment in its programs and activities. The city does not discriminate on the basis of handicapped status in its employment or contracting activities. The City of Springfield has designated the Springfield City Clerk, 127 W. Main Street, Springfield, KY 40069 as the person to contact to coordinate efforts to comply with all equal opportunity, Section 504 and fair housing requirements.

COMMUNITY BACKGROUND

Springfield, a fourth class city, is the county seat of Washington County, Kentucky. In 2000, the City of Springfield had a total population of 2,634 which is a 9.76% decrease from 1990. According to the 2000 Census 2,592 (98.4%) persons residing in the city consider themselves to be one race. Of the persons considering themselves as one (1) race, 1,967 (74.4%) were white, 590 (22.4%) was black or African American, 14 (.5%) were Asian, with 21 (.08%) considering themselves as “Other”. Complete Census Data for the City of Springfield is included in Appendix A. According to the Kentucky State Data Center, the 2008 estimated population for the City of Springfield is 2,877.

PROJECT AREA LOCATION

The Community Development Block Grant (CDBG) and Kentucky Housing Corporation (KHC) Gap Pool Financing funds received by the City of Springfield were obtained to specifically address properties located in Phase II of the East High Street Redevelopment Project Area. The project area includes properties located from 321 to 527 East High Street. Within this area there are five properties listed as stand-by, 321, 516, 518, 520 and 524 East High Street. These properties will be addressed once all other project activities are complete and only if funding will allow. See Appendix A for a map showing the project area location.

PROJECT OVERVIEW

As the entire neighborhood needs redevelopment, \$1 million in CDBG Traditional Housing Funds and KHC Gap Pool Financing in the amount of \$210,000 have been obtained to provide funding Phase II of the High Street Redevelopment Project Area. CDBG funds will be utilized to address acquisition, clearance, and relocation activities. KHC Gap Pool Financing will be used to supplement CDBG funds and assist the city with the relocation of five LMI owner-occupied households. In addition, the City of Springfield will provide \$25,000 in cash for

project activities. The project funded with these grants is known as the East High Street Redevelopment Project- Phase II. Phase II of the East High Street Redevelopment Project will take approximately 24 months to complete and will accomplish the following tasks:

1. Approximately ten parcels of land containing ten will be acquired to allow clearance of structures and consolidate or subdivide lots as necessary to meet current zoning standards.
2. Demolition and clearance of up to 16 structures in order to eliminate a concentrated area of dilapidated housing and to allow displaced residents to construct replacement homes.
3. Eight owner-occupied households will be able to use relocation benefits to construct replacement homes in the project area.
4. One renter-occupant will relocate into standard housing and given the option of purchasing lots for the construction of a replacement home.
5. Approximately eight new single family homes will be constructed.
6. Project area streets will be repaired and/or re-paved on an as-needed basis by the City of Springfield after completion of other project activities.

PROJECT GROUP RESPONSIBILITIES

For the project to succeed, a number of different groups must work together. Table 1 describes the responsibilities for each group. As shown in Table 1, the City Council is ultimately responsible for all phases of the project and therefore makes the final determination for each project-related activity.

TABLE 1 PROJECT GROUP RESPONSIBILITIES EAST HIGH STREET REDEVELOPMENT PROJECT-PHASE II	
GROUP	RESPONSIBILITY
Springfield City Council	Legal applicant for all funds; <u>final</u> approval of and responsibilities for all project activities; approval of all project documents and plans; final decisions on all administrative appeals. Maintenance of accounting records.
Kriss Lowry & Associates, Inc.	Provides technical assistance to the City Council regarding Federal procedures and practices that most efficiently implement this plan. Responsible for establishing project accounting procedures. Implements the

	policies of the City Council; carries out the day to day activities of the project, supervises all remaining staff and consulting professionals. Complete administration of the project.
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AMENDMENT PROCESS

Any provision of this Urban Renewal Plan may be amended if the City Council determines that it is necessary and desirable to do so. Such an amendment must be approved in the same manner as was the adoption of this Urban Renewal Plan (including a public hearing). Amendments refer to major, substantive changes in proposals set forth in the Urban Renewal Plan. Minor amendments may be approved by the City Council after public discussion and opportunity for public comment at a city council meeting without a formal public hearing.

CHAPTER 2

PROJECT AREA DESCRIPTION

The purpose of this chapter is to describe the project area as it presently exists. Particular emphasis will be placed on housing and socioeconomic conditions as these factual matters are central in the Springfield City Council's determination that those households included as part of the Redevelopment Project will meet the national and state objective of the prevention or elimination of slums and blight and is therefore eligible for Urban Renewal activities as defined by KRS 99.

SOCIOECONOMIC CONDITIONS

Phase II of the East High Street Neighborhood is located near the central business district of the City of Springfield in Washington County, Kentucky. Based on a survey of the Phase II neighborhood (including the standby are) conducted in 2008 73% of the residents located in the project area are Low to Moderate Income (LMI which is 80% or less of the HUD median family income for the area). Of the total project area residents, 17.9% are extremely low income (0-30%), 21.4% are very low income (31-50%), and 32.1% are low income (51-80%). There are six (42.9%) elderly households and five (35.7%) female headed households in the project area. The households to be relocated as part of the project are shown on the project area map located in Appendix A.

HOUSING CONDITIONS

The city has made an effort in recent years to demolish dilapidated homes in order to revitalize living conditions and increase decent, safe, and sanitary housing opportunities in Springfield. As part of the East High Street Redevelopment Project – Phase I completed in 2007, 24 dilapidated and substandard structures were demolished. At the present time, there are still many substandard homes that have a blighting influence in this neighborhood and present limitations for redevelopment of East High Street. The primary cause of deferred maintenance is the accumulation of properties that due their age and obsolete construction are not suitable for rehabilitation. In addition there are some properties that have been abandoned due to title problems, foreclosure or unsettle estates. Many LMI homeowners simply lack the financial resources to repair existing homes or obtain financing to build replacement homes.

A survey of housing conditions, 100% exterior and 68% interior, was completed in 2008 for Phase II of the project. In Phase II of the East High Street Redevelopment Project Area, 21 or 84% of the 25 structures located in the project area are substandard. Of these structures, 20 or 80% are dilapidated and require clearance. One structure is a substandard historic home and requires major rehabilitation. Due to the predominance of dilapidated and substandard buildings which are unsafe or unfit to occupy, the project area meets the KRS 99.340 definition of a slum area.

EXISTING LAND USE

Appendix A contains the East High Street Redevelopment Project – Phase II Map as well as the Existing and Future Land Use Maps that were adopted by the Springfield Planning

Commission in 2000. The project area is located near the city's central business district with the existing and future land maps showing all but one property (a liquor store) as Residential. All structures included within the project are residential with the exception of one nonconforming structure which is a commercial liquor store in the standby area.

PLANNING AND ZONING

The Springfield Planning Commission administers planning and zoning in the City of Springfield. The Comprehensive Plan was last approved in 2000, however, the Planning Commission is in the process of updating the plan. The zoning map for the project area (updated 2003) shows the zoning for this neighborhood as "Residential – One" or R-1. The R-1 district permits detached single-family residential development on lots 8,000 square feet in size or larger. The minimum lot width at the building setback line is 70 feet with a front yard setback of 25 feet. The minimum rear yard setback is 20 feet with a minimum side yard setback of 10 feet. The maximum height for any building in this area is 30 feet or two stories. Any new lots created as part of Phase II of the East High Street Redevelopment Project will meet or exceed the minimum standards contained in the zoning ordinance to the extent possible. Due to the narrow width of many existing lots, new lots may not all be 70 feet wide when they are consolidated, however they will be more conforming than they are currently.

INFRASTRUCTURE

Water, sewer, electric, and gas services are currently available to all residents located within the project area. Although, there are not any substantial public improvements to be designed or installed as part of the project, the city will repair and /or re-pave streets located in the project area on an as-needed basis once demolition and construction activities are complete.

CHAPTER 3

GOALS AND OBJECTIVES

INTRODUCTION

The purpose of this chapter is to summarize the needs of the City of Springfield and develop goals and objectives to address these needs. These goals and objectives will guide the implementation of the project. This chapter will also establish the timeframe for the implementation of the project.

GOALS AND OBJECTIVES

The following goals and objectives will define the project's mission and guide its implementation:

GOAL: To eliminate blighting conditions within the project area.

OBJECTIVES:

- (a) To clear all dilapidated structures and relocate all displaced households into suitable decent safe and sanitary housing.
- (b) To acquire and clear additional properties as necessary to complete the redevelopment of the project area.
- (c) To construct new single family homes in accordance with Kentucky Residential Code.
- (d) To rehabilitate properties suitable for rehabilitation and bring them into conformance with ICC International Property Maintenance Code.

GOAL: To increase housing opportunities for LMI residents

OBJECTIVES:

- (a) To assist LMI homeowners and renters in purchasing, renting or constructing decent, safe, and sanitary replacement housing.
- (b) To make additional lots available for LMI housing when possible.

GOAL: To enhance the quality of life in the East High Street Neighborhood

OBJECTIVES:

- (a) To eliminate blighting conditions in the neighborhood
- (b) To repave and improve project area streets as needed upon completion of all other activities to restore any deterioration.

- (c) To improve lot layouts where possible.

PROJECT SCHEDULE

The timeframe for completion of Phase II of the East High Street Redevelopment Project is approximately 24 months from the date release of funds is obtained. The specific completion date will be established as part of the grant agreement between the City of Springfield and the Commonwealth of Kentucky, Department for Local Government.

CHAPTER 4

DEVELOPMENT PLAN

INTRODUCTION

The purpose of this chapter is to present and briefly discuss the development activities to be initiated and completed as part of the project.

This Urban Renewal Plan must clearly address and discuss the following points:

1. Relationship of the project to the Comprehensive Plan.
2. Land acquisition and demolition.
3. Redevelopment proposals.
4. Public improvements (if applicable).
5. Rehabilitation proposals (if applicable).
6. Zoning and land use changes.
7. Public and private ownership of property upon completion of the project.

The project may be reduced to five (5) key activity groups:

1. Property acquisition. This includes acquisition of lots and houses as well as any necessary easements for public facilities work.
2. Clearance of structures not suitable for rehabilitation. This includes asbestos inspections prior to demolition and disposal at a permitted facility.
3. Relocation of families into standard housing. This includes temporary relocation activities necessary for new construction and rehabilitation.
4. Housing construction and rehabilitation. This includes meeting applicable building codes, addressing lead based paint in accordance with federal regulations, and rehabilitation of structures in accordance with Kentucky Heritage Council requirements, when applicable.
5. Public improvements. This activity includes connecting households to public utility service and the repair/re-paving of project area streets once demolition and construction activities are complete.

Each of these five groups will be briefly discussed in this chapter. Later chapters will

present more information regarding these activity groups.

RELATIONSHIP TO THE COMPREHENSIVE PLAN

The City of Springfield has an independent planning commission referred to as the Springfield Planning Commission. The *Springfield Comprehensive Plan* was last updated in November of 2000. The future land use map for the City of Springfield shows the project area remaining residential. The overall housing goal for Springfield is to “Promote peaceful, safe, and livable residential neighborhoods and protect existing neighborhoods from the intrusion of conflicting uses.” As the project area will be redeveloped for residential use in conformance with the city’s stated housing goal and future land use map, it is not anticipated that there will be any conflicts with the comprehensive plan. The Springfield Planning Commission is in the process of updating the comprehensive plan. It is anticipated that it will take one year to update the plan. According to city officials, it is anticipated that the future land use for the E. High Street area will remain single family residential.

PROPERTY ACQUISITION-CLEARANCE

All acquisition of property located in Phase II of the East High Street neighborhood will be conducted in accordance with the Uniform Act. The project involves the acquisition of approximately ten parcels of land including ten single family structures. Acquisition of these parcels will enable the city to clear a total of 16 dilapidated structures and to resolve any title problems with project area properties so that replacement homes can be built. Acquired properties will be re-lotted to meet city planning and zoning requirements. For additional information on Property Acquisition, refer to Chapter 6 of this Urban Renewal Plan. For additional information on Relocation matters, refer to Chapter 7 of this Urban Renewal Plan.

PUBLIC IMPROVEMENTS

Water, sewer, gas and electric services are currently available to all residents located within the project area. For this reason there are not any substantial public improvements to be designed or installed as part of the project. However, the city will repair and/or re-pave streets located in the project area on an as-needed basis once demolition and construction activities are complete.

NEIGHBORHOOD REDEVELOPMENT

The City will stimulate neighborhood redevelopment by assisting LMI homeowners and renters to construct or purchase replacement homes. Present project area residents will have priority in purchasing lots. For additional information on Neighborhood Redevelopment, refer to Chapter 9 of this Urban Renewal Plan.

HOUSING CONSTRUCTION/REHABILITATION

Due to the severely dilapidated condition of many structures in the project area, approximately eight new homes will be constructed. If funding allows, one historic substandard home in the standby area will be rehabilitated to ICC International Property Maintenance Code. Lead based paint will be addressed in accordance with federal requirements. Should funding

permit the rehabilitation of the structure located at 321 East High Street, the city will comply with all lead based paint and Kentucky Heritage Council requirements and will rehabilitation the structure in accordance with the Secretary of Interior's Standards.

FUTURE LAND USE

Phase II of the East High Street Redevelopment Project, is currently shown as Residential on the Future Land Use Map and is zoned "*Residential One (R-1)*". The neighborhood contains single family homes and one commercial business. While some housing will be eliminated in the project area, the neighborhood will remain single-family residential in nature due to the concentration of residential structures and proposed construction of replacement homes. The city considers the liquor store in the neighborhood to be a nonconforming structure in this single family area. The liquor store is in the standby area, if funding permits, the building would be acquired and the business either relocated or discontinued. The business owner would receive a business relocation payment in conformance with the Uniform Act. The building would be demolished and the lot use for residential use in the future. Future land use of this project area is not anticipated to change as it is a well-established residential neighborhood.

CHAPTER 5

FINANCING AND COSTS

INTRODUCTION

KRS 99.370 requires disclosure of the means of financing the proposed Urban Renewal activities and the costs associated with said Urban Renewal activities. The purpose of this chapter is to provide this information.

COSTS

Table 2 presents the estimated costs associated with the implementation of the project as set forth in the 2008 Kentucky Community Development Block Grant Housing Project Application. These funds have been obtained specifically for Phase II of the East High Street Redevelopment Project.

TABLE 2

ESTIMATED PROJECT COSTS

EAST HIGH STREET REDEVELOPMENT PROJECT-PHASE II

Acquisition	\$ 201,000
Clearance	88,000
Relocation	811,000
Public Facility Improvements	25,000
Planning and Administration	110,000
TOTAL COSTS	\$1,235,000

FINANCING

Table 3 presents information relative to the sources of funds available for defraying project costs. No deficits are expected to be incurred during the life of the project.

TABLE 3

SOURCES OF PROJECT FUNDS

Community Development Block Grant	\$1,000,000
KHC HOME Gap Pool Financing Funds	210,000
City of Springfield (cash)	<u>25,000</u>
TOTAL FUNDING	\$ 1,235,000

CHAPTER 6

ACQUISITION-CLEARANCE-DISPOSITION

INTRODUCTION

The purpose of this Chapter is to discuss the aspects of the East High Street Redevelopment Project-Phase II relative to Property Acquisition, Clearance, and Disposition. This Chapter will summarize the provisions and procedures of the City's "Property Acquisition and Disposition Policy" which is the "Uniform Act".

PROPERTIES DESIGNATED FOR PURCHASE

To complete project objectives, it will be necessary for the City to acquire ten parcels of land containing ten structures. The project area map (Appendix A) identifies the properties that are designated for purchase. The primary purpose of property acquisition will be to clear title to the property, obtain such properties as necessary to demolish dilapidated structures, acquire non-conforming lots to consolidate them into lots that meet current zoning standards and to relocate those living in substandard housing. Properties in the standby area designated for acquisition may be acquired if funding is available after completion of all activities in the primary project area.

ACQUISITION OF OTHER PROPERTY

It is not intended at this time to purchase properties other than those designated by the project area map. It is possible, however, that unforeseen events in the execution of the project could necessitate the purchase of additional properties. Property not designated for purchase may be acquired if, in the opinion of the City, the purchase of the property is necessary for the success of the project. The procedure for this is set forth in KRS 99.460. Should acquisition of property become necessary in order to complete the project objectives, all acquisition activities will be conducted in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended commonly referred to as the Uniform Act.

EXEMPTION FROM ACQUISITION

A property designated for purchase by the project area map may be exempted from acquisition if the City Council determines that the purchase of the property is not necessary to accomplish the mission of the project. The city council will consider the following when making such a determination:

1. A title opinion has been obtained which indicates that the owner has clear title to the property. There are no title problems that would limit the marketability of the land. There are no delinquent property taxes or other liens against the property.
2. The property is not part of an unsettled estate.

3. All owners are of the same household.
4. The property is not subject to a land contract.
5. The owner(s) is not an absentee owner. That is, the owner resides in the City of Springfield or within a reasonable proximity to the city so that maintenance of the property on an ongoing basis is feasible.
6. The lot meets current zoning regulations, has been consolidated with adjacent land under the same ownership to achieve zoning standards or the city determines that the lot is suitable for construction of a single-family home and the owner has obtained required variances from the Springfield Board of Adjustment.
7. The lot is not needed to bring other lots up to current zoning standards or to otherwise achieve the purposes of the redevelopment project.
8. The owner signs an agreement with the city to construct a house on the lot within a defined period of time and/or to maintain the property to ICC International Property Maintenance Code.

EMINENT DOMAIN

Under KRS 99.360 and 99.550, the City may exercise the power of Eminent Domain to accomplish the goals the project. The procedure for the exercise of this power is set forth in KRS 99.420. The City will make every attempt to obtain property through payment of fair market value and reasonable negotiations, to avoid the use of this power.

ACQUISITION PROCEDURES

Any property to be acquired by the City will be appraised by a primary appraiser and a review appraiser to determine Fair Market Value. Another appraisal may be obtained for high value or difficult to appraise properties. This appraisal shall also be reviewed by a review appraiser. These appraisals are calculated in consideration of the characteristics of the properties as they presently exist and not on their potential value upon completion of the project. The City will then offer property owners the amount determined by the appraisers to represent Fair Market Value or "just compensation".

Any acquisition will be conducted in accordance with all applicable Federal and state regulations. Federal regulations are set forth in the "Uniform Act" and its implementing regulations. This Act covers such topics as procedures for acquisition and disposition; determination of just compensation; and the grievances and appeals procedure. The Uniform Act and its implementing regulations are the official property acquisition policies of the City.

Owners who do not agree with the appraised fair market value of their property may, at their own cost, obtain their own appraisal of the property. However, such appraisals will not be considered by the city unless they are reviewed and approved by an independent review appraiser.

VOLUNTARY ACQUISITION POLICY

Voluntary acquisition shall be permitted only if the property has not been designated for

acquisition. Only vacant land will be acquired by voluntary acquisition. The City may decline to purchase any property. Property owners will be responsible for paying any taxes due and for providing clear title to the property. The City of Springfield will pay other closing costs such as surveying, legal fees, and recording fees.

CODE ENFORCEMENT

All property owners included as part of the East High Street Redevelopment Project-Phase II shall be required to maintain existing buildings in accordance with ICC International Property Maintenance Code. Any property found to be deficient shall be repaired to meet Code or shall be demolished and removed. Any property which is found to be in substantial noncompliance with Code may be declared a public nuisance. The City Council may demolish and clear dilapidated structures with written permission of the owner.

HEARING PANEL

The Mayor with the City Council's approval, shall appoint three individuals who shall constitute a Hearing Panel for the purpose of conducting hearings pursuant to code enforcement issues. Members of the Hearing Panel may not be employees of the City and shall serve without compensation. An enforcement officer shall not be a member of the Hearing Panel.

NOTICE OF VIOLATION

When any property is declared a public nuisance, notice of the violation shall be given as follows:

Written notice of the violation and an order to remedy the violation shall be delivered or sent by certified mail to the owner or responsible person of the property.

If the City is unable to determine or locate the owner or responsible person of the property, the notice of violation shall be posted in a conspicuous place on or near the property, and it shall be published pursuant to Chapter 424 of the Kentucky Revised Statutes in a newspaper of general circulation in Washington County, Kentucky.

Notice to any one owner of the property shall constitute notice to all other owners of the same property.

Notice mailed to an owner at the last address shown on the property tax roll maintained by the County P.V.A. office shall constitute notice to all owners of the property. Each owner of property located in the project area shall have a duty to notify the County and the City of the proper mailing address of the property owners in a timely manner.

PERIOD TO CURE

In the written notice, the owner or responsible person shall be afforded a period during which to cure the violation. The following periods to cure shall apply: (a) 45 calendar days for dilapidated structures; and (b) 90 calendar days for structures damaged by fire. The City may extend the period to cure for additional time not to exceed the original period. All periods to cure shall begin when the notice of violation is mailed.

HEARING

Any owner of property declared a nuisance under this plan shall have the right to a hearing before the Hearing Panel. A hearing request must be made within 15 calendar days of mailing the Notice of Violation. A request for a hearing shall be submitted in writing in a timely manner, signed by the requesting owner, contain the current mailing address, and telephone number of the requesting owner, and received by or delivered to the Mayor's office no later than 15 calendar days following the date of mailing the Notice of Violation. Upon receipt of a written request, the City shall schedule a hearing before the Hearing Panel as soon as reasonably possible. Written notice of the date, time, and location of the hearing shall be mailed to the owner or responsible person who requested the hearing. At the hearing, both the owner or responsible person and the City's representative shall be allowed to present evidence and to cross-examine witnesses. The rules of evidence shall not apply. At the conclusion of the hearing, the Hearing Panel shall go into closed session, to discuss whether the notice of violation and order to remedy was appropriate under the circumstances. The decision of the panel shall be made by majority vote and announced in open session following deliberations. A written order containing the findings and decisions of the Hearing Panel shall be filed with the City Clerk and mailed to the owner within five business days following announcement of the Panel's decision.

ABATEMENT BY CITY

If the owner or responsible person of property in violation fails to properly cure or remedy the violation within the time prescribed in the notice, or within seven days following entry of an order by the Hearing Panel upholding a notice of violation, whichever is later, then the City, in its discretion and without obligation, may enter upon the property and take such action as it deems appropriate to cure the violation and abate the nuisance. Such action may include, the cutting or removing of grass and weeds, the removal of trash, debris, garbage, refuse, materials, waste, junk, litter, and other matter constituting a violation, the repair of any unsafe or unsanitary condition, and the demolition and removal of any dilapidated structure. The City may file a lien against the property for the reasonable value of labor, materials, and equipment used in remedying the situation together with any legal costs incurred by the City.

CLEARANCE

Sixteen structures included as part of the East High Street Redevelopment Project-Phase II will be demolished in order to enable LMI property owners to re-construct replacement homes on their property or lots within the project area. Where purchase for redevelopment is not appropriate, the City may elect to use Code Enforcement as described above to bring about demolition of the dilapidated structure.

PROPERTY DISPOSAL

Properties purchased by the city as part of the project will be disposed or redeveloped in the following manner:

1. Persons displaced by this project shall have first priority to purchase land acquired for the project in order to construct a replacement home. Owners shall have priority over renters. Those with an earlier date of occupancy shall have priority over later

- residents. Displaced persons will be sold a lot for \$1 for the purposes of constructing a replacement home. Property will be deeded to displaced renters at the closing for a construction loan to construct a replacement house.
2. Any property purchased from a property owner that is later resold to the same property owner for the purpose of lot consolidations or to construct a replacement home will be sold to the owner for the same amount at the original purchase price. In other words, the City will not purchase a lot from an owner and then give the owner the same land back unless the purchase price is applied to the construction of a replacement home. Per the Uniform Act, funds paid to acquire property from an owner-occupant who is relocated must be applied to the purchase price or construction of a replacement home before the relocation payment is determined.
 3. All properties sold as part of the project will be subject to deed restrictions that require that the property be maintained to ICC International Property Maintenance Code and prohibit manufactured homes on the property. The City shall retain any right-of-way or easements necessary to complete the project. Other deed restrictions may apply as deemed necessary.
 4. Acquired properties not suitable for residential redevelopment may be sold to adjoining property owners for side yards or additions to existing lots. The first priority in such instances will be to bring lots in the project area up to current zoning standards. The city will divide or consolidate purchased lots as necessary to obtain or increase conformance with zoning standards.
 5. Manufactured or mobile homes acquired as part of this project will be demolished upon acquisition.
 6. Any vacant lots suitable for residential development remaining at the end of the project shall be used for construction of LMI housing until all obligations to replace LMI housing under Section 104 (d) are met. Remaining buildable lots may be donated or sold to non-profit housing organizations such as Habitat for Humanity if such organization commits to using the lot for construction of LMI housing.
 7. Building lots sold to persons who were not displaced as part of the project will be sold for fair market value. Low to moderate income persons will be eligible for a ten (10) year forgivable deferred loan to purchase a lot when the following conditions are met:
 - a. The LMI family has been approved for a loan for construction of a home.
 - b. The household income is verified by HUD Section 8 standards.
 - c. The LMI family will occupy the home as their primary residence.
 - d. The forgivable deferred mortgage will require the owner to keep all property taxes

paid, have homeowners insurance and maintain the property to ICC International Property Maintenance Code.

- e. The forgivable deferred loan will be subject to foreclosure if a home is not constructed on the property within one year of purchase.

When the above requirements are met, the LMI family will receive a 100% forgivable deferred loan amount to purchase the lot.

For further details on redevelopment activities, please refer to Chapter 10 of this plan.

CHAPTER 7

RELOCATION

INTRODUCTION

The implementation of project objectives contained in the Urban Renewal Plan will result in the displacement of approximately eight owner-occupied and one renter-occupied household. The purpose of this chapter is to present the key provisions of the "Relocation Policy" which will govern this relocation process. The City of Springfield will use "The Uniform Act" as it's implementing regulations in the displacement and relocation of project area residents. A relocation plan for the East High Redevelopment Project-Phase II is presented in Appendix B and gives further details. The temporary relocation policy can also be found in Appendix B.

RELOCATION FINDING

In accordance with KRS 99:370(4), the Springfield City Council finds that there is and will continue to be a feasible method for the temporary or permanent relocation of households displaced from the project area. The Agency further finds that there are few decent, safe and sanitary units within city limits at prices within the financial means of the displaced families. Therefore, last resort replacement housing will be constructed as needed to provide decent, safe and sanitary units to displaced residents. The City will provide a financing program for the displaced residents, which will give homeowners in the project area the opportunity to construct replacement homes. If necessary, lots will be purchased in the City of Springfield to ensure that sufficient land is available for construction of replacement housing.

RELOCATION RESOURCES

The approved CDBG application provides for the construction of new single-family homes for eight owner-occupants being displaced as part of this project. In addition, one renter is eligible to use their relocation payment as a down-payment for the purchase of a lot and construction of a new home. For those displaced residents that choose not to participate in the construction of new homes, housing available on the private market will be used as a relocation resource.

ELIGIBILITY

A household must meet all of the following tests before being eligible for receiving Relocation benefits:

1. Receive a Notice of Relocation Eligibility.
2. Occupied the house at the time the CDBG Grant Application was submitted to the Department for Local Government (February 2, 2009).
3. Homeowners must have owned and occupied their home for a period of not less than 180 days.

4. Renters will be eligible for relocation benefits if they have occupied their home for a period of not less than 90 days.
5. All occupants who qualify under the Uniform Act as a displaced person shall be eligible for moving expenses (except illegal aliens who, under Federal law, are not eligible for any relocation benefits).
6. Permanent moving expenses will be paid only once to any family or for any one structure.

RELOCATION BENEFITS

Relocation benefits will be determined on a case-by-case basis in accordance with the Uniform Relocation Act and Section 104(d) of the Housing and Community Development Act of 1974, as amended. An Anti-displacement and Relocation Plan has been developed and is included as Appendix B.

MISCELLANEOUS

No household will be required to move without at least 90 days written notice. Eviction will be used only as last resort and will not affect the eligibility for relocation benefits of any displaced person or business once a “Notice of Relocation Eligibility” has been issued by the Agency.

GRIEVANCE PROCEDURE

Residents have the right to appeal any action of the City for failure to properly determine their eligibility for the amount of a relocation payment or payment for incidental expenses or certain litigation expenses. A resident's acceptance of the amount offered by the City does not limit the right to appeal the City's determination and seek a larger payment. Residents are encouraged to first contact the Project Manager, Kriss Lowry, of Kriss Lowry & Associates, for clarification prior to filing a formal written appeal to the City.

An appeal must be filed within sixty (60) days after the City provides written notification of its determination of claim amounts. The first level of appeal is to the City Council. All appeals should be sent to the Mayor's office at the City of Springfield, 127 West Main Street, Springfield, KY 40069. In response to an appeal, the City will provide residents a copy of the decision, a statement of the facts and legal basis upon which a determination was made, a description of any additional benefits granted, and notification of the right to appeal the decision to the Kentucky Department for Local Government.

If not satisfied with the City Council's determination, residents may appeal to the Kentucky Department for Local Government, Office of Federal Grants, 1024 Capital Center Drive, Frankfort, Kentucky 40601. A state review may be obtained by sending a written request to the Kentucky Department for Local Government within thirty (30) days after receiving a letter containing the City's decision, together with a written statement of the facts. A full copy of the City's “Grievance Procedures” can be found in Appendix D.

CHAPTER 8

PUBLIC FACILITIES IMPROVEMENTS

The only public facilities work proposed by the City as part of East High Street Redevelopment Project-Phase II is the repair and/or re-paving of project area streets on an as-needed basis after demolition and construction activities in the project area are complete. City funds will be used for this activity. Water and sewer service lines to individual homes and on site drainage will be addressed as part of new housing construction in accordance with Kentucky Residential Code and local utility regulations.

CHAPTER 9 HOUSING REHABILITATION AND NEW CONSTRUCTION

INTRODUCTION

The purpose of this chapter is to summarize the key provisions of the rehabilitation and new construction component of the East High Street Redevelopment Project-Phase II which includes both rehabilitation and new construction activities. All new houses constructed within the project area must meet Kentucky Residential Code. A more detailed explanation of the procedures to be followed during the implementation of this component is contained in the project's Housing Construction Guidelines located in Appendix C.

FINANCIAL ASSISTANCE-HOUSING REHABILITATION

As the East High Street Redevelopment Project is a neighborhood project and participation is mandatory for all residents and properties located within the project area, financing for rehabilitation activities has been funded under the CDBG program and are budgeted as 100% grants for low to moderate income persons. Over income persons may be eligible for funding for rehabilitation based on their ability to pay. For over income persons, only health and safety violations will be addressed. Cosmetic improvements, such as new carpeting or siding, are not eligible unless there is a health or safety concern such as mold or contamination from lead paint. Any costs to address lead paint hazards will be in the form of a grant regardless of income or ability to pay. Although it is not anticipated that any rental properties will be rehabilitated as part of this project, rental properties may be addressed if determined necessary.

Financing for any rental rehabilitations will be in the form of a five year forgivable deferred loans leveraged by owner financing. The amount of the loan is dependent on the incomes of the residents of the property and an analysis of the income and expenses for the property. Owners of rental properties must agreed to rent restrictions which keep rents at or below fair market rents for the area as determined by HUD for the five year period of the loan. The loan will be secured by a mortgage on the property. The loan is forgiven at a rate of 20% per year. At the end of five (5) years, the entire loan is forgiven. If the property is sold before the entire loan is forgiven, some repayment of the loan may be required. Payment schedules in these cases will be determined by the staff of the agency and approved by the City Council. Payment schedules in these cases will be based on individual situations.

The Housing Rehabilitation Officer will inspect units for deficiencies utilizing ICC International Property Maintenance Code. The Rehabilitation Officer will complete work write-ups for the needed repairs of each property. These work write-ups will be utilized as the scope of work in contracting procedures.

Each property owner to receive rehabilitation assistance will complete an application to be provided by the City. The staff will verify all financial information on the applicant. This information will be confidential. The staff will then determine, according to guidelines set forth in the Rehabilitation Plan, the type of financial assistance available. This will then be discussed

with the property owner. Subsidies will be based on income and assets of the property owner.

FINANCIAL ASSISTANCE-NEW CONSTRUCTION

1. Tenants who are displaced from their homes will be eligible to purchase any available lots for construction of a replacement home for \$1.00 upon approval of a loan for the construction of a home. Renters can use their relocation payment for a down-payment. Any renter that uses their relocation payment as a down-payment to purchase or construct a home shall receive a minimum of \$5,250 for down-payment assistance as their relocation payment.
2. Relocation Payments: Funds are available through the CDBG and HOME programs for relocation payments to homeowners to construct replacement houses on their property under last resort housing provisions. Under the “make-whole” provision of the Uniform Act, owners will be left in the same financial condition as before the relocation in terms of the amount of mortgage on the property and ownership interest. Therefore, no mortgages or deed restrictions will be placed on the property.

Any financing to be provided by a renter to construct a replacement home must be approved prior to the bidding. The renter shall be required to be pre-qualified for financing to purchase a home prior to being provided extensive assistance in locating a replacement home. Renters who plan to apply for a housing construction loan shall provide a copy of their credit report to the project administrator in order to provide housing counseling. This is to eliminate wasted effort on part of the staff if the renter cannot be approved for financial assistance. The loan the renter obtains shall have appropriate underwriting criteria and shall be affordable to the renter to avoid predatory lending practices.

RENT RESTRICTIONS/RENTAL REHABILITATION

Rental properties shall be eligible for partial forgivable deferred loans based on an analysis of income and expenses for the property. Landlords participating in the program will be subject to rent restrictions for five years beyond the date of loan closing. Rent shall remain at or below the Fair Market Rent for the area as determined by HUD.

UNITS TO BE REHABILITATED

At the present time, only one vacant historic structure, currently on stand-by, is substandard and needs to be rehabilitated in accordance with the requirements of the Kentucky Heritage Council and Secretary of Interior Standards.

CHAPTER 10

NEIGHBORHOOD REDEVELOPMENT

The primary goal of neighborhood redevelopment is to relocate displaced residents of the project area into decent, safe and sanitary housing. The secondary goal is to eliminate blighting conditions caused by substandard lots, title problems, and dilapidated housing.

LAND DISPOSITION

After acquired properties in Phase II of the East High Street neighborhood are cleared of dilapidated structures, rubbish, and brush, they will be used for the construction of replacement or LMI housing or sold to adjacent property owners to create lots which meet the city's zoning requirements. Use of properties acquired and sold by the city for redevelopment will be subject to restrictions by the city council. The city may assemble multiple acquired parcels to meet specific public use needs or facilitate their redevelopment.

Priority for the sale or disposal of properties acquired under this Community Development program will occur in the following order.

1. Property owners included as part of the project who are being displaced as a result of property acquisition;
2. Project are tenants who are being displaced;
3. Non-profit housing organizations who will construct housing for LMI persons;
4. Low and moderate income persons; and
5. Persons displaced by future city sponsored housing redevelopment projects.

CHAPTER 11

MISCELLANEOUS

CITIZENS PARTICIPATION

The Springfield City Council recognizes the critical role of citizen participation in assuring the success of the project. A public hearing was held to solicit citizen comment prior to submittal of the grant application for funding. This public hearing is documented in the CDBG grant application.

DURATION OF PLAN

This Urban Renewal Plan is in effect until the closeout of the project by the Kentucky Department for Local Government.

DEVELOPMENT RESTRICTIONS

No building permit shall be issued for any structure or use within the project area during the duration of this Urban Renewal Plan unless the proposed activity is found to be in conformance with this Urban Renewal Plan (KRS 99.380). This determination will be made by the Project Manager. The determination may be appealed to the City Council in conformance with the Grievance Procedures included as Appendix D.

EVIDENCE OF ADOPTION

Per the requirements of KRS 99.370 and 99.540, a number of legislative and other public actions and findings of fact are necessary to adopt this Urban Renewal Plan and initiate the completion of its redevelopment proposals.

1. The City will hold a public hearing at Springfield City Hall, 127 W. Main Street, Springfield, KY, on August 13, 2009 at 5:30 p.m. (local time) to solicit public comment on the proposed redevelopment project and this plan.
2. By approving the Urban Renewal Plan, the Springfield City Council finds that the East High Street Redevelopment Project-Phase II meets the Federal LMI benefit and the definitions of slums and blight contained in KRS 99.340. This area meets the definition of LMI Benefit as 73% of project area residents are LMI. In addition, the neighborhood also meets the definition of a slum area by virtue of the degree of dilapidated housing as documented in this Urban Renewal Plan and the CDBG grant application.
3. This plan must be approved by the City of Springfield Planning Commission and adopted by the Springfield City Council.

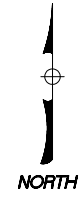
APPENDIX A

CITY OF SPRINGFIELD

East High Street
Redevelopment Project
Phase II



Kriss Lowry & Associates, Inc.
227 S. Rays Fork Rd.
Corinth, Ky 41010
(502) 857-2800
www.krisslowry.com

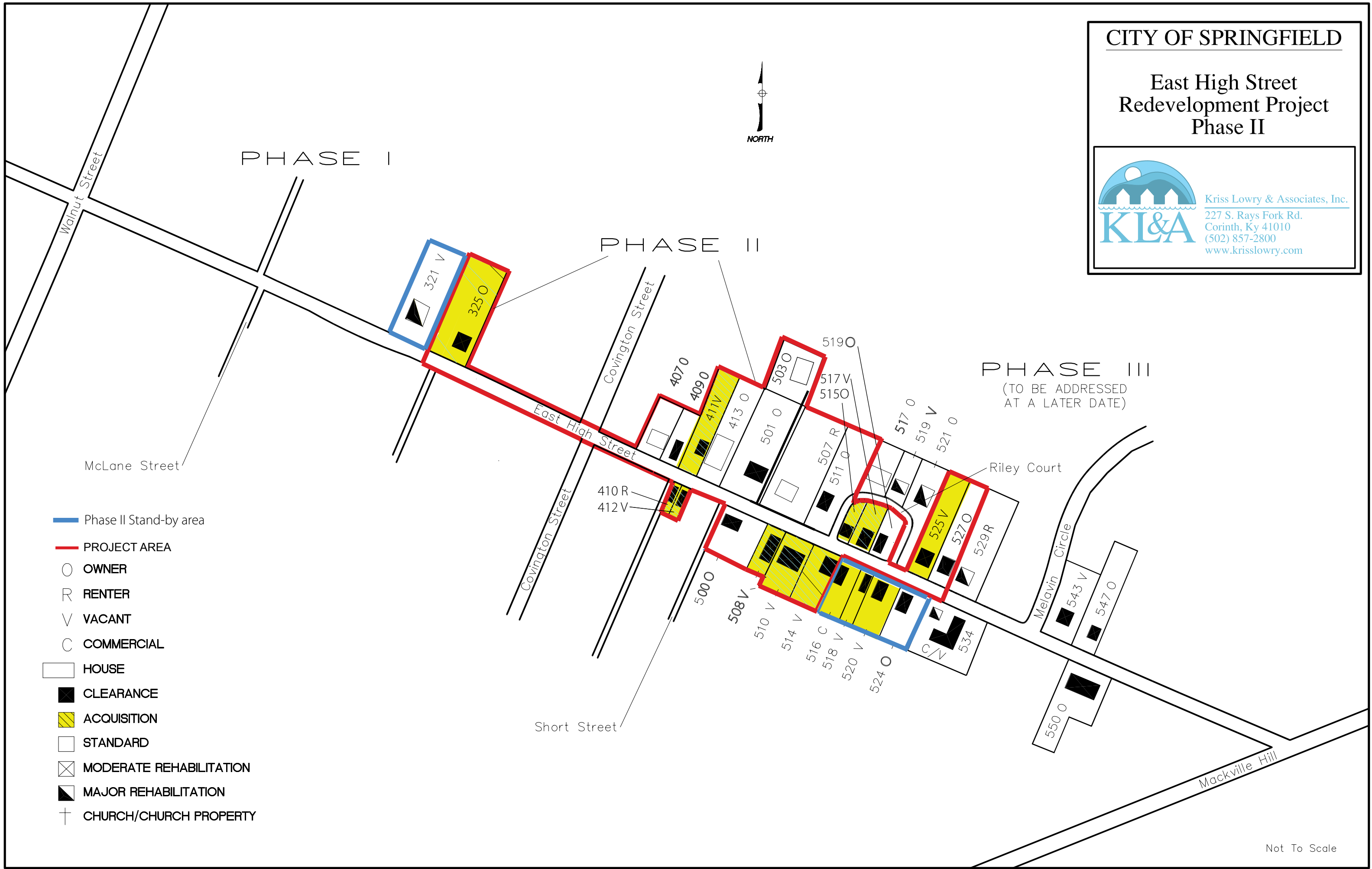


PHASE I

PHASE II

PHASE III
(TO BE ADDRESSED
AT A LATER DATE)

- █ Phase II Stand-by area
- █ PROJECT AREA
- OWNER
- R RENTER
- V VACANT
- C COMMERCIAL
- HOUSE
- CLEARANCE
- ▨ ACQUISITION
- STANDARD
- ⊠ MODERATE REHABILITATION
- ▣ MAJOR REHABILITATION
- † CHURCH/CHURCH PROPERTY



E. High St. Zoning
Map



Table DP-1. Profile of General Demographic Characteristics: 2000

Geographic area: Springfield city, Kentucky

[For information on confidentiality protection, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
Total population	2,634	100.0	HISPANIC OR LATINO AND RACE		
SEX AND AGE			Total population	2,634	100.0
Male.....	1,157	43.9	Hispanic or Latino (of any race).....	33	1.3
Female.....	1,477	56.1	Mexican.....	33	1.3
Under 5 years.....	140	5.3	Puerto Rican.....	-	-
5 to 9 years.....	175	6.6	Cuban.....	-	-
10 to 14 years.....	161	6.1	Other Hispanic or Latino.....	-	-
15 to 19 years.....	160	6.1	Not Hispanic or Latino.....	2,601	98.7
20 to 24 years.....	141	5.4	White alone.....	1,955	74.2
25 to 34 years.....	301	11.4	RELATIONSHIP		
35 to 44 years.....	355	13.5	Total population	2,634	100.0
45 to 54 years.....	335	12.7	In households.....	2,570	97.6
55 to 59 years.....	138	5.2	Householder.....	1,166	44.3
60 to 64 years.....	124	4.7	Spouse.....	493	18.7
65 to 74 years.....	263	10.0	Child.....	732	27.8
75 to 84 years.....	247	9.4	Own child under 18 years.....	525	19.9
85 years and over.....	94	3.6	Other relatives.....	115	4.4
Median age (years).....	41.8	(X)	Under 18 years.....	43	1.6
18 years and over.....	2,059	78.2	Nonrelatives.....	64	2.4
Male.....	868	33.0	Unmarried partner.....	30	1.1
Female.....	1,191	45.2	In group quarters.....	64	2.4
21 years and over.....	1,960	74.4	Institutionalized population.....	64	2.4
62 years and over.....	683	25.9	Noninstitutionalized population.....	-	-
65 years and over.....	604	22.9	HOUSEHOLD BY TYPE		
Male.....	210	8.0	Total households	1,166	100.0
Female.....	394	15.0	Family households (families).....	711	61.0
RACE			With own children under 18 years.....	298	25.6
One race.....	2,592	98.4	Married-couple family.....	493	42.3
White.....	1,967	74.7	With own children under 18 years.....	182	15.6
Black or African American.....	590	22.4	Female householder, no husband present.....	193	16.6
American Indian and Alaska Native.....	-	-	With own children under 18 years.....	108	9.3
Asian.....	14	0.5	Nonfamily households.....	455	39.0
Asian Indian.....	-	-	Householder living alone.....	434	37.2
Chinese.....	-	-	Householder 65 years and over.....	229	19.6
Filipino.....	-	-	Households with individuals under 18 years.....	331	28.4
Japanese.....	4	0.2	Households with individuals 65 years and over.....	421	36.1
Korean.....	2	0.1	Average household size.....	2.20	(X)
Vietnamese.....	8	0.3	Average family size.....	2.88	(X)
Other Asian ¹	-	-	HOUSING OCCUPANCY		
Native Hawaiian and Other Pacific Islander.....	-	-	Total housing units	1,239	100.0
Native Hawaiian.....	-	-	Occupied housing units.....	1,166	94.1
Guamanian or Chamorro.....	-	-	Vacant housing units.....	73	5.9
Samoan.....	-	-	For seasonal, recreational, or occasional use.....	5	0.4
Other Pacific Islander ²	-	-	Homeowner vacancy rate (percent).....	1.7	(X)
Some other race.....	21	0.8	Rental vacancy rate (percent).....	3.1	(X)
Two or more races.....	42	1.6	HOUSING TENURE		
Race alone or in combination with one or more other races: ³			Occupied housing units	1,166	100.0
White.....	2,004	76.1	Owner-occupied housing units.....	756	64.8
Black or African American.....	618	23.5	Renter-occupied housing units.....	410	35.2
American Indian and Alaska Native.....	10	0.4	Average household size of owner-occupied units.....	2.26	(X)
Asian.....	28	1.1	Average household size of renter-occupied units.....	2.10	(X)
Native Hawaiian and Other Pacific Islander.....	8	0.3			
Some other race.....	23	0.9			

- Represents zero or rounds to zero. (X) Not applicable.

¹ Other Asian alone, or two or more Asian categories.² Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.³ In combination with one or more of the other races listed. The six numbers may add to more than the total population and the six percentages may add to more than 100 percent because individuals may report more than one race.

Source: U.S. Census Bureau, Census 2000.

Table DP-2. Profile of Selected Social Characteristics: 2000

Geographic area: Springfield city, Kentucky

[Data based on a sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
SCHOOL ENROLLMENT			NATIVITY AND PLACE OF BIRTH		
Population 3 years and over enrolled in school			Total population	2,658	100.0
Nursery school, preschool	15	2.6	Native	2,630	98.9
Kindergarten	21	3.7	Born in United States	2,620	98.6
Elementary school (grades 1-8)	296	52.2	State of residence	2,386	89.8
High school (grades 9-12)	157	27.7	Different state	234	8.8
College or graduate school	78	13.8	Born outside United States	10	0.4
EDUCATIONAL ATTAINMENT			Foreign born	28	1.1
Population 25 years and over			Entered 1990 to March 2000	28	1.1
Less than 9th grade	347	18.5	Naturalized citizen	-	-
9th to 12th grade, no diploma	288	15.3	Not a citizen	28	1.1
High school graduate (includes equivalency)	649	34.6	REGION OF BIRTH OF FOREIGN BORN		
Some college, no degree	278	14.8	Total (excluding born at sea)	28	100.0
Associate degree	74	3.9	Europe	-	-
Bachelor's degree	114	6.1	Asia	12	42.9
Graduate or professional degree	128	6.8	Africa	-	-
Percent high school graduate or higher	66.2	(X)	Oceania	-	-
Percent bachelor's degree or higher	12.9	(X)	Latin America	3	10.7
MARITAL STATUS			Northern America	13	46.4
Population 15 years and over			LANGUAGE SPOKEN AT HOME		
Never married	573	26.0	Population 5 years and over	2,540	100.0
Now married, except separated	1,022	46.4	English only	2,503	98.5
Separated	35	1.6	Language other than English	37	1.5
Widowed	368	16.7	Speak English less than "very well"	27	1.1
Female	342	15.5	Spanish	12	0.5
Divorced	205	9.3	Speak English less than "very well"	7	0.3
Female	155	7.0	Other Indo-European languages	13	0.5
GRANDPARENTS AS CAREGIVERS			Speak English less than "very well"	8	0.3
Grandparent living in household with one or more own grandchildren under 18 years			Asian and Pacific Island languages	12	0.5
Grandparent responsible for grandchildren	22	40.0	Speak English less than "very well"	12	0.5
VETERAN STATUS			ANCESTRY (single or multiple)		
Civilian population 18 years and over			Total population	2,658	100.0
Civilian veterans	195	9.3	<i>Total ancestries reported</i>	<i>2,030</i>	<i>76.4</i>
DISABILITY STATUS OF THE CIVILIAN NONINSTITUTIONALIZED POPULATION			Arab	-	-
Population 5 to 20 years			Czech ¹	-	-
With a disability	46	7.9	Danish	-	-
Population 21 to 64 years			Dutch	-	-
With a disability	277	21.5	English	277	10.4
Percent employed	46.9	(X)	French (except Basque) ¹	15	0.6
No disability	1,014	78.5	French Canadian ¹	4	0.2
Percent employed	78.5	(X)	German	129	4.9
Population 65 years and over			Greek	-	-
With a disability	304	50.9	Hungarian	23	0.9
RESIDENCE IN 1995			Irish ¹	285	10.7
Population 5 years and over			Italian	14	0.5
Same house in 1995	1,541	60.7	Lithuanian	-	-
Different house in the U.S. in 1995	987	38.9	Norwegian	11	0.4
Same county	696	27.4	Polish	18	0.7
Different county	291	11.5	Portuguese	-	-
Same state	209	8.2	Russian	-	-
Different state	82	3.2	Scotch-Irish	39	1.5
Elsewhere in 1995	12	0.5	Scottish	11	0.4
			Slovak	-	-
			Subsaharan African	23	0.9
			Swedish	5	0.2
			Swiss	-	-
			Ukrainian	-	-
			United States or American	540	20.3
			Welsh	4	0.2
			West Indian (excluding Hispanic groups)	-	-
			Other ancestries	632	23.8

-Represents zero or rounds to zero. (X) Not applicable.

¹The data represent a combination of two ancestries shown separately in Summary File 3. Czech includes Czechoslovakian. French includes Alsatian. French Canadian includes Acadian/Cajun. Irish includes Celtic.

Source: U.S. Bureau of the Census, Census 2000.

Table DP-3. Profile of Selected Economic Characteristics: 2000

Geographic area: Springfield city, Kentucky

[Data based on a sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
EMPLOYMENT STATUS			INCOME IN 1999		
Population 16 years and over			Households		
In labor force	2,176	100.0	Less than \$10,000	1,211	100.0
Civilian labor force	1,178	54.1	\$10,000 to \$14,999	243	20.1
Employed	1,174	54.0	\$15,000 to \$24,999	129	10.7
Unemployed	61	2.8	\$25,000 to \$34,999	249	20.6
Percent of civilian labor force	5.2	(X)	\$35,000 to \$49,999	141	11.6
Armed Forces	4	0.2	\$50,000 to \$74,999	173	14.3
Not in labor force	998	45.9	\$75,000 to \$99,999	150	12.4
Females 16 years and over			\$100,000 to \$149,999	67	5.5
In labor force	1,286	100.0	\$150,000 to \$199,999	40	3.3
Civilian labor force	627	48.8	\$200,000 or more	4	0.3
Employed	627	48.8	Median household income (dollars)	15	1.2
Own children under 6 years	590	45.9	24,430	(X)	
All parents in family in labor force	73	57.0	With earnings	778	64.2
COMMUTING TO WORK			Mean earnings (dollars) ¹	37,737	(X)
Workers 16 years and over			With Social Security income	503	41.5
Car, truck, or van -- drove alone	1,098	100.0	Mean Social Security income (dollars) ¹	9,918	(X)
Car, truck, or van -- carpooled	848	77.2	With Supplemental Security Income	121	10.0
Public transportation (including taxicab)	144	13.1	Mean Supplemental Security Income		
Walked	-	-	(dollars) ¹	4,555	(X)
Other means	65	5.9	With public assistance income	42	3.5
Worked at home	14	1.3	Mean public assistance income (dollars) ¹	2,197	(X)
Mean travel time to work (minutes) ¹	27	2.5	With retirement income	268	22.1
	16.4	(X)	Mean retirement income (dollars) ¹	10,220	(X)
Employed civilian population			Families		
16 years and over			Less than \$10,000	718	100.0
			\$10,000 to \$14,999	77	10.7
			\$15,000 to \$24,999	65	9.1
			\$25,000 to \$34,999	132	18.4
			\$35,000 to \$49,999	83	11.6
			\$50,000 to \$74,999	132	18.4
			\$75,000 to \$99,999	136	18.9
			\$100,000 to \$149,999	49	6.8
			\$150,000 to \$199,999	30	4.2
			\$200,000 or more	4	0.6
			Median family income (dollars)	10	1.4
			35,143	(X)	
			Per capita income (dollars) ¹	16,793	(X)
			Median earnings (dollars):		
			Male full-time, year-round workers	29,917	(X)
			Female full-time, year-round workers	21,865	(X)
				Number	Percent
				below	below
				poverty	poverty
				level	level
			Subject		
			POVERTY STATUS IN 1999		
			Families		
			88	12.3	
			With related children under 18 years	58	19.1
			16	18.8	
			With related children under 5 years		
			Families with female householder, no		
			husband present		
			58	27.9	
			With related children under 18 years	51	39.2
			16	53.3	
			With related children under 5 years		
			Individuals		
			415	16.0	
			18 years and over	321	15.8
			133	22.3	
			65 years and over		
			Related children under 18 years	92	16.6
			74	17.0	
			Related children 5 to 17 years		
			Unrelated individuals 15 years and over	165	29.9

-Represents zero or rounds to zero. (X) Not applicable.

¹If the denominator of a mean value or per capita value is less than 30, then that value is calculated using a rounded aggregate in the numerator.

See text.

Source: U.S. Bureau of the Census, Census 2000.

Table DP-4. Profile of Selected Housing Characteristics: 2000

Geographic area: Springfield city, Kentucky

[Data based on a sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
Total housing units	1,274	100.0	OCCUPANTS PER ROOM		
UNITS IN STRUCTURE			Occupied housing units	1,196	100.0
1-unit, detached	947	74.3	1.00 or less	1,178	98.5
1-unit, attached	7	0.5	1.01 to 1.50	12	1.0
2 units	138	10.8	1.51 or more	6	0.5
3 or 4 units	136	10.7			
5 to 9 units	4	0.3	Specified owner-occupied units	719	100.0
10 to 19 units	12	0.9	VALUE		
20 or more units	17	1.3	Less than \$50,000	158	22.0
Mobile home	13	1.0	\$50,000 to \$99,999	428	59.5
Boat, RV, van, etc	-	-	\$100,000 to \$149,999	91	12.7
			\$150,000 to \$199,999	14	1.9
YEAR STRUCTURE BUILT			\$200,000 to \$299,999	18	2.5
1999 to March 2000	28	2.2	\$300,000 to \$499,999	10	1.4
1995 to 1998	35	2.7	\$500,000 to \$999,999	-	-
1990 to 1994	32	2.5	\$1,000,000 or more	-	-
1980 to 1989	61	4.8	Median (dollars)	74,900	(X)
1970 to 1979	195	15.3	MORTGAGE STATUS AND SELECTED		
1960 to 1969	221	17.3	MONTHLY OWNER COSTS		
1940 to 1959	389	30.5	With a mortgage	349	48.5
1939 or earlier	313	24.6	Less than \$300	23	3.2
ROOMS			\$300 to \$499	90	12.5
1 room	4	0.3	\$500 to \$699	126	17.5
2 rooms	10	0.8	\$700 to \$999	73	10.2
3 rooms	119	9.3	\$1,000 to \$1,499	32	4.5
4 rooms	242	19.0	\$1,500 to \$1,999	2	0.3
5 rooms	265	20.8	\$2,000 or more	3	0.4
6 rooms	259	20.3	Median (dollars)	588	(X)
7 rooms	172	13.5	Not mortgaged	370	51.5
8 rooms	106	8.3	Median (dollars)	190	(X)
9 or more rooms	97	7.6			
Median (rooms)	5.5	(X)	SELECTED MONTHLY OWNER COSTS		
Occupied housing units	1,196	100.0	AS A PERCENTAGE OF HOUSEHOLD		
YEAR HOUSEHOLDER MOVED INTO UNIT			INCOME IN 1999		
1999 to March 2000	210	17.6	Less than 15.0 percent	363	50.5
1995 to 1998	291	24.3	15.0 to 19.9 percent	107	14.9
1990 to 1994	163	13.6	20.0 to 24.9 percent	68	9.5
1980 to 1989	150	12.5	25.0 to 29.9 percent	55	7.6
1970 to 1979	162	13.5	30.0 to 34.9 percent	37	5.1
1969 or earlier	220	18.4	35.0 percent or more	80	11.1
			Not computed	9	1.3
VEHICLES AVAILABLE			Specified renter-occupied units	400	100.0
None	193	16.1	GROSS RENT		
1	565	47.2	Less than \$200	107	26.8
2	320	26.8	\$200 to \$299	51	12.8
3 or more	118	9.9	\$300 to \$499	205	51.3
HOUSE HEATING FUEL			\$500 to \$749	12	3.0
Utility gas	910	76.1	\$750 to \$999	-	-
Bottled, tank, or LP gas	21	1.8	\$1,000 to \$1,499	4	1.0
Electricity	249	20.8	\$1,500 or more	-	-
Fuel oil, kerosene, etc	-	-	No cash rent	21	5.3
Coal or coke	-	-	Median (dollars)	326	(X)
Wood	13	1.1	GROSS RENT AS A PERCENTAGE OF		
Solar energy	-	-	HOUSEHOLD INCOME IN 1999		
Other fuel	-	-	Less than 15.0 percent	96	24.0
No fuel used	3	0.3	15.0 to 19.9 percent	51	12.8
SELECTED CHARACTERISTICS			20.0 to 24.9 percent	36	9.0
Lacking complete plumbing facilities	5	0.4	25.0 to 29.9 percent	84	21.0
Lacking complete kitchen facilities	5	0.4	30.0 to 34.9 percent	32	8.0
No telephone service	41	3.4	35.0 percent or more	72	18.0
			Not computed	29	7.3

-Represents zero or rounds to zero. (X) Not applicable.

Source: U.S. Bureau of the Census, Census 2000.

COST SUMMARY

GOLD USE ONLY

Exhibit C
Project # 08-

Applicant: City of Springfield

Activity Code	Activity Description	CDBG Funds		OTHER FUNDS	TOTAL	SOURCE
		LMI	Slum/Blight			
1	ACQUISITION	176,000	25,000		201,000	
2	CLEARANCE	77,000	11,000		88,000	
3	RELOCATION					
a	owner	554,000		200,000	754,000	HOME Gap Financing
b	renter	30,000			30,000	
c	other	27,000			27,000	
	TOTAL RELOCATION	611,000		200,000	811,000	
4	REHABILITATION					
a	code enforcement					
b	grants					
c	loans					
d	public housing modernization					
e	non-residential-historic preservation					
f	acquisition for rehabilitation					
g	multi-unit residential rehabilitation					
h	rehabilitation administration					
i	other					
	TOTAL REHABILITATION					
5	PUBLIC FACILITIES					
a	parks & recreation facilities					
b	street improvements			25,000	25,000	City of Springfield
c	water lines					
d	water treatment facilities					
e	sewer lines					
f	sewage treatment facilities					
g	flood & drainage facilities					
h	senior centers					
i	centers for the disabled/handicap					
j	child care centers					
k	other					
	TOTAL PUBLIC FACILITIES			25,000	25,000	
6	PUBLIC SERVICES					

COST SUMMARY

GOLD USE ONLY

Exhibit C
Project # 08-

Applicant: City of Springfield

Activity Code	Activity Description	CDBG Funds		OTHER FUNDS	TOTAL	SOURCE
		LMI	Slum/Blight			
7	ED ON-SITE DEVELOPMENT					
a	clearing and grading					
b	street improvements					
c	water lines					
d	water treatment facilities					
e	wastewater collection					
7	f wastewater treatment					
g	drainage facilities					
h	other					
TOTAL ED On-Site Develop.						
8	ED OFF-SITE DEVELOPMENT					
a	clearing and grading					
b	street improvements					
c	water lines					
d	water treatment facilities					
e	wastewater collection					
f	wastewater treatment					
g	drainage facilities					
h	other					
TOTAL ED Off-Site Develop.						
9	COMMERCIAL/INDUSTRIAL FACILITIES					
a	land acquisition/disposition					
b	building acquisition/construction/rehabilitation					
c	other improvements					
TOTAL Commercial/Industrial Facilities						
10	Commercial/Industrial Equipment					
11	Inventory/Working Capital					
12	Microenterprise Technical Assistance					
13	Other					
Subtotal		864,000	36,000	225,000	1,125,000	
14	PLANNING	15,000			15,000	
15	ADMINISTRATION	85,000		10,000	95,000	HOME Gap Financing
CONTINGENCIES						
TOTAL PROJECT COSTS		964,000	36,000	235,000	1,235,000	

COST SUMMARY

GOLD USE ONLY
Exhibit C
Project # 08-

Applicant: City of Springfield

Activity Code	Activity Description	CDBG Funds		OTHER FUNDS	TOTAL	SOURCE
		LMI	Slum/Blight			

Architectural/Engineering Costs must also be shown in a line item above (do not show as "other")

Architectural/Engineering Design						
Architectural/Engineering Inspection						
Architectural/Engineering Other						
Total Architectural/Engineering						

APPENDIX B

APPENDIX B

E. HIGH STREET REDEVELOPMENT PROJECT – PHASE II

SPRINGFIELD, KENTUCKY

RELOCATION AND ANTI-DISPLACEMENT PLAN

In the implementation of the E. High Street Redevelopment Project – Phase II, it will be necessary to relocate families living in deteriorated structures to safe, decent and sanitary housing. Approximately nine households in the project area presently live in dilapidated structures and will have to be permanently relocated to suitable housing. Of the nine households to be relocated as part of the project, eight are owner-occupied and one is renter-occupied.

A. Administration

All relocation activities in the City of Springfield will be administered by the designated project administrator in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act) and U.S. Department of Housing and Urban Development's relocation procedures

B. Purpose

The purpose of this relocation function is to provide maximum assistance to persons and families displaced as part of the Community Development program's acquisition and clearance activities in obtaining suitable, safe, decent, and sanitary replacement housing.

C. Relocation Standards

1. Physical and Occupancy Standards

All units considered for replacement housing must meet Kentucky Residential Code for new or reconstructed houses and International Property Maintenance Code for houses that are rehabilitated. Any housing used for relocation purposes must meet the HUD Section 8 Housing Quality Standard, applicable building codes, lead hazard regulations and have the appropriate number of bedrooms for the family size.

2. Ability to Pay

No individual or family should be referred to a comparable replacement dwelling for which the anticipated rent or mortgage payment and utilities will exceed 30% of their gross monthly income, including relocation benefits.

3. Environmental Standards

A suitable replacement housing unit must be in a location free of adverse environmental conditions and of similar accessibility as the displaced former residence to public services, utilities, employment, commercial facilities, churches, recreation, etc.

4. Non-Discrimination

All replacement housing considered for this relocation activity are open to all persons regardless of race, color, religion, disability, familial status or national origin, in a manner consistent with Title VI of the Civil Rights Act of 1968.

5. Proposal for Assuring Availability of Replacement Housing

- a. It is anticipated that owner occupants will construct last resort replacement homes on their existing lots within the project area. However, should this not be the case, all persons being relocated will be assisted in purchasing or constructing replacement homes in the location of their choice. If necessary, the City will use condemnation powers to purchase lots in order to make suitable building sites available to those being displaced. Those displaced will be given first priority in purchasing lots available for construction of replacement homes. Owners will receive "make whole" benefits so they are no more in debt than before they were relocated.
- b. One renter to be relocated will be assisted in finding a replacement rental property or they can use their relocation payment for down-payment assistance to construct or purchase a home. Renters who wish to become homeowners will be given priority to purchase any available lots in the project area. Renters who wish to become homeowners will be given homeownership counseling.
- c. Priority for the sale of properties acquired under this redevelopment project will be given to, in order:
 1. Project area property owners who are being displaced as a result of property acquisition or demolition activities where construction on their existing lot or a portion of it is not feasible.
 2. Project area tenants who are being displaced.
 3. Those who have lived in the project area the longest will have priority over newer occupants when selecting replacement lots.

4. Other low to moderate income persons.

- c. Any displacee who chooses not to construct new housing on their existing lot will be assisted in finding suitable replacement housing elsewhere. Public housing and other assisted housing units will be given top priority for replacement housing referrals for low income renters. The following requirements for replacement housing shall apply.

1. Replacement housing for relocation activities must be inspected prior to referral to displacees and subsequent to occupancy to insure that it meets HUD Housing Quality Standards.

2. No persons being relocated as part of this Community Development Program may be referred to a unit which:

a. Is structurally deficient, lacks appropriate water and sewer service, has hazardous lead paint conditions, has inadequate weatherization, or is inaccessible to disabled displacees or otherwise fails to meet HUD Housing Quality Standards and other building codes;

b. Has loan payments or rent greater than the displacee's ability to pay;

c. Is in a blighted area for which no redevelopment is planned; and

d. Is in an inconvenient location from the person's place of employment and for which commercial activities, recreation, church, etc. are not accessible.

6. Relocation Assistance Advisory Services

At the earliest possible date, persons to be displaced as part of the redevelopment project will be contacted and informed of the relocation procedure, replacement housing referrals, financial assistance, and social services assistance available under the relocation activity. Those being displaced will receive a General Information Notice after the release of project funds. Eligible persons will be informed verbally and given written information about the relocation process and available financial assistance to ensure their understanding of the program and a smooth relocation.

7. Housing Discrimination Complaint:

If a person displaced by this relocation activity is unable to purchase or rent a replacement dwelling because of alleged discriminating practices pertaining to

race, color, creed, familial status, or national origin, a HUD Housing Discrimination Complaint Form shall be made available, completed, and filed for each family or individual so aggrieved.

8. Social Services

Persons being relocated will be provided with needed social services counseling prior and subsequent to their relocation. The project administrator shall endeavor to assure the availability of counseling services related to job, financial, educational, health, and other social services. Referrals will be made to governmental, civil, and community agencies.

D. Equal Opportunity

1. The City shall take such actions as listed below to assure that all displaced persons are provided with the maximum opportunities to select replacement housing within the community's total housing supply; lessen racial, ethnic, and economic concentrations; and facilitate desegregation and racially inclusive patterns of occupancy and use of public and private facilities:
 - a. Make full use of HUD properties, multiple listing services, and normal real estate management and brokerage services.
 - b. Inform members of minority groups of housing opportunities in non-traditional neighborhoods and provide services to familiarize them with such neighborhoods.
 - c. Cooperate fully with fair housing groups, human relations bodies, and other social groups, civic and religious groups interested in facilitating freedom of residence.

E. Grievance Procedure

1. Each person being displaced as part of this relocation activity will be informed both verbally and in writing about the city's grievance procedure. The grievance procedure will operate as follows:
 - a. A person may file a written appeal with the Mayor in any case in which the person believes that the agency has failed to properly determine the person's eligibility for, or the amount of a payment required under the Uniform Act, or a relocation payment required under these regulations. Persons may also request an appeal concerning a review of the quality and adequacy of replacement housing. Any person requiring assistance in filing an appeal will be assisted by the project administrator.
 - b. Appeals must be filed within sixty days after the person receives written notification of the agency's determination on the person's

claim.

- c. All appeals will be reviewed in a timely manner and the persons filing the appeal will be notified in writing of the agency's decision, the basis for that decision, and procedures for further appeal.
- d. A person has a right to be represented by legal counsel or other representative in connection with his or her appeal, but solely at the person's own expense.
- e. If the appellant is not satisfied with the Mayor's determination, they may then take the appeal to the City Council. The City Council will then review the appeal and issue a decision.
- f. The agency shall permit a person to inspect and copy all materials pertinent to his or her appeal except materials which are classified as confidential by the agency.
- g. If the City Council disapproves an appeal, the appellant is entitled to a review by the Kentucky Department for Local Government, Office of Federal Grants, 1024 Capital Plaza Center, Suite 340, Frankfort, Kentucky 40601. A state review may be obtained by sending a written request to the appropriate agency listed above within thirty days after receiving the review findings from the City Council.

F. Relocation Payments

1. Relocation payments shall be in full conformance with the provisions of the Uniform Act of 1970, as amended.
2. Fixed payments for moving expenses shall be determined in accordance with Department of Transportation, Federal Highway Administration's (49 CFR, Part 24) fixed moving expense payment schedule.

G. Temporary Relocation - Owner Occupants

Temporary relocations must be approved by the project manager prior to the occupant entering into a lease or rental agreement. Families that move of their own accord without prior approval for temporary relocation benefits may not be eligible for reimbursement of these costs. Circumstances when temporary relocations may be approved include the following:

1. The occupant's house must be demolished in order for their replacement house to be constructed.
2. The occupant's house is being rehabilitated and contains lead based paint or rehabilitation work requires the family to relocate temporarily (plumbing and/or electrical must be off for extended periods etc.).

Occupants will be encouraged to stay with friends or relatives especially when the temporary relocation is for a short period of time (30 days or less). Relatives and friends may charge the relocated family rent for providing shelter. However, the rent must be reasonable and not exceed one-half of the fair market rent for the unit.

For longer relocations, the temporarily relocated family will first be given the option of renting any available housing the city may have acquired that would be suitable for temporary housing. Next, the city will work with the local public housing authority to provide temporary housing. If these sources are not available, the family will be assisted in finding a local, moderately priced hotel room (for short relocations) or other available rental properties. Rents must be reasonable for the area and generally should not exceed the fair market rent for the locality. For owner-occupants, the city will pay the monthly rent and storage costs not covered by the permanent moving expense payment. **All rents and out of pocket moving costs must be documented by receipts or rental or lease agreements.** In general, the occupant will be responsible for utilities at the temporary site on the same basis as the house they were relocated from and for any refundable deposits including rent deposit. A full copy of the city's approved temporary relocation policy is included in Appendix C.

H. Temporary Relocation - Tenants

In general, tenants will not receive temporary relocation payments unless they are using their relocation payment for down payment assistance to construct a replacement home and they must temporarily relocate while the replacement house is being constructed. For tenants the temporary relocation policy is the same as listed above for owners except that the city will pay the difference in cost between the rent the occupant was paying and the cost at the temporary facility. Any refundable deposits are the responsibility of the renter. A full copy of the city's approved temporary relocation policy is included in Appendix C.

I. Eviction Procedures

Eviction procedures will occur only as a last resort in the project area. Eviction will in no way effect the claimant's eligibility for relocation payments once a Notice of Relocation Eligibility has been issued by the Agency.

J. Other Provisions

If questions arise concerning any area not addressed in this Relocation Policy, the provisions of the Uniform Act of 1970, as amended, shall apply.

K. Anti-Displacement Plan

1. A total of 16 dilapidated structures are included in the E. High Street Redevelopment Project - Phase II Area and are unsafe, structurally unsound, cannot be rehabilitated and require clearance. A total of nine of these

structures have occupied or occupiable bedrooms will be lost to demolition. The structures to be cleared are shown on the project area map included in Appendix A. The number of bedrooms lost to demolition and to be replaced are shown on the One-For-One Replacement Form included at the end of Appendix B.

2. It is anticipated that owner-occupants will construct eight new replacement homes on lots within the project area. This includes two 4-bedroom houses, five 3-bedroom houses, and one 2-bedroom house. These new units total 25 bedrooms. In addition My New Kentucky Home Habitat for Humanity will construct a new home in the project area on a cleared lot. Therefore a minimum of 25 new bedrooms will replace the 23 bedrooms lost through demolition.
3. The source of funds for the construction of eight replacement homes will be CDBG and HOME grant funds in the form of relocation payments. An estimated \$554,000 in CDBG funds and \$200,000 in HOME funds will be used for owner relocations.
4. Replacement homes that will be constructed for owner-occupants displaced by the redevelopment project will be comparable to the homes lost in this LMI neighborhood. The new construction homes will be home affordable by LMI household. As the owners of the new homes will be LMI, it is anticipated that these homes will continue to be occupied by LMI families for the next ten years.

**One-For-One Replacement Summary
Grantee Performance Report
Community Development Block Grant Program**

U.S. Dept. of Housing and Urban Development
Office of Community Planning and Development

OMB Approval No. 2506-0077

Name of Grantee: City of Springfield		Grant Number: 08-040				Period Covered:											
Part 1: Low/Mod Housing Units Demolished/Converted								Part II: Replacement Units									
A. Activity Number	B. Activity Address	C. Date of Agreement	D. Number of Units by Bed. Size that were demolished/converted					B. Replacement Address	C. Date Unit Available	D. Number of Units by Bed. Size							
			0/1	2	3	4	5+			Total	0/1	2	3	4	5+	Total	
2	325 E. High St.				1			3		325 E. High St.				1			3
2	409 E. High St.				1			3		409 E. High St.				1			3
2	410 E. High St.		1					1									
2	500 E. High St.					1		4		500 E. High St.					1		4
2	501. E. High St.					1		4		501. E. High St.				1			3
2	511 E. High St.				1			3		511 E. High St.					1		4
2	515 E. High St.		1					1		514 E. High St.				1			3
2	519 E. High St.			1				2		519 E. High St.			1				2
2	527 E. High St.			1				2		527 E. High St.				1			3
Total =			23					Bedrooms					25				

APPENDIX C

APPENDIX C

E. HIGH STREET REDEVELOPMENT PROJECT – PHASE II

CONSTRUCTION

PROGRAM GUIDELINES

I. DEFINITIONS

Definitions of terms used in this document shall be the following:

Ability-to-Pay - The difference between 30% of a household's adjusted average monthly gross income and the average monthly housing cost, used to determine how much of the cost of rehabilitation the household can be expected to pay with its own resources. Over-income occupants receive rehabilitation assistance based on their ability to pay.

Annual Income - The gross amount of household income anticipated to be received during the 12 months following the effective date of examination as calculated by the current HUD Section 8 method.

Applicant - The "Applicant" shall include all persons having legal or equitable title to the structure for which rehabilitation assistance is requested, including nonresident owners. (For purposes of determining income eligibility in the case of rental property, the applicant is considered to be the occupant of rental property.)

Applicant's Family - The "Applicant's Family" shall include the applicant and other persons related by blood, marriage, or operation of law who share this same dwelling unit.

City – The City of Springfield implementing the program as an agent of the Kentucky Governor's Office for Local Development, grantee of the U.S. Department of Housing and Urban Development (also known as the Agency).

Critical Health and Safety Deficiencies - Those necessary elements of the structure which are lacking or are deteriorated to a point which poses a real threat to the continued well being of the occupants. For the purpose of this plan, these include wiring, heating and major structural problems and the lack of adequate plumbing and sanitary septic systems.

Displaced Person – The term “displaced person” means any person any person that qualifies as a displaced person under the Uniform Act and that moves from the real property or moves his/her personal property from the real property, permanently, as a direct result of: 1) the acquisition of or written notice of intent to acquire or initiation of negotiations to acquire such real property in whole or in part for a project; or 2) the rehabilitation or demolition of such real property for a project; or 3) The rehabilitation, demolition, or acquisition of all or part of other real property in which the person conducts a business or farm operation.

Forgivable Deferred Loan (FDL) - A direct payment for the purpose of bringing an eligible property up to Housing Code paid to the approved contractor on the Applicant's behalf. There is no requirement for repayment unless the property is sold or transferred

within the first five years after rehabilitation is complete and/or the rental unit does not continued to be occupied by a low/moderate income household in compliance with the rental control agreement. (The amount of the FDL is forgiven/reduced at a rate of 20% per year for five years.)

Housing Code/Housing Standard - The ICC International Property Maintenance Code which is adopted by the city as the minimum standards to which all structures approved for rehabilitation assistance must comply. New houses including those classified as a reconstruction must meet Kentucky Residential Code. Additional requirements may be imposed by the funding agency or for compliance with historic requirements.

Land Sales Contract - Any transaction, regardless of the nomenclature by which it is known, in which the purchaser-occupant obtains fee title only if he completes a series of installment payments over a period of time.

Low-Moderate Income - That level of income which, when combined with family size, relates to eligibility for rehabilitation assistance. These income levels are not more than 80% of median income by family size as established periodically by the federal Department of Housing and Urban Development and adopted by the City. Low to moderate income families will receive a 100% grant to rehabilitate the structure.

Monthly Housing Cost - Those expenses to the occupant incurred monthly for housing. This amount reflects property tax, mortgage or rent, basic utilities (electricity, gas, water, sewer) excluding phone and property insurance.

Neighborhood Redevelopment Project – CDBG project identified by a defined boundary containing contiguous properties. All properties within the defined boundary must be addressed in order to redevelop a specified area or neighborhood.

Owner-Occupied Structure - A residential structure occupied by the owner which is used entirely for residential purposes.

Project Manager - A representative of the City authorized to approve housing contractors and distribution of rehabilitation and relocation funds.

Rehabilitation - Repairs, reconstruction or additions to a structure necessary to improve it to the minimum standards as required by the Housing Code.

Rehabilitation Assistance - That amount of money available from the Agency to an Applicant on behalf of a specific structure for the purpose of correcting critical health and safety deficiencies in that structure and bringing the unit into full compliance with the Housing Code. For non-voluntary neighborhood redevelopment projects the rehabilitation assistance is in the form of a grant.

Renter-Occupied Structure - A residential structure occupied by a tenant, not the owner of the property.

Scattered Site Housing Project –A CDBG project that addresses multiple, non-contiguous properties throughout the jurisdiction of a city or county. Participation in scattered site projects is voluntary. Applicants are selected on the basis of specific criteria (as defined in the Urban Renewal Plan) in order to address those LMI persons who are living in the worst housing conditions. All participants must be LMI.

Structure - For the purpose of this rehabilitation plan, a building containing one to four residential units or a mixed-use commercial and residential building considered to be real property under state law.

II. ELIGIBILITY REQUIREMENTS

NEIGHBORHOOD REDEVELOPMENT PROJECTS (NEW CONSTRUCTION)

All persons who are displaced as part of a neighborhood redevelopment project are eligible for relocation benefits as described in Appendix B. All relocation activities involving new construction under last resort housing provisions will be conducted in accordance with the Uniform Act and the U.S. Department of Housing and Urban Development's relocation regulations. Those who wish to use relocation payments to construct replacement homes within the project area must meet the following eligibility requirements:

RESIDENCE

Eligible applicants shall reside within the project area as defined in the E. High Street Redevelopment Project - Phase II Urban Renewal Plan.

OWNERSHIP

Eligible applicants shall be owners of the structure upon which the reconstruction work is to be performed. Owners shall hold fee simple title to the property, maintain a 99-year leasehold, have a life estate in a recorded deed or probated will, or own or have membership in a cooperative or mutual housing project that constitutes home ownership under Kentucky state law. A title search will be conducted for each property to determine ownership. All property taxes must be current. Any properties foreclosed upon or undergoing foreclosure proceedings are not eligible. Properties with title problems including unsettled estates which would limit the marketability of the property may be determined to be ineligible contingent on a review of the circumstances. Land contracts shall be converted to fee simple ownership. Renters using relocation payments as down payment assistance to construct a home will be sold a lot with clear title.

MAINTENANCE

Maintenance agreements are not required of owner occupants who use relocation payments to construct homes on existing lots. However, any additional property sold to an owner-occupant and property sold to renters or other LMI families to construct a replacement home will contain a property maintenance provision as a deed restriction. In addition, those who receive a ten year forgivable deferred loan to purchase a lot will have a maintenance provision included in the mortgage agreement. The City Code Enforcement officer may perform periodic inspections, inform the property owner of any items that have deteriorated and request correction. The Agency reserves the right to take any appropriate action necessary to ensure that the property is maintained and may include early payback of financial assistance. This action will only be taken if the applicant shows a total disregard for maintenance and the Agency's request for correction of deteriorated items is repeatedly ignored and is documented accordingly.

OCCUPANCY

LMI families who purchase a lot to construct a home must occupy the home as their primary residence. They cannot rent the home out. This provision will be included in the mortgage agreement for the lot. If the lot is sold within the ten year period or the family no longer continues to occupy the home as their primary residence, the remaining balance of the forgivable deferred loan must be repaid to the City of Springfield. Only single family homes may be constructed on the available lots. Duplexes, multi-family structures and manufactured homes are not allowed.

INSURANCE

The owner of the house to be constructed must have or obtain property insurance equal to the value of the home prior to occupying the structure. In addition, the property owner may be required to obtain builders risk insurance during the construction of the home.

FINANCIAL ELIGIBILITY

Lots for new construction will be sold to households that are LMI. The applicants maximum gross annual household income cannot exceed the HUD definition of low to moderate income. This amount is based upon family size and is established annual by HUD. The current (2009) income limits are as follows:

FAMILY SIZE	80% of Median Low Income Maximum Gross Income
1 Person	\$28,350
2 Persons	\$32,400
3 Persons	\$36,450
4 Persons	\$40,500
5 Persons	\$43,750
6 Persons	\$47,000
7 Persons	\$50,200
8 Persons	\$53,450

The income of the household includes the income of all household members as defined by Section 8 income verification methods.

HOMEOWNERSHIP COUNSELING

LMI applicants who wish to purchase a lot including renters who are relocated, shall be required to attend homeownership counseling by an approved provider in order to be eligible to purchase a lot. This counseling will address issues such as credit worthiness, budgeting, housing finance and property maintenance. The applicants must agree to provide all necessary financial and credit information.

II. HOUSING STANDARDS

MINIMUM BUILDING STANDARDS

New homes constructed within the project area must meet Kentucky Residential Building Code. In addition, any homes constructed with CDBG funds must meet Kentucky Housing Corporation's Minimum Design Standards and Universal Design Standards. These standards will be incorporated into standard specifications and house plans for the project. Houses constructed will include any reasonable accommodations needed to meet the handicapped accessibility requirements of the occupants. An eligible structure shall be one which is below the minimum requirements established by the Housing Code and which, at a minimum, will have critical health and safety problems corrected following rehabilitation assistance.

ELIGIBLE COSTS

Eligible construction costs are the costs of meeting the requirements of the Housing Code, correcting incipient violations, and providing off-street parking. Building permits must be obtained by the contractor prior to construction, however the permit fee will be waived by the city.

When necessary to meet a specific requirement of the Housing Code, assistance may be used to the extent necessary for:

- ◆ Construction of the home in compliance with the building code and standard specifications.
- ◆ Rehabilitation, or removal and replacement of elements, of the dwelling structure, including basic equipment. The term "basic equipment" includes such items as heating system, hot water tank, electrical, sanitary fixtures and kitchen stove and refrigerator. It does not include other appliances.
- ◆ Improvements to increase the energy efficiency of the unit.
- ◆ Provision of off-street parking in compliance with local zoning requirements.
- ◆ Provision of utility service, including water and sewer.
- ◆ Replacement or provision of an outside storage area.
- ◆ Clearance of any trees, shrubs or other vegetation to allow construction of the home and insure no branches overhang the new house.

INELIGIBLE COSTS

Certain costs shall not be eligible:

- A. Improvements not required to bring the structure up to the standards of the Housing Code unless otherwise stated above;
- B. Landscaping and other yard or "non-structure" property improvements other than the lawn around the new house or any seeding of grass or sod necessary to cover disturbed areas unless necessary to meet Green Building requirements of the funding agency.
- C. Additional rooms, except as required to meet the Housing Code.
- D. Rehabilitation judged to be damaging to the historical character or value of a structure by the State Historic Preservation Officer of the Kentucky Heritage Council.
- E. Luxury or upgraded materials such as hardwood floors, exterior brick walls, whirlpool bathtubs etc.

Owners may pay for costs listed in A through E above with their own funds. Owners are required to provide evidence that they have funds available to pay for costs they are responsible for.

III. ASSISTANCE APPROVAL PROCESS

GENERAL

The following process shall be adhered to in soliciting, accepting and processing applicants for assistance to purchase a lot.

APPLICATIONS

The agency shall advertise the availability of assistance, the time, place and manner of filing applications, and general eligibility requirements through door-to-door solicitation, public hearings or other media as appropriate.

Each applicant shall file a standard application form. Assistance in preparing the form will be provided by the Agency if necessary.

Special arrangements shall be made to assist Applicants unable to file an application, especially for the elderly and disabled.

INTERVIEW

At the time of filing the application, an appointment for an interview shall be arranged between the Applicant, and member(s) of the Agency staff for the purposes of explaining policies and procedures and obtaining financial and other eligibility information. This interview may also be conducted by those providing homeownership counseling.

DETERMINATION OF FINANCIAL ELIGIBILITY

The Agency staff or counselor shall prepare a financial eligibility statement for the Applicant.

Upon verification and completion of the financial eligibility statement, the Agency staff shall

determine and verify the Applicant's financial eligibility according to the eligibility requirements identified in Appendix C, Section II, *Eligibility Requirements*.

If an applicant is determined to be ineligible for assistance to purchase a lot the Applicant shall be notified in writing of such determination, the reasons for such determination, appeal procedures, other potential resources for assistance for which the Applicant may be eligible and means of applying for such assistance.

DETERMINATION OF ELIGIBLE REHABILITATION COSTS

A general Structural Condition Survey has been prepared in conjunction with the application and Urban Renewal Plan.

The Structural Condition Survey identifies the condition of the existing home including size and number and types of rooms. Replacement homes will be comparable to the owner-occupants existing home. The cost of the comparable replacement home will determine the relocation payment. Owners may pay for additional improvements with other funds.

WORK WRITE-UP AND CONSULTATION WITH APPLICANT

Upon determining that a structure is eligible construction, the Agency staff meet with the homeowner and prepare a specific work write-up based on the owners needs. This will include any necessary modifications to the house plans to meet site conditions or the owner's accessibility needs.

Work write-ups should not contain details that have no significant effect on cost, such as color, style or pattern. Decision on these details will be made by the owner based on samples provided by the building contractor during the pre-construction phase.

The owner must be consulted should any items be modified or eliminated from the original work write-up. Applicants receiving financial assistance must use the Agency-established low bidder contractor for the work. Owners may select another contractor provided that contractor is on the approved list and is paid no more than the amount of the low bid.

As a result of the consultation and agreement between the Agency and the Owner on the work to be done, the Agency shall prepare final bid documents. The final work write-up and bid documents shall be the basis for the specifications in the construction contract documents to be used to solicit bids and proposals from contractors.

SPECIFICATIONS AND DRAWINGS

Standard specifications shall be prepared by the Agency covering the specific work for the structure. Standard house plans shall also be provided by the Agency. The specifications shall clearly establish the nature and location of the work to be done and the material and equipment to be installed. Known acceptable brands shall be identified by reference to manufacturer's or association specifications and provisions shall be made for the acceptance of equal substitutions. Standard specifications will be prepared and given to each contractor prior to performing any rehabilitation work and will be included in all contracts by reference.

IV. CONTRACTING FOR NEW CONSTRUCTION WORK

GENERAL

This chapter sets forth requirements and procedures with respect to contracts for new construction activities financed with an owners or renters relocation payment.

REQUIRED CONTRACT

Rehabilitation financed through new construction activities undertaken for last resort housing for displaced persons shall be undertaken through a written contract (a standard form prepared by the Agency) between the contractor and the property owner. The Agency staff shall assist the property owner in preparing a suitable written contract. The contract will not be valid unless approved by the Agency and signed by the property owner.

THE CONTRACT DOCUMENT

The contract will consist of a single document signed by the contractor and accepted by the property owner, only following approval of the new construction activities. It shall contain a bid and proposal by the contractor, the general conditions, specifications for the work to be performed, the work write-up and, by any reference, Standard Specifications.

GENERAL CONDITIONS

The Agency staff shall prepare minimum general conditions for use in all contracts for new construction activities.

OBTAINING CONTRACTOR'S BID AND PROPOSALS

The Agency will establish and, on the basis of its experience, maintain a current listing of contractors who are qualified to perform and who are interested in doing rehabilitation or new construction work. Contractors must certify that they have not been debarred from performing work on Federally funded projects. While the list, in a limited way, may serve the purpose of pre-qualifying bidders, it shall not be used as a means of excluding bidders who are not on the list at the time the submission of a bid and proposal is in order. Vigorous efforts will be maintained to encourage minority business participation in the execution of the administration and contract phase of the program.

INVITATION TO CONTRACTOR FOR BID AND PROPOSAL

Contractors on the "approved list" will be contacted with regard to homes that are ready for rehabilitation or where new construction activities are proposed. The contractors will be asked to submit bids on the job. All bids will be reviewed and compared to the Agency's cost estimate. If the low bid is within the 15% above-below range, the bid will generally be acceptable. If the bid is 15% below the estimate, the Agency may determine that the bid is non-responsive. The Agency may opt to review the contractor's past performance, detailed cost estimates from supplier's and subcontractor's and financial information when determining if the bid is non-responsive. If the bid exceeds the 15%, the Agency will re-evaluate the Agency's cost estimate for accuracy and reserve the right to negotiate with the Contractor. If no agreement can be reached which is acceptable to both parties, the Agency will negotiate with the next lowest bidder. If the bid was non-responsive due to a low bid amount the Agency may opt to award the

bid to the next highest responsive bidder. If no agreement can be reached through the above described negotiations, the proposed work may be rebid.

The Agency may limit the number of contracts awarded to any one bidder based on the Agency's review of the capacity of the contractor. Contractor's without prior successful experience with HOME or CDBG funded projects or equivalent Federally funded projects may be initially limited to one contract at the Agency's option.

ELIGIBLE CONTRACTORS

In order for a Contractor to qualify for new construction, it will be necessary that the Contractor submit to the Agency an application to be placed on the eligible contractor's list. The Agency shall verify information on the application, and the eligibility of the contractor must be certified as to their eligibility regarding Federal debarment, suspension and other responsibilities. The Contractor will be notified in writing of the Agency's decision if they are found to be ineligible.

REMOVAL OF CONTRACTORS FROM APPROVED LIST

Poor performance, quality of work, failure to uphold the one-year guarantee, failure to obtain/maintain required insurance or disapproval from HUD may cause a Contractor's name to be removed from the "approved contractors" list. The following list contains additional reasons for which a contractor's name may be deleted from the approved list. The list includes, but is not limited to:

- A. Continuous poor quality work as determined by the Agency.
- B. Failure to pay subcontractors or material suppliers.
- C. Contractor's insolvency, bankruptcy or other conduct or condition which has or could result in a monetary loss to a homeowner or to the Agency in connection with the contract work. Contractors may be required to approve the Agency to obtain a credit report in order to determine the financial solvency of the business.
- D. Abandonment of a job or repeated failure to complete contract work within the specified time limit. Failure to make warranty repairs in a timely manner.
- E. Contractor's conviction of a crime in connection with contract work or in connection with payment or receipt of funds administered by the Agency.
- F. Failure to maintain a current business license and registration with the local building official. Failure for the corporation to maintain a good business status with the Kentucky Secretary of State.
- G. A history of job abandonment, bankruptcy, subcontractor or supplier payment problems, or similar problems with have resulted in financial losses to the Agency or other federally funded housing programs.

AWARD OF NEW CONSTRUCTION CONTRACT

The contract shall be awarded by the Agency on behalf of the owner after proper examination of the bid by the Owner and the Agency. The Owner reserves the right to reject the contractor with the lowest bid, however, the agency shall not pay more than the amount of the lowest, responsive bid. The owner may choose another contractor if they (1) elect to pay the difference between the

low bid and the desired contractor's bid, (2) negotiate with the contractor to accept the low bid amount, or (3) reduce work not required by the building code so that the cost to the agency does not exceed the approved low bid amount.

In award of a contract for new construction, the owner of the property shall execute the original contract documents. The executed contract documents shall be distributed to the owner, contractor and the Project Manager.

ISSUANCE OF NOTICE TO PROCEED ORDER

At the time the award is made, the Agency Staff shall remind the applicant/owner and the successful Contractor that the undertaking of the work covered by this contract is subject to issuance of an order to proceed within the number of days stated in the general conditions of the contract form the date of the award. The notice to proceed order shall be prepared by the Project Manager, signed by the Contractor and the Owner or their authorized representative.

PRE-CONSTRUCTION CONFERENCE

A pre-construction conference will be held prior to issuing the notice to proceed for any construction or rehabilitation activities. The homeowner, contractor, and project manager or duly authorized representative shall be present at the pre-construction conference to review specifications and/or work write-ups of the work to be performed by the contractor. The scope of services will be incorporated into the construction contract and all parties will be required to sign the contract as well as a pre-construction conference checklist in order to ensure that each has a thorough understanding of the work to be done and the timeframe for completion.

SELECTION OF MATERIALS

Materials utilized by the Contractor for roofing, siding, cabinetry, flooring, and countertops must be provided to and approved by the Owner and Project Manager. In addition, all color selections for roofing, siding, shutters, exterior painting, flooring (carpet and vinyl), countertops, and cabinets will be selected by the Owner. A form containing the Owner's color selections and signature will be given to the Contractor to alleviate potential misunderstandings. Should materials be unavailable or the Owner wishes to modify his/her selection (prior to the ordering and installation of the materials by the contractor), the form should be modified and initialed by the Owner, Contractor, and Project Manager. Failure to modify the form in advance of these changes shall be done so to the liability of the Contractor. Installation of materials (by the Contractor) other than those approved by the Owner and Project Manager may result in the Contractor removing and replacing these materials at his/her own expense.

LIQUIDATED DAMAGES

As specified in the contractor's contract with a homeowner, liquidated damages will be assessed for any work not finished by the completion date or for any faulty workmanship or materials not remedied or replaced by the contractor. In addition to liquidated damages, the contractor will be responsible for paying for any additional temporary relocation costs (rent, storage fees, etc.) associated with his/her failure to complete construction or rehabilitation of a home within the timeframe established in the contract.

ARBITRATION

Appropriate action mentioned above shall include arbitration to ensure the protection of both the

Applicant and the Contractor. Arbitration will be provided by the Agency. The Agency will inspect the work and determine if it has been performed in accordance with the contract and in a competent manner. If the work has not been completed properly, the Contractor will be ordered to make the necessary corrections before receiving any further payment. If the Contractor fails to make the necessary corrections prior to the expiration of his or her contract, the Agency shall assist the Applicant in obtaining another contractor to make the corrections. When corrections are made to the satisfaction of the Agency, the Agency shall make the necessary arrangements to pay the new Contractor for the corrections from the Applicant's account. At this time, the Contractor who failed to perform shall be paid the balance of the funds remaining in the contract, if any. This payment shall only be made upon receipt of the appropriate release of lien documentation. If the Contractor does make the corrections as requested and the work is deemed satisfactory by the Agency, the final payment shall be disbursed to the Contractor.

V. CONSTRUCTION INSPECTIONS

GENERAL

Inspection of construction work funded with Agency rehabilitation assistance or relocation monies shall be performed by the Agency. To accomplish this, the Agency shall, as necessary, make:

Interim inspections to ensure that the construction work is being completed in accordance with the construction contract.

A final inspection to determine that the construction work is being completed in accordance with the construction contract.

NEW CONSTRUCTION INSPECTIONS

The contractor is required to obtain a building permit on all new homes and to obtain a footer, framing, and final inspection from the local building inspector. Documentation from the building inspector showing that these inspections have been done and that the house is in compliance with the building code must be provided to the Agency. If the contractor fails to have a footer inspection done, the contractor (at his/her own expense) will be required to obtain a letter from a structural engineer certifying that the footer meets the building code and plans. This letter must contain the engineers stamp and original signature. Prior to final payment, the contractor must also provide a copy of the termite certificate and certificate of occupancy (where issued) to the Agency. No house shall be occupied until the final electrical and plumbing inspections have been passed and a certificate of occupancy has been issued.

INTERIM INSPECTIONS

Interim inspections will be made by the Agency staff dependent upon the amount of work and period of construction. In any case, at least one interim inspection per month will be made. Interim inspections will be made before progress payments are made on a Contractor's invoice. Interim inspection reports will be prepared by the inspector.

PROGRESS PAYMENTS

Issuance of a progress payment, if authorized by the contract, will be dependent upon favorable

interim inspection reports indicating that the work completed is in compliance with the construction contract. In the event that work completed is not in compliance, it shall be the duty of the Agency staff to obtain appropriate corrective action from the Contractor. The Contractor shall be notified verbally, at the time of the inspection for progress payment, of any necessary corrective action to enable the Agency to make a progress payment. Agency staff will document this notification in the case file. This verbal notification will be followed up by a written memorandum to the Contractor if the work is not completed as required by the verbal notification.

Interim inspections should ascertain that the work completed is valued at an amount equal to the progress payment requested. No payment will be made on a construction contract until the Contractor has satisfactorily completed the necessary corrective action.

RETAINAGE

Contractors performing rehabilitation work shall be subject to 10% retainage until the owner signs a completion of work form. On new construction, there is also 10% retainage and the contractor will be required to furnish and pay one of the following: 1) one-hundred percent performance or payment bond or bonds; 2) a 20% cash escrow; 3) a 25% irrevocable letter of credit; or 4) a contractor may opt for 25% retainage on completed work.

CHANGE ORDERS

Change orders shall be issued on behalf of the Owner and executed by the Project Manager, Contractor, and homeowner when changes are required in the contract. Change orders may be used to add items of work which become evident after work is started. The Contractor shall not be authorized to perform any work outside the scope of the original contract without a written and properly executed change order. Unless formally approved as a change order by the Project Manager, any modifications to the contract, write-up or house plans, materials used, Owner color selection sheet, or specifications shall be done so at the risk of the Contractor and possibly to cost of the homeowner if an unapproved verbal agreement was made between the Owner and Contractor.

FINAL INSPECTION

Upon completion of the work and receipt of the Contractor's invoice containing his or her certification of satisfactory completion of all the work in accordance with the contract and his or her warranty, the Agency shall obtain from the Contractor a Release of Liens, including releases from all subcontractors and suppliers and a copy of each warranty, before making the final payment.

If the Contractor cannot provide the Agency with a satisfactory Release of Liens, the Agency, may, with owner's approval, pay the supplier and/or subcontractor directly. The Contractor will be notified in writing of the Agency's intent to pay the supplier or subcontractor directly seven working days prior to the date the Agency will make these payments. The supplier or subcontractor will be required to sign a release of liens at the time of payment. Final payment will be made within 30 days of receipt of all necessary documents.

OWNER'S ACCEPTANCE OF WORK

The Owner will be asked to sign the Owner's Acceptance of Work. If there are any problems with workmanship, etc., these will be negotiated by the Agency between the Owner and the Contractor. In the instance that the Owner makes unreasonable request or demands and the Contractor has otherwise satisfied the requirements of the Agency, the Agency reserves the right to override the Owner's decision, accept the work, and begin closeout procedures. In the instance where the Agency's decision supersedes the non-acceptance of the Owner, the Agency will thoroughly document the reasons for the decision to close out the rehabilitation despite the homeowner's objections.

CERTIFICATION OF FINAL INSPECTION

After the Agency determines that the work, as indicated in the contract agreement with the Contractor has been fully and satisfactorily completed and the final inspection report obtained, the Agency shall prepare a "Certification of Final Inspection" which shall be signed by the Owner, Agency representative, and Contractor.

VI. PROJECT CLOSEOUT PROCEDURES

SUPPLEMENTAL INSPECTIONS

In some cases, defects and inadequacies in the construction work, not apparent at the time of final inspection, may show up after final payment for the work is made and the "Certification of Final Inspection" has been issued. Most of these are minor, such as floors and windows that stick after painting. However, other problems may be more serious, such as roof leaks not ascertainable until after a rain, defects in the heating systems installed during the non-heating season that were not revealed in the limited tests after inspection, etc. For this reason all work performed by the contractor is covered by a one-year guarantee. Owners may require the Contractor to correct significant defects and inadequacies found in the construction work performed under this contract. After final inspection and prior to the end of the one year warranty period, the Agency shall make an additional call on the Owner to ascertain if there are any complaints about the work which has been done. The Agency shall inspect the work to ascertain if the complaint is valid. If the complaint is valid, the Agency will assist the owner in obtaining prompt corrective action from the Contractor.

VII. TEMPORARY RELOCATION ASSISTANCE

GENERAL

Whenever possible, those residents being relocated or whose homes are being rehabilitated will be encouraged to remain in their existing structure while rehabilitation or new construction work is being done. If the Agency staff makes a determination that the occupant cannot remain in the structure, the Agency will pay moving expenses and rent at another residence for a period to be determined by the Agency in accordance with the Agency's temporary relocation policy below:

ELIGIBILITY

Temporary relocation assistance is available only upon notification by the Agency that it is necessary for an occupant to move during new construction or rehabilitation activities. Temporary relocation costs must be reasonable and approved prior to the occupant entering into a lease or rental agreement. In general, refundable deposits shall be paid by the occupants, not the agency. In general, rents at or below Fair Market Rents for the area will be considered reasonable. Rents above Fair Market Rent must be approved by the Project Manager. Expenditures without prior approval of the Agency may be incurred at the risk of the occupant.

MOVING EXPENSES

Occupants who are eligible for a moving expense payment under the Uniform Act will receive the moving expenses they are eligible for in accordance with Uniform Act requirements. They will not be eligible for any additional moving expense payment for a temporary relocation. An occupant who must relocate temporarily while their house is being rehabilitated who is not eligible for moving expenses under the Uniform Act will receive a lump sum payment for moving expenses based on the number of rooms of furniture in the house following the URA Moving Expense Payment Schedule for Kentucky. One half of the lump sum payment will be made when the occupant moves out of the house and the remaining one half will be paid when they move back into their home.

RENTAL PAYMENTS

Occupants will be encouraged to stay with friends or relatives especially when the temporary relocation is for a short period of time (30 days or less). Relatives and friends may charge the relocated family rent for providing shelter. However, the rent must be reasonable and not exceed one-half of the HUD listed fair market rent for the unit. Such agreements must be in writing and approved by the project manager. For longer relocations, the temporarily relocated family will first be given the option of renting any available housing the city may have acquired that would be suitable for temporary housing. Next, the city will work with the local public housing authority to provide temporary housing. If these sources are not available, the family will be assisted in finding a local, moderately priced hotel room (for short relocations) or other available rental properties.

Rents must be reasonable for the area and generally should not exceed the HUD fair market rent for the locality. For owner-occupants, the city will pay the monthly rent. For renters, the city

pays the difference between the current rent and the rent at the temporary unit. The occupants will be responsible for all utilities at the temporary site. The utilities included in the rent shall be considered when determining if the occupant shall pay a portion of the rent.

The maximum temporary relocation payment per household for each month of temporary relocation:

One Bedroom Unit – \$450, If staying with friends or relatives - \$225

Two Bedroom Unit – \$500, If staying with friends or relatives - \$250

Three Bedroom Unit – \$600, If staying with friends or relatives - \$300

Four Bedroom Unit – \$625, If staying with friends or relatives - \$315

Five Bedroom Unit – \$700, If staying with friends or relatives - \$350

For a rental unit, the number of bedrooms is based on the number of bedrooms of the unit the household is moving out of unless additional bedrooms are needed due to overcrowding. If staying with friends or relatives, it is based on the number of bedrooms occupied by the relocated household.

DEPOSITS

The occupant shall be responsible for any deposits or lock purchases. The Agency shall not pay any refundable deposits. It is the occupants responsibility to meet all lease or rental requirements to obtain refunds of deposits including notifying the owner or rental agent of when they will be moving out of the unit.

STORAGE

If new construction or rehabilitation work cannot be completed with the occupant's household goods in place, the Agency may provide insured commercial storage space. Temporary storage costs must be reasonable and approved by the Agency prior to the occupant entering into a rental agreement for temporary storage. Expenditures without prior approval of the Agency may be incurred at the risk of the occupant. No payments will be made to relatives or friends for temporary storage in uninsured spaces such as barns, residential garages or storage sheds.

LENGTH OF TEMPORARY RELOCATION

For reconstructed houses, the length of the approved temporary relocation shall generally be six months. For rehabilitated houses, the length will be based on the expected time to complete the work. This will allow time for the occupant to move out, a four month construction period and time for the occupant to move into the new house. Temporary relocations beyond six months must be approved by the project manager. Once a certificate of occupancy is issued for the house and the project manager has notified the family that they can now occupy the house, the family will be given a reasonable amount of time to move into the reconstructed /rehabilitated house. This will generally be 14 to 30 days depending on coordination with the rental agreement. It is the occupant's responsibility to move within the allotted time, clean the vacated temporary residence or storage building and return the key to the owner. The owner must provide proof that they have obtained their homeowners insurance prior to occupying the house.

Participants must understand that if the house is completed in the winter or during other periods of wet or adverse weather, the yard work may not be completed at the same time as the house. The Agency will not be responsible for rental payments once the house itself is complete. If the occupants fail to vacate the temporary rental property in the time allotted, they shall be responsible for paying any additional rental payments or loss of deposits. If the temporary relocation is extended due to the failure of the contractor to complete the work on time, the Agency shall deduct the cost of any required additional rent or storage payments from the contract amount as liquidated damages.

APPENDIX D

E. HIGH STREET REDEVELOPMENT PROJECT – PHASE II

GRIEVANCE PROCEDURES

Grounds

You have the right to appeal any decision of the Project Manager and/or the City of Springfield for failure to properly determine your eligibility for, or the amount of, relocation assistance or payment for incidental expenses or certain litigation expenses. You may also appeal any other decisions relating to housing rehabilitation, acquisition or other project activities to the City Council.

Your acceptance of the amount offered you by the City of Springfield does not limit your right to appeal the City's determination and seek a larger payment.

Methods and Time Limits for Initiating an Appeal

If your appeal concerns your eligibility for, or the amount of, a payment, you must file your written appeal within 60 days after by notified of your eligibility status and/or the amount of payment to be made. All appeals should be submitted in writing to:

**Mayor John W. Cecconi
City of Springfield
127 W. Main Street
Springfield, KY 40069
(859) 336-5441**

The Mayor will send you a copy of the decision, a statement of the facts and legal basis upon which it is based, a description of how any new payments or relief will be provided to you, and, if your appeal was not totally granted, a statement of your right to appeal the Mayor's decision directly to the City Council. If the appeal cannot be resolved on the local level, appeals may be made to the Director, Division of Federal Grants, Department for Local Government (DLG), 1024 Capital Center Drive, Suite 340, Frankfort, KY 40601. DLG review may be granted by providing a written request after receipt of the city's written determination. Any final decision may be appealed to the HUD Field Office. In any review of your appeal by the City, DLG or HUD, you have the right to be represented by a lawyer or other counsel, and you may appeal any final decisions by the State to the Courts.

If you have any questions concerning these procedures, do not hesitate to contact:

Kriss Lowry, Project Manager

Kriss Lowry & Associates, Inc.

227 South Rays Fork Road

Corinth, Kentucky 41010-3027

Telephone: (502) 857-2800

Fax: (502) 857-2401

TDD: (for the Hearing Impaired Only)

1-800-648-6056 (making call with text telephone)

1-800-648-6057 (making call with conventional (voice) phone)

Email: kriss@krisslowry.com

Website: www.krisslowry.com

APPENDIX E

PUBLIC HEARING NOTICE

E. HIGH STREET REDEVELOPMENT PROJECT – PHASE II

A public hearing will be held on the E. High Street Redevelopment Project – Phase II on August 13, 2009 at 5:30 P.M. local time at the Springfield City Hall, 127 W Main Street, Springfield, Kentucky 40069. The purpose of the public hearing is to consider the Urban Renewal Plan for the E. High Street Redevelopment Project – Phase II and to answer any questions about the Community Development Block Grant (CDBG) Program. All residents and property owners of the project area are encouraged to attend. A copy of the E. High Street – Phase II Redevelopment Project Urban Renewal Plan is available for review at Springfield City Hall at the address listed above and can be viewed at www.krisslowry.com/housing.html. A map of the project area is contained in the plan. Any questions can be directed to Kriss Lowry, Kriss Lowry & Associates, Inc. at (502) 857-2800 or Laurie Smith, City Administrator at (859) 336-5441 (TDD:1-800-648-6057 for the Hearing Impaired Only).

JOHN W. CECCONI MAYOR
CITY OF SPRINGFIELD

-Equal Housing Opportunity-

Public Hearing Notice Distribution List - Mailed 7/31/09

Ms. Susie Anderson
269 Booker Rd.
Springfield, KY 40069

Mr. James Ellery
517 Riley Court
Springfield, KY 40069

Ms. Mary Walker
507 E High St
Springfield, KY 40069

Mr. Keith Schlosser
PO Box 112
Springfield, KY 40069

Bridget Linton
524 E. High Street
Springfield, KY 40069

Ms. Cathy Linton
519 E. High Street
Springfield, KY 40069

Ms. Martha Trigg
1013 Melavin Circle
Springfield, KY 40069

Ms. Elizabeth Mudd
501 East High Street
Springfield, KY 40069

Ms. Annette Cowherd
151 Alpine Drive
Lebanon, KY 40033

Ms. Georgia Ridgeway
407 E High St
Springfield, KY 40069

Ms. Frances Dean
122 Forsythe St
Harrodsburg, KY 40330-1512

Mr. Charles Lunsford
410 E. High Street
Springfield, KY 40069

Mr. Charles Logan
6305 Whitehall Dr.
Fayetteville, NC 28303

Mr. George Thompson
10201 Westwego Place
Louisville, KY 40299

Mr. Joseph Trigg
213 W Main St, Apt. 1
Springfield, KY 40069

Mr. William Stone
409 E. High Street
PO Box 69
Springfield, KY 40069

Mr. William Wakefield
404 Mayes Ave.
Springfield, KY 40069

Mr. Ernest Cooper
413 East High Street
Springfield, KY 40069

Mr. James Gerton
511 E. High Street
Springfield, KY 40069

Mr. Clyde Furman
527 East High Street
Springfield, KY 40069

Mr. Forrest Burton
411 E. High Street
Springfield, KY 40069

Ms. Betty Nichols
2317 Fust Avenue
Louisville, KY 40216

Mr. Australia Poole
500 East High Street
PO Box 105
Springfield, KY 40069

Mr. Paul Newby
9003 Gilpin Place #7
Louisville, KY 40222

Mr. Paul Parker
10401 Saint Rene Rd.
Louisville, KY 40299

Ms. Joyce Hamilton
4201 Brownsboro Glen Rd
Louisville, KY 40241

Mr. John Key
515 East High Street
Springfield, KY 40069

Ms. Betty Walker
503 E High St
Springfield, KY 40069

Ms. Francis Wright
Annie Dean Estate
517 E. High Street
Springfield, KY 40069

John Cecconi
City of Springfield
127 W Main Street
Springfield, KY 40069