

Grantee: Aurora, CO

Grant: B-11-MN-08-0001

July 1, 2015 thru September 30, 2015 Performance Report



Grant Number:

B-11-MN-08-0001

Obligation Date:**Award Date:****Grantee Name:**

Aurora, CO

Contract End Date:**Review by HUD:**

Reviewed and Approved

Grant Award Amount:

\$2,445,282.00

Grant Status:

Active

QPR Contact:

Jeff Hancock

LOCCS Authorized Amount:

\$2,445,282.00

Estimated PI/RL Funds:

\$2,760,135.62

Total Budget:

\$5,205,417.62

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

The City of Aurora designed its NSP3 program with HUD's goal in mind of making targeted investments in a smaller number of neighborhoods to produce the greatest impact possible. HUD's NSP3 mapping tool was utilized to identify those potential target areas with NSP3 Need Scores (risk scores) of 17-20. Because the foreclosure crisis hit Aurora so hard, a large number of neighborhoods had Need Scores of 17 or above. Additional research was performed on those neighborhoods to narrow the list of target areas down to a manageable number. A review of new foreclosure filings, discussion with local realtors, examination of HUD impact numbers, and physical inspection by Aurora's Community Development staff eventually led to three final NSP3 target areas in Aurora. All three target areas have Need Scores of 20, and consist of two single family areas and one area that is predominantly made up of multi-family properties. All three target areas are located in north Aurora and will help to continue the stabilizing effects begun with the city's NSP1 program in those same neighborhoods.

Program budgets have changed as the program has evolved and as program income has been received. The City of Aurora is currently budgeting \$2,297,608.12 for the acquisition, rehabilitation and resale of foreclosed and abandoned single family homes to families above 50% AMI within two target areas. An additional \$1,557,193.46 is budgeted for the acquisition, rehabilitation and resale of foreclosed and abandoned single family homes to families below 50% AMI within the same two target areas. This activity will help Aurora meet the 25% set aside requirement of NSP3. \$95,000 has been budgeted for the maintenance of homes within both activities.

Another \$446,051.17 of Aurora's NSP3 grant remains budgeted for the acquisition, rehabilitation, and rental of multi-family units that have been foreclosed and abandoned. Plans to partner with a local non-profit organization to construct new low income housing on a vacant lot in north Aurora are still being worked on, but we are hopeful this project will become a reality next year. It is anticipated that all units built via this activity would house renters at or below 50% AMI, thus helping to satisfy the 25% set aside requirement.

The City of Aurora will provide homebuyer assistance financing in the amount of \$344,564.87 to income eligible homebuyers. The remaining portion of the grant, or \$465,000, will be used to administer Aurora's NSP3 program.

Funds received from program income have been distributed among the different activities depending on the various needs of Aurora's NSP3 program.

How Fund Use Addresses Market Conditions:

Aurora has recovered very nicely from the effects of the foreclosure crisis. The number of estimated foreclosures in Aurora has continued to decline significantly year over year, with 2014 reporting the fewest foreclosures in many years. Vacant and abandoned properties are much less of an issue within the city than in the past. Aurora used the majority of its NSP1 funding to combat blight and property decay in the northern portion of the city by acquiring and rehabilitating homes in poor condition and turning them into high quality properties that became a source of pride for those particular neighborhoods. In many cases, owners of neighboring properties began to improve their own homes after seeing the work done by the City of Aurora on its NSP1 properties.

We believe the City of Aurora has played some role in helping to stop the decay of neighborhoods in those areas where we have invested NSP funds, both in terms of physical appearance and property values, when compared to three years ago. Home values in north Aurora are increasing across all neighborhoods. The inventory of bank-owned properties has declined significantly, and properties are selling very quickly once they are listed for sale. We are finding it nearly impossible to locate and acquire vacant and foreclosed properties in our target areas due to extremely limited inventory.

The City of Aurora has run its NSP3 program similarly to its NSP1 program, and has achieved continued success in combating negative market conditions by building upon the work already done with NSP1.



Ensuring Continued Affordability:

Aurora's NSP3 program affordability will be structured as mandated under the HOME program rule, and will depend on the type of activity (rental or homeowner) and level of NSP funding. Continued affordability will be governed through adherence to the specific HOME monitoring requirements as defined in 24 CFR Part 92. Depending on the type of project and level of assistance provided under NSP an appropriate covenant will be recorded on the property title for a period of time as required under HOME.

The minimum affordability period is listed below:

Assistance up to \$15,000 = 5 years

\$15,001 to \$40,000 = 10 years

Above \$40,000 = 15 years

For those projects with a direct NSP homebuyer subsidy, we will follow Recapture policy.

Definition of Blighted Structure:

The City of Aurora utilizes local ordinances as guidance for determining whether a property is deemed appropriate for demolition. Local code stipulates the following criteria for dilapidated, unsafe or uninhabitable structures:

City of Aurora staff from the Community Development Division and the Code Enforcement Division within the Neighborhood Services Department collectively deem a property blighted and/or a nuisance to a neighborhood when there exists any partially or uncompleted structure or abandoned or un-maintained property, which may include parking garages or residential buildings, that substantially annoys and/or endangers the comfort, health, repose, or safety of the public by reason of vandalism, inadequate maintenance, or abandonment. This may include boarded up buildings with no signs of construction or remodeling activity, and/or unsecured openings. In addition, any property can be deemed blighted if it is determined to have created an attractive nuisance that may be detrimental to children, to include basements or excavations, lumber, and/or trash and debris, which may be hazardous to minors.

In cases where the city may proceed with demolition, the following general steps will be followed:

1. Determination of blight made for a property and submitted to file.
2. Request bids from qualified contractors for demolition.
3. Demolition completed.
4. City of Aurora or eligible partner redevelops site as housing within the NSP3 grant period, or in the case of land banking, holds the property for future development for no longer than 10 years.

Definition of Affordable Rents:

For the purposes of Aurora's NSP3 program, affordable rents shall be defined as low HOME rents applicable to households at or below 50% of AMI and high HOME rents applicable to households between 50% and 80% of AMI. For households between 80% and 120% of AMI, HUD's Fair Market Rents shall apply.

Housing Rehabilitation/New Construction Standards:

The City of Aurora's Community Development Division has existing rehabilitation standards that are utilized in the daily administration of the Single Family and Multi-Family Rehabilitation programs. These standards have been structured to satisfy the requirements of the HOME program. The rehabilitation standards also meet NSP3 requirements. In most circumstances, staff will analyze properties and complete rehabilitation work write-ups with specific attention paid to energy efficiencies. Staff intends to build in significant energy efficiency measures for each property, as appropriate, in order to ensure long-term cost savings for homeowners that purchase NSP rehabilitated homes.

Vicinity Hiring:

The City of Aurora will to the greatest extent feasible ensure vicinity hiring by adding language to the contracts of general contractors selected to rehabilitate our NSP3 properties that requires they attempt to hire workers and sub-contract small businesses from the immediate area where projects are located.

Procedures for Preferences for Affordable Rental Dev.:

- When determining local priorities for the development of affordable rental housing under the NSP3 program, the City of Aurora will follow the goals, objectives and strategies outlined in Aurora's HUD-approved Consolidated Plan and Neighborhood Revitalization Strategy for the years 2015-2019.

Grantee Contact Information:

Jeff Hancock, Financial Analyst
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Aurora, CO 80010
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Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$5,205,417.62
Total Budget	\$10,135.62	\$5,205,417.62
Total Obligated	\$67,781.90	\$4,754,366.45
Total Funds Drawdown	\$0.00	\$4,649,841.62
Program Funds Drawdown	\$0.00	\$2,163,593.63
Program Income Drawdown	\$0.00	\$2,486,247.99
Program Income Received	\$146,059.20	\$2,760,135.62
Total Funds Expended	\$85,281.04	\$4,738,297.61
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$366,792.30	\$0.00
Limit on Admin/Planning	\$244,528.20	\$434,079.00
Limit on State Admin	\$0.00	\$434,079.00

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$244,528.20	\$465,000.00

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$611,320.50	\$2,003,244.63

Overall Progress Narrative:

During the third quarter of 2015 the City of Aurora sold one fully rehabilitated single family residence to a new homeowner. This property was the seventeenth single family home acquired and rehabilitated with NSP3 funds. Aurora does not have any properties undergoing rehabilitation at this time. A multi-family project being pursued with the City's remaining NSP3 funds suffered a set back in July when it failed to received tax credits from the State of Colorado necessary to fully fund the construction of the low income property. Plans for that project are being modified and the intent is to re-apply to the State of Colorado in the spring of 2016 for the next round of tax credits.



Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
NSP3001, Single Family Acquisition/Rehabilitation/Resale	\$0.00	\$3,949,801.58	\$1,955,614.71
NSP3002, Multi-Family Acquisition/Rehabilitation	\$0.00	\$446,051.17	\$0.00
NSP3003, Homebuyer Assistance Financing	\$0.00	\$344,564.87	\$61,246.01
NSP3004, Administration	\$0.00	\$465,000.00	\$146,732.91



Activities

Project # / Title: NSP3001 / Single Family Acquisition/Rehabilitation/Resale

Grantee Activity Number: NSP3-005

Activity Title: Below 50% AMI Acquisition/Rehab/Resale

Activity Category:

Acquisition - general

Project Number:

NSP3001

Projected Start Date:

05/01/2011

Benefit Type:

()

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Single Family Acquisition/Rehabilitation/Resale

Projected End Date:

12/31/2016

Completed Activity Actual End Date:

Responsible Organization:

City of Aurora

Overall

Total Projected Budget from All Sources

Jul 1 thru Sep 30, 2015

N/A

To Date

\$1,557,193.46

Total Budget

(\$42,806.54)

\$1,557,193.46

Total Obligated

\$7,781.90

\$1,557,193.46

Total Funds Drawdown

\$0.00

\$1,540,251.56

Program Funds Drawdown

\$0.00

\$711,542.07

Program Income Drawdown

\$0.00

\$828,709.49

Program Income Received

\$146,059.20

\$1,018,216.40

Total Funds Expended

\$16,941.90

\$1,557,193.46

City of Aurora

\$16,941.90

\$1,557,193.46

Match Contributed

\$0.00

\$0.00

Activity Description:

Vacant, foreclosed and abandoned single family homes will be acquired, fully rehabilitated, and then sold to home buyers at or below 50% of area median income.

Location Description:

All properties acquired will be located in north Aurora in target areas #1 and #2 as described in Aurora's NSP3 action plan.

Activity Progress Narrative:

In August one single family property that had been fully rehabilitated was sold to a new homeowner.



Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	1	7/7

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	



Grantee Activity Number: NSP3OPC

Activity Title:

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

NSP3001

Projected Start Date:

05/01/2011

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Single Family Acquisition/Rehabilitation/Resale

Projected End Date:

12/31/2016

Completed Activity Actual End Date:

Responsible Organization:

City of Aurora

Overall

Total Projected Budget from All Sources

Jul 1 thru Sep 30, 2015

N/A

To Date

\$95,000.00

Total Budget

(\$7,147.00)

\$95,000.00

Total Obligated

\$0.00

\$95,000.00

Total Funds Drawdown

\$0.00

\$93,338.07

Program Funds Drawdown

\$0.00

\$47,262.56

Program Income Drawdown

\$0.00

\$46,075.51

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$974.48

\$94,473.13

City of Aurora

\$974.48

\$94,473.13

Match Contributed

\$0.00

\$0.00

Activity Description:

Grass cutting, snow shoveling and utilities for properties while they are undergoing rehabilitation.

Location Description:

Various city of Aurora NSP3 properties.

Activity Progress Narrative:

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Project # / Title: NSP3002 / Multi-Family Acquisition/Rehabilitation

Grantee Activity Number: NSP3-002

Activity Title: Rental Acquisition/Rehabilitation

Activity Category:

Acquisition - general

Project Number:

NSP3002

Projected Start Date:

05/01/2011

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Multi-Family Acquisition/Rehabilitation

Projected End Date:

12/31/2016

Completed Activity Actual End Date:

Responsible Organization:

City of Aurora

Overall

Total Projected Budget from All Sources

Jul 1 thru Sep 30, 2015

N/A

To Date

\$446,051.17

Total Budget

\$246,051.17

\$446,051.17

Total Obligated

\$0.00

\$0.00

Total Funds Drawdown

\$0.00

\$0.00

Program Funds Drawdown

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$0.00

\$0.00



Match Contributed

\$0.00

\$0.00

Activity Description:

Foreclosed and abandoned multi-family properties will be acquired and rehabilitated and then rented to individuals and households at or below 50% AMI.

Location Description:

Activity Progress Narrative:

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Project # / Title: NSP3003 / Homebuyer Assistance Financing

Grantee Activity Number: NSP3-003

Activity Title: Homebuyer Assistance Financing

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Under Way

Project Number:

NSP3003

Project Title:

Homebuyer Assistance Financing

Projected Start Date:

05/01/2011

Projected End Date:

12/31/2016



Benefit Type:
Direct (HouseHold)

Completed Activity Actual End Date:

National Objective:
NSP Only - LMMI

Responsible Organization:
City of Aurora

Overall	Jul 1 thru Sep 30, 2015	To Date
Total Projected Budget from All Sources	N/A	\$344,564.87
Total Budget	\$31,429.87	\$344,564.87
Total Obligated	\$60,000.00	\$344,564.87
Total Funds Drawdown	\$0.00	\$284,564.87
Program Funds Drawdown	\$0.00	\$61,246.01
Program Income Drawdown	\$0.00	\$223,318.86
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$60,000.00	\$344,564.87
City of Aurora	\$60,000.00	\$344,564.87
Match Contributed	\$0.00	\$0.00

Activity Description:

Assistance in the form of a soft second mortgage loan will be provided to eligible buyers of foreclosed and abandoned homes that have been rehabilitated by the City of Aurora. To ensure affordability, the deferred loan will not require repayment until the property is sold, when title changes, or when the property is no longer the buyer's principal residence. The amount of the soft second loan will vary depending on the cost of rehabilitation, the buyer's income, and the amount of the first mortgage loan. Payments on the buyer's first mortgage loan shall not be more than 32% of the buyer's gross income.

Location Description:

Activity Progress Narrative:

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	1	17/17
# of Singlefamily Units	1	17/17

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	1	0	1	7/7	6/10	17/17	76.47
# Owner Households	1	0	1	7/7	6/10	17/17	76.47



Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Project # / Title: NSP3004 / Administration

Grantee Activity Number: NSP3-004

Activity Title: Administration

Activity Category:

Administration

Project Number:

NSP3004

Projected Start Date:

03/10/2011

Benefit Type:

()

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

12/31/2016

Completed Activity Actual End Date:

Responsible Organization:

City of Aurora

Overall

Total Projected Budget from All Sources

Jul 1 thru Sep 30, 2015

N/A

To Date

\$465,000.00

Total Budget

\$5,000.00

\$465,000.00

Total Obligated

\$0.00

\$460,000.00

Total Funds Drawdown

\$0.00

\$434,079.00

Program Funds Drawdown

\$0.00

\$146,732.91

Program Income Drawdown

\$0.00

\$287,346.09

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$7,364.66

\$444,458.03

City of Aurora

\$7,364.66

\$444,458.03

Match Contributed

\$0.00

\$0.00

Activity Description:



This activity pertains to program administration only.

Location Description:

Activity Progress Narrative:

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

