

Grantee: Aurora, CO

Grant: B-11-MN-08-0001

January 1, 2013 thru March 31, 2013 Performance Report



Grant Number:

B-11-MN-08-0001

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

Aurora, CO

Contract End Date:

03/10/2014

Review by HUD:

Reviewed and Approved

Grant Amount:

\$2,445,282.00

Grant Status:

Active

QPR Contact:

Jeff Hancock

Estimated P/RL Funds:

\$2,000,000.00

Total Budget:

\$4,445,282.00

Disasters:

Declaration Number

No Disasters Found

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 has 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 \$2,682,752 for the acquisition, rehabilitation and resale of foreclosed and abandoned single family homes to families above 50% AMI within two target areas. An additional \$910,000 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. \$65,000 has been budgeted for the maintenance of homes within both activities.

Another \$200,000 of Aurora's NSP3 grant remains budgeted for the acquisition, rehabilitation, and rental of multi-family units that have been foreclosed and abandoned. With this money the city of Aurora may partner with a local non-profit organization to provide permanent housing to its clients while receiving services. It is anticipated that all units rehabilitated via this activity would house renters at or below 50% AMI, thus helping to satisfy the 25% set aside requirement. Because Aurora has not located a suitable multi-family property at this point in its NSP3 program, we are reviewing different options and may submit an amended action plan to HUD to move funds from this activity to the single family rehabilitation and resale activity mentioned above. However, we are keeping this activity open for now in the event a suitable property is located.

The city of Aurora will provide homebuyer assistance financing in the amount of \$168,002 to income eligible homebuyers. The remaining portion of the grant, or \$419,528, will be used to administer Aurora's NSP3 program.

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

How Fund Use Addresses Market Conditions:

Aurora continues to suffer from the effects of the foreclosure crisis. While the number of estimated foreclosures in Aurora has declined significantly over the last few years, vacant and abandoned properties remain a problem within the city. 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, homeowners 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 on the low end of the existing market, generally considered to be those homes valued at or below \$125,000, are increasing in many neighborhoods. The inventory of bank-owned properties has declined, and properties are selling more quickly once they are listed for sale. In certain cases we are finding it difficult to locate and acquire vacant and foreclosed properties due to limited inventory in our target areas.

The city of Aurora has run its NSP3 program similarly to its NSP1 program, and anticipates achieving even more 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 2010-2014.

Grantee Contact Information:

Jeff Hancock, Financial Analyst

9898 E. Colfax Avenue

Aurora, CO 80010

jhancock@auroragov.org 303-739-7907

Aaron Gagne, Manager of Community Development agagne@auroragov.org 303-739-7920

Overall

This Report Period

To Date



Total Projected Budget from All Sources	N/A	\$4,445,282.00
Total Budget	\$250,000.00	\$4,445,282.00
Total Obligated	\$346,472.68	\$3,609,529.68
Total Funds Drawdown	\$831,239.19	\$2,804,871.82
Program Funds Drawdown	\$132,572.13	\$1,735,660.48
Program Income Drawdown	\$698,667.06	\$1,069,211.34
Program Income Received	\$334,900.00	\$1,229,900.00
Total Funds Expended	\$376,028.50	\$2,875,302.60
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	\$193,617.42
Limit on State Admin	\$0.00	\$193,617.42

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$244,528.20	\$419,528.00

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$611,320.50	\$1,110,000.00

Overall Progress Narrative:

The City of Aurora sold three rehabilitated single family homes in the first quarter of 2013, including two properties to homebuyers who are below 50% AMI. At this time we have no more rehabilitated homes available for sale.

We currently have four single family homes in the early stages of rehabilitation. Construction work on those properties is scheduled to be completed in late June to early July. The rehabilitation of one additional property is scheduled to go out to bid in April with an estimated completion date of late August. All properties will be listed for sale shortly after the construction work on each is completed.

We are looking to buy 1-2 more vacant and foreclosed properties at this time in anticipation of receiving additional program income in late summer.

A number of previous draws were revised in the first quarter of 2013 to move those expenses to a new activity created for properties sold to buyers at or below 50% of area median income. These revisions will correct the problem of Aurora's 25% set-aside expenses not reporting properly. As of the end of the first quarter 2013, Aurora has spent nearly \$900,000 on activities that qualify towards meeting the 25% set aside requirement in its NSP3 program.

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	\$71,326.12	\$3,690,752.32	\$1,567,702.42
NSP3002, Multi-Family Acquisition/Rehabilitation	\$0.00	\$200,000.00	\$0.00
NSP3003, Homebuyer Assistance Financing	\$61,246.01	\$135,001.68	\$61,246.01
NSP3004, Administration	\$0.00	\$419,528.00	\$106,712.05



Activities

Grantee Activity Number:	NSP3-001
Activity Title:	Acquisition/Rehab/Resale

Activity Category:

Acquisition - general

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:

03/10/2014

Completed Activity Actual End Date:

Responsible Organization:

City of Aurora

Overall	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$2,682,752.32
Total Budget	(\$290,001.68)	\$2,682,752.32
Total Obligated	(\$643,529.00)	\$2,100,000.00
Total Funds Drawdown	\$353,273.63	\$1,533,073.55
Program Funds Drawdown	\$47,038.00	\$941,428.82
Program Income Drawdown	\$306,235.63	\$591,644.73
Program Income Received	\$179,900.00	\$787,900.00
Total Funds Expended	(\$600,000.00)	\$1,598,167.99
City of Aurora	(\$600,000.00)	\$1,598,167.99
Match Contributed	\$0.00	\$0.00

Activity Description:

Vacant, foreclosed and abandoned single family homes will be acquired, fully rehabilitated, and then sold to income-eligible homeowners.

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:

Some of the performance measures reported in this QPR will look unusual due to four properties now being reported under activity NSP3-005. In order to properly report the race and ethnicity of the individuals at or below 50% AMI who purchased those homes, their information had to be removed from activity NSP3-001. We are also reporting new information for the one additional home within this activity sold in the first quarter of 2013. As a result, several numbers being reported under the "This Report Period" column are negative. The five total properties sold under activity NSP3-001 and the three female head of households now being reported as of the end of the first quarter 2013 are correct.

Accomplishments Performance Measures

This Report Period Total	Cumulative Actual Total / Expected Total
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# of Properties	-1	5/11
# of Parcels acquired voluntarily	-1	5/11

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	-1	5/11
# of Singlefamily Units	-1	5/11

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	-2	0	-1	0/0	3/11	5/11	60.00
# Owner Households	-2	0	-1	0/0	3/11	5/11	60.00

Activity Locations

Address	City	County	State	Zip	Status / Accept
12301 E 30th Ave	Aurora		Colorado	80011-2727	Match / Y
2301 Paris St	Aurora		Colorado	80010-1631	Match / Y
2300 Kingston St	Aurora		Colorado	80010-1325	Match / Y
2201 Oakland St	Aurora		Colorado	80010-1636	Match / Y
12303 E Park Lane Dr	Aurora		Colorado	80011-2752	Match / Y

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: 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:

03/10/2014

Completed Activity Actual End Date:

Responsible Organization:

City of Aurora

Overall

	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$200,000.00
Total Budget	(\$300,000.00)	\$200,000.00
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
City of Aurora	\$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:

A suitable property has not yet been located for this activity and no money has been spent. At this time we are keeping some money budgeted for the activity in the event we do find a vacant and foreclosed multi family property to acquire and rehabilitate.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.

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: NSP3-003

Activity Title:

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

NSP3003

Projected Start Date:

05/01/2011

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Homebuyer Assistance Financing

Projected End Date:

03/10/2014

Completed Activity Actual End Date:

Responsible Organization:

City of Aurora

Overall	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$168,001.68
Total Budget	(\$14,998.32)	\$168,001.68
Total Obligated	\$135,001.68	\$135,001.68
Total Funds Drawdown	\$135,001.68	\$135,001.68
Program Funds Drawdown	\$61,246.01	\$61,246.01
Program Income Drawdown	\$73,755.67	\$73,755.67
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$73,755.67	\$135,001.68
City of Aurora	\$73,755.67	\$135,001.68
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:

Homebuyer assistance has been provided to a total of nine households thus far in Aurora's NSP3 program.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	9	9/9
# of Singlefamily Units	9	9/9



Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	4	3	9	4/4	3/5	9/9	77.78
# Owner Households	4	3	9	4/4	3/5	9/9	77.78

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: 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:

03/10/2014

Completed Activity Actual End Date:

Responsible Organization:

City of Aurora

Overall

	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$419,528.00
Total Budget	\$0.00	\$419,528.00
Total Obligated	\$0.00	\$419,528.00
Total Funds Drawdown	\$11,483.52	\$193,617.42
Program Funds Drawdown	\$0.00	\$106,712.05
Program Income Drawdown	\$11,483.52	\$86,905.37
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$7,852.36	\$198,708.75
City of Aurora	\$7,852.36	\$198,708.75
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 found.

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:	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:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Single Family Acquisition/Rehabilitation/Resale

Projected End Date:

03/10/2014

Completed Activity Actual End Date:

Responsible Organization:

City of Aurora

Overall	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$910,000.00
Total Budget	\$900,000.00	\$910,000.00
Total Obligated	\$900,000.00	\$900,000.00
Total Funds Drawdown	\$320,911.50	\$892,560.47
Program Funds Drawdown	\$17,140.00	\$588,788.97
Program Income Drawdown	\$303,771.50	\$303,771.50
Program Income Received	\$155,000.00	\$442,000.00
Total Funds Expended	\$892,560.47	\$892,560.47
City of Aurora	\$892,560.47	\$892,560.47
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:

The City of Aurora has rehabilitated four vacant and foreclosed properties that were ultimately sold to buyers below 50% AMI. Two properties were sold in the third quarter of 2012 and two were sold in the first quarter of 2013. As this activity was only recently created to properly track below 50% AMI expenditures, race and ethnicity data has just been added for the first time.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	4	4/5
# of Parcels acquired voluntarily	4	4/5

	This Report Period	Cumulative Actual Total / Expected
	Total	Total



# of Housing Units	4	4/5
# of Singlefamily Units	4	4/5

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	4	0	4	4/5	0/0	4/5	100.00
# Owner Households	4	0	4	4/5	0/0	4/5	100.00

Activity Locations

Address	City	County	State	Zip	Status / Accept
2241 Oakland St	Aurora		Colorado	80010-1636	Match / Y
2060 Newark St	Aurora		Colorado	80010-1339	Match / Y
2356 Nome St	Aurora		Colorado	80010-1626	Match / Y
12926 E Park Lane Dr	Aurora		Colorado	80011-2739	Match / Y

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:

03/10/2014

Completed Activity Actual End Date:

Responsible Organization:

City of Aurora

Overall

	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$65,000.00
Total Budget	(\$45,000.00)	\$65,000.00
Total Obligated	(\$45,000.00)	\$55,000.00
Total Funds Drawdown	\$10,568.86	\$50,618.70
Program Funds Drawdown	\$7,148.12	\$37,484.63
Program Income Drawdown	\$3,420.74	\$13,134.07
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$1,860.00	\$50,863.71
City of Aurora	\$1,860.00	\$50,863.71
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 found.

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

