

Grantee: Aurora, CO

Grant: B-11-MN-08-0001

April 1, 2012 thru June 30, 2012 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 PI/RL Funds:

\$1,000,000.00

Total Budget:

\$3,445,282.00

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. The city of Aurora is currently budgeting \$1,800,753.80, for the acquisition, rehabilitation, and resale of foreclosed and abandoned single family homes within two target areas. We now anticipate that several of these rehabilitated homes will be sold to buyers at or below 50% AMI and thus help Aurora meet the 25% set aside requirement.

Another \$300,000.00 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.

The city of Aurora will provide homebuyer assistance financing in the amount of \$100,000 to income eligible homebuyers. The remaining portion of the grant, or \$244,528.20, 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 slightly 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 two 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, have seen prices stabilize and actually increase in value in some neighborhoods.

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:

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Paul Andrus, Community Development Planner pandrus@auroragov.org 303-739-7938



Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$2,445,282.00
Total Budget	(\$11,320.50)	\$2,445,282.00
Total Obligated	\$300,000.00	\$2,033,961.50
Total Funds Drawdown	\$473,166.90	\$1,603,088.35
Program Funds Drawdown	\$473,166.90	\$1,603,088.35
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$450,877.93	\$1,643,237.20
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	\$106,712.05
Limit on State Admin	\$0.00	\$106,712.05

Progress Toward Activity Type Targets

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

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$611,320.50	\$300,000.00

Overall Progress Narrative:

The city of Aurora completed the rehabilitation of four vacant and abandoned single family homes in the second quarter of 2012. Two of the completed homes are located in target area #1 and two are located in target area #2. Those four homes were listed for sale during the quarter and all four went under contract within a week of the initial listing. The sale of two homes closed at the end of June. The other two homes are scheduled to close in July. Because the sales occurred in the last few days of June, program income received will not show until the 3rd quarter 2012 QPR.

Of Aurora's remaining five single family homes acquired with NSP3 funds, rehabilitation will be complete on two more homes in July. Rehabilitation is underway on the last three properties and is scheduled to be finished by October.

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	\$456,335.58	\$1,789,433.30	\$1,496,376.30
NSP3002, Multi-Family Acquisition/Rehabilitation	\$0.00	\$300,000.00	\$0.00
NSP3003, Homebuyer Assistance Financing	\$0.00	\$100,000.00	\$0.00
NSP3004, Administration	\$16,831.32	\$244,528.20	\$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	Apr 1 thru Jun 30, 2012	To Date
Total Projected Budget from All Sources	N/A	\$2,682,752.32
Total Budget	\$300,000.00	\$2,682,752.32
Total Obligated	\$300,000.00	\$1,739,433.30
Total Funds Drawdown	\$264,797.76	\$894,390.82
Program Funds Drawdown	\$264,797.76	\$894,390.82
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$404,435.37	\$1,489,481.07
City of Aurora	\$404,435.37	\$1,489,481.07
Match Contributed	\$0.00	\$0.00

Activity Description:

Foreclosed and abandoned single family homes will be acquired, rehabilitated, and 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:

The city of Aurora has acquired, rehabilitated, and sold two vacant and abandoned single family homes to new homeowners as of June 30, 2012. Two more homes have been rehabilitated and are under contract to sell by the end of July. An additional five homes are under various stages of construction and will be completed in the coming months.

Program income generated from the first two home sales will be used to acquire additional vacant and abandoned homes in target areas #1 and #2 for future rehabilitation and resale.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	2	2/9



# of Parcels acquired voluntarily	2	2/9
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	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	2	2/9
# of Singlefamily Units	2	2/9

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	2	2	0/0	2/9	2/9	100.00
# Owner Households	0	2	2	0/0	2/9	2/9	100.00

Activity Locations

Address	City	County	State	Zip	Status / Accept
12303 E. Park Lane Drive	Aurora		Colorado	80011-	Match / N
2301 Paris Street	Aurora		Colorado	80010-	Match / N
			Colorado	-	Not Validated / 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

	Apr 1 thru Jun 30, 2012	To Date
Total Projected Budget from All Sources	N/A	\$200,000.00
Total Budget	(\$311,320.50)	\$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:

Thus far in its NSP3 program the city of Aurora has been unable to find a suitable vacant and abandoned multi-family property to acquire and rehabilitate. We will make a decision in the third quarter of 2012 regarding how to move forward with this planned activity and may submit an amended action plan to HUD to move funds from this activity to our single family acquire/rehab/re-sell activity.

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: NSP3-004

Activity Title: Administration

Activity Category:

Administration

Project Number:

NSP3004

Projected Start Date:

03/10/2011

Benefit Type:

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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

Total Projected Budget from All Sources

Total Budget

Total Obligated

Total Funds Drawdown

Program Funds Drawdown

Program Income Drawdown

Program Income Received

Total Funds Expended

 City of Aurora

Match Contributed

Apr 1 thru Jun 30, 2012

N/A

\$0.00

\$0.00

\$16,831.32

\$16,831.32

\$0.00

\$0.00

\$30,996.13

\$30,996.13

\$0.00

To Date

\$419,528.00

\$419,528.00

\$244,528.20

\$106,712.05

\$106,712.05

\$0.00

\$0.00

\$123,004.96

\$123,004.96

\$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: NSP3OPC

Activity Title:

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Under Way

Project Number:

NSP3001

Project Title:

Single Family Acquisition/Rehabilitation/Resale

Projected Start Date:

05/01/2011

Projected End Date:

03/10/2014

Benefit Type:

Direct (HouseHold)

Completed Activity Actual End Date:

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Aurora

Overall

	Apr 1 thru Jun 30, 2012	To Date
Total Projected Budget from All Sources	N/A	\$65,000.00
Total Budget	\$0.00	\$65,000.00
Total Obligated	\$0.00	\$50,000.00
Total Funds Drawdown	\$17,765.82	\$30,336.51
Program Funds Drawdown	\$17,765.82	\$30,336.51
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$15,446.43	\$30,751.17
City of Aurora	\$15,446.43	\$30,751.17
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

