

# U. S. Department of Housing and Urban Development



Community Planning and Development

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Honorable Steve Hogan  
Mayor of Aurora  
15151 E. Alameda Pkwy  
Aurora, CO 80012

APR 17 2014

Dear Mayor Hogan:

Community Planning and Development (CPD) is striving to strengthen its working relationship with our State and local government partners to help achieve greater results in meeting the housing and community development needs of our low- and moderate-income customers. One of our important responsibilities in this ongoing process is the periodic assessment of your accomplishments and performance in the administration of funds provided by CPD and in meeting key program and Departmental objectives, as mandated by the statutes governing these programs.

This review examines information provided by the city of Aurora for its 2013 program year. In conducting this assessment, we examine your activities for consistency with the priorities and objectives outlined in the Consolidated Plan and Annual Action Plan. We use the information contained in the Consolidated Annual Performance and Evaluation Report (CAPER), and the Integrated Disbursement Information System (IDIS), as well as any monitoring reviews conducted during the course of the program year.

Our assessment report that is enclosed covers the following areas:

- Meeting the statutory purposes of the programs.
- Consistency with strategies and goals in the Consolidated Plan and Annual Action Plan
- Fair Housing and Equal Opportunity
- Timeliness
- Match for HOME and ESG
- Caps on Obligations – CDBG, HOME, and ESG

Based upon our analysis and examination of the data available to us, we have determined that Aurora's overall progress has been more than satisfactory during the most recent program year. The city of Aurora appears to be administering its programs in a manner consistent with the applicable regulatory requirements. During the period of January 1, 2013 through December 31, 2013, Aurora has carried out its program substantially as described in its Consolidated Plan and has the continuing capacity to carry out its approved program in a timely manner. These conclusions on your overall program performance are based solely upon the information available to this office and do not constitute a comprehensive evaluation or approval of specific activities.

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You have the opportunity to provide us with your review and comment on the draft Annual Community Assessment. Please provide any review and comment within 30 days of the date of this letter. We may revise the Assessment after considering your views. If we do not receive any response by the end of the 30-day period, the draft Annual Community Assessment will become final without further notice.

The final Annual Community Assessment must be made readily available to the public. You can assist us in this regard by sharing the final Annual Community Assessment with the media, with a mailing list of interested persons, with members of your advisory committee, or with those who attended hearings or meetings. You must also provide a copy of the final Annual Community Assessment to your independent public auditor. HUD will make the final Annual Community Assessment available to the public upon request and may provide copies to interested citizens and groups.

If you have any questions, please do not hesitate to contact Ms. Katy Burke, Community Planning and Development Representative at 303-839-2634 or via email at [Kathleen.S.Burke@hud.gov](mailto:Kathleen.S.Burke@hud.gov).

Sincerely,

A handwritten signature in cursive script that reads "LeRoy P. Brown". The signature is written in black ink and features a large, stylized initial "L" and a long, sweeping flourish at the end.

LeRoy P. Brown  
Director

Enclosure

cc: Aaron Gagne, Director  
Neighborhood Services Department  
City of Aurora  
9898 E. Colfax Avenue  
Aurora, CO 80010

## ANNUAL COMMUNITY ASSESSMENT

JURISDICTION - City of Aurora, Colorado

PROGRAM YEAR START – January 1

PERIOD COVERED BY ASSESSMENT – January 1, 2013 to December 31, 2013

HUD is required to conduct an annual review of performance by grant recipients according to the provisions of the Housing and Community Development Act and the National Affordable Housing Act. We must determine that each recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received. This is to report the results of our review of the 2013 program year performance.

### **Part I. Summary of Consolidated Plan/Action Plan Review and Assessment**

The city of Aurora is reporting that it is meeting the primary objective of the Community Development Block Grant (CDBG) Program which is the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this primary objective, not less than 70 percent of the aggregate of the Federal assistance shall be used for the support of activities that benefit persons of low- and moderate-income (LMI). According to the Integrated Disbursement & Information System (IDIS) PR26 report included with the CAPER, the city expended 70.1 percent of the CDBG funds on low-and moderate-income (LMI) populations in the 2013 program year, meeting the primary purpose of the CDBG program.

Projects funded in the 2013 program year are consistent with strategies and goals in the Consolidated Plan and Annual Action Plan. The Action Plan provided for:

<b>Objective</b>	<b>1 year goal</b>	<b>Actual Accomplishments</b>
Affordable Housing	151 units of AH, 30,000 housing inspections, 391 households (counseling & homeownership)	72 completed units of AH, 120 underway. 23,632 inspections, 592 households (counseling and homeownership)
Public Services	Resource dependent, Community Outreach in NRSA	OAR specialist outreach.
Public Facilities	4 projects	6 projects complete, one underway
Economic Development	7 projects/businesses	3 completed projects/businesses, 7 underway
Homeless Prevention	480 households, 3,519 persons	403 households, 3,834 persons

Projects funded in the current program year are consistent with strategies and goals in the Consolidated Plan and Annual Action Plan. The Action Plan provided for a multitude of priorities with underlying objectives. The actual accomplishments as outlined in the CAPER are numerous and to be commended. The reporting of cumulative outcomes relative to five year or other measureable timeframe goals would make the CAPER more responsive to the consolidated plan requirements. The city is encouraged to continue to enhance its citizen participation plan and to provide communication in languages that reflect the diversity of its citizenry.

The final Performance Measures rule was published in the Federal Register on March 1, 2006 and became effective on March 13, 2006. Beginning in October, 2006, all project information must contain current Performance Measure data. Further, on October 31, 2011, the Inspector General for the U. S. Department of Housing and Urban Development issued an audit that found that the CDBG program needed to increase its use of IDIS to improve oversight of CDBG activities. The continued closure of completed projects in IDIS will maintain a more accurate analysis of progress and outcome assessment through the capture of beneficiary data. The city has improved the accuracy and completion of IDIS activities in a timely fashion, and did a particularly excellent job in remediating outstanding CDBG activities in the IDIS system. The city is encouraged to continue to dedicate staff time to keeping the IDIS system and outcomes current.

Projects funded in the current program year are consistent with strategies and goals in the Consolidated Plan and Annual Action Plan. The city has successfully implemented the CDBG and HOME program for many years. The identification of the impact of vacant and foreclosed homes on neighborhoods had been made before the current housing crisis. As a result, the city was able to integrate Neighborhood Stabilization Program (NSP) funding into its existing HOME program. The city has been recognized as one of the most successful and timely NSP grantees in the nation.

## **Part II. Summary of Grantee Performance**

### **CDBG**

The CDBG regulations require that sixty days prior to the end of the grantee's current program year, the amount of CDBG entitlement grant funds available but undisbursed by the U.S. Treasury not be more than 1.5 times the entitlement grant amount for the current program year. The city has met the timeliness requirement with the program ratio measured at 1.30. We congratulate the city on being timely and urge you to continue to meet this important measure of performance.

The city is limited to 20 percent of CDBG grant funds and current year's program income for administrative expenses. The city obligated 13.7 percent of grant funds for administration, well within the capped limit. Public service obligations are limited to 15 percent of grant funds and prior year program income. The city obligated 13.6 percent of the funding to public service activities. Similar to the 2012 CAPER review, these actual percentages are not consistent with the numbers self-reported in the PR26 and provided by the city in the CAPER. Technical

assistance can be provided on request for the correct calculation of this number and the techniques for completing the PR26.

## **HOME**

The HOME program regulations at 24 CFR § 92.300 require that 15 percent of the grant must be committed to CHDO activities. The 2013 HOME Deadline compliance report indicates that the city is in compliance with CHDO reservation deadlines showing an average allocation commitment of 18 percent for CHDO reserve funding. The city has met the target percentage of completed CHDO disbursements to all CHDO reservations. As reported in the CAPER, the required match was \$101,637. This represents 12.5% of the funds drawn down and is part of a temporary two year reduction for distressed communities. Next year the local match will return to 25% of the annual HOME allocation. It is important that the city maintain this level of commitment and disbursement of funds and match in order to avoid recapture of funds in coming years.

The HOME program has seen a number of changes in the administrative side, including accurate and timely draws and updates in the IDIS system. We would like to thank Aurora for their efforts in maintaining the reporting system

## **ESG**

The city's Emergency Solution Grant (ESG) program provided basic shelter and essential supportive services for persons experiencing homelessness. Three non-profit emergency shelters were funded to provide substance abuse treatment and prevention services for individuals and families. These facilities included: Arapahoe House, Mile High Council/Comitis Center, and the Gateway Battered Women's Shelter. Emergency housing and supportive services for homeless families and individuals including case management, child care and transportation were also provided. The domestic violence shelter provides housing and services. The discussion of ESG provided a detailed look at the amount funded to each emergency shelter facility for operations and essential services. Quantitative analysis for the number of households and individuals that have received housing services and non-residential services are reported.

Thank you for providing information in this year's CAPER regarding the ESG match requirement, including how much in funds or services were provided in order to meet the 100% match. Aurora was able to meet the required level of match funding due to the contributions to the three participating agencies from private and local government sources. The administrative cap was matched exactly at 7.5% of the grant total.

## **Fair Housing and Equal Opportunity**

The Office of Fair Housing and Equal Opportunity (FHEO) received your CAPER and has provided an analysis of the information therein. They have ranked Aurora as a Moderate risk entitlement. The full analysis has been provided to your office by FHEO, and includes some technical assistance that should increase the impact and long-term planning efforts of the city.

## **Neighborhood Revitalization Strategy Area**

Aurora has an approved Neighborhood Revitalization Strategy Area (NRSA) and as such, the aggregation of housing units is applicable. The Neighborhood Revitalization Strategy for 2010 - 2015 was renewed on March 5, 2010. The funding came from CDBG, HOME, and NSP sources. 24 CFR 570.208 (a) (3) and (d) (5) (ii) discuss the low- and moderate-income national objective criteria in an NRSA. It is important that reports provided to the community accurately reflect the impact of the CDBG program in the NRSA. The provision of an accurate PR 26 report and a detailed CAPER narrative informs the citizens, HUD, and Congress that Aurora is meeting the CDBG program's primary purpose. We continue to encourage the city to meet all NRS goals by 2015.

### **Part III. HUD Evaluation and Conclusions**

#### **A. OVERALL EVALUATION**

Overall, the city of Aurora appears to be making strides in providing affordable housing and addressing its community development needs. The NRSA area of original Aurora continues to provide challenges in economic re-development. The full commitment and disbursement of HOME funds is an illustration of the city's improved program implementation. Completion of IDIS input also illustrates a dedication to improvement of performance measurement outcomes reported in IDIS.

#### **B. CONCLUSIONS AND FINDINGS**

Community Planning and Development, Region VIII, has reviewed available facts and data pertaining to the performance of the city of Aurora for its Consolidated Plan and the formula Community Planning and Development Programs specified in that Plan, Community Development Block Grant, CDBG-R, Neighborhood Stabilization Program, HOME Investment Partnership Act, Emergency Shelter Grant and Homelessness Prevention and Rapid Re-housing Program, during the period specified above. Based on the overall review record and the information summarized above, CPD makes the following findings:

1. During the period specified above, January 1, 2013 to December 31, 2013, the city of Aurora has carried out its program substantially as described in its Consolidated Plan as approved and amended.
2. The Consolidated Plan, as implemented, complies substantially with the requirements of applicable laws and regulations.
3. The city of Aurora has the continuing capacity to carry out its approved program in a timely manner.