

Action Plan

Grantee: Aurora, CO

Grant: B-11-MN-08-0001

LOCCS Authorized Amount:	\$ 2,445,282.00
Grant Award Amount:	\$ 2,445,282.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 2,901,345.02
Total Budget:	\$ 5,346,627.02

Funding Sources

No Funding Sources 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 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 were located in north Aurora and helped to continue the stabilizing effects begun with the city's NSP1 program in those same neighborhoods.

Program budgets were revised as the program evolved and as program income has been received. The City of Aurora budgeted \$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 was 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 helped Aurora meet the 25% set aside requirement of NSP3. \$94,350.72 was budgeted for the maintenance of homes within both activities.

\$548,455.70 of Aurora's NSP3 grant was budgeted for the acquisition, rehabilitation, and rental of multi-family units that have been foreclosed and abandoned. Aurora partnered with a local non-profit organization to construct new low- to moderate-income housing on a vacant lot in north Aurora. The project received tax credit financing approval from CHFA in the fall of 2016 and had an official ground breaking ceremony in January 2018. Construction was completed on this project and an open house was hosted at the property in July 2019. All units built via this activity now house renters at or below 50% AMI, thus helping to satisfy the 25% set aside requirement.

The City of Aurora provided homebuyer assistance financing in the amount of \$344,564.87 to income eligible homebuyers. The remaining portion of the grant, or \$470,178.58, was used to administer Aurora's NSP3 program.

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

All of Aurora's NSP3 grant funds have been expended. Aurora intends to closeout its NSP3 program in DRGR in late 2021 and transfer existing program income to its CDBG program as allowed per a HUD rule change in 2019. Those program income funds intended to be moved to our CDBG program have not been included in the NSP3 program budget as they will not be spent on a NSP3 activity.



How Fund Use Addresses Market Conditions:

The Aurora real estate market is at an all-time high. The foreclosure crisis of 2008-2011 is a distant memory at this time. The number of estimated foreclosures in Aurora have remained at low levels. Vacant and abandoned properties are virtually non-existent 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, 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.

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 for the years 2020-2024.

Grantee Contact Information:

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Project Summary

Project #	Project Title	Grantee Activity #	Activity Title	Grantee Program
9999	Restricted Balance		<i>No activities in this project</i>	
NSP3001	Single Family	NSP3-001	Acquisition/Rehab/Resale	
		NSP3-005	Below 50% AMI	
		NSP3OPC	Acquisition/Rehab/Resale null	
NSP3002	Multi-Family	NSP3-002	Rental Acquisition/Rehabilitation	
NSP3003	Homebuyer Assistance Financing	NSP3-003	Homebuyer Assistance Financing	
NSP3004	Administration	NSP3-004	Administration	



Activities

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

Grantee Activity Number: NSP3-001

Activity Title: Acquisition/Rehab/Resale

Activity Type:

Acquisition - general

Project Number:

NSP3001

Projected Start Date:

05/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Completed

Project Title:

Single Family

Projected End Date:

12/31/2017

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 2,297,608.12

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 2,297,608.12

Benefit Report Type:

NA

Proposed Accomplishments

of Parcels acquired voluntarily

of Properties

Total

10

10

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Aurora

Organization Type

Local Government

Proposed Budget

\$ 2,530,000.00

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 Description:



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

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Grantee Activity Number: NSP3-005

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

Activity Type:

Acquisition - general

Project Number:

NSP3001

Projected Start Date:

05/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Benefit Report Type:

NA

Activity Status:

Completed

Project Title:

Single Family

Projected End Date:

12/31/2017

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,557,193.46

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,557,193.46

Proposed Accomplishments

of Properties

Total

7

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Aurora

Organization Type

Local Government

Proposed Budget

\$ 1,550,000.00

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 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.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None



Environmental Reviews: None

Activity Supporting Documents: None



Grantee Activity Number: NSP3OPC

Activity Title:

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

NSP3001

Projected Start Date:

05/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Benefit Report Type:

Direct (Households)

Activity Status:

Completed

Project Title:

Single Family

Projected End Date:

12/31/2017

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 94,350.72

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 94,350.72

Proposed Beneficiaries

Owner Households

of Households

Total	Low	Mod	Low/Mod%
			0.0
			0.0

Proposed Accomplishments

of Singlefamily Units

of Housing Units

Total

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Aurora

Organization Type

Local Government

Proposed Budget

\$ 94,350.72

Location Description:

Various city of Aurora NSP3 properties.

Activity Description:

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



Environmental Assessment: EXEMPT

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / NSP3002 / Multi-Family Acquisition/Rehabilitation



Grantee Activity Number: NSP3-002

Activity Title: Rental Acquisition/Rehabilitation

Activity Type:

Acquisition - general

Project Number:

NSP3002

Projected Start Date:

05/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Completed

Project Title:

Multi-Family Acquisition/Rehabilitation

Projected End Date:

12/31/2019

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 548,455.70

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 548,455.70

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Renter Households

Total **Low** **Mod** **Low/Mod%**

39 39 100.00

of Households

39 39 100.00

Proposed Accomplishments

of Multifamily Units

Total

39

of Housing Units

39

of Parcels acquired voluntarily

1

of buildings (non-residential)

1

of Properties

1

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Aurora

Organization Type

Local Government

Proposed Budget

\$ 548,455.70

Location Description:

1702 Paris Street Aurora, CO 80010.



Activity Description:

Funds were used to construct a 39 unit multi-family property on a vacant parcel of land. All units will be rented to individuals and families at or below 50% of the area median income.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / NSP3003 / Homebuyer Assistance Financing



Grantee Activity Number: NSP3-003

Activity Title: Homebuyer Assistance Financing

Activity Type:

Homeownership Assistance to low- and moderate-income

Project Number:

NSP3003

Projected Start Date:

05/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Benefit Report Type:

Direct (Households)

Activity Status:

Completed

Project Title:

Homebuyer Assistance Financing

Projected End Date:

12/31/2017

Project Draw Block Date by HUD:**Activity Draw Block Date by HUD:**

Total Budget: \$ 344,564.87

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 344,564.87

Proposed Beneficiaries

Owner Households

Total	Low	Mod	Low/Mod%
17	7	10	100.00
17	7	10	100.00

of Households

Proposed Accomplishments

of Singlefamily Units

of Housing Units

Total

17

17

Proposed budgets for organizations carrying out Activity:**Responsible Organization**

City of Aurora

Organization Type

Local Government

Proposed Budget

\$ 313,135.00

Location Description:**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.

Environmental Assessment: EXEMPT

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / NSP3004 / Administration



Grantee Activity Number: NSP3-004

Activity Title: Administration

Activity Type:

Administration

Project Number:

NSP3004

Projected Start Date:

03/10/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable (for Planning/Administration or Unprogrammed Funds only)

Benefit Report Type:

NA

Activity Status:

Completed

Project Title:

Administration

Projected End Date:

12/31/2017

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 470,178.58

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 470,178.58

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Aurora

Organization Type

Local Government

Proposed Budget

\$ 470,178.58

Location Description:

Activity Description:

This activity pertains to program administration only.

Environmental Assessment: EXEMPT

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Action Plan Comments:

- Reviewer - Overall plan is meeting requirements and timeline deadlines. No changes exist. There are no changes from the initial Action Plan submission except to show two of the projects as "underway", which represent homes to be sold.
- Reviewer - Overall plan is within guidelines and requirement timeframes. What is the breakdown for the administration costs? Is this salary, etc.? Just not sure how that gets accounted for. Overall
- Reviewer - Overall plan process running as timeline and requirements projected. No major changes except for 8 foreclosed homes for rehabilitation and resale.
- Reviewer - Overall plan is meeting requirements and guidelines as outlined.
- Reviewer - Good use of the mapping tool to identify best areas in need of NSP3 funding. Outline and explanation of breakdown of funding per section/area is outstanding.
- McKeough, Plan appears to be meeting requirements. Budgets are being consistently updated to reflect actual expenses. KSB
- McKeough, The action plan is approved and the NSP3 program is moving ahead well with the exception of the LH 25% set aside. As the plan notes, the multifamily portion of the project will probably not move forward and the city will need to identify other opportunities. I will stay up to date with the city on their actions to meet the set aside requirement; they had no problem in NSP1 so hopefully they will be able to use the same efforts to reach the NSP3 set aside as well. KSB
- McKeough, The action plan is approved and the NSP3 program is moving ahead well with the exception of the LH 25% set aside. I will continue to stay up to date with Aurora's progress in meeting the LH25 requirement. KSB
- Morris, Don There are no changes for the NSP3 plan. John Hancock just updated the progress narrative and updated activity budgets, amounts expended, etc.
- McKeough, Reviewed and Approved
- McKeough, Update from J Hancock, 1/22/14: Aurora is on track, or slightly ahead of schedule, to hit the 25% requirement. We just sold our most recent NSP3 property on 12/31/13 to a below 50% AMI buyer. Until that home sold and we knew the income of the buyer I had reported some expenses under activity NSP3-001 in DRGR (above 50% AMI) to be conservative. In the last two days I have revised some draws to show the expenses under activity NSP3-005 (below 50% AMI), so that will improve our numbers on HUD's reports. By my calculations we are right around 27% for the LH25 set aside after this last home sale and the draw revisions.
- Aurora has already met the 100% expenditure deadline. I believe the LH25 requirement is calculated/verified at program closeout, but with the last sale and draw revisions we should be OK now as well.
- Burke, Aurora met expenditure deadline for NSP3 funds in March 2014. Aurora is on track to meet LH25 requirement. KSB
- Burke, Plan looking good, although planned multifamily project should be reassessed for viability. KSB
- Day, Plan reviewed and approved. City advised to reevaluate multi-family project. csd
- Day, Plan appears to be meeting requirements. CSD
- Day, Grantee should update the procedures for preferences for affordable rental development to reflect the City's 2015-2019 ConPlan.
- Day, Grantee appears to be moving forward with multi-family activity. Still referencing prior Consolidated plan and NRS.



Day, Grantee still appears to be meeting guidelines. csd

Day, Multi-family project still in progress. Would like to see a more concrete time frame. csd

Day, Multi-family project still expected to proceed, but is dependent upon the availability of tax credits.

Day, Multi-family project on target for next year depending on LIHTC. csd

Day, Plan reviewed and approved. CSD

Day, Multi-family project received tax credit approval and plans to break ground in 2017.

Day, Plan reviewed and approved. CSD

Day, AP returned so grantee can provide additional details regarding NSP3-002 activity, including actions to be completed over the next quarter. Grantee is also asked to close-out any completed activities or update the projected completion dates.

Day, AP returned so grantee can provide additional details regarding NSP3-002 activity, including actions to be completed over the next quarter. Grantee is also asked to close-out any completed activities or update the projected completion dates.

Grantee updated activity NSP3-002. No compliance issues for flagged activities noted at this time.

Day, NSP3002 / Multi-Family Acquisition/Rehabilitation underway, and additional PI added to the project. Anticipated project completion date is December 2019. csd

Burke, Activity NSP3001 had its Environmental Review status changed from "Completed" to "Underway" in this version, which seems like a typo/mistake. No other changes.

Burke, reported additional PI, committed to existing rental project.

Action Plan History

Version	Date
B-11-MN-08-0001 AP#44	03/16/2022
B-11-MN-08-0001 AP#43	10/26/2021
B-11-MN-08-0001 AP#42	07/29/2021
B-11-MN-08-0001 AP#41	04/26/2021



B-11-MN-08-0001 AP#40	01/27/2021
B-11-MN-08-0001 AP#39	01/25/2021
B-11-MN-08-0001 AP#38	10/29/2020
B-11-MN-08-0001 AP#37	07/29/2020
B-11-MN-08-0001 AP#36	04/27/2020
B-11-MN-08-0001 AP#35	01/29/2020
B-11-MN-08-0001 AP#34	10/30/2019
B-11-MN-08-0001 AP#33	07/29/2019
B-11-MN-08-0001 AP#32	04/23/2019
B-11-MN-08-0001 AP#31	01/29/2019
B-11-MN-08-0001 AP#30	10/26/2018
B-11-MN-08-0001 AP#29	07/19/2018
B-11-MN-08-0001 AP#28	04/12/2018
B-11-MN-08-0001 AP#27	01/19/2018
B-11-MN-08-0001 AP#26	10/16/2017
B-11-MN-08-0001 AP#25	07/05/2017
B-11-MN-08-0001 AP#24	04/17/2017
B-11-MN-08-0001 AP#23	01/24/2017
B-11-MN-08-0001 AP#22	10/13/2016
B-11-MN-08-0001 AP#21	07/13/2016
B-11-MN-08-0001 AP#20	04/20/2016
B-11-MN-08-0001 AP#19	01/22/2016
B-11-MN-08-0001 AP#18	10/14/2015
B-11-MN-08-0001 AP#17	07/27/2015
B-11-MN-08-0001 AP#16	04/27/2015
B-11-MN-08-0001 AP#15	01/23/2015
B-11-MN-08-0001 AP#14	10/30/2014
B-11-MN-08-0001 AP#13	07/29/2014
B-11-MN-08-0001 AP#12	04/22/2014
B-11-MN-08-0001 AP#11	01/23/2014
B-11-MN-08-0001 AP#10	10/29/2013
B-11-MN-08-0001 AP#9	07/29/2013
B-11-MN-08-0001 AP#8	04/15/2013
B-11-MN-08-0001 AP#7	02/28/2013
B-11-MN-08-0001 AP#6	10/30/2012
B-11-MN-08-0001 AP#5	07/27/2012
B-11-MN-08-0001 AP#4	07/26/2012
B-11-MN-08-0001 AP#3	04/26/2012
B-11-MN-08-0001 AP#2	01/26/2012
B-11-MN-08-0001 AP#1	10/26/2011



