Grantee: Adams County, CO

Grant: B-11-UN-08-0001

October 1, 2018 thru December 31, 2018 Performance

Grant Number:
B-11-UN-08-0001

Obligation Date:

Award Date:

Grantee Name:
Adams County, CO

Contract End Date:
03/16/2014

Review by HUD:
Reviewed and Approved

Grant Award Amount:
$1,997,322.00

Grant Status:
Active

QPR Contact:
No QPR Contact Found

LOCCS Authorized Amount:
$1,997,322.00

Estimated PI/RL Funds:
$2,326,903.60

Total Budget:
$4,324,225.60

Disasters:

Declaration Number

No Disasters Found

Narratives

Summary of Distribution and Uses of NSP Funds:

Adams County, Colorado is located in the Denver metropolitan area. The county's current population of nearly 500,000 residents is spread out over 1,182 square miles with the majority of the population concentrated on the western third of the county. The county contains a diverse mix of land uses varying from older first-ring cities and new green-field suburbs to expanses of open rangeland. All or portions of nine municipalities are found in Adams County. The City and County of Denver is contiguous to our southern border.
Roughly 100,000 residents live in unincorporated Adams County with the majority of the population living in the cities of Northglenn, Thornton, Westminster, Brighton, Commerce City, Aurora, Arvada and Federal Heights. The towns of Bennett, Strasburg and Watkins are located in the eastern plains and are predominately agricultural, but rapidly urbanizing communities. All communities with the exception of Commerce City, Thornton, Westminster, Arvada and Aurora (which are their own entitlement communities) participate in the Urban County partnership jurisdiction.
The poverty in Adams County is around 13%. Populations with low-incomes and living in poverty are concentrated in a number of locations throughout the county. These locations are largely found in the southwestern portion of the county including Aurora, Commerce City, the older communities of unincorporated Adams County, and portions of the older neighborhoods of Thornton, Federal Heights, Northglenn and Brighton.
Due to the dramatic levels of foreclosures in Adams County during the Great Recession (2007-2012), Adams County Community Development (ACCD) and other partner agencies such as the Adams County Housing Authority (now known as Unison Housing Partners), city representatives from Northglenn, Thornton, Brighton, Commerce City, various non-profits and the County Public Trustee formed a foreclosure task force towards the end of 2007. The task force began mapping foreclosures, identifying effective strategies and coordinating the marketing of foreclosure prevention workshops implemented by the housing authority.
In recent years, the housing market has improved, resulting in a dramatic decline in the number of foreclosures in Adams County. The current real estate market conditions and NSP eligibility requirements have made it difficult to acquire and rehabilitate single-family homes as the county has done in the past with its NSP funds. Therefore, the Community Resources and Housing Development Corporation (CRHDC) approached the County to pursue acquisition of vacant land to allow for the development of new affordable multi-family housing in the City of Commerce City. The need for affordable housing has been identified in the 2017 Adams County Housing Needs Assessment, citing the increasing disparity between incomes housing costs, known as the "affordability gap" (http://www.adcogov.org/sites/default/files/Adams_County_Housing_Needs_Assessment_11-8%20edit.pdf).
See the attached PDF for full Distribution and Uses of NSP Funds.

How Fund Use Addresses Market Conditions:

Adams County has historically programmed NSP3 funding (2011-present) toward the acquisition and rehabilitation of single-family housing. Since 2017, the ability to acquire, rehabilitate, and resell properties in Adams County has become increasingly difficult. Adams County is therefore shifting its funding to assist in land acquisition for the creation of affordable multi-family housing.
Adams County's primary goal in utilizing NSP funds is to increase housing options in local communities, targeting the national objective of households at or below 50% of the area median income (AMI). As the single-family housing market grows in Adams County, homeownership is not possible for very-low-income households. Adams County is reacting to the market shift by turning its attention with NSP activities to the multi-family housing market. By using NSP funds to help develop multi-family housing, Adams County hopes to create more housing opportunities for very-low income families.
Adams County has prioritized the use of the NSP funds by first targeting the acquisition of foreclosed properties in neighborhoods with the highest concentration of subprime mortgage loans and at the highest risk of additional foreclosures, as

confirmed through data provided by HUD and the county's own data on foreclosures. The county will use HUD's NSP3 Mapping Tool (https://www.hudexchange.info/resource/669/nsp3-mapping-tool/) to determine the NSP needs score for each target area. NSP projects will be in those neighborhoods that meet the criteria above.
The funds will be used in these primary activities, plus administration:

- As a financing mechanism to ensure affordability (soft seconds, interest buy downs, loan guarantees, and/or a loan loss reserve) primarily for families buying units that have been rehabilitated through this program;
- Acquisition/rehabilitation and resale;
- Acquisition/rehabilitation and resale to those families at or below 50% of AMI;
- Acquisition/redevelopment of units that would cost more to rehabilitate than the purchase price;
- Acquisition of land for new construction of multi-family housing;
- Administration of the program which will not exceed 10% of the NSP grant and 10% of any program income.

See the attached PDF for full How Fund Use Addresses Market Conditions.

Ensuring Continued Affordability:

Adams County uses affordability periods set forth in 24 CFR 92.252(a), (c) (e) and (f), and 92.254. NSP-assisted housing must meet the affordability requirements for not less than the applicable period specified as follows, beginning after project completion:

- $15,000 per unit and under = 5 years
- $15-001 to $40,000 = 10 years
- $40,001 and above = 15 years
- New construction = 20 years

Definition of Blighted Structure:

(1) Definition of "blighted structure" in context of state or local law: Adams County and its partnering cities use the State of Colorado's definition of blight as found in the Colorado Revised Statutes 31-25-103.

Definition of Affordable Rents:

Rents that are the lesser of the Housing Choice Voucher (Section 8) Fair Market Rents periodically established by the U.S. Department of Housing and Urban Development, or rents which are 30 percent of adjusted income for households up to 120% of Area Median Income, minus tenant paid utilities.

Housing Rehabilitation/New Construction Standards:

Any entity receiving funds where housing rehabilitation is proposed will be required to verify that they have adopted written Rehabilitation Standards.
All construction projects assisted with NSP funds must meet local codes, rehabilitation standards, ordinances, and zoning ordinances. Additionally, the following requirements apply to housing receiving NSP3 funding for new construction:

- Buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.
- Buildings of mid- or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent.
- Water efficient toilets, showers, and faucets must be installed.
- Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, fires).

Vicinity Hiring:

The locations of the funded projects/activities were determined through the course of the selection process described above. The locations for each planned activity are areas of greatest need. Vicinity hiring requirements will be compiled with and detailed in conjunction with the Section 3 provisions of procurement materials for each project.

Procedures for Preferences for Affordable Rental Dev.:

Narratives in sections "Summary of Distribution and Uses of NSP Funds" and "How Fund Use Addresses Market Conditions" above detail the procedures for preferences for Adams County's NSP3 funds. All affordable rental development will be reviewed using Adams County's NSP application.

Grantee Contact Information:

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Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	$4,099,892.80
Total Budget	$0.00	$4,099,892.80
Total Obligated	$0.00	$4,099,892.80
Total Funds Drawdown	$693.47	$4,036,161.16
Program Funds Drawdown	$0.00	$1,702,704.37
Program Income Drawdown	$693.47	$2,333,456.79
Program Income Received	$0.00	$2,406,022.99
Total Funds Expended	$693.47	$4,072,760.98
Most Impacted and Distressed Expended	$0.00	$0.00
Match Contributed	$0.00	$0.00

Progress Toward Required Numeric Targets

Requirement	Target	Actual
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	$0.00	$0.00
Limit on Public Services	$299,598.30	$0.00
Limit on Admin/Planning	$199,732.20	$115,467.17
Limit on Admin	$0.00	$115,467.17
Most Impacted and Distressed Threshold (Projected)	$0.00	$0.00
Progress towards LH25 Requirement	$1,081,056.40	$1,089,535.93

Overall Progress Narrative:

Adams County Community Development has been working with nonprofit developer Community Resources and Housing Development Corporation (CRHDC) on expending the remaining NSP funding on a project in Westminster. CRHDC is proposing a 24-unit senior housing development to be located on the now three parcels of land just north of the “Penguin Building”, on the southwest corner of 73rd Avenue and Lowell Boulevard. The following was accomplished this quarter:
- Conversations occurring with the City of Westminster regarding rezoning, a possible long-term land lease, or land donation and property tax exemption on the land identified.
- Market study was completed and the proforma has been updated to reflect increased constructions costs as well as rents that are more in line with the results of the study.
- Environmental Review was initiated and all responsible entities identified, as well as a basic plan for moving forward.
  - CRHDC requested bids for Environmental review consultants and established a contract with a consulant.
  - Part 50 and Part 58 are both triggered due to the sources of funding.
  - First draft of Phase I ESA completed.
  - The consultant will issue final draft of Phase I once site plans have been submitted and a noise study can be completed.
  - Ongoing ground water treatment from the State and possible Underground Storage Tank (UST) still in place. Contact attempts have been made with the Colorado Department of Labor and Employment Division of Oil and Public Safety- Remediation Section, we are waiting on a call back to determine the ongoing ground water remediation measures taking place and how much longer they will be in place.
- Design Team
  - CRHDC received four proposals from architectural firms, completed the procurement process and has decided to move forward with a firm. This firm is experienced in working with senior housing, affordable housing and sites with environmental contamination.

- Completion of site plan draft is on hold due to environmental concerns. CRHDC would like to avoid incurring this cost before environmental clearance but will do so if necessary.
- Sources of funding are being identified and confirmed.
- Adams County is working on a draft of an agreement, but will not be moving forward with the process until the ERR is completed.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
NSP2011.001, Acquisition & Rehab	$0.00	$4,042,900.00	$1,649,298.06
NSP2011.002, Admin	$0.00	$174,732.00	$53,406.31

Activities

Project # / Title: NSP2011.002 / Admin

Grantee Activity Number:	**NSP11.Admin**
Activity Title:	**Administration**

Activitiy Category:
Administration

Activity Status:
Under Way

Project Number:
NSP2011.002

Project Title:
Admin

Projected Start Date:
03/01/2011

Projected End Date:
12/31/2019

Benefit Type:
( )

Completed Activity Actual End Date:

National Objective:
N/A

Responsible Organization:
Adams County Community Development

Overall	Oct 1 thru Dec 31, 2018	To Date
Total Projected Budget from All Sources	N/A	$174,732.00
Total Budget	$0.00	$174,732.00
Total Obligated	$0.00	$174,732.00
Total Funds Drawdown	$693.47	$115,467.17
Program Funds Drawdown	$0.00	$53,406.31
Program Income Drawdown	$693.47	$62,060.86
Program Income Received	$0.00	$0.00
Total Funds Expended	$693.47	$121,762.74
Adams County Community Development	$693.47	$121,762.74
Most Impacted and Distressed Expended	$0.00	$0.00
Match Contributed	$0.00	$0.00

Activity Description:

Administration of NSP3 Activities

Location Description:

Activity carried out related to NSP3 activities described in this action plan.

Activity Progress Narrative:

Adams County Community Development spent administration evaluating a project in Westminster. See overall narrative for more information.

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	