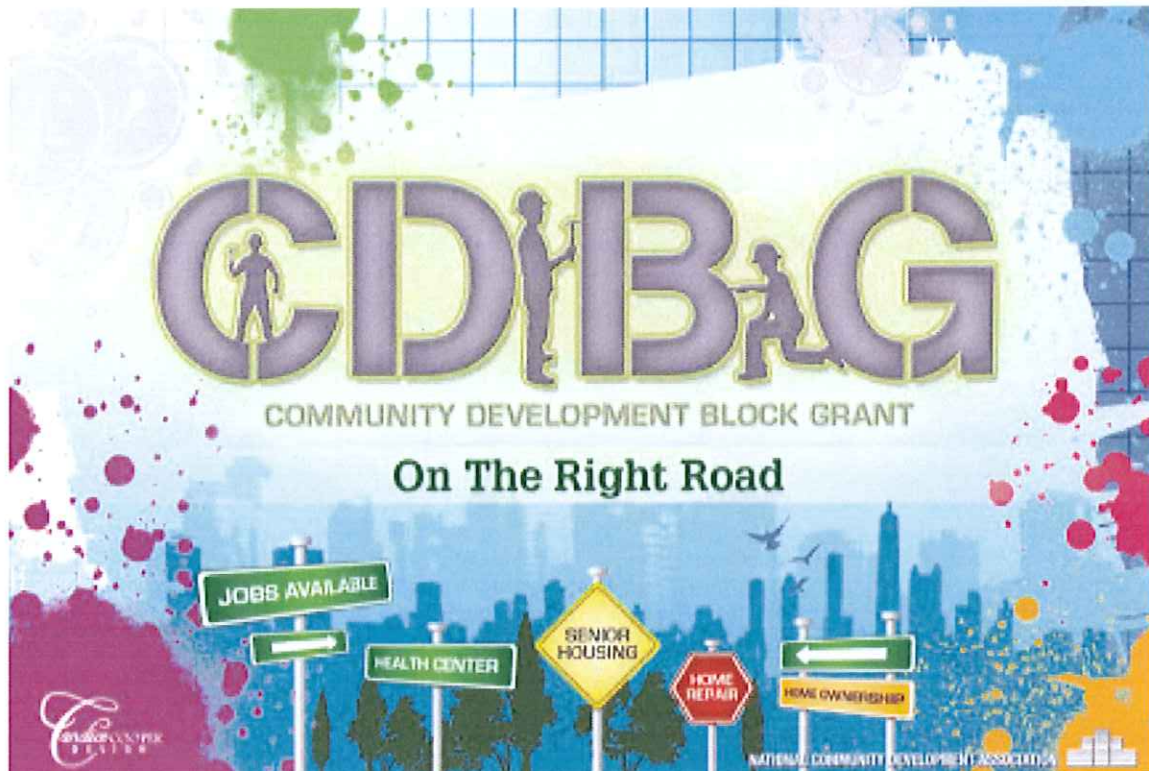


CITY OF LONGMONT
**CONSOLIDATED ANNUAL PERFORMANCE
AND EVALUATION REPORT**

Fiscal Year 2007



MARCH 31, 2008

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Table of Contents

I.	Introduction	Page 3
II.	Narrative Statements	
	Assessment of Progress Toward 5 Year Goal	Page 3
	Affirmatively Furthering Fair Housing and Impediments	Page 8
	Affordable Housing	Page 9
	Public Housing Resident Initiatives	
	Continuum of Care	Page 11
	Other Actions	Page 14
	Lead Based Paint Need	
	Anti-Poverty Strategy	
	Overcoming Gaps/Underserved Needs	Page 14
	Leveraging Resources	Page 15
	Citizen Comments	Page 16
	Self Evaluation	Page 16
III.	CDBG Attachments	
	A. Relationship of CDBG funds to priorities, Goals and Specific Objectives in the Consolidated Plan	Page 19
	B. Changes in Program Objectives	Page 19
	C. Efforts in Carrying Out Grantee's Certifications	Page 19
	D. Compliance with National Objectives	Page 19
	E. Steps to Minimize Displacement from CDBG Assisted Activities and to Comply with Uniform Relocation Act	Page 19
	F. Economic Development	Page 20
	G. Limited Clientele	Page 20
	H. Program Income	Page 20 & 21
	I. Rehabilitation	Page 20 & 22
	J. HUD Approved Neighborhood Revitalization Strategies	Page 20
IV.	Local Attachments	
	1. Total CDBG Loans Outstanding	
	2. Financial Summary Report	
	3. Activity Summary Report	
	4. Beneficiary Report	
	5. Performance Measures Report	
	6. Chart #1 – 2007 Expenditures	
	7. Chart #2 – 2007 Funds Budgeted by Activity Category	
	8. Chart #3 – 2007 Funds Expended by Activity Category	
	9. Map – Location of 2007 CDBG Projects	
	10. Map – Community Housing Program Participating Developments	
	11. Map – Location of Affordable Rental Properties	
	12. 2007 Update on Fair Housing Impediments Action Plan	

Introduction

This report along with the attached Grantee Performance Report (GPR) will meet the Consolidated Plan performance report requirements as per 24 CFR 91.520. The GPR delineates in detail, the CDBG and related private resources made available, the investment of those resources, the geographic location of the investments and the families and persons assisted (including racial and ethnic status) as per 91.520 (a). It also specifically includes the use of CDBG funds during the program year including the number of families/persons served by income as per 91.520 (e)

This report will be used to give more detail on several of these items and will include actions taken to affirmatively further fair housing, an evaluation of the City's progress in meeting affordable housing goals and an assessment of the use of CDBG funds to the priorities identified in the Consolidated Plan.

Assessment of Five Year Goals and Objectives

The City's 2005 – 2009 strategic plan was based upon input from different organizations in the community. The method for obtaining the information that follows was through public meetings to identify priority housing populations in need and housing programs that could most effectively address housing problems in Longmont. In the discussions with various organizations in the City, a basic premise was established concerning housing. This premise is the backbone for the housing programs and strategies in Longmont. The five key premises in the development of a housing strategy for Longmont are as follows:

- Goal 1** Housing units should be produced and/or rehabilitated to accommodate in a decent and affordable fashion, special housing to meet the needs of the elderly, disabled, homeless, large families, single parents, farm workers, and physically and mentally disabled persons.
- Goal 2** The existing housing stock in the City should be preserved, maintained and repaired.
- Goal 3** Section 8 certificates and vouchers (now Housing Choice Vouchers) should be applied for at every opportunity to assist extremely low and low income households and individuals.
- Goal 4** Opportunities should be continued to assist first time homeowners.
- Goal 5** Supportive Services should be provided to assist those families with special needs, to prevent homelessness and to provide the extra help needed to keep a family from "falling through the cracks."
- Goal 6** Neighborhoods should be empowered and revitalized to become strong proponents for change for their residents.

The City attempted to meet the above goals by implementing the following general programs:

Housing Rehabilitation Programs: Correcting housing deterioration, particularly for special needs households, was identified as a major priority. In order to prevent our affordable housing stock from further decline, steps should be taken to preserve and rehabilitate it. The first priority for allocating funds will be owner-occupied rehabilitation assistance city-wide, but with a priority given to two particular neighborhoods identified in the Consolidated Plan (Kensington and Historic Eastside). The four programs which make up the City's Housing Rehabilitation Programs (Owner Rehab, Accessibility, Emergency Grant and Paint-a-thon) will primarily benefit the extremely low and low income owner households. In addition, the city will explore the pros and cons of starting a Rental Rehabilitation Program. Preservation of existing rental housing will also be a top priority as opportunities are presented. **5 Year Goal: To assist 460-515 extremely low and low income households.**

Meets Goals #1, #2, #4 & #6

Down Payment Assistance Program: Homeownership is a priority for many low and moderate income households interested in obtaining decent, safe and affordable housing. Obtaining the necessary down payment has been identified as the biggest barrier for low and moderate income families in achieving homeownership. The second priority is to assist low and moderate income households with home purchase. Moderate and low income owner households will benefit from this program. **5 Year Goal: To assist 125-200 low and moderate income families to become homeowners.**

Meets Goals #2, #4 & #6

Acquisition Program: Longmont's present housing stock is inadequate to meet the needs of low and moderate income households. The lack of developable land for low and moderate income housing is a barrier to developers interested in building affordable housing. Improvements to the market condition in Longmont require land to build new multi-family and single-family housing. In addition, seeking ways to provide transitional housing and/or emergency shelter and to assist in the acquisition of existing affordable rental units to ensure their permanent affordability will be a high priority. Acquisition of land to develop new and/or acquire existing affordable housing is the third priority to meet housing needs. This program will benefit primarily extremely low and low income renters but owner households may also benefit from the program. **5 Year Goal: Acquire land for new construction of affordable rental/owner units and/or transitional or emergency shelter units for 125 extremely and low income families.**

Meets Goals #1, #2 & #3

New Construction Program: The private sector must be encouraged to build low and moderate income housing. Increasing the City's rental housing supply is one of the greatest housing needs in Longmont. The City has approved a Housing Incentive Program (Fee Waiver) to reduce development fees and building permit fees to stimulate housing development by the private market. Developers are able to utilize this program with the Low Income Housing Tax Credit and the Private Activity Bond programs. The City also approved an Annexation program, where 10% of the dwelling units in all newly annexed land developments must be affordable to low and moderate income renters and buyers. These programs are designed to benefit renters below 60% of the AMI and homebuyers below 80% of the AMI. **5 Year Goal: To assist developers in building 150-250 very low income renters and low income owners.**

Meets Goals #2, #4 & #6

Housing Choice Voucher Program: The Longmont and Boulder County Housing Authorities, as well as other agencies able to access Housing Choice vouchers, will apply for additional vouchers as well as to other funding sources for Tenant Based Rental Assistance, and will be supported by the City. **5 Year Goal: To assist 60 extremely low income renter households.**

Meets Goal #3

Neighborhood Revitalization Program: The City operates a program which helps create a process where City government, residents, businesses and other neighborhood interests will work in partnership to maintain the high quality of life within Longmont neighborhoods. The City will provide the capital resources to meet this objective. **5 Year Goal: To assist 3 different or new neighborhoods.**

Meets Goals #1 - #6

Supportive Services: The City may use its CDBG funds to meet public service and other supportive service needs. It also spends over \$900,000 annually in City funds for Human Service Agencies. Some of the projects which could be funded include rent deposits for physically or mentally disabled persons, emergency shelter payments or support, child care assistance or educational assistance. Special effort will be made to assist in providing or supporting emergency shelter and/or transitional housing programs. **5 Year Goal: To assist over 1500 extremely low, very low and low income households or homeless persons.**

Meets Goals #1, #3 & #5

The City has made significant progress in the achievement of its overall five-year strategy of objectives and priorities. Housing rehabilitation programs administered or directed by the City are upgrading housing for low and moderate income families, support of non-profit neighborhood development projects has been a priority for the City and the Annexation and Fee Waiver Programs have been a great success. Table 1 on the next page gives a picture of the progress made to date in meeting the stated five year goals.

**Table 1
Consolidated Plan Goals to Performance Analysis**

Projects	Population Served	Proposed Goal 5 year CHAS (2005 – 2009)	Completed in 2007	Completed 2005 - Present
Housing Rehabilitation:				
Homeowner Rehabilitation Program	Low income households	75-100 households	7 households	28 households
Handicapped Access Program (Owner & Renter)	Extremely low, Very low and low income households	40-50 households	6 households	13 households
Emergency Housing Repair (Owner)	Extremely low and very low income households	60 households	12 households	36 households
Paint-A-Thon (Elderly Owners)	Extremely low and very low income households	15-30 households	4 households	9 households
Preservation of Rental Housing via rehab or acquisition (Rental)	Extremely low and very low income households	250 households	60 households	99 households ¹
Home Ownership Programs:				
Down payment Assistance	Very low and low income households	125-200 Longmont households (25-30 county hh)	13 households (1 county)	51 households (4 county)
Community Housing Program	Low income households	150-250 households	14 households	66 households
Home Ownership Training	Very low and low income households	500 households	152 households	492 households
Foreclosure Prevention Program	Extremely low, very low and low income households	15-20 households	7 households	7 households
Acquisition Programs:				
Acquisition of non-affordable Rental units converted to Affordable	Extremely low and very low income renters	100 households (includes 20-30 transitional housing units)	10 households	67 households ¹
Acquisition of Land for New Construction (Owner and Rental)	Extremely low, very low and low income households	25 households	4 lots (4 HFH homes)	12 households
New Construction Programs:				
Housing Incentive Programs (Owner & Rental)	Very low income renters and low income owners	150 households	0 renter HH 24 owner HH	18 renter HH 70 owner HH
Annexation Program (Rental)	Very low income renters	25-50 households	0 households	0 renter HH
Financing/Funding Opportunities	All below 80% AMI with priority to <40% AMI	Included in goals previously listed	NA	NA

Projects	Population Served	Proposed Goal 5 year CHAS (2005 – 2009)	Completed in 2007	Completed 2005 - Present
Rental Assistance Programs:				
Housing Choice Voucher Program	Extremely low income renters	Additional 50 households	14 households	63 households ²
Tenant Based Rental Assistance Program	Extremely low income homeless persons/families	10 households	13 households	25 households
Rent Deposit Program	Extremely low and very low income disabled households	150 households	16 households	46 households

TOTALS **1,760-2,020** **351** ³ **1,067** ⁴

¹ Village Place – 72 units (15 preserving affordability, 57 market rate/becoming affordable)

² 49 households would have been eliminated from the HCV program without the 1 month rent payment made with CDBG funds to the Longmont Housing Authority.

³ Total decreased by 5 units to avoid double counting where CHP clients also received DPA

⁴ Total decreased by 35 units to avoid double counting where CHP clients also received DPA

Supportive Services:				
Homeless Assistance and Prevention Activities	Homeless households and Extremely low and very low income households	50-60 households	669 households	3,290 households
• Emergency Shelter Pmts.		1500 persons	500 persons	1720 persons
• Case Management Support		25 persons	0 persons	704 persons
• Educational Opportunities		10 persons	169 persons	866 persons
Individual Development Accounts	Extremely low, very low and low income households	20 households	3 households	9 households *
Child Care Assistance	Children from extremely low and very low income households	1200 kids	1083 kids	2207 kids
Educational Services – computer learning lab, business training, job training, GED, financial and credit counseling, literacy & ESL, etc.	Extremely low, very low and low income persons	40-50 persons	824 persons	3280 persons

TOTALS **2,845 – 2,865 persons** **2579** **8787**

* Correction to this total to only count those that completed their asset purchase goals – 8 purchased homes and 1 purchased post secondary education.

Projects	Population Served	Proposed Goal 5 year CHAS (2005 – 2009)	Completed in 2007	Completed 2005 - Present
Neighborhood Revitalization:				
Assistance to neighborhoods	Low income households	5 different neighborhoods	2 Kensington & Historic Estside	3 neighborhoods

Affirmatively Furthering Fair Housing and Impediments to Fair Housing Choice

The City completed the update to its Fair Housing Impediments Study in January, 2004. The Study and its recommendations was reviewed by our Multi-Cultural Housing Task Force and the Longmont Housing and Human Services Advisory Board (HHSAB). These two groups prioritized the Study recommendations and prepared a Five Year Action Plan for presentation to the City. The Study and the Action Plan was presented to City Council in April, 2004 during Fair Housing Month, and they formally approved it with a few modifications. The Progress Report update to the Fair Housing Impediments Study through 2007 is attached to this report.

In 2005, the City’s Community and Neighborhood Resources (C&NR) Division started a Fair Housing Program in Longmont. This Fair Housing office provided education and outreach services, worked with the Colorado Civil Rights Commission (CCRC) to take complaints and provided information and education around predatory lending in the community. During 2007, the Fair Housing Office hosted the Statewide Fair Housing Conference, the first of its kind in this part of the State. There was support from various partners such as – the CDBG Office, Colorado Division of Civil Rights and Housing, City Council and other community leaders. The following education efforts were also completed in 2007–

- Proclamation approved by City Council declaring April 2007 as Fair Housing Month in Longmont
- Landlord Symposium held on November 3, 2007 which covered not only Fair Housing issues, but also the city’s Substandard Housing Program, eviction procedures/ requirements, model lease program, etc. 73 landlords and property managers attend this annual event and there were over 20 follow up calls and mailings of materials from those in attendance and unable to attend.
- Community outreach - provided information and materials on Fair Housing and landlord/tenant issues at two El Comité’s Parent Resource Fairs (composed primarily of Spanish speaking parents). Also provided Fair Housing information and materials at large community events including – Cinco de Mayo, 16 de Septiembre and at philanthropic groups such as Kiwanis, etc. and attended the Landlord Association meetings.
- Served as Interpreter to a predatory mortgage investigation that the State Attorney General’s Office was conducting. This led to the discovery of at least 12 families in Longmont that were subjected to predatory lending practices.
- In partnership with Boulder County Housing Counseling Program conducted “Financial Fitness” classes and “Don’t Borrow Trouble” workshop on predatory lending practices, how to avoid and what to look for. Both were presented several times in 2007.

The Office of Community and Neighborhood Resources and the Longmont Housing Authority

along with the CDBG Office work together to promote fair housing and equal opportunity programs and to provide guidance and referrals for tenants, landlords, realtors, etc. with fair housing concerns, questions and complaints.

In 2007, the Office of C&NR provided information/assistance on landlord tenant issues to over 600 calls and/or walk-ins. Cases that involved mediation, problem solving, or some type of facilitation include the following:

Longmont Housing Authority – hearing officers	14 cases
Landlord/Tenant issues	119
Fair Housing	3

The Landlord/Tenant Handbook was updated in 2007 adding information on Fair Housing as well as example of less well-known discriminatory practices.

C&NR also provides assistance at the Boulder County Courts in Boulder and in Longmont offering mediations to landlords and tenants who are there in the courts for FED (Forced Entry and Detainer-eviction) hearings. This program has existed for five years and each Friday OCNR has mediators available once a month in Boulder and every week in Longmont. The program was implemented to prevent homelessness and assist those in need to obtain either temporary shelter and locate more permanent housing or to prevent the eviction from occurring. 44 FED Eviction hearings were held in Longmont and Boulder.

The City has installed several TDD's for the hearing impaired to have greater access to the City's housing rehabilitation programs and job opportunities, and has translated all applications and related documents into Spanish and we have staff and mediators that are bilingual.

Attached to this report is the Fair Housing Impediments Action Plan with an update on what we have done over the past year to deal with the identified Impediments.

Affordable Housing

REHABILITATION PROGRAMS

CDBG related affordable housing projects included the City's Residential Rehabilitation Programs. In 2007, new funds were allocated to all housing rehabilitation programs. The City also continued its contract with Longs Peak Energy Conservation to administer all but the Paint-A-Thon program. In 2007, 29 rehab projects were completed. We are conducting an RFP for the Rehab Program administration to ensure that our residents are being served in the best manner possible.

Program	CDBG Budget	CDBG Expenditures	% Expended	Households Served
Homeowner Rehabilitation	\$205,000	\$ 20,216	9%	7 *
Handicapped Accessibility	\$ 43,838	\$ 21,201	48%	6
Emergency Grant	\$ 29,398	\$ 22,775	77%	12
Paint-A-Thon	\$ 15,804	\$ 7,742	49%	4
TOTALS	\$294,040	\$ 71,934	24%	29

* 2 households used CDBG funds, 5 used funds from the Affordable Housing Fund

A total of 29 households were assisted with four between 51% and 80% of AMI (low income), 11 between 31% and 50% of AMI (very low income), 14 below 30% of median (extremely low income), 7 were female heads of household, 12 were disabled, 14 were elderly and 15 were minority households.

The Boulder County Housing Authority completed renovations to a 36 unit apartment building in 2007. Exterior fire escapes were replaced to make the four buildings safer. Thistle Community Housing also completed the renovations to its Terry Street Apartments with the replacement of the exterior decks and stairs which serve as the main entrances to the apartments.

HOMEOWNERSHIP PROGRAMS

A total of 13 first time homebuyers were assisted through the Boulder County/Longmont Down Payment Assistance Program that the City administers. CDBG funds totaling \$14,289 assisted two families with their home purchases. These families' incomes were between 50% and 70% of the area median (low income). Program income from HOME funds received in previous years from the State Division of Housing was also used totaling \$82,571 in 2007. With these funds, we helped an additional 6 families become new homeowners. Three additional families purchased using ADDI funds (\$25,333, subgranted from Boulder) and two with HOME Consortium funds (\$25,509).

14 homes were sold under the City's Inclusionary Zoning Program requirements (the Community Housing Program). 12 were new home sales and 2 were re-sales of already affordable and Deed-restricted homes. All of these families had incomes below 80% of the Area Median Income, and five had incomes below 50% AMI. Three additional families purchased homes using their IDA matched savings accounts, and another 4 families used Mortgage Revenue Bonds to purchase totaling \$677,585. Nine affordable homes were sold in the Blue Vista development all with incomes below 60% of the AMI and 3 Habitat homes were sold in 2007, all with incomes below 45% of the AMI.

RENTAL ASSISTANCE

16 families with a disabled family member received \$5,712 in rent deposit loans to allow them to live independently in the community. 25 families are being assisted under the Tenant Based Rental Assistance grant received from the State Division of Housing. The City matched this \$130,000 grant on a dollar for dollar basis to provide rental assistance and supportive services for up to 24 months to these 25 families. Because of cuts to the federally funded Housing Choice Voucher Program in 2005, the city provided \$192,000 in CDBG funds (up-fronting the funds from the City's Affordable Housing Fund. CDBG funds are repaying the AH Fund each year to keep within the Public Service cap) to offset these cuts and to avoid having to cancel an estimated 49 vouchers. Since funding was provided to make one month's Housing Assistance Payment, in reality 487 families benefited from this funding.

REGULATORY BARRIER REMOVAL

There are two actions the City has undertaken to ameliorate the negative effects of public policy on affordable housing in Longmont. The first is the implementation of a strategy referred to in the

Consolidated Plan as the Housing Incentive Program or Fee Reduction Program. The Housing Incentive Program reduces the cost to build low and moderate income rental and owner housing. This program reduces certain development and building permit costs by up to 75% for low income housing projects that meet the City's criteria of providing low cost housing on a long term basis. To date, \$2,570,685 in fees have been waived resulting in 801 affordable rental units and 166 owner units.

As mentioned earlier, the City has an Inclusionary Zoning Program where housing developers must make 10% of the units to be built, affordable to families at or below 80% of the median income (50% of median for rental units). The City also provides incentives to entice them to provide more than the minimum amount of affordable housing units. Since 1998, eleven housing developments have been completed and another ten developments are in process which fall under this provision.

The City of Longmont reviews applications for federal, state and local housing assistance particularly from private developers wanting to develop affordable housing. The Planning Division and the CDBG Office scrutinize these applications for consistency with existing policies including the City's Comprehensive Land Use Plan and the Consolidated Plan and the quality of the proposal. In 2007, the City supported one application to HUD for Section 811 funding, one to CHFA for a Tax Credit project, and six applications to the State Division of Housing for CHDO Operating funding, DPA recapitalization and HOME funds for the new construction of a Section 202 project. In addition, the City allocated its Private Activity Bond allocation (about \$3.4 million) to a project that will make 94 units of rental housing permanently affordable through the acquisition and rehab of a market unit project. 5 units will be affordable at 30% AMI and the remainder at 50% AMI and to support the Metro Mayors Single Family Mortgage Revenue Bond program.

Other areas of improvement to strengthen affordable housing development planned for the CDBG staff is to work with non-profit agencies in building their capacity and technical expertise in the area of affordable housing. The institutional structure in Longmont for affordable housing includes the City and County housing authorities, Boulder County Mental Health Center, the OUR Center, the Center for People with Disabilities, Habitat for Humanity, Thistle Community Housing, the Safe Shelter of the St. Vrain Valley, the State Division of Housing, HUD and the City.

Public Housing Initiatives The City of Longmont has no Public Housing to report on for housing improvements or resident initiatives in public housing. The Longmont Housing Authority had no households on its waiting list for Housing Choice Vouchers at the end of 2007. While the waitlist is currently closed, it will be opened sometime in the latter part of 2008.

During this reporting period, the City of Longmont assisted 417 persons, 657 households and 2 neighborhoods. 14% of those assisted were between 51% and 80% of the area median income (low income), 15% were between 31% and 50% of the area median income (very low income), and 54% were below 30% of the median income (extremely low income). 42% of those assisted were minorities.

Continuum of Care Narrative

Helping homeless people is a priority for the City. The Safe Shelter of the St. Vrain Valley, a domestic violence shelter, was allocated \$112,741 for the construction of a new shelter facility. They received a grant from HOME Aid Colorado to build this new shelter building and CDBG and City General Funds will also be used to support the construction of this facility in 2007. The

project is scheduled for completion in mid 2008. \$225,000 in CDBG funds were used to acquire The Briarwood Motel and convert 10 units into SRO units master leased to non-profit agencies for their homeless and/or hard to house clients.

The community has formed a task force, called the Longmont Housing Opportunities Team (LHOT) which has as its mission:

...to eliminate homelessness in the Longmont area by implementing a Housing First plan, increase supportive services and other housing activities in the community to maximize the effectiveness of the agencies that serve the homeless and mobilizing community residents that assist the homeless.

This group (the city is a member) started a Pilot Housing First program to address homelessness in families in 2005. In addition, the following activities took place in 2007:

Subcommittee – Purpose	Progress in 2007
<p>First Response - to ensure that the homeless will be able to get assistance during off-hours and weekends including supporting an outreach program to check on homeless when temperature is below freezing.</p> <p>Day Shelter</p> <p>Night Outreach Program</p>	<p>Opened in 2005 and over 700 unduplicated persons have been assisted with emergency food, showers, laundry, personal care items, clothing, prescriptions, glasses, tents, sleeping bags, backpacks, towels, identification and birth certificates, health screenings, job training and placement, housing and a place to get mail and voice messages.</p> <p>Began offering assistance in winter 2006 and now have three groups providing shelter, two of which provide emergency weather-related shelter, one provides shelter every night from October – April. Additionally, one group, HOPE, is providing street outreach services.</p>
<p>Fundraising – find resources to support the services needed to assist this population</p>	<p>Have raised over \$619,1800 to support the Housing First Program, mental health and case management services and received donation of a van for street outreach.</p>

<p>Community Education and Awareness - raise community awareness and increase education and volunteer opportunities</p>	<ul style="list-style-type: none"> • Coupon Packets – Launched “Community Cares” packets providing gift cards, bus tokens, etc. – a non-monetary way for the public to help the homeless. Program is now being operated by Rotar-act. • Developed a Resource Card to assist the homeless and community members about services and resources that are available • Sponsored Homeless Awareness Event which brought in the author of “Seven Steps to Success I Learned from Homeless People”. Over 200 persons attended. • Supported the Longmont Youth Council’s Art Contest to select a piece for a poster to hold Resource Cards specifically for homeless youth.
<p>Homeless Plan – prepare a plan to “Eliminate homelessness in Longmont”</p>	<ul style="list-style-type: none"> • Facilitated discussion by Steering committee held in early 2007 to determine: Needs, Gaps, Known Future Plans, Directions and Action Steps. Worked also on Core Values and Guiding Principles.

The City sees its housing programs which benefit households with incomes below 50% of the median as actions to prevent homelessness. Supportive services also play an important role in preventing homelessness. Job training, education, budget counseling and many other services provided by the non-profit agencies in the City help to keep families self-sufficient so that they will not lose their homes. The City used a total of \$10,000 in CDBG funds and another \$20,000 from the Affordable Housing Fund for a Foreclosure Prevention Program and made 7 total foreclosure prevention loans (2 with CDBG funds) keeping people in their homes and avoiding foreclosure. Foreclosure and Default prevention counseling and workshops have been increased in 2007 to try to impact people before they are too far into the process to be helped. Our Boulder County Housing Counseling Program partners were heavily involved in setting up and supporting the Colorado Foreclosure Hotline. Longmont has the highest foreclosure rate in Boulder County with 61% of all foreclosures filed in 2007.

Prevention of low-income individuals and families with children (especially those below 30% of the area median income) from becoming homeless were addressed through the City of Longmont’s non-profit organizations, primarily the OUR Center. The OUR Center’s preventive measures included a whole range of services including, rent and utility payments for emergency shelter, counseling and referral to the job bank center, etc. They assisted over 11,137 households in 2007, 7000 fewer than in 2006.

The City supported agencies that provide homeless assistance through Human Service grants distributed from its General Fund. \$266,500 in Human Service Agency funding assisted 817 persons in 2007. In addition, the City supported eight applications for Emergency Shelter Grants, Shelter + Care funding and other continuum of care applications.

There are 75 beds in 2 different homeless shelters and 51 transitional housing units provided by three agencies in Longmont. The City spent \$149,000 of its general funds in 2007 to support these facilities and agencies. In addition, over \$70,000 was received by various agencies from the Emergency Shelter Grant Program in 2007. While only 6 homeless persons with HIV/AIDS were identified in the Point-in-Time survey conducted in January, 2007, the city did provide \$12,000 to

the Boulder County AIDS project in 2007, which serves this population, and 54 Longmont residents received case management, food, transportation, emergency financial assistance, pro bono legal aid and psychotherapy.

Other Actions

Actions undertaken to address obstacles to meeting underserved needs and to foster and maintain affordable housing include implementation techniques, such as relaxing development standards, providing density bonuses and development fee reductions. The City received \$399,774 from developers in "payment-in-lieu" of providing their affordable housing units in 2007.

Lead Based Paint The City has a policy to reduce lead-based paint hazards on a case by case basis as projects are funded with CDBG assistance. Three rehab projects had LBP work completed in 2007 with \$26,869 spent for LBP clearance, testing, safe work methods and abatement on these 3 homes.

Anti-poverty Strategy In order to reduce the number of poverty level families, the City of Longmont Human Relations Commission committed approximately \$903,000 of 2007 General Funds to provide supportive services to families and individuals to break the cycle of poverty through non-profit agencies. Some of these services included the support of early childhood education, legal aid, women's and children's health issues, addiction treatment, mental health, parenting skills, increased transit options, and recreation choices. By continuing the dialogue between the City and public and private sectors, the City enhanced coordination between public and private housing and human service agencies. The City sought out opportunities to meet with stakeholders interested in housing and community development issues by continuing to network with the Longmont Area and Boulder Valley Boards of Realtors, 1st Bank, New Frontier Bank, and many, many developers in connection with the Fee Reduction and Inclusionary Zoning programs.

Overcoming Gaps/Underserved Needs

The LHA has no households on its waiting list for Housing Choice Vouchers as of the end of 2007. The waitlist has been closed since August, 2005. It will be re-opened in mid 2008. Being able to provide housing for this lowest income population is one of the primary underserved needs of the Longmont community. The Affordable Housing Task Force back in 2000, recommended that a Rental Assistance subsidy program be considered for the future, but until lately, the funding was not available. The City with the Longmont Housing Authority was awarded \$130,000 in funding to assist 10 homeless families through 2008. The City is matching the funds with \$130,000 from its Affordable Housing Fund. In addition, another \$215,779 was awarded to the LHA in late 2006 to expand the TBRA program to serve another 15 families. The city is not required to match these funds.

An underserved need that has been at least partially resolved is a lack of sufficient affordable housing for extremely low income families when project-based Section 8 units are able to be converted to market rate housing. The City has been maintaining contact with these owners to anticipate what they will do with their units and plan accordingly. One family project (114 units) is still able to opt out of the program, but has indicated that it will remain in the program for the time being. Two other Section 8 projects (one family and one elderly) have received LIHTC to acquire and rehab the complexes and the new owner will keep them affordable for another 20 years.

While affordable homeownership is another underserved need, this is compounded by the number of foreclosures that Longmont has experienced since late 2005. While affordable home sales and home sales in general were very low this year, interest in the Down Payment Assistance program has increased. Many first time homebuyers and lower income buyers are trying to purchase a home in this area and quite a few are beginning to see the foreclosed homes as an option. Homeownership is still beyond the means of many families in our community, however, since the median and average price of homes has maintained at a still unachievable level with the median incomes of families in Longmont remaining fairly stagnant (see the table below). Longmont is designing programs to appeal to this market including promotion of the down payment assistance program, and the rehab program which could be used to fix up a home purchased on the open market via a foreclosure sale.

	Down Payment Assistance Loans	Community Housing Program Homes Sold	Median Income (at 80% AMI for 4 person family)	Affordable Sales Price at 80% AMI	Average Sales Price	Gap between Affordable Price and Avg. Price
1998	39	0	\$45,300	\$124,575	\$172,000	\$47,425
1999	30	0	\$47,800	\$131,450	\$192,400	\$60,950
2000	55	0	\$50,200	\$138,050	\$220,675	\$82,625
2001	33	1	\$52,500	\$144,375	\$249,500	\$105,125
2002	34	29	\$54,400	\$149,600	\$247,613	\$98,013
2003	23	34	\$56,500	\$155,375	\$263,390	\$108,015
2004	14	29	\$57,500	\$158,125	\$265,793	\$107,668
2005	20	30	\$58,000	\$159,500	\$279,173	\$119,673
2006	16	22	\$59,600	\$163,900	\$280,344	\$116,444
2007	13	14	\$59,600	\$163,900	\$280,723	\$116,823

Leveraging Resources

Several of the City's projects had significant matching resources involved in project implementation. The Accessible Space, Inc. Section 811 project leveraged \$1 million from other public resources to construct a rental complex for persons with disabilities. The Terry Street rehab project leveraged \$111,198 in other funding, Cottonwood Court rehab project leveraged \$87,291 and the Briarwood matched \$984,292 for the acquisition and rehab of this facility. The total Down Payment Assistance Program resulted in over \$2.2 million in private first mortgage funds being made available to first time homebuyers and in other grant funding and the Blue Vista new home construction project leveraged \$1.5 million with 17 home sales to date. Altogether, over \$6 million of other public or private funds were expended on CDBG funded projects during FY 2007. This resulted in about \$7.18 in other funding provided to funded agencies for every \$1.00 of CDBG funds.

The City of Longmont Community Development Block Grant program is the main resource available to implement most of the projects in the Consolidated Plan. The City received \$552,371 of CDBG funds from the Department of Housing and Urban Development (HUD) for the 2007 CDBG program year and \$47,628 in program income. In addition, the City received about \$82,570 in HOME program income to continue a downpayment assistance program for first time homebuyers.

For the first time, the City was also a recipient of HOME funds from the Boulder/Broomfield County Consortium which Longmont is a part. \$262,680 were received and \$130,000 was allocated to support the acquisition of The Cannery Apartments by Thistle Community Housing, \$106,412 was allocated to recapitalize the Down Payment Assistance Program and the rest was for program administration.

The Longmont Housing Authority (LHA) has an annual contribution contract of just under 4 million dollars with the Department of Housing and Urban Development. These funds are subsidies and fee allocations to operate the Housing Choice Voucher program.

Citizen Comments

Citizens had an opportunity to comment in general concerning the Consolidated Plan performance during the four (4) Longmont 2008 Consolidated Plan Allocation process public hearings held from June through October, 2007. The actual comment period for this annual Performance Report was from March 1 to March 30, 2008. The comment period and the location of the document for citizen review and comment was published in the Longmont Daily Times-Call newspaper. The Performance Report was made available to interested citizens for review at the City of Longmont CDBG Office, Civic Center Complex, Longmont, CO, between the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday and at the public library. In addition, Consolidated Plan performance was discussed at length at the City Council meeting March 25, 2008 and broadcast over public access TV.

During the review process, the City received several verbal comments that were very supportive of the Annual Performance Report and the City's CDBG program in general including the following during the required Public Hearing:

- This program does very good things for our community.
- This is a good use of federal funds and the city is a good steward of these funds.
- A past CDBG funded project was an alley lighting project and it cut down on arson issues in the neighborhood and protected the property of low and moderate income residents.

There were no problems encountered or major areas of contention during this funding year. The City received no written comments.

Self-Evaluation

The City looks to and evaluates its progress each year in meeting its housing and community development goals. As stated in 24 CFR 91.1, the primary means towards meeting the overall goal of the Community Planning and Development Programs is to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

Intergovernmental cooperation has played an integral part in helping the City to achieve its affordable housing production goals. Both the Longmont and Boulder County Housing Authorities, Habitat for Humanity and Thistle Community Housing have provided housing for

Longmont's lowest income families and continue to do so. The City with its HOME program income and HOME Consortium funding continued the implementation of its Down Payment Assistance Program on a countywide basis. In addition, The Longmont Housing Opportunities Team (LHOT) is a collaborative community-wide partnership with over 70 members representing government (including the City of Longmont), social services, shelters, housing providers, domestic violence agencies, police, mental health, school district, banks, youth services, churches, senior services, businesses, recovery programs, and private individuals. LHOT's mission is to eliminate homelessness in the Longmont area by eliminating the root causes of homelessness within ten (10) years).

Through the Fee Reduction and Inclusionary Zoning programs, the City has encouraged private developers to "step up to the plate" and provide affordable owner and renter housing, particularly in mixed income settings.

Comparing the funds planned for projects and the expenditures made to implement projects during the reporting period, 72% of the funds planned (\$1,162,314) were spent (\$836,396). A comparison of the expenditure of funds by type of project shows that we were able to spend 63% of the planned Housing Projects, 51% of the planned Community Improvement projects, 98% of the planned Administration funds and all of the planned Neighborhood Projects were spent.

A look at the Affordable Housing Goals and Performance Analysis contained in Table 1 on page 5 indicates that the City did a good job in meeting the numerical goals set forth in the Five Year Consolidated Plan. In this third year of the five year Consolidated Plan where we are 60% into the period, between 53% and 95% (using the high and low estimates respectively) of the Housing Goal has been met, 306% of the Supportive Services Goal has been met and 60% of the Neighborhood Revitalization Goal has been met. This is primarily because the City has been proactive in adding programs and funding projects from many different funding sources that truly meet the needs of its residents. Looking at individual goals, the areas that seem to have lagged include:

- (1) Housing Rehab Programs – After managing this program in-house since 1984, the city contracted for the administration of these programs from 2003 - 2007. We analyzed this partnership in 2007 and will be bringing the marketing, intake, and resident relations back in-house in 2008 and will be contracting out specific work such as the inspections, work write-ups, etc. We believe we will be better able to market the program to our residents and provide better customer service to the housing clients. We are planning several efforts with our Community and Neighborhood Resources Division to provide information to neighborhoods in different and varied ways.
- (2) Down Payment Assistance and Community Home Programs – The city has seen a decline in the number of DPA loans made over the past several years – from a high of 55 loans, to our lowest number this year - 13. The number of homes purchased under the CHP program was also at its lowest level – 14. There still are a lot of potential home buyers that cannot afford to purchase in Longmont, however. This is due to a couple of factors. First, as shown on the chart on page 14, the average sales prices of homes increased and finally leveled out the past two year. In the absence of a decline in home values, which does not appear to be happening in Longmont – median prices are still holding fairly steady - there are fewer homes available to purchase in the price range of low to moderate income families. Second, the uncertainty of the economy has put a lot of low/moderate

income people's plans to purchase a home on hold. We will continue to market these programs aggressively directly to the public and to realtors, lenders and employers who employ folks who would be eligible for our home purchase programs.

- (3) Preservation of Rental Housing – The City recognizes that its non-profit partners cannot acquire, rehab or impact all affordable rental housing. There are many units in Longmont that are privately owned, but that are serving lower income households. A lot of these properties were purchased during the boom period and the owners cannot sell for the prices needed for a non-profit to purchase and maintain long-term affordability. Therefore, the City put into place a Rental Rehabilitation Program in late 2007 to try to encourage private landlord/property owners to invest in their properties. We may have missed the market by about a year as initial reaction has not been positive since a match to the funds is required. In another month or so, we will see what, if any adaptations to the program are needed.

One barrier to implementing these and other programs designed to meet the goals is a lack of sufficient resources. It is hoped that continued HOME program income will allow the City to continue its Down Payment Assistance Program at current levels. The City often allocates its Private Activity Bond authority (about \$3.4 million each year) for affordable housing projects and committed all of its 2006 and some of its 2007 authority to The Cannery project that will convert 94 units of market rate rental housing affordable to households with incomes below 80% AMI. In addition, up to 8 of the units will be affordable to persons at or below 30% of the AMI. About half of the PAB for 2007 went to the Metro Mayors Mortgage Revenue Bond program and 4 households were able to use those funds. As mentioned earlier, a Housing Trust Fund was established in 2001 with dedicated funding sources each year since. These funds have been and will be used in the future to support affordable housing production. The city entered into an Intergovernmental Agreement in 2006 with the City of Boulder, the City and County of Broomfield and Boulder County to form a HOME Consortium and began to receive funding in 2007. This brought an additional \$400,000 of affordable housing funding into the region. As stated before, we are also funding a Tenant-based Rental Assistance program which is our greatest need at this time.

14 projects were to be implemented in 2007 not including ongoing Housing Rehabilitation, Down Payment Assistance and Commercial Revitalization programs. Of these,

- 11 (79%) were completed,
- 2 (15%) had funds committed and progress was begun on their project,
- 1 (6%) project remains to go under contract – anticipated in early 2008.

**CDBG ENTITLEMENT FUNDS
NARRATIVE STATEMENT**

- a. **Assess the relationship of the use of CDBG funds to the priorities, needs, goals, and specific objectives identified in the Consolidated Plan.**

See page 2 discussion under Assessment of Five Year Goals and Objectives.

According to the GPR, 98.1% of the CDBG funds expended in 2007 benefited low and moderate income persons. For the past 5 years, the City's LMI benefit has averaged 94.63%.

- b. **Describe the nature of and reasons for any changes in program objectives.**

There have been no changes to program objectives.

- c. **Assess grantee efforts in carrying out the planned actions described in its action plan as part of the grantee's certifications that it is following a current HUD-approved Consolidated Plan.**

The City has actively pursued a number of resources including numerous housing, homeless, emergency shelter and community development grants. The City considered and wrote 18 letters of support and consistency with the Consolidated Plan for various affordable housing, homeless programs and services. The City did not hinder Consolidated Plan implementation by action or willful inaction.

- d. **Narrative explanation if grantee's funds were not used exclusively for the three national objectives.**

Not applicable.

- e. **Narrative for acquisition, rehabilitation or demolition of occupied real property.**

The City tries not to fund projects that will result in the displacement of residents from housing or commercial property. In 2007, the City had two projects in process that included the acquisition or rehabilitation of occupied property.

- The Cottonwood Court Apartment Rehab project, operated by Boulder County Housing Authority involved exterior work. The tenants were able to stay in their apartments and were not required to temporarily relocate.
- The Terry Street Deck Replacement project was completed in 2007. All work was to the exterior and tenants had another entrance to their units and so were not required to move.
- For the 29 homeowner Rehab projects completed in 2007, we were able to work around the occupants without moving or inconveniencing them.

On all of these projects, all Uniform Act Notices and requirements were given where applicable and were followed.

f. Economic Development activities undertaken where jobs were available to LMI persons.

Not applicable.

g. Limited clientele

The City had several projects which qualified for assistance under the limited clientele benefit. However, all that did not qualify under the "presumed benefit" category of 570.208 (2) (A), met the qualifications of 570.208 (2) (B) or (C) which directly income qualify the applicants for assistance.

h. Program income

See attached Table 2 - Program Income Summary

i. Completed rehab units report

See attached Table 3 - Rehab Summary

j. Neighborhood Revitalization Strategies

Not applicable

**Table 2
Program Income Summary**

a.	Program Income:		
	1. Total program income to revolving funds:		\$0.00
	2. Float funded activities:		\$0.00
	3. Other loan repayments received by category:		\$61,129.38
	Down Payment Assistance	\$11,735.67	
	Commercial Revitalization (subrecipient)	\$30,018.26	
	Residential Rehab Loans	\$12,197.62	
	Interest earned on above loan payments and miscellaneous income	\$ 7,177.83	
b.	Prior Period Adjustments:		\$17,519.75
	Program Income funds carried over from previous year:		
	Down Payment Assistance	\$4,924.89	
	Commercial Revitalization (subrecipient)	\$ 282.41	
	Residential Rehab Loans	\$3,118.89	
	Miscellaneous	\$9,193.14	
c.	Loans and other receivables:		
	1. Float funded activities:		\$0.00
	2. Total number of loans outstanding and principal balance owed as of end of reporting period:		
	See attached spreadsheet summary		
	3. Parcels acquired that are available for sale:		NA
	4. Number and amount of loans in default for which the balance was forgiven or written off during the reporting period:		0 \$0.00
	5. Lump sum drawdown agreement:		NA

NOTE – total program income in a.3. and b., above is \$78,649.13. \$47,628.57 was spent in 2007 leaving a total of \$31,020.56 unspent. \$30,301.09 of this is with a subrecipient to be used for the Commercial Revitalization Loan Program.

Table 3

Rehabilitation Activities Narrative

Completed Units

Emergency Grant Program - This is a grant program limited to the repair or replacement of existing systems in single family houses for families at or below 50% of the median income. 12 houses were completed in 2007.

Residential Rehab Loan Program - This program provides up to \$18,000 per unit to correct code violations in single family owner-occupied houses. It is limited to households at or below 80% of the median income. Families below 50% of the median income are eligible to receive deferred loans. 7 homes were completed in 2007.

Handicapped Accessibility Improvements Program - Participation is limited to families with a member having a physical disability and that are at or below 80% of the median income in owner or renter occupied units. Interior and exterior accessibility improvements are eligible including ramps, widening doorways, restroom improvements, etc. Six units were made accessible in 2007.

Cottonwood Court Apartment Rehab Project – 36 rental units owned and operated by Boulder County Housing Authority to very low income families completed rehabilitation to extend their useful life. All of the units are affordable to households below 50% of AMI.

Terry Street Apartment Rehab Project – 24 rental units owned and operated by Thistle Community Housing to very low income families completed rehabilitation to extend their useful life. All of the units are affordable to households below 50% of AMI.

Total CDBG Loans Outstanding and Principal Balance owed as of 12/31/07

Type of Loan/Agency/Project	# Loans outstanding	Original Loan	Principal Loan Balance	Term
Down Payment Assistance	15	\$91,095.50	\$49,855.34	amortized
	14	\$101,004.50	\$101,004.50	Deferred for 10 years, accumulates 4% annual int.
Foreclosure Prevention	2	\$10,000.00	\$10,000.00	Deferred for 10 years, accumulates 4% annual int.
Commercial Revitalization	1	\$20,000.00	\$16,000.00	1/5th forgiven each year
	3	\$55,000.00	\$29,000.00	amortized
Residential Rehab	49	\$604,540.30	\$363,036.31	1/10th forgiven each year
	6	\$86,214.42	\$54,569.17	amortized
	5	\$43,926.42	\$24,026.24	1/5th forgiven each year
Longmont Housing Authority				
Aspen Meadows/Land Acq. & A/E costs	1	\$164,000.00	\$32,800.00	1/10th forgiven each year beginning 10/19/99
	1	\$100,764.00	\$75,573.00	1/20th forgiven each year beginning 8/1/03
Thistle Community Housing				
1921 Terry St. apartment rehab	1	\$165,000.00	\$165,000.00	amortized-payments don't start until 2013
English Village acquisition	1	\$140,000.00	\$107,333.31	1/30th forgiven each year beginning 7/12/00
English Village rehabilitation	1	\$25,000.00	\$15,000.00	1/10th forgiven each year beginning 4/15/03
Quail East (Blue Vista) land acquisition	1	\$70,000.00	\$70,000.00	1/10th forgiven each year beginning at construction completion, est. 2009
Parkville Apartment Rehab	1	\$150,000.00	\$150,000.00	due at sale, refinance of property-0% interest
Terry St. Apartment deck replace.	1	\$35,000.00	\$31,500.00	1/10th forgiven each year beginning at 7/18/07
Boulder Shelter for Homeless				
Land acquisition	1	\$100,000.00	\$60,000.00	1/10th forgiven each year beginning 2/28/03
Inn Between				
Inn Between II rehab	1	\$157,000.00	\$78,500.00	1/10th forgiven each year beginning 10/21/02
Inn Between II additional rehab	1	\$27,000.00	\$21,600.00	1/10th forgiven each year beginning 6/29/05
Inn Between III rehab	1	\$72,000.00	\$57,800.00	1/10th forgiven each year beginning 6/29/05
OUR Center				
Child care center roof repair	1	\$14,000.00	\$7,000.00	1/10th forgiven each year beginning 7/3/02
Community Food Share				
Building construction	1	\$135,668.00	\$27,133.60	1/10th forgiven each year beginning 4/14/99
Dental Aid				
office rehabilitation	1	\$10,000.00	\$7,000.00	1/10th forgiven each year beginning 7/2/04
Longmont YMCA				
Child care center construction	1	\$60,000.00	\$24,000.00	1/10th forgiven each year beginning 8/31/01
Boulder County Mental Health Center				
Rehab of Group Home	1	\$15,000.00	\$12,000.00	1/10th forgiven each year beginning 3/23/05
Boulder County Housing Authority				
Cottonwood Apartment Rehab	1	\$14,000.00	\$12,600.00	1/10th forgiven each year beginning 6/6/07
Wedgewood Apartment Rehab	1	\$17,250.00	\$15,525.00	1/10th forgiven each year beginning 2/28/07
Accessible Space, Inc.				
Casa Libertad Apt. Acquisition of land	1	\$85,304.00	\$85,304.00	due at sale, refinance or 41 yrs (1/1/48) 0% int.
TOTALS	115	\$2,588,767.14	\$1,702,960.47	

For forgivable loans, owner-occupancy checks are made annually and/or annual checks are made to make sure that the agency is still operating the same program at the same location as originally approved.