

CITY OF LONGMONT
CONSOLIDATED ANNUAL PERFORMANCE
AND EVALUATION REPORT

Fiscal Year 2006



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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

Meets Goals #2, #4 & #6

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.**

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 2006	Completed 2005 - Present
Housing Rehabilitation:				
Homeowner Rehabilitation Program	Low income households	75-100 households	9 households	21 households
Handicapped Access Program (Owner & Renter)	Extremely low, Very low and low income households	40-50 households	2 households	7 households
Emergency Housing Repair (Owner)	Extremely low and very low income households	60 households	13 households	24 households
Paint-A-Thon (Elderly Owners)	Extremely low and very low income households	15-30 households	3 households	5 households
Rental Rehabilitation Program	Extremely low and very low income households	20-25 households	4 households	24 households
Preservation of Rental Housing (Rental)	Extremely low and very low income households	250 households	0 households	15 households ¹
Home Ownership Programs:				
Down payment Assistance	Very low and low income households	125-200 Longmont households (25-30 county hh)	13 households (3 county)	38 households (3 county)
Community Housing Program	Low income households	150-250 households	22 households	52 households
Home Ownership Training	Very low and low income households	500 households	138 households	340 households
Foreclosure Prevention Program	Extremely low, very low and low income households	15-20 households	0 households	0 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)	0 households	57 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)	8 households
New Construction Programs:				
Housing Incentive Programs (Owner & Rental)	Very low income renters and low income owners	150 households	18 renter HH 19 owner HH	18 renter HH 46 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 2006	Completed 2005 - Present
Rental Assistance Programs:				
Housing Choice Voucher Program	Extremely low income renters	Additional 50 households	0 households	49 households ²
Tenant Based Rental Assistance Program	Extremely low income homeless persons/families	10 households	2 households	12 households
Rent Deposit Program	Extremely low and very low income disabled households	150 households	22 households	30 households

TOTALS **1,760-2,020** **257** ³ **716** 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 12 units to avoid double counting where CHP clients also received DPA

⁴ Total decreased by 30 units to avoid double counting where CHP clients also received DPA

Supportive Services:				
Homeless Assistance and Prevention Activities <ul style="list-style-type: none"> • Emergency Shelter Pmts. • Case Management Support • Educational Opportunities 	Homeless households and Extremely low and very low income households	50-60 households	1,386 households	2621 households
		1500 persons	669 persons	1220 persons
		25 persons	526 persons	704 persons
		10 persons	191 persons	697 persons
Individual Development Accounts	Extremely low, very low and low income households	20 households	6 households	12 households
Child Care Assistance	Children from extremely low and very low income households	1200 kids	467 kids	1124 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	1127 persons	2456 persons

TOTALS **2,845 – 2,865 persons** **2986** **6213**

Projects	Population Served	Proposed Goal 5 year CHAS (2005 – 2009)	Completed in 2006	Completed 2005 - Present
Neighborhood Revitalization:				
Assistance to neighborhoods	Low income households	5 different neighborhoods	3 Kensington, Bohn Farm & HENA	3 neighborhoods

Affirmatively Furthering Fair Housing

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 2006 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 2006, the Fair Housing Office brought in representatives from the Miami Valley Fair Housing Center (Dayton, Ohio) to provide technical assistance on establishing and developing a fair housing office and a testing program and worked with the Colorado Civil Rights organization to hold a Public Hearing on civil rights and fair housing complaints and testimony. The following education efforts were also completed in 2006 –

- Proclamation approved by City Council declaring April, 2006 as Fair Housing Month in Longmont
- Landlord Symposium held on November 4, 2006 which covered not only Fair Housing issues, but also the city’s Substandard Housing Program, eviction procedures/ requirements, model lease program, etc. Attendance numbers increased from previous years
- Trained community advocates and community justice providers
- Attended Landlord Association meetings to carry Fair Housing message
- 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 2006.

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 2006, the Office of C&NR provided information/assistance on landlord tenant issues to over 750 calls and/or walk-ins. 150 English language and 50 Spanish language Landlord/Tenant and/or Fair Housing handbooks were mailed in 2006 to individuals requesting information. 40 landlord/tenant mediations, 12 mediations between tenants and the Housing Authority and 7 Fair Housing cases that involved information and referral for complaint filing were completed by the C&NR. All mediations are available in Spanish. In addition, the City now

provides information for mobile homeowners and tenants of mobile homes.

A Symposium on Landlord/Tenant issues is held each year with over 80 persons attending in 2006. This includes information on common landlord/tenant concerns such as roommates, deposits, repairs, leases, and mediation opportunities. The Community and Neighborhood Resources Office presents information on housing assistance, model leases, and the rights and responsibilities for both tenants and landlords. The Landlord/Tenant handbook and Fair Housing information is provided to participants.

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 four 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. 56 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 for the Housing Rehab, Down Payment Assistance, Emergency Grant and Handicapped Access Programs.

Affordable Housing

REHABILITATION PROGRAMS

CDBG related affordable housing projects included the City's Residential Rehabilitation Programs. In 2006, 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 2006, 27 rehab projects were completed and there are 5 projects in process. We will continue to monitor the contract with Longs Peak to ensure that our residents are being served in the best manner possible. The planned activities have been completed in different degrees.

Program	Budget	Expenditures	% Expended	Households Served
Homeowner Rehabilitation	\$114,752	\$114,752	100%	9
Handicapped Accessibility	\$ 64,378	\$ 15,103	23%	2
Emergency Grant	\$ 29,422	\$ 18,800	64%	13
Paint-A-Thon	\$ 12,202	\$ 6,397	53%	3
TOTALS	\$220,754	\$155,052	70%	27

A total of 27 households were assisted with two between 51% and 80% of AMI (low income), nine between 31% and 50% of AMI (very low income), 16 below 30% of median (extremely low income), 7 were female heads of household, 11 were disabled, 8 were elderly and 9 were minority households.

The Boulder County Housing Authority completed renovations to a four unit apartment building in 2006. Exterior stairs and decks were replaced to the two upstairs units in this four-plex. In addition,

the furnaces were replaced that serve these units. Thistle Community Housing began the renovations to its Terry Street Apartments with the replacement of the exterior decks and stairs which serve as the main entrance to the apartments.

HOMEOWNERSHIP PROGRAMS

The CDBG funded Down Payment Assistance Program (\$6,110) made one loan in 2006. This family's income was between 31% and 50% of the area median (low income). At the same time, we also administered program income from HOME funds received in previous years from the State Division of Housing. We expended a total of \$164,423 in HOME funds during 2006. With these funds, we helped an additional 16 families become new homeowners. Seven of these families were below 50% of the median income (very low income) and 9 were between 51% and 80% of median (low income).

22 homes were sold under the City's Inclusionary Zoning Program requirements (the Community Housing Program). 19 homes were first home sales and 3 were re-sales of already affordable and Deed-restricted homes. All of these families had incomes below 80% of the Area Median Income, and seven of them had incomes below 50% AMI.

RENTAL ASSISTANCE

22 families with a disabled family member received \$12,716.50 in rent deposit loans to allow them to live independently in the community. 12 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 12 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, \$2,574,381 in fees have been waived resulting in 729 affordable rental units and 144 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 2006, the City supported one application to CHFA for a Tax Credit project, and three applications to the State Division of Housing for the acquisition and/or rehab of three rental housing complexes. In addition, the City allocated its Private Activity Bond allocation (about \$3.2 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.

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.

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 306 households on its waiting list for Housing Choice Vouchers at the end of 2006. The waitlist is currently closed.

During this reporting period, the City of Longmont assisted 9,084 persons and 647 households. 15% of those assisted were between 51% and 80% of the area median income (low income), 46% were between 31% and 50% of the area median income (very low income), and 39% were below 30% of the median income (extremely low income). 51% of those assisted were minorities and 26% of those assisted were from female headed households.

Continuum of Care Narrative

Helping homeless people is a priority for the City. The OUR Center received \$20,000 in funding to renovate its kitchen which serves over 63,000 meals annually (they are now serving meals 7 days a week). The project was started in 2005 and completed in 2006. The City also allocated \$45,000 for start-up costs for the new Day Shelter serving homeless individuals – see info in the chart below for those benefiting from this program. The Day Shelter started operations in late June, 2005 and the final payment for the start-up effort was made in early 2006. The Safe Shelter of the St. Vrain Valley, a domestic violence shelter, was allocated \$94,000 for renovations to its shelter facility. In late 2006 they received a grant from HOME Aid Colorado to build a new shelter building. CDBG funds will now be used to support the construction of this facility in 2007.

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 2006:

Subcommittee – Purpose	Progress in 2006
<p>Day Shelter – determined need for and found space for a day shelter</p> <p>Night Outreach Program – expanded existing program to Longmont</p>	<p>A Day Shelter began operations in June 2005, hosted by and located at the OUR Center. It includes a place to receive mail & phone messages, and fosters connections with people and services. 329 new non-duplicated persons were seen in 2006. 62 persons have obtained employment, 28 have moved into permanent housing, 52 are being regularly seen by Salud Clinic, and 18 used WorkForce Boulder County to obtain training/retraining.</p> <p>Worked with Boulder County Cares, an existing service of the Boulder Shelter, to expand their outreach program to Longmont. This began in October and through 12/31, 50 volunteers received training, and 262 individual contacts had been made.</p>
<p>Fundraising – find resources to support the services needed to assist this population</p>	<p>Have received over \$545,800 to support the Housing First Program, mental health and case management services. Longmont Housing Development Corporation and Longmont CDBG offices have applied for and received funding on behalf of LHOT programs. In addition, in a collaborative partnership with Boulder County Advocates for Transitional Housing, applied for SuperNOFA funding from MDHI to begin a countywide Housing First Program.</p>
<p>Community Education and Awareness - raise community awareness and increase education and volunteer opportunities</p>	<p>Designed a resource pamphlet suitable for the homeless to use to access services and for the community to use to provide information about services for the homeless and nearly homeless. Sponsored and held a Homeless Awareness Event in November, 2006 which attracted over 100 persons. Denver’s Road Home provided an update on their Housing First Program and LHOT reported its progress over the past year. The City Manager indicated that he thought LHOT was the most successful community collaborative effort he had seen in his 30+ years of public service.</p>
<p>Housing First Pilot Program – design a pilot program, set forth guidelines and choose homeless families for participation. Set up case management system to support families.</p>	<p>LHOT implemented a Housing First Program to house 12 families over the next 24 months. All receive supportive services on 24/7 basis. Received funding from the State Division of Housing, matched by the City of Longmont.</p>

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 had a total of \$10,000 in CDBG funds and another \$20,000 from the Affordable Housing Fund for a Foreclosure Prevention Program available in 2006, but no foreclosure prevention loans were made. Several families were in default and foreclosure counseling, but were unable to cure their situation or were too far along in the foreclosure process to be helped. Longmont has the highest foreclosure rate in Boulder County with 56% of all foreclosures filed in 2006, a 35% increase from 2005.

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 18,300 households in 2006, fairly stable compared to 2005.

The City supported agencies that provide homeless assistance through Human Service grants distributed from its General Fund. \$274,500 in Human Service Agency funding assisted 1,386 persons in 2006. In addition, the City supported two Emergency Shelter applications, one application for Shelter + Care funding, one application for a Housing First project, and one transitional housing application. The City addresses emergency shelter and transitional housing needs of the homeless through the activities of non-profit agencies and the Longmont Housing Authority.

There are 75 beds in 2 different homeless shelters and 51 transitional housing units provided by three agencies in Longmont. The City spent \$70,000 of its general funds in 2006 to support these facilities and agencies. In addition, over \$70,000 was received by various agencies from the Emergency Shelter Grant Program in 2006. While only 3 homeless persons with HIV/AIDS were identified in the Point-in-Time survey conducted in January, 2005, the city did provide \$12,000 to the Boulder County AIDS project in 2006, which serves this population, and 91 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 has dedicated \$250,000 to its Affordable Housing Fund in 2006. In addition, the City received over \$42,709 from developers in "payment-in-lieu" of providing their affordable housing units in 2006.

The City has a policy to reduce lead-based paint hazards on a case by case basis as projects are funded with CDBG assistance. One Paint-A-Thon homes had LBP work undertaken in 2006 and one rehab project had LBP work. The City has been fully compliant with the LBP regulations since September, 2001. \$16,985 was spent for LBP clearance, testing, safe work methods and abatement on these 2 homes.

In order to reduce the number of poverty level families, the City of Longmont Human Relations Commission committed approximately \$899,312 of 2006 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.

Underserved Needs

The LHA has 306 households on its waiting list for Housing Choice Vouchers. 156 are family households with children, 96 are households with a disabled family member and 75 are elderly households. 91% have incomes below 30% of the Area Median Income. 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 approached the State Division of Housing for possible HOME funding of a Tenant-based Rental Assistance program and with the LHA was awarded \$130,000 in funding to assist 10 homeless families over a two year period beginning in late 2005. 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.

Affordable homeownership is another underserved need. While affordable home sales and home sales in general were very low this year, interest in both programs were picking up at the end of 2006. Many first time homebuyers and lower income buyers are trying to purchase a home in this area. Homeownership is still beyond the means of many families in our community, however, since the median and average price of homes has continued to increase each year much more than the median incomes of families in Longmont (see the table below). In an effort to help more people, the City of Boulder, the City of Longmont, the Countywide Down Payment Assistance Program and Thistle Community Housing have created a single application that can be used to apply for each of the listed homeownership programs in the county. By submitting one application, applicants can be considered for all four housing programs. This is a great convenience for the applicants and encourages coordination and collaboration between the homeownership programs. These agencies, along with the Boulder County Housing Counseling Program are also now doing joint marketing and advertising of the homeownership programs.

	Down Payment Assistance Loans	Community Housing Program Homes	Median Income (at 80% AMI for 4 person	Affordable Sales Price at 80% AMI	Average Sales Price	Gap between Affordable Price and
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		Sold	family)			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

Leveraging Resources

Several of the City's projects had significant matching resources involved in project implementation. The Village Place project leveraged \$7.1 million from other public resources to purchase and rehab this elderly rental complex. The Terry Street rehab project leveraged \$57192 in other funding, and the OUR Center received \$57,000 from other public funds to complete their kitchen remodel. The total Down Payment Assistance Program resulted in over \$2.5 million in private first mortgage funds being made available to first time homebuyers and in other grant funding. Altogether, over \$9.8 million of other public or private funds were expended on CDBG funded projects during FY 2006. This resulted in about \$11.65 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 \$552,727 of CDBG funds from the Department of Housing and Urban Development (HUD) for the 2006 CDBG program year and \$86,718 in program income. In addition, the City received about \$164,423 in HOME program income to continue a downpayment assistance program for first time homebuyers.

The Longmont Housing Authority (LHA) has an annual contribution contract of just over 3 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 2007 Consolidated Plan Allocation process public hearings held from June through October, 2006. The actual comment period for this annual Performance Report was from March 1 to March 30, 2007. 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 27, 2007 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. 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 continued the implementation of its Down Payment Assistance Program on a countywide basis in cooperation with the Boulder County Housing Consortium. This Consortium is comprised of representatives from the two Housing Authorities, the Cities of Longmont and Boulder, Thistle Community Housing, banks, lending institutions and real estate firms. This Consortium is working to develop housing projects countywide and to avoid duplication of efforts. In addition, The Longmont Housing Opportunities Team (LHOT) is a collaborative community-wide partnership with over 60 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. This is a total of 863 additional housing units affordable to low income households for a minimum of 10 years (some are permanently affordable). In addition, these developments provide 507 special needs units (special needs include handicapped accessible, elderly, large family or migrant farm worker housing). All agreed to give preference to public housing residents.

Comparing the funds planned for projects and the expenditures made to implement projects during the reporting period, over half (57%) of the funds planned (\$1,464,789) were spent (\$843,348). A comparison of the expenditure of funds by type of project shows that while we were able to spend 68% of the planned Housing Projects, 71% of the planned Community Improvement projects and 97% of the planned Administration funds, only 22% 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 fact, through this, the second year of the five year Consolidated Plan, 35% of the Housing Goal has been met, 216% 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 that truly meet the needs of its residents.

Looking at individual goals, the areas that seem to have lagged include:

- (1) Housing Rehab Programs – As noted before, the city contracted for the administration of these programs starting in the middle of 2003. We partnered with the Historic East Side neighborhood in 2006 to conduct concentrated rehab in their neighborhood. While this worked well, more marketing and outreach needs to occur in 2007 to get this program where we would like it to be.
- (2) Down Payment Assistance Program – 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 in 2004 (14). While there was a slight increase in 2005, we decreased again in 2006. 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 continues to increase even through the economic downturn, and now as the upturn is slowly coming. Therefore, there are fewer homes available to purchase in the price range of low to moderate income families. Second, the high number of wage and job loss has put people’s plans to purchase a home on hold. We will continue to market this program aggressively both to the public and to the realtors and lenders.
- (3) Housing Choice Voucher Program – The City began to partner with the State and the Longmont Housing Authority to fund a Tenant-Based Rental Assistance Program in Longmont in 2005. Since this has proved to be successful, the LHA applied for and received funding for 15 additional vouchers. The City will continue to support every agency that receives Housing Choice Vouchers for Longmont residents and any requests to support applications for additional vouchers. Providing housing for families with incomes at or below 30% of the AMI continues to be our greatest challenge and highest priority.
- (4) Emergency Shelter – The City is part of the Metro Denver Continuum of Care effort. In addition, as explained in the Continuum of Care section of this report, the Longmont Housing Opportunities Team has begun to explore ways to improve service delivery, increase supportive services and get homeless folks into permanent housing more quickly.
- (5) Neighborhood Revitalization – Three neighborhoods were selected to receive Neighborhood Revitalization funds previously allocated and available in the 2000 - 2004 programs. All three neighborhoods have begun their projects according to their Revitalization Plans. 21% of the funds available for Neighborhood Revitalization projects were spent in 2006. A minimal amount of CDBG funds were allocated for neighborhood projects in 2006 to continue to support these revitalization efforts.

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 will also be looking to banks, mortgage companies and realtors for administrative and project funding for this program. The City often allocates its Private Activity Bond authority (about \$3.2 million each year) for affordable housing projects and committed about all of its 2006 and 2007 authority to a 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. 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 this year with the City of Boulder, the City and County of Broomfield and Boulder County to form a HOME Consortium and begin to receive funding in 2007. This may bring an additional \$600,000 - \$700,000 of affordable housing funding into the region. As stated before, we will also be funding a Tenant-based Rental Assistance program which is our greatest need at this time. With over 300 households on the wait list, only about 20-30 available vouchers each year, and an ever-increasing homeless population, finding more rent assistance has been and continues to be our top priority.

24 projects were to be implemented in 2006 not including ongoing Housing Rehabilitation, Down Payment Assistance and Commercial Revitalization programs. Of these,

- 15 (62%) were completed,
- 5 (21%) had funds committed and progress was begun on their project,
- 3 projects are under contract, but little to no action was taken in 2006,
- 2 projects were cancelled (HUD Activity #203 – Casa Community Center Imp. And # 231 – General Rehab) and the funds were or will be reallocated,
- 3 projects had partial funds recaptured and reallocated (#901 – Commercial Revitalization, #193 – Dental Aid Facility Renovation, #212 – Emergency Grants)

**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, 95.8% of the CDBG funds expended in 2006 benefited low and moderate income persons. For the past 5 years, the City's LMI benefit has averaged 94.36%.

- 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 2006, the City completed two projects (Village Place was funded in multiple years) and had one other in process that included the acquisition or rehabilitation of occupied property.

- The Wedgewood Apartment Rehab project, operated by Boulder County Housing Authority involved exterior work and furnace replacement. The tenants were able to stay in their apartments and were not required to temporarily relocate.
- The Village Place acquisition and rehab projects ended up only using CDBG funds for acquisition of the property. Tax Credits are being used for the rehabilitation costs. However, relocation regulations do apply and we are helping the Longmont Housing Authority through this process and they have also hired a consultant knowledgeable in this area.

- The Terry Street Deck Replacement project was begun in 2006 and will be completed in early 2007. All work was to the exterior and tenants had another entrance to their units and so were not required to move.
- For the 27 homeowner Rehab projects completed in 2006, 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:		\$73,732.70
	Down Payment Assistance	\$ 32,655.84	
	Commercial Revitalization (subrecipient)	\$ 7,193.38	
	Residential Rehab Loans	\$ 31,883.48	
	Interest earned on above loan payments and miscellaneous income	\$ 2,000.00	
b.	Prior Period Adjustments:		\$21,824.86
	Program Income funds carried over from previous year:		
	Down Payment Assistance	\$ 0.00	
	Commercial Revitalization (subrecipient)	\$ 21,089.45	
	Residential Rehab Loans	\$ 285.41	
	Miscellaneous	\$ 450.00	
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

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. 13 houses were completed in 2006.

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. 9 homes were completed in 2006.

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. Two units were made accessible in 2006.

Wedgewood Apartment Rehab Project – 4 rental units owned and operated by Boulder County Housing Authority to very low income families completed rehabilitation to extend their useful life. All 4 of the units are affordable to households below 50% of AMI.

Total CDBG Loans Outstanding and Principal Balance owed as of 12/31/06

Type of Loan/Agency/Project	# Loans outstanding	Original Loan	Principal Loan Balance	Term
Down Payment Assistance	17	\$130,315.50	\$85,988.76	amortized
	14	\$102,436.75	\$87,715.50	Deferred for 10 years, accumulates 4% annual interest
Foreclosure Prevention	1	\$3,007.30	\$3,007.30	Deferred for 10 years, accumulates 4% annual interest
Commercial Revitalization	2	\$65,000.00	\$29,000.00	1/5th forgiven each year
	3	\$55,000.00	\$37,000.00	amortized
Residential Rehab	47	\$610,826.95	\$357,667.88	1/10th forgiven each year
	5	\$76,481.00	\$50,559.54	amortized
	7	\$60,970.96	\$30,279.78	1/5th forgiven each year
Longmont Housing Authority Aspen Meadows/Land Acq. & A/E costs	1	\$164,000.00	\$49,200.00	1/10th forgiven each year beginning 10/19/99
	1	\$100,764.00	\$80,611.20	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	\$111,999.98	1/30th forgiven each year beginning 7/12/00
English Village rehabilitation	1	\$25,000.00	\$17,500.00	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	\$35,000.00	1/10th forgiven each year beginning at 7/18/07
Boulder Shelter for Homeless				
Land acquisition	1	\$100,000.00	\$70,000.00	1/10th forgiven each year beginning 2/28/03
Inn Between				
Inn Between II rehab	1	\$157,000.00	\$94,200.00	1/10th forgiven each year beginning 10/21/02
Inn Between II additional rehab	1	\$27,000.00	\$24,300.00	1/10th forgiven each year beginning 6/29/05
Inn Between III rehab	1	\$72,000.00	\$64,800.00	1/10th forgiven each year beginning 6/29/05
OUR Center				
Child care center roof repair	1	\$14,000.00	\$8,400.00	1/10th forgiven each year beginning 7/3/02
Clearview Center rehab	1	\$52,600.00	\$5,260.00	1/10th forgiven each year beginning 12/19/97
Community Food Share				
Building construction	1	\$135,668.00	\$40,700.00	1/10th forgiven each year beginning 4/14/99
Dental Aid				
office rehabilitation	1	\$35,000.00	\$3,500.00	1/10th forgiven each year beginning 1/22/97
	1	\$10,000.00	\$8,000.00	1/10th forgiven each year beginning 7/2/04
Longmont YMCA				
Child care center construction	1	\$60,000.00	\$30,000.00	1/10th forgiven each year beginning 8/31/01
Boulder County Mental Health Center				
Rehab of Group Home	1	\$15,000.00	\$13,500.00	1/10th forgiven each year beginning 3/23/05
Boulder County Housing Authority				
Cottonwood Apartment Rehab	1	\$14,000.00	\$14,000.00	1/10th forgiven each year beginning 6/6/07
Wedgewood Apartment Rehab	1	\$17,250.00	\$17,250.00	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% interest
TOTALS	118	\$2,748,624.46	\$1,839,743.94	

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.