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CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT FOR PROGRAM YEAR JULY 1, 2012 TO JUNE 30, 2013 (FY2012) AUBURN CONSORTIUM, MAINE

This document is the City of Auburn's annual report that assesses the effectiveness of using Community Development and HOME Investment Partnerships (HOME) Program funds to address objectives of the 2010-2014 Consolidated Plan. This Consolidated Annual Performance and Evaluation Report (CAPER) is for the period July 1, 2012 to June 30, 2013 (FY2012). The report provides an assessment of annual goals and objectives, Community Development, HOME and other supporting resources, and the number of households and/or persons assisted. Last, the report includes an assessment of performance towards meeting the five year objectives.

The four goals identified in the 2010-2014 Consolidated Plan are 1) quality affordable housing, 2) attractive neighborhoods, 3) economic opportunity, and 4) high quality of life for residents. This evaluation reports on these four goals.

1. FY2012 Accomplishments

a. Grant Funds Spent on Goals and Objectives

The cities of Auburn and Lewiston formed a consortium to receive HOME funds. This brings a resource to the communities to assist in creating low-income rental housing units, encouraging home ownership, rehabilitating buildings, and assisting homeless persons. The 2012 Action Plan includes goals that were funded from \$236,638 of HOME resources for activities and administrative costs in both Auburn and Lewiston. This leveraged \$4,766,118 and \$472,564 in HOME match.

The following chart compares the HOME funding available in FY2012 with the HOME funds spent, public and private dollars leveraged and match funds, all of which addressed the goal of quality affordable housing:

HOME INVESTMENT PARTNERSHIPS PROGRAM

BUDGET AS AMENDED					
FY2012 EXPENDITURES AND MATCH FUNDS					
ACTIVITIES	HOME FY2012 BUDGET	HOME FY2012 EXPENDITURES	PRIVATE/PUBLIC DOLLARS LEVERAGED	MATCH FUNDS	TOTAL PROJECT EXPENDITURES
AUBURN	*	**	***	***	
Administration	\$26,500	\$34,532			\$34,532
Housing Administration	40,000	13,174			13,174
Goods & Services	3,500	1,500			1,500
Analysis Impediments					
Fair Housing	5,000	2,500			2,500
Homebuyer	216,110	26,374	\$91,724		118,098
Homeowner Rehab	166,159	92,579	2,500		95,079
Homebuyer/Youthbuild	40,000	0			0
Rental Housing			440,570	372,564	813,134
Security Deposits	19,573	13,874			13,874
LEWISTON					
Administration	11,403	9,419			9,419
Homebuyer	31,899	0			0
Homeowner Rehab	123,685	27,834			27,834
Rental Housing	12,500	10,796	4,231,324	100,000	4,342,120
Security Deposits	17,822	4,056			4,056
Total	\$714,151.	\$236,638.	\$4,766,118	\$472,564	\$5, 475,320

*The primary difference between the budget and the expenditures is due to projects that were anticipated to close prior to the new year, but did not, or were not completely spent. Expenses reflect new projects closed in 2012 as well as expenses for previously approved projects from the prior year.

** HOME expenditures reflect what is spent according to budget categories in Auburn's financial records. In IDIS, all of the housing administration expenses as well as some legal services have been charged to projects.

*** Match and leveraged dollars are reported in IDIS when the project is complete based on the IDIS closeout date.

The 2012 Action Plan includes activities for Auburn that were funded with \$760,729 from Community Development resources for activities and administrative costs. This leveraged \$473,707 from other resources. The following table compares the Community Development funding available in FY2012, Community Development funds spent, private dollars leveraged by activity:

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

ACTIVITIES	BUDGET		FY2012 EXPENDITURES AND LEVERAGED FUNDS	
	AS AMENDED			
	FY2012 CDBG BUDGET	CDBG EXPENDITURES	LEVERAGED FUNDS	TOTAL
ADMINISTRATION/PLANNING	*	*		
Program Administration	\$116,000	\$127,082	0	\$127,082
Goods & Services	32,700	28,999	0	28,999
ECONOMIC OPPORTUNITIES				
Commercial Loan Program		12,158	6,387	18,545
Small Business Program	65,000	15,000	60,000	75,000
AFFORDABLE HOUSING				
Housing Project Administration	81,000	73,576	0	73,576
Rehabilitation Loan Program	150,000	160,280	8,887	169,167
Curb Appeal Program	50,000	0	0	0
Lead Testing and Clearance	5,000	3,510	0	3,510
CCI Weatherization	62,500	7,909	15,574	23,483
Rebuilding Together	2,000	0	0	0
PUBLIC IMPROVEMENTS				
New Auburn Sidewalks	180,863	161,652	263,028	424,680
Boys & Girls Club Drainage Imp	10,000	5,900	0	5,900
Washburn School Playground	11,040	9,649	2,661	12,310
PAL Center		21,158	118,313	139,471
Municipal Beach Master Plan	62,500	212	0	212
ACQUISITION & DEMOLITION				
New Auburn River Trail	75,000	\$53,356	0	53,356
PUBLIC SERVICES				
Androscoggin Head Start	8,500	8,500	25,500	34,000
Recreation Scholarships	28,000	28,000	6,678	34,678
Literacy Volunteers	8,500	8,480	5,782	14,262
Safe Voices	8,000	8,000	61,500	69,500
Heating Assistance Loans	25,000	18,933	0	18,933
Tedford Housing	3,000	3,000	10,000	13,000
Catholic Charities/Search	2,500	1,875	2,350	4,225
Catholic Charities/St. Francis	3,500	3,500	5,360	8,860
TOTAL EXPENDITURES	\$990,603	\$760,729	\$473,707	\$1,234,436

* The primary difference between the budget and the expenditures is due to projects that were anticipated to close prior to the new year, but did not, or were not completely spent. Expenses reflect new projects closed in 2012 as well as expenses for previously approved projects from the prior year.

** Expenditures in FY2012 are overstated by \$35,712.23. This is a result of audit adjustments of expenses reported in FY2011 that should have been reported in FY2012. These expenses were already reported in FY2011 in both IDIS and the 2011 CAPER.

Community Development and HOME funding sources were supplemented by two other grants that are administered by the Community Development Department: Neighborhood Stabilization NSP-1 and NSP-3 grants. The City also has surplus funds from a program income from a prior Lead Hazard Control grant which is being used to cover monitoring administrative expenses, and UDAG program income that has been allocated to several activities.

NEIGHBORHOOD STABILIZATION PROGRAM (NSP- 1)

ACTIVITIES	4-YEAR PROGRAM BUDGET	FY2008 EXPENSE	FY2009 EXPENSE	FY2010 EXPENSE	FY2011 EXPENSE	FY2012 EXPENSE	TOTAL EXPENDITURES
Administration	\$37,635	\$10,750	\$8,722	6,923	\$3,980	2,056	\$32,431
Program Delivery	121,113		22,877	17,550	5,994	9,883	56,304
Acquisition & Rehab	628,500		556,537	207,689	29,265	285,680	1,079,171
Anticipated Income	299,250						
Acquisition & Demolition	134,641		34,870	261,013	0	9,109	304,992
Total	\$1,221,139	\$10,750	\$623,006	\$493,175	\$39,239	306,728	\$1,472,898

NEIGHBORHOOD STABILIZATION PROGRAM (NSP -3)

ACTIVITY	PROGRAM BUDGET	FY 2011 EXPENDITURES	FY2012 EXPENDITURES	TOTAL EXPENDITURES
Administration	\$5,000	\$4,628	\$2,737	\$7,365
Construction	845,000	298,263	588,237	886,500
Total	\$850,000	302,891	590,974	\$893,865

URBAN DEVELOPMENT ACTION GRANT FUNDS

ACTIVITY	PROGRAM BUDGET	FY2012 EXPENDITURES	TOTAL EXPENDITURES
Edward Little Park	\$25,000	\$24,482	\$24,482
New Auburn River Trail	96,268	15,939	15,939
Community Little Theater	40,000	40,000	\$40,000
Total	\$161,268	\$80,421	\$80,421

b. Accomplishments, Progress and Barriers towards Meeting Objectives

The objective, strategy, accomplishments and/or progress towards meeting quality affordable housing, attractive neighborhoods, economic opportunity, and high quality of life for residents goals follow in a table format.

Since Auburn is the lead agency in a HOME consortium enabling consortium members to receive HOME Investment Partnerships Program funds, the CAPER includes housing goals and demographics of beneficiaries for Lewiston.

GOAL: QUALITY AFFORDABLE HOUSING-AUBURN

The City of Auburn achieves its goal of quality affordable housing by offering programs to increase opportunities for home ownership, improve the condition of the housing stock, create affordable rental housing, and increase access to the rental market for at-risk homeless persons.

HOME OWNERSHIP ASSISTANCE

Auburn offers a number of programs to encourage home ownership. The Homebuyer Program is funded with HOME Investment Partnerships Program funds. The Good Neighbor Start-Up Grant and Neighborhood Stabilization Programs are funded with Community Development Block Grant funds. The programs can be combined or used separately to fit the needs of the individual buyers.

Homebuyer: The Homebuyer Loan Program offers qualified buyers a resource for affordable home ownership opportunities. The goal of the program is to make it possible for low-income households to purchase market rate homes, and to increase owner occupancy in targeted areas. The amount of the loan will be established based on housing costs at 25% of household income.

A homebuyer has successfully completed the purchase of 42 Millbrook Lane, a condominium the City has owned since 2006. After have leased the condo for a period of 3 years, the lessee was not able to secure financing to complete the purchase. Upon default of the lease the City placed the property on the market through a real estate professional. After a long and complex process Jon & Elena Berry along with their two children are now very happy to call this condominium home. The Berry's are a great example of a family who are committed to Auburn; they live, work and play in this community.



The Berry family in front of their newly purchased condominium.

"We love our new home, every day! It is a safe and fun neighborhood for our children and we feel good about raising them here. Thanks to all for the assistance we received so we can call this place home!" Elana Berry

The Home Savings Account Program was created to assist homebuyers with building a savings account that is matched with HOME funds. The funds are then used for a down payment on a home. In this first year three families have been qualified to participate in the program. One continues to save with the goal of purchasing a home in six-months to a year. During this savings period staff offers credit and budget counseling.

Neighborhood Stabilization Program: The Neighborhood Stabilization Program assists to make home ownership affordable so low- and moderate-income households can purchase a foreclosed property. Housing assistance is based on a minimum income of \$25,000, and the assistance is calculated so that the housing payment does not exceed 28% of household income. Through this program 5 townhouse style homes were constructed on a lot that had been occupied by a dilapidated bowling alley.

Three properties that were purchased and rehabilitated for resale have been sold to first-time homebuyers.

One property was sold to the family who started out with a lease in 2010. A single mother of 2 children facing many challenges she worked with staff for 2 years to build her credit and adjusted to living on a tight budget. During this period she started an IDA account and saved for her down payment and closing costs. She worked at a full-time job with overtime while caring for her children. She has worked very hard to achieve her goals and is very happy to call 624 Washington Street home.

The 3-unit property at 60 Summer Street was sold to a young couple with 3 children. The building had been purchased and rehabilitated by the city in 2010. The first attempt to sell it failed when the lease/buy clients were not able to secure financing. The property was then marketed through a real estate professional and a buyer was found. This New American family is enjoying their new role of homeowner and landlord. To

assist with the transition the city facilitated a meeting with the existing tenants to help build the relationship with the new landlord. At last report all were doing very well.

Finally, we have sold 43 James Street to a young couple with three children. This property has proven to be the most difficult to sell primarily because it is located on a street that has long had a reputation for being one of the worst areas in the city. In recent years, the street has been plagued with dilapidated, vacant, and foreclosed buildings. The buyers, a young family with three children already lived on the street as renters and were not intimidated by the reputation it held. They are part of the transition James Street is undergoing. We feel this property has been the perfect example of success with the Neighborhood Stabilization Program.

In January, 2013 the City acquired two additional properties to rehabilitate and sell; 69 Bradman Street and 26 Cook Street. 69 Bradman Street is under contract and 26 Cook Street, located in the New Auburn Target Area is being marketed for sale.

The construction of the Academy Street Townhouse project is complete and the 5 units are now available for sale. The 2 bedroom homes are listed with the Maine Real Estate Network. The target population is for households at or below 120% of the median income. The site is located in the Downtown Target Area. The area offers proximity to many services including the public bus route, restaurants, the River Walk and is directly across the street from Edward Little Park that is undergoing a facelift with new paved walks and park benches. Families will be able to walk to the the summer weekly concerts offered at Festival Park and the many festivals offered in the downtown. The project involved an NSP-3 grant to demolish the existing building, and then construct 5 town houses on the site.

Before Pictures of 261 Main Street

On left, the bowling alley was abandoned for many years, and right, the demolition is in progress.



Current Pictures of the Academy Street Townhouses – Currently available for sale



Good Neighbor Home Ownership Start-up: The Good Neighbor Program helps to reduce the cost burden of transitioning from tenancy to home ownership for low-income households. The program provides \$500 and \$1,000 grants. Although this program remains as one of our offerings, there was no budget for this program in FY2012.

Accomplishments/Progress:

Auburn Homebuyer

Objective	Strategy	Accomplishments/Progress	Demographics
Objective: 10	Provide homebuyer subsidies to low-income for persons who wish to purchase homes in Auburn. Program offers credit counseling and purchase subsidy to make housing affordable at 32% of income.	4 homes were sold to low income families. One was a condominium, another is a 3-unit building and 2 were single family homes. All homes were owned by the City of Auburn at time of sale.	Income
Accomplishment: 4			0 0– 30% AMI 2 31-50% AMI 2 51-80% AMI
	Provide homebuyer subsidies to households under 120% of AMI who wish to purchase a home. Purchase subsidy will make housing affordable at 32% of income.	(SEE TABLES 1 AND 2 IN APPENDIX FOR HOME OWNERSHIP DATA)	Race/Ethnicity
			3 White 1 Black
			- Housing Type 4 Owner Occupied

New Loans: The four home buyers were assisted in FY2012 utilizing the following resources: HOME \$4,490; NSP \$42,800; private/public funds \$299,360. These numbers include the loans given to homebuyers as well as the City's contributions for closing costs, settlement charges and real estate commissions.

FY2012 Expenses: Homebuyer expenses are included for previously funded project under the Lease/Buy Program. Combined expenses for Homebuyer include \$26,374, Maine Cities \$1,000; NSP-1 \$285,681; NSP-3 \$588,237.

HOUSING REHABILITATION

Auburn offers a number of programs to improve the housing stock. Various types of loans are available, depending on income and whether a property is in a target area. Auburn offers two types of assistance: 1) deferred loans which require no monthly payment until a future point in time or when income increases; and 2) amortized loans. Auburn also offers grants to cover the cost of sewer assessments for persons under 80% of area median income.

The Spot, Residential, and Curb Appeal Programs are funded with Community Development Block Grant funds, and Homeowner Rehabilitation is funded with HOME Investment Partnerships Program funds. Each program is designed to serve a particular housing need as follows:

Spot: The Spot Rehab Program assists owner-occupied buildings to eliminate conditions detrimental to public health and safety.

Residential: The Residential Rehab Program assists property owners of both owner-occupied and investor-owned buildings to eliminate substandard housing conditions and improve or update long-term maintenance items. The program is available in target areas and outside the target areas when the owner's income is less than 80% of area median income.

Homeowner Rehabilitation: The Homeowner Rehabilitation Program assists owner-occupied units only where the owner's income is less than 80% of area median income. The program is available throughout the city.

Accomplishments/Progress:

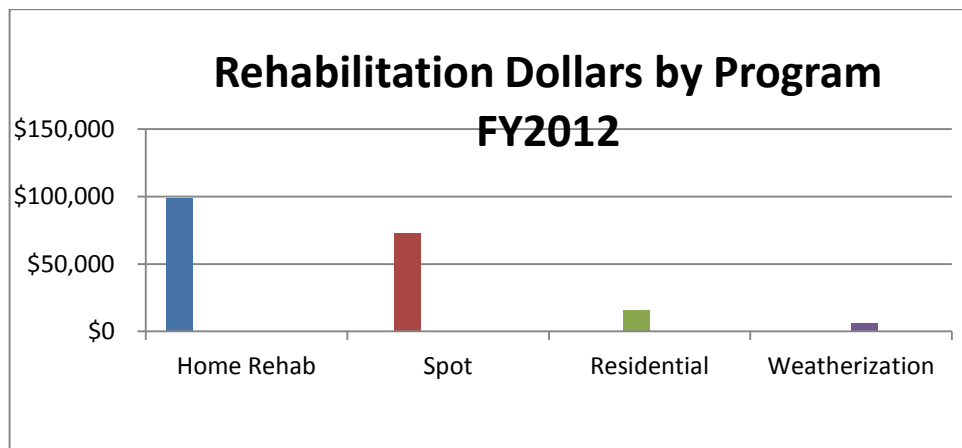
Auburn Rehabilitation

Objective	Strategy	Accomplishments/Progress	Demographics
Annual Objectives:	Offer financial incentives to encourage rehabilitation of residential buildings to eliminate substandard housing conditions, improve or update long-term maintenance of residential buildings, make homes lead-safe, and decrease the consumption of energy resources and lower the housing cost burden.	19 units rehabilitated	Income
Rehab: 22 Units			1 0 – 30% AMI
Lead Safe: 0 Units		<u>Rehabilitation Units</u>	6 31-50% AMI
Weatherized: 15 Units		5 are multi-family buildings containing 11 units	8 51-80% AMI
Accomplishments:		8 units are single family homes	3 81% - above AMI
Rehab: 19 Units		1 Vacant Unit	
Lead Safe Units: 7 Units		(SEE TABLE 3 IN APPENDIX FOR REHABILITATION DATA)	Race/Ethnicity
Weatherized: 2 Units			18 White
			1 Black
			Housing Type
			8 Owner-Occupied
			11 Rental

New Loans: Two grants were utilized to provide new loans to improve the quality of housing in FY2012: Community Development Block Grant \$274,343 and HOME \$176,031.

FY2012 Projects: Rehab expenses were incurred from current projects and previously funded projects. FY2012 expenses are: Community Development Block Grant \$160,280; HOME \$92,579; Weatherization \$7,909. The Neighborhood Stabilization Program funds expended of \$285,681 in FY2012 for the rehab of the buildings acquired in previous fiscal years and for 2 buildings purchased this year. All buildings have been sold except for the 2 newest acquisitions. One of these is under contract.

The graph below demonstrates the dollars committed in FY2012 by specific rehabilitation sub-program:



The program with the highest expenditure rate this year is the HOME Rehab Program with the Spot Program a close second. These two programs have been highly utilized in recent years as homeowners struggle with repairs costs.

RENTAL HOUSING

Auburn offers deferred payment loans to non-profit and for-profit developers to create new affordable rental units for persons who are of low income. The primary financing for new rental units comes through MaineHousing.

Although there were no new rental projects this past year, we report the completion of the Tedford Housing supportive housing project for formerly homeless individuals.

Accomplishments/Progress:

Auburn Rental Housing

Objective	Strategy	Accomplishments/Progress	Demographics
Annual Supportive Housing Objective: 6 Accomplishment: 6	Offer financial incentives to encourage for profit or non-profit housing developers to build or renovate housing.	Tedford Housing 22 Pine Street Completed construction of 6 supportive units /6 HOME units. Construction is complete and units are now occupied.	<u>Income</u> 6 0-30% AMI <u>Race/Ethnicity</u> 5 White 1 Am Indian

Accomplishments/Progress:

Heating Assistance Loans

Objective	Strategy	Accomplishments/Progress	Demographics
Annual Objective: 30 owners assisted to heat their homes Accomplishment: 22 owners	Offer deferred payment loans to owners whose income is under 80% of AMI.	22 loans provided under the social service category.	5 0 – 30% AMI 13 31-50% AMI 4 51-80% AMI <u>Race/Ethnicity</u> 21 White 1 African American <u>Housing Type</u> 22 Owner-Occupied

Loans supplemented Low Income Home Energy Assistance Program funds for many homeowners. The FY2012 expenditure is \$18,933.

Conclusion: The City of Auburn has achieved sufficient progress in meeting all of its housing goals with the exception of homeownership. Significant

efforts have been made to encourage use of our Homebuyer Program, but the demand remains extremely low.

GOAL: QUALITY AFFORDABLE HOUSING-LEWISTON

The City of Lewiston achieves its goal of quality affordable housing by offering programs to increase opportunities for home ownership, improve the condition of the housing stock, create affordable rental housing, and increase access to the rental market. All resources are funded with the HOME Investment Partnerships Program grant.

Homebuyer: The Homebuyer Loan Program assists to make home ownership affordable so low-income households can purchase market rate homes, and increases owner-occupancy in targeted areas.

Accomplishments/Progress:

Lewiston Homebuyer Assistance

Objective	Strategy	Accomplishments/Progress
Annual Objective: 2 Accomplishment: 0	Provide homebuyer subsidies to low-income for persons who wish to purchase a home in Lewiston. Program offers credit counseling and purchase subsidy to make housing affordable at 25% of income.	No accomplishments in FY2012.

Homeowner Rehabilitation: The Homeowner Rehabilitation Program assists owner-occupied units only where the owner’s income is less than 80% of area median income. The program is available throughout the city.

Lewiston Rehabilitation

Objective	Strategy	Accomplishments/Progress	Demographics
Annual Objective: 5 Accomplishment: 2	Offer financial incentives to encourage rehabilitation of owner-occupied residential buildings.	2 unit rehabilitated <u>Rehabilitation Units</u> 2 unit is single family	<u>Income</u> 2 0-30% AMI <u>Race/Ethnicity</u> 2 White <u>Housing Type</u> 2 Owner-Occupied

Rental Housing: Lewiston offers deferred payment loans to non-profit and for-profit developers to create new affordable rental units for persons who are of low income. The primary financing for new rental units comes through Maine Housing.

Lewiston Rental Housing Development

Objective	Strategy	Accomplishments/Progress	Demographics
Annual Objective: 0	Offer financial incentives to encourage for-profit or non-profit housing developers to build or renovate housing.	The Lofts 36 Chestnut Street 48 Units Affordable Housing 11 HOME Units HOME Loan \$413,000 Project is complete.	<u>Income</u>
Accomplishment: 11			4 0 – 30% AMI 5 30-50% AMI 2 50-80% AMI
	Funds spent in FY2012 HOME Funds \$10,795 HOME Match \$100,000		<u>Race/Ethnicity</u> 10 White 1 African American
			<u>Housing Type</u> 11 Rental

Conclusion: The City of Lewiston’s HOME annual goals for homebuyer and rehabilitation were not met, but Lewiston made substantial progress on increasing the supply of affordable rental housing.

QUALITY AFFORDABLE HOUSING/COMBINED GOALS- AUBURN/LEWISTON

Prior to FY2012 both Auburn and Lewiston contribute a portion of their HOME resources to provide a pool of funds to pay for security deposits. The program had administered by an 8-member group of which Auburn is the lead. The program had been administered by the City of Auburn. Starting in July 2012 the group separated the administration of this program. The portfolio of loans was separated with all current loans becoming the responsibility of the respective City to service. The program guidelines were amended to give application processing and approval responsibilities to the housing authorities, and grant agreements with respective housing authorities were modified. Loan servicing remains with the Community Development Departments.

Accomplishments/Progress:

Auburn/Homeless

Objective	Strategy	Accomplishments/Progress	Demographics
Annual Objective: 10 Accomplishment: 26	Establish a tenant-based assistance program to assist homeless or near homeless by providing funds for security deposits.	The Security Deposit program assisted homeless or at-risk homeless persons/families. Assisted 26 tenants of which 25 were HOME-assisted households. Funds Spent in FY2012 Auburn HOME Funds \$13,874 (SEE TABLE 4 IN APPENDIX A FOR BREAKDOWN) Funds Spent in FY2012 Auburn OTHER Funds \$500	HOME UNITS Income 22 0-30% AMI 3 31-50% AMI 0 51- 80% AMI 9 Female head of Household Race/Ethnicity 24 White 1 African AM Housing Type 25 Rental Income 1 0-30% AMI Race/Ethnicity 1 White Housing Type 1 Rental

Lewiston Homeless

Objective	Strategy	Accomplishments/Progress	Demographics
Annual Objective: 25 Accomplishment: 12	Establish a tenant-based assistance program to assist homeless or near homeless by providing funds for security deposits.	The Security Deposit program assisted homeless or at-risk homeless persons/families. Assisted 10 tenants. HOME-Funds Spent in FY2012 Lewiston HOME Funds \$4,056 (SEE TABLE 4 IN APPENDIX A FOR BREAKDOWN) Other Funds spent in FY2012 Lewiston - \$770	HOME UNITS Income 10 0-30% AMI 0 31-50% AMI 0 51 – 80% AMI Race/Ethnicity 10 White Housing Type 10 Rental Other Income 2 0-30% AMI 0 31-50% AMI 0 51 – 80% AMI Race/Ethnicity 2 White Housing Type 2 Rental

Conclusion: The Consortium has met its annual goal for increasing housing access to homeless households.

GOAL: ATTRACTIVE NEIGHBORHOODS-AUBURN

Auburn identified a number of strategies in its Consolidated Plan that makes the neighborhoods more attractive, particularly of low-income people living in target areas.

Accomplishments/Progress:

Objective	Strategy	Accomplishments/Progress	Demographics
Building Exteriors Improved	Program to encourage property owners to improve the exterior of their buildings	Neighborhood Enhancement Program CDBG Funds FY2012 \$1,800 Project reported last year	Demographics reported in FY2011
Annual Objective: 5			
Accomplishment: 0			

The Neighborhood Enhancement Program which was newly created last year has been terminated. The Curb Appeal Program will replace the program. The Curb Appeal Program creates a competitive process for funding applications. A Request for Proposals was issued in April, and a committee selected 13 applications to proceed with their projects awarding in excess of \$120,000 of Curb Appeal funds. The goal of the new program is to improve the visual quality of properties located in target areas. Projects with the most visual impact were rated highest.

Objective	Strategy	Accomplishments/Progress	Demographics
Annual Objective: 2,510 If improved streetscape	Wrapped up with sidewalk Improvements on Fifth, Sixth and Mary Carroll Streets, and completed Spring Street	Project is complete. CDBG Funds Spent: \$161,652	New Auburn Target Area Area Benefit 1,991 beneficiaries 1,296 Low-mod 65% low-mod
Accomplishment: 960 If			

Sidewalk Improvements to Spring Street



Objective	Strategy	Accomplishments/Progress	Demographics
Annual Objective: 0 Accomplishment: 0	Provide resource to demolish deteriorated buildings to make way for a neighborhood park	CDBG and UDAG funds were used to acquire a building at 9 Broad Street. The property will be demolished in FY2013. CDBG funds \$53,356 UDAG funds \$15,939.	New Auburn Target Area Area Benefit 1,991 beneficiaries 1,296 Low-mod 65% low-mod

Conclusion: The City of Auburn has not achieved sufficient progress in meeting its annual goal of making neighborhoods more attractive with the exception of building improvements. With the change from Neighborhood Enhancement Program to Curb Appeal, the 2012 production has been delayed to 2013.

GOAL: ECONOMIC OPPORTUNITY

Auburn identified one objective in the FY2012 Action Plan that provides economic opportunities.

Accomplishments/Progress:

Objective	Strategy	Accomplishments/Progress	Demographics
Objective: assist 5 businesses	Fixed rate business financing in target areas	One loan was made to Top It Yogurt Bar.	Income: 2 0-30%
Accomplishment: 2		CDBG funds \$15,000 Leveraged \$60,000 Project is complete	4 30 – 50% 0 50 – 80% 1 80% and above
		One loan was made to landlord for improvements to create a pizza parlor at 9 Third Street CDBG funds \$12,158 Leveraged \$6,387	Demographics: 7 White 1 Hispanic Jobs Created: 6 Low-moderate

Two loans were approved this year that provided for economic opportunity. The first was a Commercial Rehab Loan where funds were provided to the owner of the building to improve the lease space for a new Pizza Shop. The new store opened in June but was not able to remain profitable and has since closed. The City will continue to monitor the project until a new business moves in. The second loan was a Small Business Loan of \$15,000 approved to a new business called Top-It Frozen Yogurt. In collaboration with other lending sources the owner was able to obtain enough financing to open her new store. The CDBG Loan of \$15,000 was used to purchase equipment. In both cases one new job is to be created.

Conclusion: The City of Auburn determined the economic impact of Community Development activities, but is behind in meeting its objective of assisting businesses.

GOAL: HIGH QUALITY OF LIFE FOR RESIDENTS

Eight social service grants were provided to improve the quality of life for Auburn residents, and two grants that funded public improvements at Washburn School and the PAL Center.

Accomplishments/Progress:

Category	Goal	Accomplishment
Children, Youth & Families/Households	167	421
Individuals/Persons	173	194
Homeless/Persons	20	193
Neighborhood Community-building Initiative	1	1

Total	361	1,555
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Objective	Strategy	Accomplishments/Progress	Demographics
Annual Objective: 1 publicly owned renovated	Provide funding to encourage public improvements	Auburn Police Department requested \$40,000 to rehabilitate 14 Chestnut Street. The building is being converted for use as a family neighborhood drop in center. Programs will be offered by the Police Athletic League. CDBG funds \$21,158 Leveraged \$139,471 Project is complete.	Union Target Area Area Benefit 3,201 beneficiaries 1,787 Low-mod 56% low-mod Based on PAL Registered members, 68% live in the Union Street Target Area.

The PAL Center opened in the spring. They currently have 37 registered PAL members, the majority of which attend Washburn School. They have offered several programs including a community garden, a running program, a summer nutrition program serving 40 children with breakfast and lunch, and Junior Police Academy for 6th to 8th graders. These programs are offered through the assistance of volunteer coaches, police officers and school resource officers who have contributed 1,067 hours. The PAL Center will be open for after-school activities in the arts, fitness and wellness.



“In partnership with Dan Campbell and the ELHS Cross Country Running Team, PAL offered a running program on Tuesday and Thursday evenings. The number of participants climbed to over 80 kids each night. We had a great response from families helping out and our own in-house runner, Officer Justin Richardson, participated on his off nights. Participants were excited to have an officer run alongside them.”
Police Chief Phil Crowell

Conclusion: The City of Auburn has achieved sufficient progress in meeting its annual goal of providing high quality of life for residents.

2. NATIONAL OBJECTIVES

All Community Development funds were used to meet a national objective. SEE DATA IN TABLE 6, 7, 8 AND 9 IN APPENDIX A

Listed below is a summary of the dollars spent under each respective goal by national objective:

Activity	Low-Income Benefit	Slums-Blight Area Benefit	Spot Blight Benefit
Quality Housing *	\$ 71,472	\$4,000	\$21,100
Attractive Neighborhoods	175,601	6,325	0
High Quality of Life	85,985	0	0
Economic Opportunities	27,158	0	0
Total	\$360,216	\$10,325	\$21,100

* Loans approved

The expenditure rate for low income benefit far exceeds the minimum 70% of the annual Community Development expenditure.

3. Geographic Distribution of Resources

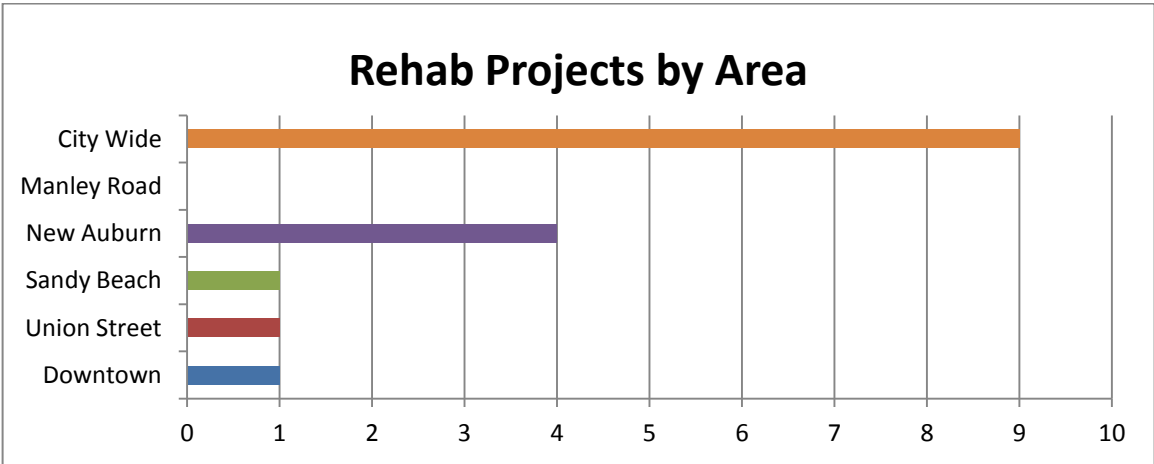
In 1994 Auburn completed the Urban Conditions Study. Although housing was included in this study, the study focused on the living environment that contributed to blight in neighborhoods. The Urban Conditions Study redefined the targeted neighborhoods based on the analysis of factors that contribute to blight. In 2009 the Community Development Department completed an update to the Urban Conditions Study. Boundaries changed slightly. A map of these areas is included in Appendix B. These are the locations where Auburn will invest the majority of its Community Development funds, especially for public improvements, housing rehabilitation, and commercial loans. These are the areas with the greatest need for public investment. The neighborhoods are: Downtown, Union Street, New Auburn, Sandy Beach, and Manley Road Target Areas.

The Action Plan included public improvements in the Downtown and New Auburn Target Area. There were no improvements identified in other target areas.

The emphasis for Auburn's Rehabilitation Program activity has been to focus resources in 3 of the 5 target areas. The majority of the rehabilitation dollars were to be spent in the Downtown, New Auburn, and Union Street target areas. Auburn has five rehabilitation programs that are available throughout the city. The Spot Rehab, Residential Rehab, and Home Owner Rehabilitation Programs provide loans based on income.

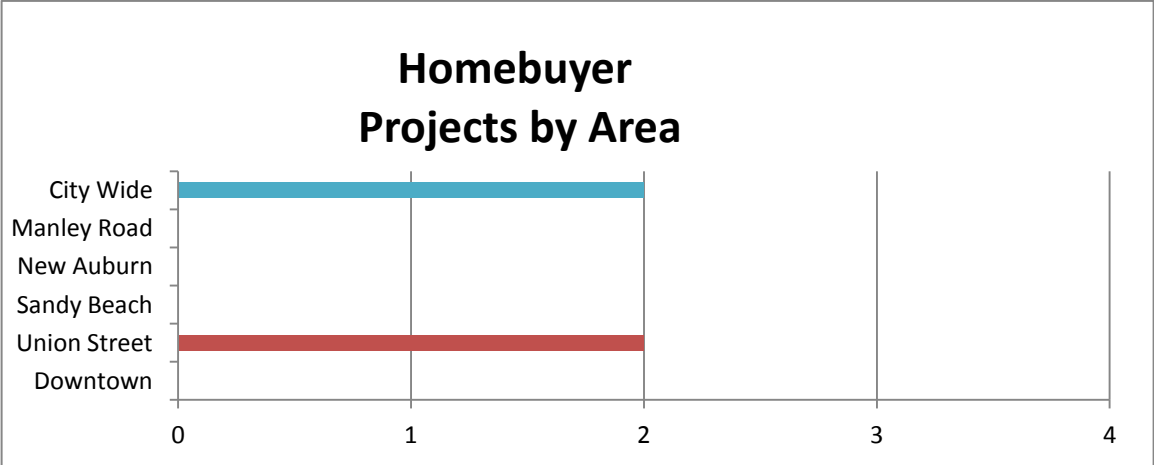
Rehab activity was evenly divided between the target areas and non-target area. We are experiencing an increase of single family activity outside the target areas by property owners who need assistance from our programs. Many find themselves in financially difficult positions having to

take lower paying jobs or are collecting unemployment. They can no longer pay for improvements through conventional methods. Rehab of these properties consists mainly of major systems such as heating, roofing, and septic systems. The following table demonstrates number of projects by area where rehabilitation assistance was provided in FY2012:



Auburn offers a number of programs available to assist households become home owners, all of which are available city-wide:

The following table demonstrates the location where participants of the homebuyer program purchased their homes in FY2012. Two homebuyers purchased properties in the Union Street target area and two were outside the target areas.



Auburn’s Economic Stimulus Loan Program is available on a citywide basis. The program focuses on creating new jobs, primarily for low-income persons.

The PAL Center is located in the Union Street Target Area.

The Commercial Loan Program is available in three target areas, Downtown, New Auburn and Union Street. The Small Business Program is available throughout the City.

The Demolition Loan Program is available citywide for removal of buildings that have deteriorated to a level where they must be demolished.

Social services are available throughout the City.

4. Anti-Displacement and Relocation

The Auburn City Council adopted a Residential Anti-displacement and Relocation Assistance Plan. The plan defines benefits and advisory services that are available when an activity results in displacement, the steps made to minimize displacement, and how rents will be maintained as affordable for low and moderate income households. Auburn complies with the Uniform Relocation Act and 104(d) requirements for all permanent and temporary displacement and uses CDBG funds to pay relocation benefits.

At the time of application, owners/developers are required to submit a list of the households that currently occupy units to be rehabilitated. Auburn then uses this information to survey current residents to obtain income information to address economic displacement and to identify whether the household will need to be temporarily relocated or permanently displaced.

Community Development staff issues all required notices. When a project is approved, a general information notice is issued. A timeline is developed that ties together the proposed schedule for the work and issuance of appropriate notices, counseling, and the schedule for temporary and permanent relocation. This information is used to estimate the costs of relocation for the project, including the need for vacant units for purposes of temporary relocation, when required. A tenant tracking checklist is placed in each multi-unit project file that identifies the dates the appropriate notices were issued. When a notice is issued, a copy is placed in the project file.

In FY2012, there was one displacement as a result of a home buyer activity and two others caused by the New Auburn River Trail Project.

A three unit building owned by the city and to be sold to a homebuyer was fully occupied prior to the sale. In order to provide a unit for the homebuyer one family was permanently displaced. The City with the assistance of the Auburn Housing Authority was able to secure a housing voucher for the family and a rental unit was located for them to move to. In compliance with the Uniform Relocation Act and the city's anti-displacement policy the family received assistance in the form of a Section 8 Housing Voucher and received \$1,650 for moving expenses.

Two tenants were displaced by the New Auburn River Trail project. Tenants lived 9 Broad Street and 6 Second Street, buildings that the City will demolish to make way for the park. Two tenants were relocated in FY2012, and a third tenant living at 6 Second Street perished in a fire prior to the City acquiring the building.

5. Low/Mod Job Activities

This narrative provides a description of actions typically taken by the grantee and business to ensure that first consideration is given to persons of low-and moderate-income. This narrative applies to projects funded under the Economic Stimulus Loan Program and Commercial Loan Program.

Auburn requires job creation projections of all applicants for economic development projects. These projections assist in evaluating eligibility of a project according to Economic Stimulus and Commercial Loan Program guidelines and low-and moderate-income benefit criteria.

Reports providing data on jobs created are required on a quarterly basis until projects are met. Documentation is required to enable the loan recipient to receive credit for jobs under the "taken by" standards.

A Job Creation Loan Agreement is signed at the loan closing. This agreement requires that the loan recipient produce a written certification of family income and size to establish low-income status and a certification that is signed by the employee. The loan recipient may also hire persons referred from agencies whose income qualification criteria for participation is at least as restrictive as that used by the Community Development Department under this job program.

During the pre-approval process for a project that involves retaining jobs, the applicant is required to obtain written certifications from employees that identify income and household size to establish the income status of the retained employees. If less than 51% of the employees have incomes below 80% of median, then the project would not be undertaken.

Two economic development projects were funded in FY2012. These projects created 7 jobs, 6 of which benefited low income individuals.

6. Low/Mod Limited Clientele Activities

There were several activities that fell within the presumed limited clientele for low-income benefit.

- **Androscoggin Head Start & Child Care:** Participants provide source documentation to determine eligibility.
- **Recreation Scholarships:** Participants provide source documentation to determine eligibility.
- **Safe Voices:** The population served is women who are victims of domestic violence/presumed benefit.
- **Literacy Volunteers of America, Androscoggin:** The population serviced is individuals who are functionally illiterate/presumed benefit.
- **Heating Assistance Loans:** Participants provide source documentation to determine eligibility.
- **Boys & Girls Club:** The documentation for eligibility of the building improvements demonstrates that 65% of the youth who will benefit from the program are receiving free or

reduced lunch. The income guidelines for free and reduced lunch are stricter than the HUD income guidelines for 80% of area median income in all categories except 6-, 7-, and 8-person households. The 2000 Census indicates that Auburn has an average of 2.43 persons per household.

- **Catholic Charities/Search.** Participants are elderly/presumed benefit.
- **Catholic Charities/St. Francis Recovery Center:** Participants are formerly homeless persons/presumed benefit.
- **Washburn School/Playground Equipment:** Families of students provide source documentation to determine qualification for free and reduced lunch. The income guidelines for free and reduced lunch are stricter than the HUD income guidelines for 80% of area median income in all categories except 6-, 7-, and 8-person households. The 2000 Census indicates that Auburn has an average of 2.43 persons per household.
- **PAL Center:** Based on home addresses of the families, 68% live in the Union Street Target Area neighborhood of which 56% are of low-mod income.

7. Program Income

Listed below is the amount of program income received in FY 2012. Most of the income was from revolving loan programs where the funds were rolled back into the program from which funds were generated. Miscellaneous income is rolled into the budget to cover general program expenses of the Community Development Program.

PROGRAM INCOME – ALL PROGRAMS

<u>Program</u>	<u>Amount Received</u>	<u>Source</u>
Program Income/Auburn		
Homebuyer Program	33,142.05	HOME
Homeowner Rehab Program	22,820.55	HOME
Security Deposit Program	5,041.00	HOME
Commercial Program	25,201.30	CDBG
Economic Stimulus Loan Program	0	CDBG
Rehabilitation Loan Program	250,918.98	CDBG
Down payment Assistance Loan Program	1,448.91	CDBG
Miscellaneous Income	44,389.89	CDBG
Heating Assistance Program	541.22	CDBG
Total Income	\$383,503.90	
<u>Program</u>	<u>Amount Received</u>	<u>Source</u>
Program Income/Lewiston		
Homebuyer Program	\$4,884.10	HOME
Homeowner Rehab Program	6,943.01	HOME
Security Deposits	2,402.50	HOME
Total Income	\$14,229.61	

8. Prior Period Adjustments

There was one prior period adjustment, a transfer of \$35,712.23 from the CDBG program account. Four invoices that were paid in FY2011 were transferred to FY2012 as a result of the audit

because of the date of services. These expenses were previously reported in FY2011 in IDIS and the 2011 CAPER.

9. Loans and Other Receivables

a. **Properties Acquired with CDBG Funds and Available for Sale**

Acquired with Neighborhood Stabilization Funds):

69 Bradman Street

26 Cook Street

Acquired with Community Development Funds

9 Broad Street

b. **Properties Acquired with HOME funds and Available for Sale:**

none

c. **Loan Portfolio Balances:** The loan portfolio balances and number of outstanding loans as of 6-30-2013 are as follows:

LOAN PROGRAM	PORTFOLIO BALANCE	# OF LOANS
Rehabilitation Loan Program	\$2,301,415.93	397
Economic Stimulus Loan Program	0	0
Down payment Assistance Loan Program	23,158.42	6
Commercial Program	481,405.43	4
Miscellaneous Income	224,342.64	8
Homebuyer Program	670,587.42	35
Homeowner Rehab Program	522,707.49	39
Maine Cities	90,871.57	10
Heating Assistance Loan Program	60,704.45	73
Lead Grant	663,051.45	30
Security Deposit Loan Program	15,081.25	31
Rental Housing	690,000.00	3
Total Loan Portfolio	\$5,938,226.05	636

The portfolio balance increased by \$236,442 and the number of loans with an outstanding balance decreased by 28.

d. **Deferred Loans:** There are 15 Spot Rehab loans that processed prior to 1994 where the deferral runs until the property is sold. The principal balance of these loans is \$54,308. After 1994, the deferred payment loans were awarded for a two-year period. There are 230 deferred payment loans. The principal balance of these loans is \$960,532. Income is reviewed every two years and if the household income remains under 65% of AMI, the loan remains deferred. If income increases above 65% level, the loan becomes amortized. Also, if a person reaches the age of 65 and the loan is classified as deferred it will remain deferred until the property is sold or transferred. There are several other deferred loans: an elderly rental project with a

principal balance of \$320,000 (HOME); a permanent supportive housing project with a balance of \$120,000 (HOME); and a family rental project with balance of \$250,000 (HOME).

- e. **HOME Forgivable Loans:** 9 loans to be forgiven after 10 years of occupancy in the building. The principal balance is \$90,007.
- f. **LEAD Forgivable Loans:** 30 loans to be forgiven after 3 years or renting to low-income households. The principal balance is \$663,051.
- g. **Default:** 27 loans were classified as uncollectible in FY2012 for \$57,892.48. The City carries a loss reserve on the balance sheet of \$73,229 for CDBG and \$3,974 for HOME.
- h. **Loan Portfolio Losses since 1977:** The Community Development Department has been tracking its portfolio since 1977. Listed below are amount of losses over a 35-year period:

LOAN PROGRAM	AMOUNT OF LOSS
Commercial Loan program	\$521,172.94
Down Payment Assistance	15,222.94
Rehabilitation Loan program	469,933.64
Heating Assistance Loan Program	\$495.77
Economic Stimulus Loan Program	698,980.34
Special Projects	78,071.51
Homebuyer	158,435.05
Homeowner Rehab	247,692.18
TOTAL	\$2,190,004.37

10. Lump Sum Agreements

None

11. Neighborhood Revitalization Strategies

Not Applicable

12. Antipoverty Strategy

Auburn’s Anti-Poverty Strategy is to assist low-income families by eliminating the barriers that prevent them from working. This is accomplished by supporting efforts to expand or improve services that improve a family’s ability to meet their basic needs including child-care, transportation, and affordable housing.

To date, all of Auburn's anti-poverty strategies have been addressed: improvements to child care services through assistance to Androscoggin Head Start and Child Care, affordable housing (as described previously) and enhancing literacy skills through Literacy Volunteers of Androscoggin. .

13. Minority and Women-Owned Businesses

The City of Auburn makes efforts to alert minority and women business enterprises of available work. The City maintains a list of minority and women business enterprises on file. Each time the City advertises for Community Development funded work, businesses registered with the City are mailed an invitation to bid or a request for proposals.

In an effort to reach as many minority and women owned businesses as possible, the City obtains a list of Certified Disadvantaged and women Business Enterprise from Maine's Department of Transportation. Every Maine registered business is sent a personal letter to ask if the business wants to be listed in the City of Auburn's directory of MBE/WBE. Businesses are registered in the City's directory if they respond to a letter either by telephone or by signing a statement and returning it to the Community Development office. There are three separate directories: a contractor's list, an engineer/landscape architect's list, and a list for miscellaneous services. There were no projects in FY2010 that involved a solicitation of minority and women-owned businesses.

Further efforts are made to assist businesses who are awarded contracts for Community Development funded projects to recruit minority and women business enterprises. Contractors are required to submit an affirmative action plan. The plan requires the contractor to indicate a goal for awarding contracts to such businesses and specific steps that will be undertaken to achieve their goals. There were no new construction contracts awarded by the City this past year.

Construction companies are encouraged to develop an equal employment policy for hiring, placement, upgrading, recruiting, layoff, etc. ensuring there are processes in place to ensure equal opportunity to all persons without regard to race, color, religion, sex, age, physical impairment, or national origin.

14. Non-Homeless Special Needs

The City worked with Tedford Housing to develop supportive housing for homeless persons. There were no other special needs objectives in the FY2011 Action Plan or Consolidated Plan.

Auburn works with a number of agencies to assure that homeless persons are referred to appropriate housing and that they receive services. Auburn also participates in Lewiston-Auburn Alliance for Services to the Homeless, an informal group of homeless service providers to improve the homeless service delivery system.

15. Changes in Program

Each year program guidelines are reviewed to evaluate their effectiveness in meeting the needs of people in the City.

The housing situation for prospective homebuyers continues to be difficult. In the past few years the housing market has experienced sales price reductions, foreclosures, a constriction of lending due to tightened underwriting, buyer concern about heating costs, increased consumption on credit, and reduced capacity to save. As a result:

- lenders are qualifying applicants for lower amounts than previous years due to conservative underwriting;
- there have been fewer applicants who are able to meet bank requirements for minimum credit score ratings;
- credit difficulties and lower credit scores in low income households, many of which have been the result of periods of unemployment, or need to assist an extended household member.
- applicants have high anxiety levels about job stability, considering the potential for their employer's need to lay off workers, reduce working hours, or a shift of the cost of benefits to the employee;
- most lenders are no longer able to partner with City homeownership programs due to lender policy changes such as limitation on the combined loan to value ratios, and;
- lenders require that down payment and closing costs must be buyer's own cash or gifted to them.

The Community Development Department responded with a number of changes in response to the challenges of the past few years as follows:

- The Homebuyer Program was amended to lower the front-end ratio for housing debt that is used to calculate the assistance level.
- In the last few years, the City has taken possession of two properties purchased under the Lease/Buy Program that were purchased on behalf of low-income households. The Auburn Consortium made extensive changes to its Homebuyer Program by creating a HOME match savings subsidy.
- Over the past few years, there has been a great deal of volatility in the price of oil. This has greater implications on cash flow of low-income households since they already have less discretionary income to cover escalating costs. The Community Development Department purchased infrared equipment to better identify areas of energy loss in homes and are directing greater efforts towards energy conservation measures in the rehabilitation program. All units that received funding under the Homeowner Rehab, Residential Rehab, and Energy Programs are scrutinized for energy-related improvements.

- The Community Development Department partnered with Community Concepts, Inc. to leverage their Department of Energy resources with Community Development Block Grant. The program will make more resources available to Auburn residents for weatherization activities.
- The Good Neighbor Program guidelines were amended to allow homebuyers to use these funds to purchase heating fuel provided they establish a monthly budget plan to pay for utility costs.
- In FY2012, in light of declining resources, the City amended its Community Development Rehab Programs to streamline what is being offered.

Program Amendments: There was one program amendment during FY2012 that covered both Auburn and Lewiston budget, and both CDBG and HOME funds.

CDBG Auburn: \$50,815.44 of surplus funds at year end that had not been allocated during the budget process was reallocated to the Rehab Loan Program, and \$11,027.60 was transferred to the Rehab Loan Program, a total of \$61,843.04.

HOME Auburn: \$40,000 was transferred from Homebuyer Youthbuild Program to Homeowner Rehabilitation.

HOME Lewiston: \$5,000 from the Homeowner Rehab Program and \$10,000 from Security Deposits were transferred to the Rental Program.

Administrative Changes: None.

16. Affirmatively Furthering Fair Housing

Community Development staff reviewed the Fair Housing Plans for five rental development projects, Bates Street Elderly Housing, Birch Hill Apartments, Blake Street Apartments, Healy Terrace, and Maple Street Housing, all located in Lewiston. All policies were found to be acceptable to promote fair housing for tenants. There were no specific fair housing activities in FY2012.

The Auburn-Lewiston Analysis of the Impediments for Fair Housing has been completed. Planning Decisions, consultants hired to assist with the analysis completed their work in June, 2013. A list of impediments and the recommendations to address them has been identified as part of the report. Next steps include presentation of the plan to the City Council for adoption by August, 2013. Staff will begin implementing the Fair Housing Activities this fall.

17. Meeting Underserved Needs

The obstacles to meeting underserved needs are typically associated with inadequate financial resources, both for the City in terms of what can be offered, and from the perspective of our consumers who are stretched with issues of affordability.

In attempting to meet underserved needs and expand financial resources, the City has:

- joined forces with the City of Lewiston in an effort to bring in more resources to the City. The city applied for a Lead Hazard Control Grant, but did not receive an award.
- partnered with Community Concepts, Inc. to bring weatherization resources to Auburn.
- performed preliminary qualification for 14 households to determine acceptability for Auburn's home ownership programs. Applicants received mortgage counseling and referral to home ownership education and training classes, and to appropriate mortgage lenders (Rural Development, Maine State Housing Authority, and local lenders).
- developed a Homebuyer/Homeowner Counseling Program for applicants who are not mortgage ready but aspire to become homeowners and for homeowners who are applicants of the rehabilitation program. For potential homeowners budgeting tools are provided and clients are counseled long term, 6 months – 3 years, until they are mortgage ready. Three clients received these services.
- offered budget counseling services for existing customers who have serious financial issues. The goal is to prevent foreclosure so the household can remain in their homes. One family has received this service.
- offered a grant to assist low-income households to help them with re-establishment expenses when moving to a new home. One grant was processed this past year.
- offered deferred payment loans to help supplement the purchase of heating fuel.

18. Leveraging Resources

Both HOME and CDBG funds helped to leverage other resource. The Community Development Program leveraged \$473,707 in other resources to support activities such as public improvements, economic development, housing rehabilitation, and social services. The HOME Program leveraged \$472,564 in private resources through homebuyer and rental activities.

The HOME Program requires a non-federal match of 25 percent for eligible activities. Match requirements were satisfied primarily by Maine State Housing Authority funds. Mortgage revenue bonds provided the match for a homebuyer activity. The 2012 match contribution is \$602,076.

19. Managing the Process

Community Development staff has established several internal procedures to assure that projects are in compliance with program and comprehensive planning requirements.

Program compliance: There are numerous policies that have been adopted by the City Council to establish protocols for the Community Development Program. These include a Residential Anti-displacement and Relocation Assistance Plan, Citizen Participation Plan, Good Neighbor, Fair Housing and Affirmative Marketing Policy, and Affordable Rent Policy. The City Council also approves all

program guidelines of Community Development and HOME funded programs. These include the Rehabilitation, Demolition, Commercial, Economic Stimulus, Heating Assistance Loan, and Good Neighbor Programs (all CDBG), and the Homebuyer and Homeowner Rehab Programs (both HOME).

Administration of these programs is assigned to a program manager. All program requirements are reviewed and incorporated into a checklist system that is based on project phases. The program manager completes the first checklist prior to moving onto the next phase of the project.

Planning: The Citizen Participation Plan establishes the structure that staff follows to comply with specific planning requirements. When preparing for the development of the five-year Consolidated Plan, staff reviews the old plan and new guidance from HUD, and revises the Citizen Participation Plan. The plan is then adopted by the City Council. Each year, at the beginning of the planning process for each Action Plan, staff establishes a schedule of activities and a timeline for accomplishing each segment of the planning process. This ensures that crucial deadlines are met. Any reporting requirements/deadlines are logged into the yearly calendar kept by the responsible staff.

In conjunction with personnel evaluations, each employee assists with the development of a yearly work plan. Goals and benchmarks are established and evaluation includes a review of performance towards meeting those goals and benchmarks.

Each Monday morning, staff meets to coordinate schedules, to discuss alternatives to challenges, and to review specific assignments of work requiring attention. Community Development staff also review loan applications received the previous week and coordinate activities to get the processing started.

20. Citizen Participation

The City of Auburn is required to make the Consolidated Annual Performance and Evaluation Report available to the public for examination and comment for a period of 15 days. Auburn must also provide a summary of public comments received as a result of the public participation process.

The draft CAPER covering the FY2012 Action Plan was available for public review on September 13, 2012 and could be obtained at the Community Development Department or on the City's web site. Copies were available free of charge.

The Citizen's Advisory Committee (CAC) convened in a meeting on September 11, 2013 to review and comment on the progress made in the third year of the 2010-2014 Consolidated Plan. There were 7 CAC members who attended this meeting, and no outside attendance. The minutes of the meeting are included in Appendix C.

21. Institutional Structure

In an effort to lessen gaps in the institutional structure, the City of Auburn is committed to establishing and maintaining relationships with organizations and institutions that are service providers

in Auburn. Auburn will continue to support efforts combining local government, non-profit organizations and private sector expertise to improve services to low-income residents.

The institutional structure has improved in Auburn primarily due to the citizen participation efforts and the consultation processes involved in developing the Consolidated Plan. The 2010-2014 Consolidated Plan involved a committee of 20+ people representing social services, residents of target areas, businesses, Auburn Housing Authority, landlords, and tenants. These citizens were responsible for setting housing priorities for the Community Development Program.

Auburn works in many collaborative efforts. Community Development staff sponsors or participates in several committees who meet regularly. These include Lewiston-Auburn Alliance for Services to the Homeless (LAASH), Security Deposit Committee, Lewiston-Auburn Homeless Plan Steering Committee and Neighborhood Stabilization Committee. Any activity sponsored by the Community Development Department involves extensive public participation and outreach into the community. The linkages created by these processes helps to increase the communication and understanding among the City, the community, and various organizations and businesses in the Auburn/Lewiston area.

Staff of the Community Development Departments of Auburn and Lewiston meet regularly to talk about HOME program issues, review guidelines, develop budget and performance report, checklists and documentation, and to collaborate on joint efforts that benefit both cities.

22. Monitoring

COMMUNITY DEVELOPMENT

Monitoring is conducted by Community Development and consists of 1) desk monitoring and 2) on-site monitoring. All sub-grants are awarded through a sub-recipient agreement which stipulates requirements of the grant. A monthly/quarterly reporting system is designed to reduce the risk of funding an ineligible activity or having inadequate documentation. With each invoice, sub-recipients are required to submit reports of accomplishments and demographic data on beneficiaries. The reports are reviewed prior to payment of invoices.

The City conducted on-site monitoring of three sub-recipients: Androscoggin Head Start & Child Care, Auburn School Department Washburn School Playground and the Recreation Department Scholarships Program. These agencies were found to be well managed and in compliance with eligibility. As part of the monitoring staff discussed in detail the methods that should be used to determine household income.

HOME INVESTMENT PARTNERSHIPS PROGRAM

Monitoring of the HOME program for FY2012 consisted of desk monitoring of files and monitoring of the Auburn and Lewiston Homebuyer Programs.

Homebuyer and Homeowner: Project files for Auburn are monitored by the Director when setting up the activity in IDIS. In FY2012 both Auburn and Lewiston homebuyer files were monitored for occupancy. A letter was sent to each homeowner asking that the property financed with HOME funds was being used as their principal residence. Two of the Auburn's projects were in foreclosure and, therefore, neither owner was contacted. Two of the City of Lewiston's project were in foreclosure. All other owners funded by the City of Lewiston responded. Homebuyer monitoring will be repeated in FY2014.

Affirmative Marketing: Community Development staff reviewed the Affirmative Marketing Plans for five rental development projects, Bates Street Elderly Housing, Birch Hill Apartments, Blake Street Apartments, Healy Terrace, and Maple Street Housing, all located in Lewiston. Rental Property Management are following due diligence to meet the requirements outlined in the Affirmative Fair Housing Marketing Plan for Multi Family Housing. There were no specific fair housing activities in FY2012.

Rental Monitoring: Monitoring of Lewiston's rental projects was completed in FY2012. These included Maple Street Housing, Bates Street Elderly Housing, Birch Hill Elderly Housing, 81 Ash Street Associates, and Blake Street Housing. Two of Lewiston's rental projects have been dropped from the list, Pine Properties and LMH Apartments. There were no findings.

Monitoring will be on a staggered basis with projects monitored every other year. In one year the monitoring will be for Auburn and the next year for Lewiston

- **FY2013 Auburn projects,** Vincent Square Apartments, Webster School Apartments, and Franklin School Apartments.
- **FY2014 Lewiston projects:** Bates Street Family Housing, 81 Ash Street **FY2014 Lewiston projects,** Maple Street, Bates Street, and Birch Hill Elderly Housing, 81 Ash Street Associates, and Blake Street Housing.

Incomplete Projects in Default of Loan Terms/Auburn:

Stevens Mills: The City has written off the outstanding balance on the Stevens Mills note. The Stevens Mills Properties LLC project has gone through a complete foreclosure and the City's loan has been extinguished. The project, however, has achieved its goal to produce affordable housing units. The original commitment for the Stevens Mills project was 8 low-income units; the number achieved is currently 6 low income units. The sixth unit was sold in FY2012. The activity is now closed in IDIS.

Incomplete Projects in Default of Loan Terms/Lewiston: Lewiston had two outstanding HOME loans in default: Pine Properties LLC and LMH Apartments. Neither of these projects was monitored by Auburn. In October 2010, the LMH Apartments project was deemed uncollectible by Lewiston and \$67,192.78 was written off. The Pine Properties LLC loan is still outstanding.

23. Foster and Maintain Affordable Housing/Auburn

The City made progress during this past year in meeting its goal of quality affordable housing as stated in the Consolidated Plan. Specific objectives and their corresponding accomplishments for the past year are summarized in Section 33, Page 39, Assessment of Goals.

24. Owner and Renter Households Assisted by Income

Rehabilitation

Auburn provided assistance to rehabilitate 24 owner and renter households of which
17 units were owners
7 units were renters **SEE DATA IN APPENCIX A, TABLE 6**

Homebuyer

Auburn provided assistance to 4 new low-income households of which
4 were owners **SEE DATA IN APPENDIX A, TABLE 1**

Good Neighbor Start-up Program

Auburn provided assistance to 1 households of which
1 was an owner **SEE DATA IN APPENDIX A, TABLE 2**

Security Deposit Program

Auburn provided assistance to 35 households and Lewiston assisted 10 households of which
45 were renters **SEE DATA IN APPENDIX A, TABLE 4**

Rental Housing

Auburn provided assistance to 1 rental development project of which
6 were renters

Heating Assistance

Auburn provided assistance to 22 households of which
22 were owners

25. Units that Meet Section 215

Auburn provided assistance to 4 low-income households to purchase a home. The after-rehab value of these properties did not exceed 95% of the median purchase price for the area, the home will be the principal residence of the buyer, and the financing is subject to recapture.

26. Housing Needs of Persons with Disabilities

Auburn has been working to address the worse-case housing needs of persons with disabilities by creating two new supportive housing for homeless persons. One project is located in Auburn and

one is located in Lewiston. The Webster School Apartments and Vincent Square Apartments, projects funded in prior years, also contain apartments that are handicap accessible.

27. Public Housing and Resident Initiatives

Auburn Housing Authority has undertaken many initiatives that involve residents of public housing. Auburn Housing Authority coordinated many presentations to educate renters as follows:

- Home delivery of food from food pantry by Seventh Day Advent Church;
- Home safety checks and health related presentations by United Ambulance Service;
- Healthy Maine Smiles provides in house dental care to residents;
- Auburn Fire Department on fire safety and prevention;
- The Reader Theater Group entertaining residents;
- Linn Morin teaches an exercise class each month at our senior properties;
- Red Hatters of Barker Mill Arms adopting children at Lincoln School during the holidays;
- Anti Bullying education classes were held at our family developments;
- Visits by The Medicine Shoppe to administer the flu shots;
- Badges for Baseball/Cal Ripken Foundation/Police personnel and youth attended a day long fun day in Orono;
- The Fortin Group was in to discuss pre-burial options to interested residents;
- Androscoggin Home Care & Hospice provides nursing care and support to those requiring medical intervention and/or after care;
- Classic Dentures of Maine, visits clients for in-home denture services;
- AHA has partnered with the APD and PAL Center;
- EZ Diabetics discussed testing supplies and shoes for diabetics, does home visits for customers;
- Arcadia of New England visited us to describe their in home services;
- Boys & Girls Club memberships are sponsored by AHA for any child interested in joining;
- Sexual Assault Crisis Center and Beacon Hospice conducted one-on-one sessions with residents experiencing grief situations from past assaults;
- Offered monthly blood pressure checks from Auburn Fire Department;
- Offered flu shot clinics by Androscoggin Home Care & Hospice;
- Coordinated the presentation of educational topics from Seniors Plus, Co-Operative Extension, and Chipman Farms Summer Farm Share Program;
- AHA and APD provided a Medication Take Back Day for unwanted & outdated medications;
- Coordinated absentee voting by the Auburn City Clerk;
- Coordinated Thanksgiving meal for all shut-ins in some of the senior buildings;
- Sponsored the Art Van, a 7-week summer youth art program at Broadview Acres and Family Development and held a monthly school year session as well;
- Partnered with Pal Center for a Junior Police Academy for 1 week;
- Worked closely with Healthy Androscoggin to promote smoke-free housing;
- Hosted meals from Seniors Plus once a week at the Towne House;
- Helped residents sign up for Safelink track phones;

- Assisted tenants to prepare rent rebate applications;
- Hosted 4-H program for grades 3-6;
- Partnered with Auburn Public Library for promotion of reading, including large print books;
- Coordinated monthly nutrition classes by Cooperative Extension for the kids program;
- Participated in Ready Read Program (birth-K); and
- Coordinated monthly trips to the Pathway Vineyard for Spectrum Generations free food program

28. Barriers to Affordable Housing

The 2010-2014 Consolidated Plan identified three barriers to affordable housing: 1) building codes, 2) zoning, and 3) homebuyer assistance.

Building Codes: Auburn adopted the Maine Uniform Building, Energy, and Rehabilitation Code in 2010. This should assist in making the improvement costs of substantial rehabilitations more feasible.

Zoning: Auburn adopted a new Comprehensive Plan in 2011. A number of objectives are intended to address Auburn's housing issues: 1) maintain and enhance the existing housing stock throughout Auburn's neighborhoods; 2) maintain and enhance established single family neighborhoods as safe, desirable, attractive areas for a range of residents; 3) improve existing urban family neighborhoods that have a mix of single family and multi-family units to enhance them as safe, desirable, attractive neighborhoods; 4) encourage investment in higher-density downtown multi-family and mixed-use neighborhoods to develop a balance of rental and ownership options that serve a wide range of households; 5) create opportunities for the private development of a range of new housing outside of the existing built-up areas to meet the needs of a variety of groups; and 6) provide adequate housing assistance and services. The Comprehensive Plan identifies specific strategies to achieve these objectives.

Homebuyer Assistance: Auburn offers several homebuyer assistance programs for its low-income residents. A HOME Buyer Savings Account Program was created to assist potential buyers to save on a monthly basis and that money will be matched 2 – 1 with HOME Funds. The total of the savings and the match is then used for a down payment on a home. Also offered are credit counseling services to financially prepare for owning a home, and homebuyer education to learn how to maneuver the experience of purchasing a home. Auburn also offers a grant to help with re-establishment expenses for new homebuyers.

29. Homeless Needs and Prevention Elements

Auburn works actively with area homeless service providers to improve coordination. Continuum issues are being addressed by Lewiston-Auburn Alliance for Services to the Homeless (LAASH), a collaboration of 20+ social service providers, who meet monthly to coordinate services, create greater access to the service system, and insure that individuals receive services in an

appropriate fashion. LAASH has established priorities to strengthen the area's homeless service delivery system by filling the gap in services. LAASH determined that coordination of services remains one of the area's greatest needs.

A barrier identified by LAASH for persons who are homeless or near homeless was the lack assistance to help pay for security deposits. A subcommittee of LAASH, the Security Deposit Loan Committee, was formed to address this problem. A group of 8 volunteers representing Auburn and Lewiston General Assistance, Auburn and Lewiston Housing Authority, Auburn and Lewiston Community Development, and other LAASH members, meet regularly to administer the Security Deposit Program, and apply for grants. Since 2005 the program has considered 478 requests, approved 305 loans and grants, and has assisted 349 adults and 297 children to gain access to housing.

In years past, Androscoggin County had not received the attention of state planners who are responsible for homeless funding because the homeless count was too low. LAASH determined it was important to pay more attention to the point-in-time survey that is coordinated annually by Maine Housing. LAASH has participated in the state's point-in-time survey for the past six years. Extensive efforts were made by LAASH members to reach and count the area's homeless people.

The Public Policy subcommittee of LAASH worked on a plan to end and prevent homelessness. The plan was adopted by the Auburn and Lewiston councils in November 2009 and implementation is under way.

Auburn works with a number of agencies to assure that homeless persons are referred to appropriate housing and that they receive services. Homeless persons come to Auburn's Social Services office where the Director assesses their needs. They are then referred to homeless shelters for emergency resolution, then to Auburn Housing Authority or other resources for permanent housing. When emergency shelter is not available, then people are referred to area motels. The Auburn Social Services Director works with other service providers such as Common Ties, Abused Women's Advocacy Project, Tri-County Mental Health, and Vocational Rehabilitation/DHS.

Auburn worked with a non-profit housing developer, Tedford Housing, to create supportive housing. Two projects are now under construction, one in Auburn and one in Lewiston.

30. HOME BME and WBE Report

See HOME Annual Performance Report HUD-40107 in Appendix D.

31. AFFIRMATIVE MARKETING ACTIONS

The Auburn City Council adopted the "Auburn HOME Consortium Cities of Auburn Lewiston Fair Housing and Affirmative Marketing Policy. The policy includes provisions for the dissemination of fair housing information, requirements for developers to provide for and prove fair housing marketing, and promotion of access to fair housing by the consortium.

Brochures for all CDBG housing, and HOME programs were updated to include the Fair Housing logo on the cover with the words “Equal Housing Opportunity” or the wording “The City does not discriminate on the basis of race, color, national origin, sex, age, religion or disability”.

Affirmative Marketing efforts of rental projects funded by the HOME Program are monitored every two years.

32. Recaptured Funds

One of Auburn’s Homeowner Rehab was recaptured in FY2012 for \$2,500.

33. Assessment of Goals

HOME INVESTMENT PARTNERSHIPS PROGRAM

An assessment was made of the accomplishments against the goals identified in the Consolidated Plan (the five-year goals and objectives are found in Appendix E). Ideally, accomplishments should be at approximately 60% of the production goal at the conclusion of the second year. This assessment is summarized in charts that indicate the progress made by Consortium members to achieve goals.

Goal: Quality Affordable Housing/Auburn

Activity:	5 Year Objectives	Year 1	Year 2	Year 3	Year 4	Year 5	Ongoing Total	Percentage of Goal Met
a. owner and rental units rehabilitated	280	125	75	19			219	78%
b. owner and rental units made lead safe	80	68	40	11			119	149%
c. buyers assisted to purchase home	35	3	3	4			10	29%
d. new units of affordable family rental housing (HOME)	40	0	28	0			28	70%
e. 10 units of supportive rental housing of the homeless (HOME)	10	0	0	6			6	60%
f. 75 owners assisted to heat their homes	75	16	23	22			61	82%
g. Homeless or at-risk of homelessness assisted with security deposits (HOME)	100	34	9	26			69	69%
h. Total	620	246	178	88			512	83%

Conclusion: The rehabilitation objectives are far ahead of schedule, but the homebuyer is lagging somewhat behind. We have made great effort to market the Homebuyer Program, but the market for home purchases is very stagnant. We are hopeful there will be progress in the next two years. Security Deposit assistance is on track as is the development of supportive housing. Over all, the Consortium has achieved 83% of its combined objectives. Auburn has made sufficient progress towards achieving this objective.

Goal: Quality Affordable Housing/Lewiston

Activity:	5 Year Objectives	Year 1	Year 2	Year 3	Year 4	Year 5	Ongoing Total	Percentage of Goal Met
a. owner units rehabilitated	20	1	1	2			4	20%
b. buyers assisted to purchase home	10	0	0	0			0	0%
c. new units of affordable family rental housing (HOME)	40	20	0	33			53	133%
d. 10 units of supportive rental housing of the homeless (HOME)	10	0	10	0			10	100%
e. Homeless or at-risk of homelessness assisted with security deposits (HOME)	100	17	3	10			30	30%
f. Total	180	38	14	45			97	23%

Conclusion: The emphasis on Lewiston’s productivity has been primarily in the development of rental housing. Other objectives are somewhat behind. Now that the production in rental housing is complete, Lewiston will be allocating more funds towards other objectives. There remains two years to accomplish the stated objectives.

GOAL: Attractive Neighborhoods/Auburn

Activity:	5 Year Objectives	Year 1	Year 2	Year 3	Year 4	Year 5	Ongoing Total	Percentage of Goal Met
a. Improved street-scapes/sidewalks & landscaping	10,000 Lf	2,940 lf	2,040 lf	960 lf			5,940 lf	59%
b. Building exteriors improved	50 Bldgs.	2 Bldgs.	4 Bldgs.	0 Bldgs.			6	12%
c. Substandard housing demolished	15 units	17 units	0 Units	0 Units			17 units	113%

Conclusion: With the infusion of stimulus funds, Auburn has made substantial progress in meeting its five year objectives for improved sidewalks. The only activity that is behind schedule is improving building exteriors.

GOAL: Economic Opportunity

Activity:	5 Year Objectives	Year 1	Year 2	Year 3	Year 4	Year 5	Ongoing Total	Percentage of Goal Met
a. Business exteriors improved	10 Bldgs.	0	0	0			0	0%
b. Business assistance loans	2	1	0	2			3	150%

Conclusion : The City met its goal for business assistance, but has not made progress on building exteriors. FY2012 was a transition year between two programs, the Neighborhood Enhancement Program was eliminated and Curb Appeal Program was created. Since Curb Appeal guidelines were not adopted until January, the production that should have occurred in 2012 is backed up to 2013.

GOAL: High Quality of Life

Activity:	5 Year Objectives	Year 1	Year 2	Year 3	Year 4	Year 5	Ongoing Total	Percentage of Goal Met
a. Children, Youth & Families/Households	1,500	447	166	421			1,034	69%
b. Individuals	600	192	1,196	194			1,582	264%
c. Homeless Individuals	400	80	193	193			466	117%
d. Neighborhood Community Building Initiative	1	0	0	1			1	100%
e. Total	2,501	719	1,555	809			3,082	124%

Conclusion : The City has exceeded its objectives for individuals and homeless, and has made sufficient progress with children, youth & families. The neighborhood community building initiative is now complete.