

**APPENDIX
CONSOLIDATED ANNUAL PERFORMANCE
AND EVALUATION REPORT FOR PROGRAM YEAR
JULY 1, 2015 TO JUNE 30, 2016 (FY2015)
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 the objectives of the 2015 - 2019 Consolidated Plan. This Consolidated Annual Performance and Evaluation Report (CAPER) is for the period July 1, 2015 to June 30, 2016 (PY2015). 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 eight high priority goals identified in the 2015 - 2019 Consolidated Plan are 1) support people in their efforts to transition out of poverty, 2) prevent deterioration of housing stock, 3) promote jobs and development, 4) make neighborhood streets safer and more walkable, 5) prevent homelessness, 6) increase owner occupancy, 7) improve parks and establish community gardens, and 8) support construction of new affordable housing units. There is one low priority goal which is to support fair housing. This evaluation reports on these nine goals.

1. FY2015 Accomplishments
a. EXPENDITURES

The 2015 Action Plan includes activities for Auburn that were funded with \$762,987 from Community Development resources for activities and administrative costs. This leveraged \$229,502 from other resources. The following table compares the Community Development funding available in FY2015, Community Development funds spent, private dollars leveraged by activity:

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

FY2015= EXPENDITURES AND LEVERAGED FUNDS			
ACTIVITIES	CDBG EXPENDITURES	LEVERAGED FUNDS	TOTAL
ADMINISTRATION/PLANNING			
Program Administration	\$154,589	0	\$154,589
Goods & Services	10,368	0	10,368
Neighborhood Revitalization Plan	4,750	0	4,750
ECONOMIC OPPORTUNITIES			
Small Business Program	0	0	0
AFFORDABLE HOUSING			
Housing Project Administration	68,000	0	68,000
Rehabilitation Loan Program	233,833	88,256	322,089

Lead Testing and Clearance	3,440	0	3,440
CCI Weatherization	12,872	16,229	29,101
Code Enforcement	32,855	0	32,855
PUBLIC IMPROVEMENTS			
Union Street Playground	24,343	0	24,343
New Auburn River Trail	82,639	0	82,639
Community Garden	7,332	5,000	12,332
DEMOLITION			
115 Whitney/88 Newbury	23,897	0	23,897
PUBLIC SERVICES			
Androscoggin Head Start	8,500	53,000	61,500
Recreation Scholarships	15,500		15,500
Literacy Volunteers	8,635	38,500	46,865
Safe Voices	11,000		11,000
CCI/Bridges out of Poverty	10,465		10,465
Tedford Housing	7,000	28,517	35,517
Auburn Police Dept./Work With Me	33,449		33,449
PAL Center/Youth Diversion	9,520		9,520
TOTAL EXPENDITURES	762,987	229,502	992,489

The cities of Auburn and Lewiston formed a consortium to be eligible 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 2015 Action Plan includes goals that were funded from \$531,123 of HOME resources for activities and administrative costs in both Auburn and Lewiston. This leveraged \$189,719 and \$10,000 in HOME match.

The following chart compares the HOME funding available in FY2015 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

FY2015 EXPENDITURES AND MATCH FUNDS				
ACTIVITIES	HOME FY2014 EXPENDITURES	PRIVATE/PUBLIC DOLLARS LEVERAGED	MATCH FUNDS	TOTAL PROJECT EXPENDITURES
AUBURN				
Administration	23,666	0	0	23,666
Housing Administration	10,853	0	0	10,853
Goods & Services	193	0	0	193
Homeowner Rehab	111,293	0	0	111,293
Homebuyer/132 Hampshire Street	85,474	71,161	10,000	166,653
Homebuyer/62 Harvard	129,511	0	0	129,511
Security Deposits	16,803	0	0	16,803
LEWISTON				
Administration	15,023	0	0	15,023

Homebuyer	7,256	118,558	0	125,814
Homebuyer/11 Walker	115,209	0	0	115,209
Homeowner Rehab	0	0	0	0
Security Deposits	15,842	0	0	15,842
Total	\$531,123	\$189,719	\$10,000	\$730,842

b. Accomplishments, Progress and Barriers towards Meeting Objectives

The objective, strategy, accomplishments and progress towards meeting the nine goals follow

Since Lewiston is a member of the HOME consortium the CAPER includes housing goals and demographics of beneficiaries for both Auburn and Lewiston.

GOAL: SUPPORT PEOPLE IN THEIR EFFORTS TO TRANSITION OUT OF POVERTY

Five social service received CDBG grants to support this goal:

- Androscoggin Head Start and child care provided services to 15 Auburn households
- Auburn Recreation Department provided scholarships to 36 Auburn children.
- Literacy Volunteers of Androscoggin provided services to 184 Auburn households.
- Auburn Police Department/Work With Me Program assisted 60 youth in Auburn Schools with job skills training
- Community Concepts, Inc. provided services to 5 Auburn families through its Bridges Out of Poverty Program

GOAL: PREVENT DETERIORATION OF HOUSING STOCK

The City of Auburn offers a variety of programs to prevent deterioration of the housing stock. Loans are available to property owners with terms and rates depending on the income of the owner and the location of the property. Deferred loans are offered for people under 65% of the median income level; amortized loans are offered to landlords and owner occupied properties that are located in one of the CDBG target areas. Homeowners outside the target areas are offered 0% loans if their income is below 80% of area medium income.

HOUSING REHABILITATION

The Spot and Residential 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:

PROGRAM	DESCRIPTION	ACCOMPLISHMENTS
SPOT	The Spot Rehab Program assists owner-occupied buildings to eliminate conditions detrimental to public health and safety.	11 property 15 units rehabbed
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.	4 property 7 units rehabbed
Lead	Lead loans are used to supplement Lead Abatement Projects funded through the Lewiston Auburn Lead Hazard reduction Program	4 properties 8 units made lead safe
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.	4 property 6 units rehabbed
Acquisition/Rehabilitation/62 Harvard Street	A building was purchased and renovations have been completed. The property is now available for purchase	1 property acquired and rehabbed
Weatherization	CDBG funds are earmarked to weatherize homes of low income persons through a subgrant to Community Concepts, Inc.	2 properties 3 units weatherized
Code Enforcement	Code Enforcement is part of the Planning and Permitting Department. They have initiated the Targeted Code Enforcement Program in three target areas, Downtown, New Auburn and Union Street.	111 housing violations corrected
Exterior Rehab	Exterior Rehab Grants were made available to property owners with building in the three downtown target areas.	4 properties

The projects listed in the above table may have received assistance that fall into more than one category therefore there are duplication in the numbers.

GOAL: PROMOTE JOBS AND DEVELOPMENT

The City offered a Small Business Loan Program to encourage the creation or enhancement of business enterprise with low interest financing. No applications were received in FY2015.

GOAL: MAKE NEIGHBORHOODS STREETS SAFER AND MORE WALKABLE

Funds had been earmarked for upgrading sidewalks in the target areas. The Hampshire Street Reconstruction Project in the Union Street Target Area will make use of \$312,000 in funding for sidewalks upgrades. The project is scheduled for spring of 2017.

GOAL: PREVENT HOMELESSNESS

- Safe Voices provided services to 66 Auburn households.
- Tedford Housing provided services to 6 Auburn households.
- The Auburn Security Deposit Program assisted 24 households who were homeless or at-risk of homelessness to secure an apartment. The same program in Lewiston assisted 22 households.

GOAL: INCREASE OWNER OCCUPANCY

ACQUISITION/REHAB/SALE

132 Hampshire Street, Auburn: A building was purchased and renovated in FY2014. With the completion of the rehab, the building was marketed for sale and sold to a qualified homebuyer in April, 2015.

HOME OWNERSHIP ASSISTANCE PROGRAM

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 throughout the City. The amount of the loan will be established based on housing costs at 32% of household income.

Thirteen applications were accepted for the homebuyer program. By the end of this program year three remain in the program. Five withdrew because they no longer qualified.

One homeowner completed the process and purchased a home in Lewiston.

GOAL: IMPROVE PARKS AND ESTABLISH COMMUNITY GARDENS

Improve Parks: The Union Street Playground at 31 Chestnut Street received funding for the purchase of new bleachers, benches and trash cans.

Establish Community Garden: Auburn's first Community Garden was established in the Union Street Target Area. The lead entity was the St. Mary's Nutrition Center who has had much success with the Lots to Garden Program in Lewiston. A site was selected on Webster Street across from Webster School Apartments and near the Auburn Police Athletic League (PAL) Center. A collaborative effort

with the City of Auburn, St. Mary's Nutrition Center, The National Park Service Trails and Conservation Assistance Program, the University of Maine Cooperative Extension and the Androscoggin Land Trust.

The garden includes 24 plots of raised beds, with several made handicap accessible. The fenced in lot has a shed for tools and other garden supplies, compost bins and a water meter for gardeners. The City of Auburn's Parks and Recreation Department processed applications from interested gardeners. A garden coordinator was hired to oversee the daily operations and functions of the garden and to assist gardeners with their needs.

In addition to the \$20,000 of CDBG funds, the project leveraged funding from a Harvard Pilgrim Health Care Foundation Food Fund, Community Garden/Farming Grant, national Park Service and Fiskars Project Orange Thumb. Also, Goodwill Industries offered assistance through the Take 2 program to assist with the construction of the raised beds and the Lewiston Regional Technical Center for building the shed.

The garden was just getting going by the end of this program year. Additional reporting on its successes will be available in November, 2016. Two additional garden sites are being planned.

GOAL: SUPPORT CONSTRUCTION OF NEW AFFORDABLE HOUSING UNITS

The HOME Investment Partnership Funds of \$100,000 had been earmarked for development of a rental housing project at 62 Spring Street. The project will include 39 units of mixed rate housing as well as 2 commercial spaces. The developer submitted an application to the State of Maine for tax credits but did not score high enough to be awarded the funding. The developer plans to submit a new application in October, 2017 with a modified project design. No accomplishments are reported for this program year.

GOAL: SUPPORT FAIR HOUSING

In 2013 The Cities of Auburn and Lewiston adopted a plan to address the impediments to fair housing choice. The plan identified several strategies that a team of Community Development and Housing Authority partners will address. Strategies that were identified in the plan are 1) landlord workshops, 2) tenant workshops, 3) Sharia financing for the Muslim community and 4) Fair Housing Poster Contest. In FY2015 the Auburn Consortium worked on the following:

Poster Contest: The Auburn Lewiston Fair Housing Alliance sponsored a Fair Housing Poster Contest for students at the Middle Schools. The intention of the contest is to raise community awareness of the Fair Housing laws and the history of the Fair Housing Act with middle school children. This year the theme was "Nations and Neighbors Together". The top 13 posters were selected and prizes awarded at a recognition evening to celebrate their participation. A framed copy of the winning poster is displayed at the Community Development office; a calendar is created featuring the 13 finalists and distributed to winners, teachers, judges and other housing providers.

Landlord Forum: The Cities of Auburn & Lewiston along with the Housing Authorities sponsored a Fair Housing Forum for Landlords. The specific topic for the forum was "How to avoid costly fines by addressing lead issues in your properties." The event was advertised through various media including an article in the Lewiston Sun

Journal; the Housing Authorities included a flyer in the monthly mailing; and flyers were posted. Eric Frohberg, State of Maine Lead Poison Prevention Manager was present to give a presentation on why it is important to correct the lead paint issues in rental properties and how to avoid problems when renting to families with young children. A representative from the EPA was also in attendance along with 60 area landlords of which 47 signed up for the RRP training class.

Sharia Lending: Collaboration with Community Concepts Finance Corp. continued in an effort to establish a cultural lending program. Loans would be made available for the purchase of homes by the new Mainers. The mechanism to allow lenders to offer loans which are compliant with Sharia laws have proven to be difficult in this area because there is not enough need.

LEWISTON GOAL #1: PREVENT HOMELESSNESS

Security Deposits: The Security Deposit Program assists households who are homeless or at-risk of homelessness to secure an apartment. **Thirty three renters were assisted to gain access to housing.**

LEWISTON GOAL #2: IMPROVE THE SAFETY AND ENERGY EFFICIENCY OF THE HOUSING STOCK

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. **No accomplishments in the program year.**

Construction of Rental Units: The City of Lewiston is working with a developer for affordable housing units. The project is not yet ready for funding. **No accomplishments in this program year.**

LEWISTON GOAL #3: CREATE MORE STABLE AND DIVERSE MIXED-INCOME NEIGHBORHOODS

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. **One homebuyer was assisted in FY2015.**

Acquisition/Rehab/Sale: A tax acquired property was donated by the City. The property had been vacant for several years and was in need of whole house rehabilitation. The rehab was completed in the spring of 2015 and the property is now being marketed for sale to a qualified home buyer.

2. Geographic Distribution of Resources

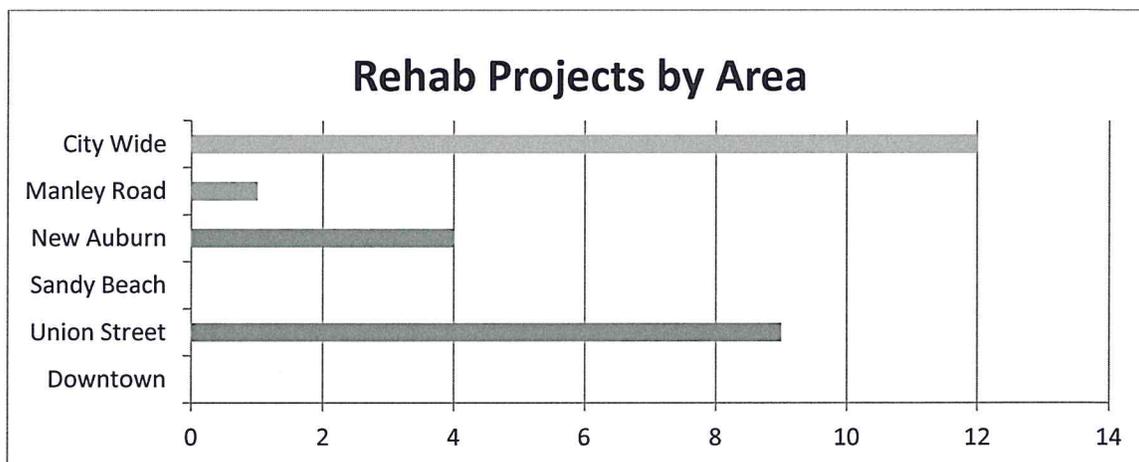
In 1994 Auburn completed the Urban Conditions Study. Although housing was included in this study, the study focused on the living environment that contributed to blight in neighborhoods. The Urban Conditions Study redefined the targeted neighborhoods based on the analysis of factors that contribute to blight. In 2010 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 Union Street and the New Auburn Target Area. There were no improvements identified in other target areas.

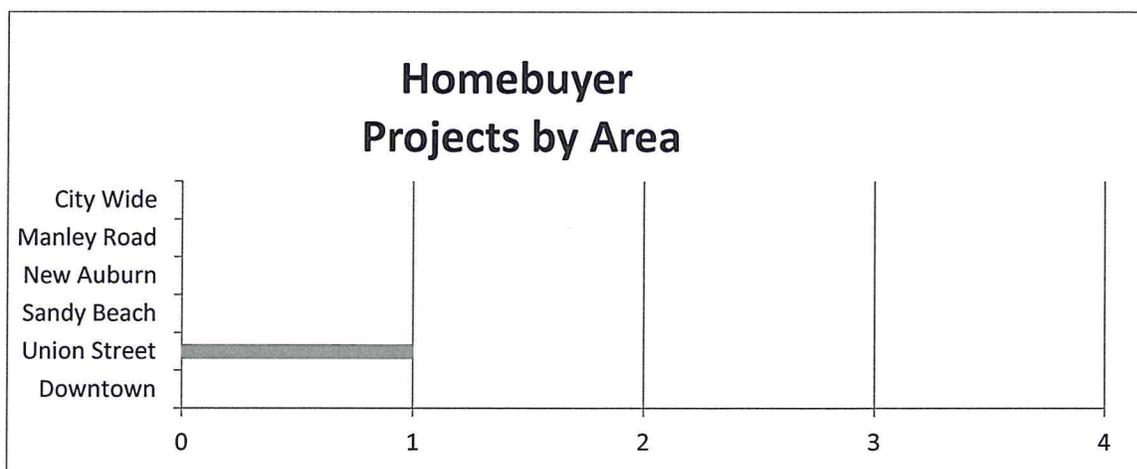
The emphasis for Auburn’s Rehabilitation Program activity has been to focus resources in 3 of the 5 target areas. The majority of the rehabilitation dollars were to be spent in the Downtown, New Auburn, and Union Street target areas. Auburn has four rehabilitation programs that are available throughout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

Rehab activity was heavier in non-target areas. The activities are primarily home weatherization and emergency repairs for low-income homeowners. Many of our clients are having financial difficulties because of low paying jobs or living on limited retirement income. They can no longer pay for improvements through conventional financing methods. Many of these loan terms are on a deferred basis. Rehab of these properties consists mainly of major system failures such as heating, roofing, and septic systems. There were only 3 whole house renovations; 5 projects were funded as a match to a Lead Abatement Project. The following table demonstrates number of projects by area where rehabilitation assistance was provided in FY2015:



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 FY2015. One homebuyer purchased a property in the Union Street target area.



3. Program Income

Listed below is the amount of program income received in FY 2015. 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	\$9,095	HOME
Homeowner Rehab Program	120,301	HOME
Security Deposit Program	11,688	HOME
Commercial Program	39,520	CDBG
Rehabilitation Loan Program	282,806	CDBG
Down payment Assistance Loan Program	765	CDBG
Miscellaneous Income	34,586	CDBG
Heating Assistance Program	5,311	CDBG
Total Income	\$504,071	
<u>Program</u>	<u>Amount Received</u>	<u>Source</u>
Program Income/Lewiston		
Homebuyer Program	\$1,870	HOME
Homeowner Rehab Program	4,070	HOME
Security Deposits	2,711	HOME
Rental Income	0	HOME
Total Income	\$8,651	

4. Loans and Other Receivables

a. **Properties Acquired with CDBG Funds and Available for Sale**
None

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

62 Harvard Street, Auburn
 11 Walker Street, Lewiston

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

LOAN PROGRAM	Source	PORTFOLIO BALANCE	# OF LOANS
Rehabilitation Loan Program	CDBG	\$2,167,366.90	382
Down payment Assistance Loan Program	CDBG	2,477.43	2
Commercial Program	CDBG	460,683.91	6
Miscellaneous Income	CDBG	128,056.88	7
Heating Assistance Loan Program	CDBG	81,405.84	99
Neighborhood Stabilization Program	CDBG	640,557.01	7
Homebuyer Program	HOME	468,143.79	21
Homeowner Rehab Program	HOME	755,329.62	62
Security Deposit Loan Program	HOME	23,571.25	55
Rental Housing	HOME	690,000.00	3
Maine Cities	Misc	24,237.57	4
Gorman Foundation	Misc	12,893.75	27
Total Loan Portfolio		\$ 5,481,348.95	675

- d. **Deferred Loans:** There are 18 Spot Rehab loans that processed prior to 1994 where the deferral runs until the property is sold. The principal balance of these loans is \$60,014. After 1994, the deferred payment loans were awarded for a two-year period. There are 151 deferred payment loans. The principal balance of these loans is \$788,985. 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:** 4 loans to be forgiven after an occupancy period. The principal balance is \$18,700.
- f. **Default:** 7 Security Deposit loans were classified as uncollectible in FY2015 for \$3,718. The City carries a loss reserve on the balance sheet of \$73,229 for CDBG and \$3,974 for HOME.
- g. **Loan Portfolio Losses in 2015:** The following losses are as a result of 3 loans which went through foreclosure and one loan which was classified as uncollectible.

LOAN PROGRAM	AMOUNT OF LOSS
Rehabilitation Loan program	63,991
Homebuyer	40,000
Homeowner Rehab	5,997
TOTAL	\$109,988

The end of program year 2015 started a transition for the Community Development Department. A key staff person retired after 35 plus years taking with her much knowledge and expertise. The department was combined with Economic Development, Planning and Permitting, and Code Enforcement to become the Department of Economic and Community Development. We lost a part-time Administrative Assistant and the duties of this position have been absorbed by the Accounting, Compliance and Underwriter, formerly known as the Community Development Coordinator. As we adjust to these changes we will move forward to implement the goals outlined in the Consolidated Plan and annual Action Plan.

2015-19 Consolidated Plan Strategies and Outcomes

Auburn

Activity:	5 Year Objectives	Year 1	Year 2	Year 3	Year 4	Year 5	Ongoing Total	Percentage of Goal Met
a. Support People in their Efforts to Transition out of Poverty	1,000 persons	300					300	30%
b. Prevent Deterioration of Housing Stock	90 homeowner housing	13					13	15%
c. Prevent Deterioration of Housing Stock	100 Homeowner and Rental Housing made Lead Safe	20					20	20%
d. Prevent Deterioration of Housing Stock	40 rental units	10					10	25%
e. Prevent Deterioration of Housing Stock	500 target area buildings inspected by Code Enf	111					111	23%
f. Promote Jobs and Development	20 businesses assisted	0					0	0%
g. Make Neighborhood Streets Safer and More Walkable	3,000 linear feet of repaved sidewalks	0					0	0%
h. Prevent Homelessness	200 homeless assisted with case management	118					118	59%
i. Prevent Homelessness	125 homeless or at risk assisted with security deposits	24					24	20%
j. Increase Owner Occupancy	25 renters assisted to purchase a home	2					2	4%
k. Improve Parks	2 city parks/1 upgraded and 1 new	1					1	50%
l. Support Community Gardens	3 community gardens	1					1	33%
m. Support Construction of Affordable Housing Units	60 new affordable rental units	0					0	0%
n. Support Fair Housing	4 landlord and 4 tenant workshops 4 poster fairs	1 0 1					1 0 1	17%

2015-19 Consolidated Plan Strategies and Outcomes
Lewiston

Activity:	5 Year Objectives	Year 1	Year 2	Year 3	Year 4	Year 5	Ongoing Total	Percentage of Goal Met
a. Prevent Homelessness	125 homeless or near homeless assisted with security deposits	23						19%
b. Improve Safety and Energy Efficiency of Housing Stock	10 homeowner housing rehabilitated	0						0%
c. Improve Safety and Energy Efficiency of Housing Stock	50 affordable rental units constructed	0						0%
d. Create Stable and Diverse Mixed-Income Neighborhoods	17 renters to become owners	1						1%