



# Second Program Year CAPER

The CPMP Second Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

## GENERAL

### Executive Summary

The City of Farmington 2010 Annual Action Plan fiscal year ran from October 1, 2010 to September 30, 2011. The year's grant amount was \$465,653. This Consolidated Annual Performance and Evaluation Report (CAPER) is the Second in the current 2009-2014 Consolidated Plan's five year cycle.

Table 1

2010 CAPER - Total Budget and Expenditure by Active Project									
Eligible Activities	Type of Project	2010 Budget	Total Amended Budget All Years	Total Project Drawdowns	Total Project Balance as of 10/21/2011	Percent of Total Project Budget Remaining	Outcome Objectives	National Objectives	Notes
Pedestrian Transportation Infrastructure	Capital Improvement		\$ 225,000	\$ 216,220	\$ 8,780	3.9%	LMA	SL-3	Waiting for Last Invoice
Production of new rental units 570.201(m)	Capital Improvement	\$ 279,000	\$ 279,000	\$ 268,000	\$ 11,000	3.9%	DH-2	LMH	Waiting for Last Invoice
3 Transitional Housing 570.201(c)	Capital Improvement	\$ 65,000	\$ 244,963	\$ 244,963	\$ -	0.0%	SL-1	LMH	Completed
05L Child Care Services 570.201(e)	Public Service	\$ 17,800	\$ 107,800	\$ 107,790	\$ 10	0.01%	EO-1	LMC	Completed
05A Senior Services 570.201(e)	Public Service	\$ 20,000	\$ 117,000	\$ 115,765	\$ 1,235	1.1%	SL-1	LMC	Completed
Rental assistance	Public Service	\$ 19,000	\$ 136,007	\$ 134,107	\$ 1,900	1.4%	DH-2	LMC	Waiting for 10% Admin Invoice
05 Public Service Classes 570.201(e)	Public Service	\$ 13,000	\$ 38,000	\$ 35,130	\$ 2,870	7.6%	EO-1	LMC	Completed
21A General Program Administration	Planning and Administrative	\$ 51,853	\$ 525,309	\$ 520,453	\$ 4,856	0.9%			
	<b>Total 2010 Budget</b>	<b>\$ 465,653</b>			<b>\$ 21,871.50</b>	<b>4.7%</b>			
New Amended Project from 2010 Annual Action Plan									
Downtown Streetscape and Façade Improvements	Economic Development	\$ 250,000	\$ 250,000	\$ 36,400	\$ 213,600		EO-1	LMA	Underway

## General Questions

1. *Assessment of the one-year goals and objectives:*
  - a. *Describe the accomplishments in attaining the goals and objectives for the reporting period.*

1. **Production Of New Rental Units** – On October 20, 2011, City staff attended the ribbon cutting ceremony celebrating the opening of the new affordable rental units at 401 West Animas Street. A total of 8 units were developed and there is a potential of another phase of an additional 2 to 4 units. A single family home was remodeled and a new 7 unit complex was constructed. The units are expected to be completely occupied prior to the end of 2011.



- 2. Transitional Housing** – The transitional housing funds were allocated through the RFP process to MASADA House. A home was purchased and renovated into a 7-bed transitional housing facility to treat women in addiction. This facility is now completed. A contract has been signed with a federal probation agency to provide clients and funding to operate the facility. The hiring of staff is underway and the first clients should move in by November 14, 2011.



- 3. Child Care** – The San Juan College Daycare program has again provided excellent services to the community by assisting low-income fulltime students who need daycare to be able to stay in school. This year, with a budget of \$17,800, 23 families with 30 children were assisted with 23,553 hours of daycare service.
- 4. Senior Home Care** – The Senior Home Care project has again provided home and respite care to frail elderly, who are over 65 with documented medical conditions. This year, with a budget of \$20,000, 25 clients received a total of 1,090 hours of service.
- 5. Emergency Rental Assistance** - San Juan County Partnership provided emergency rental assistance in the form of eviction prevention and move-in assistance to the homeless and potential homeless. This year, with a budget of \$19,000, 20 families with a total 38 children were provided rental assistance. Seven of the families were provided with eviction prevention that kept them from becoming homeless. Four persons assisted had a physical disability.

6. **Public Service Classes** – San Juan College provided English Proficiency, Parenting, and Life Skills classes to the public. Their budget of \$13,000 was added to remaining funds from the prior year for a total budget of \$27,916.91. During this year, 665 clients were assisted with a total of 2,016 hours of class time. There were 6 persons assisted with a disability.
7. **Downtown Façade and Streetscape Improvements** - The Façade project is well underway. A total of 19 individual projects have been selected through the RFP process for funding ranging from \$829 to \$22,000. At the time of writing this CAPER, three of the projects have been completed and closed out and 16 have been given notices to proceed.





8. **Pedestrian Infrastructure Sidewalk Project** – The last of the sidewalk project funding has been expended on Hydroplant Road. This segment was constructed in conjunction with the Safe Walks to School program and it provides an accessible route to McCormick Elementary School in a low income residential neighborhood that does not have sidewalks.



- b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.

Table 2 below shows budgeting and expenditures for all active CDBG projects. The columns include the 2010 budget, the total budget for active projects, total project drawdowns as of 10/21/2011, and the percent of total funds remaining. The CDBG National Objectives and Outcome Objectives for each project are shown. The definitions of the objectives are shown on Tables 2A and 2B below.

Table 2

2010 CAPER - Total Budget and Expenditure by Active Project									
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21A General Program Administration	Planning and Administrative	\$ 51,853	\$ 525,309	\$ 520,453	\$ 4,856	0.9%			
	<b>Total 2010 Budget</b>	<b>\$ 465,653</b>			<b>\$ 21,871.50</b>	<b>4.7%</b>			
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Downtown Streetscape and Façade Improvements	Economic Development	\$ 250,000	\$ 250,000	\$ 36,400	\$ 213,600		EO-1	LMA	Underway

Table 2A

Outcome Objective Definitions			
	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

Table 2B

National Objective Definitions	
LMC	Low Moderate Income Clientele
LMA	Low Moderate Area
LMH	Low Moderate Housing
SBA	Blight Area
SBR	Blight Urban Renewal

Table 3 shows a breakdown of budgets and expenditures by type of HUD Objectives for all active 2010 projects.

Table 3

2010 Project Expenditures by Outcome Objectives								
Projects	SL-1	SL-2	SL-3	DH-1	DH-2	DH-3	EO-1	
Pedestrian Transportation Infrastructure		\$ 225,000						Budget
		\$ 216,220						Expenditures
Production of new rental units 570.201(m)				\$ 279,000				Budget
				\$ 268,000				Expenditures
3 Transitional Housing 570.201(c)	\$ 244,963							Budget
	\$ 244,963							Expenditures
05L Child Care Services 570.201(e)							\$ 107,800	Budget
							\$ 107,790	Expenditures
05A Senior Services 570.201(e)	\$ 117,000							Budget
	\$ 115,765							Expenditures
Rental assistance					\$ 136,007			Budget
					\$ 134,107			Expenditures
05 Public Service Classes 570.201(e)							\$ 38,000	Budget
							\$ 35,130	Expenditures
Downtown Façade and Streetscape							\$ 250,000	Budget
							\$ 36,400	Expenditures
<b>Total Budgeted</b>	\$ 361,963	\$ 225,000	\$ -	\$ 279,000	\$ 136,007	\$ -	\$ 395,800	Budget
<b>Total Expended</b>	\$ 360,728	\$ 216,220	\$ -	\$ 268,000	\$ 134,107	\$ -	\$ 179,319	Expenditures
	SL-1	SL-2	SL-3	DH-1	DH-2	DH-3	EO-1	

- c. *If applicable, explain why progress was not made towards meeting the goals and objectives.*

**Downtown Façade and Streetscape Improvements** – Even though the Façade project is well underway, there have been a number of factors that have affected the implementation of this project.

The New Mexico State Historic Preservation Office has held up some of the projects that have involved the replacement of windows in contributing historic buildings. Of the three projects that had window replacements only one has received approval at the time of writing this report.

It also took significant effort to advertise the availability of funds and to gather momentum in the historic downtown district to begin a significant number of projects. There were six different public offerings of the RFP to end up with the 19 current projects and allocate all of the available funds; so, many of the individual projects began late in the fiscal year.

2. *Describe the manner in which the recipient would change its program as a result of its experiences.*

The number one change that the City of Farmington CDBG Division would like to see is an increase to the 15% public service cap. The majority of highly ranked community needs relate to public service projects.

3. *Affirmatively Furthering Fair Housing:*
  - a. *Provide a summary of impediments to fair housing choice.*

The following come directly from the findings of the 2011 Analysis of Impediments to Fair Housing Choice. For a full description of the identified impediments and the source data please refer to the 2011 Analysis of Impediments to Fair Housing Choice, which is available on-line on the City of Farmington Web Page:

[http://www.fmtn.org/city\\_government/community\\_development/community\\_development\\_block\\_grant.html](http://www.fmtn.org/city_government/community_development/community_development_block_grant.html)

## **Summary of Impediments and Potential Actions**

### **i. Economic Impediments**

#### **≠ Impediment Identified: Unemployment**

The abrupt increase in unemployment due to the recession has directly impacted a family's ability to afford housing and has placed many in jeopardy of homelessness.

#### **≠ Impediment Identified: Income by Race, Age, and Family Type**

American Indian and Hispanic Families, the Under 25 and Over 65 Years age groups, and Female Householders earn significantly less than the MFI. This decreases their ability to afford housing and limits their ability to make choices in the type and location of their housing.

#### **≠ Impediment Identified: Race and Age in Poverty**

American Indian families, families with children under 18, and households over 65 years have a disproportionately high percentage in poverty.

#### **≠ Impediment Identified: Disability**

The median earnings of individuals with a disability are 27.6% of those who are not disabled. In all age groups, the disabled are significantly more likely to live in poverty.

### **ii. Geographic Segregation Impediment**

#### **≠ Impediment Identified: Racial Segregation by Geographic Area**

Disproportionate ethnic concentrations have been found in 5 of the 35 block groups in Farmington.

### iii. **Affordability Impediments**

#### **≠ Impediment Identified: Rental Affordability**

Native American families, young and old families, and Female Householders are less likely to be able to afford rental housing, especially three or four bedroom units.

#### **≠ Impediment Identified: Purchase Affordability**

The median income of Native American families, young and old families, and Female Householders are unable to afford to purchase any type of median priced housing in Farmington.

### iv. **Credit and Lending Impediments**

#### **≠ Impediment Identified: Loan Denial Rate by Race**

The percent of loans denied by race is disproportionately high for American Indian and Hispanic families. Also, during the housing downturn in 2008 there was a spike in their denial rates.

#### **≠ Impediment Identified: Loan Approval Rates for Minorities in Equal Income Groups**

The percent of loans approved by race is disproportionately low for American Indian and Hispanic families even when looking at equal income groups.

#### **≠ Impediment Identified: Credit History and Lending Approval Rates**

81 percent of all American Indian loan denials and 71 percent of all Hispanic loan denials were due to poor credit history.

#### **≠ Impediment Identified: Loan Denial Rates by Geographic Area**

There is a connection between census tracts with high loan denial rates and census tracts with a high percentage of minorities. There is also a strong connection between census tracts with the lowest denial rates and with a very low percentage of minorities and low income.

#### **≠ Impediment Identified: Higher Loan Rates for Lower Income Families**

The lowest cost loans are provided to those who earn more than 120% of the MFI. Loans for those who earn 50% to 79% of the MFI cost more in Farmington than the National median loan rate and more than the over 120% income group.

#### **≠ Impediment Identified: Higher Loan Rates for Minorities**

Loans with the lowest costs above the prime rate are located in the census tracts with the lowest percentage of minority population.

**≠ Impediment Identified: Predatory Lending**

From public input, the problems with credit history for minorities, and the reported information in this report, Predatory Lending is an issue in the community.

**v. Zoning Impediments**

**≠ Impediment Identified: Limited land area zoned for Low Income Housing**

Zoning in Farmington that is suitable for the development of low income housing makes up only 8.6 percent of the land area, whereas the remaining residential zones make up 67.8 percent of the city.

**≠ Impediment Identified: Nonconforming Uses**

Lending Institutions will not make loans on older residential uses that are nonconforming to current zoning or considered "Grandfathered".

**≠ Impediment Identified: NIMBY "Not in My Backyard"**

Public outcry against affordable housing or multi-family construction has limited its development in the community. This fact is evidenced in the zoning analysis showing the low percentage of land with zoning appropriate for the development of affordable housing.

**vi. Discrimination Impediments**

**≠ Impediment Identified: Discrimination Complaints**

Staff has found substantiated public complaints of discrimination. A single substantiated complaint must be considered an impediment in this report. Also, the Fair Housing Survey revealed that housing discrimination may occur at a higher rate in Farmington than other locations in the state and other locations that the survey contractor, BBC, has done work in.

\*\*\* Note: The substantiated complaints referred to in this impediment relate to complaint data provided by the HUD Fair Housing Department and the Farmington Community Relations Commission (CRC). In the last five years, HUD received 2 substantiated complaints, one in 2005 and one in 2006, in Farmington the CRC received 1 substantiated complaint in 2009. Please see the 2011 Analysis of Impediments to Fair Housing Choice (pages 72-77) for details of this impediment.

**vii. Knowledge-Based Impediments**

**≠ Impediment Identified: Knowledge of Fair Housing Rights**

The Fair Housing Survey conducted for this report indicates that there is a lack of awareness of fair housing rights. The survey respondents indicated that those who experience discrimination do nothing about it. Awareness of

Fair Housing rights and where and how to file a complaint must be increased.

**≠ Impediment Identified: Knowledge of Fair Housing Law**

The Fair Housing Survey conducted for the report indicated that there is a lack of awareness of fair housing law.

*b. Identify actions taken to overcome effects of impediments identified.*

The City of Farmington adopted its new 2011 Analysis of Impediments to Fair Housing Choice (AI) on October 11, 2011. By having the City Council adopt the new AI by resolution, with a unanimous vote, there is an official recognition of the identified impediments and of the actions recommended in the report. This new AI is much more comprehensive than the City's first AI and includes a variety of actions for the City to pursue in the 2011 fiscal year. One action that did occur this year in anticipation of the new 2011 AI was a public display of Fair Housing Literature in English and Spanish at the Farmington Home Show.

Additionally, on November 7, 2011, CDBG staff presented the 2011 AI to the City of Farmington Community Relations Commission (CRC), which is the local agency that looks into discrimination complaints. During that presentation, public awareness actions were discussed that the CDBG Division and the CRC can work on together.

The City of Farmington looks forward to more fully reporting on its actions to overcome identified impediments in next year's CAPER.

*4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.*

Production of New Affordable Rental Units – Not only were new affordable units created this year, but by requiring, in the RFP process, a mix of 2, 3, and 4 bedroom units to be developed, CDBG staff attempted to address the needs of larger low income families and avoid overcrowding.

Child Care Assistance – Young families disproportionately suffer a higher percentage of poverty. To address this need, this project has provided daycare assistance for low income families who are attending San Juan College and trying to improve themselves.

Elderly and Disabled Home Making Services – This project addresses the needs of the frail elderly by giving them a helping hand to so they can live in their own homes longer. The home care recipients have a service provider visit them for 2 hours each week and the respite care recipients have a service provider visit for 6 hours each week. The assistance provided varies and could be cooking, cleaning, errands, or driving.

Public Service Classes – The three different classes provided this year were Parenting, Life Skills, and English as a Second Language. These three classes provided critical basic adult education skills to low income persons and helped give

them a boost. These classes were considered an Economic Opportunity objective outcome for CDBG reporting, but more importantly the individuals who took these classes will improve their chances and the chances of their children.

5. *Leveraging Resources*

- a. *Identify progress in obtaining "other" public and private resources to address needs.*

The City of Farmington adopted an Affordable Housing Strategic Plan this year and is now working on an Affordable Housing Ordinance. When completed other sources of funding for affordable housing may be available to the City from the MFA.

The City of Farmington additionally supports Community Service Agencies through service contracts that benefit the community. Table 4 below, details the Farmington fiscal year 2010 budget for Community Services.

Table 4

<b>City of Farmington 2010 Community Service Budget</b>	
Total Behavioral Health	\$ 100,000
4 Winds Recovery Center	\$ 273,600
The Roof Operations Contract	\$ 57,000
Family Crisis Center	\$ 12,000
Path	\$ 15,000
Childhaven	\$ 24,000
Northwest NM Seniors	\$ 1,400
PMS - Shield/Roundtree	\$ 20,000
4 Winds Grant Pass Thru	\$ 300,000
Safe Communities	\$ 40,000
Total	\$ 843,000

- b. *How Federal resources from HUD leveraged other public and private resources.*

The Downtown Façade Project Only was the only 2010 CDBG projects that specifically leveraged any other additional Federal or private funds. That project offered up to \$20,000 in one to one matching grants along with \$2,000 mini-grants with no matching requirement. A total of \$200,000 was made available for the Façade project. When this project closes, the City will be able to specify the final level of matching that occurred.

## Managing the Process

1. *Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.*

A detailed IDIS drawdown spreadsheet and a contract-based expenditure spreadsheet are used to ensure accurate financial record keeping. CDBG Staff has met with the project contractors and monitored their projects, finances, and client files with informal conversations, invoice review, and with a formal on-site monitoring. All action plan projects had a project summary and eligibility review worksheet completed and turned in for HUD's review with the 2010 Annual Action Plan.

## Citizen Participation

1. *Provide a summary of citizen comments.*

All applicable citizen participation requirements were met or exceeded to create the 2010 CAPER. A public hearing will be held with the City Council on December 13, 2011, for adoption by Resolution and a 30-day public review and a comment period beginning November 13, 2011 was noticed.

The opportunity for language, hearing, and accessibility assistance was made a part of the public notification and the 2010 CAPER was available for public review at the Public Library, City Clerk's Office, Community Development Department, and was posted on the City's web page.

- A copy of the Adopted Resolution is attached at the end of this report
- The Public Hearing advertisement is attached at the end of this report.
- There were no comments from the public submitted in writing or provided during the public hearing.

2. *In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.*

The following Tables 5a through 5n are the contract accounting tables for every 2010 Annual Action Plan. These tables show the agreement and total amount of the contract, the individual payments from the City to the contractor and the date of the payments. At the bottom of the tables are the total expenditures and the contract balance.

Table 5a

<b>M &amp; H Construction, New Rental Construction Contract Accounting</b>		
<b>Fiscal Year</b>	<b>2010</b>	
	Agreement #11-84697 PO 177884	
Budget by Contract	\$ 344,000.00	
Contract Term	<b>February 10, 2011 to September 30, 2012*</b>	
		Date of Payment
	\$ 84,380.73	4/4/2011
	\$ 95,954.41	4/26/2011
	\$ 28,496.32	6/1/2011
	\$ 31,293.52	8/1/2011
	\$ 2,398.75	8/16/2011
	\$ 25,447.01	8/30/2011
Total Expenditures	\$ 267,970.74	
Contract Balance	\$ 76,029.26	

Table 5b

<b>MASADA House Transitional Housing Contract Accounting</b>		
Fiscal Year	<b>2010</b>	
	Agreement #10-81092	
Budget by Contract	\$ 244,963.00	
Contract Term	<b>January 12, 2011 to September 30, 2011*</b>	
		Date of Payment
	\$ 182,073.44	2/8/2011
(credit at closing)	\$ (1,544.00)	
	\$ 1,100.20	5/10/2011
	\$ 571.25	5/17/2011
	\$ 1,577.81	5/17/2011
	\$ 3,150.60	5/17/2011
	\$ 144.38	5/17/2011
	\$ 1,015.09	5/17/2011
	\$ 2,790.71	5/24/2011
	\$ 2,128.04	5/24/2011
	\$ 82.37	5/24/2011
	\$ 676.46	5/24/2011
	\$ 1,000.00	5/24/2011
	\$ 5,163.43	5/24/2011
	\$ 1,179.07	5/24/2011
	\$ 11,841.60	5/24/2011
	\$ 200.33	5/24/2011
	\$ 5,347.50	5/24/2011
	\$ 847.22	7/19/2011
	\$ 8,962.81	7/19/2011
	\$ 12,061.60	8/30/2011
	\$ 4,593.09	9/6/2011
Total Expenditures	\$ 244,963.00	
Contract Balance	\$ -	

Table 5c

<b>Daycare Assistance San Juan College Contract Accounting</b>		
Fiscal Year	<b>2010</b>	
	Agreement #11-34024 PO# 178383	
Budget by Contract	\$ 23,475.29	
Contract Term	<b>October 1, 2010 to September 30, 2011</b>	
		Date of Payment
	\$ 6,090.89	2/8/2011
	\$ 4,141.77	4/19/2011
	\$ 3,138.39	4/19/2011
	\$ 4,315.27	5/24/2011
	\$ 3,852.43	10/11/2011
	\$ 1,926.25	9/27/2011
Total Expenditures	\$ 23,465.00	
Contract Balance	\$ 10.29	

Table 5d

<b>Senior Home Care NW NM Seniors Contract Accounting</b>				
Fiscal Year	<b>2009</b>		<b>2010</b>	
	PO# 176764		Change Order #1	
Budget by Contract	\$ 20,000.00		\$ 20,000.00	
Contract Term	<b>March 10, 2010 to Sept 30, 2010</b>		<b>Oct 21, 2010 to Sept 30, 2011</b>	
		Date of Payment		Date of Payment
	\$ 1,120.97	4/20/2010	\$ 4,019.87	1/25/2011
	\$ 2,428.17	6/8/2010	\$ 2,004.79	3/8/2011
	\$ 2,012.56	6/22/2010	\$ 1,776.95	3/22/2011
	\$ 2,357.49	8/3/2010	\$ 2,022.48	4/26/2011
	\$ 2,559.67	10/26/2010	\$ 1,603.09	5/24/2011
	\$ 3,178.66	10/26/2010	\$ 2,134.92	6/28/2011
	\$ 3,658.00	11/9/2010	\$ 1,472.46	8/2/2011
	\$ 2,684.48	11/23/2010	\$ 2,107.84	8/16/2011
			\$ 2,166.97	9/27/2011
			\$ 690.63	11/1/2011
Total Expenditures	\$ 20,000.00		\$ 20,000.00	
Contract Balance	\$ -		\$ -	

Table 5e

<b>Rental Assistance San Juan County Partnership Contract Accounting</b>		
Fiscal Year	<b>2010</b>	
	Agreement #11-86632 PO# 178383	
Budget by Contract	\$ 19,000.00	
Contract Term	<b>April 12, 2011 to September 30, 2011</b>	
		Date of Payment
	\$ 11,399.00	8/2/2011
	\$ 2,743.00	9/20/2011
	\$ 1,455.00	9/27/2011
	\$ 1,503.00	11/1/2011
	\$ 1,900.00	Pending
Total Expenditures	\$ 19,000.00	
Contract Balance	\$ -	

Table 5f

<b>Public Service Classes - San Juan College - ESL, Parenting, Life Skills Contract Accounting</b>				
Fiscal Year	<b>2009</b>		<b>2010</b>	
	# 10-82933		PO # 177772	
Budget by Contract	\$ 25,000.00		\$ 27,916.91	
Contract Term	<b>May 18, 2010 to Sept 30, 2010</b>		<b>Oct 21, 2010 to Sept 30, 2011</b>	
Date Expenditures		Date of Payment		Date of Payment
	\$ 1,191.70	8/3/2010	\$ 599.79	3/8/2011
	\$ 5,737.22	10/26/2010	\$ 2,826.18	3/15/2011
	\$ 1,621.50	10/26/2010	\$ 1,509.62	3/22/2011
	\$ 1,532.67	11/9/2010	\$ 2,207.32	8/30/2011
			\$ 3,774.30	8/30/2011
			\$ 1,586.12	8/30/2011
			\$ 6,125.81	8/30/2011
			\$ 3,436.12	10/18/2011
			\$ 2,981.18	10/18/2011
Total Expenditures	\$ 10,083.09		\$ 25,046.44	
Contract Balance	\$ 14,916.91		\$ 2,870.47	

This balance transferred into next agreement.

Table 5g

Downtown Façade		
	<b>Wal-Art</b>	
	PO 178462	
Budget by Contract	\$ 22,000.00	
Contract Term	<b>May 18, 2010 to Sept 30, 2010</b>	
		Date of Payment
	\$ 2,000.00	7/26/11
	\$ 17,982.61	7/26/11
	\$ 2,017.39	8/16/11
Total Expenditures	\$ 22,000.00	
Contract Balance	\$ -	

Table 5h

Downtown Façade		
	<b>Advantage 2U</b>	
	PO 178858	
Budget by Contract	\$ 22,000.00	
Contract Term	<b>June 30, 2011 to Mar 1, 2012</b>	
		Date of Payment
	\$ 1,769.00	8/11/11
Total Expenditures	\$ 1,769.00	
Contract Balance	\$ 20,231.00	

Table 5i

Downtown Façade		
	<b>KMD</b>	
	PO 178844	
Budget by Contract	\$ 4,200.00	
Contract Term	<b>June 16, 2011 to March 1, 2012</b>	
		Date of Payment
	\$ 4,199.37	8/23/11
Total Expenditures	\$ 4,199.37	
Contract Balance	\$ 0.63	

Table 5j

Downtown Façade		
	<b>Brown's Shoe Fit</b>	
	PO 178936	
Budget by Contract	\$ 5,500.00	
Contract Term	<b>June 30, 2011 to Mar 1, 2012</b>	
		Date of Payment
	\$ 5,147.00	Pending
Total Expenditures	\$ 5,147.00	
Contract Balance	\$ 353.00	

Table 5l

Downtown Façade		
	<b>Andrea Kristina's</b>	
	PO 178859	
Budget by Contract	\$ 7,000.00	
Contract Term	<b>July 1, 2011 to March 1, 2012</b>	
Date Expenditures		Date of Payment
	\$ 5,700.00	9/20/2011
Total Expenditures	\$ 5,700.00	
Contract Balance	\$ 1,300.00	

Table 5m

Downtown Façade		
	<b>Front Line Mission</b>	
	PO 178928	
Budget by Contract	\$ 7,000.00	
Contract Term	<b>July 1, 2011 to March 1, 2012</b>	
Date Expenditures		Date of Payment
	\$ 2,452.00	Pending
Total Expenditures	\$ 2,452.00	
Contract Balance	\$ 4,548.00	

Table 5n

<b>Downtown Façade</b>		
	<b>My Father's House</b>	
	PO 178961	
Budget by Contract	\$ 7,000.00	
Contract Term	July 1, 2011 to March 1, 2012	
Date Expenditures		Date of Payment
	\$ 2,452.00	Pending
Total Expenditures	\$ 2,452.00	
Contract Balance	\$ 4,548.00	

Table 6 shows the geographic distribution of the total budget and expenditures by project and breaks all of the active projects down into two categories, community wide or targeted neighborhoods. Projects that are community wide are open to everyone in the City limits though most have income limitations (Low-Mod Clientele, LMC). For example, the Daycare Assistance project is not location specific but open to qualifying student parents in the community. Projects in targeted neighborhoods, (Low-Mod Area, LMA) have a presumed low-mod income benefit due to the economic conditions within a particular neighborhood that the project serves. For example, the ongoing sidewalk project is assumed to help low-mod families because the sidewalks are located within a low-mod targeted neighborhood.

Table 6

<b>2010 CAPER Geographic Distribution of the Total Budget and Expenditures by Project</b>				
	Community Wide		Targeted Neighborhoods	
	Budgeted	Expended	Budgeted	Expended
<b>Pedestrian Transportation</b>			\$ 225,000	\$ 216,220
<b>Production of new rental units</b>	\$ 279,000	\$ 268,000		
<b>3 Transitional Housing</b>	\$ 244,963	\$ 244,963		
<b>05L Child Care Services</b>	\$ 107,800	\$ 107,790		
<b>05A Senior Services</b>	\$ 117,000	\$ 115,765		
<b>Rental assistance</b>	\$ 136,007	\$ 134,107		
<b>05 Public Service Classes</b>	\$ 38,000	\$ 35,130		
<b>Downtown Façade and</b>			\$ 250,000	\$ 36,400
<b>Totals</b>	\$ 922,770	\$ 905,754	\$ 475,000	\$ 252,619
<b>Percent by Geographic Type</b>	<b>66.0%</b>	<b>78.2%</b>	<b>34.0%</b>	<b>21.8%</b>
	Budgeted	Expended	Budgeted	Expended
	<b>Community Wide</b>		<b>Targeted Neighborhoods</b>	

The following map details the project locations of the 2010 Downtown Façade Project.





## **Institutional Structure**

1. *Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.*

The City of Farmington has continued as an active member in the Affordable Housing Alliance (AHA), which is now under the umbrella of the San Juan Safe Communities Initiative. Participation in these groups helps to ensure communication between public entities, non-profit service organizations, and for profit developers. The City of Farmington has also involved staff from San Juan County, the Cities of Aztec and Bloomfield, and members of AHA in the Affordable Housing Strategic Plan processes.

## **Monitoring**

1. *Describe how and the frequency with which you monitored your activities.*

The City of Farmington monitors the CDBG program in the following ways:

- Training
- Informal Monitoring
- Formal Monitoring
- Invoice Monitoring
- Financial Monitoring
- Contract Monitoring
- Accomplishments
- CAPER
- Long Term Monitoring

Training – The CDBG Division works with the management and case workers of partner agencies to ensure that all key personnel understand their contract's scope of services, pertinent Federal Regulations, and accomplishment reporting. This occurs after contracts are signed and as part of the project startup. This year, all project contractors were provided training.

Informal Monitoring – Farmington is a relatively small community and the CDBG Division staff has frequent contacts with its partner agencies. Phone calls are also made to check up on specific issues or just to see how things are going. Occasionally memos to the project file are created to document these conversations.

Formal On-Site Monitoring – At the request of (and with the assistance of) the City's HUD representative, the CDBG Division has developed a multi-page monitoring worksheet. This worksheet included a wide variety of review questions and regulation compliance check-offs. The partner agency is provided a copy of the worksheet and an appointment is made for an on-site visit. During that visit, case files are reviewed, the worksheet is filled out, and any findings or concerns are noted. A copy of the final worksheet is provided to the partner agency for their review. Any findings or concerns will be corrected and documentation of the fixes kept in the project file. All public service contracts get an annual formal monitoring.

**Invoice Monitoring** – All partner agencies are required to submit documented invoices for CDBG payments. The documentation must include justification of paid expenses and required accomplishments. The CDBG Division reviews the invoices to ensure that they are both eligible and reasonable costs. This is the most frequent type of monitoring that occurs, as it is performed with every invoice submitted.

**Financial Monitoring** – This new type of annual monitoring reviews the progress made in the implementation of the CDBG project and the progress of spending project funds prior to targeted project completion dates. A report on this monitoring is developed after March 31 or the end of the second CDBG fiscal quarter.

**Contract Monitoring** – The CDBG Division monitors expenditures by project contract to ensure that funds are being drawn down in a timely manner and to ensure contract compliance. This type of monitoring is linked to the processing of invoices and the annual Financial Monitoring.

**Accomplishments** – All contracts for CDBG projects include, in the scope of services, a requirement to provide an end of the year accomplishment report. These include all data required to report accomplishments in HUD's IDIS web page.

**CAPER** – The Consolidated Annual Performance Evaluation Report (CAPER) is a summary of the year's monitoring efforts. This report is created by the CDBG Division, made available to the public for review and comment, presented to and adopted by the City Council, and submitted to HUD for Federal review. The CAPER focuses on accomplishments, financial reporting, and compliance with Federal regulations.

**Long Term Monitoring** - The City of Farmington has developed some CDBG projects that have long term compliance requirements such as the development of housing, the operation of facilities, and liens on properties that are forgivable over time. These types of projects and long term scopes of services require an annual monitoring effort for 5, 10, or 15 years. Long term monitoring results are included in the annual CAPER.

2. *Describe the results of your monitoring including any improvements.*

All public service projects had Formal On-Site Monitoring this year and the worksheets are attached in the appendix of this report.

The following are the results of monitoring for the individual 2010 Annual Action Plan projects this year:

**Production Of New Rental Units** – This year, monitoring has consisted mostly of training and invoice review. There were a number of issues in the submitted invoices involving insufficient documentation of, but that has been resolved through training. The project will be occupied in the 2011 Federal fiscal year and compliance monitoring for the operation of the facility will be reported in the next CAPER.

**Transitional Housing** – Monitoring for Masada House has consisted mostly of training and invoice review, although there has been significant informal contact as

Masada House has progressed through the construction phase. CDBG staff also visited the site during construction. The project will be occupied in 2011 and compliance monitoring for the operation of the facility will be reported in the next CAPER.

**Child Care** – The San Juan College Daycare’s monitoring visit revealed an issue with the scope of services. The level of assistance is set in the contract from 100 to 50 percent to be determined by the provider based upon the number persons qualifying. However, some time in the past, the number of qualifying students divided into the amount of the CDBG budget brought the level of assistance to less than 50 percent. When the project was originally developed, the minimum assistance level of 50 percent was established to ensure that the level of assistance provided was meaningful. This issue has been resolved by giving out the 50 percent assistance to the qualifying students with the lowest incomes.

**Senior Home Care** – The tracking of invoices and remaining balances has required some additional work with this project, in the past, but with some additional informal monitoring and the mid-year financial monitoring, this year has significantly improved.

**Emergency Rental Assistance** – The on-site monitoring went well this year for this project. However, the end of the year accomplishment report was turned in late and did not comply with the scope of services. New funding for this project in the 2011 Annual Action Plan has been approved. When the new agreement with the provider is signed CDBG staff will set up a training meeting to ensure that accomplishments are accurately reported.

**Public Service Classes** – During the two on-site monitoring visits, one for English Proficiency and one for Parenting and Life Skills classes, there were some important findings.

- Some of the classes took a long time to get started.
- Income verification was not being signed by the intake personnel.
- Some persons with too high of an income were being admitted to the classes.
- Invoices were not being turned in with adequate documentation.

Follow up meetings were held for these issues and compliance was obtained by the end of the program year. The college conducted its own review of the invoice issues and CDBG staff was asked for input. The college did not reapply for funding for these classes in the 2011 Annual Action Plan year and these classes have been canceled.

**Downtown Façade and Streetscape Improvements** – There have been significant training discussions with the 19 individual project representatives and invoice monitoring has ensured that only eligible expenses are reimbursed. CDBG staff has made numerous site visits to the project locations to view improvements in progress, assist with the State Historic Preservation Office review, and ensure compliance with the scopes of service.

3. *Self Evaluation*

- a. *Describe the effect programs have in solving neighborhood and community problems.*
- b. *Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.*

The following 2010 Annual Action Plan projects made a difference in the community and met the priority needs of the Consolidated Plan:

**Production Of New Rental Units** – This project has created seven new apartment units, four of which will be affordable units for the next 15 years. Two of the units have three bedrooms and one unit has four bedrooms, which is an attempt to address the issue of overcrowding in the community.

**Transitional Housing** – The Masada House facility meets one of the highest identified needs of the community: Transitional housing that serves the needs of those recovering from dependency.

**Child Care** – Daycare assistance was an identified need in the last two Consolidated Plans. Helping young parents stay in college, by helping with their daycare needs, provides economic opportunities.

**Senior Home Care** – The 2009-2014 Consolidated Plan identified a disproportionate growth in the over 85-years age group and showed a significantly lower median income for those over 65. By providing home care and respite care for the frail elderly, this project is addressing the identified needs of the community.

**Emergency Rental Assistance** – Rental affordability and helping homeless families with children are highly ranked needs in the community. By helping the homeless get into traditional housing and preventing homelessness this project is meeting the identified needs of the community.

**Public Service Classes** – English Proficiency and Parenting and Life Skills classes were very popular and well attended. They provided an economic opportunity to those who attended.

**Downtown Façade and Streetscape Improvements** – The low-income neighborhood surrounding the historic downtown is already exhibiting a visual improvement. The construction activity itself is a sign of renewal and activity in the downtown area. The completion of this project will provide economic opportunity and maintenance of the historic properties.

- c. *Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.*

The creation of new affordable rental units and emergency rental assistance helps to provide a suitable living environment. The public service classes, daycare assistance and the Downtown Façade projects are providing economic opportunity.

d. *Indicate any activities falling behind schedule.*

As discussed elsewhere in this report and shown on Table 1 above, the Downtown Façade project has the highest percentage of remaining funds of all the projects.

e. *Describe how activities and strategies made an impact on identified needs.*

f. *Identify indicators that would best describe the results.*

**Production Of New Rental Units** – This project has created seven new apartment units, four of which will be affordable units for 15 years. Two of the units have three bedrooms and one unit has four bedrooms, which attempts to address the issue of overcrowding in the community.

**Transitional Housing** – The Masada House facility meets one of the highest identified needs of the community, transitional housing that serves the needs of those recovering from dependency.

**Child Care** – Daycare assistance was an identified need in the last two consolidated plans. By helping young parents stay in college by helping with their daycare needs provides an economic opportunity. The City has received a number of antidotal stories about students who have received daycare assistance who could not have stayed in school and have gone on to graduate. These success stories show the impact that this program has had and that it addresses the community's identified economic needs.

**Senior Home Care** – Homemaker and respite services provide an opportunity for the elderly to live at home or with family and stay out of nursing homes longer. The 2009-2014 Consolidated Plan identified a disproportionate growth in the over 85-years age group and showed a significantly lower median income for those over 65. By providing home care and respite care for the frail elderly, this project is addressing the identified needs of the community.

**Emergency Rental Assistance** – By helping the homeless get into traditional housing and preventing homelessness, this project is meeting the identified needs of the community. Twenty families with a total 38 children were provided rental assistance. Seven of the families were provided with eviction prevention that kept them from becoming homeless.

**Public Service Classes** – English Proficiency and Parenting and Life Skills classes were very popular and well attended. They provided an economic opportunity to those who attended.

**Downtown Façade and Streetscape Improvements** – The low-income neighborhood surrounding the historic downtown is already seeing a visual

improvement. The new construction work is a sign of renewal and activity in the downtown area. The completion of this project will provide economic opportunity and maintenance of the historic properties.

- g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.*

The primary barrier was that of funding. The \$465,653 that the City of Farmington received from HUD is a huge benefit to the community. However, there are many directives that HUD expects the City to address. In the Consolidated Plan, CDBG Staff was required to assess the needs of the community, housing, homelessness, poverty, special populations; the list is long and varied. The Consolidated Plan has wonderful strategies and an overall vision of helping every socio-economic segment of society and yet the funds are just not enough to provide meaningful assistance to even those in the greatest need as defined by HUD.

Another significant barrier to fulfilling the goals of the Farmington Consolidated plan is the HUD required 15% service cap. Many of the highest prioritized needs identified in the Consolidated Plan are considered public services by HUD and only 15% of the total grant funds may be used for that type of project. Also, HUD directives to assist certain populations would be best served by program funds not just the construction of new buildings.

- h. Identify whether major goals are on target and discuss reasons for those that are not on target.*

Farmington's major goals are being met. With the exceptions discussed in this report, action plan projects are being successfully run and managed, and goals and objectives of the Consolidated Plan are being met within the limited CDBG budget.

- i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.*

This year with the approval of the 2010 Annual Action Plan two adjustments were made with the amendments to cancel two projects, the Farmington Indian Center and the Transitional Youth Daycare Center. CDBG staff will continue to recommend adjustments in action plan projects as needed and in compliance with the priorities of the Consolidated Plan to ensure funds are expended in a timely manner. While the Five Year Strategic Plan of the 2009 - 2014 Consolidated Plan will drive our program intentions, an ongoing assessment of the needs of the community and our ability to create successful projects will continue to guide our annual action plan project selections.

## **Lead-based Paint**

1. *Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.*

No Action Plan projects required lead-based paint inspections this year. The emergency rental assistance project does not qualify for TBRA status, as it is not Home or Section 8 funded, also the project allows only a one month subsidy which does not activate the 100 day minimum standard of § 35.115 Exemptions.

## HOUSING

### Housing Needs

1. *Describe Actions taken during the last year to foster and maintain affordable housing.*

The City of Farmington City Council adopted its first Affordable Housing Strategic Plan on May 24, 2011. This document built upon the CDBG Division's Housing Affordability 2010 Update and Housing Needs Assessment in the 2009-2014 Consolidated Plan. The Affordable Housing Strategic Plan was approved by the New Mexico Mortgage Finance Authority (MFA). In adopting the plan, the City Council directed city staff to develop an Affordable Housing ordinance. A draft ordinance is now being reviewed and City Staff hopes the ordinance will be adopted before spring 2012.

### Specific Housing Objectives

1. *Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.*
2. *Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.*
3. *Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.*

The Emergency Rental Assistant project addresses affordable housing and the "worst-case" housing needs by helping the homeless get into traditional housing and preventing homelessness. Twenty families with a total 38 children were provided rental assistance. Seven of the families were provided with eviction prevention that kept them from becoming homeless. Of the assisted families, nineteen were in the extremely low-income category and one family was in the low-income category.

The construction of new affordable rental housing units will also help to address the needs of the community.

There was no specific 2010 CDBG project that addresses the purchase of housing.

## Public Housing Strategy

1. *Describe actions taken during the last year to improve public housing and resident initiatives.*

There are no public housing projects in Farmington, or in San Juan County, NM.

## Barriers to Affordable Housing

1. *Describe actions taken during the last year to eliminate barriers to affordable housing.*

**Production Of New Rental Units** – On October 20, 2011, City staff attended the ribbon cutting ceremony celebrating the opening of the new affordable rental units. A total of 8 units were constructed and there is a potential of another phase of an additional 2 to 4 units. A single family home was remodeled and a new 7 unit complex was constructed. The units are expected to be completely occupied prior to the end of 2011.

**Emergency Rental Assistance** - San Juan County Partnership provided emergency rental assistance in the form of eviction prevention and move-in assistance to the homeless. This year, with a budget of \$19,000, 20 families with a total 38 children were provided rental assistance. Seven of the families were provided with eviction prevention that kept them from becoming homeless. Four persons assisted had a physical disability.

## HOMELESS

### Homeless Needs

1. *Identify actions taken to address needs of homeless persons.*
2. *Identify actions to help homeless persons make the transition to permanent housing and independent living.*

The Farmington CDBG budgeted \$19,000 for the Emergency Rental Assistance project with San Juan County Partnership. This year 13 families were provided move-in assistance which gives them their first month's rent to begin independent living.

### Specific Homeless Prevention Elements

1. *Identify actions taken to prevent homelessness.*

**Emergency Rental Assistance** - San Juan County Partnership provided emergency rental assistance in the form of eviction prevention and move-in assistance to the homeless. This year, with a budget of \$19,000, 20 families with a total 38 children were provided rental assistance. Seven of the families were provided with eviction prevention that kept them from becoming homeless. Four persons assisted had a physical disability.

## COMMUNITY DEVELOPMENT

### Community Development

1. *Assessment of Relationship of CDBG Funds to Goals and Objectives*
  - a. *Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.*

Table 7 below, shows the Action Plan Potential Projects List that is part of the 2009 - 2014 Consolidated Plan. The potential projects in bold and shaded in grey relate to the Action Plan projects that are being reported on in this CAPER. This shows that all of this years projects and funding are part of the goals and objectives of the 2009 - 2014 Consolidated Plan. The AHA Ranking number (1-10) was an initial ranking in the Consolidated Plan developed from public input, but other sources of priority ranking were also considered. For example, the Senior Services project was only in the second quartile of ranking from the public input; however, the Housing Needs Assessment identified disproportionate population growth in the over 65 and over 85 age categories which provided further justification for the project.

**Table 7**

<b>Action Plan Potential Projects List</b>						
	<b>Eligible Activities</b>	<b>AHA Ranking</b>	<b>Potential Action Plan Project</b>	<b>Source</b>	<b>Outcome Objectives</b>	<b>National Objectives</b>
<b>Public Facilities and Improvements</b>	01 Acquisition of Real Property 570.201(a)	4.94	Purchase of land in the MRA downtown area for the use of low mod income rental housing.	CDBG and MRA Staff	DH-2	LMH
	03 Public Facilities and Improvements (General) 570.201(c)	6.95				
	03A Senior Centers 570.201(c)	4.83	Expansion of existing facility	AHA Workshop	SL-1	LMC
	03B Handicapped Centers 570.201(c)	6.11	Construction of a Center for Disabled Services	AHA Workshop	SL-1	LMC
	03C Homeless Facilities (not operating costs) 570.201(c)	7.89	Construction or expansion of homeless shelter	CDBG Staff	SL-1	LMH
	<b>03D Youth Centers 570.201(c)</b>	<b>7.79</b>	<b>More youth centers-youth services</b>	<b>AHA Workshop</b>	<b>SL-1</b>	<b>LMA</b>
	03E Neighborhood Facilities 570.201(c)	7.42	Parks and recreation for youths	AHA Workshop	SL-1	LMA
	03F Parks, Recreational Facilities 570.201(c)	6.26	Parks and recreation for youths	AHA Workshop	SL-1	LMA
	03G Parking Facilities 570.201(c)	4.53				
	03H Solid Waste Disposal Improvements 570.201(c)	5.32				
	03I Flood Drain Improvements 570.201(c)	5.16				
	03J Water/Sewer Improvements 570.201(c)	4.89	Sewer line extension in Targeted Low Mod Neighborhoods. Could pay a portion of the line and for hookups.	Engineering Staff	SL-1	LMA/URG
	03K Street Improvements 570.201(c)	5.75	Street improvements for south side community. Making a bridge/cross over across Murray preventing individuals from being hit.	AHA Workshop	SL-1	LMA
	03L Sidewalks 570.201(c)	5.78	Sidewalks	AHA Workshop	SL-1	LMA
	<b>03M Child Care Centers 570.201(c)</b>	<b>7.84</b>	<b>Child care centers- Providing child care services for individuals and families so they are able to search for jobs.</b>	<b>AHA Workshop</b>	<b>SL-1</b>	<b>LMC</b>
	03N Tree Planting 570.201(c)	6.16				
	03O Fire Stations/Equipment 570.201(c)	5.44				
	03P Health Facilities 570.201(c)	6.03				
	03Q Abused and Neglected Children Facilities 570.201(c)	8.21	Expansion of existing facilities	CDBG Staff	SL-1	LMC
	03R Asbestos Removal 570.201(c)	7.05				
	03S Facilities for AIDS Patients (not operating costs) 570.201(c)	5.84				
	03T Operating Costs of Homeless/AIDS Patients Program	7.79	Provide operational funds to increase services	CDBG Staff	SL-1	LMC
	04 Clearance and Demolition 570.201(d)	5.58	Removal of Dilapidated structures in the MRA or Targeted low income neighborhoods.	CDBG Staff	SL-1	LMA/URG
	04A Clean-up of Contaminated Sites 570.201(d)	5.74				
	<b>05 Public Services (General) 570.201(e)</b>	<b>5.97</b>	<b>English Proficiency, Parenting, and Life Skills Classes</b>	<b>Public Hearing Input</b>	<b>EO-1</b>	<b>LMC</b>
	<b>05A Senior Services 570.201(e)</b>	<b>5.68</b>	<b>Programs to assist the seniors</b>	<b>CDBG Staff</b>	<b>SL-1</b>	<b>LMC</b>
	05B Handicapped Services 570.201(e)	6.25	Transportation, daycare, home care	CDBG Staff	SL-1	LMC
	05C Legal Services 570.201(e)	7.11	Legal aide for tenant landlord responsibilities	AHA Workshop	SL-1	LMC
05D Youth Services 570.201(e)	7.44	More youth centers-youth services	AHA Workshop	SL-1	LMA	
05E Transportation Services 570.201(e)	8.06	Extended hours and routes, Sundays and holidays.	AHA Workshop	SL-1	LMA/LMC	
<b>05F Substance Abuse Services 570.201(e)</b>	<b>6.89</b>	<b>Transitional housing-construction for women in substance abuse. Halfway house/or similar for adults coming out of detention, detox</b>	<b>AHA Workshop</b>	<b>DH-1</b>	<b>LMC</b>	
05G Battered and Abused Spouses 570.201(e)	6.58	Transitional living shelters for survivors of domestic violence and their children. Expansion of existing facilities.	AHA Workshop	DH-1	LMC/URG	
05H Employment Training 570.201(e)	8.37	Training of workers who have lost their job		EO-1	LMC	
05I Crime Awareness 570.201(e)	5.72	More funding for community outreach programs	AHA Workshop	SL-1	LMA	
05J Fair Housing Activities (if CDBG, then subject to 570.204)	7.11					
05K Tenant/Landlord Counseling 570.201(e)	6.74	Counsel to handle legal issues concerning mediation between Tenant/Landlord	AHA Workshop	DH-1	LMC	
<b>05L Child Care Services 570.201(e)</b>	<b>6.56</b>	<b>Child care centers- Providing child care services for individuals and families in transitional living so they can look for work. Child care for students at San Juan College for Employment Training</b>	<b>AHA Workshop</b>	<b>EO-1</b>	<b>LMC</b>	
05M Health Services 570.201(e)	6.67					
05N Abused and Neglected Children 570.201(e)	8.68	Expansion of existing facilities.	CDBG Staff	SL-1	LMC	
05O Mental Health Services 570.201(e)	7.63					
05P Screening for Lead-Based Paint/Lead Hazards Poison 570.201(e)	5.03	Testing program for housing or pay for testing for children in poverty	CDBG Staff	SL-1	LMC/LMA	
05Q Subsistence Payments 570.204	6.37					
05R Homeownership Assistance (not direct) 570.204	6.79	Homeownership subsidy such as homebuyer and subsidies for low income/moderate income families	AHA Workshop	DH-2	LMC	
<b>05S Rental Housing Subsidies (if HOME, not part of 5% 570.204)</b>	<b>7.95</b>	<b>Emergency rental assistance to prevent and end homelessness.</b>	<b>AHA Workshop</b>	<b>DH-2</b>	<b>LMC</b>	
05T Security Deposits (if HOME, not part of 5% Admin c	6.79	Move-in assistance	CDBG Staff	DH-2	LMC	
06 Interim Assistance 570.201(f)	5.79					
07 Urban Renewal Completion 570.201(h)	5.95					
08 Relocation 570.201(i)	5.47	Relocation of any families displaced by CDBG project	CDBG Staff	DH-2	LMC	
11 Privately Owned Utilities 570.201(l)	4.68					
12 Construction of Housing 570.201(m)	6.21	Paying for the extension of sewer lines to low income housing development to allow higher density and lower prices.	AHA Workshop	SL-2	LMC/LMA	
13 Direct Homeownership Assistance 570.201(n)	6.37	Affordable housing assistance, down payment matching assistance, paying for points to lower payments.	AHA Workshop	DH-2	LMC	
		1st Quartile <5.93 = Low Need				
		2nd Quartile <6.79 = Med Need				
		3rd Quartile <7.46 High Need				
		4th Quartile <9.15 Highest Need				

**Table 7 Continued**

Rehabilitation	14A Rehab: Single-Unit Residential 570.202	6.74	Home rehab to assist low income	AHA Workshop	DH-2	LMC
	14B Rehab: Multi-Unit Residential 570.202	6.68	Rehab for low income rentals	AHA Workshop	DH-2	LMC
	14C Public Housing Modernization 570.202	7.05				
	14D Rehab: Other Publicly-Owned Residential Buildings	6.42				
	14E Rehab: Publicly or Privately-Owned Commercial/Ind	5.53	Downtown façade improvement matching grant	MRA	EO-3	LMA
	14F Energy Efficiency Improvements 570.202	6.95	Pay for 75% of energy efficiency improvements for families that earn less than 80% MFI	CDBG Staff	DH-2	LMC
	14G Acquisition - for Rehabilitation 570.202	6.26	Purchase dilapidated buildings for rehab	CDBG Staff	SL-2	LMA
	14H Rehabilitation Administration 570.202	5.89				
	14I Lead-Based/Lead Hazard Test/Abate 570.202	6.26	Test building prior to any rehab	CDBG Staff	SL-2	LMA/LMC
	15 Code Enforcement 570.202(c)	6.53	Code enforcement- Hire inspector to keep rentals up to code.	AHA Workshop	DH-1	URG
CDBG	16A Residential Historic Preservation 570.202(d)	4.74				
	16B Non-Residential Historic Preservation 570.202(d)	4.53	Downtown rehab project, matching money for added costs of Historic Preservation	CDBG Staff	EO-3	LMA
	18C Micro-Enterprise Assistance	5.21				
	19C CDBG Non-profit Organization Capacity Building	6.00	Training matching funds for CDBG service providers	CDBG Staff	EO-1	URG
	19D CDBG Assistance to Institutes of Higher Education	5.21				
	19E CDBG Operation and Repair of Foreclosed Property	5.58				
	Acquisition of existing rental units	7.05	Purchase multi-family units which may be lost to redevelopment and retain for low-income rentals	CDBG Staff	DH-2	LMH
<b>Production of new rental units</b>	<b>7.95</b>	<b>Provide money per unit reserved for low income rentals. Extra funding for very low income</b>	<b>AHA Workshop</b>	<b>DH-2</b>	<b>LMH</b>	
Rehabilitation of existing rental units	7.84	Rehab for low income rentals	AHA Workshop	DH-1	LMH	
<b>Rental assistance</b>	<b>8.26</b>	<b>Emergency rental assistance</b>	<b>AHA Workshop</b>	<b>DH-2</b>	<b>LMC</b>	
Acquisition of existing owner units	7.32					
Production of new owner units	7.37					
Rehabilitation of existing owner units	7.26					
Homeownership assistance	8.68	Affordable housing assistance, down payment matching assistance, paying for points to lower payments.	AHA Workshop	DH-2	LMC	
Housing Needed	52. Elderly	7.39	Elderly housing- Retirement homes - Assisted Living	AHA Workshop	DH-1	LMC
	53. Frail Elderly	7.42	Home and Respite Care	CDBG Staff	SL-1	LMC
	54. Persons w/ Severe Mental Illness	7.42	Supported housing for the mentally ill and disabled	AHA Workshop	DH-1	LMC
	55. Developmentally Disabled	7.55				
	56. Physically Disabled	7.53				
	57. Alcohol/Other Drug Addicted	7.63	Substance abuse transitional housing.	AHA Workshop	DH-1	LMC
	58. Persons w/ HIV/AIDS & their families	6.95				
	59. Public Housing Residents	7.05				
	60. Elderly	7.25	Home and Respite Care	AHA Workshop	DH-1	LMC
<b>61. Frail Elderly</b>	<b>7.25</b>	<b>Home and Respite Care</b>	<b>AHA Workshop</b>	<b>DH-1</b>	<b>LMC</b>	
62. Persons w/ Severe Mental Illness	7.10	Construction of a Center for Disabled Services	AHA Workshop	SL-1	LMC	
63. Developmentally Disabled	6.79	Construction of a Center for Disabled Services	AHA Workshop	SL-1	LMC	
64. Physically Disabled	6.95	Construction of a Center for Disabled Services	AHA Workshop	SL-1	LMC	
65. Alcohol/Other Drug Addicted	7.26	Funding for rehab program expansion	AHA Workshop	SL-1	LMC	
66. Persons w/ HIV/AIDS & their families	6.74					
67. Public Housing Residents	6.63					
Homeless Population	1. Homeless Individuals	8.58	Transitional living for adults who are homeless. Improvements to existing emergency shelters	AHA Workshop	DH-2	LMC
	<b>2. Homeless Families with Children</b>	<b>9.15</b>	<b>Homeless facilities for families not just adults. - Homeless facilities- Expand and renovate existing facilities</b>	<b>AHA Workshop</b>	<b>DH-2</b>	<b>LMC</b>
	1 Chronically Homeless	7.53				
	2 Severely Mentally Ill	7.89				
	3 Chronic Substance Abuse	8.11	Provide funds for treatment centers	AHA Workshop	SL-1	LMC
	4. Veterans	8.11	Veterans-rental assistance program for homeless veterans, PMS	AHA Workshop	DH-2	LMC
	5. Persons with HIV/AIDS	6.74				
	6. Victims of Domestic Violence	8.00	Transitional housing. Units for families	AHA Workshop	DH-2	LMC
	7. Youth (Under 18 years of age)	7.84	Transitional living- Adolescents who are transitioning out of foster care/juvenile justice to prepare them to live independently or in supportive housing.	AHA Workshop	DH-2	LMC
			1st Quartile <5.93 = Low Need			
		2nd Quartile <6.79 = Med Need				
		3rd Quartile <7.46 High Need				
		4th Quartile <9.15 Highest Need				

b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.

The new affordable rental project has finished and is now accepting residents. The number and types of households served will be reported as data comes available.

- c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.

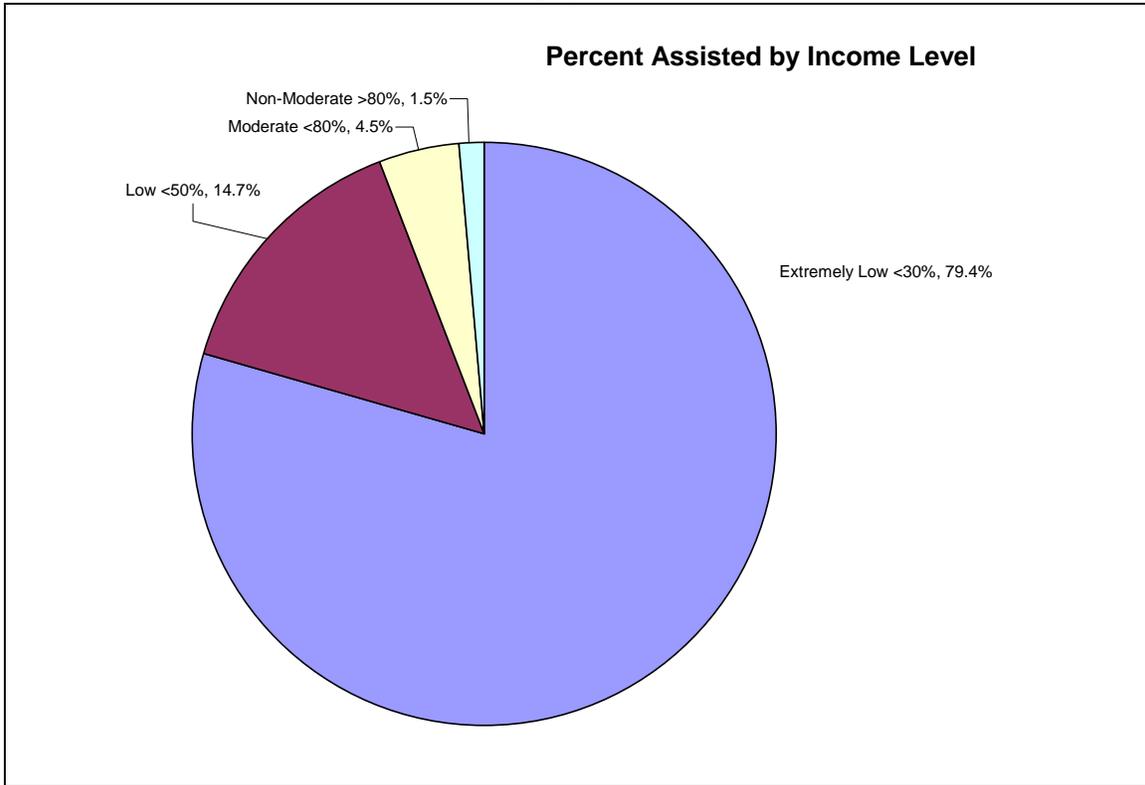
Table 8 below shows the number and percent of persons or families assisted that were in the extremely low, low, and moderate income categories. Unfortunately, this year there were persons assisted in the greater than 80% income category. This was done in the Public Service Classes. The 11 units represent student class days attended. The project monitoring and training caught this situation. In one case, a student was no longer allowed to attend. The classes where this has occurred are no longer receiving CDBG funding.

Chart 1 below depicts the percentage of those assisted by income level using the same data as in Table 8.

Table 8

<b>Number and Percentage of Clientele Assisted by Income Level</b>				
Income Level % of Median Family Income 2007-2009 City of Farmington ACS				
Low-Mod Clientele Projects	< 30%	< 50%	< 80%	> 80%
	<b>Extremely Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Non-Moderate</b>
	\$ 18,353	\$ 30,589	\$ 48,942	
Senior home care	21	3	1	0
SJC Day Care	12	11	8	0
Public Service Classes	536	94	24	11
Emergency Rental Assistance	19	1		
<b>Number Assisted by Income Level</b>	<b>588</b>	<b>109</b>	<b>33</b>	<b>11</b>
Total Assisted =	741			
<b>Percent of Assisted by Income Level</b>	<b>79.4%</b>	<b>14.7%</b>	<b>4.5%</b>	<b>1.5%</b>

Chart 1



2. *Changes in Program Objectives*

- a. *Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.*

There were no changes made to the Consolidated Plan objectives this year.

3. *Assessment of Efforts in Carrying Out Planned Actions*

- a. *Indicate how grantee pursued all resources indicated in the Consolidated Plan.*

The 2009 Consolidated Plan did not specify any funds other than the CDBG Entitlement Grant. During the 2010 Annual Action Plan year CDBG staff diligently followed all applicable CDBG regulations to ensure program compliance and pursued all resources indicated in the Consolidated Plan.

- b. *Indicate how grantee provided certifications of consistency in a fair and impartial manner.*

The provided certification of consistency insures that all grant funds expended during the 2010 project year were consistent with the goals and strategies of the Farmington Consolidated Plan. Also, Table 6 under Community Development 1. a. above, shows that all action plan projects for the 2010 project year were part of the original Potential Project Table created in the 2009 - 2014 Consolidated Plan.

- c. *Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.*

CDBG staff has worked diligently to implement the 2010 Action Plan. Any issues with delay are detailed in this CAPER.

- 4. *For Funds Not Used for National Objectives*
  - a. *Indicate how use of CDBG funds did not meet national objectives.*
  - b. *Indicate how did not comply with overall benefit certification.*

All funds budgeted and expended were used only for projects that were consistent with the 2009 Consolidated Plan's Strategic Plan. All of those projects are both consistent with the national objectives and certified as eligible projects by City CDBG Staff. In one project, the Public Service Classes, there were 11 cases out of 665 where a student was allowed to attend a class with an income of greater than 80% of the MFI. This project is no longer receiving CDBG funding.

- 5. *Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property*
  - a. *Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.*
  - b. *Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.*
  - c. *Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.*

No Action Plan projects required the displacement or relocation of any residents.

- 6. *Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons*
  - a. *Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.*
  - b. *List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.*
  - c. *If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.*

CDBG staff is not aware that any new jobs were created.

- 7. *Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit*
  - a. *Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.*

All 2010 action plan projects involved LMA, LMC, or LMH benefits. No income benefits were presumed

8. *Program income received*

- a. *Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.*
- b. *Detail the amount repaid on each float-funded activity.*
- c. *Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.*
- d. *Detail the amount of income received from the sale of property by parcel.*

No 2010 Action Plan Project generated any program income.

9. *Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:*

- a. *The activity name and number as shown in IDIS;*
- b. *The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;*
- c. *The amount returned to line-of-credit or program account; and*
- d. *Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.*

Not applicable to this CAPER.

10. *Loans and other receivables*

- a. *List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.*
- b. *List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.*
- c. *List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.*
- d. *Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.*
- e. *Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.*

Not applicable to this CAPER.

11. *Lump sum agreements*

- a. *Provide the name of the financial institution.*
- b. *Provide the date the funds were deposited.*
- c. *Provide the date the use of funds commenced.*

- d. *Provide the percentage of funds disbursed within 180 days of deposit in the institution.*

Not applicable to this CAPER.

12. *Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year*
  - a. *Identify the type of program and number of projects/units completed for each program.*
  - b. *Provide the total CDBG funds involved in the program.*
  - c. *Detail other public and private funds involved in the project.*

Not applicable to this CAPER.

13. *Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies*
  - a. *Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.*

Not applicable to this CAPER.

## **Antipoverty Strategy**

1. *Describe actions taken during the last year to reduce the number of persons living below the poverty level.*

There are two projects in the 2009 Action Plan Year that fit within the Antipoverty Strategy. The Child Care Assistance project makes it easier for parents to pursue education so that they can improve their employability. Also, the Public Service Classes provide essential skills that can improve a person's employability.

## **NON-HOMELESS SPECIAL NEEDS**

### **Non-Homeless Special Needs**

1. *Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).*

The 2010 Annual Action Plan Senior Care project assists the frail elderly and their families to allow them to live in their homes longer than would otherwise be possible.

No specific 2010 Annual Action Plan projects address the needs of persons with HIV/AIDS.

**1.5 TIMELINESS STANDARD Sec. 507.902 (a)**

**1.5 Timeliness Standard**

HUD definition of the 1.5 Timeliness Standard:

Sixty days prior to the end of the grantee's current program year, the amount of entitlement grant funds available to the recipient under grant agreements but undisbursed by the U.S. Treasury is more than 1.5 times the entitlement grant amount for its current program year

In the 2009 CDBG fiscal year, the City of Farmington failed to meet the 1.5 Timeliness Standard. The 2009 ratio was 1.85 (red). This issue was reported on in the 2009 CAPER along with a work plan to address the problem. Table 9 below, shows data from the IDIS PR56 Report. For the 2010 fiscal year's August 2, 2011 reporting date, the ratio was brought down to 1.24 (green) which is well below the requirement. The 2011 figure of 1.96 is the current ratio of funds for the 2011 fiscal year that started on October 1, 2011. The CDBG program will have until August 2, 2012 to bring the 1.96 ratio down to 1.5 or less.

Table 9

<b>1.5 Timeliness Standard</b>			
<b>IDIS - PR56 Report</b>			
<b>CDBG Fiscal Year</b>			
2008	2009	2010	2011
<b>1.19</b>	<b>1.85</b>	<b>1.24</b>	<b>1.96*</b>

\* Subject to change through August 2, 2012

The current ratio of 1.96 is 0.46 above the maximum 1.5 and represents a minimum of \$214,200.84 in spending that will have to occur by August 2, 2012. From Table 1 at the beginning of this report, there is a balance of \$213,600 in the Downtown Façade project. So completion of the 2010 Action Plan's Façade project alone will meet this goal.