

U. S. Department of Housing and Urban Development



Community Planning and Development

Region VIII, Denver
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November 28, 2018

Ms. Tina Dill, Community and Resource Services Manager
Douglas County
100 Third Street
Castle Rock, CO 80104

Dear Ms. Dill:

Community Planning and Development (CPD) is striving to strengthen its working relationship with our State and local government partners to help achieve greater results in meeting the housing and community development needs of our low- and moderate-income customers. One of our important responsibilities in this ongoing process is the periodic assessment of your accomplishments and performance in the administration of funds provided by CPD and in meeting key program and Departmental objectives, as mandated by the statutes governing these programs.

This review examines information provided by Douglas County for its continued use of 2015 Program Year (PY) funds in the 2017 PY. In conducting this assessment, we examine your activities for consistency with the priorities and objectives outlined in the Consolidated Plan and Annual Action Plan. We use the information contained in the Consolidated Annual Performance and Evaluation Report (CAPER), and the Integrated Disbursement Information System (IDIS) as well as any monitoring reviews conducted during the course of the program year. Our assessment report that is enclosed covers the following areas:

- Meeting the statutory purposes of the programs
- Consistency with strategies and goals in the Consolidated Plan and Annual Action Plan
- Timeliness
- Caps on Obligations – CDBG-Administration, Public Service
- IDIS – Consistency and accuracy of data and reports
- Fair Housing and Equal Opportunity

Based upon our analysis and examination of the data available to us, we have determined that Douglas County's overall progress has been satisfactory during the most recent program year. Douglas County appears to be administering its programs in a manner consistent with the applicable regulatory requirements. During the period August 1, 2017 through July 31, 2018, the County has carried out its program substantially as described in its Consolidated Plan and has the continuing capacity to carry out its approved program in a timely manner. These conclusions on your overall program performance are based solely upon the information available to this office and do not constitute a comprehensive evaluation or approval of specific activities.

You have the opportunity to provide us with your review and comment on the draft Annual Community Assessment. Please provide any review and comment within 30 days of the date of this letter. We may revise the Assessment after considering your views. If we do not receive any response by the end of the 30-day period, the draft Annual Community Assessment will become final without further notice.

The final Annual Community Assessment must be made readily available to the public. You can assist us in this regard by sharing the final Annual Community Assessment with the media, with a mailing list of interested persons, with members of your advisory committee, or with those who attended hearings or meetings. You must also provide a copy of the final Annual Community Assessment to your independent public auditor. HUD will make the final Annual Community Assessment available to the public upon request and may provide copies to interested citizens and groups.

If you have any questions, please do not hesitate to contact me at 303-672-5076 or Mrs. Judy K. Padgett, Senior Community Development Representative, at 303-672-5081.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Aaron B. Gagné', with a long horizontal stroke extending to the right.

Aaron B. Gagné
Regional Director

Enclosure

ANNUAL COMMUNITY ASSESSMENT

JURISDICTION – Douglas County

PROGRAM YEAR START – August 1

PERIOD COVERED BY ASSESSMENT – August 1, 2017 – July 31, 2018

HUD is required to conduct an annual review of performance by grant recipients according to the provisions of the Housing and Community Development Act and the National Affordable Housing Act. We must determine that each recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received. Because Douglas County no longer receives CDBG funds this is to report the results of our review of the continued use of 2015 grant funds by Douglas County in program year (PY) 2017.

Additionally, this is a reminder that the soonest Douglas County can receive a CDBG allocation would now be 2020. The reason being that as an Urban County Douglas County would have to reapply for its Urban County status, and the soonest it can do that is in the 2019 fiscal year.

Part I. Summary of Consolidated Plan/Action Plan Review and Assessment

Douglas County is meeting the primary objective of the CDBG Program, which is the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate income. Consistent with this primary objective, not less than 70 percent of the aggregate of the federal assistance shall be used for the support of activities that benefit persons of low-and moderate-income (LMI). According to the PR26 Financial Summary Douglas County expended 100 percent of the federal funds in the current program year to benefit LMI persons.

We found that the projects funded in the current program year are consistent with strategies and goals in the Consolidated Plan and Annual Action Plan. The CAPER did discuss the annual accomplishments and cumulative accomplishments this year and the CAPER contained the required narratives.

Part II. Summary of Grantee Performance

Community Development Block Grant (CDBG)

The regulations require that sixty days prior to the end of the grantee's current program year, the amount of entitlement grant funds available but undisbursed by the U.S. Treasury be no more than 1.5 times the entitlement grant amount for the current program year. Because the County no longer receives funds the County ratio was manually calculated at 1.30 (\$679,525.42 in the remaining grant balance, including \$467,718.07 in program income). This is below the regulatory requirement set at 24 CFR 570.902(a)(i).

The County is limited to 20 percent of CDBG grant funds and the current year's program income for administrative expenses at 24 CFR § 570.200(g). According to figures from HUD'S Integrated Disbursement and Information System, (IDIS) PR26-Financial Summary and the PR26-Activity Summary, the County obligated zero percent of grant funds for administration but expended \$1,470 (1.70%) in 2017. Likewise, public service obligations are limited to 15 percent of grant funds and prior year program income. This same report demonstrates that Public Service

obligations and expenditures were 11.64 percent, well within the 15 percent limit stated in 24 CFR § 570.201(e) (1).

The Douglas County IDIS PR01-HUD Grants and Program Income and PR09-Program Income Details by fiscal year indicated receipt of Revolving Loan Funds (RLF) program income of \$86,623.29 for the current program year. Douglas County still has 2015, 2016, and 2017 program income to expend as mentioned above.

Integrated Disbursement Information System (IDIS)

It was noted while reviewing the IDIS report PR03-CDBG Activity Summary Report that Douglas County does a very good job of keeping IDIS up to date with accomplishment data for each activity. There are two 2015 activities remaining open:

ACTIVITY NUMBER	2015 ACTIVITY DESCRIPTION
163	SWSD Water System Improvements
165	Douglas County Cares

Office of Fair Housing and Equal Opportunity (FHEO)

HUD's Region VIII Fair Housing and Equal Opportunity (FHEO) Office is reviewing the County's 2017 CAPER and will submit a report directly to the County with comments. Specific questions about Fair Housing can be addressed by contacting Kelly Cunningham-Bowers by phone at 303-672-5185 or by email at kelly.a.cunningham-bowers@hud.gov.

Part III. HUD Evaluation and Conclusions

A. OVERALL EVALUATION

Douglas County provided an overall good CAPER for the continuing 2015 program. Douglas County continues to make strides in providing affordable housing and addressing its community development needs.

B. CONCLUSIONS AND FINDINGS

Community Planning and Development, Rocky Mountains, Denver, has reviewed available facts and data pertaining to the performance of Douglas County for its Consolidated Plan and the formula Community Planning and Development Programs specified in that Plan [Community Development Block Grant] during the period specified above. Based on the overall review record and the information summarized above, CPD makes the following findings:

1. During the period specified with the cited exceptions, Douglas County has carried out its program as described in its Consolidated Plan as approved.
2. The Consolidated Plan, as implemented, complies with the requirements of applicable laws and regulations.
3. Douglas County appears to have good capacity to carry out its approved program in a timely manner.