November 3, 2017

Mr. Travis Parker, Director of Planning
Community Planning and Development
City of Lakewood
480 S. Allison Parkway
Lakewood, CO 80226

Dear Mr. Parker:

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 the city of Lakewood for its 2016 program year. This is the first-year annual report of the five-year Consolidated Plan, as reported in the Integrated Disbursement and Information System (IDIS). 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 narrative information supporting the IDIS Consolidated Annual Performance and Evaluation Report (CAPER), 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
- Fair Housing and Equal Opportunity
- Timeliness
- Caps on Obligations – CDBG Administration, Public Service
- IDIS
- Consistency and accuracy of data and reports
Based upon our analysis and examination of the data available to us, we have determined that Lakewood’s overall progress has been satisfactory during the most recent program year. Lakewood appears to be administering its programs in a manner consistent with the applicable regulatory requirements. During the period June 1, 2016 through May 31, 2017, Lakewood has carried out its program 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 Ms. Susan McAlhaney, Community Planning and Development Representative at (303) 672-5078 or via email at L.Susan.McAlhaney@hud.

Sincerely,

Aaron B. Gagné
Director

Enclosure

cc:
Ms. Amy Deknikker
CDBG Program Manager
480 South Allison Parkway
Lakewood, CO 80226-3105
ANNUAL COMMUNITY ASSESSMENT

JURISDICTION: City of Lakewood, Colorado
PROGRAM YEAR START: June 1, 2016
PERIOD COVERED BY ASSESSMENT: June 1, 2016 – May 31, 2017

The Housing and Community Development Act and the National Affordable Housing Act require the Department of Housing and Urban Development (HUD) to conduct an annual review of performance by its grant recipients. HUD must determine the extent to which each recipient has complied with the statutes and has the continuing capacity to implement and administer the programs assisted through Office of Community Planning and Development (CPD) funds. This assessment covers the performance of the City of Lakewood over the 2016 program year.

Part I. Summary of Consolidated Plan/Action Plan Review and Assessment
The City of Lakewood is meeting the primary objective of the Community Development Block Grant (CDBG) Program, development of viable urban communities, by providing decent housing, a suitable living environment and expanding economic opportunities principally to persons of low- and moderate-income. Consistent with this primary objective, Lakewood provided 100 percent of its CDBG assistance to low- and moderate-income persons in the 2016 program year. This indicates the city is providing low-to moderate-income benefit well beyond the required 70 percent overall benefit. The funding amount provided to low- and moderate-income was $283,511.30 or 100 percent of the city’s expenditures over the program year.

The regulations at 24 CFR § 91.520(g) require “the [annual] report will include a comparison of the proposed versus actual objectives for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives.” Based on the city’s CAPER submission, projects funded in the current program year are consistent with strategies and goals in the Consolidated Plan and Annual Action Plan.

The CAPER for the city provided the tables on pages four through 12 of the Assessment of FY 2016 Goals & Objectives Accomplished which addressed the accomplishments of Lakewood’s program and provided the following:

<table>
<thead>
<tr>
<th>Objective</th>
<th>5-year goal</th>
<th>1 year goal</th>
<th>Actual Accomplishments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable Housing</td>
<td>75 Rehab</td>
<td>2,000 households assisted</td>
<td>3,695 households assisted</td>
</tr>
<tr>
<td></td>
<td></td>
<td>21 Households assisted</td>
<td>26 Households supported through Rehab</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20 Rehab</td>
<td>26 low income households</td>
</tr>
<tr>
<td>Sustainable</td>
<td>22,500 persons</td>
<td>4,500 persons</td>
<td>4,337 persons</td>
</tr>
<tr>
<td>Environment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Homeless</td>
<td>500 persons</td>
<td>70 persons</td>
<td>206 self-sufficiency</td>
</tr>
</tbody>
</table>

The Consolidated Annual Performance and Evaluation Report (CAPER) indicates that the city is performing well in terms of meeting its 2016 goals. The accomplishments have surpassed the
goals or are within a reasonable margin considering reduced funding levels as described in the CAPER narrative. There were two projects that experienced delays and not commence in 2016 as expected. These activities are scheduled to start for early PY 2017. The city’s program is consistent with its Consolidated Plan strategies and performance measures.

**Part II. Summary of Grantee Performance**

**CDBG**

HUD will consider an entitlement recipient to be failing to carry out its CDBG activities in a timely manner if 60 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. When reviewing the Integrated Disbursement and Information System (IDIS) reports, we determined that the City of Lakewood had 1.42 ratio grant years’ worth of funds remaining 60 days prior to the end of the program year. We commend the City for expending its funds in a timely manner.

CDBG Planning and Administration obligations are limited to 20 percent of the grant amount plus the current year program income (24 CFR § 570.200(g)). According to IDIS, the planning and administrative obligations were 16.39 percent of the grant amount and program income ($124,223.25 + $92,819.36).

CDBG Public Services obligations and expenditures are limited to 15 percent of the annual grant amount plus the prior year program income. Public Service obligations were approximately 10.64 percent of the current grant and last year’s program income ($92,932.22 + $19,886.45), and only 8.97 percent has been expended at this date.

IDIS reports show program income receipts, public service expenditures and administrative expenditures between the CAPER and IDIS. The city is otherwise reporting its accomplishments and expenditures in IDIS in a timely and accurate manner.

**HOME**

Lakewood is a member of the Jefferson County HOME Consortium, since 2013. HUD awards the city’s annual HOME allocation to Jefferson County. The city is encouraged to continue to use HOME funds from the Jefferson County HOME Consortia to meet their housing development needs.

In 2016, Lakewood received $10,204 in HOME program income which was transferred to the Jefferson County HOME Consortium and will be included in the Jefferson County HOME Consortium CAPER.

**Fair Housing and Equal Opportunity (FHEO)**

Lakewood’s staff is dedicated to furthering fair housing by increasing awareness and education in matters relating to fair housing. In 2016, the staff attended a number of fair housing trainings
that covered the new Affirmatively Furthering Fair Housing (AFFH) Rule and the Assessment of
Fair Housing (AFH) requirements. In addition, the staff met with FHEO staff to discuss the new
AFH requirements and other fair housing issues. The City’s AFH Plan is due in 2019.

Fair housing information has been added to the city’s website, and informational fair housing
posters are posted in both English and Spanish in the lobby of the Planning and Public Works
Departments in an effort to bring more awareness about fair housing to the residents of
Lakewood. Notices are published in English and Spanish in the Denver Post and online through
YourHub and the City’s website. The Housing Authority and other subrecipient agencies
provide information and resources to their residents and clients through the housing programs.

Part III. HUD Evaluation and Conclusions

A. OVERALL EVALUATION
Overall, the City of Lakewood appears to be making strides in providing
affordable housing and addressing its community development needs. While
reports indicate the city is doing a good job addressing community development
needs, we encourage the city to continue to review the requirements and to utilize
the required performance measure output indicators.

B. CONCLUSIONS AND FINDINGS
The Community Planning and Development (CPD) Office Region VIII, has
reviewed available facts and data pertaining to the performance of Lakewood for
its Consolidated Plan and the Annual Action Plan during the period of June 1,
2016 through May 31, 2017. Based on the overall review record and the
information summarized above, CPD makes the following findings:

1. During the period specified above, the City of Lakewood has carried out
   its program substantially as described in its Consolidated Plan as approved
   and amended.

2. The Consolidated Plan, as implemented, complies substantially with the
   requirements of applicable laws and regulations.

3. The City of Lakewood has the continuing capacity to carry out its
   approved program in a timely manner.