



U.S. Department of Housing and Urban Development
Columbus Field Office
Office of Community Planning and Development
200 North High Street
Columbus, Ohio 43215-2499

May 23, 2022

Mr. Michael Keys
Director, Department of Community Development
City of Warren
258 East Market Street, Suite 305
Warren, OH 44481

Dear Mr. Keys:

SUBJECT: 2021 Consolidated Annual Action Plan-Program Year Performance Review

Under the Housing and Community Development Act of 1974, as amended, the National Affordable Housing Act of 1990, and the implementing regulations 24 CFR Part 91, HUD is required to at least annually assess and report that each grant recipient is in compliance with the relevant statutes and has the capacity to continue implementing and administering the programs for which grants have been provided. Specifically, HUD assesses at least the following items per 24 CFR 91.525:

1. Management of funds made available under programs administered by HUD;
2. Compliance with the consolidated plan;
3. Accuracy of performance reports;
4. Extent to which the jurisdiction made progress towards the statutory goals identified in § 91.1; and,
5. Efforts to ensure that housing assisted under programs administered by HUD is in compliance with contractual agreements and the requirements of law.

This letter reports the results of our evaluation of the grantee's Program Year.

The Program Year Performance Review is based on our review of the Consolidated Annual Performance and Evaluation Report (CAPER) for the Community Development Block Grant Program (CDBG), Community Development Block Grant Program – CARES Act (CDBG-CV), and Home Investment Partnership Program (HOME).

The grantee's CAPER was submitted into IDIS on March 17, 2022, and this is the City's 2nd year of accomplishments under their 2020-2024 Consolidated Plan. HUD's Office of Community Planning and Development (CPD), along with the Office of Fair Housing and Equal Opportunity (FHEO), annually reviews the performance of grantees in managing their entitlement programs. The CAPER includes performance reporting on each of the formula grant programs, and specific comments related to the HUD review are contained as an attachment to this letter.

In addition to the review of the CAPER, HUD also utilizes other information available through HUD information and reporting systems, information provided by grantees, and information obtained through the provision of technical assistance to further evaluate the ongoing performance in meeting the program requirements.

Based on the information available to and evaluated by HUD, the City continues to perform within a statutory and regulatory compliant manner in the use of these resources. Additionally, HUD's review of the CAPER and other available information confirms that the City: (1) carried out its program substantially as described in its consolidated plan submission and (2) has the continuing capacity to carry out the approved program in a timely manner. To complete the review, however, HUD requests that the City provide a response to one (1) issue noted in the attachment within 30 days from the date of this letter.

The City's continued administration of the CDBG, CDBG-CV, and HOME programs is appreciated and have resulted in many benefits to low- and moderate-income residents. If the City has any questions about the enclosed comments or needs technical assistance, please do not hesitate to contact Sondra King, Senior Community Planning and Development Representative, at 614-280-6109 or via email at sondra.king@hud.gov.

Sincerely,



Matthew LaMantia, Director
Office of Community Planning and Development

Attachment

REVIEW OF CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT COMMENTS

2021 PROGRAM YEAR (January 1, 2021-December 31, 2021)

City of Warren, Ohio

This assessment summarizes HUD's review of the City's 2021 Consolidated Annual Performance and Evaluation Report and other reporting submitted to the Department. Two HUD offices reviewed the plan: Community Planning and Development and Fair Housing & Equal Opportunity.

Comments by Office of Community Planning and Development, Columbus, Ohio

The purpose of the Consolidated Annual Performance and Evaluation Report (CAPER) is to provide clear and complete information so HUD can meet its statutory requirement to assess each grantee's ability to carry out its programs in compliance with the program's rules and regulations. The report also provides information for HUD's Annual Report to Congress. Officials of the grantee and the public should be able to use the report to evaluate the grantee's overall progress in meeting the goals and objectives in its 2020-2024 Consolidated Plan. The review of the report is based on the requirements in the consolidated plan regulations for performance reports at 24 CFR 91.520 and IDIS reports. This CAPER is found to be substantially complete.

CDBG/CDBG-CV Program

The City of Warren has a January 1st Program Year Start Date. When the 60-day CDBG timeliness test was conducted on November 2, 2021, it was calculated that the community had an adjusted line of credit balance of 1.62 times its annual grant. Accordingly, HUD determined that the community was non-compliant with the CDBG program timely performance requirements, as described in the HUD letter to the City dated December 15, 2021. The City is at risk of being untimely again on their test date of November 2, 2022. Currently, the City's timeliness ratio is at 1.58. This will increase once the City receives their FY2022 allocation amount of \$1,170,241. If the City is determined to be noncompliant for two consecutive years, CDBG funds that exceed the 1.5 years of grant funding may be recaptured. Attached is a document titled "Timeliness Best Practices" that may assist the City in becoming compliant with timeliness.

HOME

In an April 10, 2020 memorandum, HUD made available waivers to the HOME 4-year completion deadline due to the COVID-19 pandemic. The City requested, and was granted, the initial HOME 4-year completion deadline extension; this deadline extension expired March 31, 2022. The City requested and is anticipate being granted, an additional one-year deadline extension prior to the initial deadline expiration (the new extension is to run through March 31, 2023). Within 30 days from the date of this letter, the City is requested

to provide an update as to the status of Activity 3402, which is the only City activity performing under the waiver.

Comments by the Office of Fair Housing & Equal Opportunity, Columbus, Ohio:

The Office of Fair Housing and Equal Opportunity (FHEO) attempts to determine if the City continues to Affirmatively Further Fair Housing. Based on the FHEO review of the CAPER, FHEO concluded that the Warren CAPER demonstrates progress made towards the 2021 AFH Annual Plan goals in Year-3 of the Consolidated Plan. Warren last completed an AI in 2019 and continues to partner with Trumbull County to provide Fair housing outreach and education services to low-to-moderate income residents. Also noted, was the City's newly established fair housing training plan that seeks to educate residents, landlords, realtors, and the general public on fair housing rights, and responsibilities. Warren is encouraged to review AI guidance and technical assistance provided at the following link: <https://www.hudexchange.info/programs/fair-housing-planning>.



Community Development Department
City of Warren

258 E. Market St., Suite 305 • Warren, Ohio 44481
Phone: (330) 841-2595 • Fax: (330) 841-2643

William D. Franklin
Mayor

Eddie L. Colbert
Director of Service-Safety

Michael D. Keys
Director

June 16, 2022

Mr. Matthew LaMantia, Director
Office of Community Planning and Development
200 North High Street
Columbus, Ohio 43215

RE: 2021 Consolidated Annual Action Plan-Program Year Performance Review

Dear Mr. LaMantia:

As per your letter of May 23, 2022 regarding the above, I am providing the City's response to the comments as requested.

HOME Activity 3402 – 691 Woodbine

The rehabilitation of the property is complete and a certificate of occupancy was issued on February 10, 2022. At that time the unit was placed on the market for sale to a qualified low to moderate home buyer.

To date there have been a number of parties interested, but they have been unable to obtain the necessary funding. Another Open House has been scheduled for the week of June 19th.

In discussions with our CHDO, we will allow the house to remain on the market for a least another month before reevaluating the feasibility of continuing to offer the sale of the property for the complete 9-month period as per HUD regulations or to consider marketing it as a rental unit beginning in August.

CDBG -Timeliness

The city is currently struggling with a number of complications when it comes to timeliness:

- The effects of the pandemic. The backlog of projects that were postponed and/or delayed due to the COVID -19 shutdown is still affecting some previously planned projects that must now be rebid or reengineered due to current inflationary issues.
- Compliance issues with contractors. Although a number of projects have been completed, we are unable to draw funds due to contractors being painfully slow in providing us with the necessary documentation as required by HUD and other federal regulations.

June 16, 2022

Mr. Matthew LaMantia, Director

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- Non-HUD funds being granted to the City. These new grant dollars, which are coming from a number of sources, are now being applied to projects that would normally have used CDBG dollars. Some examples include \$26 million in ARPA allocations; millions of dollars being made available from the State of Ohio Grant for Brownfield Remediation and Demolition; \$500,000 from the EPA received as part of a settlement agreement earmarked for park projects in the City of Warren.

In spite of these obstacles, we are working extremely hard to meet our timeliness ratio.

Please let me know if you have any questions or need more information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael D. Keys", is written over the word "Sincerely,".

Michael D. Keys, Director
Community Development

pc: File



U.S. Department of Housing and Urban Development
Columbus Field Office
Office of Community Planning and Development
200 North High Street
Columbus, Ohio 43215-2499

June 21, 2022

Mr. Michael Keys
Director, Department of Community Development
City of Warren
258 East Market Street, Suite 305
Warren, OH 44481

Dear Mr. Keys:

SUBJECT: 2021 Consolidated Annual Performance and Evaluation Report (CAPER) Review – Warren Response and Closure

This letter is to advise that Warren's response of June 16, 2022, to the subject FY-2021 Annual Action Plan -- Program Year Performance Review letter dated May 23, 2022, is acceptable. A condensed version of the issues is contained herein.

HOME Activity 3402/691 Woodbine: Warren requested, and was granted, the initial Home 4-year completion deadline extension for 691 Woodbine; this deadline extension expired March 31, 2022. An additional one-year deadline extension also was requested, prior to the initial waiver deadline. The rehabilitation completion/occupancy certification was issued February 10, 2022. The unit continues to be marketed for sale, with several interested buyers; however, no interested parties have yet to secure financing. The City should keep HUD informed as to decisions on this property. HUD finds Warren's response regarding this issue (continued marketing/open house activities and potential conversion to rental) as acceptable.

Timeliness: Warren does acknowledge that their timeliness ratio is currently above 1.5 and the City is working on reducing that ratio as quickly as possible. The next Warren timeliness test will occur on November 2, 2022, and Warren is working to make the 1.5 or less benchmark. HUD requests that Warren keeps HUD informed of potential delays outside of the City's control that jeopardizes the next timeliness test result. Covid restrictions/subcontractor compliance/accessory funding have made timeliness extremely difficult for many entitlements; HUD appreciates the City's efforts to address the issue. HUD accepts this response as adequate to address the potential timeliness issue.

With the information you have provided, HUD now considers the subject FY-2021 Consolidated Plan -- End-of-year Community Assessment review to be Closed. If you have any questions, please contact Sondra King, Senior Community Planning and Development Representative, at sondra.king@hud.gov or (614) 280-6109.

Sincerely,

A handwritten signature in blue ink that reads "Matthew LaMantia".

Matthew LaMantia
Director, Office of Community Planning and Development