



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT

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

April 14, 2023

Dear Mr. Keys:

SUBJECT: FY 2022 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 your subject 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).

Your community's CAPER was submitted into IDIS on March 24, 2023, and this is the City's third (3rd) 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 our 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.

During our review process, it was found that minor corrections were needed. These corrections were made and now the CAPER is found to be substantially complete. 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.

The City's continued administration of the CDBG, CDBG-CV and HOME programs is appreciated and has resulted in many benefits to low- and moderate-income residents. If you have any questions about the enclosed comments or need technical assistance, please do not hesitate to contact Sondra King 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

**2022 PROGRAM YEAR January 1, 2022-December 31, 2022
City of Warren**

This review summarizes HUD's analysis of the City's 2022 Consolidated Annual Performance and Evaluation Report and other reporting submitted to HUD. 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. City officials and the public should be able to use the report to evaluate the city'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. The CAPER is found to be complete.

CDBG Program:

Warren has a January 1 Program Year Start Date. On November 2, 2021, Warren became a first-time CDBG untimely grantee with an adjusted line of credit of 1.62. A ratio of 1.50 is the maximum allowable ratio when comparing the adjusted line of credit to the annual CDBG grant amount plus prior year program income. An adjusted line of credit over 1.50 is determined to be noncompliant/untimely with the 60-day CDBG timeliness test. On November 2, 2022, Warren had a second untimely occurrence (1.58 adjusted line of credit). Because Warren was untimely for two consecutive years, a workout plan was necessary and documented in a letter dated December 2, 2022. On February 9, 2023, HUD accepted the Warren Workout Plan. To pass the November 2, 2023, timeliness test, Warren must have a 1.5 (or less) adjusted line of credit ratio. Completion of the workout plan required reporting will track this progress.

CDBG-CV Program:

As a reminder, Notice F.R. 85 51457, Section III.B.7, establishes a six-year period of performance on the CDBG-CV grants and imposed an alternative requirement that each grantee must expend eighty (80) percent of all CDBG-CV funds no later than the end of the third year of the period of performance established by the CDBG-CV grant agreement (July 21, 2023). At this point in time, \$588,532 (65 percent) of the City's \$908,161 in CDBG-CV funds has been expended. Warren should continue to work on getting funds obligated and expended in order to meet the eighty (80) percent requirement.

HOME Program:

The HOME Program regulations at 24 CFR 92.300 require at least 15 percent of the HOME allocation be set-aside for Community Housing Development Organizations (CHDOs). In its April 10, 2020, memo HUD made available waivers to this requirement for fiscal years 2017, 2018, 2019 and 2020 HOME grants in response to the COVID-19 pandemic. This was extended and updated in a December 2020 memo. The City requested/utilized these waivers for the 2017-2021 grants; therefore, the 15% CHDO set-aside requirement applies to grants from years 2016 and earlier and 2021. A PR27 Status of HOME Grants report generated April 10, 2023, shows the City's progress in meeting the 15-percent CHDO Set-Aside requirement in 2016 (and before) has been met; the 2022 funds have not yet been committed, but \$118,232 in funding is anticipated.

The Consolidated Appropriations Act of 2019 suspended the 24-month CHDO *commitment* requirement and continued the suspension of the 24-month commitment requirement for regular HOME funds. Both deadline requirements are suspended through December 31, 2023.

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

Based upon the FHEO review, it appears that the City is meeting its affirmatively furthering fair housing certification. During the CAPER year, the Fair Housing Consortium worked to expand affordable housing projects for protected classes and distribute educational materials on Accessibility and Fair Housing Law. The City & Trumbull County coordinated fair housing activities and worked to increase accessibility of county and city web pages for LEP and disabled persons. The City expended \$5,000 for its fair housing program.