



U.S. Department of Housing and Urban Development
Community Planning & Development Division
Region IV, Miami Field Office
Brickell Plaza Federal Building
909 SE First Avenue, Room 500
Miami, FL 33131-3042

March 22, 2018

Ms. Kathleen Woods-Richardson, City Manager
City of Miramar
Office of the City Manager
2300 Civic Center Place
Miramar, FL 33025

Subject: Annual Community Assessment
Consolidated Annual Performance and Evaluation Report (CAPER)
2016 Program Year- CDBG and NSP Programs
City of Miramar

Dear Ms. Woods-Richardson,

The Housing and Community Development Act of 1974, as amended and the National Affordable Housing Act of 1990, require that a determination be made annually by HUD that the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received.

In accordance with the Consolidated Planning Regulations of January 5, 1995, this Office makes a comprehensive performance review of your overall progress annually, as required by §24 CFR 91.525. The review consists of analyzing your consolidated planning process; reviewing management of funds; determining the progress made in carrying out your Consolidated Plan policies and programs; determining the compliance of funded activities with statutory and regulatory requirements; determining the accuracy of required performance reports; and evaluating your accomplishments in meeting key departmental objectives.

We congratulate you on your accomplishments during this past year in the achievement of departmental objectives.

SUMMARY OF PERFORMANCE

Community Development Block Grant (CDBG)

The City received \$708,624 in CDBG FY 2016 grant funds, and is commended on its performance in expending \$516,894.30 or 100% on activities benefiting low or moderate-income persons. This performance exceeds departmental standards.

HUD's mission is to create strong, sustainable, inclusive communities and quality, affordable homes for all.

The Financial Summary indicated \$134,209.66 in net expenditures for planning and administrative costs, or 17.98% of the grant funds plus program income received during the FY 2016 program year. The Financial Summary also showed \$113,044.18 in net expenditures for public services, or 13.871% of the grant. Our review of the activities indicates that they appear to be eligible as provided for at §24 CFR Part 570.201-6, and meet one of the three National Objectives established at §24 CFR 570.208.

We were pleased with the City's housing services performance, in particular, its homeowner rehabilitation program that provided funding for the rehabilitation of 16 low and moderate-income households.

We are pleased to report that the City is in compliance with departmental progress standards in the expenditure of its CDBG Line-of-Credit (LOC) balances. The City is required to have no more than 1.5 years of funding available in its LOCC's at the end of the tenth month of its program year. The City's LOCC's balance as of August 2, 2017 was \$1,048,531.63 which represents 1.48 years of funding.

As a reminder, according to the National Defense Authorization Act of 1991 (P.L.101-510), CDBG grantees have a total of eight years to obligate and expend CDBG funds, counting the three-year obligation period and the additional five years for expenditure. For example, CDBG funds appropriated by Congress in FY 2011 must be obligated (put under funding contract to the grantee) by September 28, 2013 (three years). They must be disbursed by the grantee by September 28, 2018 (FY 2013 + 5 years). If the FY 2011 grant funds are not drawn down from the Line of Credit Control System (LOCCS) by the end of FY 2018, they will be recaptured by HUD and returned to the U.S. Treasury. Also, be aware that if a grantee returns funds to an expired grant, the funds are returned to the Treasury and are no longer available in the grantee's LOCC's. This means, grantees unspent funds will be permanently lost. Therefore, grantees who need to return funds to an expired grant should contact the Miami Field Office for instructions.

Performance Measurement

In September 2004, CPD Notice 03-09 was sent to all grantees in reference to Local Performance Measurement Systems for CPD Formula Grant Programs. In this notice it strongly recommends the use of a performance measurement system in order to account for productivity and program impact. Productivity displays the quantity, quality, and time a grantee undertakes activities. Program impact reflects how activities yield desired outcomes within the community and the persons assisted. The Field office reiterated the importance of determining whether the City is currently using a performance measurement system, developing a system, or has not yet developed a system.

Beginning October 1, 2006, each Consolidated Annual Performance and Evaluation Report (CAPER) or Performance and Evaluation Report (PER) should include the status of the grantee's efforts toward implementing a performance measurement system as described in the Federal Register Notice dated March 7, 2006. All CAPER or PER reports should provide a description of how the jurisdiction's program provided new or improved

availability/accessibility, affordability, sustainability of decent housing, a suitable living environment, and economic opportunity. The CAPER/PER must include a comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives.

A review of the IDIS CDBG Performance Measures Report (PR83) and the Housing Performances Report (PR85) disclosed that the City is not inputting data for its activities.

Concerns

There are some performance issues that require action for resolution as a result of our review of your Consolidated Annual Performance and Evaluation Report (CAPER) for FY 2016:

(1) Performance Measurement

A review of the CDBG Performance Measures Report (PR83) and the Housing Performance Report (PR85) disclosed that the City is not inputting data. Using IDIS, the City must enter in the respective performance measures that correspond to all associated CDBG projects and activities. Please be advised that failure to comply with these requirements could result in disapproval of the City’s Action Plan. The City may want to refer to the following website for assistance at:

<https://www.hudexchange.info/resource/3085/guidance-for-reporting-cdbg-accomplishments-performance-measures-idis/>

(2) Slow moving activities:

A review of the City’s reporting data (IDIS Report # RC04PR02) - List of activities by program year and project, in the Integrated Disbursement and information System (IDIS) are showing a number of old funded activities with large balances, no draws made, or activities incorrectly reported. The activities identified in the report is as follows:

IDIS Activity #	Activity Name	PY	Program	Status	Funded Amount	Drawn Amount	Balance
2	CDBG COMMITTED FUNDS ADJUSTMENT	1994	CDBG	Open	\$0	\$0	\$0
74	Residential Rehab	2011	CDBG	Open	\$378,826.05	\$378,826.05	\$0
86	Residential Rehab	2012	CDBG	Open	\$345,145.38	\$	\$0
87	Residential Utility Connection	2012	CDBG	Open	\$64,700.00	\$64,700.00	\$0
93	Residential Home Repair	2013	CDBG	Open	\$313,908.72	\$313,908.72	\$0
97	Residential Utility Connection	2013	CDBG	Open	\$7,265.10	\$7,265.10	\$0
101	Lake Shore Park	2013	CDBG	Open	\$68,545.00	\$0	\$68,545.00
98	Micro Enterprises	2013	CDBG	Open	\$17,500.00	\$17,499.78	\$ 0.22

It's recommended that the City, where appropriate, accurately report on open activities with \$0 balance and old activities with balances, as soon as possible, but no later than 30 days from receipt of this letter. By doing so, it will aid to avoid erroneous reporting and will assist the City in meeting its timeliness test. For additional information on the reporting requirements for the CAPER please visit HUD's website at:

<https://www.hudexchange.infor/idis/idis-reporting/>

Fair Housing and Equal Opportunity (FHEO)

The Office of Fair Housing and Equal Opportunity (FHEO) is required to conduct an analysis of each grantee's Consolidated Annual Performance Evaluation Report (CAPER) to ensure compliance with the civil rights requirements to affirmatively further fair housing as required in 24 C.F.R. 91.225(a)(1), 91.325(a)(1), and 91.425(a)(1)(I). Affirmatively furthering fair housing means that each grantee will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, taken appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions taken in this regard. Additionally, the *Fair Housing Planning Guide* is available on the Hudweb at:

<http://www.hud.gov/offices/fheo/images/fhpg.pdf>

The *Fair Housing Planning Guide* contains valuable information, which may assist you in your revisions and future CAPER, and Annual Action Plan submissions.

The FHEO evaluation of the City's FY 2016 CAPER submission is based, in part, on their review of various Civil Rights Certifications; the Analysis of Impediments (AI); geographic distribution and areas of minority concentrations along with program benefit for minority persons and persons with disabilities.

Please be reminded that the City is obligated to maintain a current Analysis of Impediments (AI) and affirmatively further fair housing choice in its annual plans, activities, and reports until the City submits its first Assessment of Fair Housing (AFH-formerly the AI) under the Affirmatively Further Fair Housing (AFFH) Final Rule published July 16, 2015.

The FHEO evaluation of the City's FY 2016 CAPER submission is currently under review. Once the review is completed, any issues identified will be communicated in a separate letter.

Office of Public and Indian Housing (OPIH)

The Office of Public and Indian Housing (OPIH) was also required to conduct an analysis of the City's FY 2016 Consolidated Annual Performance Evaluation Report (CAPER). This request was intended for the accuracy of any data shown for the local PHAs, the City's housing inventory and the plan in general. The OPIH evaluation of the City's FY 2016 CAPER submission is currently under review. Once the review is completed it would be communicated in a separate letter.

**The Housing and Economic Recovery Act of 2008
And The American Recovery and Reinvestment Act of 2009 Programs***

Neighborhood Stabilization Program (NSP-1)

The Neighborhood Stabilization Program (NSP-1) was authorized under the Housing and Economic Recovery Act (HERA) of 2008.

The City of Miramar received \$9,312,658 in NSP-1 fiscal year 2009 grant funds and has expended \$10,839,747. In addition to the 100% expenditure requirement, the regulation requires that ... "no less than 25% of the funds appropriated or otherwise made available for the purchase and redevelopment ... will be used to house individuals or families whose income do not exceed 50% of area median income."

We are pleased to report that the City has met both the 100% NSP expenditure and the 25% for Low Income Households (LH25) set-aside expenditure requirements as of March 13, 2018. This performance meets Departmental standards.

As of March 13, 2018, our records indicate that your NSP-1 program grant has a remaining grant funds balance of \$757,872. Please note that funds remaining in the account of an expired grant are subject to recapture without further notice.

Program Income (PI):

The City reported that it received \$2,284,961 in program income (PI); as you are aware, program income must be disbursed prior to any draw-down of grant funds. In addition, the City should maintain documentation (i.e. spreadsheets, reports, receipts, etc.) to track program income.

Quarterly Progress Reports (QPR's):

Our review of the City's Quarterly Progress Reports revealed that the City is not in compliance with the timely submittal of Quarterly Progress Report (QPR's) as of December 31, 2017.

The City is required to continue reporting in the Disaster Recovery Grant Reporting (DRGR) system.

It appears that the City's activities are complete and the grant is ready for closeout. If you have not been contacted regarding closeout of this grant, please let us know.

Neighborhood Stabilization Program (NSP-3)

The Neighborhood Stabilization Program (NSP-3) was authorized under Section 1497 of the Wall Street Reform and Consumer Protection Act (Dodd-Frank) of 2010.

The City of Miramar received \$2,321,827 in NSP-3 fiscal year 2011 grant funds and has expended \$2,321,804 or 99% of its NSP3 grant funds which includes program income. In addition to the 100% expenditure requirement, the regulation requires that ... “no less than 25% of the funds appropriated or otherwise made available for the purchase and redevelopment ... will be used to house individuals or families whose income do not exceed 50% of area median income.”

We are pleased to report that the City has met both the 100% NSP grant expenditure and the 25% for Low Income Households (LH25) set-aside expenditure requirements as of March 13, 2018. This performance meets Departmental standards.

As of March 13, 2018, our records indicate that your NSP-3 program grant has a remaining grant funds balance of \$23.

Quarterly Progress Reports (QPR's):

Our review of the City's Quarterly Progress Reports revealed that the City is not in compliance with the timely submittal of Quarterly Progress Report (QPR's) as of December 31, 2017.

The City is required to continue reporting in the Disaster Recovery Grant Reporting (DRGR) system.

It appears that the City's activities are complete and the grant is ready for closeout. If you have not been contacted regarding closeout of this grant, please let us know.

HUD strongly encourages grantees to use NSP funds not only to stabilize neighborhoods in the short-term, but to strategically incorporate modern, green building and energy-efficiency improvements in all NSP activities to provide for long-term affordability and increased sustainability and attractiveness of housing and neighborhoods. At minimum, NSP3 grantees must meet rehabilitation standards requirements of green and energy-efficiency actions. Additional resources related to sustainable and energy-efficient construction are available on the NSP Resource Exchange Website: (<http://www.hud.gov/nspta>)

Finding

There are some performance issues that require action for resolution as a result of our review of your Consolidated Annual Performance and Evaluation Report (CAPER) for FY 2016:

(1) Quarterly Performance Reports (QPR's)

Finding 1 -

Condition - Our review of the City's QPR's submittals revealed that two (2) or more QPR reports have either been submitted late or have not been submitted at all into DRGR, as noted below:

NSP 1:

- | | |
|-----------------------------------|-----------------------------------|
| 1. QPR due date: April 30, 2017 | Submitted date: May 23, 2017 |
| 2. QPR due date: July 30, 2017 | Submitted date: September 6, 2017 |
| 3. QPR due date: October 30, 2017 | Submitted date: November 6, 2017 |
| 4. QPR due date: January 30, 2018 | Submitted date: January 31, 2018 |

NSP 3:

- | | |
|-----------------------------------|-----------------------------------|
| 1. QPR due date: October 30, 2017 | Submitted date: No submittal |
| 2. QPR due date: January 30, 2017 | Submitted date: No submittal |
| 3. QPR due date: April 30, 2017 | Submitted date: May 23, 2017 |
| 4. QPR due date: July 30, 2017 | Submitted date: September 6, 2017 |
| 5. QPR due date: October 30, 2017 | Submitted date: November 6, 2017 |
| 6. QPR due date: January 30, 2018 | Submitted date: January 31, 2018 |

Condition - Our review of the City's QPR's submittals revealed that QPR reports have not been submitted for two or more consecutive reporting periods, as noted below:

NSP 1:

- | | |
|-----------------------------------|------------------------------|
| 1. QPR due date: July 30, 2017 | Submitted date: No submittal |
| 2. QPR due date: October 30, 2017 | Submitted date: No submittal |
| 3. QPR due date: January 30, 2018 | Submitted date: No submittal |

NSP 3:

- | | |
|-----------------------------------|------------------------------|
| 1. QPR due date: July 30, 2017 | Submitted date: No submittal |
| 2. QPR due date: October 30, 2017 | Submitted date: No submittal |
| 3. QPR due date: January 30, 2018 | Submitted date: No submittal |

Criteria - The City is not in compliance with federal requirements as per Federal Register/Vol.73 No. 194 dated October 6, 2008 §(II)(O) Page 58341, which states, that "...each grantee must submit a quarterly performance report, as HUD prescribes, no later than 30 days following the end of each quarter..."

Cause - Staff did not submit the QPR's in DRGR in a timely manner.

Effect- The City is in noncompliance with the regulations of the NSP programs.

Corrective Action - In order to resolve this finding, the City must establish an internal system to ensure that QPR's are submitted no later than 30 days following the end of each quarter to avoid limitation on funds access. Please note that once QPRs are submitted, they must be posted prominently on the City's official website. Please submit systems in place within 30 days from receipt of this letter.

OVERALL EVALUATION AND CONCLUSION

Our review of the annual performance report indicates that the activities carried out by the City during the program year were generally eligible or otherwise consistent with applicable CDBG, and NSP federal regulations.

The City's actions in the program year were consistent with the actions proposed to address identified priority needs. Results in achieving goals that were envisioned in the Consolidated Plan were satisfactory.

The City's approach to community development activities is comprehensive and creative, and reflects internal coordination and cooperation with its citizens.

To facilitate and expedite citizen access to our performance assessment, we request that you apprise the general public and interested citizen's organizations and non-profit entities, of its availability. If, for any reason, the City chooses not to do so, please be advised that our office is obligated to make this letter available to the public. We appreciate your cooperation in this matter.

It is also recommended that the City retain this assessment letter and make it available to its Independent Public Accountant (IPA).

In conclusion, as a result of our analysis we have determined that your overall progress is satisfactory. This determination is based upon the information available to this office, and does not reflect a comprehensive evaluation of specific activities.

Attached please find important information that would assist you in administering your CPD programs.

This office is available to assist you in any way possible. If you have any questions regarding this correspondence, or any other program matter, please do not hesitate to contact John Quade, Senior Community Planning and Development Representative at (305) 520-5018, or via email message at: john.f.quade@hud.gov

Sincerely,


Y Ann D. Chavis

Director
Community Planning and Development Division

Lisa Bustamante, Program Manager, US HUD

Enclosures

“GREEN HOUSING CONSTRUCTION”

HUD encourages thoughtful, achievable consideration and implementation of energy efficient and environmentally-friendly elements in the NSP3 program. NSP Notice provides information and guidance on the following Green elements:

- Transit accessibility
- Green building standards
- Reuse of cleared sites
- Deconstruction
- Renewable energy
- Water conservation
- Energy efficient materials
- Healthy homes

HUD provides that a grantee may “require NSP homes to achieve an established environmental or energy efficiency standard such as Green Communities or equivalent.” The following resources are designed to assist grantees in the construction and rehabilitation of green affordable housing. These are provided on the *NSP Resource Exchange* under “Toolkits,” at:

<http://hudnsphelp.info/index.cfm?do=viewToolkitsHome>

- **Green Housing Development Guide:**

<http://hudnsphelp.info/media/resources/GreenHousingDevelopmentGuide.pdf>

- **Sample Housing Rehabilitation Checklist:**

<http://hudnsphelp.info/media/resources/HousingRehabilitationChecklist.doc>

- **Sample Single-Family Housing Rehabilitation Specifications, including Green Specs**

<http://hudnsphelp.info/media/resources/SampleSingleFamilyRehabSpecificationsIncludingGreenSpecs.doc>

- **Sample Single-Family Housing Rehabilitation Standard Template:**

<http://hudnsphelp.info/media/resources/SingleFamilyHousingRehabilitationStandard.doc>

More tools will be added to the resource page as developed.

Additionally, grantees interested in implementing Enterprise Green Communities Criteria can contact Enterprise for further information and assistance via:

www.greencommunitiesonline.org/

Repayment of HOME funds

<https://www.onecpd.info/resources/documents/HOME-FACTS-Vol1-No1-Repayment-of-Funds-Expended-Ineligible-Costs-or-Activities.pdf>

“CONSOLIDATED PLAN MANAGEMENT PROCESS - CPMP”

The Office of Management and Budget asked that HUD work with local stakeholders to streamline the Consolidated Plan, making it more results-oriented and useful to communities in assessing their own progress toward addressing the problems of low-income areas. Grantees are encouraged to use the tool formats in developing Consolidated Plans, Action Plans, and annual performance reports.

“MINORITY BUSINESS ENTERPRISES - MBE”

Under executive orders 11625, 12432 and 12138 grantees must subscribe procedures acceptable to HUD for a minority outreach program to ensure that they are making concerted efforts to attract minority groups to the procurement process.

Furthermore, the Office of Small and Disadvantaged Business Utilization (OSDBU) is required to collect and consolidate data on Minority Business Enterprise (MBE) on an annual basis. You are encouraged to utilize Woman's and Minority Business Enterprise participation in all HUD programs. Grantees should submit their information, via email, on HUD form 2516 (Grantee Contract and Subcontract Activity Report). Please note that you may access the forms at: <http://www.hud.gov/offices/osdbu/forms/hud2516.xls>.

2017 TRAINING SURVEY

Please help us to identify the areas of training that could benefit your jurisdiction in operating and managing your CPD program(s). Complete the survey below no later than April 30, 2018, and either email or fax it to your CPD Representative or to John Quade, CPD Representative at john.f.quade@hud.gov or (305) 536-4781.

Please indicate your interest in receiving technical assistance/training below by ranking the importance from the highest (5) to lowest (1).

5 – Very Important 4 – Important 3 – Average 2 – Slightly Important 1 – Not Important

- Development Finance
- Relocation and Real Property
- CHDO Assistance
- Construction and Rehabilitation Management
- Economic Development/Section 108
- Effective Agreements
- Environmental Review and Compliance
- Financial Management
- Efficiency/Green Building
- Homelessness Issues
- IDIS
- Income Determinations
- Lead-Based Paint Compliance
- Neighborhood Stabilization Program –NSP (specify): _____
- Procurement and Contracting
- Subrecipient Management
- Using Outcomes to Measure Performance
- Recordkeeping and Reporting
- Debarment, Suspension, and Termination
- Audits
- Program Monitoring
- Federal Labor Standards
- DRGR
- HMIS
- Emergency Solutions Grant
- Basic CDBG Program
- Advanced CDBG Program
- Meeting CDBG Timeliness Test Requirements
- Timesheet Records Compliance
- Activity Delivery vs. Program Administrative Costs
- Property Management and Disposition
- Program Income
- Basic HOME Investment Partnerships Program
- Advanced HOME Investment Partnerships Program

- HOME Match Report/Log
- Subsidy Layering Review
- Meeting Commitment/Disbursement/CHDO Set-Aside Deadlines
- Resale/Recapture Provisions
- Maximum Purchase Price/After-Rehab Value Compliance
- Rental Project Compliance
- Rent Determinations
- Housing Quality Inspections
- Affirmative Marketing
- Accessing HOME and Low-Income Housing Tax Credits (LIHTC) Projects
- HOPWA (i.e.: reporting, monitoring oversight, financial mgmt.): _____
- Combining Multiple Community Planning & Development Programs
- Fair Housing Compliance
- Civil Rights Compliance Basic CDBG Program
- Section 504 Compliance
- Equal Opportunity Compliance
- Section 3 Compliance
- Conflict of Interest Determinations
- eCon Planning Suite
- Consolidated Plan/Action Plan Preparation
- Other (Please specify): _____
