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MAR 05 2019
Community Development

U.S. Department of Housing and Urban Development
Houston Field Office, Region VI
Office of Community Planning & Development
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FEB 26 2019

Alsie Bond, Manager
Community Development Services Department
City of Bryan
P.O. Box 1000
Bryan, TX 77805

Dear Ms. Bond:

Subject: End of Year Assessment Letter for Program Year (PY) 2017
October 1, 2017 through September 30, 2018

The Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require that grant recipients submit annual performance reports for the programs covered under these Acts. The Acts require the Secretary of Housing and Urban Development (HUD) to determine annually that the grant recipient is in compliance with these statutes and has the continuing capacity to carry out the programs for which it receives funds. One of the documents used to conduct the assessment is the Consolidated Annual Performance and Evaluation Report (CAPER). Bryan's CAPER was officially received electronically through the Integrated Disbursement and Information Systems (IDIS) eCon Planning Suite on December 20, 2018. The report was timely and received within 90 days of the end of the City's program year in accordance with 24 CFR 91.520(a).

The end of year assessment provides the basis for working together collaboratively to achieve the community's goals as well as meeting the mandates of the statutes. It includes a review of the City's planning process, its management of funds and its progress in carrying out the strategies and goals identified in the Consolidated Plan. Compliance with statutory and regulatory requirements, accuracy of required performance reports and evaluation of accomplishments in meeting key departmental objectives are also evaluated. In addition, the CAPER is reviewed in conjunction with the Office of Fair Housing and Equal Opportunity (FHEO) to confirm there are no issues of noncompliance with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Executive Order 11063, the Age Discrimination Act of 1975 and Section 3 of the Housing and Urban Development Act of 1968 and all regulations promulgated under such statutes and authorities. A copy of the FHEO comments is enclosed with this letter.

In concert with the CAPER, a number of IDIS based reports are reviewed to validate the information. The reports include but are not limited to the CDBG Activity Summary Report (GPR) for the Program Year 2017 (PR03), the CDBG Financial Summary Report (PR26), the 60-day Ratio Report (PR56) and the HOME Deadline Compliance Status Report. These documents reflect whether or not a grantee is spending timely and meeting regulatory and statutory requirements and are excellent tools for a grantee to conduct self assessments. Program Year 2017 was the third year of the City's five year, October 1, 2015 through September 30, 2020, Consolidated Plan.

For Program Year 2017, the City received \$808,200 in Community Development Block Grant (CDBG) funds, \$250,189 in Home Investment Partnerships (HOME) funds.

The PR03 report reflects CDBG activities undertaken by the City during the program year. The information includes details of projects/activities, the amount of funding allocated per project/activity and how much has been spent and how many persons have benefitted from the activity. A review of the 56-page PR03 as of December 14, 2018 reflected that of the 25 activities in progress during the year, 23 were in a completed status and two were underway. The two activities underway are IDIS Activity 1002 and IDIS Activity 1020. The City is commended on another successful performance during this most recent program year.

The PR26 report reflects CDBG spending during the program year including the percentage of funds benefitting low to moderate income residents and obligated for public services and administration and planning activities. The statutory requirement for overall benefit to low- and moderate-income persons is 70 percent. Bryan's PR26 for PY 17 reflected a 100.00% benefit to low- and moderate-income persons. The percentage of funds obligated for public service activities was 14.31% of the grant amount, and the percentage of funds obligated for planning and administration were 19.18% of the grant amount. By regulation, the standard allowable limits are 15% and 20% respectively.

The PR56 report, also known as the Current 60 Day Ratio Report in IDIS documents timeliness of a CDBG grantee. HUD regulation at 24 CFR 570.902 requires CDBG grantees to spend their funds in a timely manner. A grantee is considered timely if 60 days prior to the end of their program year the balance of grant funds in its line of credit does not exceed 1.5 times the annual grant. A review of the PR56 reflected that Bryan met its timeliness ratio for Program Year 2017 with a .76 ratio on August 2, 2018. The City's next timeliness test is August 2, 2019. As of February 22, 2019, the City had a current ratio of 1.16.

The HOME Deadline Compliance Status report documents compliance with the two-year commitment and Community Housing and Development Organizations (CHDO) reservation requirements of the HOME statute and the five-year expenditure requirements of the HOME regulations. A review of the HOME Deadline Compliance Report for 2016 reservations and disbursements, as of December 12, 2018, available on HUD's website gives the appearance that the City did not meet its CHDO commitment deadline of September 30, 2018. There is a notation next to the shortfall amount of \$40,907.55 that states "documentation under review 10/22/2018". Based on the appearance of a shortfall, the City of Bryan was asked to provide documentation validating that they did in fact make the deadline. The Houston Field Office in conjunction with the Office of Affordable Housing Programs reviewed the information provided which included but was not limited to the City's CHDO written agreements and the IDIS set up forms. Based on a review of the documentation, it was determined that the City of Bryan did in fact meet its CHDO Reservations by the September 30, 2018 deadline as required.

The City of Bryan is congratulated on another successful program year. As a result of this office's assessment and the information provided in the PY 2017 CAPER, the following was determined:

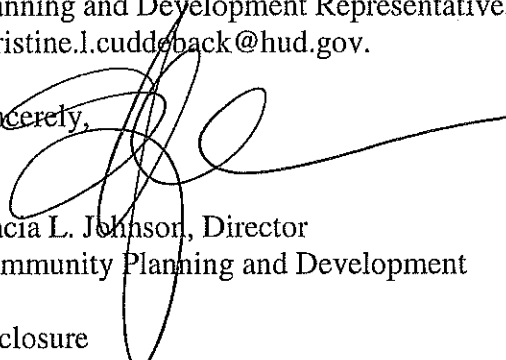
- The City carried out its programs as described in its Consolidated and Annual Action Plan submissions,
- The Consolidated Plan submission as implemented, complied with requirements of the Housing and Community Development Act, as amended, and other applicable laws and regulations.

This letter is to be shared with the public. You may provide copies to interested persons such as news media, members of local advisory committees, and citizens attending public hearings. We request that you also provide a copy of this letter to the Independent Public Accountant who performs the single audit of the City of Bryan. Please recognize that the comments and conclusions made in this letter are subject to a 30-day review and comment period by the City. We may revise this letter after consideration of Bryan's views, and will make the letter, the City's comments, and any revisions available to the public within 30 days after receipt of the comments. Absent any comments by the City, this will be considered the final letter on this subject. Upon final approval, the CAPER will be available to the public on the HUD Exchange at:

<https://www.hudexchange.info/consolidated-plan/con-plans-aaps-capers/>.

If you have any questions please let me know or call Christine Cuddeback, Senior Community Planning and Development Representative, at (713) 718-3117 or via email at christine.l.cuddeback@hud.gov.

Sincerely,



Stacia L. Johnson, Director
Community Planning and Development

Enclosure



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MEMORANDUM FOR: Stacia L. Johnson, Director, Houston CPD, 6ED

FROM: Christina Lewis, Director, Houston FHEO, 6EES

DATE: January 31, 2019

SUBJECT: Consolidated Annual Performance & Evaluation Report (CAPER) Review –
City of Bryan

We have reviewed the subject documents in accordance with 24 CFR 91.520 and have found it acceptable. However, the following items need to be noted:

Citizen Participation:

1. Please reference Limited English Proficient (LEP) publications for the LEP population.
2. Publications should indicate ability for disabled individuals to read and comment in alternative formats.

If you have any questions regarding this review, please contact Ada Raglin Thomas at (713) 718-3185.