



U.S. Department of Housing and Urban Development
Houston Field Office, Region VI
Office of Community Planning & Development
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AUG 20 2018

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

Dear Ms. Bond:

Subject: Follow up to End of Year Assessment Letter for Program Year (PY) 2015
October 1, 2015 through September 30, 2016

Please accept this office's apologies for the overdue response to the City of Bryan's March 31, 2017 letter in response to HUD's end of year assessment letter. A random audit of Consolidated Annual Performance and Evaluation Report (CAPER) review files was conducted and during this audit it was determined that HUD had not sent the City follow up correspondence. The City requested a revision to its End of Year Assessment Letter to correct the stated accomplishments for completed activities. When the End of Year Assessment Letter was prepared, the goal of twenty was cited in the document instead of the actual accomplishments of sixty units. The revision is incorporated below:

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 27, 2016. The report was timely and received within 90 days of the end of the County'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 County'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 2014 (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 2015 was the first year of the City's five year, October 1, 2015 through September 30, 2020, Consolidated Plan. For Program Year 2015, the City received \$855,054 in Community Development Block Grant (CDBG) funds, \$262,262 in Home Investment Partnerships (HOME) funds.

The PR03 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 have benefitted from the activity. A review of the 68-page PR03 as of November 29, 2016 showed that of the 34 activities in progress during the year, 31 were in a completed status and three were underway. Open activities in IDIS should be reviewed to ensure the narrative is reflective of the current project status. This review can be done in conjunction with the CDBG Activities at Risk Dashboard report (PR59). As a reminder, if it appears that an activity has stalled, staff should review and follow its department policies for addressing the activity and associated funds.

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 15 reflected a 99.84% benefit to low- and moderate-income persons. The percentage of funds obligated for public service activities was 14.69% of the grant amount, and the percentage of funds obligated for planning and administration were 18.19% of the grant amount. By regulation, the standard allowable limits are 15% and 20% respectively.

The PR56 report 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 2015 with a .97 ratio on August 2, 2016. The City's next timeliness test is August 2, 2017. As of March 7, 2017, the City had a current ratio of 1.55 and needs to expend at least \$43,810 before the test date.

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. The City met its 2013 HOME Commitments and 2013 CHDO Reservations by the October 31, 2015 deadline as reflected on the HOME Deadline Compliance report. The City was able to meet its 2010 HOME Disbursements Deadline by the October 31, 2015 deadline.

The City of Bryan identified 17 high priority needs its 2015 five-year Consolidated Plan which included but were not limited to: owner occupied housing assistance, homeless shelter, public service programs, public facilities and infrastructure projects. Program Year 2015 included the following accomplishments:

- Financial assistance provided to nine home buyers
- Completion of two housing rehabilitations
- Completion of sixty minor repair projects
- Public service funds assistance provided to 1,961 clients including:
 - Parks and Recreation Summer Camp
 - Big Brothers, Big Sisters
 - Family Promise
 - Twin City Mission
 - Unity Partners

As a result of this office's assessment and the information provided in the PY 2015 CAPER, the following was determined:

- the City carried out its programs substantially 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, and
- the City had the continuing capacity to carry out the approved program in a timely manner.

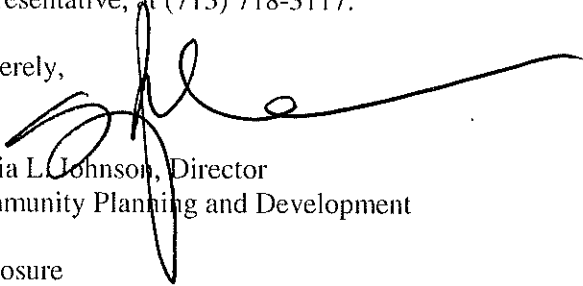
This letter is to be shared with the public. You may provide copies to interested groups and persons such as news media, members of local advisory committees, and citizens attending public hearings. We request that you also provide a copy of this letter to the Independent Public Accountant who performs 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/>

Congratulations on Bryan's efforts and accomplishments during the 2015 program year. If you have any questions please let me know or call Christine Cuddeback, Senior Community Planning and Development Representative, at (713) 718-3117.

Sincerely,



Stacia L. Johnson, Director
Community Planning and Development

Enclosure



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MEMORANDUM FOR: Darrell Logan, Acting Director, Community
Planning ~~6ED~~

FROM: Christina Lewis, Director, Houston FHEO

Date: January 27, 2017

SUBJECT: Consolidated Annual Performance and Evaluation Report
(CAPER) City of Bryan Texas
Performance Period: October 1, 2015 through September 30, 2016

We have reviewed the subject documents in accordance with 24 CFR Part 91.520 and have found it acceptable.

If you have any questions regarding this review, please contact J.A. Carlock at 713-718-3182.