U. S. Department of Housing and Urban Development

Community Planning and Development

Region VIII, Denver 1670 Broadway Street Denver, Colorado 80202-4801



Phone: 303-672-5414 Fax: 303-672-5028 Web: www.hud.gov

November 1, 2023

Nicole Crutchfield, Director Planning and Development Department City of Fargo 200 3rd Street North Fargo, North Dakota 58102

SUBJECT: Program Year 2022 Annual Community Assessment

Dear Ms. Crutchfield:

The U.S. Department of Housing and Urban Development (HUD), Region VIII, Office of Community Planning and Development (CPD) assesses the performance of its grant recipients on an annual basis. This assessment is based on the Consolidated Annual Performance and Evaluation Report (CAPER) submitted by you as a grant recipient, as well as information collected from other financial and performance reports, correspondence, and monitoring reports. This letter conveys the results of our evaluation for the 2022 program year.

Based on this analysis, we have determined that the City of Fargo has the continuing capacity to administer its CPD-funded programs. The activities undertaken are consistent with your HUD-approved Consolidated Plan, and the city continues to make progress in meeting its housing and community development goals.

Table 1 from the CR-05 Goals and Outcomes screen reports accomplishments from its 2022 projects. Supplemental accomplishment reports were also submitted that were extremely detailed and helpful in analyzing accomplishments from the current and prior years. This included a substantive description of accomplishments achieved with CDBG-CV funding. Explanations were included when there were differences in expected and actual goals achieved. Narratives of the status of open projects were also provided.

The City of Fargo has expended more than 85 percent of its CDBG-CV grant and is well on its way to meeting the 6-year expenditure deadline of August 31, 2026.

The below issues were identified in the CAPER.

CR-40

 As requested in the <u>eCon Planning Suite Desk Guide</u>, in future CAPERS, please include information on any efforts to encourage participation from low-and moderate-income persons and residents of targeted areas in providing reasonable notice and opportunity to comment on performance reports.

CR-50

• The eCon Planning Suite requests data on the amount and use of program income for projects, including the number of projects and owner and tenant characteristics. Fargo reported on the program income expended, but did not provide any other detail on the use of the program income. Please ensure this information is provided in future CAPERs.

Additionally, it is noted that the City of Fargo submitted its 2023 Annual Action Plan late per CPD Notice "Guidance on Submitting Consolidated Plans and Annual Action Plans FY 2023." For grantees with a May 1St program year start date, like Fargo, their normal submission date would not be later than 60 days after HUD's announcement of allocation amounts, and that they would be able to postpone submission of their Consolidated/Action Plan until April 25, 2023. The City of Fargo submitted its Annual Action Plan on June 16, 2023, which is almost two months past the due date. The City of Fargo should review its processes for developing its Annual Action Plan so they are able to meet HUD deadlines once allocations are announced.

In accordance with the Consolidated Plan regulations described at 24 CFR §91.525, if the city has comments regarding our conclusions, please submit them to this office within 30 days of receipt of this letter. If we do not receive comments within the 30-day time period, this letter will be considered final and can be made available to the public.

If there are any questions or there is a request for technical assistance, please do not hesitate to contact Elizabeth Clark, Senior CPD Representative, at elizabeth.clark@hud.gov.

Sincerely,

Noemi Ghirghi Regional Director

ecc: Bruce Grubb, City Administrator Kristi Sylskar, Senior Planner