

# U. S. Department of Housing and Urban Development



Community Planning and Development

Region VIII, Denver  
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May 16, 2025

Nicole Crutchfield, Director  
Planning and Development Department  
City of Fargo  
200 3<sup>rd</sup> Street North  
Fargo, ND 58102

SUBJECT: Program Year 2023 Annual Community Assessment

Dear Ms. Crutchfield:

As a recipient of grant funds provided by the U.S. Department of Housing and Urban Development (HUD), each jurisdiction that has an approved Consolidated Plan shall annually review and report to HUD on the progress it has made in carrying out its Consolidated Plan and Annual Action Plan. The performance report is submitted to HUD's Office of Community Planning and Development (CPD) in the form of the Consolidated Annual Performance and Evaluation Report (CAPER). Furthermore, the Consolidated Plan regulations at 24 CFR § 91.525 require the Department to evaluate and report to the public on a community's overall progress in the management of its program funds, compliance with the Consolidated Plan, the accuracy of performance reports, and the extent to which progress has been achieved toward the statutory goals identified in Section 91.1.

This letter serves to acknowledge your Program Year 2023 CAPER submission and to apprise you of our assessment of the City of Fargo's overall progress. HUD acknowledges the City of Fargo's programmatic accomplishments during the program year. Based on our Office's review of your Program Year 2023 CAPER, we have concluded that the City of Fargo has the capacity to carry out its CPD programs and has met its reporting requirements.

The review revealed that no Program Year 2023 activities were completed in the program year and funds were only drawn for one 2023 activity. An attached "Assessment of Objectives and Accomplishments" document provided a detailed explanation of the progress of activities for 2023 and prior years. Typically, Fargo allocates funding to housing projects annually without having a particular project identified, and then submits an amendment once a project has been identified. The time between submitting the Annual Action Plan and identifying a housing project has often led to delays in expending those funds. Fargo may want to consider not allocating funding to housing projects in future years' Annual Action Plans until a specific project has been determined. Fargo is currently at 1.82 adjusted grant years' worth of funds in its

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line of credit prior to its timeliness test date of March 2, 2025. Funding shovel-ready projects may assist Fargo in meeting its timeliness requirements.

A financial review identified a concern with the City of Fargo's overall benefit requirement. Fargo has a 3-year certification period of 2023, 2024, 2025. For 2023, only 58% of expenditures went towards benefiting low-and-moderate income persons, which is below the required 70%. The City of Fargo will need to ensure that low-and-moderate income national objective expenditures for program years 2024 and 2025 are sufficient to meet the required 70% threshold over the three-year certification period.

Finally, please ensure that future CAPERs include a list of units inspected in each HOME project monitored in the CR-50 HOME screen.

Thank you for your continued commitment to strengthen your community through CPD programs. Please submit any comments regarding the contents of this letter to this Office within 30 days of the date of this letter. If you have any questions concerning the progress summary or wish to request additional consultation regarding your performance, please contact Don Morris, Senior CPD Representative, at [don.r.morris@hud.gov](mailto:don.r.morris@hud.gov).

Sincerely,



Noemi Ghirghi  
Regional Director, Region VIII  
Acting CPD Director, Denver Field Office

enclosure

cc: Michael Redlinger, City Administrator

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### **CPD Program Progress Summary**

This section summarizes the City of Fargo's program progress during the assessment period May 1, 2023 – April 30, 2024, with special focus on compliance with and progress towards expenditure requirements for CPD programs.

Summary of Programs Administered and 2023 Funding Amounts:

<b>Allocations</b>	<b>2023 Funding Amounts*</b>	<b>Total Available 2023 Balance</b>	<b>Total Available Balance – All Years</b>
CDBG	\$840,957	\$471,295.63	\$656,772.88
CDBG-CV	\$1,044,369		\$11,788.29
HOME	\$549,768	\$426,744.75	\$641, 857.14
HOME-ARP	\$1,697,107		\$1,697,107

\*CDBG-CV and HOME-ARP were one-time allocations, not 2023 funding

Summary of Program Deadlines and Baseline Requirements:

<b>Program</b>	<b>Requirement</b>	<b>Progress</b>
<b>CDBG</b>	Compliance with <i>last</i> September 30 <sup>th</sup> Treasury cancelling funds deadline	Last Deadline: 9/30/2024 Balance of undisbursed funds: \$0
	Progress towards <i>next</i> September 30 <sup>th</sup> Treasury cancelling funds deadline	Next Deadline: 9/30/2025 Balance of undisbursed funds: \$0
	70% Low/Mod Overall Benefit requirement for CDBG	Program Year 2023 Low/Mod Benefit percentage: 58%
	CDBG-CV 6-Year Expenditure Deadline	Deadline: 8/31/2026 Percentage Disbursed: 98%
<b>HOME</b>	Compliance with <i>last</i> September 30 <sup>th</sup> Treasury cancelling funds deadline	Last Deadline: 9/30/2024 Balance of undisbursed funds: \$0
	Progress towards <i>next</i> September 30 <sup>th</sup> Treasury cancelling funds deadline	Next Deadline: 9/30/2025 Balance of undisbursed funds: \$0
	HOME-ARP Expenditure Deadline	Deadline: 9/30/2030 Percentage Disbursed: 0%