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## U.S. Department of Housing and Urban Development

Wilmington Field Office 920 King Street Suite 404 Wilmington, Delaware 19801-3016

The Honorable Dennis P. Williams Mayor of Wilmington Louis L. Redding City/County Building 800 French Street Wilmington, DE 19801-3537

Dear Mayor Williams:

SUBJECT: Annual Community Assessment

City of Wilmington, Delaware July 1, 2012 through June 30, 2013

The provisions of the Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require the annual submission of performance reports by grant recipients receiving Federal assistance through programs covered under these Acts. Additionally, these Acts require that a determination be made by the Secretary 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.

The Consolidated Plan regulations at 24 CFR 91.525 require this 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 apprise you of our assessment of Wilmington's overall progress.

In making our evaluation, we relied primarily upon the City's submission of the Consolidated Annual Performance and Evaluation Report (CAPER) for Fiscal Year 2012. This report summarized accomplishments made with funds provided from the Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA) Programs. In addition, we took into account technical assistance, follow up conversations with City staff and the handling of citizen comments and complaints.

As you know, under the update to the Part 91 Consolidated Planning regulations that came into effect March 13, 2006, all Annual Action Plans and Consolidated Annual Performance and Evaluation Reports (CAPER) are required to include Performance Measures as part of their annual reporting. The Office of Management and Budget (OMB) has deemed this information necessary to validate the continued funding of HUD programs. The City provided Performance Measures as required by this guidance.

The HUD timeliness requirement is that a community may have no more than 1.5 times their most recent annual grant remaining in the line of credit 60-days prior to the end of their program year. When the 60-day timeliness test was conducted on May 2, 2013, it was calculated that the City had a balance in its Line of Credit of 1.35 times its annual grant, which was in compliance with the 1.5 timeliness standard. We congratulate the City on its successful efforts to achieve compliance.

During the 2012 program year, Wilmington expended 91.22% of its CDBG funds for activities benefiting low and moderate income persons. Wilmington has a two-year certification that covers the two program years that began in July 2012. This was the first year of that period. Thus, the City was in compliance with the Primary Objective. The City obligated 14.84% of funds to public service activities, which is within the 15% regulatory cap. The City also obligated 14.21% of its funds for planning and administration, which is within the 20% regulatory cap.

The City has met the HOME requirements for expenditure by committing all funds to projects within two years and expending funds within five years. The requirement to provide at least 15% of HOME funding to Community Housing Development Organizations has also been achieved. We remind grantees that all HOME projects should be closed within 120 days of their final draw.

The CAPER included the City's efforts in affirmatively furthering Fair Housing and identifying impediments to affordable housing. The Department of Real Estate and Housing has taken the lead in addressing the impediments in the 2011 Fair Housing Action Plan. Additionally, the City continues to participate in the state-wide task force charged with the task of addressing identified regional impediments to fair housing choice. We commend you for these efforts. Please note that the Office of Fair Housing and Equal Opportunity (FHEO) is available to provide technical assistance regarding affirmatively furthering fair housing upon your request.

We congratulate the City on its many accomplishments during this program year. Based on our review we have concluded that Wilmington has the capacity to carry out its programs and has met its reporting requirements.

We ask that you review our assessment of your performance and provide any comments that you may have within 35 days of the date of this letter. Upon receipt, we will evaluate your comments and make any revisions that are deemed appropriate. If you do not have any comments, we request that you formally notify us of that fact within the 35-day timeframe. Where no comments are received within the designated timeframe, our initial letter will serve as our final assessment of the City's performance for this program year. To facilitate and expedite citizen access to our performance letter, we request that you inform the general public and interested citizens' 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 the letter available to the public. We appreciate your cooperation in this matter.

We look forward to continuing to work with you and members of your staff to accomplish Departmental goals and mutual objectives to develop viable urban communities. We would also be pleased to provide you with any information on resources that may be available to your community. If you need assistance, or if you have any questions concerning the content of this letter, please contact Mr. Nadab O. Bynum, Community Planning and Development Director at (215) 861-7652 or Ms. Sharon Maclean, Community Planning and Development Representative, at (215) 861-7651. This Office may be reached by text telephone (TTY), at (215) 656-3452.

Sincerely,

Jane C. W. Vincent Regional Administrator

cc:

Ms. Nailah B. Gilliam