



U.S. Department of Housing and Urban Development
Community Planning and Development Division
Atlanta Region, Miami Field Office
Brickell Plaza Federal Building
909 SE First Avenue, Room 500
Miami, FL 33131-3042

September 15, 2011

Honorable Carlos A. Gimenez
Mayor of Miami-Dade County
Miami-Dade County
111 N.W. 1st Street, Suite 2910
Miami, FL 33128

Honorable Mayor Gimenez:

Subject: Annual Community Assessment
Consolidated Annual Performance and Evaluation Report (CAPER)
2010 Program Year – CDBG, CDBG-R, HOME, ESG, HPRP and NSP Programs
Miami-Dade County, Florida

The Housing and Community Development Act of 1974, as amended and the National Affordable Housing Act, of 1990, require that a determination be made annually by HUD 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.

In accordance with the Consolidated Planning Regulations of January 5, 1995, this Office makes a comprehensive performance review of your overall progress annually, as required by §24 CFR 91.525. The review consists of analyzing your consolidated planning process; reviewing management of funds; determining the progress made in carrying out your Consolidated Plan policies and programs; determining the compliance of funded activities with statutory and regulatory requirements; determining the accuracy of required performance reports; and evaluating your accomplishments in meeting key Departmental objectives.

We congratulate you on your accomplishments during this past year on the achievement of Departmental Objectives.

SUMMARY OF PERFORMANCE

Community Development Block Grant (CDBG)

The County received \$19,579,850 in fiscal year 2010 CDBG funds, and is commended on its performance in expending 94.85% of its CDBG funds on activities benefiting low or moderate-income persons. This performance meets Departmental standards.

HUD's mission is to create strong, sustainable, inclusive communities and quality, affordable homes for all.

www.hud.gov

espanol.hud.gov

The Financial Summary showed \$3,933,290.95 net for planning and administrative costs or 20.00% of the grant funds plus program income received during the program year. The Financial Summary also indicated \$2,979,223.91 net obligations for Public Services or 14.99 % of the 2010 grant funds plus program income received during the program year.

We are pleased to report that the County is in compliance with Departmental progress standards in the expenditure of its CDBG Line-of-Credit (LOC) balances. The County is required to have no more than 1.5 years of funding available in its LOC at the end of the tenth month of its program year. The County's LOC balance as of November 1, 2010 was \$23,929,282.81, which represents 1.45 years of funding.

Our review of the activities indicates that they are eligible as provided for at 24CFR 570.201-6, and meet one of the three National Objectives established at 24 CFR 570.208. We were pleased with the County's housing assistance performance; in particular its affordable housing activities that provided homebuyer assistance for the rehabilitation of single family structures and benefited 115 low and moderate income homeowners household, assisted 2-public facility improvement projects, served 46,407 people through public service activities, and its housing rehabilitation activities (rental and owner-occupied rehab) that reported housing units rehabilitated in IDIS MA04, including race/ethnicity information, and created/retained 69 jobs to benefit low income households.

HOME

The County received \$7,029,971 in fiscal year 2010 HOME funds. Our review determined that the County achieved its objective of providing assistance for the construction of 125 units and assisted 12 homebuyers with single family mortgage assistance, for a total of 137 HOME assisted units. In addition, the County's Tenant-Based Rental Assistance (TBRA) program assisted 218 people, including elderly and formerly homeless adults.

Total disbursements during the year were \$283,041.21, including administrative costs, leaving \$6,746,929.79 unexpended for its 2010 HOME grant. Our evaluation of these accomplishments disclosed no concerns with respect to eligibility, income targeting, affordability, or match requirements.

As a reminder, please be aware that any HOME funds appropriated in FY 2002 will not be available for PJs to expend after September 30, 2009. HOME funds remaining in your FY 2002 grant after this date will be recaptured by the United States Treasury. Unexpended HOME funds in grants from 1992 through 2001 are not subject to these rules. However, beginning with the FY 2002 appropriation, each annual HOME grant is subject to this eight-year expenditure rule. So, for example, FY 2004 HOME funds will no longer be available to you after September 30, 2011. You may refer to HOME facts Vol 2 No 2 February 2009, for additional instructions of this requirement and the link below:

<http://www.hud.gov/offices/cpd/affordablehousing/library/homefacts/volumes/vol2no2.cfm>

<http://www.hud.gov/offices/cpd/affordablehousing/reports/expiringfunds/explanations.pdf>

Emergency Shelter Grant (ESG)

The County received \$788,826.00 in fiscal year 2010 ESG funds. Our review determined that the County awarded the entire 2010 ESG grant amount to Camillus House, Inc. through the County's Request for Application process (RFA) for the operation its Beckham Hall Emergency Shelter Program. During FY 2010, Beckham Hall provided temporary shelter and services making a significant progress in assisting homeless persons under the Emergency Shelter Grant program.

All grant funds have been expended within 24-months of the date of the grant award. All activities were deemed eligible in accordance with §24 CFR 576, and not more than 5% of the grant amount was used for costs of staff. The match requirements and limits on the use of essential services and homeless prevention activities have been met. The County is to be commended for its performance in supporting emergency shelter services to 203 homeless males.

Performance Measurement

In September 2004, CPD Notice 03-09 was sent to all grantees in reference to Local Performance Measurement Systems for CPD Formula Grant Programs. In this notice it strongly recommends the use of a performance measurement system in order to account for productivity and program impact. Productivity displays the quantity, quality, and time a grantee undertakes activities. Program impact reflects how activities yield desired outcomes within the community and the persons assisted. The Field office reiterated the importance of determining whether the County is currently using a performance measurement system, developing a system, or has not yet developed a system.

Beginning October 1, 2006, each Consolidated Annual Performance and Evaluation Report (CAPER) or Performance and Evaluation Report (PER) should include the status of the grantee's efforts toward implementing a performance measurement system as described in the Federal Register Notice dated March 7, 2006. All CAPER or PER reports should provide a description of how the jurisdiction's program provided new or improved availability/accessibility, affordability, sustainability of decent housing, a suitable living environment, and economic opportunity. The CAPER/PER must include a comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives.

A review of the IDIS CDBG Performance Measures Report (PR83) and the Housing Performance Report (PR85) disclosed that Miami-Dade County is inputting data for all if its activities.

Neighborhood Revitalization Strategy Areas (NRSA)

Our review of the County's eight (8) NRSA's areas determined that assistance have been provided to the identified areas and eligible block groups. The County's designated areas are: Opa-Locka, West Little River, Melrose, Model City, South Miami, Perrine, Goulds, and Leisure City/Naranja. The County is currently reporting accomplishments in IDIS (PR 84) and provided narratives in their FY 2010 CAPER submittal.

Concerns

There are some performance issues that require action for resolution as a result of our review of your Consolidated Annual Performance and Evaluation Report (CAPER) for FY 2010:

(1) CDBG - Slow moving activities:

A review of the County's FY 2010 reporting (IDIS Report # C04PR02) - List of activities by program year and project; in the Integrated Disbursement and information System (IDIS) is showing a number of old funded activities with large balances, no draws made, or activities incorrectly reported. It is recommended that the County, where appropriate, reprogram large balances or funds remaining from completed activities as soon as possible. By doing so, it will aid to avoid erroneous reporting and will assist the County in meeting the timeliness test. For additional information on the reporting requirements for the CAPER please visit the HUD website at: www.hud.gov/offices/cpd/about/conplan/idisrep.cfm

(2) HOME - commitments/disbursements- expenditures- red flags-open activities.

The County's HOME "open activity report" is listing activities that: may have been completed, final draw made, or no HOME units listed. It's imperative that the County reconcile IDIS by properly reporting the status of those activities immediately.

(3) Financial Audits – The County's Audit report for the year ending 2010 has not been submitted. Please note that in accordance with OMB Circular A-133, Audit Reports must be submitted to the Federal Audit Clearing House (FAAC) within 30 days after the receipt of the IPA Auditor's report, or no later than nine (9) months after the end of the County's fiscal year.

Please complete the review of the activity report and within 30-days from the date of this letter, advise our Office of the corrections made.

Fair Housing and Equal Opportunity (FHEO)

The Office of Fair Housing and Equal Opportunity (FHEO) is required to conduct an analysis of each grantee's Consolidated Annual Performance Evaluation Report (CAPER) to ensure compliance with the civil rights requirements to affirmatively further fair housing as required in 24 C.F.R. 91.225(a)(1), 91.325(a)(1), and 91.425(a)(1)(I). Affirmatively furthering fair housing means that each grantee will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, taken appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions taken in this regard. Additionally, the *Fair Housing Planning Guide* is available on the Hudweb at: <http://www.hud.gov/office/fheo/affirmative.cfm>

The *Fair Housing Planning Guide* contains valuable information, which may assist you in your revisions and future CAPER, and Annual Action Plan submissions.

The FHEO evaluation of the County's FY 2010 CAPER submission is presently under review. Once the review is completed it would be communicated under a separate cover letter.

Office of Public and Indian Housing (OPIH)

The Office of Public Housing (OPIH) was also required to conduct an analysis of the County's Consolidated Annual Performance Evaluation Report (CAPER). This request was intended for the accuracy of any data shown for the local PHAs, the County's housing inventory, and the plan in general. The Office of Public and Indian Housing review of your CAPER submission is presently under review. Once the review is completed it would be communicated under a separate cover letter.

The Housing and Economic Recovery Act of 2008 And The American Recovery and Reinvestment Act of 2009 Programs*

Neighborhood Stabilization Program 1 (NSP1)

Miami-Dade County received \$62,207,200 in fiscal year 2009 and is commended on its performance in expending 39.57% of its NSP-1 funds which assisted 17 households that benefited low, moderate, and middle income persons in the areas of greatest need. We are pleased to report that the County has met the 18 month obligation deadline as of September 2010. This performance meets Departmental standards.

The third quarterly performance report of fiscal year 2011 indicates that the County obligated \$6,220,720 for its administrative budget which is within the 10% regulatory limit.

The regulation requires that ... "no less than 25% of the funds appropriated or otherwise made available for the purchase and redevelopment of abandoned or foreclosed homes or residential properties that will be used to house individuals or families whose income do not exceed 50% of area median income." Currently, the County has obligated \$21,025,909 and expended \$4,635,354 for Low Income Households.

The County reported that it received \$875,030 of program income and disbursed \$875,030. Please ensure that program income is drawn down prior to any disbursement of the grant funds. In addition, the County should maintain documentation (i.e. spreadsheets, reports, receipts, etc.) to track program income.

Our review determined that the County's Action Plan contained all eligible activities and meets reporting and expenditure requirements of the NSP1 program.

Neighborhood Stabilization Program 3 (NSP3)

Miami-Dade County received \$20,036,303 in fiscal year 2011 and has expended zero percent (0%) of its NSP3 funds.

The County is required to expend at least 50% of allocated funds within two years of the date funds become available to the grantee for obligation and 100% of such funds within three years of such date. (Dodd-Frank Act).

The expenditure deadline dates are as follows:

- 50% by March 2013
- 100% by March 2014

The most recent quarterly performance report of fiscal year 2011 indicates that the County has budgeted \$2,003,630 for its program administration which is within the 10% regulatory limit.

The regulation requires that no less than 25% of the funds appropriated or otherwise made available for the purchase and redevelopment of abandoned or foreclosed homes or residential properties that will be used to house individuals or families whose income do not exceed 50% of area median income. Currently the County has budgeted \$.00 and expended \$.00 for Low Income Households.

Our records indicate that the County has not received any program income. However, once received please ensure that program income is drawn down prior to any disbursement of the grant funds and maintain documentation (i.e. spreadsheets, reports, receipts, etc.) to track program income.

The County is encouraged to continue reporting in the Disaster Recovery Grant Reporting (DRGR) system.

Community Development Block Grant – Recovery (CDBG-R)

Miami-Dade County received \$4,884,311 in fiscal year 2009 and has expended \$1,683,909 of its CDBG-R funds. Our review determined that the County has expended 34.48 %, which is below the 64 % average expenditure rate for the South Florida Region.

Please be advised that the County must meet the 100% expenditure deadline prior to September 2012.

The County is encouraged to continue reporting in the Federal Reporting System.

Homelessness Prevention & Rapid Re-housing Program (HPRP)

Miami-Dade County received \$7,468,222 in fiscal year 2009 and has expended 83.49% of its HPRP funds.

The County is commended on its performance in meeting the July 2011, 60% expenditure deadline. This performance meets Departmental standards.

Please be reminded that the County must meet the 100% expenditure deadline by July 2012 and is encouraged to continue reporting in the Electronic-Special Needs Assistance Program (e-snaps) and Federal Reporting Systems.

***Information utilized from DRGR is as of August 23, 2011**

OVERALL EVALUATION AND CONCLUSION

Our review of the annual performance report indicates that the activities carried out by the County during the program year were generally eligible or otherwise consistent with applicable CDBG, CDBG-R, HOME, ESG, HPRP and NSP regulations. The County's actions in the program year were consistent with the actions proposed to address identified priority needs. Results in achieving goals that were envisioned in the Consolidated Plan were satisfactory.

The County's approach to community development activities is comprehensive and creative, and reflects internal coordination and cooperation with its citizens.

To facilitate and expedite citizen access to our performance assessment, we request that you apprise the general public and interested citizen's organizations and non-profit entities, of its availability. If, for any reason, the County chooses not to do so, please be advised that our Office is obligated to make this letter available to the public. We appreciate your cooperation in this matter. It is also recommended that the County retain this assessment letter and make it available to its Independent Public Accountant (IPA).

In conclusion, as a result of our analysis, we have determined that your overall progress is satisfactory. This determination is based upon the information available to this office, and does not reflect a comprehensive evaluation of specific activities.

Attached please find important information that would assist you in administering your CPD programs.

This Office is available to assist you in any way possible. If you have any questions regarding this correspondence, or any other program matter, please do not hesitate to contact Ms. Lisa Bustamante, Senior Community Planning and Development Representative, at (305) 520-5008, or via email message at fiordaliza-bustamante@hud.gov.

Sincerely,



Maria R. Ortiz-Hill, Director
Community Planning and Development Division

cc: Ms. Ann D. Chavis, Program Manager, US H.U.D.
Ms. Rowena Crawford, HCD, Assistant Director, Miami-Dade County

Enclosures

“Consolidated Plan Management process - CPMP”

The Office of Management and Budget asked that HUD work with local stakeholders to streamline the Consolidated Plan, making it more results-oriented and useful to communities in assessing their own progress toward addressing the problems of low-income areas. Grantees are encouraged to use the tool formats in developing Consolidated Plans, Action Plans, and annual performance reports.

“MINORITY BUSINESS ENTERPRISES - MBE”

Under executive orders 11625, 12432 and 12138 grantees must subscribe procedures acceptable to HUD for a minority outreach program to ensure that they are making concerted efforts to attract minority groups to the procurement process.

Furthermore, the Office of Small and Disadvantaged Business Utilization (OSDBU) is required to collect and consolidate data on Minority Business Enterprise (MBE) on an annual basis. You are encouraged to utilize Woman's and Minority Business Enterprise participation in all HUD programs. Grantees should submit their information, via email, on HUD form 2516 (Grantee Contract and Subcontract Activity Report). Please note that you may access the forms at: <http://www.hud.gov/offices/osdbu/forms/hud2516.xls>.

2012 TRAINING SURVEY

Please help us to identify the areas of training that could benefit your jurisdiction in operating and managing your CPD program(s). Complete the survey below no later than September 30, 2011, and either email or fax it to your CPD Representative or to John Quade, CPD Representative at john.f.quade@hud.gov or (305) 536-4781.

Please indicate your interest in receiving technical assistance/training below by ranking the importance from the highest (5) to lowest (1).

5 – Very Important 4 – Important 3 – Average 2 – Slightly
Important 1 – Not Important

- Affordable Housing Financing
- Acquisition/Relocation
- CHDO Assistance
- Construction Management
- Economic Development
- Effective Agreements
- Environmental Review
- Financial Management
- Green Building
- Homelessness Issues
- IDIS
- Income Determinations
- Lead-Based Paint
- NSP
- Procurement
- Subrecipient Management
- Using Outcomes to Measure Performance
- Other (Please specify): _____