



U.S. Department of Housing and Urban Development

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February 3, 2006

The Honorable Stephen R. Speed  
Mayor of Dover  
P.O. Box 475  
Dover, DE 19903-0475

Dear Mayor Speed:

The Department of Housing and Urban Development is required to evaluate and report to the public on a community's management of grant funds provided through the Office of Community Planning and Development; the completeness and accuracy of its performance reports; and the extent to which progress has been achieved toward the statutory goals identified in Section 91.1 of the Consolidated Plan regulations. This letter serves to apprise you of our assessment of Dover's overall progress.

In making this evaluation, we relied on the Dover's Program year 2004 Consolidated Annual Performance and Evaluation Report (CAPER). For Fiscal Year 2004, this report summarized the City's accomplishments with respect to the Community Development Block Grant (CDBG) Program, and the data comparable to, or the same as, what was included in the Comprehensive Housing Affordability Strategy (CHAS) Performance Report. In addition, we considered recent monitoring reports of the City's CDBG Program.

Based on our analysis, we have made the following determinations:

It appears that program funds are being used in accordance with the requirements pertaining to the Consolidated Plan and applicable regulations governing the CDBG program.

The information contained in the submitted reports, along with the required additional information received from the City, indicates that program funds are being properly managed. It is noted that, during the 2003 Program Year, 100% of the City's CDBG funds were spent on activities benefiting low/moderate income persons. This percentage exceeds the statutory minimum of 70%.

The amount of CDBG funds available in the Letter of Credit 60 days prior to the end of 2004 Program year was 1.42. As this percentage is less than the 1.5 standard, CDBG funds are being expended at an acceptable rate;

As only 6% of CDBG grant, plus the preceding year's program income was obligated for public services activities, compliance with the provision at 570.201(e), which limits such expenditure to 15%, was achieved. In addition, 16% of the grant, plus the FY 2003 Program Year program income, was expended for planning and administrative purposes, which is within the 20% cap on such expenditures.

Based on the information available for this review, it appears that the City has carried out activities that address the priorities established in the Strategic Plan element of the Consolidated Plan, and has made progress in achieving the statutory goals of providing decent housing and a suitable living environment for the residents of Dover. Specifically, during the 2004 Program Year, \$447,100.78 was expended in CDBG Entitlement grant funds to support activities designed to achieve the five goals of the Strategic Plan element of the Consolidated Plan:

- Promoting homeownership, especially in low/mod neighborhoods
- Preserve the existing housing stock
- Provide decent and safe neighborhoods
- Increase the livability of neighborhoods
- Expand economic opportunities

Using CDBG funds, there were 8 LMI owner-occupied homes brought up to standard condition, five more than last year. This was goal for the program year. As noted in our monitoring report, although the City did achieve its goal, this Office is concerned that rehabilitation activity had drawn to a halt at that time, and goal achievement during the current reporting period appeared to be in jeopardy. It is hoped that organizational problems have been resolved in order to put the program back on track.

The NCALL continues to counsel first-time homebuyers and there are now 7 lending institutions participating in the First Start Program and Settlement Assistance Program. Seven families used the program to purchase homes during the reporting period. This is an improvement from the previous program year. It is hoped that this program will continue to show progress.

To increase safety in the target area, the community policing and street lighting activities were continued. The community policing includes officers, on foot and bike patrol, who are specifically trained to interact with the community. They also perform enhanced surveillance in areas known for a high level of illegal drug activity.

The CDBG funds were used to provide handicap accessibility improvements to a City facility. Funds were also used to continue to make infrastructure improvements in the City's target area. Through an agreement with Main Street Dover, Inc., technical assistance was provided to businesses in the City's Central Business District. This resulted in the provision of 11.5 new jobs during the reporting period.

This Office conducted an on-site monitoring of Dover's program within the program year. We are pleased to report that all three findings included in our September 30, 2005 monitoring report were resolved in a timely manner. An on-site review has also been conducted, in November 2005, of Dover's compliance with applicable civil rights laws and regulations. The results of that review will be transmitted to you shortly.

As a result of our analysis, it has been determined that Dover's overall progress is satisfactory. The City is to be congratulated on its accomplishments during the past program year with regard to the achievement of Departmental priorities, as well as on making progress toward the accomplishment of the goals/objectives stated in the Consolidated Plan.

We ask that you review our assessment of your performance and provide any comments 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 relative to the analysis contained in this letter, we request that you formally notify this Office of that fact within the 35-day timeframe. In cases where no comments are received within the designated timeframe, our initial letter will serve as our final assessment of the City's performance for the program year. To facilitate and expedite citizen access to this performance review letter, we request that you apprise the general public, interested citizens and nonprofit organizations of its availability. If, for any reason, the City chooses not to do so, please be advised that this Office is obligated to make this letter available to the public. We appreciate your cooperation in this matter.

This Office will continue to work with you and your staff to accomplish our mutual goals, as well as any local objectives whose purpose is to develop viable urban communities. If there is any assistance you require in this regard, we will be pleased to discuss what resources we can provide to assist the City. If you have any questions concerning this letter or other aspect of your CPD programs, please do not hesitate to contact Ms. Daphne Nisperos-Wong, at (215) 656-0626, extension 3206. This Office can be accessed via text telephone (TTY), at (215) 656-3452.

Sincerely,



Diane L. Lello  
Director

cc:  
Ms. Tracey Harvey