



U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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November 18, 2010

Honorable <sup>John E. Piper</sup>~~Carolyn Bowers~~  
Mayor of Clarksville  
One Public Square  
Clarksville, TN 37040

Dear Mayor Bowers:

SUBJECT: Consolidated End-of-Year Review - Program Year 2009  
City of Clarksville

Annually, the U.S. Department of Housing and Urban Development (HUD) is required to conduct a review of performance by grant recipients. The review consists of: analyzing the local consolidated planning process; reviewing management of funds; determining the progress made in carrying out HUD policies and programs; determining the compliance of funded activities with statutory and regulatory requirements; determining the accuracy of required performance reports; as well as, evaluating accomplishments in meeting key Departmental objectives. Concurrently, the Secretary of HUD must determine 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 addition to meeting the mandates of the statutes, this assessment provides a basis for Clarksville and HUD to work together collaboratively in achieving housing and community development goals. The Office of Community Planning and Development (CPD), in consultation with the Offices of Public Housing, Multifamily, Single Family, Chief Counsel, Fair Housing and Equal Opportunity and my Office, completed the assessment.

We congratulate the City of Clarksville and the staff of the Office of Housing and Community Development on the accomplishments toward implementing programs and policies, which carry out the strategies, as outlined in the 2005 Consolidated Plan. The 2009 Program Year was the last year of the Plan and was the year which the City submitted its new Consolidated Plan, which was approved by HUD. During the 2009 year, the City used consolidated planning funds, as well as leveraged additional State, local, private, and other federal funding to implement many worthwhile programs and projects and expended funds in a timely manner. Sixty days prior to the end of Clarksville's 2009 program year, 1.12 program years of Community Development Block Grant (CDBG) funds remained in the grantee's line of credit which met the timely use of funds test as required by 24 CFR 570.902. In addition, the City continues to commit and expend HOME Investment Partnerships Program funds in a timely manner.

*HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business*

It was observed that the City utilized the Department's Consolidate Plan Management Process (CPMP) Tool. We commend the City on its use of the Tool. This will greatly simplify the completion of the next Consolidated Annual Performance and Evaluation Report (CAPER) and should make the task of completing the 2011 Consolidated Action Plan easier.

The City is recognized for a number of noteworthy accomplishments during the 2009 program year, including the following:

1. **Low- and Moderate-Income (LMI) Benefit.** The CAPER indicated that over 90 percent of the CDBG funds expended during the reporting period benefited LMI persons either through direct benefit activities or activities benefiting LMI areas.
2. **Housing Rehabilitation/Homeownership Programs.** The City continues to operate its housing rehabilitation programs using a combination of CDBG and HOME funds. As a major program activity, Clarksville continued to provide affordable housing opportunities for its citizens. Accomplishments included: assisting four households with housing rehabilitation, providing 53 households with emergency repair, and assisting 39 first-time homebuyers with downpayment and closing costs.
3. **Community Housing Development Organizations (CHDOs).** The City continued to work with Buffalo Valley, Inc. to provide transitional and permanent housing for LMI income persons, persons with disabilities, and homeless individuals and families. Buffalo Valley, Inc., manages eight homes with a total of 11 separate units. During the program year, Clarksville provided CHDO funds to Buffalo Valley which were used to purchase two multi-unit residences to be used as transitional housing for homeless or low income families or individuals.
4. **Assistance to the Homeless.** The City once again provided a variety of programs and services to assist the homeless during the program year. Clarksville distributed CDBG funds to the United Methodist - Urban Ministries Safehouse Shelter and Grace Assistance, United Way - Clarksville Regional Alliance for Financial Independence, Old Fire House Day Shelter and Resource Center, and Radical Mission Ministries. In addition, the Community Action Agency continues to fund services for homeless prevention by providing electric, gas and water deposits for income eligible applicants. The above non-profit agencies also provided emergency shelter assistance, shelter for abused and battered women, legal representation, and counseling. The City participates as grantee and sponsor in a Shelter Plus Care (S+C) grant providing rental assistance for 15 chronically homeless individuals. During the reporting period, the aforementioned programs assisted over 2500 individuals.

As an update on the Streamline format for the development of the Three to Five Year Consolidated Plan, CPD Headquarters is still working cooperatively with other HUD program offices to develop a Plan that is useful across program lines and provides a framework for a more comprehensive approach to addressing you housing and community development needs. Once

approved, the requirements will be issued to grantees. In the meantime, operate as usual as you develop the next Consolidate Plan/Annual Action Plan.

As you implement activities during the 2010 Program Year and begin preparations for the 2011 Program Year, please continue to assist the Department as we undertake our strategic goals:

- Strengthen the Nation’s Housing Market to Bolster the Economy and Protect Consumers;
- Meet the Need for Quality Affordable Rental Homes;
- Utilize Housing as a Platform for Improving Quality of Life;
- Build Inclusive and Sustainable Communities Free from Discrimination; and
- Transform the Way HUD Does Business.

The Department will continue its efforts and encourage our grantees to implement activities which promote energy efficiency, reduce energy costs for our beneficiaries, and expand efforts to bring green building practices to HUD-financed or HUD-assisted new construction and rehabilitation projects. Major emphasis will be geared to building sustainable communities and partnering with other Federal departments in these efforts.

The Department will be on the fore front in implementing place-based management strategies. According to the Office of Management and Budget (OMB), place-based management “targets prosperity, equity, sustainability and livability of places” and examines how a place functions as well as adapts to variable market conditions. Utilization of this method will be rooted in the following principles:

- Guiding investments and regulation toward measurable goals;
- Effecting change from the community level; and
- Participating in regional approaches to sustainable development and program delivery.

Other information and areas to consider during the 2010 Program Year and as you prepare for the next Consolidated Plan/Annual Action Plan submission include the following items:

1. At the end of each Federal fiscal year, HUD reports information on the accomplishments achieved using CDBG funds in its Annual Performance Report. This report uses the accomplishments reported by grantees in the Integrated Disbursement and Information System (IDIS) to measure the success of the HOME and CDBG programs in achieving their goals. This information is analyzed by the Office of Management and Budget and Congress and is an important consideration in future funding of the program. Therefore, it is critical that you report all accomplishments for each of your activities for which you have accomplishments to report. While some activities will not have accomplishments for the current fiscal year, most will.

The HOME PJs Open Activities Report, on its website each month is available to assist Participating Jurisdictions (PJs) in identifying projects that may need to be cancelled or projects that remain in "open" status despite their having been completed. This report provides information on all HOME projects entered in IDIS that have not been completed. Its primary purpose is to enable PJs to regularly review and identify open projects that should be completed in IDIS or cancelled. A review of the August 31, 2010 HOME PJs Status of Open Activities Report revealed that the City had no open activities in final draw status past the 120 day deadline and is doing an excellent job monitoring open activities. This report can be found online at <http://www.hud.gov/offices/cpd/affordablehousing/reports/open>. Information on revising activity status begins on page 4-32 of the chapter. CPD and the Office of Affordable Housing Programs will continue tracking the City's progress in this area. Please note that failing to enter this information into IDIS has a negative impact on the City's scores, and, subsequently, its National and State Ranking with other PJs. Also, CPD offers technical assistance to help PJs improve their scores. As always, the Department continues to need accurate reporting on all Consolidated Planning programs.

2. CPD's Technical Assistance Program (TAP) is available to assist grantees and their Partners as they encounter problems and need assistance under the HOME and Homeless Programs. For FY 2010, CPD will offer a more comprehensive approach to assisting grantees through the OneCPD TA Program. This program will assist grantees in addressing problems that cross programmatic lines and require a more comprehensive approach. More information regarding OneCPD TA will be forwarded to grantees at a later date.
3. Executive Orders 11432 and 11625 require all Federal agencies to promote Minority Business Enterprises (MBE), including women owned businesses, participation in their programs. The City of Clarksville is encouraged to expand its efforts in these areas and submit the MBE report (HUD Form -2516) on the Consolidated Plan Program funds. The next MBE report, "Contract and Subcontract Activity," will cover the period of October 1, 2010 - September 30, 2011. The completed form has a submission date within 10 days of September 30<sup>th</sup> each year. The next report is required to be submitted by October 10, 2011.
4. Section 3 - Equal Opportunity is a major priority of HUD. The Department encourages compliance to Section 3 of the HUD Act of 1968, and implementing regulations at 24 CFR Part 135. Section 3 provides to the greatest extent feasible opportunities of employment and training be given to lower income residents of the project area and contracts be awarded to businesses located in or owned substantially by residents of the project area. It helps low-income residents gain the skills and jobs needed to become self-sufficient. The program also provides opportunities for qualified, low-income business owners to receive preference in bidding on HUD-funded contracts. The Section 3 Report is due the date grantees submit their CAPERs to HUD.

5. We would like to take this opportunity to remind all grantees of the conflict of interest regulations regarding all of the Consolidated Planning programs: CDBG at 24 CFR Part 570.611, HOME at 24 CFR Part 92.356, Emergency Shelter Grants (ESG) at 24 CFR Part 576.57(d) and 24 CFR 570.611(d) & (e), and Housing Opportunities for Persons With AIDS (HOPWA) at 24 CFR Part 574.625. Each Program provides information on what may be considered a conflict and who may be covered. In addition, each provides a process by which a grantee can contact CPD to request an exception to the conflict of interest regulations. Failure to comply with the conflict of interest provisions will result in funding connected to the conflict being questioned and disallowed. We encourage all of our grantees to implement conflict of interest procedures that will assist all employees, elected officials and subgrantees in being in compliance and will assist the grantee with early detection of possible conflict of interest matters. CPD and the Chief Counsel are always available to provide guidance on possible conflict of interest compliance matters.
6. The Office of Fair Housing and Equal Opportunity (FHEO) reviewed the PY2009 CAPER for Clarksville and concurred with its approval.

As a result of our review of the CAPER, HUD has determined that Clarksville's overall progress is commendable, and the City has the continuing capacity to implement these programs. You are invited to submit to this Office, within 30 days, your written comments about the content of or conclusions expressed in this letter. Please make this letter available to the public within 30 days of receipt of your comments.

We also encourage the sharing of this assessment report with: the media, those on your mailing list of interested persons, members of your advisory committee, and/or those who attended hearings or meetings. HUD will make this information available to the public upon request and may provide copies of this report to interested citizens and groups. If you have any questions, please call Mary C. Wilson, Director, Office of Community Planning and Development at (865) 545-4391 or me at (615) 585-8510.

Sincerely,



John Gemmill  
Field Office Director

cc  
Keith Lampkin, Community Development Manager

bcc: 4JC Read. File; 4JD Central File;  
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