
Annual Report on Community Development Activity in Fargo

HUD - Consolidated Annual Performance and Evaluation Report

City of Fargo, North Dakota
Fiscal Year 2008
(May 1, 2008 - April 30, 2009)

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Executive Summary

This report highlights progress that has been made in the implementation of the Consolidated Plan for Housing and Community Development. The report covers the time period of May 1, 2008 to April 30, 2009. Activities discussed in this report include those implemented by the City of Fargo Planning and Development Department and the Fargo Housing and Redevelopment Authority (HRA).

Resources

The City of Fargo received a CDBG award of \$674,718 in fiscal year 2008. This represented a reduction of \$27,298 from the prior year. The City received a HOME award in the amount of \$512,890.

Community development programs realized \$127,812.12 in program income revenue in the 2008 program year: \$31,638.56 from the City's HOME Participating Jurisdiction (PJ) program, \$70,347.09 from the HOME Department of Community Services (DCS) program and \$25,826.47 from CDBG activities.

Grant Management

All of the activities undertaken by the City of Fargo in fiscal year 2008 met one of the three HUD National Objectives. 78.6% of CDBG activity expenditures provided benefit to low and moderate income households and/or areas; 21.9% was spent on the elimination of slum/blighted conditions. 14.6% of CDBG expenditures went to public service activities and 19% percent was spent on Administration-related activities.

100 percent of non-admin HOME fund expenditures provided benefit to low income households.

The City has also complied with the other grant management requirements associated with the HOME and CDBG programs in 2008 (timeliness, match contribution, and CHDO reserve).

Priorities

Housing continues to account for more than half of all community development spending authorized by the City of Fargo. Efforts focus on affordability, with specific attention to affordable home ownership opportunities and rehabilitation. Of the total \$1.68 million in federal funds spent in 2008, 58% went to fund housing activities. All of the non-administrative HOME funds went directly to housing activities, funding owner occupied rehab, the down-payment assistance program and special housing projects. 8% of the funds were directed to homelessness activities, and the remaining 22% was used to improve neighborhoods and decrease poverty.

Summary of Resources

Community development activities are carried out by the Community Development division of the Fargo Department of Planning and Development. The majority of administrative support for these activities is funded by HUD grant dollars; however, a portion of staff salaries and program operating costs are funded with city general fund revenues.

	FY 2006	FY 2007	FY 2008
CDBG			
Grant	\$706,516.00	\$702,016.00	\$ 674,718.00
Program Income	\$249,012.24	\$64,414.95	\$ 25,826.47
HOME			
Grant - PJ	\$535,003.00	\$531,069.00	\$ 512,890.00
Program Income – ND			
DCS	\$177,336.07	\$150,544.42	\$ 70,347.09
Program Income – PJ	\$141,301.63	\$36,462.76	\$ 31,638.56
ADDI	\$33,695.00	\$33,695.00	\$ 13,735.00
LOCAL			
Rehab – homeowner share	\$92,703.00	\$119,932.50	\$58,629.00
Downtown proj – recipient share	\$446,464.00	\$110,197.60	\$321,961.00
TOTAL RESOURCES	\$2,382,030.94	\$1,748,332.23	\$1,709,745.12

FEDERAL RESOURCES

Direct allocation of Grant Funds

The City of Fargo received a CDBG award of \$674,718 in fiscal year 2008, which was approximately \$30,000 less than the previous year. The City received a HOME grant of \$512,890.

The chart below illustrates the importance of "program income" to Fargo's overall community development budget.

	CDBG	HOME	Program Income	Total
1999	849,000	405,000	393,102	\$1,647,102
2000	852,000	505,000	375,239	\$1,732,239
2001	883,000	562,000	606,817	\$2,051,817
2002	866,000	592,000	315,224	\$1,773,224
2003	861,000	704,679	506,367	\$2,072,046
2004	835,000	647,466 ¹	560,402	\$2,042,868
2005	789,140	568,640 ²	405,524	\$1,763,304
2006	706,516	568,698 ³	567,650	\$1,842,864
2007	702,016	564,764 ⁴	251,422	\$1,518,202
2008	674,718	526,625 ⁵	127,812	\$1,329,155

Activities generating program income

The City realized \$127,812.12 in program income revenue in the 2008 program year: \$101,985.65 from the HOME program and \$25,826.47 from CDBG activities.

Loan Payments

A total of \$21,140.14 in CDBG loan repayments was received in PY 2008.

In 2003 the City's owner occupied housing rehab program started providing assistance both as deferred payment and amortized loans. In the 2008 program year, the City received no CDBG program income from rehab loan payments, and \$15,305.28 in HOME program income from rehab loan payments.

Sale of Property

None of the reported program income in the 2008 program year came from the sale of CDBG owned property or from property that the City had an interest in.

Recaptured Funds

The Housing Rehab program (HOME and CDBG) and the Downpayment Assistance program (HOME) are long-standing programs of the City of Fargo. These programs generate recaptured funds each year, the majority of which is attributable to the HOME program. Funds are recaptured when a homeowner sells his or her property prior to the stated forgiveness period attached to the mortgage. Recaptured funds are based on net proceeds of the sale. The City received \$17,000 in recaptured funds from PJ-originated housing rehab and downpayment assistance loans (HOME), \$69,680.37 in recaptured funds from downpayment assistance and housing rehab loans originated with HOME funds received from the state of North Dakota, and \$0 in recaptured CDBG funds from housing rehab loans.

¹ This includes an ADDI allocation of \$55,625, received directly from HUD.

² This includes an ADDI allocation of \$45,000 received from the State of North Dakota.

³ This includes an ADDI allocation of \$33,695 received from the State of North Dakota.

⁴ This includes an ADDI allocation of \$33,695 received from the State of North Dakota.

⁵ This includes an ADDI allocation of \$13,735 received from the State of North Dakota.

Other

The City currently has parking spaces for rent downtown which bring in about \$400 per month. A total of \$4,686.33 in miscellaneous revenues was returned to the CDBG program in the 2008 program year.

Administrative Requirements

Expenditure Caps

All of the activities undertaken by the City of Fargo in FY2008 met one of the three HUD National Objectives. 78.6% of CDBG activity expenditures provided benefit to low and moderate income households and/or areas. 21.9% of CDBG went to alleviate slum and blight conditions. 14.6% of CDBG expenditures went to public service activities and 19% was spent on Administration-related activities.

100% of non-admin HOME fund expenditures provided benefit to low income households.

CHDO Reserve Projects - HOME

As a PJ, the City is required to commit no less than 15% of its 2008 HOME allocation to CHDO projects. In FY2008, the City participated in the Cooper House project (\$120,000) and the Sunrise Housing project (\$61,000), which were undertaken by Beyond Shelter, Inc. (CHDO). This \$181,000 commitment equals over 35% of the 2008 HOME allocation.

In the CAPER reporting period, these CHDO projects have received a total of \$181,000, dispersed as follows: \$120,000 to Cooper House and \$61,000 to the Sunrise apartments. IDIS numbers for these draws are 633 and 514, respectively. The Cooper House project involves the construction of 43 units of permanent supportive housing for homeless individuals. The project is scheduled to break ground in August of 2009. The Sunrise project includes 43 units of universally designed housing for persons 55 years or older. Incomes are at or below 60% of median income for all units, and the project is complete.

Timeliness / Rate of Expenditure

The City of Fargo was timely in its expenditure of federal resources for both the CDBG and HOME programs during the 2008 program year.

The HOME program requires that 100% of funds be committed within two years and spent within five years of the program year in which they were received by the PJ. In 2008, the City of Fargo had a total of \$512,890 available for commitment, of which \$52,146.22 was reserved for administration. 73.1% (\$337,051.48) of the total available 2008 grant (minus administration) was committed to activities in the 2008 program year, and 65.2% (\$334,551.42) of the total available (including administration) was actually disbursed during that time period. As of April 30, 2009, 100% of 2006 and 2007 HOME funds were committed and disbursed. The City's 2008 ADDI allocation of \$13,735 was 100% disbursed by April 30, 2009.

The CDBG program requires that an entitlement community have no more than 1.5 times its grant in the line of credit three months before the end of the program year. In March 2009 (date of PY2008 timeliness test for Fargo), the City had an "unadjusted" timeliness ratio of .69 (.69 adjusted).

OTHER RESOURCES

Leveraging

The City of Fargo is cognizant of the need to leverage federal funds with non-federal sources. Efforts are underway in the areas of housing rehab, neighborhood revitalization and homelessness.

Housing Rehab. The City continues to partner with a private lender, Gate City Bank, to establish a loan fund for renovation of homes in older neighborhoods. Since 2005, this has resulted in \$5.5 million in improvements to 281 homes in Fargo's affordable housing stock.

Neighborhood Revitalization. New infill construction in older neighborhoods is being accomplished in partnership with the local Habitat for Humanity affiliate. 50/50 matching grants for storefront improvement in downtown (designated as a blighted area) have leveraged a variety of resources.

Homelessness. The City's 10-Year Plan to end long term homelessness calls for extensive partnerships within the community and throughout the State of North Dakota. There are opportunities for City, State, not-for-profit, and for-profit partners to help us achieve the goals outlined in the plan. This year, the City continues to take significant steps toward tackling the issue of long-term chronic homelessness with the operation of an emergency homeless shelter. The decision to create this shelter resulted from a strong partnership with social services, police, medical services and community members that understood the need to provide a point of outreach to people that are unable to access other shelters and have little option but to remain on the street. The shelter also helps connect people to permanent housing and social services. This is a significant step in Fargo's 10 Year Plan to End Homelessness. More information on the steps required to achieve success in the 10 Year Plan can be found at page 20 of this document.

Matching Requirements

Upon becoming a Participating Jurisdiction, the City of Fargo became responsible for documenting appropriate match funds in conjunction with the receipt of HOME funds. For the 2008 program year, match liability was incurred on the entitlement funds received from HUD.

The following table shows the City's match activity between May 1, 2008 and April 30, 2009. This reporting period is as per CAPER requirements. The City's actual match obligation is determined on a federal fiscal year basis (October 1 – September 30),⁶ and has been met as of the end of the 2008 CAPER reporting period.

2008 Program Year	
HOME Funds Drawn	\$939,314.80
HOME Funds subject to match requirement	\$712,444.93 ⁷
Match Liability incurred (x25%)	\$178,111.23
Value of Match Contributions recognized during 2008 program year, including carryover	\$1,440,654.54 ⁸
Match Obligation Met	+100%

⁶ Please note that the City is also current on its match obligation when looking at the federal fiscal year.

⁷ Excludes HOME administration (\$58,344.57) and State DCS (\$168,525.3) (match is reported to the State of ND).

⁸ Number includes \$1,323,934.72 in excess match funds from previous years.

Special Activity Notes

Acquisition, Relocation or Displacement.

The CDBG-funded housing rehab program helps improve the quality and preservation of affordable of affordable housing around downtown Fargo. When the houses are being rehabilitated, the owners may encounter the need to temporarily relocate to accommodate the rehab schedule. During the 2008 program year, there were no projects requiring temporary relocation assistance. In addition, there were no projects beyond the housing rehab program during the reporting period that required relocation assistance.

None of the owner-occupied rehab projects funded with CDBG or HOME dollars in 2008 required relocation of the families, as necessitated by the lead paint work that was included in the project.

Economic Development Activities.

The City reported spending on eleven economic development projects in the 2008 program year but, none of them had a designated benefit of "low/mod jobs". These activities focused on the elimination of slum and blighted conditions in the downtown area and job skills training.

Presumed benefit activities.

One activity reported in IDIS for 2008 was listed as having "presumed benefit." The Gladys Ray Emergency Shelter provides emergency shelter for homeless persons who are unable to obtain shelter at other locations.

Activities generating program income.

The State of ND Division of Community Services allows the City to retain HOME program income/recaptured funds earned from the funds awarded to the City as long as those funds are re-applied to a HOME eligible activity. The North Dakota HOMENet system is the method by which these funds are reported and tracked. Any CDBG program income earned by the City is receipted in to IDIS during the monthly draw process and is applied to an eligible activity.

Both the HOME and CDBG programs return program income to the community each year. More detailed discussion of activity-specific income generation can be found in the "resources" section on page 3 of this document.

Rehab activities.

The Fargo owner-occupied Housing Rehab program is funded with a combination of CDBG and HOME funds. The program typically assists approximately 20-25 housing units per year. In 2008, the program assisted 24 separate housing units.

- CDBG - \$66,717 was disbursed for program delivery.
- HOME - \$154,790.30 in ND DCS program income funds and \$176,775.04 in PJ grant/program income funds matched with \$58,629 from the homeowners
- TOTAL - \$398,282.34 in grant funds and \$58,629 in private homeowner contributions

One-for-one Replacement Requirement

CDBG funds were used in the demolition of one housing unit in the 2008 program year at 1111 4th Ave North. Section 104(d) of the Housing and Community Development Act of 1974 requires that such units be replaced with a comparable replacement dwelling. The City of Fargo continues utilize HOME funds to work with Lake Agassiz Habitat for Humanity to develop housing units affordable to low and moderate income families. These homes, all of which are owner occupied, meet the definition of "comparable replacement dwelling" at 49 CFR 24.2(a)(6) and are an adequate replacement for the demolished unit mentioned above. The most recent Habitat project is planned at 1108-1110 1st Av North, and will include four units of twin-home housing.

On-site inspection of assisted rental housing (HOME)

The city conducted on-site file monitoring and unit inspections of six HOME-assisted projects in April 2009. The projects having received on-site monitoring were:

- Habitat for Humanity, 3 single-family units, new construction
- Bluestem Phase I, 6 HOME units (30 rental units total)
- Bluestem Phase II, 2 HOME units (30 units total)
- Graver Rehab, 14 HOME units (60 units total)
- Sister's Path, 12 HOME units (12 units total)
- YWCA Transitional Housing Facility, 2 HOME assisted units (2 units total)

In addition, the City is monitored by the state of ND for state-funded HOME projects as per the established monitoring schedule.

Performance Measurement Summary

PROGRESS ON AGENDA SET IN 2008 ACTION PLAN

Nearly all of the projects identified in the 2008 Action Plan are either underway or completed, with the exception of the Homebuilders' Accessible Ramps Program which is still in the process of identifying eligible projects. As of the submission date of this CAPER, all projects are progressing according to schedule with completion anticipated for most of the remaining projects in the 2009 program year.

Expenditure Summary 2008 Action Plan Activities⁹

Activities	CDBG Budgeted	HOME Budgeted	Status	Funds Drawn from '08 Activity	% of '08 Budget drawn in PY08
1. Housing Rehab – Owner	64,478	95,215	Underway	129,456	81%
2. Downpayment Assistance	0	47,025	Underway	15,900	34%
3. CHDO Housing Project	0	100,000	Underway	90,000	90%
4. Special Assessment Assistance	50,000	0	Underway	1,874	4%
5. Habitat for Humanity	0	105,000	Underway	94,693	90%
6. Homebuilders-Accessible Ramps	10,000	0	Not Started	0	0%
7. Special Projects, Homelessness, Workforce Housing	107,599	120,000	Underway	182,101	80%
8. Cooper Tire Demolition	135,000	0	Completed	135,000	100%
9. Downtown Slum/Blight Projects	133,356	0	Underway	127,356	96%
10. Housing Education (Tenant/Homebuyer)	30,000	0	Underway	19,693	66%
11. Fargo Emergency Shelter	27,000	0	Underway	2,647	10%
12. Snow Removal Assistance	2,000	0	Underway	810	41%
13. Native American Programs Building	3,000	0	Underway	2,858	95%
14. Metropolitan Transportation Initiative	5,000	0	Underway	1,419	28%
15. CHARISM	40,000	0	Completed	40,000	100%
16. YWCA Cass Clay – Upgrade Shelter Surveillance	13,043	0	Completed	13,043	100%
17. Myrt Armstrong Center Ceiling	14,340	0	Completed	14,340	100%
18. Jefferson Neighborhood West Park Improvement	11,734	0	Completed	11,734	100%
19. Admin/Planning	142,173	52,146	Underway	167,044	82%
TOTAL	788,723	519,386		1,049,968	80%

⁹ This chart has been developed using the Committed and Drawn amounts as documented in IDIS to 4/30/09, PR06.

RELATIONSHIP OF ACTIVITIES TO THE CONSOLIDATED PLAN

The City has provided certifications of consistency for HUD Programs in a fair and timely manner, for which the City indicated that it would support application by other entities. The City did not hinder Consolidated Plan implementation by action or willful inaction.

Assessment of progress toward locally-established 5-year goals

The Consolidated Plan outlined six policy goals that are the focus of Fargo's community development activities in the short term. The following table lists the goals and the amount of CDBG and HOME money spent in the 2008 program year.

	CDBG Funds spent in '08	<i>% of CDBG funds drawn</i>	HOME * Funds spent in '08	<i>% of HOME funds drawn</i>	TOTAL FUNDS SPENT	<i>% of Total funds drawn</i>
1. Affordable Housing	\$69,402	9%	\$745,795	79%	\$815,197	48%
2. Homeownership	\$19,693	2%	\$135,175	15%	\$154,868	9%
3. Homelessness	\$137,976	19%	\$0	0%	\$137,976	8%
4. Neighborhoods	\$293,993	40%	\$0	0%	\$293,993	18%
5. Fair Housing/Diversity	\$5,466	1%	\$0	0%	\$5,466	1%
6. Poverty Reduction	\$79,663	11%	\$0	0%	\$79,663	5%
Administration	\$132,934	18%	\$58,345	6%	\$191,279	11%
Total	\$739,127		\$939,315		\$1,678,442	

** Includes HOME funds received as a PJ, as a subrecipient of the state of North Dakota, ADDI and program income*

Housing activities (affordable housing, homeownership and fair housing/diversity) account for over half of all community development spending authorized by the City. Efforts focus on affordability, with specific attention to affordable home ownership opportunities. Of the total \$1.678 million in federal funds spent in 2008, 58% went to fund housing activities. All of the non-administrative HOME funds went directly to housing activities, funding owner occupied rehab, the down-payment assistance program and special housing projects. 8% was directed to homelessness activities, and the remaining 23% was used to improve neighborhoods and decrease poverty.

Assessment of Progress toward Macro Program Goals

The Department of Housing and Urban Development has embraced two national goals in addition to the three basic goals for successful community development. These goals represent activities that span the practice of community development.

1. End Chronic Homelessness by 2012 (Administration)

2. Expand Minority Homeownership (Administration)

3. Provide Decent Housing (HUD)

- Assisting homeless persons obtain affordable housing
- Assisting persons at risk of becoming homeless
- Retention of affordable housing stock
- Increase the availability of affordable permanent housing to low and moderate income families, particularly to members of disadvantaged minorities
- Increasing the supply of supportive housing, which includes structural features and services to enable persons with special needs to live in dignity and independence
- Providing affordable housing that is accessible to job opportunities.

4. Encourage a Suitable Living Environment (HUD)

- Improving the safety and livability of neighborhoods
- Increasing access to quality public and private facilities and services
- Reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods
- Restoring and preserving properties of special historic, architectural, or aesthetic value
- Conservation of energy resources

5. Expand Economic Opportunities (HUD)

- Job creation and retention
- Establishment, stabilization, and expansion of small businesses (including microbusinesses)
- Provision of public services concerned with employment
- Provision of jobs to low income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan
- Availability of mortgage financing for low income persons at reasonable rates using non-discriminatory lending practices
- Access to capital and credit for development activities that promote the long term economic and social viability of the community
- Empowerment and self-sufficiency for low income persons to reduce generational poverty in federally assisted housing and public housing

The goal of the City of Fargo is to enhance, maintain and sustain a livable community that includes a vibrant downtown integrated with surrounding neighborhoods that offer a wide range of housing choices and mixed uses. In the 2008 program year, Fargo's community development activities were aligned with the above-stated macro program goals.

1. End Chronic Homelessness by 2012. In 2006, the City initiated a strategic planning process focused on ending long term homelessness in our community in 10 years (2016). More information on the city's 10-Year Plan to End Long Term Homelessness on page 21 of this document.

2. Expand Minority Homeownership. The City continues to support homebuyer education courses offered by the Village Family Service Center. This program ensures that information about homeownership is available to people who need English language interpreters (courses were offered with Spanish, Bosnian, Arabic and Somali interpreters and one-on-one video sessions for people with limited English proficiency) and that the course is offered in ways that make it easier for people to participate (ex. full day class for people who cannot do evening hours). In 2008, 4.4% of the Fargo residents who took the homebuyer education course were minorities.

The City also maintains a close partnership with Lutheran Social Services' (LSS) "Homebuyer Education and Counseling for New Americans and Minorities" program. In 2007 LSS hired a Home Buyer Specialist with the aid of local general fund dollars to assist New Americans and minorities with the home buying process. In 2008, 14 families were assisted with intensive one-on-one counseling. Of the 14, six decided not to purchase, three received intensive post purchase/credit counseling, one went through foreclosure and three received long-term credit/pre-purchase counseling. Two of the clients were Hispanic, four were African, one was Native American and the remainder were from Iraq and other parts of the world.

3. Provide Decent Housing. All housing projects funded by the City of Fargo have the intended goal of providing decent housing. The owner occupied rehab program has been a cornerstone of Fargo's community development efforts for over 30 years. It has preserved as viable more than 800 units of affordable housing (24 units completed this year). The Bluestem Townhomes project provides affordable housing for low income families in one of Fargo's newest neighborhoods, offering close proximity to employment opportunities on the community's south and west sides. High quality affordable housing has also been constructed through the City's partnership with the local Habitat for Humanity and a local non-profit housing development corporation, Beyond Shelter, Inc. In addition, much progress has been made in achieving a permanent supportive housing solution for Fargo's homeless individuals. Ground will soon be broken on the 43-unit Cooper House project located at 414 4th Avenue North. Demolition of existing structures was completed during the 2008 reporting period, and construction is scheduled to begin in August of 2009. It is expected that the Cooper House will help bring Fargo closer to its goals to end the cycle of homelessness.

4. Encourage a suitable living environment. There have been a number of projects in various stages of development during the 2008 reporting period that serve to highlight the City's efforts to encourage a suitable living environment. As mentioned above, the Cooper House project will soon break ground, and will provide an improved living environment for the chronically homeless. It is hoped that this will be a permanent housing solution that will help to stop the cycle of homelessness in the Fargo area. It is also important to point out the many improvements that continue to take place in the downtown area, due in part to the City's use of CDBG funds in storefront renovation. This program has served as a springboard for downtown improvement, which includes new and rehabilitated housing that spans the spectrum of affordability. Currently in the pre-development stages is the Crossroads Housing project, which will provide 80 rental units targeted to seniors age 55 and older. The development will benefit from its location due to its close proximity to meals, transportation, recreation, shopping and many other assisted living services. The project is the result of efforts to future elderly needs, as the number of people age 65+ is expected to increase significantly between 2000 and 2015.

5. Expand Economic Opportunities. Creating and maintaining economic opportunity in the community has always been an important goal within the Consolidated Plan and of the City in general. In 2008, CDBG funds have been utilized to address specific economic needs in Fargo, which include business training of immigrant and refugee entrepreneurs through the Immigrant Development Center (IDC), job skills training through the Skills and Technology Center, subsidy of job-related transportation through Metro Area Transit and rehabilitation of downtown storefronts. The International Market Plaza, which is currently in the development phase and will include space for many of the entrepreneurs who have been trained through the IDC, will serve as an incubator for a number of these small businesses.

The Market Plaza, when it is up and running, will add vibrancy to its urban location, eliminate blight and provide a number of job opportunities for low and moderate income persons.

Measurement of Program Outcomes

The 2005-2009 Consolidated Plan outlines a baseline system the City of Fargo will use to measure performance of local community development programs and progress toward achievement of goals. Program outcomes will be measured by a series of fourteen indicators that are intended to identify changes in neighborhood/community quality of life. Measures 1-4 are included at HUD's request; measures 5-11 are locally initiated.

Measure #1: Homeownership rates in targeted neighborhoods/community

Source: 2000 Census, City Assessor/City Inspections

The city's records are not organized in a way that guarantees precision on housing unit/housing tenure analysis by neighborhood. However, the information in the following table can provide some insight into housing dynamics at the neighborhood level. Data was obtained from the Fargo City Assessor's office in July of 2009.

Neighborhood	# of units in 2009	% of Units Single Detached or Twin Home **	Homeownership Rate (2000 - Census)	Homeownership Rate (2005 - City)	Homeownership Rate (2009 - City)
North Neighborhoods					
Horace Mann *	1,343	74%	68%	68%	62%
Longfellow	981	100%	99%	100%	99%
Madison / Unicorn Park *	887	76%	57%	63%	50%
Northport	2,613	57%	56%	57%	54%
Roosevelt/NDSU *	3,090	44%	27%	25%	19%
Trollwood	904	36%	58%	39%	60%
Washington *	1,091	74%	62%	67%	80%
Total North	10,909	66%	61%	53%	52%
Central Neighborhoods					
Clara Barton *	1,010	100%	95%	98%	92%
Downtown *	2,199	11%	10%	17%	9%
Hawthorne *	1,498	53%	49%	48%	46%
Jefferson Area *	2,423	65%	57%	58%	53%
Lewis & Clark *	1,069	77%	63%	61%	63%
South High *	985	62%	78%	75%	74%
Total Central	9,184	61%	59%	53%	49%
South Neighborhoods					
Bennett	1,033	86%	66%	88%	78%
Bluemont Lakes	1,772	50%	51%	52%	58%
Brunsdale	3,440	37%	44%	41%	39%
Centennial	557	100%	99%	100%	96%
Lincoln	570	82%	86%	90%	85%
Prairiewood	814	37%	51%	48%	52%
River Drive	645	51%	63%	50%	48%
Rose Creek	407	99%	99%	99%	96%
Southpointe	1,470	67%	62%	64%	63%
Stonebridge	1,560	37%	43%	39%	54%

Neighborhood	# of units in 2009	% of Units Single Detached or Twin Home **	Homeownership Rate (2000 - Census)	Homeownership Rate (2005 - City)	Homeownership Rate (2009 - City)
Westgate	1,769	13%	23%	20%	27%
Total South	14,037	60%	62%	50%	54%
West Neighborhoods					
Amber Valley	443	7%	n/a	7%	12%
Anderson Park	254	0%	n/a	0%	5%
Osgood	1,461	50%	n/a	49%	54%
Pointe West	837	31%	n/a	37%	48%
Village West	1,872	10%	27%	10%	15%
West Acres	1,246	0%	2%	2%	2%
Willow Park	1,279	12%	5%	9%	16%
Woodhaven	646	78%	n/a	84%	80%
Total West	8,038	24%	11%	18%	28%
Developing Neighborhoods and Misc.					
Developing 1	79	n/a	n/a	n/a	80%
Developing 2	91	n/a	n/a	n/a	87%
Miscellaneous (Mobile homes and homes outside of neighborhoods)	1,939	n/a	n/a	n/a	94%
Total Developing & Misc.	2,109		n/a	n/a	93%
TOTAL City of Fargo***	44,277	53%	48%	45%	50%

* Indicates neighborhoods included in city's revitalization efforts

** Structure type single detached or twin (*City Assessor Type field values: 1 (single detached), 2 (duplex), 6 (conversion), 7 (twin home)*)

*** Total unit count excludes 3,270 dormitory rooms located on the NDSU campus.

Measure #2: Total # of minority households assisted in becoming homeowners

Source: City

None of the 26 downpayment assistance projects that closed in 2008 funded minority homebuyers (black-non-hispanic). 12 of the 274 (4.4%) Fargo residents that participated in homebuyer education programs were minorities.

Measure #3: Change in property values as result of rehab (*constant dollars/s.f.*)

Source: City

The actual range of property value changes was \$0 to \$30,000. The average investment per square foot was \$15.05. The average ratio of dollars invested to gain in property value was 1.4

(i.e., on average, we can expect a \$1.00 change in property value for every \$1.40 invested in rehab).

Measure #4: Number of unit years of affordability in rental projects

Source: City

PROJECTS COMPLETED IN PY2008	Funding Source	# units	Affordability Period	Total Yrs of Affordability
Rental Units				
Sunrise North ¹⁰	HOME	8	20	160
YWCA Transitional Housing	HOME	4	5	20
TOTAL		8	25	180

Measure #5: Number of housing units where rehab eliminated at least one significant health/safety deficiency

Source: City

All 24 federally assisted projects eliminated significant health/safety deficiencies.

Measure #6: Number of chronically homeless individuals

Source: 2009 ND Point in Time Survey, conducted January 28,2009

The numbers of homeless persons in the Fargo area have been rising through the years that the point-in-time survey has been conducted (2005-2009). It is hoped that with the completion of the Cooper House project, and the coordinated efforts resulting from Fargo's 10-year plan, that the numbers of chronic and long-term homeless will begin to drop as people obtain supportive housing.

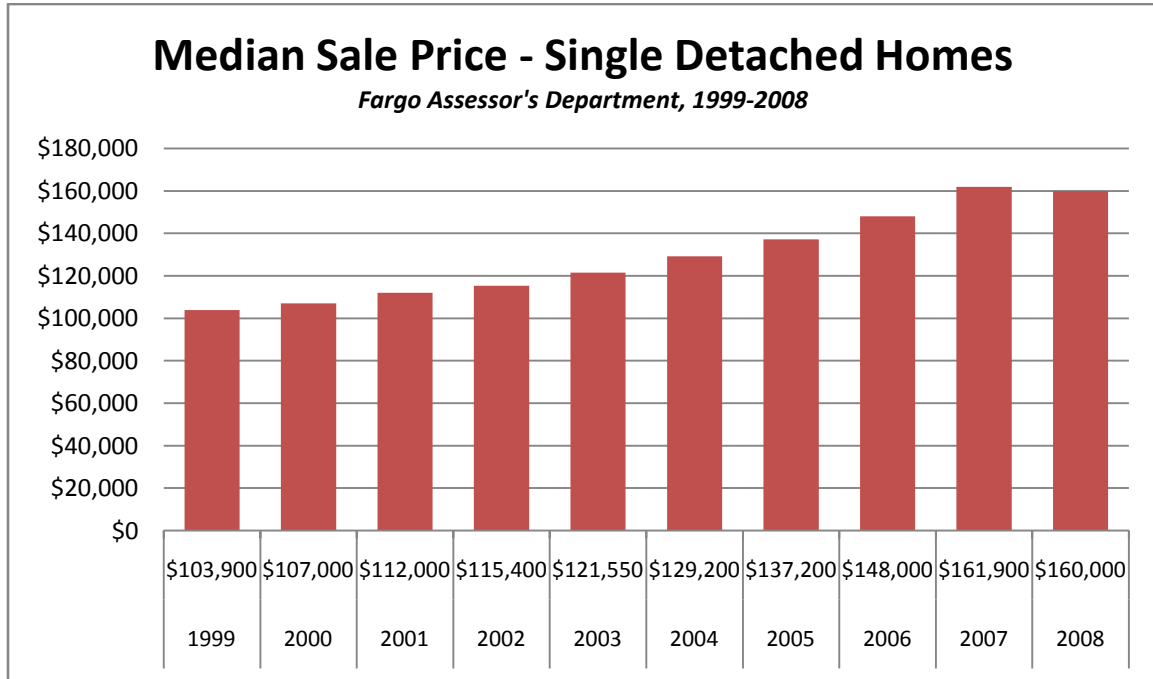
Fargo Area- Basic Demographics	Chronic Homeless		Long Term Homeless		Homeless Pop. (total)		
	2007	2009	2007	2009	2005	2007	2009
Total Count	48	56	87	114	249	249	352
Average age	48	48	47	46	38	44	44
Under age 18	0%	0%	17%	13%	18%	16%	17%
Employed	33%	48%	37%	47%	32%	43%	45%
Race - American Indian	13%	14%	18%	20%	31%	20%	16%
Black	6%	9%	7%	8%	12%	7%	13%
White	77%	77%	57%	65%	54%	65%	62%

**The definition of "long term homeless" is the same as HUD's definition of chronic homeless without the exclusion of families of persons not traveling alone.*

¹⁰ Sunrise North was completed in December of 2008. 8 of 43 units were HOME assisted utilizing 2006 and 2007 funding allocations.

Measure #7: Median dollar amount of mortgages and Median sale price of homes

Source: City Assessor



Measure #8: Number of mortgage loan application records

Source: HMDA, 2007 Aggregate Table 10 <http://www.ffiec.gov/hmdaadwebreport/aggwelcome.aspx>

	2007	2006	2005	2000
FHA/VA	375	444	407	779
Conventional	1657	1,734	1,837	1,462
Total	2,032	2,178	2,244	2,241

Measure #9: Mortgage approval rate

Source: HMDA, 2007 Aggregate Table 10 for Fargo MSA and National Aggregate

<http://www.ffiec.gov/hmdaadwebreport/aggwelcome.aspx>

FARGO (Principal City of FM MSA)

	2007	2006	2005	2000
FHA/VA	95.5%	93.9%	96.6%	92.6%
Conventional	89.9%	89.1%	87.9%	78.9%
Total	90.9%	90.1%	89.4%	83.7%

US AGGREGATE (Principal Cities)

	2007	2006	2005	2000
FHA/VA	77.7%	83.7%	83.1%	84.3%
Conventional	63%	62.2%	67.1%	59.3%
Total	64.3%	63.6%	68.1%	65.3%

Measure #10: Unemployment rate

Source: Federal Bureau of Labor Statistics (<http://www.bls.gov/>)

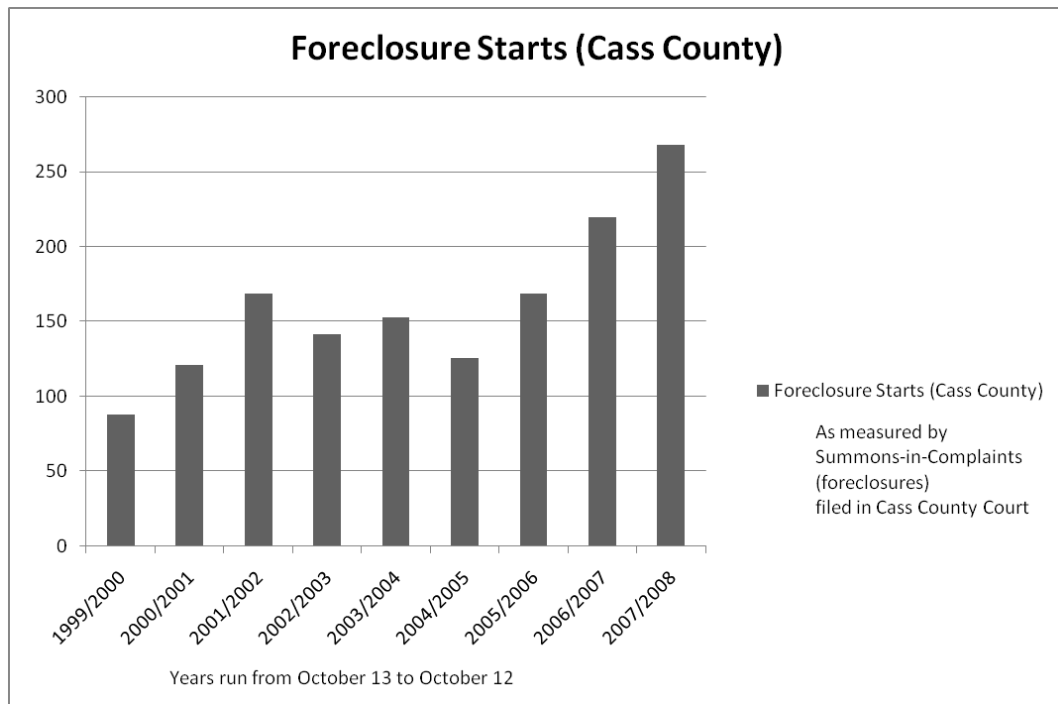
The unemployment rate in Fargo in June of 2009 was 4.8%. This compares to a national rate of 9.5% and a state-wide rate of 4.2% for the same month.

Measure #11: Foreclosure Rate

Source: RealtyTrac, *Report on Foreclosure Rates 2nd Qtr of 2008* (<http://www.realtytrac.com/>) and Cass County Sherriff's Office Administration

The RealtyTrac study reveals that the state of North Dakota enjoys a very low foreclosure rate, and ranks ND at #49 in the country with 1 foreclosure for every 6,035 households. In Fargo's Cass County, the rate is 1 foreclosure for every 1,405 homes.

Though the foreclosure rate is low, there has been a marked increase in foreclosure sales through the Cass County Sherriff's Department. The chart below illustrates this increase, and is measured by foreclosures filed. Cass county carries 46% of the total foreclosures in the state, with Fargo carrying 27% of the total.



To address the issue of increasing foreclosure rates in Fargo and around the country, the Federal Government developed the Neighborhood Stabilization Program (NSP) under Title III of the Housing and Economic Recovery Act of 2008. The City of Fargo has recently been awarded over \$5 million in NSP funds to remedy the effects of the nation-wide foreclosure crises that has had a visible impact on the local community.

Other Actions Undertaken

AFFIRMATIVELY FURTHERING FAIR HOUSING

The City of Fargo Planning and Development Department last updated its *Analysis of Impediments to Fair Housing* in July 2002. The report identified the following issues as being potential barriers to fair housing choice.

- Fair Housing Education
- Historic Isolation by Income
- NIMBY (Not-in-my-back-yard) Syndrome
- Availability of Accessible Housing
- Affordability of Housing

The Planning and Development Department will continue to work in conjunction with other organizations interested in fair housing activities and will actively work towards the achievement of the goals and actions outlined in the City's Analysis of Impediments.¹¹ The City will continue to work on enhancing local understanding of the specific housing issues faced by people with disabilities. In anticipation of a newly developed Consolidated Plan for 2010-2014, the City intends to update the Analysis of Impediments to better inform goals and priorities within the Consolidated Plan.

AFFORDABLE HOUSING

"Affordable housing" is a broad concept that must be brought to specificity in order for it to have meaning in a particular community. In the City of Fargo, we are working to foster and maintain affordable housing while also trying to eliminate any barriers to affordability that may exist.

A housing study completed in April 2005 indicated that affordability is, indeed, a problem that requires specific definition in the Fargo Moorhead area. The great competition in the local rental market means that rental housing tends to be relatively affordable. However, affordability gaps become apparent when looking at particular segments of the population, namely households at or below 30 percent of median income including both families with children and seniors. The segment of the population that is most likely to experience a significant rental housing cost burden is the senior population over age 75.

The situation is similar in the homeownership market. Even though housing prices are affordable in Fargo Moorhead, relative to other metro areas, they are still out of reach for many households earning less than 60 percent of area median income.

The City's housing rehab programs, both federally and locally funded, are the most important tool we have to preserve and maintain the community's existing stock of affordable housing. Regardless of the fact that rehabilitation of homes is becoming increasingly expensive, it is still an economic reality that our best source of affordable housing lies with our existing housing stock. The cost of new construction make the creation of a significant amount of new affordable housing a difficult proposition. This fact spurs the City to continue funding rehabilitation programs for owner-occupied units over 40 years old. Local funds are used to finance the rehabilitation of owner occupied units in the neighborhoods immediately surrounding the central business district.

¹¹ The 2002 Analysis of Impediments to Fair Housing Choice can be downloaded from the Planning Department web site at: <http://www.cityoffargo.com/Residential/Housing/FairHousing/>.

In 2006 and 2007, the City was also able to use HOME funds to support the creation of new affordable housing units by a local CHDO (Bluestem Townhomes) and by the local Habitat for Humanity affiliate. In 2008, construction of Sunrise Apartments for low income seniors was completed. Work also began on the Cooper House supportive housing project, in addition to the completion of a home constructed by Habitat for Humanity.

The City will continue to work with the private and non-profit sectors to create new and maintain existing affordable housing opportunities in the community, with specific attention to the hardest-to-serve populations (households at or below 30 to 60 percent of area median income for owned and rental housing).

ACTIONS TO ADDRESS UNDERSERVED NEEDS

There were no “underserved populations” specifically identified in the 2008 Action Plan. However, there are certainly subpopulations within the community which are less likely to be actively engaged in the public process surrounding community development activities. As such, the City has taken several steps to ensure continued meaningful engagement with refugee/ethnic communities, minority communities, persons with disabilities, seniors and low income populations.

In 2006, the City Commission created the Fargo Native American Commission (NAC). The NAC’s mission is to work together to strengthen the Native American community in order to promote understanding, recognition and respect for Native American cultures and enrich the whole community. In addition, the Fargo Human Relations Commission (HRC) is advisory to the City Commission and has the stated mission to promote acceptance and respect for diversity and discourage all forms of discrimination. The Planning Department is responsible for staffing the HRC, which is also the organizational home of community development planning in the City of Fargo. This connection helps further the city’s community development goals and the stated goals of the HRC. The HRC is monitoring fair housing and discrimination issues in the City via research, public forums, a locally available complaint reporting process, and regular opportunities for public comment on issues of discrimination and fair housing.

In an effort to encourage homeownership among underserved families, the City supported the creation of the Minority Homeownership Initiative at Lutheran Social Service’s Center for New Americans with local general fund dollars. The City also hosted a day-long minority homeownership forum with the local HUD office and Native American Commission, in which the community was able to view a minority homeownership discussion on cable access TV. At the forum, local lenders were certified in underwriting Section 184 loans for Native American populations.

The City’s continued support of both Cultural Diversity Resources, CHARISM and the Immigrant Development Center also displays a commitment to conducting meaningful outreach to the communities that are most likely to become disenfranchised and/or have their voices go unheard. Each organization has developed ongoing relationships with low income and refugee communities. They serve as trusted “connections” to under-represented communities and help ensure that the City’s community development programs are designed to meet the needs of the residents of this community.

NEIGHBORHOOD REVITALIZATION EFFORTS

Neighborhood revitalization is a goal that underlies much of Fargo’s community development activity. City staff is particularly mindful of the needs of residents living in low/mod neighborhoods and in older neighborhoods that are beginning to experience symptoms of decline. Newly awarded Neighborhood

Stabilization Program funds will allow the City to play an even greater role in the revitalization of these declining areas, in addition to the rehabilitation work that Fargo has committed to through the Neighborhood Revitalization Initiative for many years. 2008 brought the completion of 10 Storefront Rehab projects in the downtown area, which brought significant aesthetic improvement to the neighborhood, and which has helped to spur additional development and consumer traffic in the area.

POVERTY REDUCTION

There is perhaps no issue that is more complex than poverty reduction. Many of the programs that exist in our community address the immediate needs of families living in poverty and/or in crisis. However, to reduce poverty, one needs to look at the root causes underlying poverty. The most obvious answer to the question “why are people poor” is that they don’t earn enough money to sustain an adequate standard of living. So creating jobs that pay a living wage is an important poverty reduction activity. Likewise, job training and job readiness programs are essential if people are to be prepared to work. The ancillary programs that support low income families who are working include child care, transportation, and health care. Even if working full time, housing subsidies are often still needed. In the absence of any one of these elements of support, job creation alone will not reduce the number of people living in poverty. There are other organizations in the community whose focus is economic development. As such, the City participates in the funding of several of the service areas needed to support work, including child care (school age and preschool age), job training, and transportation.

LEAD PAINT

Lead paint hazard regulations affect the City’s rehab (owner and renter) and downpayment assistance programs, as well as special needs housing projects funded with federal dollars. The programs have integrated necessary testing procedures at the front and back end of each project as required. City staff continues to search for ways to reduce the costs and time lags associated with lead testing and assessment. We also continue to actively recruit contractors for lead paint training, with the intention of increasing the pool of available contractors who have staff trained in safe work practices.

AFFIRMATIVE MARKETING AND MBE/WBE CONTRACTING

Recipients of HOME funds are monitored for compliance with the City’s affirmative marketing policy throughout the periods of affordability. The City also continues to work with small businesses and minority/women owned businesses whenever possible.

CONTINUUM OF CARE

The City of Fargo participates in the statewide Continuum of Care, through the ND Coalition for Homeless People and the Region V Continuum of Care Committee. All of the projects submitted by North Dakota as part of the 2008 Continuum of Care application received funding. Four of the approved projects were located in Fargo. The following is a list of all Fargo projects that have received funding for McKinney Vento funds in 2008.

- Fargo Housing & Redevelopment Authority – Shelter Plus Care \$201,420
- Sister’s Path – Permanent Supportive Housing \$150,000

- YWCA Cass Clay – Transitional Housing \$134,277
- YWCA Cass Clay – Emergency Shelter \$80,504

The Fargo Moorhead community also works hard to maintain a well-developed local and metropolitan network of services and resources that are an asset to the entire region and state. There is a high level of interconnectedness between service providers, which means that there is an extensive and broad based knowledge of the local system and community needs. The local emergency shelters are key access points in the system, providing a wide range of services and serving as a source of referrals.

10-YEAR PLAN TO END LONG TERM HOMELESSNESS

As has much of the nation, the City of Fargo has increased the amount of attention paid to the issue of chronic homelessness in the last several years. The City of Fargo participated in the federally-sponsored Policy Academy training process in 2003 and holds a chair on the North Dakota Interagency Council on Homelessness (established in spring 2005). In the fall of 2005, the City Commission agreed to develop a 10-Year Plan to End Long Term Homelessness. The plan was approved by the Fargo City Commission in August 2006. The planning process included representatives from more than 40 organizations from across the metro area and identifies effective solutions for housing the long term homeless population living in this community. Fargo's 10-year plan was a precursor to the State of North Dakota's 10 Year Plan and eight other 10-year plans throughout the State. This includes the first 10-year plans in the Nation's tribal areas. The full plan is available on the City's website at: <http://www.cityoffargo.com/CityInfo/Departments/PlanningandDevelopment/Homelessness/10YearPlan/>

There are 38 specific actions identified in Fargo's 10 Year Plan as being necessary to ending long term homelessness in our community. Since approval of the plan in 2006, the following items have been initiated to make this plan a reality:

1. Adopt the 10 Year Plan (Fargo City Commission)
2. Implement the IDDT model at the Southeast Human Service Center
3. Develop a Tenant-Based Rental Assistance program
4. Strengthen potential partnerships with area landlords willing to rent to LTH individuals
5. Initiate Project Homeless Connect (to date, there have been 4 successful events held at the Fargo Civic Center)
6. Support a drop-in center/safe point of outreach (1519 1 Ave S)
7. Support creation of a Transitional Jobs program
8. Create a local Homelessness Ombudsman through the FM Homeless Coalition
9. Support surveys that provide community-level data on homelessness
10. Humanize the issue of homelessness and establish a mindset that believes in ending homelessness
11. Build more flexibility into housing property management practices to enhance tenants' ability to access available housing
12. Connect health care providers with housing resources to minimize discharge to the streets
13. Establish a housing option in the community (Cooper House)

HOUSING AND REDEVELOPMENT AUTHORITY

The Fargo Housing and Redevelopment Authority is responsible for managing low-rent public housing and Section 8 rental assistance. It owns and manages 600 rental units: 366 one-bedroom units, 140

two-bedroom units, 71 three-bedroom units, and 23 four-bedroom units. The FHRA has approximately 1,100 Section 8 vouchers to serve the community. It also operates a 22 unit SRO project at 69 4th Street North.

FARGO PUBLIC HOUSING AUTHORITY RENTAL SITES

Project	Address	Total Units	Unit Type
Lashkowitz High Rise (14-1)	101 S 2 nd Street	247	Elderly/ Disabled
New Horizons (14-2)	2525 N Broadway	98	Disabled
Pioneer Manor (14-6)	201 11 th Street N	46	Mixed
Scattered Site – Madison (14-3)	7 th -12 th Ave N, 25 th -29 th St N, 21 st St S	110	Family
Scattered Site – 30 th Ave S (14-5)	10 th & 31 st Avenue S	26	Family
Scattered Site – 34 th Ave S (14-7)	34 th Avenue S	40	Family
Scattered Site – 25 th Ave Duplexes (14-4)	18 th Street & 25 th Ave S	28	Family
Dakotah Life	923 University Dr N	3	Family
Brownstone	124 8 th Street N	2	Family
	Total	600	

INSTITUTIONAL GAPS AND ENHANCED COORDINATION

In addition to the community and statewide coordination that is occurring around long term homelessness, the City is also participating in the “Metropolitan Transportation Initiative”, which is being coordinated by the Fargo Moorhead Metropolitan Council of Governments and was originally funded with a US DOT Reverse Commute/Access to Jobs grant. This effort brings together major social service providers and transportation-focused agencies to address in a coordinated fashion the ongoing transportation needs of low income people. The project hired a coordinator in late 2004 and has made strides in providing coordination to the fragmented system of local transportation assistance. Transportation is often identified by low income residents and by the homeless as being one of the key barriers they face.

The City is also participating on the Refugee Services Advisory Committee coordinated by the North Dakota Department of Human Services. The committee consists of numerous local agencies that work with refugees in the Fargo area, which has one of the region’s highest per capita rates of resettlement. The Committee meets to discuss issues for refugees relating to employment, housing, transportation, community support systems, outmigration and barriers to services. A recent increase in refugee resettlement has led to discussions of capacity within the community. The City continues to work with agencies to make sure that the capacity of support services within the community is sufficient to meet the basic needs of refugees.

The City currently addresses English-language interpretive needs in the community through the administration and staffing of the Metro Interpretive Resource Center (MIRC). In 2004, representatives from 5 local public sector agencies developed MIRC to improve the availability and quality of English language interpreting services in the metro area. It was agreed that the existing system could benefit from the coordinated delivery of interpreting services, which resulted in the City’s administrative role.

MIRC currently conducts assessments of interpreter proficiency in English and native languages (oral and written) and provides opportunities for training to individuals interested in becoming or already working as English language interpreters. Interpreters are also offered a chance to network with others who are doing similar work in the community. MIRC has created and maintains a list of qualified interpreters that are available to serve people throughout the area.

Self Evaluation of Annual Performance

CONSISTENCY WITH PERFORMANCE MEASURES

Fargo's investment of federal and local funds is consistent with the City's established goals. To evaluate "successful performance" we need to ask ourselves if our actions are making an impact on identified needs. The City's Consolidated Plan identifies several measures that are intended to help indicate both progress and changes in identified needs. The statistics show continued health in the housing market – Fargo's mortgage approval rates far exceed national rates. Housing prices declined at a much slower rate than in many growing urban areas in other parts of the country. Given the volatile state of the national housing market during 2008, this reflects not only more conservative attitudes toward housing but also a continued desire of families and individuals to make Fargo their home.

One area of continued concern is in current opportunities for mortgage financing and the sustainability of homeownership. While on the surface it is encouraging to see a 6% increase in mortgage approval rates over the last seven years, it is unlikely that Fargo's borrowers became that much more credit worthy in such a short time. It is clear by the events surrounding the nation's distressed housing market that changes in residential lending policies (further evidenced by the shift from FHA to Conventional in the last six years) have allowed more borrowers to obtain financing than ever would have been possible before. While many lenders, including those considered as mainstream, have in the past years offered "sub-prime" financing products to borrowers with less than perfect credit, financing rules have become much more strict during the past year. Interest rates on variable loans have skyrocketed, rendering many families unable to manage their mortgage payments. While Fargo has not been hit as hard by these conditions as some locations nationwide, there continues to be an increase in home foreclosures.

As mentioned previously in this report, over \$5 million in National Stabilization Program (NSP) funds will be utilized to address the continued increase in area home foreclosures through the acquisition and renovation of foreclosed and abandoned property around the City.

In addition to objective measures of outputs and outcomes, the City's Consolidated Plan also recognizes that subjective inputs are necessary to create a true portrait of change. While there is not yet a citizen survey that can measure neighborhood perceptions, the community's decision makers have continued to demonstrate both a commitment to and an understanding of community development activities and goals.

The Housing and Redevelopment Authority Board continues to be proactive in its efforts to increase the supply of affordable housing in the community. The Native American Commission and Human Relations Commission are diligent in its outreach and research efforts relating to both discrimination and fair housing issues. The Community Development Committee evaluates projects with the priorities of the Consolidated Plan in mind, helping to create a community development program that is responsive to community needs.

GRANT MANAGEMENT

In addition to monitoring the efficacy of the programs that are funded with CDBG and HOME dollars, City staff is mindful of the need to evaluate our grant management performance. The City draws funds from HUD/DCS on a reimbursement basis. We complete a monthly draw request based on funding requests received, verified and paid out during the previous month. We keep spreadsheets that detail spending progress for both the HOME and CDBG programs. One of the CDBG reports that is run following every draw is the timeliness report.

Sub-recipient monitoring is an ongoing process for us as well. Each recipient agreement outlines expected outcomes and minimum monitoring requirements. All low/mod activities submit quarterly benefit reports to our office. Those statistics are entered in to IDIS as narrative throughout the year. The quarterly benefit reporting gives City staff an opportunity to work with projects that may be having difficulty meeting their objectives before they get too far into the project. We also facilitate annual rental compliance certifications for DCS HOME-funded rental rehab projects (DCS is the final review for these projects) and conduct our own annual compliance reviews for projects funded with the HOME funds we receive directly as a PJ. The City has established a regular monitoring schedule for all HOME and CDBG funded rental projects.

All of the activities that list low-mod clientele as the appropriate benefit require the project applicant to submit benefit information to the City on a quarterly basis. The information is then entered into IDIS.

None of the activities currently underway or those funded with 2008 grant funds are behind schedule to any significant degree. The Community Development Committee is tracking the expenditure of downpayment funds to ensure continued compliance with HOME commitment requirements and to ensure continued program effectiveness. As a general rule, the City works with projects that stall to either help the project move ahead or to re-allocate funds to another community development activity that is ready to proceed in a timely manner.

Multi-Year Certification - CDBG

Fargo has adopted the three-year certification option. The current certification period includes the 2008, 2009 and 2010 program years. As such, the spending reported in the 2008 CAPER is the spending for the first year of the three-year period.

The following tables provide a summary of the multi-year spending outlook. The denominators for each calculation are listed below (prior year program income and current year grant and program income). The 2008 calculation indicates that 78.6% of spending subject to calculation was targeted to LMI benefit activities. Slum/Blight spending accounted for 21.9% of spending, and Public Service spending was 14.6% (below the cap requirement of 15%) We are currently on track with the cumulative three-year low/mod requirement of at least 70%.¹²

				2008-2010 Multi Year LMI Calculation	
Prior Yr	Program Income	\$	64,414.95	2008 Cumulative	\$ 606,192.24
Current Yr	Grant	\$	674,718.00	2009 Cumulative	
Current Yr	Program Income	\$	25,826.47	2010 Cumulative	
				Total Cumulative	\$ 606,192.24
				2008 Cumulative	\$ 476,336.24
				2009 Cumulative	
				2010 Cumulative	
				Total LMI Benefit	\$ 476,336.24
				Cumulative % LMI Bei 79%	
				2008 Calculation	
	% Benefit LMI		78.6%		
	% Benefit SBA		21.9%		
	% Public Svc		14.6%		
	% Admin		19.0%		
				2008-2010 Multi Year SBA Calculation	
				2008 Cumulative	\$ 606,192.24
				2009 Cumulative	
				2010 Cumulative	
				Total Cumulative	\$ 606,192.24
				2008 Cumulative	\$ 132,713.99
				2009 Cumulative	
				2010 Cumulative	
				Total LMI Benefit	\$ 132,713.99
				Cumulative SBA 22%	
				2008-2010 Multi Year PS Calculation	
				2008 Cumulative	\$ 739,132.95
				2009 Cumulative	
				2010 Cumulative	
				Total Cumulative	\$ 739,132.95
				2008 Cumulative	\$ 108,277.87
				2009 Cumulative	
				2010 Cumulative	
				Total LMI Benefit	\$ 108,277.87
				Cumulative PS 15%	

¹² For more detailed information on actual spending by category (LMI, SB, PS, Admin, etc), you can refer to the Administrative Requirements section (found on page 4) or the "Activity Summary" referenced in Appendix B.

Appendix A: Public Participation

The City of Fargo published the notice below as a public notice on August 12, 2009 to request public comments on this report. Public comments were due on August 27. No public comments were received. The report was submitted to the City Commission, as per the Public Participation Plan.

PUBLIC NOTICE

The public comment period for reviewing the City of Fargo 2008 Annual Performance Report for the Consolidated Plan for Housing and Community Development will be held from August 12, 2009 to August 27, 2009. A copy of the report, along with any current public comments, will be available to the public at the Fargo Planning Department, 2nd Floor City Hall, 200 North 3rd Street, Fargo, ND or by calling 241-1474. TDD 241-8258.

Appendix B: 2008 Financial Report – CDBG

**** Activity summary with benefit cap calculations can be found on page 25 of this document**

**** The following year-end summary reports are available upon request (IDIS)**

PR03 - Activity Summary

PR06 - Summary of Consolidated Plan Projects

PR10 - CDBG Housing Activities

PR23 - Summary of Accomplishments

PR26 - CDBG Financial Summary (summary on page 28 of the 2008 CAPER)

PR22 – Status of HOME activities

PR25 – Status of CHDO funds

PR27 – Status of HOME grants

FY2008 CDBG Financial Summary

		Totals
PART 1: Summary of CDBG resources during this reporting period		
2007 GPR Balance (4-30-08)	\$	580,494.51
2008 Entitlement Grant	\$	674,718.00
Loan Repayments	\$ 21,140.14	
Housing Rehab Repayments	\$ -	
Revolving Loan Funds	\$ -	
Miscellaneous	\$ 4,686.33	
Total Program Income	\$	25,826.47
Total CDBG funds available - 2008	\$	1,281,038.98
PART 2: Expenditures during this Reporting Period		
Planning and Administration	\$ 132,934.46	
Subject to Low/Mod Benefit Calculation	\$ 606,192.24	
Total Expenditures - 2008	\$	739,126.70
Unexpended Balance - 4-30-09	\$	541,912.28
PART 3: Overall Benefit to Low/Mod Persons during this Reporting Period		
Subject to Low/Mod Benefit Calculation	\$	606,192.24
Total Expenditures qualifying as benefitting low/mod persons	\$	476,336.24
% Benefit to Low/Mod Persons		78.6%
PART 5: Public Service Cap Calculation		
Total Expenditures for Public Svc activities	\$	108,277.87
2007 Program Income	\$ 64,414.95	
2008 Entitlement Grant	\$ 674,718.00	
% Funds obligated for Public Svc activities		14.6%
PART 6: Planning and Program Administration Cap calculation		
Amount subject to planning/admin cap	\$	700,544.47
Amount expended for planning/admin	\$	132,934.46
% expended for Planning/Admin		19.0%
Reconciliation of Line of Credit and Cash Balances to Unexpended Balance of CDBG funds shown on GPR		
Unexpended Balance – 4-30-09	\$	541,912.28
LOC Balance - 4-30-09	\$	580,494.51
CDBG Funds that became available in 2008	\$	700,544.47
Funds spent in 2008 PY	\$	739,126.70
Reconciling Balance	\$	541,912.28
Unreconciled Difference	\$	-

***Reference Appendix 3 of GPR Handbook for more information.*