



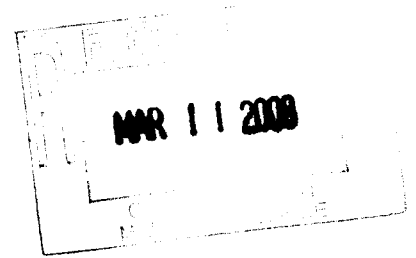
**U.S. Department of Housing and Urban Development**

**Office of Community Planning and Development  
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**New England**

Mr. Lawrence J. Kendzior  
Manager  
City of Meriden  
142 East Main Street  
Meriden, CT 06450-8022

**MAR 10 2008**



Dear Mr. Kendzior:

In our letter of November 2, 2007, we provided an assessment of the City of Meriden's use of \$932,415 in Community Development Block Grant (CDBG) funds in Federal Fiscal Year 2006. As part of the assessment, we reviewed the 2006 Consolidated Annual Performance and Evaluation Report (CAPER). We listed a number of concerns/areas of consideration in our review. The CAPER did not include narrative responses in the following areas as required by 24 CFR 91.

1. The actions taken during the year to overcome gaps in institutional structure and enhance coordination.
2. The actions taken during the year to improve public housing and resident initiatives.
3. How the grantee pursued all resources in the Consolidated Plan.

Juliet Burdelski, Grants Coordinator, worked extensively to address these issues and the City submitted revised narrative responses that meet the requirements of 24 CFR 91.

In our letter, we noted that there were inaccuracies and missing information in HUD's Integrated Disbursement and Information System (IDIS) Financial Summary, the document that provides detail on CDBG revenue and expenditures for the year. The problems with the Financial Summary were largely related to a difference in revenue and expenditures between Meriden's financial records and IDIS in Federal Fiscal Year 2006.

We determined that Meriden did not receipt approximately \$600,000 in program income in IDIS during the year and did not draw a like amount from its CDBG line of credit as reimbursement for funds expended by the City. Meriden operates on a reimbursement system in which City funds are expended for CDBG activities and are then reimbursed when the City draws from its CDBG line of credit. This produced the imbalance between City and IDIS records. Ms. Burdelski was able to make adjustments in the Financial Summary report so that revenue and expenditures in the report agree with Meriden's records for 2006. However, these adjustments were only for the purpose of preparing an accurate report and may be more difficult

to implement in the IDIS system. We will continue to work with Ms. Burdelski on this issue.

It is imperative that Meriden receipt program income in IDIS when it is received by the City and draw down funds from its CDBG line of credit on a timelier basis in order to produce an accurate picture of its financial activity for the year. We anticipate that Meriden will follow these measures and will include an accurate Financial Summary report in its next CAPER submission.

Since our letter of November 27, 2008, we have had the opportunity to review the City's actions to affirmatively further fair housing in Federal Fiscal Year 2006. We note that Meriden continued its efforts to rehabilitate and maintain its housing stock, reduce renter cost burden, expand homebuyer opportunities and meet the needs of homeless and other special needs populations. Specific accomplishments during the year include:

- The rehabilitation of 27 units of affordable housing,
- The Inspection of 3,361 dwelling units and the correction of 1,981 code violations in these units,
- Continuation of support for community agencies that provide shelter and services to the homeless population, and
- The rehabilitation of public housing units by the Meriden Housing Authority.

The City stated that issues of income and housing affordability often limit housing choice. However, there are a number of other possible impediments to fair housing choice that should be taken into consideration. In our review of the CAPER, we could not determine if Meriden considered other common impediments such as:

- Lending and mortgage availability issues that affect minority homebuyers,
- Neighborhood objections and zoning regulations that limit the availability of low-income housing and supportive housing for persons with disabilities,
- The willingness of landlords to rent to families with children,
- Issues affecting a Limited-English proficient population, and
- Issues affecting the availability of accessible housing.

Meriden should review its Analysis of Impediments to Fair Housing Choice (AI) and update it if necessary. In the revision of the AI and in the preparation of the next Annual Action Plan and CAPER the City should consider the impediments to fair housing above as well as other possible impediments. Actions should be planned to address these impediments and we anticipate that Meriden will report on the progress it has made to ameliorate these impediments in its next Annual Action Plan and CAPER.

Based on the information provided in the CAPER, we have concluded that the City of Meriden is complying with its certification that it is affirmatively furthering fair housing.

We appreciate Ms. Burdelski's cooperation in working through the issues identified in our review. If you have questions or would like to discuss any of these issues, please do not hesitate to contact me at (860) 240-9770 or John Post at (860) 240-9716.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Reisine". The signature is fluid and cursive, with a long horizontal stroke at the end.

Gary Reisine  
Director  
Community Planning and Development

cc: Juliet Burdelski ✓