

COUNCIL COMMITTEE OF THE WHOLE

The Council Committee of the Whole met on October 13, 2026, at 6:00 p.m. with Council President Neil presiding. Council members present were Mr. Anderson, Ms. Arndt, Mr. Boggerty, Ms. Hall (joined at 6:13 p.m.), Mr. Lewis (via WebEx) (out at 8:05 p.m.), Dr. Pillsbury, and Mr. Rocha. Dr. Sudler was absent. Mayor Christiansen was also present. Civilian members present for their Committee meetings were Mr. Garfinkel (via WebEx), Mr. Shevock (via WebEx) (*Legislative, Finance, and Administration*), and Mr. Lewis (*Parks, Recreation, and Community Enhancement*).

ADOPTION OF AGENDA

Mr. Boggerty moved for adoption of the agenda, seconded by Dr. Pillsbury and unanimously carried.

Council Reports – September 2026

First District

Dr. Pillsbury reported handling several complaints and concerns from constituents during the past month.

Mr. Rocha reported attending the Family Court ribbon-cutting ceremony, two Construction and Property Maintenance Code Board of Appeals meetings, the DEMEC dinner, a meeting with the Downtown Dover Partnership and Jason Lyon, Assistant City Manager, regarding the EPA Riverwalk assessment, and a Village of Westover Town Hall meeting at the library. He also addressed constituent complaints.

Second District

Mr. Lewis reported that he attended Delaware State University's event on Saturday, during which he participated in the parade. He also attended the grand opening of the Delaware State News at its new location in the Duncan Center, as well as various other community events throughout the past month. Additionally, he addressed constituent complaints on Elm Terrace, Orchard Avenue, and in the Stoney Creek development. He stated that he worked with staff to address and resolve those concerns.

Ms. Hall was absent; no report was given.

Third District

Ms. Arndt reported speaking with several constituents with a range of concerns about trash in their neighborhood and along the Route 13 corridor, tree trimming, and how the city maintains trees, especially under power lines. She noted attending meetings for the Silver Lake Commission and providing assistance to the Downtown Dover Partnership. Lastly, she reported speaking to constituents regarding downtown development and concerns about downtown.

Fourth District

Mr. Anderson reported discussing efforts involving downtown properties and ongoing work on issues affecting the downtown area. He thanked staff for addressing so many of the concerns facing the different areas downtown.

Dr. Sudler was absent; no report was given.

At-Large

Mr. Boggerty reported attending the Village of Westover Town Hall meeting and meeting a constituent who is considering opening a business downtown to contribute to continued downtown growth. He noted working with a constituent regarding a property that had been boarded up following the death of a family member, and Code Enforcement assisted. Lastly, he reported attending the Construction and Property Maintenance Code Board of Appeals meetings as the chairman.

Council President Neil

Council President Neil reported attending the October 8, 2026, Code Board of Appeals meeting with Chairman Sudler. He discussed filling a vacant Third District seat on the Dover Human Relations Commission with Ms. Chiara Fox. He reported three East Lake constituent complaints involving a storm drain, a truck and shopping cart, and grass clippings entering drains, which Chief Code Enforcement Officer Eddie Kopp addressed. He also received a request to restrict non-local traffic on Acorn Lane while East Loockerman Street was blocked. Assistant City Manager Jason Lyon advised that Acorn Lane is under DelDOT's jurisdiction. Mr. Neil discussed a complaint about debris at a house under construction at William and Water Streets, on which Mr. Kopp had taken action, and a neighborhood complaint involving White Oake Road and April Drive.

Due to the absence of Chairwoman Hall, the Legislative, Finance, and Administration Committee proceeded before the Parks, Recreation, and Community Enhancement Committee.

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee met with Chairman Anderson presiding.

Adoption of Agenda

Mr. Boggerty moved for adoption of the agenda, seconded by Mr. Rocha and unanimously carried.

Proposed Ordinance #2026-15 – Amending Chapter 42 – Environment – By Adding Sec. 42-3 – Lighting (Eddie Kopp, Chief Code Enforcement Officer)

Mr. Eddie Kopp, Chief Code Enforcement Officer, presented Proposed Ordinance #2026-15 concerning lighting in residential zones. He explained that the city had received an increasing number of complaints about light pollution, including spotlights installed on houses and directed into neighboring windows as a means of harassment. Existing zoning language addressed commercial properties but did not provide enforceable language for the residential complaints. The

proposed ordinance would provide that authority, and its fee structure was consistent with the other applicable ordinances.

Staff recommended forwarding Proposed Ordinance #2026-15 to Council for approval.

Mr. Rocha stated that he had received a complaint about a neighbor's light shining onto another property. He acknowledged that residents wanted to illuminate their backyards but stated that lighting should not interfere with another resident's property or shine into a bedroom window.

Mr. Kopp confirmed that such complaints were common and that the existing code lacked enforceable language to address them.

Ms. Arndt questioned how unusually bright lighting would be defined and noted that the proposal did not specify lumens or other measurable criteria.

Responding to Ms. Arndt, Mr. Kopp stated that criteria could be added.

Ms. Arndt requested that staff review residential lighting ordinances adopted by other municipalities and consider including criteria to guide enforcement.

Responding to Mr. Lewis, Mr. Kopp explained that the proposal concerned lights installed on residential property, such as a spotlight mounted on a house and directed toward a neighboring property. Passing vehicle headlights would be incidental and would not fall under the ordinance. He stated that residents could direct security lighting away from neighboring windows while still protecting their properties. The intent was to prevent nuisance lighting, particularly lights deliberately directed into windows, and he was willing to consider revisions to clarify the language. Mr. Kopp further explained that the installation requirement would exclude a handheld flashlight and that the language had been adapted from another jurisdiction's ordinance.

Mr. Rocha agreed that lumen criteria could be considered but questioned how staff would determine lumens without entering the property to inspect the fixture. He suggested that the complaint-based language might allow staff to address the brightness or direction of a light through the complaint process.

Mr. Kopp stated that he also used camera-mounted spotlights. He explained that directing a camera toward another person's window raised a separate police concern and that a camera's light should not be directed into that window. Some reflected light was inevitable, but the concern was light that interfered with the neighbor's use of the property. He stated that cameras themselves should remain outside the scope of the proposed lighting ordinance.

Mayor Christiansen requested a point of personal privilege and stated that changing the advertised order of committee meetings required a Council motion to amend the agenda. He requested that Council formally approve the change or return to the original order.

Chairman Anderson returned the floor to Council President Neil for that purpose.

Mr. Anderson moved to hold the Parks, Recreation, and Community Enhancement meeting after the Legislative, Finance, and Administration meeting. The motion was seconded by Ms. Hall and unanimously carried.

Council President Neil explained that the order had been changed because Chairwoman Hall had not been present to preside.

Mr. Boggerty discussed the reasonable person standard and questioned whether a numerical lumen limit would create a standard that residents and staff could readily measure. He described a light at his own home that he had discovered shone into a neighbor's house through trees. Until he could adjust it, he had limited its use and communicated with the neighbor when he needed to use it. He distinguished ordinary passing headlights and security lighting from lighting that interfered with another residence.

Responding to Mr. Shevock, Mr. Kopp stated that the proposed ordinance would not apply to commercial properties, which were already subject to lighting provisions in the zoning ordinance. He offered to review the existing enforceable language and determine how the concern could be addressed. He reiterated that the proposed ordinance specifically addressed lighting between residential properties.

Mr. Kopp described a prior complaint involving a sports field where fixtures had been converted to LED lighting without being repositioned. After staff explained the effect on neighboring homes, the lights had been redirected within a few days. He stated that staff intended to use conversations, notices, and education to resolve residential lighting complaints in a similar manner.

Ms. Arndt moved to recommend forwarding Proposed Ordinance #2026-15 to Council for approval, as recommended by staff. The motion was seconded by Dr. Pillsbury and unanimously carried.

Budget Amendment Discussion (Sharon Duca, City Manager)

Ms. Sharon Duca, City Manager, discussed a potential budget amendment involving the Economic and Community Development Fund and entrance improvements at the Garrison Oak Technical Park. She explained that the Fiscal Year 2027 budget had authorized a \$1.426 million transfer to the General Fund for the entrance improvements. The budget had reflected a prior-year fund balance of slightly more than \$3 million and a remaining balance of approximately \$1.672 million after the transfer. The year-to-date budget confirmed that the transfer had been completed.

Ms. Duca reported that staff had submitted an application for TIF funding in May 2026 using a revised project estimate of more than \$2 million based on design changes. Staff received a funding decision on August 26 and an approval letter on September 26. The project remained in the design phase; DelDOT comments had been received, and staff had requested a meeting with DelDOT. Staff did not yet know whether the funding award would cover the final cost of the improvements. Staff hoped to advertise the project for bids within 45 days, depending on the outcome of the DelDOT meeting.

Ms. Duca explained that the funding award had prompted discussion of a budget amendment to return the \$1.426 million to the Economic and Community Development Fund. Staff

recommended limiting the return of funds until bids were received and final costs were known, with a buffer for potential change orders. She noted that the original \$90,000 for design had also come from the fund. An additional engineering change order of approximately \$45,000 was anticipated to address DelDOT's concerns and revise the plans. If required, that change order would be submitted to Council because it exceeded her approval authority under city policy.

Chairman Anderson thanked Ms. Duca for the update and stated that further consideration of the transfer would be held pending additional project information. He had been interested in restoring the fund to approximately \$2 million to address identified needs and exploring whether some funds could support a rebate or credit to customers following rate increases. He noted that those possibilities would need to be balanced against other priorities.

This item was informational; committee action was not required.

Alderman's Court Ad Hoc Committee Update (Councilman Anderson)

Councilman Anderson provided an update on the Alderman's Court Ad Hoc Committee and referred members to the committee minutes included in the packet. He reported that the committee had received substantial participation from State representatives, community members, and individuals with court and academic experience. The Newark court clerk had provided information about that municipality's operations, and Mr. Garfinkel had contributed his experience as a State magistrate. Judge Witham, a retired Superior Court judge, and Dr. Hoff also provided expertise.

Councilman Anderson stated that an alderman's court was feasible because six Delaware municipalities already operated such courts and Dover had previously operated one, although that had ended approximately 70 years earlier. The committee was examining how a court could operate fairly and sustain itself financially. He emphasized that the purpose was to give Dover greater control over enforcement of lower-level offenses while allowing the Department of Justice to concentrate on higher-level offenses, rather than to create a revenue-generating mechanism.

Councilman Anderson described ten committee goals: improving quality of life for residents and offenders; distinguishing matters handled by the Alderman's Court from those handled by the State courts; establishing exclusive and joint jurisdiction; developing cost and revenue estimates and evaluating financial sustainability; maintaining a community focus rather than relying solely on fines; permitting referrals to drug, veterans, and other specialty courts; retaining a criminal focus without affecting property through the court's jurisdiction; developing sentencing guidelines with constructive community service; exploring an entry point for mental health assistance; and considering probation before judgment to support workforce skills and assessment of individual needs.

William G. Faust, Jr., Dover, questioned the accessibility of afternoon committee meetings for working residents. He referred to a reported startup estimate of approximately \$500,000 and asked where funding would come from for a judge, personnel, facilities, security, and holding cells. He expressed concern that fines would place additional burdens on residents and stated that existing courts should address the offenses. He urged Council to focus on the budget, revenue, and serious public safety concerns, including gun violence, prostitution, and drugs.

Chairman Anderson responded that, in his view, the current Department of Justice policies and existing court process had not adequately addressed prostitution and drug-related concerns. He stated that an Alderman's Court could provide the referrals needed to address those issues.

Belinda Main, Dover, opposed creating a new court before addressing access to assistance for homelessness and addiction. She questioned whether another court or committee would resolve the problems and urged Council to act on constituent concerns.

Council President Neil responded that Council had been asked by residents and business owners to help individuals whose addiction or mental illness contributed to homelessness and disrupted businesses and neighborhoods. He stated that Council members lacked authority to require treatment and that a legal process was needed to require individuals to obtain help and remain in treatment long enough to address addiction or mental illness and enter training programs. He emphasized that the goal was assistance rather than collecting money from those individuals.

Bonnie Pennington, Dover, urged participants to work together and consider existing vacant buildings, including the former Family Court, before spending money on new facilities. She also stated that she could not attend a 3:00 p.m. meeting because of work and expressed concern about the City's financial condition. She supported efforts to address homelessness, addiction, and pedestrian safety and encouraged cooperation rather than conflict.

Responding to Ms. Arndt, Mr. Anderson stated that the timing depended on establishing that the court could sustain itself and obtain jurisdiction sufficient to meet the committee's goals. He stated that facility arrangements and other implementation choices could take additional time, and that the court might begin in an existing location and move later. Mr. Anderson clarified that it would likely take three months or longer for a recommendation and at least two years to implement the recommended changes, especially to the Charter.

Reginald Daniel, Townsend, emphasized gaps in substance use and mental health services. He described a homeless resident who was deaf and had difficulty accessing assistance, as well as literacy barriers and the difficulty of finding treatment for individuals who needed wound care. He urged the City to focus on filling gaps in existing services and addressing the underlying conditions contributing to homelessness and addiction. He questioned whether fines or a court with limited capacity would resolve those problems and favored strengthening coordinated resources for long-term improvement.

This item was informational; committee action was not required.

Mr. Anderson moved for adjournment of the Legislative, Finance, and Administration Committee meeting, hearing no objection the meeting adjourned at 7:21 p.m.

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

The Parks, Recreation, and Community Enhancement Committee met with Chairwoman Hall presiding.

Adoption of Agenda

Mr. Boggerty moved for adoption of the agenda, seconded by Dr. Pillsbury and unanimously carried.

Mr. Rocha recused himself from the meeting at 7:23 p.m.

Council President Neil stated that he had reviewed the packet and prior meeting minutes and intended to support staff's recommendation based on the documented federal requirements, City ordinances, and timelines. He emphasized the need to replace lost shelter spaces and supported exploring the former Morris correctional facility. He also noted that the former Family Court was State property and that the subject would be discussed further on October 27.

Mayor Christiansen reported that he and two State legislators had been working with the State on options to address the loss of winter housing and expected to have information to present.

Mr. Boggerty moved to accept staff's recommendation to withdraw the previously approved \$40,000 CDBG allocation for the People's Community Center Renovation Project and direct staff to make the funds available through the 2027 Annual Action Plan process. The motion was seconded by Dr. Pillsbury.

Mr. Anderson urged members to hear the additional information from the People's Community Center before acting.

Ms. Arndt requested an opportunity for additional comments.

Mr. Boggerty withdrew his motion, and Dr. Pillsbury withdrew her second.

Consideration of Withdrawal and Reallocation of CDBG Funds for People's Community Center Renovation Project (Debbie O'Brien, Community Development Manager)

Ms. Debbie O'Brien, Community Development Manager, presented a recommendation concerning the previously approved \$40,000 CDBG allocation for the People's Community Center Renovation Project.

Staff recommended approval of the withdrawal of the previously approved \$40,000 CDBG allocation for the People's Community Center Renovation Project and to direct staff to make the funds available through the 2027 Annual Action Plan Process.

Ms. O'Brien, Community Development Manager, corrected her response to a question Dr. Sudler raised at the previous meeting, clarifying that the People's Community Center had complied with the requirement to obtain a Phase I Environmental Site Assessment.

Ms. O'Brien explained that her recommendation was strictly limited to whether the city should continue the environmental review process and proceed with releasing the \$40,000 allocation for the workforce development renovations project.

Ms. O'Brien stated that, since her presentation on September 29, 2026, she had identified two additional concerns. The first involved MFI Construction Services, the contractor identified in the reimbursement request. She explained that an internet search indicated the business was not licensed with the State or the City, was not registered as a contractor, and had a disconnected telephone number.

The second concern involved the People's Community Center's public statement that it did not intend to pursue the conditional use approval necessary to continue operating the overnight shelter. As a result, the shelter was not expected to operate during the upcoming winter. Ms. O'Brien noted that the city had already made a substantial federal investment in renovations and shelter-related improvements at the church through American Rescue Plan Act (ARPA) funding. Those improvements were associated with the intended use of the facility to provide shelter and services to individuals experiencing homelessness. Given the organization's decision not to pursue the required approval, she questioned whether a similar situation could occur with the proposed \$40,000 allocation.

Ms. O'Brien emphasized that her concerns extended beyond a single missing document, procurement mistake, or administrative error. She stated that the city had made repeated efforts to identify a path forward through communications regarding spending requirements, requests for additional documentation, opportunities to submit corrected information, and efforts to identify eligible expenses and ways to continue supporting the proposed activities.

Ms. O'Brien acknowledged that previous discrepancies and deficiencies could not be undone; however, the outstanding concerns warranted pausing the process and considering all available information before proceeding. She reaffirmed her recommendation regarding the funding.

Ms. Sue Harris, Coordinator of the People's Community Center, expressed her support for the proposed use of the Morris Correctional facility as an overnight shelter and commended Senator Buckson's efforts. She explained that operating the overnight shelter was only one component of the services provided by the People's Community Center and placed considerable demands on the organization during its four months of operation. She stated that the Center served up to 100 individuals daily through meals, a free store, counseling, assistance with detoxification services, showers, clothing, toiletries, and other resources. Ms. Harris emphasized that the organization would welcome an alternative location for the overnight shelter and was willing to assist in establishing the new facility.

Ms. Harris stated that, although the organization hoped to recover its expenditures, her primary concern was addressing questions regarding the Center's financial responsibility and reputation. She expressed appreciation for the city's collaboration with the organization and other churches over the past decade, particularly through federal American Rescue Plan Act (ARPA) and Community Development Block Grant (CDBG) funding. She clarified that these funds were federal pass-through funds rather than funds from the city's general budget.

Ms. Harris acknowledged Ms. O'Brien's efforts in reviewing the organization's agreements and expenditures but expressed concern regarding political pressure and what she believed were factual inaccuracies in the previous presentation. She maintained that the organization had generally complied with applicable requirements, with two exceptions. The first involved the failure to

submit a required final report within the established timeframe. She stated that the completed report had been provided to Ms. O'Brien that evening and attributed the delay, in part, to the organization not receiving the necessary reporting forms until approximately two weeks earlier. The second involved following federal procurement requirements rather than the city's procurement requirements. She explained that, in the absence of clear instructions, the organization had relied on federal guidelines and did not become aware of the discrepancy until after the procurement process had been completed.

Ms. Harris noted that the city's reimbursement procedures required expenditures and supporting documentation to be reviewed for compliance before payments were issued. She maintained that this process ensured that previously reimbursed expenses had been reviewed and approved by city staff.

Ms. Harris outlined renovations and improvements completed or underway at the facility, including architectural and engineering plans for the four-story building, installation of approximately 6,000 square feet of flooring, painting of basement walls, renovation of a permitted commercial kitchen with commercial-grade equipment, construction of three additional bathrooms and three shower rooms, installation of laundry facilities, renovation of storage and work areas, installation of a fire suppression and sprinkler system, exterior lighting, security cameras, and electronic security improvements. She also reported that demolition of a 125-year-old bowling alley had been completed to accommodate future workforce development and readiness offices, although construction of that space remained unfinished.

Ms. Harris provided the following project expenditures and funding information:

- Architectural and engineering plans totaling approximately \$150,000.
- Commercial kitchen renovations totaling \$94,232, funded through the initial ARPA allocation.
- Fire suppression and sprinkler improvements totaling approximately \$125,000, of which \$59,714 was funded through ARPA.
- Workforce development renovations estimated at \$200,000, with the \$40,000 CDBG allocation currently on hold.
- Building-wide HVAC replacement covering all four floors, totaling approximately \$1.1 million, with completion anticipated by December 2026.

Ms. Harris stated that the initial ARPA-funded projects, including the commercial kitchen and sprinkler system, had been completed. She further reported that a second ARPA allocation of \$63,288 for salaries, maintenance, and utilities had been fully reimbursed and that an August 7 monitoring review found the expenditures to be in compliance. She stated that the city subsequently approached the organization in 2025 regarding approximately \$63,000 in previously allocated ARPA funding that another organization had been unable to expend. The Center accepted the funds for eligible expenses, including salaries, operating costs, and bunk beds, and

approximately \$17,000 remained available for reimbursement before the deadline of December 31, 2026.

Ms. Harris reported that the organization had received approximately \$277,941 in ARPA funding and \$62,700 in CDBG funding, including the disputed \$40,000 renovation allocation and a pending \$22,000 operations allocation. She estimated that the overall improvement projects totaled approximately \$1.5 million, with approximately \$340,000 provided through federal funding and the remaining expenses primarily covered by the church congregation. She disputed suggestions that the organization had failed to provide its required financial contribution.

Regarding the FY2025 CDBG renovation award, Ms. Harris explained that former Community Development Manager Tracey Harvey had advised the organization to follow federal procurement requirements, which Ms. Harris understood to require three bids for projects exceeding \$50,000. Because the award was \$40,000, the organization believed three bids were not required. Nevertheless, she stated that three contractors had been consulted, with two declining to submit bids after reviewing the architectural plans prepared by Becker Morgan. Following a recommendation from the Downtown Dover Partnership's development director, the organization selected MFI Construction Services and entered into a contract, making two initial payments totaling approximately \$53,000.

Ms. Harris stated that the contract and proof of payment were submitted to Ms. O'Brien in spring 2026 with a reimbursement request. When asked to explain the absence of three bids and the selection of MFI Construction Services, the organization provided a written explanation, which Ms. O'Brien acknowledged receiving.

Ms. Harris further explained that, during a fall 2025 site visit, Ms. Harvey advised the organization of federal environmental compliance requirements, including lead-based paint testing, potential abatement, and a Phase I Environmental Site Assessment. She stated that the organization understood these expenses would be eligible under the \$40,000 CDBG allocation. The environmental work was completed in November and December 2025, and supporting documentation and reimbursement requests were submitted to the city.

Ms. Harris maintained that the city was obligated to reimburse approximately \$17,100 for environmental-related expenditures and \$22,900 toward the demolition expenses, totaling the \$40,000 award.

Ms. Harris also addressed the matching-fund requirement, stating that the church congregation had financed substantial improvements, including the \$1.1 million HVAC project, exceeding the required \$153,978 contribution. She referenced the 2022 subrecipient agreement between the City of Dover and People's Church of Dover, which established a performance period from April 27, 2022, through December 31, 2026. She emphasized that the agreement was with the church rather than the People's Community Center.

Drawing on her professional experience managing federal, state, and local grants, Ms. Harris stated that grant applications typically include detailed procurement, reporting, and record-retention requirements. She expressed concern that the city's grant application materials did not clearly

identify the city's \$10,000 procurement threshold. She reiterated that the organization had relied on federal guidelines in the absence of written instructions and noted that it had previously obtained three bids for a project in 2022.

Ms. Harris explained that project timelines and budgets frequently required adjustments due to funding availability, contractor shortages, rising construction costs, environmental requirements, and other unforeseen circumstances. She stated that these challenges had been particularly significant following the COVID-19 pandemic. Although funding sources and project schedules had changed, she maintained that the organization's overall objectives of providing services to individuals experiencing homelessness had remained consistent.

Ms. Harris expressed concern that complaints and allegations regarding the organization had negatively affected its ability to secure additional funding. She stated that some funding sources had become hesitant to support the Center because of uncertainty surrounding its continued operations. She specifically referenced the loss of anticipated homeless services funding, while noting that funding for the organization's children's programs had continued. She explained that the organization had anticipated receiving the homeless services funding until approximately mid-June and had identified it as a pending funding source in other grant applications.

Ms. Harris disputed concerns regarding compliance with CDBG national objectives and maintained that both the operations and renovation projects satisfied the applicable federal requirements, referencing 24 CFR §§ 570.201 and 570.208.

In closing, Ms. Harris reiterated that the 2022 agreement was entered into with People's Church of Dover, a separate entity from the People's Community Center. She stated that the city had previously issued correspondence confirming fulfillment of the church's contractual obligations and that the church had invested substantially more in renovations than required under its agreement. She maintained that concerns regarding the earlier agreement should not be used as justification for withholding funding under the People's Community Center's 2025 agreement.

Ms. Arndt stated that there appeared to be misunderstandings on both sides and emphasized the importance of learning from past mistakes and maintaining open lines of communication. She clarified that her decision in March to vote against the \$36,000 workforce development program grant application was based solely on the merits of the application and not on the performance or concerns associated with the overnight shelter. She explained that the application had not adequately demonstrated the program's long-term sustainability or identified sufficient funding sources beyond the city. She expressed reservations about providing initial funding for a program without a clear plan for continued financial support, noting that she was generally more comfortable supporting capital improvements where expenditures and completed work could be documented.

Ms. Arndt emphasized that she had never advocated for the closure of the overnight shelter and recognized the importance of the services it provided. However, she believed the shelter should operate in a manner that was compatible with the surrounding neighborhood and addressed residents' concerns. She expressed surprise at Ms. Harris's statement that the organization did not wish to continue operating the overnight shelter and would not pursue the conditional use approval

necessary to continue those operations. She noted that the city had received significant public criticism the previous evening regarding the potential closure of the shelter. She questioned that criticism in light of the organization's apparent decision not to pursue the available conditional use approval process, which could have allowed the shelter to continue operating.

Responding to Ms. Arndt, Ms. Harris explained that the People's Community Center had gradually assumed responsibility for operating the emergency overnight shelter during the COVID-19 pandemic after other participating churches discontinued their involvement. She stated that the organization had continued providing shelter services for several years, often without dedicated funding, despite overnight shelter operations being the most demanding aspect of its services. She emphasized that the Center preferred to focus on programs that helped individuals experiencing homelessness achieve stability and independence rather than continuing to provide emergency shelter indefinitely.

Ms. Harris expressed her belief that the community needed transitional and affordable housing rather than additional emergency shelters. However, she acknowledged that emergency shelter capacity in Dover remained inadequate. She explained that the organization had actively sought alternative shelter locations and partners, including discussions with the Salvation Army and representatives associated with the proposed correctional facility. She expressed strong support for using the correctional facility, noting that its existing rooms, kitchens, and showers could accommodate shelter operations.

Regarding the conditional use approval, Ms. Harris explained that the organization did not wish to pursue the process because it had historically operated as an emergency shelter under Code Purple provisions and believed the additional approval would require considerable city staff time, expense, and public hearings without guaranteeing approval. She further expressed concern that obtaining permanent approval could create expectations that the organization operates a year-round shelter, which was not its intention.

Ms. Harris stated that the facility was equipped to accommodate approximately 30 individuals but frequently served between 50 and 60, with attendance occasionally reaching 80. She emphasized that the organization would prefer another provider assume responsibility for overnight shelter operations but would continue providing emergency shelter if no alternative became available, as it did not want individuals left outside in freezing conditions.

Ms. Harris also addressed concerns regarding neighborhood impacts, stating that the organization had made efforts to address complaints and encourage appropriate behavior among those receiving services. These efforts included identifying individuals responsible for discarded food containers and prohibiting individuals observed engaging in drug-related activities from returning. She acknowledged the difficulties associated with managing individuals experiencing homelessness, substance abuse, and other challenges but emphasized the importance of continuing to provide assistance.

In response to Ms. Arndt's concerns regarding the sustainability of the workforce development program, Ms. Harris stated that the organization had secured or anticipated several additional funding sources, including approximately \$350,000 in opioid-related funding, which remained

pending, and approximately \$100,000 in other funding awarded earlier in the year. She also referenced contributions from additional organizations and expressed confidence in the program's financial sustainability.

Ms. Harris explained that Harold Stafford, former Delaware Secretary of Labor and former Polytech School Board member, would oversee the workforce development program. She stated that the program would initially focus on workforce readiness, including assisting participants with obtaining identification and necessary documentation, addressing substance abuse and mental health needs, and establishing the stability required before beginning employment training and development. She emphasized that these supportive and navigation services were essential components of the proposed program.

Ms. Harris concluded by reiterating her confidence in the organization's financial management and expressing hope that additional funding opportunities would become available once concerns surrounding the organization were resolved. She acknowledged that her extensive professional experience in grant administration and financial management could be better utilized by the organization and stated that she intended to assume greater responsibility for overseeing and managing its grants moving forward.

Ms. Arndt reiterated that there had been misunderstandings and misinformation on both sides and emphasized the importance of correcting those misconceptions and working collaboratively moving forward. She expressed her inclination to allow the funding to proceed, acknowledging that some constituents might disagree with her position. However, she noted that the work had already been completed and believed consideration should be given to allowing the reimbursement. Ms. Arndt further emphasized that, should the organization apply for and receive city funding in the future, it would be expected to fully understand and comply with all applicable grant requirements, ensuring that all documentation and procedures were properly completed.

Mayor Christiansen asked Ms. O'Brien whether she had followed the procedures and instructions provided during her training regarding the reimbursement of grant funds.

Responding to Mayor Christiansen, Ms. O'Brien confirmed that she had.

Mayor Christiansen further asked whether he or any member of Council had influenced her presentation or decision to bring the matter before Council.

Responding to Mayor Christiansen, Ms. O'Brien stated that neither the Mayor nor any member of Council had influenced her decision.

Mr. Anderson stated that he supported Ms. O'Brien's decision to withhold the funds until she received the necessary information. He explained that the matter had since progressed to the decision of whether to reprogram the funding, which he did not support. Mr. Anderson described the People's Community Center as an organization that had made significant contributions to the city.

Mr. Anderson asked Ms. Harris whether, to the best of her knowledge, the People's Community Center was currently in compliance with city regulations.

Ms. Harris responded affirmatively.

Mr. Anderson further asked whether the expenditures and requirements that had been satisfied were compliant with federal regulations and eligible for reimbursement under federal guidelines, despite the organization's inadvertent failure to comply with the City's purchasing requirements.

Responding to Mr. Anderson, Ms. Harris responded affirmatively, confirming that, to the best of her knowledge, the expenditures complied with federal requirements and were eligible for reimbursement under federal guidelines.

Responding to Ms. Hall, Ms. Harris stated that she believed MFI was a credible company because the company had been recommended by the Downtown Dover Partnership. She explained that she made a note to follow up.

Ms. Hall requested that Ms. Harris report her findings back to Council.

William G. Faust, Jr. stated that the Morris Correctional Center had been closed by the Department of Correction due to funding constraints and expressed concern regarding the building's maintenance and condition, which he believed could affect its suitability for use as a homeless shelter. He expressed support for the People's Church and its efforts to assist vulnerable individuals. However, he cautioned Council against making exceptions to established funding requirements, noting that doing so could create a precedent for other organizations seeking similar consideration in the future. He emphasized that the funding involved public money and that appropriate oversight, accountability, and checks and balances were necessary to ensure its proper use.

LaChelle Paul, Dover, questioned how much funding the city had invested in the People's Church for its emergency shelter operations. She expressed concern that previously invested funds could be wasted if the shelter was unable to continue operating, particularly given the ongoing need for emergency shelter services and the approaching winter months. She acknowledged the importance of accountability and proper oversight of public funds but emphasized the need to be responsible stewards of money already invested, whether through City, State, or federal funding. She questioned whether it would be reasonable to jeopardize those investments over administrative or procedural issues that could potentially be corrected. She suggested that some of the issues may have resulted from miscommunication or uncertainty regarding responsibilities among those involved in administering the grants. She encouraged the city to consider resolving those concerns rather than allowing previous investments and the services provided to the unhoused population to be negatively affected.

Responding to Ms. Paul, Ms. O'Brien stated that the city had invested \$283,338 in overnight shelter operations. She clarified that the funding currently under consideration was for renovations associated with the workforce development program, not the overnight homeless shelter.

Ms. Paul asked whether the funding previously invested in the People's Church was necessary for the facility to comply with applicable requirements for operating the emergency shelter.

Ms. O'Brien explained that she could only address the funding agreement between the city and the People's Community Center and could not speak to the facility's zoning or operational requirements.

Ms. Harris clarified that the \$40,000 allocation under consideration was specifically designated for renovations to convert the former bowling alley into a workforce development and readiness center and was unrelated to the overnight shelter. She explained that previous ARPA and CDBG funding had supported both capital improvements and operational expenses, including supplies and services already provided. She noted that an additional \$22,700 in FY2025 CDBG operational funding remained pending.

Ms. Paul asked whether the workforce development program and other services were intended to support the same population, including individuals experiencing homelessness and substance abuse challenges.

Ms. Harris confirmed that the organization's programs served low-income, extremely low-income, and homeless individuals. She explained that the overnight emergency shelter was only one component of the organization's broader services, which continued throughout the year. She further clarified that funding for emergency shelter operations, year-round services, and capital improvements was generally obtained through separate grant applications.

Ms. Paul questioned whether the overnight emergency shelter would reopen during the upcoming winter.

Ms. Harris explained that the organization would consider continuing shelter operations if no alternative location became available and the city agreed to allow the organization to operate under the arrangement that had been in place for approximately ten years.

Ms. Paul expressed concern regarding the approaching winter and asked whether the city had a concrete plan to ensure emergency shelter would be available for individuals experiencing homelessness. She specifically questioned whether the city would permit the People's Community Center to resume emergency shelter operations if no other facility became available.

Ms. Harris stated that the organization was prepared to assist but emphasized that it would not jeopardize its business license, certificate of occupancy, or other year-round programs by operating without the necessary agreement or authorization. She reiterated the organization's willingness to assist in establishing an alternative shelter location and expressed hope that the City would continue pursuing those options. However, if no alternative became available, she hoped the city would consider an agreement allowing the organization to continue providing emergency shelter services as it had in previous years.

Bonnie Pennington, Dover, expressed concern regarding the potential closure of the People's Church emergency overnight shelter and the lack of alternative accommodations during the winter

months. She shared her personal experience with her son, who had previously experienced homelessness, and emphasized the importance of providing safe shelter during freezing temperatures. She urged Council to explore available funding within the city's budget to allow the church to continue providing emergency shelter services.

Mr. Neil moved to recommend acceptance of the staff recommendation to withdraw the previously approved \$40,000 CDBG allocation. The motion was seconded by Mr. Boggerty and failed by a roll call vote of three (3) yes (Boggerty, Neil, Mike Lewis), three (3) no (Hall, Anderson, Arndt), one (1) abstention (Pillsbury) (Sudler, Lewis absent).

Mr. Anderson voted no for the reasons he had previously stated.

Dr. Pillsbury stated that she remained undecided and abstained.

Council President Neil explained that his affirmative vote reflected concerns brought forward by neighboring residents and information in police and emergency medical reports about activity in the surrounding area.

Ms. Hall stated that she was troubled by the questions about the contractor payments and wanted further information, but also believed that the prior investment and the importance of completing the project supported her negative vote.

Following the failed motion, Council President Neil reiterated that the allocation concerned workforce development renovations rather than emergency sheltering. He stated that the city had continued contacting the Center's trustees and others to explore assistance. He noted Ms. Harris's willingness to provide emergency shelter under an agreement and stated that such an agreement would need to include the City's requirements.

Ms. Hall moved for adjournment of the Parks, Recreation, and Community Enhancement Committee meeting, hearing no objection the meeting adjourned at 8:25 p.m.

Mr. Neil moved for adjournment of the Council Committee of the Whole meeting, hearing no objection the meeting adjourned at 8:25 p.m.

Fred A. Neil
Council President

Attachments

Attachment #1 - Information Packet from Sue Harris

46 South Bradford

Dover 19904

302.674.4178



A collaboration of community stakeholders who work to improve the quality of life in Downtown Dover.

13 October 2026

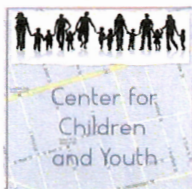
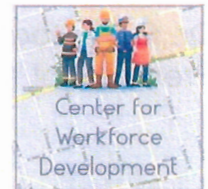
Mr. Daniel Griffith
City Solicitor

By Hand

Dear Mr. Griffith,

There are just a few facts that you may wish to know, but which I doubt that your client has disclosed to you. One of the excuses that Mr. Neal uses as justification for his desire to renege on the September 2025 CBDG subrecipient agreement is that we failed to do the work promised in our 2022 ARPA agreement, and thus now have asked that the same project be funded by the 2025 CDBG award. However:

1. There is not a single promise in the 2022 proposal or contact that we failed to honor.
2. Members of the Congregation have, in fact, spent far, far, more than the \$153,000 matching funds it promised to spend, on the same projects articulated in the proposal and agreement.
3. We received a letter from City stating that we were fully compliant and had completed our obligations, and thanking us for our service to the City.
4. It is too late for current staff to say that they do not like the processes followed by previous staff, and thus hold us accountable for not, in 2022, having followed the processes that they now require in 2026.
5. The 2022 ARPA subrecipient agreement was between the City and People's Church of Dover. But the 2025 CDBG agreement was with People's Community Center. (PCC did not yet have legal existence as of the date of the 2022 ARPA agreement.) Does your client understand that it cannot hold one corporation accountable for the failures of another corporation, even if the alleged failures could be substantiated?

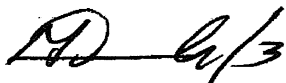


6. The total cost of the bowling alley renovation is \$192,000 – far more than the \$40,000 that we promised to pay from our own funds in 2022, and far more than the \$40,000 that the City approved last year. Certain City Council Members may not understand that renovation of a 1280 square foot room costs more than \$40,000. Thus, it is simply not true that we did not spend \$40,000 in 2022 for basement renovations. Invoices from Becker-Morgan will prove that People's Church of Dover did in fact spend more than that amount on architectural and engineering plans.
7. And anyway, even if the second \$40,000 requested was not justifiable, then the proposal should have been rejected in 2025. After the Council approved the proposal and the mayor signed the agreement, and after we spent the money for the next phase of renovation, the City cannot in good faith claim that it has changed its mind and no longer wishes to fund the project it approved last year.
8. Another excuse for not fulfilling its obligations under the subrecipient agreement is that we did not follow proper procurement protocol. The previous Community Development Manager told us to follow the *federal* guidelines, which did not require three bids for grants under \$50,000. We understand that the person currently in that role has decided that future recipients must follow *City* protocol, but this new, more restrictive requirement cannot be retroactively applied.
9. Finally, even if the City's protocol must now be followed even for federal money, this in no way impacts the \$17,100 we spent on lead paint remediation and testing, and the Tier One Environmental Review. Ms. O'Brien wrote to us that that that work did *not* require three bids, so we hired the providers that the City recommended to us. Since that work did not require three bids, and since we submitted the reports, invoices, and proof-of-payment in a timely manner (last December), the City has zero justification for not reimbursing us \$17,000.

Our FOIA request produced documents showing that the City asked HUD for permission to withdraw the funding based on the disapproval of a few neighbors. HUD wrote back and stated that the City needed more than that to justify a diversion of CDBG funds. It appears that a few people at City Hall have been on quite a frantic hunt to find ways in which we have been negligent in the past, despite the City's prior written statements to the contrary. You may wish to counsel your client on the legal precariousness of its arguments.

(You may also wish to tell your client that it incurs legal liability when it unevenly enforces a city ordinance; after forcing us to take down a banner sign, then it cannot ignore the year-round banner signs displayed by two other Downtown congregations.)

Yours very truly,

A handwritten signature in black ink, appearing to read "GD 6/3", is written over a horizontal line.

Dr. G. D. Hodge,
President of the Board of Directors

Preface: Our History of Compliance

We are grateful for all the years of cooperation and collaboration we and the other churches have had with the city over the past decade thank you for your years of partially funding our operations with ARPA and CDBG federal pass through funds

We appreciate the hard work and intelligence of Ms O'Brien. We do wish that elected officials would allow her to do her work without political pressure. We are committed to complying in all ways with Federal and State statues and procedures so that we can work together with neighbors, businesses, other churches and government to help get people off the streets

After review of the documents before you, our own records and the documents sent to us in the FOIA response, it appears that we have indeed been compliant with a few exceptions. We did fail to submit the required report as requested. Although a final report is currently being created, there is no way to rectify the fact that it was not submitted in a timely manner. Our inability to access any instructions prohibited proper reporting. It wasn't until June that we were reminded of missing information and not until October before a blank report was sent to us to be completed. The other issue we can't resolve is the fact that we used Fed requirements for procurement and not the city's. Without any clear instructions we defaulted to the Fed regulations and that was evidently incorrect. By the time we understood the problem it was a done deal.

The city's normal procedure of only paying for Grants as reimbursements and only after examining documents for compliance and consistency with the contract has ensured that you have not reimbursed us for any funds which were not determined by your staff to be appropriate, consistent with applicable statute and ordinance and established procedure at that time. We had no reason to question our guidance

We appreciate Miss O'Brien's painstaking review of the past and present subrecipients agreements and payments but it appears that there were a number of factual errors in her previous presentation to this body.

We ask therefore that you consider only the facts on hand and not the spurious, complex, nefarious and intersecting motivations that sometime cloud city council judgment.

Now to the facts of the matter.

Completed Renovation projects and costs beginning 2022

- Architect and engineering plans for the 4 story building to include all phases of renovation from basement to elevator
- 6,400 sq feet of new flooring
- Painting of all basement walls
- Renovated a fully permitted Commercial kitchen to include ALL new NSF commercial grade appliances, shelving and work tables **(\$94,232 ARPA I)**
- 3 additional bathrooms
- 3 shower/shower room
- Laundry room with 2 sets of washer/dryers
- Renovation of old janitorial work area into secured storage room.
Fire suppression system (sprinkler system) throughout the basement and paths to outside exits on the first floor. (total cost of \$125,000) **(\$59,714 ARPA I)**
- New Lighting around the entire building, cameras and electronic door security
- Demolition of a 125 year old bowling alley to convert into workforce development and readiness offices, conference room, computer banks for job search and GED classes.(the demolition is complete, the construction has not been completed yet) (bowling alley renovation total \$200,000) **(\$40,000 CDBG FY 25 ON HOLD)**
- Complete HVAC replacement building wide (all 4 floors Total project \$1.1M)
To be completed in December 2026 according to the Time of Performance in the signed contract with People's Church of Dover.

People's Church members contributed matching funds as promised in the application and well beyond that for the new toilets, laundry room, showers, storage room, buildingwide HVAC replacement and the architectural and engineering plans.

City pass through FUNDING applied to the shelter since 2022.

FY'22 ARPA I \$153,978 was proposed for renovation of shelter space closed and paid in full

FY'23 ARPA II \$63,288 was proposed for salaries, maintenance and utility and meals Closed and paid in full

FY '24 ARPA III CKCC \$60,675 is proposed for Salaries, cots, bunks beds and transportation. Grant is ongoing until December 31,2026 with \$17,300 left for reimbursement.

FY'25 CDBG \$40,000 renovations, \$22,700 operations PENDING

Item two bidding procedures in the city's responsibility

When the FY '25 CDBG award was issued and the subrecipient contract was signed the City's community development manager was Tracy Harvey. She told us that we must fulfill Federal compliance standards rather than those standards if the money were from the city budget.

The federal requirement she said was that Awards over the amount of \$50,000 required that three bids be submitted since our award amount was only \$40,000 three bids would not be required.

We did nonetheless consult with the three contractors. The first two who looked at the Becker Morgan plans (paid for in 2022) chose not to bid so we turned to the Development Director of the Downtown Dover Partnership to ask for a recommendation.

He recommended Amber Epperson of MFI construction. We signed a contract with her and made two initial payments totaling approximately \$53,000. We submitted the contract and proof of payment to Ms O'Brien in the spring of 2026 and requested reimbursement. No reimbursement has been made.

After requesting reimbursement Ms O'Brien asked us to send her a letter explaining why we did not have three bids and how we selected MFI. We did send such an explanation and in her timeline Miss O'Brien acknowledged having received it.

When she and Ms O'Brien conducted their site visit in the fall of 2025, Ms Harvey explained that we would be held to the federal standards of compliance which required lead paint testing and abatement if necessary and a tier one environmental review she stated that those Services would be paid by the CDBG award of \$40,000.

That work was performed in a timely fashion in November and December of 2025, only 2 months after the subrecipient agreement was signed. Cover letter and reimbursement requests were submitted to the city as proof of payment. The city is now required to reimburse People's Community Center \$17,100 for those expenditures.

The city is also obligated to reimburse People's Community Center \$22,900 a portion of the \$53,000 already spent to the limit of the award of \$40,000.

The city employee who signed the award letter was satisfied, reimbursed the money spent and issued a letter in which she confirmed that we were fully compliant and thanked us for our service to the city. Criticisms of the management of the previous Grant manager should not affect the grantee. We followed all instructions we were given.

The HVAC renovation also costs far more than anticipated. The congregation has paid Diamond Engineering to complete the work in the amount of \$1.1 million dollars thus the congregation did complete its part of the agreement to spend at least \$153,978 in matching funds. All these expenditures and work will be completed prior to the time of performance date on page two of the subrecipient agreement between the city of Dover and People's Church of Dover.

ARPA Time of Performance

Services of the sub recipient shall start on the 27th day of April 2022 an end on the 31st day of December 2026

Reports, procurement, end of contract requirements are a vital aspect of any grant. In my career I managed 19 different federal, state and local grants per year for 30 years worth well over 100 million dollars and grant applications ALWAYS, without exception included detailed instructions of what the reporting, procurement and document retention requirements are. Most of the time it's part of the RFP so that potential grantees can decide if they have the capacity to fulfill those requirements before they even apply. For these city managed federal grants I have been unable to find these instructions anywhere, certainly not attached with the application. The instructions I **am** able to find to understand how to manage these federal funds is on the Federal CDBG website where their procurement requirements clearly state that bids are required for any project over \$50K. We obviously understood that requirement because we received 3 bids for our kitchen project in 2022. The fact that Mrs. O'Brien uses the city procurement threshold of \$10,000 should have been clearly explained and included in instructions for reporting and procurement requirements along with the application. With no guidance available in the paperwork or online we defaulted to the federal guidelines.

Yes, there are inevitable changes to timelines and specifics from the original application when you're working with competitive grants that might not be successful. There was never a change of focus of the Homeless shelter operations and renovation of the space to be used for homeless services.

In 2022 we were still dealing with covid, contractors were difficult to find, delays happened regularly and prices skyrocketed so we had to be flexible. Also in the grant world although you might list a funding opportunity on a grant application, there is no guarantee you will be successful. When you aren't successful you have to be able to pivot, realign your priorities and go to your backup plan to proceed. For instance if you lose your funding for demolition but receive your funding for construction you probably have to pivot and make adjustments. It doesn't change the project but it does affect timing and progress.

The hesitation and unjustified accusations caused upcoming funders to hesitate and many deny funding that had previously been unquestioned because of these bogus accusations. If funders worry that the city would not allow our program to continue, why would they want to send us money. These complaints continued to grow out of control without any pushback from the city. Even City officials said harsh, unfounded things without any evidence or investigation. City officials have since admitted none of the complaints were applicable to us. All of this caused politicians to retreat and as in one instance, Senator Paradee changed course and denied our homeless services Grant in Aid funding that we have counted on for years for operations. So to be clear up until mid June, we were still expecting this promised source of funding. This was a source of funding that we had documented on other grant applications as is common practice when applications are pending. It is generally asked when an application is submitted if other funding sources are; submitted, pending, awarded or received.

A project timeline needs to be fairly flexible as long as you are staying within the grant period. Sometimes there needs to be adjustments in the projects according to the funding opportunities that are successful. Sometimes you find out that you need Environmental Studies done and that a portion of your award has to go towards that unexpected expense and you then have to make adjustments in the budget and the timeline.

These are the sort of things that can change your timeline and add expenses that were not included in your original budget and adjust some expectations. But one thing that never changes is the focus and the objectives that you're trying to meet within your proposal.

Meeting the CDBG objectives is not of any concern either as was mentioned many times in this attempt to find issues. The operations grant complies with 570.208 a2ia and 570.201e and the renovation grant complies with 570.208 a2ic and 570.201c. These objectives are thoroughly met with all aspects of our projects.

Summary

The 2022 agreement was made with the church not the community center. It is not appropriate to deny promised funding to one Corporation because of a claim of non-compliance related to another Corporation.

The city's representative mailed us a letter in 2023 in which she states that our contractual obligations were met and the agreement is now fulfilled.

The church did in fact spend a million dollars more than it was required to spend according to the subrecipient agreement in facility renovations.

The city therefore has no justification to use this funding cycle performance as an excuse to deny its contractual obligations to the Community Center under its 2025 agreement.

- group meeting spaces" – this is the project in question.
6. It was only after I finished ERR training that we realized the project would need a Phase 1 assessment. They completed the process successfully, which is why the NOI was posted.
 7. Last fall, the City Manager's office put out an "Economic Development Fund" grant RFP, which this organization applied for \$47,363 to "launch the Workforce Development Program". At the public hearing in February, several residents spoke, and City Council had received 17 letters of complaint from nearby residents and businesses about the negative impacts of the organization's activities. Their application was denied unanimously by Council. One Council member abstained because he had recently served on the board of directors for this organization.
 8. When I attended the All Grantee meeting in West Chester, I had a conversation with one of the instructors about this project, who informed me that if the City wishes to extend the agreement past 6/30, we should do an amendment to include listing dates, milestones, exact budget line items, and remedies in our agreement. It was also emphasized that we will need to be confident that the workforce development program will be operational and effective within a reasonable time frame – when will the national objective be achieved? In addition, if the agreement expires with no extension, I could close the project in IDIS, and either amend the current action plan or wait until the next year's action plan is drafted to reallocate the funds.
 9. Another red flag with this project is that, when I asked for the full contractor's quote of the work to be done (so I could include the full price in my notice), he only provided one quote, that he had already executed and paid the \$44,000 deposit on. This falls into the "Small Purchases" category of federal procurement methods described in 2 CFR 200.320, which requires an "adequate number of quotes". I tried to help him overcome this barrier by writing an explanation letter documenting his reason for only getting 2 quotes, but he has never responded to my request on 6/11/26 for the other quote. In his letter, he stated that Tracey Harvey never told him he needed 3 quotes. I observed her telling several of the Sub-recipients that they needed 3 quotes if the purchase was over \$10,000, as that is our purchasing policy. Moreover, I sent him an email to this effect on 10/7/25.

Considering all of the above, I believe that staff acted in good faith but didn't have all the facts about the evolving situation. Is there a process by which we can bring this back to our Council for a vote to retract the allocation? Or is there any HUD guidance for what a local government should do when faced with public outcry over deteriorating neighborhood conditions due to projects that are federally funded?

Sincerely,

Debbie O'Brien, *CPFO, MBA*

Community Development Manager

Planning Department

City of Dover

15 Loockerman Plaza

Dover DE 19901

(P) 302-736-7175

(F) 302-736-4217

dobrien@dover.de.us

the City's Action Plan and IDIS, as appropriate.

Finally, if the City elects not to move forward with the project, I recommend carefully documenting the basis for that decision. The administrative record should reflect that the decision is based on the City's programmatic, contractual, compliance, and implementation concerns, rather than solely on neighborhood opposition.

Please let me know if you would like to discuss this further after you've had an opportunity to meet with your Solicitor.

Thanks.

Carolyn K Mayinja
Senior CPD Representative
United States Department of Housing and Urban Development (HUD)
Office of Community Planning and Development (CPD)
The Strawbridge's Building
801 Market St
Philadelphia, Pennsylvania 19107-3380
Office Phone: (215) 861-7648
Email: Carolyn.Mayinja@hud.gov
Visit HUD's Website: www.hud.gov
Visit HUD's Resources Exchange: www.HUDEnchange.info

From: O'Brien, Deborah <dobrien@doover.de.us>
Sent: Monday, June 29, 2026 12:59 PM
To: Mayinja, Carolyn K <Carolyn.Mayinja@hud.gov>
Cc: Duca, Sharon <SDUCA@DOVER.DE.US>
Subject: <External Message> Question about a project

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. If you have concerns about the content of the email, please send it to phishing@hud.gov or click the Report Phishing Button on the Outlook ribbon or Phishing option within OWA.

Good morning, Carolyn,

I have some serious concerns about a project that is in the public comment period of the ERR. I'm hoping you can help me figure out what we should do.

Apparently, the newspaper ad that you disapproved was an ineffective means to get the attention of the public because I didn't receive any comments. Since I posted our NOI/RRF on our website on 6/23/26, I've received 6 (as of this moment – they keep coming in as I type this) formal complaints from residents who live near the project. These comments have led me to do further research on the project out of concern for HUD compliance.

Background:

- The church was notified back in 2016 or 2017 that they would be allowed to use it for overnight sheltering for one winter, due to the change of use within the building/fire code.
- On the Community Center's Certificate of Occupancy dated 9/28/21, it was noted that it was not approved for sleeping. However, City leadership allowed it during the cold winter months under the auspices of Code Purple until this year.
- A code interpretation letter from our City Solicitor was mailed on 3/23/26 and subsequent notice ordering them to cease all overnight sheltering within 14 days.
- They have continued to shelter homeless veterans year-round, even as of last week.

Facts I have uncovered:

1. In the application for the first round of ARPA funding, \$40,000 was budgeted for this same exact project, which should have been completed (according to their application) by September 2022.
2. \$0.00 of the \$153,978.00 was spent on this – invoices show renovations and refurbishing the kitchen, bathrooms, flooring, dining room, new entry doors, new HVAC installed, and a new fire suppression system.
3. Monitoring of the ARPA funding was completed on 8/7/24 notifying them that they were in compliance. Obviously, Tracey was unaware of the zoning issues because they received other ARPA funding for the operations of a homeless shelter.
4. They also received 2025 CDBG grant funding for shelter operations for \$22,700. They confirmed that the overnight shelter shuttered on 4/1/26, so all receipts that we reimbursed were for expenses prior to that.
5. In addition, we awarded them \$40,000 of 2025 CDBG grant funding for renovations to "turn a garage-like storage room into private and

From: O'Brien, Debbie
To: Dr. G. Derrick Hodge <gdhodge@pcd-dover.org>
Cc: Harvey, Tracey
Subject: RE: Renovations project
Date: Tuesday, October 7, 2025 10:45:00 AM

Dr. Hodge,

It just occurred to me that the lead-based paint assessment probably won't cost more than \$10,000, and therefore, won't require 3 quotes. I apologize for the confusion!

Thanks!

Debbie O'Brien, CPFO

Community Development Manager

City of Dover Planning Department

15 Loockerman Plaza

Dover, DE 19901

(302) 736-7196

From: O'Brien, Debbie
Sent: Tuesday, October 7, 2025 8:25 AM
To: Dr. G. Derrick Hodge <gdhodge@pcd-dover.org> <gdhodge@pcd-dover.org>
Cc: Harvey, Tracey <tharvey@DOVER.DE.US>
Subject: Renovations project

Good morning, Dr. Hodge,

In the process of doing the environmental review for your project, we realized that since the building was built prior to 1978, and the scope of work includes interior remodeling, it will need to be tested for lead-based paint by a qualified environmental company. The expense is eligible for reimbursement through CDBG; however, you will need to obtain 3 quotes before you can proceed. If lead-based paint is found in the area where the work is to be completed, mitigation measures to reduce, avoid, or eliminate adverse environmental impacts will be required before the project can be started.

City of



Dover

August 12, 2024

Rev. Dr. G. Derrick Hodge
People's Church of Dover
46 South Bradford Street
Dover, DE 19901

RE: Monitoring Review ARPA 1&2

Dear Rev. Hodge:

This letter is to inform you of the results of the monitoring review for the People's Church of Dover. The monitoring was held on August 7, 2024. I wish to extend my appreciation with your assistance during the interview.

I am pleased to announce that People's Church of Dover is in compliance with the American Rescue Plan Act Guidelines regarding the grant awarded for renovations for a portion of the church to be used as a homeless shelter (ARPA 1) and for providing staff support, maintenance and utility cost, and the purchase of meals for the shelter (ARPA) 2.

The grant amount awarded for ARPA 1 was \$153,978.00 in program funds with 1000% of funds drawn down as of 7/8/24. The grant amount awarded for ARPA 2 was \$63,288.00 with 83% of funds drawn down as of 7/8/24.

I was very pleased with the renovations completed at the shelter to ensure the safety of the homeless as well as the services provided for the persons that are sheltered.

I wish to extend my appreciation to you for the overall assistance and cooperation provided at the monitoring site visit. The City of Dover wishes your program continued success.

Sincerely,

A handwritten signature in cursive script that reads "Tracey N. Harvey".

Tracey N. Harvey
Community Development Manager

From: G. D. Hodge, Ph.D.
To: O'Brien, Deborah
Subject: EXTERNAL: CDBG Renovation Reimbursement Request
Date: Wednesday, June 10, 2026 2:52:52 PM
Attachments: CDBG Renovation Reimbursement Request Cover.pdf
Executed MFI Revised Contract.pdf
MFI Proof of Payment.pdf

WARNING: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Ms. O'Brien,

Please reimburse People's Community Center in the amount of \$40,000 for building renovations related to the Center for Workforce Development. Attached hereto are three supporting documents:

1. Cover letter detailing the expenditure;
2. Proof of payment by Dover Federal Credit Union; and
3. Renovations contract with MFI Construction Company.

I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812.

Thank you,

G. D. Hodge, Ph.D.
President of the Board of Directors
People's Community Center

As for what moneys the city may have contributed in the past or zoning variance granted have included the City Clerk's Office. This office is very short handed due to 2 most experience members of the 4 out on sick leave.

I will circulate your request to others in the community to see if they wish to reach out to you regard attempts to work with the Peoples Church on problems.

The letters that came to me are public record for a FOIA request. I requested the names redact for fear of reprisals and threats. The names of the convicted sexual predators listing the church as its home can be found at the State Level and in the documents, I have turned over to the Clerk's Office.

The State Health Department can give the status of the past and current problems with the church kitchen as well as any other violation they may have found. You can check the status of the Dover Police investigation with them.

The original December 2, 2025, zoning complaint sent to the city is very close resolution as variances on activities have been exceeded. For legal reasons, I will not comment any further.

Members of the City Council in initially providing support for the programs for at church did so with great compassion. It has backfired with unintended consequences with the quality-of-life collapse, businesses closed, property damaged and devalued, and streets, porches and backyards used as toilets.

I believe it is fair to say, the activities at the church have enabled this inappropriate behavior to continue and have not helped enough people escape their problems to justify the tremendous cost to the citizens of Dover.

To JE State News

Fred Neil
3rd District
Dover City Council President
302-678-3288

On 03/11/2026 7:52 PM EDT Xiomara Moore <xmoore@iniusa.org> wrote:

Hello Councilman Neil,

This is Xiomara Moore from Daily State News. I watched the council meeting of the whole on February 26 and you mentioned complaints from neighbors at the People's church and community center. Were those complaints were also sent to the staff at People's? Also, it was said in the Feb. 26 meeting that People's received funds from City of Dover before, do you have proof of this?

I am writing an article on the People's community center with a deadline on EOD Thursday. If you could answer the above questions by then, that would be great.

*Have a good evening,
Xiomara*

From: "Duca, Sharon" <SDuca@dover.de.us>
To: "Neil, Fred" <fredneilbooks@comcast.net>
CC: "Anderson, David" <david.anderson@dover.de.us>, "Hugg, Dave" <dhugg@dover.de.us>
Sent: 2026-02-17T16:27:44
Subject: RE: EXTERNAL: Re: February 4th Correspondence

Good Afternoon Council President Neil,

As noted in a separate email chain, we held an internal meeting this afternoon to review research conducted since the original complaint was received. This meeting included the City Manager, City Solicitor, Principal Planner, Chief Code Enforcement Officer, Fire Marshal and myself. The City Solicitor is working on a response to the attorney, [REDACTED]

Thank you,

SHARON J. DUCA, P.E., ICMA-CM

ASSISTANT CITY MANAGER
City of Dover City Manager's Office
P.O. Box 475
Dover, Delaware 19903
Phone: 302-736-7005
Fax: 302-736-7002
E-mail: sduca@dover.de.us



From: FRED Neil <fredneilbooks@comcast.net>
Sent: Tuesday, February 17, 2026 3:32 PM
To: [REDACTED] Duca, Sharon <SDuca@dover.de.us>
Cc: [REDACTED] Anderson, David <david.anderson@dover.de.us>
Subject: Re: EXTERNAL: Re: February 4th Correspondence

Sharon,

I now have a copy of [REDACTED]. Has Mr. Hugg brought in staff to discuss a strategy or a position for the city council to consider?

I have added Chairman Councilman Anderson to this email list as I believe we need an Executive Session to deal with the problems that are recurring because of the non-conforming use of the People's Church and the effect it is having on the quality-of-life issues for the neighbors. I have a number of letters to that effect.

I also believe it has a negative effect on the DDP Master Plan.

There is no question that human services provided by the Church are needed, but it is having a dire effect on the residential zoning of the area and housing converted to stable offices are now going up for sale.

Please advise.

Fred Neil
3rd District
Dover City Council President
302-678-3288

On 02/17/2026 2:32 PM EST [REDACTED] wrote:

Sharon,

For record, we consider the enforcement action at our building laughable. The point of referencing that enforcement action is to gaslight the complete lack of enforcement action at the Peoples Church and multiple properties on Governors avenue. [REDACTED]. With the complete lack of code enforcement elsewhere in the area, any further code enforcement at [REDACTED] would easily make the administration at the City of Dover the laughing stock of every media and social media outlet on the peninsula.

To stay on task, our issue is the complete non-response to the request from our neighborhood issued on December 2nd... 77 days ago.

This content is from the eCFR and is authoritative but unofficial.

Title 24 —Housing and Urban Development

Subtitle B —Regulations Relating to Housing and Urban Development

Chapter V —Office of Assistant Secretary for Community Planning and Development,

Department of Housing and Urban Development

Subchapter C —Community Facilities

Part 570 —Community Development Block Grants

Subpart C —Eligible Activities

Source: 53 FR 34439, Sept. 6, 1988, unless otherwise noted.

Authority: 12 U.S.C. 1701x, 1701 x-1; 42 U.S.C. 3535(d) and 5301-5320.

Source: 40 FR 24693, June 9, 1975, unless otherwise noted.

§ 570.201 Basic eligible activities.

CDBG funds may be used for the following activities:

- (a) **Acquisition.** Acquisition in whole or in part by the recipient, or other public or private nonprofit entity, by purchase, long-term lease, donation, or otherwise, of real property (including air rights, water rights, rights-of-way, easements, and other interests therein) for any public purpose, subject to the limitations of § 570.207.
- (b) **Disposition.** Disposition, through sale, lease, donation, or otherwise, of any real property acquired with CDBG funds or its retention for public purposes, including reasonable costs of temporarily managing such property or property acquired under urban renewal, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in § 570.504.
- (c) **Public facilities and improvements.** Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in § 570.207(a), carried out by the recipient or other public or private nonprofit entities. (However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in § 570.207(a)(1).) In undertaking such activities, design features and improvements which promote energy efficiency may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art. Facilities designed for use in providing shelter for persons having special needs are considered public facilities and not subject to the prohibition of new housing construction described in § 570.207(b)(3). Such facilities include shelters for the homeless; convalescent homes; hospitals, nursing homes; battered spouse shelters; halfway houses for run-away children, drug offenders or parolees; group homes for mentally retarded persons and temporary housing for disaster victims. In certain cases, nonprofit entities and subrecipients including those specified in § 570.204 may acquire title to public facilities. When such facilities are owned by nonprofit entities or subrecipients, they shall be operated so as to be open for use by the general public during all normal hours of operation. Public facilities and improvements eligible for assistance under this paragraph are subject to the policies in § 570.200(b).

- (d) **Clearance and remediation activities.** Clearance, demolition, and removal of buildings and improvements, including movement of structures to other sites and remediation of known or suspected environmental contamination. Demolition of HUD-assisted or HUD-owned housing units may be undertaken only with the prior approval of HUD. Remediation may include project-specific environmental assessment costs not otherwise eligible under § 570.205.
- (e) **Public services.** Provision of public services (including labor, supplies, and materials) including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare (but excluding the provision of income payments identified under § 570.207(b)(4)), homebuyer downpayment assistance, or recreational needs. If housing counseling, as defined in 24 CFR 5.100, is provided, it must be carried out in accordance with 24 CFR 5.111. To be eligible for CDBG assistance, a public service must be either a new service or a quantifiable increase in the level of an existing service above that which has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by the unit from the State in which it is located) in the 12 calendar months before the submission of the action plan. (An exception to this requirement may be made if HUD determines that any decrease in the level of a service was the result of events not within the control of the unit of general local government.) The amount of CDBG funds used for public services shall not exceed paragraphs (e) (1) or (2) of this section, as applicable:
- (1) The amount of CDBG funds used for public services shall not exceed 15 percent of each grant, except that for entitlement grants made under subpart D of this part, nonentitlement CDBG grants in Hawaii, and for recipients of insular area funds under section 106 of the Act, the amount shall not exceed 15 percent of the grant plus 15 percent of program income, as defined in § 570.500(a). For entitlement grants under subpart D of this part, nonentitlement CDBG grants in Hawaii, and for recipients of insular area funds under section 106 of the Act, compliance is based on limiting the amount of CDBG funds obligated for public service activities in each program year to an amount no greater than 15 percent of the entitlement grant made for that program year plus 15 percent of the program income received during the grantee's immediately preceding program year.
 - (2) A recipient which obligated more CDBG funds for public services than 15 percent of its grant funded from origin year 1982 or 1983 appropriations (excluding program income and any assistance received under Public Law 98-8), may obligate more CDBG funds than allowable under paragraph (e)(1) of this section, so long as the total amount obligated in any program year does not exceed:
 - (i) For an entitlement grantee, 15% of the program income it received during the preceding program year; plus
 - (ii) A portion of the grant received for the program year which is the highest of the following amounts:
 - (A) The amount determined by applying the percentage of the grant it obligated for public services in the 1982 program year against the grant for its current program year;
 - (B) The amount determined by applying the percentage of the grant it obligated for public services in the 1983 program year against the grant for its current program year;
 - (C) The amount of funds it obligated for public services in the 1982 program year; or,
 - (D) The amount of funds it obligated for public services in the 1983 program year.
- (f) **Interim assistance.**

Title 24 —Housing and Urban Development**Subtitle B —Regulations Relating to Housing and Urban Development****Chapter V —Office of Assistant Secretary for Community Planning and Development,****Department of Housing and Urban Development****Subchapter C —Community Facilities****Part 570 —Community Development Block Grants****Subpart C —Eligible Activities**

Source: 53 FR 34439, Sept. 6, 1988, unless otherwise noted.

Authority: 12 U.S.C. 1701x, 1701 x-1; 42 U.S.C. 3535(d) and 5301-5320.

Source: 40 FR 24693, June 9, 1975, unless otherwise noted.

§ 570.201 Basic eligible activities.

CDBG funds may be used for the following activities:

- (a) **Acquisition.** Acquisition in whole or in part by the recipient, or other public or private nonprofit entity, by purchase, long-term lease, donation, or otherwise, of real property (including air rights, water rights, rights-of-way, easements, and other interests therein) for any public purpose, subject to the limitations of § 570.207.
- (b) **Disposition.** Disposition, through sale, lease, donation, or otherwise, of any real property acquired with CDBG funds or its retention for public purposes, including reasonable costs of temporarily managing such property or property acquired under urban renewal, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in § 570.504.
- (c) **Public facilities and improvements.** Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in § 570.207(a), carried out by the recipient or other public or private nonprofit entities. (However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in § 570.207(a)(1).) In undertaking such activities, design features and improvements which promote energy efficiency may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art. Facilities designed for use in providing shelter for persons having special needs are considered public facilities and not subject to the prohibition of new housing construction described in § 570.207(b)(3). Such facilities include shelters for the homeless; convalescent homes; hospitals, nursing homes; battered spouse shelters; halfway houses for run-away children, drug offenders or parolees; group homes for mentally retarded persons and temporary housing for disaster victims. In certain cases, nonprofit entities and subrecipients including those specified in § 570.204 may acquire title to public facilities. When such facilities are owned by nonprofit entities or subrecipients, they shall be operated so as to be open for use by the general public during all normal hours of operation. Public facilities and improvements eligible for assistance under this paragraph are subject to the policies in § 570.200(b).

total number of persons and the total number of low- and moderate-income persons within each census division, the percentage of low- and moderate-income persons within the service area, and the total cost of the system.

- (iv) An activity for which the assistance to a public improvement that provides benefits to all the residents of an area is limited to paying special assessments (as defined in § 570.200(c)) levied against residential properties owned and occupied by persons of low and moderate income.
- (v) For purposes of determining qualification under this criterion, activities of the same type that serve different areas will be considered separately on the basis of their individual service area.
- (vi) In determining whether there is a sufficiently large percentage of low- and moderate-income persons residing in the area served by an activity to qualify under paragraph (a)(1) (i), (ii), or (vii) of this section, the most recently available decennial census information must be used to the fullest extent feasible, together with the section 8 income limits that would have applied at the time the income information was collected by the Census Bureau. Recipients that believe that the census data does not reflect current relative income levels in an area, or where census boundaries do not coincide sufficiently well with the service area of an activity, may conduct (or have conducted) a current survey of the residents of the area to determine the percent of such persons that are low and moderate income. HUD will accept information obtained through such surveys, to be used in lieu of the decennial census data, where it determines that the survey was conducted in such a manner that the results meet standards of statistical reliability that are comparable to that of the decennial census data for areas of similar size. Where there is substantial evidence that provides a clear basis to believe that the use of the decennial census data would substantially overstate the proportion of persons residing there that are low and moderate income, HUD may require that the recipient rebut such evidence in order to demonstrate compliance with section 105(c)(2) of the Act.
- (vii) Activities meeting the requirements of paragraph (d)(5)(i) of this section may be considered to qualify under this paragraph, provided that the area covered by the strategy is either a Federally-designated Empowerment Zone or Enterprise Community or primarily residential and contains a percentage of low- and moderate-income residents that is no less than the percentage computed by HUD pursuant to paragraph (a)(1)(ii) of this section or 70 percent, whichever is less, but in no event less than 51 percent. Activities meeting the requirements of paragraph (d)(6)(i) of this section may also be considered to qualify under paragraph (a)(1) of this section.

(2) **Limited clientele activities.**

- (i) An activity which benefits a limited clientele, at least 51 percent of whom are low- or moderate-income persons. (The following kinds of activities may not qualify under paragraph (a)(2) of this section: activities, the benefits of which are available to all the residents of an area; activities involving the acquisition, construction or rehabilitation of property for housing; or activities where the benefit to low- and moderate-income persons to be considered is the creation or retention of jobs, except as provided in paragraph (a)(2)(iv) of this section.) To qualify under paragraph (a)(2) of this section, the activity must meet one of the following tests:
 - (A) Benefit a clientele who are generally presumed to be principally low and moderate income persons. Activities that exclusively serve a group of persons in any one or a combination of the following categories may be presumed to benefit persons, 51 percent of whom are

Cont

- low- and moderate-income: abused children, battered spouses, elderly persons, adults meeting the Bureau of the Census' Current Population Reports definition of "severely disabled," homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or
- (B) Require information on family size and income so that it is evident that at least 51 percent of the clientele are persons whose family income does not exceed the low and moderate income limit; or
 - (C) Have income eligibility requirements which limit the activity exclusively to low and moderate income persons; or
 - (D) Be of such nature and be in such location that it may be concluded that the activity's clientele will primarily be low and moderate income persons.
- (ii) An activity that serves to remove material or architectural barriers to the mobility or accessibility of elderly persons or of adults meeting the Bureau of the Census' Current Population Reports definition of "severely disabled" will be presumed to qualify under this criterion if it is restricted, to the extent practicable, to the removal of such barriers by assisting:
 - (A) The reconstruction of a public facility or improvement, or portion thereof, that does not qualify under paragraph (a)(1) of this section;
 - (B) The rehabilitation of a privately owned nonresidential building or improvement that does not qualify under paragraph (a)(1) or (4) of this section; or
 - (C) The rehabilitation of the common areas of a residential structure that contains more than one dwelling unit and that does not qualify under paragraph (a)(3) of this section.
 - (iii) A microenterprise assistance activity carried out in accordance with the provisions of § 570.201(o) with respect to those owners of microenterprises and persons developing microenterprises assisted under the activity during each program year who are low- and moderate-income persons. For purposes of this paragraph, persons determined to be low and moderate income may be presumed to continue to qualify as such for up to a three-year period.
 - (iv) An activity designed to provide job training and placement and/or other employment support services, including, but not limited to, peer support programs, counseling, child care, transportation, and other similar services, in which the percentage of low- and moderate-income persons assisted is less than 51 percent may qualify under this paragraph in the following limited circumstance:
 - (A) In such cases where such training or provision of supportive services assists business(es), the only use of CDBG assistance for the project is to provide the job training and/or supportive services; and
 - (B) The proportion of the total cost of the project borne by CDBG funds is no greater than the proportion of the total number of persons assisted who are low or moderate income.
- (3) **Housing activities.** An eligible activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households. This would include, but not necessarily be limited to, the acquisition or rehabilitation of property by the recipient, a subrecipient, a developer, an individual homebuyer, or an individual homeowner; conversion of nonresidential structures; and new housing construction. If the

Exhibit A – Project Timeline

People's Community Center (PCC) – CDBG Renovation Project

Date	Event
4/28/2025	City Council approved the 2025 Annual Action Plan, including a \$40,000 CDBG allocation to PCC for renovations to create private and group meeting space for case management and supportive services.
9/17/2025	Staff initiated the Environmental Review Record (ERR) for the project.
9/24/2025	Sub-recipient agreement was fully executed.
10/7/2025	Staff notified the sub-recipient of the City's procurement requirements, including the requirement to obtain at least 3 price quotations for purchases exceeding \$10,000.
11/4/2025	During the environmental review, staff notified the sub-recipient that a Phase I Environmental Site Assessment was necessary due to the age, location, and proposed use of the property.
1/27/2026	The Phase I Environmental Site Assessment was completed, allowing the environmental review process to proceed.
6/11/2026	PCC submitted an invoice and proof of payment for reimbursement. Although an explanation was provided regarding the solicitation of only two contractor quotations, the procurement documentation provided appeared incomplete, and the additional quotation requested by staff was not provided.
6/12/2026	The first Notice of Intent to Request Release of Funds (NOI/RROF) was published with an erroneous public comment date.
6/23/2026	The corrected Notice of Intent to Request Release of Funds (NOI/RROF) was published, initiating the required public comment period.
6/23-30/2026	In response to issues identified during the public comment period, staff conducted a comprehensive review of the project and supporting documentation. The review identified concerns regarding project feasibility, prior funding history, procurement documentation, contractual provisions, and the project's ability to achieve its intended CDBG national objective.

nothing for 5 months?

? letter?

Good evening. My name is Debbie O'Brien, and I'm the Community Development Manager. One of my responsibilities is to administer the Community Development Block Grant funding that the City receives from HUD annually.

I'm here tonight to present the facts that have influenced my recommendation to withdraw this funding and to explain why, based on the information gathered through my review, I believe this is the prudent course of action.

I want to emphasize that this recommendation was ***not made lightly***. My responsibility is not only to help the City use its CDBG resources to address community needs, but also to protect the City's ability to continue receiving those federal funds. When the City accepts CDBG funding, it also accepts responsibility for ensuring that those funds are administered in accordance with federal requirements. Failure to do so can expose the City to corrective action, repayment of funds, and, in more serious circumstances, it can jeopardize **future CDBG funding**.

When the Environmental Review process entered its comment period with the Notice of Intent to Request Release of Funds, I did so in good faith and with the expectation that the project would continue through the normal CDBG process. However, the public comments received during that process raised concerns that warranted a closer look at the overall feasibility of the project.

In response, I conducted additional research and reviewed the project more broadly; not simply from an environmental standpoint, but also in terms of its documentation, procurement, contractual obligations, project readiness, and compliance with CDBG requirements.

What I found led me to believe that Council should have the opportunity to consider these facts before the City proceeds with the request for release of funds.

In reaching this recommendation, I focused on five fundamental questions:

Point Category	Points Possible
Program Description	0-15

Point Description:

- Describe the type of proposed program.
- Describe the length of time the program has operated.
- Describe how the proposed program will operate in detail. The description should include how clients are referred and what types of services are to be provided to the client.

Our programs seek to keep people alive and healthy while there are suffering financial and/or family crises, until they are able to access mental health and addiction services, or until the housing crises in Dover is successfully mitigated by federal, state, and city initiatives. This work has operated for the past five years, though when COVID emerged we greatly increased in frequency of services and number of people served.

This enhancement includes three new ADA-compliant restrooms, two shower stalls, and a laundry room. To complete this work, we partnered with Mountain Consulting, a local, woman-owned, Black-owned engineering and contractor.

Our church/community center is now well known in the community, so we do not need to promote our services. Most people come of their own accord, seeking food, clothing, and/or shelter. People in need of shelter sometimes call the church office to ask about availability, and sometimes they go to the Code Purple website, who refers them here. We also are part of a network of downtown Black church clergy, who refers people to us.

Point Category	Points Possible
Program Budget/Sources and Uses Exhibit C	0-10

Point Description:

- Documentation of the proposed program budget.
 - Please include all sources and uses for the proposed program, including staffing costs. The sources and uses must balance.
- Please include the following:
 - Documentation to support all committed funding (letters of commitment or equivalent documentation) that is included in the total proposed program budget.
 - Documentation must clearly state that funding is a dedicated source for your agency as well as the funding term. (If the commitment letter date is older but funding is still being utilized, please provide evidence from the funder that the commitment is still valid.)

INCOME

- Contributions from People's Church Members and Endowment Draw-Down
No external funding has yet been received, approved, or applied-for

EXPENDITURES

- Basement renovations: showers, laundry room, three new toilets 160,955
- Renovation of bowling alley to provide a space for case-management and counseling, to help the men achieve independence. 40,000
- New sprinkler system and HVAC upgrades to the basement. 105,000
- \$305,955

We seek matching funds only; members will contribute \$152,978 if the city will match this with another \$152,978.

AGREEMENT BETWEEN CITY OF DOVER

AND

People's Church of Dover

FOR

U. S. Department of the Treasury Coronavirus State and Local
Fiscal Recovery Funds FY 2022
CFDA #21.027

ARRA I

\$153,978.00

THIS AGREEMENT entered this 27th day of April 2022 by and between the City of Dover (herein called the "Grantee") and People's Church of Dover (herein called the sub-recipient)

WHEREAS the Grantee has received funds from the United States Department of Treasury, Sections 602(b)(2) and 603 (b) of the Social Security Act (the Act) as added by section 9901 of the American Rescue Plan Act Pub L. No. 117-2 (March 11,2021)

WHEREAS the Grantee wishes to engage the Sub-recipient to assist **the** Grantee in utilizing such funds;

NOW, THEREFORE it is agreed between the parties hereto that;

SCOPE OF SERVICE

A.

Activities

The Sub recipient will be responsible for administering American Rescue Plan Act (ARPA) Year 2022 ARPA Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds Such program will include the following activities eligible under the American Rescue Plan Act Grant:

The Sub recipient shall carry out all activities in accordance with the guidelines and regulations by making renovations of areas in an existing church that will be utilized as a shelter for the homeless

B. Use of Funds

1. Recipient understands and agrees that the funds disbursed under this award may only be used in compliance with sections 602(c) and 603(c) of the Social Security Act (the Act) and Treasury's regulations implementing that section and guidance
2. Recipient will determine prior to engaging in any project using this assistance that it has

the institutional managerial and financial capability to ensure proper planning, management, and completion of such project

ARRAT

C. Program Performance Monitoring

The Grantee will monitor the performance of the Sub recipient based on the requirements referenced in A and B of this agreement. Substandard performance as determined by **the** Grantee will constitute non compliance with this Agreement. If action to correct such substandard performance is **not** taken by the Sub-recipient within a reasonable period after being notified by the Grantee contract suspension or termination procedures will be initiated.

TIME OF PERFORMANCE

Services **of the** Sub recipient shall start on the 27th day of April 2022 and end on the 31st day of

December 20 26.

BUDGET

Line Item: Peoples Church of
Dover

PAYMENT

Amount **\$153,978.00**

It is expressly agreed and understood **that** the total amount to be paid by the Grantee under this contract shall not exceed \$153,978.00. Drawdowns for the payment of eligible expenses **shall** be made against the grant amount awarded in accordance with performance.

NOTICES

Communication and details concerning this contract shall be directed to **the** following contract representatives :

Grantee

Tracey N. Harvey CDBG Program Manager

City of Dover

15 Loockerman Plaza

Dover, DE 19901

(302) 736-7175

(302) 736-4217 (Fax)

GENERAL CONDITIONS

AGREEMENT BETWEEN CITY OF DOVER

AND

People's Church of Dover

FOR

U. S. Department of the Treasury Coronavirus State and
Local

Fiscal Recovery Funds FY 2023

CFDA # 21.027

ARPA II
\$103,288.00

THIS AGREEMENT entered this 26th day of May 2023 by and between the City of Dover (herein called the "Grantee") and People's Church of Dover (herein called the sub recipient).

WHEREAS the Grantee has received funds from the United States Department of Treasury Sections 602(b)(2) and 603 (b) of the Social Security Act (the Act) as added by section 9901 of the American Rescue Plan Act Pub. L. No.

117-2 (March 11, 2021)

WHEREAS the Grantee wishes to engage the Sub recipient to assist the Grantee in utilizing such funds;

NOW THEREFORE it is agreed between the parties hereto that;

SCOPE OF SERVICE

A.

Activities

The Sub recipient will be responsible for administering American Rescue Plan Act (ARPA) Year 2023 ARPA Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the American Rescue Plan Act Grant:

The Sub recipient shall carry out all activities in accordance with the guidelines and regulations by providing support staff to meet the needs of the shelter maintenance and utility cost for shelter operations, and the purchase of meals

B. Use of Funds

1. Recipient understands and agrees that the funds disbursed under this award may only be used in compliance with sections 602(c) and 603(c) of the Social Security Act (the Act) and Treasury's regulations implementing that section and guidance

2. Recipient will determine prior to engaging in any project using this assistance that

it has

the institutional managerial and financial capability to ensure proper planning, management, and completion of such project

ARRA II

C. Program Performance and Monitoring

The Grantee will monitor the performance of the Sub recipient based on the requirements referenced in A and B of this agreement. Substandard performance as determined by the Grantee will constitute non compliance with this Agreement. If action to correct such substandard performance is not taken by the Sub-recipient within a reasonable period after being notified by the Grantee, contract suspension or termination procedures will be initiated

TIME OF PERFORMANCE

Services of the Sub recipient shall start on the 1st
December 20 26

day of June 2023 and end on the 31st

day of

BUDGET

Line Item: Peoples Church of Dover

Amount: \$63,288.00

PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this contract shall not exceed \$63,288.00 Drawdowns for the payment of eligible expenses shall be made against the grant amount awarded in accordance with performance.

NOTICES

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee

Tracey N. Harvey, CDBG Program
Manager

City of Dover

15 Loockerman Plaza

Dover DE 19901

(302) 736-7175

(302) 736-4217 (Fax)

GENERAL CONDITIONS

AMENDMENT TO AGREEMENT BETWEEN CITY OF DOVER
AND
People's Community Center.

FOR
U. S. Department of the Treasury Coronavirus State and Local
Fiscal Recovery Funds FY 2024
CFDA # 21.027

*\$60,000
ARPA III
GKCC*

THIS AGREEMENT entered on this 10th day of October 2025 by and between the City of Dover (herein called the "Grantee") and the People's Community Center (herein called the "sub-recipient").

WHEREAS, the Grantee has received funds from the United States Department of Treasury, Sections 602(b)(2) and 603 (b) of the Social Security Act (the Act) as added by section 9901 of the American Rescue Plan Act, Pub. L. No.117-2 (March 11, 2021)

WHEREAS the Grantee wishes to engage the Sub-recipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

SCOPE OF SERVICE

A. Activities

The Sub-recipient will be responsible for administering American Rescue Plan Act (ARPA) Year, 2024 ARPA Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the American Rescue Plan Act Grant:

The Sub-recipient shall carry out all activities in accordance with the guidelines and regulations by providing staffing for social and prevention services for at risk persons, emergency shelter, beds and ~~lockers~~, and transportation for homeless persons in the City of Dover limits.

B. Use of Funds

1. Recipient understands and agrees that the funds disbursed under this award may only be used in compliance with sections 602(c) and 603(c) of the Social Security Act (the Act) and Treasury's regulations implementing that section and guidance.
2. Recipient will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such project

C. Program Performance and Monitoring

The Grantee will monitor the performance of the Sub-recipient based on the requirements referenced in A and B of this agreement. Substandard performance as determined by the Grantee will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the Sub-recipient within a reasonable period after being notified by the Grantee, contract suspension or termination procedures will be initiated.

TIME OF PERFORMANCE

Services of the Sub-recipient shall start on the 9th day of May 2025 and end on the 31st day of December 20 26.

BUDGET

Line Item: People's Community Center Amount: \$60,675.45

ALPA III
GKCC

PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this contract shall not exceed \$60,675.45. Drawdowns for the payment of eligible expenses shall be made against the grant amount awarded in accordance with performance.

NOTICES

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee
Tracey N. Harvey, CDBG Program Manager
City of Dover
15 Loockerman Plaza
Dover, DE 19901
(302) 736-7175
(302) 736-4217 (Fax)

Sub-recipient
Rev Dr. G. Derrick Hodge
People's Community Center
46 S. Bradford Street
Dover, DE 19901
(302) 674-4177

GENERAL CONDITIONS

A. Pre-award Cost

Pre-award cost, as defined in 2 CFR § 200.458, may not be paid with funding from this award.

B. Administrative Cost

Recipient may use funds provided under this award to cover both direct and indirect costs.

C. Cost Sharing

Cost sharing or matching funds are not required to be provided by the Recipient.

D. Amendments

The Grantee or Sub-recipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Sub-recipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, State or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be

AGREEMENT BETWEEN CITY OF DOVER

AND

PEOPLE'S COMMUNITY CENTER

FOR

OPERATIONS COST FOR SHELTER

FY 2025 CFDA # 14.218

\$22,700
CDBG
FY 25

THIS AGREEMENT entered this 16th day of September 2025 by and between the City of Dover (herein called the Grantee") and People's Community Center. (herein called the sub-recipient).

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974 Public Law 93-383 and

WHEREAS, the Grantee wishes to engage the Sub recipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE it is agreed between the parties hereto that;

SCOPE OF SERVICE

A. Activities

The Sub recipient will be responsible for administering CDBG Year 2025 CDBG Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds Such program will include the following activities eligible under the Community Development Block Grant Program:

The Sub-recipient shall carry out all activities in accordance with the guidelines and regulation set forth in 570.201(e) by providing operating cost for maintenance and utility cost for the shelter

B. National Objectives

The Sub recipient certifies that the activities carried out with funds provided under this Agreement will meet the CDBG program's National Objectives cited at 570.208(a)(2)(i)(A) under limited clientele activities. For activities that exclusively serve a group of persons where it is presumed to benefit persons that are 51% low to moderate income

C. Program Outcome Performance Measurements and Monitoring

Sub recipients are required to provide outcomes/objectives statements for each activity in their monthly and closeout reports. The Grantee will monitor the performance of the Sub recipient based on the requirements referenced in A and B of this agreement Substandard performance as determined by the Grantee will constitute non compliance with this Agreement. If action to correct such substandard performance is not taken by the Sub- recipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated

CDBG
FY-25

TIME OF PERFORMANCE

Services of the **Sub** recipient shall start on the 16th day of September, 2025 and end on the 30th day of June, 2026. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which **the** Sub-recipient remains in control of CDBG funds or other assets, including program income

BUDGET

Line Item: People's Community Center (operating cost)

Amount: \$22,700.00

Specifically, this project will provide funding to the sub recipient to cover the maintenance and utility costs for the shelter.

PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this contract shall not exceed \$22,700.00 Drawdowns for the payment of eligible expenses shall be made against **the** grant amount awarded in accordance with performance.

Payments may be contingent upon certification of the Sub-recipient's financial management system in accordance with the standards specified in 24 CFR Part 84.21, Attachment F.

NOTICES

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee
Debbie O'Brien, Comm Dev Mgr
City of Dover
15 Loockerman Plaza
Dover, DE 19901
(302) 736-7175
(302) 736-4217 (Fax)

GENERAL CONDITIONS

A. General Compliance

Sub recipient

Derrick Hodge, Ph.D. People's Community Center

AGREEMENT BETWEEN CITY OF DOVER
AND
PEOPLE'S COMMUNITY CENTER
FOR
PUBLIC FACILITIES & IMPROVEMENTS
FY 2025 CFDA # 14.218

Item 1.

\$40,000
CDBG
25

THIS AGREEMENT entered this 16th day of September, 2025 by and between the City of Dover (herein called the "Grantee") and People's Community Center. (herein called the "sub-recipient").

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Sub-recipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

SCOPE OF SERVICE

A. Activities

The Sub-recipient will be responsible for administering CDBG Year, 2025 CDBG Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant Program:

The Sub-recipient shall carry out all activities in accordance with the guidelines and regulation set forth in 570.201(c) for renovations of a facility that services the homeless.

B. National Objectives

The Sub-recipient certifies that the activities carried out with funds provided under this Agreement will meet the CDBG program's National Objectives, cited at 570.208(a)(2)(i)(A) under limited clientele activities. For activities that exclusively serve a group of persons where it is presumed to benefit persons that are 51% low to moderate income.

C. Program Outcome Performance Measurements and Monitoring

Sub-recipients are required to provide outcomes/objectives statements for each activity in their monthly and closeout reports. The Grantee will monitor the performance of the Sub-recipient based on the requirements referenced in A and B of this agreement. Substandard performance as determined by the Grantee will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the Sub-recipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

TIME OF PERFORMANCE

Services of the Sub-recipient shall start on the 16th day of September, 2025 and end on the 30th day of June, 2026. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Sub-recipient remains in control of CDBG funds or other assets, including program income.

BUDGET

Line Item: People's Community Center (renovations cost)

Amount: \$40,000.00

CD 6/25
FY 25

Specifically, this project will provide funding to the sub-recipient to cover the renovations cost for the shelter.

PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this contract shall not exceed \$40,000.00. Drawdowns for the payment of eligible expenses shall be made against the grant amount awarded in accordance with performance.

Payments may be contingent upon certification of the Sub-recipient's financial management system in accordance with the standards specified in 24 CFR Part 84.21, Attachment F.

NOTICES

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee

Debbie O'Brien, Comm. Dev. Mgr.

City of Dover

15 Loockerman Plaza

Dover, DE 19901

(302) 736-7175

(302) 736-4217 (Fax)

Sub-recipient

Derrick Hodge, Ph.D.

People's Community Center

46 South Bradford Street

Dover, DE 19904

(302) 674-4178

GENERAL CONDITIONS

A. General Compliance

The Sub-recipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)). The Sub-recipient also agrees to comply with all other applicable Federal, State and local laws, regulations, and policies governing the funds provided under this contract. The Sub-recipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Sub-recipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Worker's Compensation Insurance as the Sub-recipient is an independent sub-recipient.

C. Hold Harmless

The Sub-recipient shall hold harmless, defense or indemnify the Grantee from any and all claims, actions, suites, charges and judgements whatsoever that arise out of the Sub-recipient's performance or nonperformance of the services or subject matter called for in this Agreement.