



DELAWARE STATE HOUSING AUTHORITY NEWS RELEASE

DATE FOR RELEASE:
Friday, May 21, 2004

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NEIGHBORHOOD REVITALIZATION PROGRAM **UNDER REVIEW**

Delaware State Housing Authority (DSHA) today announced a review and audit of the Neighborhood Revitalization Program (NRF).

In March of this year, DSHA learned of possible concerns regarding the NRF program. Consequently, DSHA initiated an immediate internal review of the program and suspended the processing of new applications. Pursuant to that review, recent discrepancies in waiting list procedures and the awarding of funds under the program were discovered. These discrepancies involved a relatively small percentage of the total funds – about \$25,000 – being improperly awarded.

As a result of these findings, appropriate personnel action has been taken, and DSHA has also made a referral to the Attorney General's Office for its review. In addition, DSHA has requested that an external audit of the NRF Program be conducted. Barbacane, Thorton & Co., DSHA's external auditor, will perform the audit, to be completed by the end of June.

Going forward, DSHA has implemented new procedures and safeguards to prevent similar issues in the future. These measures will help ensure strict adherence to, and enforcement of, the award funding process.

The NRF Program was initiated in 1995 through a \$14.8 million dedication of funding from the 21st Century Fund. Using a community-based approach, the program provides up to \$35,000 per homeowner in qualifying neighborhoods for State Housing Code-related repairs or for handicapped-accessibility modifications. Over the life of the program, the NRF has assisted more than 500 families in 58 communities statewide with nearly \$14 million in grants and loans.

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