



U.S. Department of Housing and Urban Development
Buffalo Office
455 Main Street
Buffalo, New York 14203-1780
(716) 551-5755

NOV 19 2019

Ms. Emma Miran
Director, Community Development Department
City of Elmira
City Hall – 317 East Church Street
Elmira, NY 14901

Dear Ms. Miran:

SUBJECT: Program Year 2018 Annual Community Assessment (ACA)
Reporting Period July 1, 2018 to June 30, 2019
Community Development Block Grant (CDBG) Program
Home Investment Partnerships Program (HOME) Program

Enclosed please find HUD's Annual Community Assessment (ACA) reviewing the implementation and performance of the City of Elmira's CDBG and HOME Programs. While continuing efforts are taken into consideration, this assessment primarily focuses on the 2018 program year, which covered the period July 1, 2018 to June 30, 2019.

As a result of our Annual Community Assessment, we have determined that your overall performance is satisfactory. The Buffalo Office is providing you thirty (30) days to respond with any comments, changes or updates. If no response is received, this report is final and will be considered the City's Program Year Review Letter as required by HUD regulation. In accordance with the Consolidated Plan regulations, the Program Year Review Letter should be made available to the public through your established citizen participation process. HUD will also make it available to citizens upon request.

If you have any questions about this report, would like to discuss the comments, or require further assistance in the administration of your community development programs, please contact Kimberly Hogan, Financial Analyst, at 716-551-5755, extension 5826 or via email at Kimberly.Hogan@hud.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "William T. O'Connell".

William T. O'Connell
Director
Community Planning and
Development Division

Enclosure

**U.S. Department of Housing & Urban Development
Buffalo, New York Office**



Annual Community Assessment Report

for

City of Elmira, New York

**Covering the Program Year of
July 1, 2018 – June 30, 2019**

10. Facade and commercial building renovations

The actual 2018 Program Year expenditures recorded in IDIS reflect that the City did expend HUD funds in these broad categories and within the requirements of HUD funding regulations.

Performance Reports / CAPER Completeness

A Consolidated Annual Performance and Evaluation Report (CAPER) is due 90 days after the City completes its program year, which would be September 30, 2019. The City's 2018 CAPER was received on October 1, 2019. The report was determined to be substantially complete, including providing an adequate description of the City's progress and performance throughout the program year.

More detailed information and an assessment of accomplishments can be found in Section III of this report. Comments/Notes and any requests for supplemental information will also be noted below.

Section II - General Overview and Cross Cutting Areas

FHEO - The City's 2018 CAPER was evaluated by HUD's FHEO Division on October 28, 2019. The evaluation was completed, and the determination was made that the City of Elmira's performance is adequate. There are several overall recommendations which are outlined in Section IV of this report.

Citizen Participation - The grantee has conducted the required hearings and public notification to comply with citizen participation requirements. No comments were received during the reporting period.

Compliance Monitoring - Both the CDBG and HOME programs were monitored during the most recent program year. The most recent HUD monitoring is described below:

Program Reviewed: CDBG and HOME

Date of Monitoring: July 15, 2019 – July 19, 2019

Monitoring Status: One finding and three concerns. The finding has been closed.

Subrecipient Oversight & Monitoring - In PY2018 the City of Elmira funded public service activities administered by the following subrecipients: Catholic Charities of Chemung/Schuyler (pre- and post-purchase counseling and Second Place East Emergency Shelter), Ernie Davis Community Center, Southside Community Center, and Let Elmira Live Center. The City monitors its subrecipients, including an evaluation of performance.

Management -The City has staff that are capable of administering and overseeing the HUD-funded programs.

Financial - The financial information reported by the City appears to be complete, accurate, and sufficiently detailed to document the overall condition of HUD programs. Our review did not disclose any issues related to financial compliance.

Audits - A Single Audit must be submitted each year nine months from the end of the City’s fiscal year. For the City’s fiscal year ending December 31, 2018, a Single Audit (due September 30, 2018) has been received.

Quarterly Federal Financial Reports (SF-425) - Reports have been received for the assessment period and are current.

Section III – Specific Program Progress and Performance
Community Development Block Grant (CDBG)

National Objective Compliance: The CDBG program was designed to principally benefit low- and moderate-income persons. According to the City’s PR26, during Program Year 2018 the City spent 100.00 percent of its non-administrative funds on activities that principally benefitted low- and moderate-income persons. Activities reported appear to meet a national objective.

PY 2018 Summary of Use of CDBG funds:

	Activities Completed	2018 \$ Disbursed	% of total Disbursed
Economic Development	3 activities	\$ 54,414.55	6.23%
Housing	13 activities	\$ 202,118.42	23.14%
Public Facilities & Improvements	5 activities	\$ 128,672.94	14.73%
Public Services	11 activities	\$ 110,000.00	12.59%
Section 108 Repayment	2 activities	\$ 378,321.00	43.31%
TOTAL	34 activities	\$ 873,526.91	100.00%

Activities: Program activities were adequately described during the reporting period. CDBG funds were spent on activities that were eligible under program rules. The above “Activities Completed” chart reflects multiple program year funding, does not reflect work in progress or activities underway at the time of the CAPER report and does not include planning and administration disbursements.

The City of Elmira has reported on the fourth year of a five-year strategic plan. The CAPER and IDIS indicate that the City has made good progress in meeting the stated numeric goals for specific activities.

Financial:

Planning and Administration: During Program Year (PY) 2018, the City obligated 17.44 percent of its overall spending on planning and administration. This is within the 20 percent limit.

Program Income: The City received \$72,099.07 in CDBG program income in PY 2018. There were draws against receipts of 16,188.61, leaving a fund balance of \$55,910.46. In accordance with 24 CFR 570.504(b) recipients/grantees must expend program income on eligible activities before drawing funds from the line of credit.

Expenditure Timeliness: The CDBG program requires that the City's unexpended CDBG funds be no more than 1.5 times its annual grant 60 days before the end of the program year. The City was in compliance with the 1.5 timeliness test made on May 1, 2019. As of October 31, 2019, the balance of CDBG funds on Elmira's line of credit was \$1,774,778.09, which is 1.48 times the 2019 CDBG grant award of \$1,195,972. Based on historical performance we do not anticipate that the City will have any problem meeting its May 1, 2020 timeliness test.

IDIS Data: The City has aggressively addressed its older, open CDBG activities and should continue to monitor its IDIS records regarding the status of activities at least quarterly.

Public Services: During Program Year (PY) 2018, the City expended 8.43 percent of its overall spending on public services. This is within the 15 percent limit.

Other Issues / Recommendations / Highlights

CDBG highlights noted during the CAPER reviews include:

- Completed rehabilitation of 9 owner-occupied units
- Continued to work with New York State Homes and Community Renewal and Housing Visions on their Chemung Crossing Neighborhood Revitalization Project. The Project will include 45 units of quality, affordable rental housing
- Provided funding to three (3) organizations with the goal of providing enrichment opportunities and advocacy to youth (particularly at-risk youth) and families which are located in low to moderate income neighborhoods. Southside Community Center, Ernie Davis Community Center & Let Elmira Live Center provide considerable services to the neighborhoods they serve.
- Provided housing counseling to 129 households
- Assisted 590 individuals with overnight shelter and prevented homelessness for 11,215 individuals through case management and access to services at Catholic Charities' Second Place East Emergency Shelter and Prevention Program

Home Investment Partnerships Program (HOME) Grant

Beneficiary Compliance: Beneficiaries were compliant with HOME low-mod income requirements.

Activities: Program activities were described for the reporting period. HOME funds were spent on activities that were eligible under program rules. The funded programs and accomplishments reported are on track, compared to the stated goals. Key programs included: owner-occupied housing rehabilitation program and first-time homebuyer program.

Financial

Administration: \$35,153.00 of the City's \$396,153 PY 2018 HOME allocation was committed to HOME administration; \$32,500.00 was disbursed. Administration costs were within the 10 percent cap.

Program Income (PI): In PY 2018 the City receipted \$25,808.00 in HOME program income funds. There was a previous balance of \$320 and draws of \$7,862.00 against receipts, leaving a fund balance of \$18,266.00.

Deadlines for Commitments/Reservations/Disbursements: The City met its 2014 disbursement requirements deadline. The City's 2018 disbursement deadline is September 30, 2025.

IDIS Data: The City has established an on-going IDIS clean-up program. Please continue to monitor your HOME activities at least quarterly and visit HUD's HOME website periodically for updates on needed clean-up and overall performance data.

Match: The City of Elmira received a 100 percent match reduction in PY 2018, based on fiscal distress.

CHDO Issues: The HOME program requires that grantees reserve a minimum of 15 percent of their annual award to one or more Community Housing Development Organizations (CHDOs), for the development of affordable housing. During PY 2018, the authorized amount for CHDO reserve was \$59,422.95 and \$65,000 was reserved and committed.

Other Issues/Recommendations/Highlights

HOME highlights noted during the CAPER reviews include:

- Assisted five households to become first-time homebuyers
- Completed rehabilitation of five owner-occupied units

Other Issues/Recommendations/Highlights: None

Section IV – Summary and Follow up

Follow Up Items

1. *Safe Harbor Technical Assistance.* The following actions will be considered strong evidence of compliance with the recipient’s written translation obligations: (a) The DOJ recipient provides written translations of vital documents for each eligible LEP language group that constitutes five percent or 1,000, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or (b) If there are fewer than 50 persons in a language group that reaches the five percent trigger in (a), the recipient does not translate vital written materials but provides written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost. These safe harbor provisions apply to the translation of written documents only. They do not affect the requirement to provide meaningful access to LEP individuals through competent oral interpreters where oral language services are needed and are reasonable. Considering the non-English speaking population is greater than 5% (5.2% Hispanic), the City must engage in the Limited English Proficient (LEP) Four-Factor Analyses for its Asian and Hispanic populations and develop a Language Assistance Plan (LAP) if it has not already done so. This includes among other things the development of a robust Outreach program to LEP media; and to organizations serving the LEP community in your jurisdiction; identification and translation of vital documents, thus ensuring significant access to these populations to programs and services funded by HUD. A copy of these documents must be submitted to FHEO within 60 days of receipt of CPD’s award letter. The City can obtain information from www.lep.gov. Should the City require Technical Assistance, the FHEO Staff is available to provide it.

2. A review of IDIS report PR 09 Program Income Detail Report by Fiscal Year and Program for the period July 1, 2018 through June 30, 2019 revealed a program income balance for the CDBG program in PY 2018. In accordance with 24 CFR 570.504(b) recipients/grantees must disburse program income before drawing funds from the line of credit.

3. Please continue to monitor IDIS reports at least quarterly, to ensure that activities that are completed, but not yet closed and activities that have been listed as in final draw status for more than 120 days are reviewed and appropriate action is taken.

This report was prepared by

Kimberly Hogan, Financial Analyst
716-551-5755 ext. 5826
Kimberly.Hogan@hud.gov

HUD is providing you the opportunity to review this assessment and comment. Based on the information available at the time of this review, HUD has determined that the City of Elmira has the continuing capacity to carry out the HUD programs identified in this report. If you have any questions or would like to discuss the Assessment Report, please contact Kimberly Hogan, Financial Analyst at 716-551-5755 extension 5826.

If you disagree with this assessment, within 30 days please respond, in writing to William T. O’Connell, Director of Community Planning & Development – HUD, 465 Main Street, Buffalo, NY 14203. Your response should identify any areas of disagreement and corrections or any additional comments you would like HUD to consider.