



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

12/10/2020

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 2019 Annual Community Assessment (ACA)
Reporting Period July 1, 2019 to June 30, 2020
Community Development Block Grant (CDBG) Program
Home Investment Partnerships Program (HOME) Program

Enclosed please find the U. S. Department of Housing and Urban Development's (HUD) 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 2019 program year, which covered the period July 1, 2019 to June 30, 2020.

As a result of our ACA, 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. In accordance with the Consolidated Plan regulations, the ACA 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, Senior Financial Analyst, at 716-646-7017 or via email at Kimberly.Hogan@hud.gov.

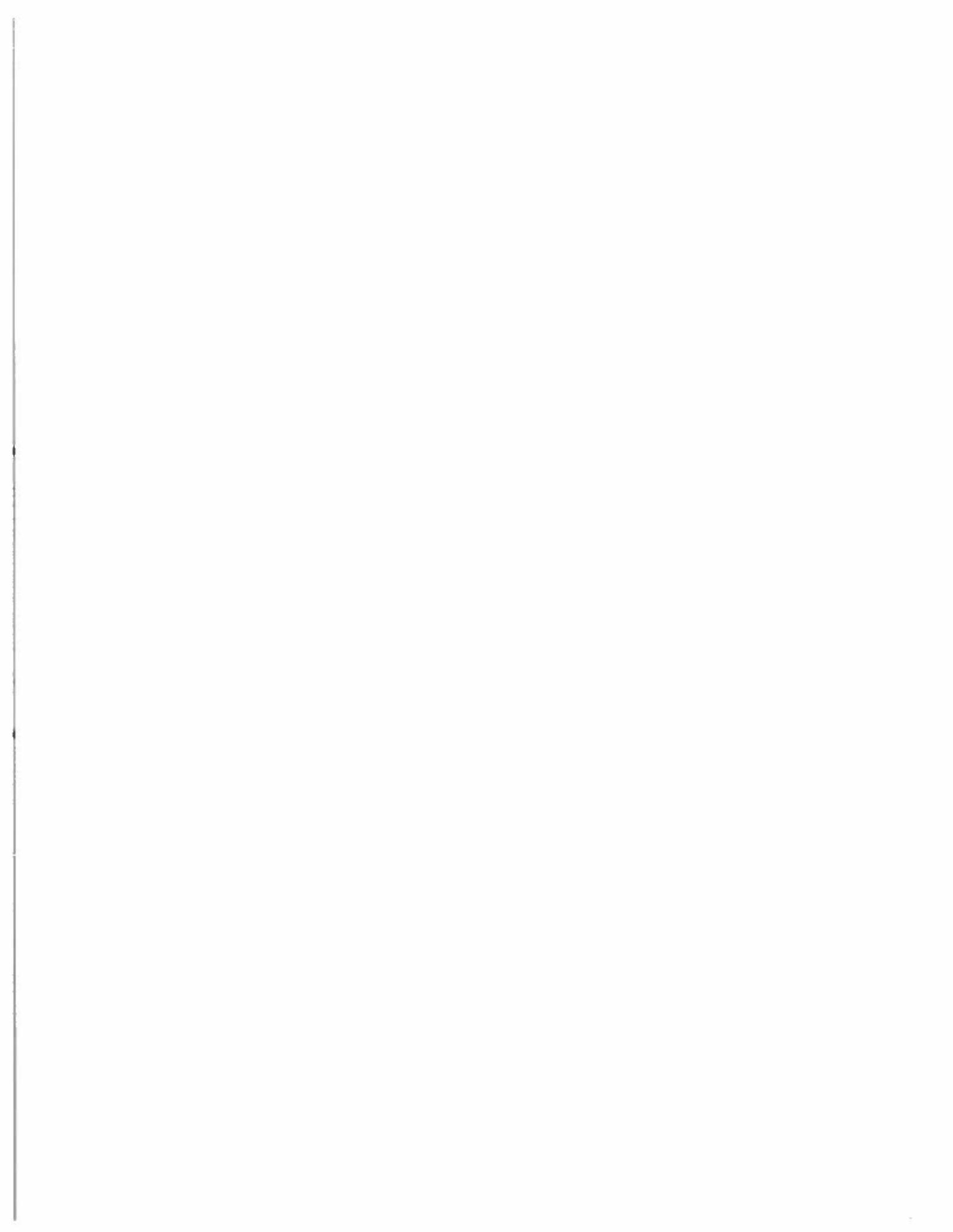
Sincerely,

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

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

Digitally signed by WILLIAM O'CONNELL
DN: CN = WILLIAM O'CONNELL C = US
O = U.S. Government OU = Department
of Housing and Urban Development

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, 2019 – June 30, 2020**

10. Façade and commercial building renovations.

The actual 2019 Program Year expenditures recorded in IDIS reflect that the City did expend HUD funds in many of 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 28, 2020. Due to waivers available during the COVID-19 pandemic, this CAPER submission deadline was extended an additional 90 days, with a due date of December 27, 2020. The City's 2019 CAPER was received on October 27, 2020. 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 2019 CAPER was evaluated by HUD's FHEO Division on November 12, 2020. The evaluation was completed and FHEO determined there are areas in need of attention. Recommendations have been passed along to the grantee and should be addressed with the FHEO division directly.

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 prior program year. The most recent HUD monitoring is described below:

Program Reviewed: CDBG & 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 PY2019 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), Emie 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 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. The City’s period ending December 31, 2019 Single Audit (due September 30, 2020) has been received.

Quarterly Federal Financial Reports & Cash on Hand Reports (SF-425 & PR-29) - 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 2019 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 2019 Summary of Use of CDBG funds:

	Activities Completed	2019 \$ Disbursed	% of total Disbursed
Housing	20 activities	\$ 222,024.27	24.93%
Public Facilities & Improvements	4 activities	\$ 166,171.22	18.66%
Public Services	14 activities	\$ 111,000.00	12.46%
Section 108 Repayment	1 activity	\$ 391,352.50	43.95%
TOTAL	39 activities	\$ 890,547.99	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 fifth 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) 2019, the City obligated 15.53 percent of its overall spending on planning and administration. This is within the 20 percent limit.

Program Income: The City receipted \$64,298.50 in CDBG program income in PY 2019. There were no draws against receipts, leaving a fund balance of \$64,298.50. 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, 2020. As of November 24, 2020, the balance of CDBG funds on Elmira's line of credit was \$1,961,646.51, which is 1.64 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, 2021 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) 2019, the City expended 11.67 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 review include:

- Completed rehabilitation of 6 owner-occupied units.
- Worked with New York State Homes and Community Renewal and Housing Visions on their Chemung Crossing Neighborhood Revitalization Project. The Project was completed in late August 2019 and cost an estimated \$15 million, which included CDBG funding. Chemung Crossing includes 45 rental units, 6 new duplexes, and a historic downtown building was revitalized creating an additional 33 units of rehabilitated rentals. All units are currently occupied.
- Provided funding to three 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 141 households.
- Assisted 567 individuals with overnight shelter and prevented homelessness for 10,327 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: rental housing program, owner-occupied housing rehabilitation program and first-time homebuyer program.

Financial

Administration: \$30,647.00 of the City's \$333,467 PY19 HOME allocation was committed to HOME administration; \$29,647.00 was disbursed. Administration costs were within the 10 percent cap.

Program Income (PI): In PY 2019 the City receipted \$400.00 in HOME program income funds. There was a previous balance of \$3,000.00 and draws of \$3,000.00 against receipts, leaving a fund balance of \$400.00.

Deadlines for Commitments/Reservations/Disbursements: The City's 2019 disbursement deadline is September 30, 2027.

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 2019, 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 2019, the authorized amount for CHDO reserve was \$50,320.00 and this amount was reserved and committed.

Other Issues/Recommendations/Highlights

HOME highlights noted during the CAPER reviews include:

- Assisted ten households to become first-time homebuyers
- Completed rehabilitation of six owner-occupied units
- Housing Visions' Chemung Crossing Neighborhood Revitalization Project was completed in late August 2019 and cost an estimated \$15 million, which included HOME funding. Chemung Crossing includes 45 rental units, 6 new duplexes, and a historic downtown building was revitalized creating an additional 33 units of rehabilitated rentals. All units are currently occupied.

Other Issues/Recommendations/Highlights: None

Section IV – Summary and Follow up

Follow Up Items

1. A review of IDIS report PR 09 Program Income Detail Report by Fiscal Year and Program for the period July 1, 2019 through June 30, 2020 revealed a program income balance for the CDBG program in PY 2019. In accordance with 24 CFR 570.504(b) recipients/grantees must disburse program income before drawing funds from the line of credit.
2. 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, Senior Financial Analyst
716-646-7017
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, Senior Financial Analyst at 716-646-7017. 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.

