



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

November 1, 2023

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 2022 Annual Community Assessment (ACA)
Reporting Period July 1, 2022, to June 30, 2023
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 2022 program year, which covered the period July 1, 2022, to June 30, 2023.

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 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 Andrew Dearing, Community Planning and Development Representative, at 716-646-7080 or via email at Andrew.p.dearing@hud.gov.

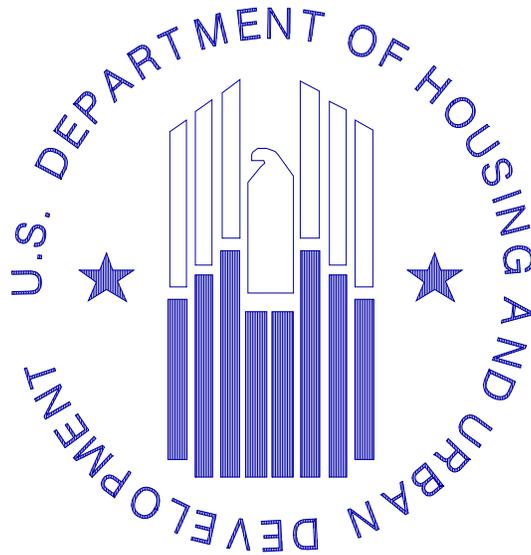
Sincerely,

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 (ACA) Report

for

City of Elmira, New York

CDBG and HOME programs

**Covering the Program Year of
July 1, 2022 – June 30, 2023**

9. Housing counseling services.
10. Façade and commercial building renovations.

The actual 2022 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, 2023. The City's 2022 CAPER was received on September 21, 2022. 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

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 – The grantee's HOME Homebuyer programs were monitored during the program year. The most recent HUD monitoring is described below:

Programs Reviewed: HOME
Date of Monitoring: May 15, 2023 – May 19, 2023
Monitoring Status: Two findings and one concern were cited. The grantee is in the process of responding to noted findings.

An additional Finding was issued on August 23, 2023, regarding a *blocked* CHDO activity that was *Involuntarily Terminated* due to the activity not completed within 4 years of Initial Funding Date/ Written Agreement Date. It was determined the grantee failed to set up the activity in IDIS after execution of the Written Agreement. The activity has been reopened under the corrected initial funding date and the grantee is reminded to set up activities in IDIS after the execution of the Written Agreement.

Subrecipient Oversight & Monitoring – In PY 2022 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, Meals on Wheels of Chemung County, Inc., and Salvation Army (Pathways of Hope/SAFE House). The City monitors its subrecipients routinely, 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 within nine months from the end of the City's fiscal year. The City's period ending December 31, 2022, Single Audit (due September 30, 2023) was received on 7/07/2023.

Quarterly Federal Financial Reports & Cash on Hand Reports (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 2022 the City spent 99.64 percent of its non-administrative funds on activities that principally benefited low- and moderate-income persons. Activities reported appear to meet a national objective.

Activities: Program activities were adequately described during the reporting period. CDBG funds were spent on activities that were eligible under program rules. These included economic development, housing, public facilities and improvements, and public services.

The City of Elmira has reported on the third 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) 2022, the City obligated 15.62 percent of its overall spending on planning and administration. This is within the 20 percent limit.

Program Income: The City received \$127,920.30 in CDBG program income in PY 2022. There were draws against receipts of \$127,920.30 for PY 2022, leaving a fund balance of \$0.00 for PY 2022. 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 2, 2023.

IDIS Data: A review of the IDIS Report PR 02, List of Activities by Program Year and Project indicates that the City of Elmira maintains data in IDIS in a timely and accurate manner. The City should continue to monitor its IDIS records regarding the status of activities at least quarterly.

Public Services: During Program Year (PY) 2022, the City expended 12.14 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 24 owner-occupied units
- Provided funding to 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 and Ernie Davis Community Center provide considerable services to the neighborhoods they serve.
- 5 households purchased a house through the First Time Homebuyer program.
- Provided 121 homeowners with one-on-one mortgage foreclosure prevention and loss mitigation counseling.
- Assisted 329 individuals with overnight shelter and prevented homelessness for 12,229 individuals through case management and access to services at Catholic Charities' Second Place East Emergency Shelter and Prevention Program

CARES Act (CDBG-CV) Funds

National Objective Compliance: The CDBG-CV program was designed to principally benefit low- and moderate-income persons and activities are required to be directly in response to preparing for, preventing, and responding to COVID-19. According to the City's CDBG-CV PR26, the City has spent 75.34 percent of its non-administrative funds on activities that principally benefit low- and moderate-income persons. The overall low/mod benefit primary objective of the CDBG-CV Program must meet the minimum 70% threshold and cannot be ultimately determined until all the funds are expended and will continue to be monitored as expenditures occur. Activities reported appear to meet a national objective and appear to be eligible.

Activities: In response to the COVID-19 pandemic, the City of Elmira has committed CDBG-CV funds to Emergency Mortgage and Rental Assistance, Economic Development (Small Business Fund), Public Services such as virtual learning, and Food Assistance. During PY2022, the City expended the following in CDBG-CV funds:

\$149,594.47 in CDBG-CV funds

- \$88,874.93 for public services including food assistance
- \$25,000.00 for economic development (small business fund)
- \$35,719.54 for emergency mortgage and rental assistance

Financial:

Administration: As of September 8, 2023, the City has expended \$37,542.18 of CDBG-CV funding on administration, amounting to 3.78 percent of the whole CDBG-CV allocation. Administration costs were within the 20 percent cap.

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: \$28,535.10 of the City's \$285,351.00 PY22 HOME allocation was committed to HOME administration; \$26,597.10 was disbursed. Administration costs were within the 10 percent cap.

Program Income (PI): The City received \$480.00 in HOME program income in PY 2022. There were draws against receipts of \$0.00 during the Program Year, leaving a fund balance for PY 2022 of \$480. In accordance with 24 CFR 92.503(d), participating jurisdictions must commit these funds for eligible activities before HOME funds in the HOME Investment Trust Fund Treasury account are drawn.

Deadlines for Commitments/Reservations/Disbursements: The City's 2022 disbursement deadline is September 30, 2030.

IDIS Data: 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 2022, 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 2022, the required amount for CHDO reserve was \$42,802.65 and there was a balance to reserve of \$42,802.65.

Other Issues/Recommendations/Highlights

HOME highlights noted during the CAPER reviews include:

- Assisted five households to become first-time homebuyers
- Assisted 24 families utilizing a combination of CGBG and HOME funds

Home Investment Partnerships Program (HOME) - ARP Grant

The City's HOME-ARP Allocation Plan has been accepted by HUD and the award is available to the grantee to commit and draw funds. The City of Elmira's allocation was announced at \$1,118,725 in HOME American Rescue Plan Program funds, of which \$55,936.25 HUD has obligated for use of eligible planning and administration costs. To date, no funds have been expended. The grantee is encouraged to attend HUD trainings specific to HOME-ARP eligible activities identified as they become available.

Section IV – Summary and Follow up

Follow Up Items

1. 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.
2. Reminder that HOME-ARP funds are active and available to set up and fund projects in IDIS. The grantee is encouraged to work with their CPD Representative and attend HUD trainings specific to HOME-ARP eligible activities identified as they become available.
3. Reminder to track upcoming deadlines and either complete HOME projects before the deadline occurs or request a one-year extension. To alert PJs of projects that are at-risk of missing the 4-year project completion requirement, IDIS generates warning flags on the HOME Review Activities page 90 days and 30 days prior to an IDIS activity being flagged for “Involuntarily Terminated – Activity Not Completed Within 4 Years of Initial Funding Date.”
4. The City is encouraged to remain actively involved with the local Continuum of Care (CoC).

This report was prepared by: Andrew P. Dearing, CPD Representative
716-646-7080
Andrew.P.Dearing@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 your assigned CPD Representative. If you disagree with this assessment, please respond within 30 days, via email to: william.t.oconnell@hud.gov. Your response should identify any areas of disagreement or any additional comments you would like HUD to consider.