

**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, 2016 – June 30, 2017**



10. Façade and commercial building renovations.

The actual 2016 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, 2017. The City's 2016 CAPER was received on September 25, 2017. 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 - HUD's FHEO Division's evaluation of the City's 2016 CAPER disclosed no fair housing issues.

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 - No HUD programs were monitored during the most recent two program years. The most recent HUD monitoring is described below:

Program Reviewed: CDBG and HOME  
Date of Monitoring: July 24, 2012 – July 27, 2012  
Monitoring Status: No findings and one concern

Subrecipient Oversight & Monitoring - In PY2016 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 Chance East Emergency Shelter), Ernie Davis Community Center, Habitat for Humanity (Healthy Homes Program), and Southside Community Center. The City monitors its subrecipients, including an evaluation of performance.

Management - The City has staff and consultants 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. The City's period ending December 31, 2016 Single Audit (due September 29, 2017) has not yet 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 2016 the City spent 99.58 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 2016 Summary of Use of CDBG funds:*

	<b>Activities Completed</b>	<b>2016 \$ Disbursed</b>	<b>% of total Disbursed</b>
Economic Development	3 activities	\$ 46,000.00	7.39%
Housing	9 activities	\$ 99,342.00	15.96%
Public Facilities & Improvements	3 activities	\$ 24,102.25	3.87%
Public Services	5 activities	\$ 95,000.00	15.26%
Section 108 Repayment	1 activity	\$ 357,941.50	57.51%
<b>TOTAL</b>	<b>21 activities</b>	<b>\$ 622,385.75</b>	<b>99.99%</b>

*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 second 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) 2016, the City expended 18.05 percent of its overall spending on planning and administration. This is within the 20 percent limit.

*Program Income:* The City receipted \$152,634.66 in CDBG program income in PY 2016. There were no draws against receipts, leaving a fund balance of \$152,634.66. 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, 2017. As of November 2, 2017, the balance of CDBG funds on Elmira's line of credit was \$1,539,898.50, which is 1.43 times the 2017 CDBG grant award of \$1,075,611. Based on historical performance we do not anticipate that the City will have any problem meeting its May 1, 2018 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) 2016, the City expended 8.05 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
- Worked with New York State Homes and Community Renewal and Housing Visions on their Chemung Crossing Project. The Project will contain 45 units of quality, affordable housing. The Chemung Crossings groundbreaking will be held on November 9, 2017
- Provided housing counseling to 158 households
- Assisted 5,269 individuals 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:* \$23,500 of the City's \$258,879 FY16 HOME allocation was committed to HOME administration; \$20,055.94 was disbursed. Administration costs were within the 10 percent cap.

*Program Income (PI):* In PY 2016 the City receipted \$1,334.80 in HOME program income funds. There were no draws against receipts, leaving a fund balance of \$1,344.80. In accordance with 24 CFR 92.502(c)(3) PJs must disburse program income before drawing funds from the line of credit.

*Deadlines for Commitments/Reservations/Disbursements:* The City met its interim 2014 commitment and CHDO reservation, and 2012 disbursement requirements deadlines. The City also met its grant specific 2015 CHDO reservation deadline. The City's 2015 disbursement deadline is September 30, 2023.

*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 2016, 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 2016, the authorized amount for CHDO reserve was \$35,500; however, no funds were reserved or committed.

### Other Issues/Recommendations/Highlights

HOME highlights noted during the CAPER reviews include:

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

Other Issues/Recommendations/Highlights: None

## Section IV – Summary and Follow up

### Follow Up Items

1. 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, 2016 Single Audit (due September 29, 2017) has not yet been received.
2. A review of IDIS report PR 09 Program Income Detail Report by Fiscal Year and Program for the period July 1, 2016 through June 30, 2017 revealed program income balances for both the CDBG and HOME programs in PY 2016. In accordance with 24 CFR 570.504(b) and 24 CFR 92.502(c)(3) recipients/grantees must disburse program income before drawing funds from the line of credit.
3. 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 2016, the authorized amount for CHDO reserve was \$35,500; however, no funds were reserved or committed.
4. Screen CR-20 of the CAPER did not include the following information: the number of households receiving both CDBG & HOME funding, the number of extremely low-income renter and owner households, the number of low-income renter and owner households, the number of moderate-income renter and owner households, the number of middle income persons served, the number of homeless persons served, and the number of owner and renter households meeting the Section 215 definition of affordable housing. Several IDIS reports, including PR23 Summary of Accomplishments, may be helpful in providing this data.
5. 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

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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 Linda Moore, Sr. Community Planning and Development Representative at 716-551-5755 extension 5830. 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.