



Filing # 11

4/6/16

U.S. Department of Housing and Urban Development

Albany Field Office
52 Corporate Circle
Albany, New York 12203-5121

cc: Supervisor
Council
Attorney
✓ P. Nelson
L. Lindsley

Ms. Rose Sotak, Town Supervisor
Town of Union
3111 East Main Street
Endwell, NY 13760

March 23, 2016

Dear Ms. Sotak:

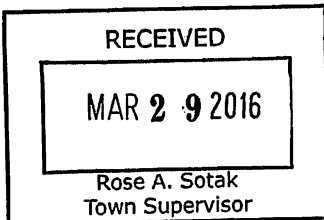
SUBJECT: Program Year Review (PYR) Letter; Town of Union, New York
Reporting Period October 1, 2014 to September 30, 2015
Community Development Block Grant (CDBG) Program

The Housing and Community Development Act of 1972, as amended; the National Affordable Housing Act of 1990; and the Consolidated Plan regulations require Housing and Urban Development (HUD's) grant recipients to submit annual performance reports. They also require HUD to conduct an annual assessment of each grantee, to determine whether it is in compliance with the statutes and program requirements, and whether it has the continuing capacity to implement and administer its HUD programs.

The enclosed program year review is primarily based on the Town's Consolidated Annual Performance and Evaluation Report (CAPER), although continuing efforts are also taken into consideration. Based on available information, we have determined that the Town of Union has met statutory and programmatic requirements and has the capacity to administer its HUD programs.

The enclosed report was previously transmitted to the Town's Director of Community Development for his review and comments; no comments were received. This report is intended to be shared with the public, in accordance with the Town's Citizen Participation Plan. HUD will also make it available to citizens, upon request.

If you have any questions or comments regarding this report, please contact Lambros Touris CPD Representative at 716-551-5755, extension 5810.



Sincerely,

Jaime E. Forero
Field Office Director

RECEIVED

MAR 29 2016

TOWN OF UNION CLERK
GAIL L. SPRINGER

Enclosure

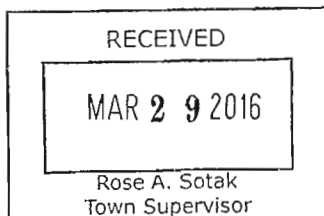
**U.S. Department of Housing & Urban Development
Buffalo, New York Office**



2014
Program Year Review Report

Town of Union, New York
Community Development Block Grant Program

Reporting Period:
October 1, 2014 – September 30, 2015



Introduction

As a recipient of grant funds provided by the Department of Housing and Urban Development (HUD), each jurisdiction that has an approved Consolidated Plan shall annually review and report to HUD on the progress it has made in carrying out its Consolidated Plan and Annual Action Plan. The performance report is submitted to HUD in the form of the Consolidated Annual Performance and Evaluation Report (CAPER).

HUD has the responsibility to review the CAPER report and the performance for each jurisdiction on an annual basis. In conducting performance reviews, HUD will primarily rely on information obtained from the recipient's performance reports, records, findings from monitoring reviews, grantee and subrecipient audits, audits and surveys conducted by the Inspector General, and financial data regarding the amount of funds remaining in the line of credit plus program income. HUD may also consider relevant information pertaining to a recipient's performance gained from other sources, including litigation, citizen comments, and other information provided by or concerning the recipient. A recipient's failure to maintain records in the prescribed manner may result in a finding that the recipient has failed to meet the applicable requirement to which the records pertains. Such information, along with grantee input, is considered in HUD's Annual Community Assessment in order to make a determination that a grantee has the continuing capacity to administer HUD programs.

In the assessment of your community's performance, this report is prepared to provide feedback on your community's performance in the delivery of HUD's Community Development Programs. This report is presented in two sections. Section I provides a general summary related to your planning and performance reporting. Section II provides general overview related to specific program progress and performance.

Section I – Planning and Reporting

2014 Programs and Funding Amounts: CDBG \$1,094,043

Compliance with Consolidated Plan and 2014 Annual Action Plan

It was determined that the Town followed its HUD-approved Consolidated Plan and Annual Action Plan during the 2014 program year, consistent with the Town's stated goals, objectives and priority needs for each program funded. These goals, objectives and priority needs were based on the following four key elements identified by the Town:

1. Provide Extremely Low, Very Low, and Low Income Renters With Rental Assistance.
2. Provide Housing Units and Support Services for Persons with Special Needs
3. Produce and Preserve Housing by Promoting Homeownership
4. Pursue Community and Economic Development Activities

The activities designed, funded and completed during this reporting period supported these goals, objectives and priorities. More detailed information about accomplishment highlights and assessments of expected accomplishments to actual accomplishments can be found in Section II of this report.

Accuracy of Performance Reports

A Consolidated Annual Performance and Evaluation Report (CAPER) is due 90 days after the Town completes its 2014 program year. The Town's CAPER for 2014 was received by the HUD Buffalo Field Office on December 23, 2015. The report was received on time, determined to be substantially complete, and accurately described the Town's performance throughout the program year. More detailed information about accomplishment highlights and assessments of expected accomplishments to actual accomplishments can be found in Section II of this report.

Section II – Program Progress and Performance

Summary of Performance Indicators and Accomplishments

Activities: Program activities were adequately described during the reporting period. CDBG funds were spent on activities that were eligible under program rules. The following highlights activities and accomplishments that were completed during the program year:

Housing: \$49,137 was spent in conjunction with \$279,332 in bank financing during the program year to provide 11 low and moderate income households assistance in the purchase of a single family home. The funds were used to assist with closing costs, required repairs and purchase price subsidies. Also \$69,732 in CDBG funds were provided in form of deferred loans to assist 7 homeowners in the repair of their property.

Public Facilities and Improvements: The Town expended \$814,563 for various street reconstruction projects and public park improvements in low/mod target areas in the Villages of Johnson City and Endicott.

Clearance and Demolition: The Town expended CDBG funds during the program year in the demolition of a condemned building at 78 Crocker Avenue in the Village of Johnson City, a flood damaged home at 1396-1398 Union Center-Maine Highway and a flood damaged trailer at 200 Orman Street.

Public Services: Thirteen agencies and service providers received \$113,550 in CDBG funds. The funds have been directed to assist these organizations including: Meals on Wheels, the Western Broome Senior Center, Catholic Charities Teen Transitional Living Program, and The Johnson City Senior Center. Public service expenditures were 8.76% of overall spending, which is well within the 15% limit.

Planning and Administration: The Town spent \$137,907 for planning and administration during the reporting period, which accounts for 10.29% of their overall spending. This was within the 20% limit.

National Objective Compliance: The CDBG program was designed to principally benefit low-moderate income persons. During the reporting period, it was determined that the Town spent 93.64% of their funds on activities that principally benefitted low-moderate income persons.

Program Progress and Timeliness: The CDBG program requires that the Town's unexpended CDBG funds be no more than 1.5 times their annual grant 60-days before the end of the program year. The Town was in compliance with the 1.5 timeliness test made on August 2, 2015 with a ratio of 1.47.

Fair Housing and Equal Opportunity: Our review did not reveal any significant issues related to compliance. Performance was satisfactory.

HUD Monitoring: The Town was monitored on-site during the 2013 program year. There were no findings or concerns included in the issued monitoring report.

Financial

The financial information provided by the Town appears to be complete, accurate, and with a sufficient level of detail to document the overall financial condition of the CDBG program. The Financial Summary Report submitted with the 2014 program year CAPER is accurate and complete. During the program year, the Town has also correctly received program income in IDIS, submitted quarterly Federal Financial Reports, and is current with required audits. Our review did not reveal any significant issues related to overall financial compliance.

Management

The Town has experienced staff that is capable of administering and overseeing their CDBG program activities. There have not been any key staff vacancies or new hires during the reporting period. The Town reports that they regularly monitor and evaluate subrecipients administering activities with CDBG funds.

In addition to its CDBG allocation the Town Planning Department ably administers a Disaster Relief Grant (DRGR) of \$10,137,818 awarded to address damage caused by a historic flood that occurred on September 7-9, 2011. The most recent Quarterly Performance Report for the period October 1, 2015 through December 31, 2015 confirms the Town is meeting or exceeding its approved action plan timelines having expended approximately \$5,000,000. A significant portion of the funds were used in conjunction with FEMA resources to acquire and demolish 149 structures located in the 100 year flood plain that were irreparably damaged.

The report also indicates that there are still unmet housing and business needs as well as significant infrastructure damage that the balance of the DRGR funds will address.

Recommendations/Areas for Improvement

It is recommended that the Town continue to monitor program activities to insure that CDBG funds are spent in a timely manner.

This report was prepared by: Lambros Touris, CPD Representative
716-551-5755 extension 5810
lambros.j.touris@hud.gov

As a reminder, this report is final and will be considered the City's Program Year Review Letter as required by HUD regulation. Consistent with the Consolidated Plan regulations, the Program Year Review Letter should be made available to the public through the City's established citizen participation process. HUD will also make it available to citizens upon request.