



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

MAR 01 2017

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

Dear Ms. Sotak:

SUBJECT: Program Year Review (PYR) Letter; Town of Union, New York
Reporting Period October 1, 2015 to September 30, 2016
Community Development Block Grant (CDBG) Program

The Housing and Community Development Act of 1974, 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 Consolidated Annual Performance and Evaluation (CAPER) 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 Planning Director 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,

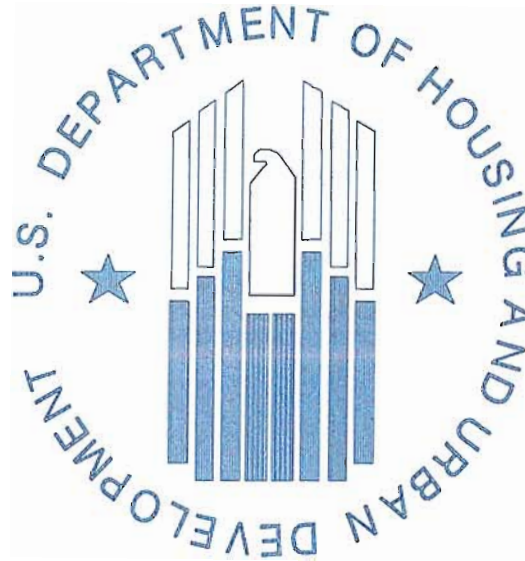
A handwritten signature in blue ink that reads "Joan K. Spilman".

Joan K. Spilman
Field Office Director

Enclosure



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



**2015
Annual Community Assessment Report**

For

Town of Union, New York

October 1, 2015– September 30, 2016

Introduction

As a recipient of grant funds provided by the Department of Housing and Urban Development, 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

2015 Programs and Funding Amounts: CDBG \$1,091,175

Compliance with Consolidated Plan and 2015 Annual Action Plan

It was determined that the Town followed its HUD-approved Consolidated Plan and Annual Action Plan during the 2015 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 Assistancess.
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 2015 program year. The Town's CAPER for 2015 was received by the HUD Buffalo Field Office on December 23, 2016. 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

Community Development Block Grant (CDBG)

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: During the past year, the Town of Union assisted 10 low or moderate-income households in the purchase of a single-family home, \$21,046 in participant owner equity/seller concessions and \$191,607 in bank financing through the use of \$42,815 in CDBG funds. The Town leveraged \$4.97 for each CDBG dollar spent.

Public Facilities and Improvements: The Town expended \$515,865 for various street reconstruction projects and public park improvements in low/mod target areas in the Villages of Johnson City and Endicott as well as the part Town area.

Clearance and Demolition: The Town expended \$16,080 in CDBG funds during the program year in the demolition of a condemned building at 215 Roble Ave. in the Town of Endicott.

Public Services: Thirteen agencies and service providers received \$115,351 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 8.63 percent of overall spending, which is well within the 15 percent limit.

Planning and Administration: The Town spent \$105,621 for planning and administration during the reporting period, which accounts for 7.75 percent of their overall spending. This was within the 20 percent 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 97.69 percent 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, 2016 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 2012 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 2015 program year CAPER is accurate and complete. During the program year, the Town has also correctly receipted 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, 2016 through December 31, 2016, confirms the Town is meeting or exceeding its approved action plan timelines, having expended approximately \$5,418,257 or 56 percent of the grant.

During the past year, some of the following disaster relief activities were undertaken:

- The final version of a Long Term Community Recovery Strategy was completed and printed.
- The first of the "catalytic redevelopment projects" highlighted in the plan is currently underway.
- A Purchase Option has been exercised for the sale of 12 parcels acquired through the CDBG-DR funded Acquisition for Redevelopment program. The lots will be developed in a flood resilient manner, utilizing FEMA's development in the floodplain standards under a new construction program being funded through tax credits, CDBG-DR funding through the Governor's Office of Storm Recovery, and the Community Preservation Corp. The 22 new rental units will have first floor elevations above the base flood elevation. The units will be rented to persons at or below 80 percent of the area's median income.
- Repairs to several neighborhood facilities including the Union Volunteer Emergency Squad (UVES), the Boys and Girls Club, the Westover YMCA, and the Johnson City Senior Center have been completed.
- Creek bank repairs/improvements at Valley View Dr. and Western Heights Blvd. have been completed. The Endicott Storm Drainage Improvement project (Pine St.-McKinley Ave.) has been completed.

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