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

SEP 03 2013

Mr. Edward M. Bartholomew, Jr.
Community Development Director
City of Glens Falls
42 Ridge Street
Glens Falls, NY 12801

Dear Mr Bartholomew:

SUBJECT: Fiscal Year 2013 Onsite Monitoring Review of the Community Development Block Grant (CDBG) Program and FHEO Compliance

The Community Planning and Development Division has completed a monitoring of the subject program. The enclosed report details the results of this review and serves as a follow-up to issues discussed during the exit conference.

The conclusions contained in this report are based upon regulatory compliance with HUD program requirements. Program performance was assessed through such techniques as: a review of operations, documentation, site visits and interviews. This monitoring report contains no findings or concerns and no exemplary practices.

We wish to express our thanks for the cooperation extended by your staff during this review. For further follow-up or if we can be of assistance, please contact Lambros Touris at 716-551-5755 extension 5810 or *Lambros.J.Touris@hud.gov*

Sincerely,

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

Enclosures

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

Monitoring Report
Community Development Block Grant Program

City of Glens Falls, New York
Grant Number: B-12-MC-36-0011

Monitoring Dates:
June 19-20, 2013

INTRODUCTION

Monitoring is the principal means by which HUD ensures that programs and technical areas are carried out efficiently, effectively, and that the programs comply with applicable laws and regulations. It assists grantees in improving their performance, developing or increasing capacity and augmenting their management and technical skills. Also, it provides the means for staying abreast of the efficacy of CPD-administered programs and technical areas within the communities HUD programs serve. Monitoring is not limited to a one-time review but is meant to be an ongoing process that assesses the quality of a grantee's performance over a period of time involving continuous communication and evaluation. Specifics relating to this evaluation are as follows:

Dates Monitoring Conducted:	June 19-20, 2013
Type of Monitoring:	On-Site
HUD Reviewer:	Lambros Touris, Community Planning and Development Representative
Entrance Conference:	
Date	June 19, 2013
Representatives	Lambros Touris Edward Bartholomew, Community Development Director Jackie Squadere, Program Assistant
Exit Conference:	
Date	June 20, 2013
Representatives	Lambros Touris Edward Bartholomew, Community Development Director Jackie Squadere, Program Assistant

Contact Information for Further Information and Follow-Up:
Lambros Touris, 716-551-5755 extension 5810 or via email: *lambros.j.touris@hud.gov*

SCOPE OF REVIEW

In determining which grantees will be monitored, the Department uses a risk-based approach to rate grantees, programs and functions, including assessing the Department's exposure to fraud, waste and mismanagement. This process not only assists the Department in determining which grantees to monitor, but also identifies which programs and functions will be reviewed. As a result of our analysis of your program(s), the following areas were identified for review:

Eligibility and National Objective Compliance for Low and Moderate Income Area Benefit for CDBG-Funded Public Improvements

Compliance with Civil Rights-Related Program Requirements for the Community Development Block Grant (CDBG) Entitlement Program including Section 3 and Section 504.

SUMMARY OF RESULTS AND CONCLUSIONS

Areas reviewed may result in the identification of findings, concerns or exemplary practices. A finding is identified as a deficiency in program performance based on a statutory, regulatory or program requirement. It is a condition that is not in compliance with a statute, regulation or handbook. A concern is a deficiency in performance that is not based on a regulatory or statutory requirement but is brought to the grantee's attention. If a finding or concern is noted, it will include a recommendation to change or provide further information on current practices.

This report contains no findings, no concerns and no exemplary practices. A summary of results, including findings, concerns and exemplary practices are identified below under the area reviewed. The attached Exhibits were used in formulating the basis for this report. You may find this information useful in responding to any findings or concerns or in further developing your program(s).

AREAS REVIEWED

This section of the report will provide a brief summary of the area or program requirements reviewed. Detailed information that results in conclusions, including findings, concerns or exemplary practices can be found in the Exhibit noted and attached.

Eligibility and National Objective Compliance for Low and Moderate Income Area

Reference: Exhibit 3-1 Guide for Review of Eligibility
Summary: No findings or concerns were noted.

The following areas were reviewed: Four public improvement activities from 2011 and 2012 were selected for review regarding eligibility and low moderate area benefit.

Activity Eligibility:

The City has created a seventy-five page Guidelines and Procedures Handbook that includes a section regarding its oversight and administration of the CDBG program. This guide is readily available to the staff for reference. Also the City maintains copies of HUD manuals for reference including: "Basically CDBG" and "Guide to Eligible Activities". The City has a long standing policy of limiting public improvements to defined target areas. All proposed public improvements are selected by the City Planning Department (which consists of two people) which determines eligibility based on HUD publications. Once eligibility is confirmed they are submitted to the City Council for discussion and approval.

Reference: Exhibit 3-2 Guide for Review of National Objective of Low- and Moderate-Income Area Benefit
Summary: No findings or concerns were noted.

The City maintains separate files for each public works project receiving CDBG assistance. Each of the four files reviewed contained a description of the boundaries of the area that received CDBG funds as well as its census tract number and its low-mod percentage. An on-site visit to each public improvement confirmed the work was completed consistent with the activity description entered in IDIS and that each location was primarily residential in nature.

Compliance with applicable Civil Rights Laws

Reference: Exhibit 22-1 Civil Rights-Related Program Requirements for the Community Development Block Grant (CDBG) Entitlement Program
Summary: The completed exhibits have all been submitted to FH&EO for their review regarding compliance.

Glens Falls updated its analysis of impediments to fair housing choice on May 19, 2010 a copy of which was submitted with the City's five year consolidated plan. A copy of this plan

which was reviewed by the Buffalo Field Office FH&EO Division is included in the monitoring file.

Reference: Exhibit 22-6 Guide for Review of Civil Rights-Related Program Requirements for Section 504 of the Rehabilitation Act of 1973, as amended

The City has taken action to address the four areas cited in the exhibit:

Program accessibility for housing and non-housing facilities; The C D Director reports that the City conducts outreach annually to: The Association for Hearing Impaired, The Blind Association, and the Independent Living Center, enlisting their assistance in notifying their clients of the CDBG funded programs that are available.

Communications; The City annually allocates CDBG public service funds in support of the Community Action Agency. The funds are used to support the salary of a case worker in its *Project Option Program.* This program assists disabled mentally challenged, *mica* clients obtained services including: housing, employment, public benefits, medicare/medicade, heap, and counseling referrals.

Records on disability status; The Community Action Agency provides monthly reports regarding the services being provided. A copy of a monthly report is included in the monitoring file.

Subrecipient monitoring; The City monitors the Community Action Agency annually. Copies of the monitoring reports were included in their program file.

Reference: Exhibit 22-7 Guide for Review of Section 3 of the Housing and Urban Development Act of 1968

The City has developed a written Section 3 plan that was implemented in 2010, in conjunction with submission of its five year consolidated plan. The plan was reviewed by FH&EO as part of its consolidated plan review and found to be acceptable. However Glens Falls, due to its relatively low CDBG allocation never allocates $100,000 for any specific CDBG activity thus not triggering Section 3. The City encourages compliance by annually placing an ad in the local paper announcing HUD Section 3 Employment and Contracting Opportunities.

Your HUD representative is available to discuss results of this monitoring report or provide technical assistance, if requested. If you disagree with any of HUD's determinations or conclusions regarding this monitoring report, please address these issues in writing to this Department within 45 days of this report. Your written communication should explain your reasons why you disagree along with supporting evidence and documentation. All communication should be forwarded to the Department of Housing and Urban Development, Buffalo Office, Community Planning and Development Division, 465 Main Street, Buffalo, New York 14203.