U.S. Department of Housing and Urban Development
Buffalo Office
465 Main Street
Buffalo, New York 14203-1780
(716) 551-5755
1/10/2014

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

Dear Mr. Bartholomew:

SUBJECT: Community Development Block Grant (CDBG) Program; Fiscal Year 2012 Annual Community Assessment (ACA); City of Glens Falls, New York

Title I of the National Affordable Housing Act and the Housing and Community Development Act of 1974 requires that a determination be made by HUD as to whether the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the program for which assistance was received. As a result of our Annual Community Assessment, we have determined that your overall performance is satisfactory. This determination is based on the information contained in the Consolidated Annual Performance and Evaluation Report (CAPER), information in our electronic databases, and financial statements. Our assessment primarily focused on the 2012 program year, which covered August 1, 2012 through July 31, 2013. The review was conducted in accordance with the requirements of 24 CFR 91.525.

Enclosed is an Annual Community Assessment Summary outlining the Town's overall performance. The Buffalo Office is providing you a 30-day comment period opportunity prior to issuing the Program Year Letter (PYL) to the Mayor. The Mayor will be asked to make the document available to the public as established in your citizen participation plan. In addition, HUD will make the PYL available to citizens upon request.

If you have any questions regarding this correspondence, please contact Mr. Lambros Touris, Community Planning and Development Representative, on 716-551-5755, extension 5806 or via e-mail at Lambros.J.Touris@hud.gov.

Sincerely,

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 Report

for

City of Glens Falls, New York
Community Development Block Grant Program

Covering the Program Year of:
August 1, 2012 – July 31, 2013

INTRODUCTION

Glens Falls, as a recipient of HUD CDBG funds, is required to annually report on the progress made in carrying out the goals and priorities of the Consolidated Plan. The Consolidated Annual Performance and Evaluation Report (CAPER) is designed to be a tool to report the activities undertaken during the previous year and shared with HUD as well as the local community stakeholders and residents. The CAPER should be made available for interested citizens and stakeholders.

HUD has a responsibility to review the CAPER and the community's performance on an annual basis. HUD relies on the CAPER, financial data and audits, program records, on site monitoring and other resources to evaluate the grantee's overall performance and effectiveness. This review is an on-going process but summarized in this Report to determine that a grantee has the continuing capacity to administer HUD funds. This report is prepared to provide feedback on your community's performance in the delivery of programs and services using HUD Community Development funds.

Assessment Period:	August 1, 2012 – July 31, 2013
Programs Administered & Funding Amounts:	CDBG 2012 Allocation - $424,431

I. Summary of Consistency with Consolidated Plan & 2011 Annual Action Plan

HUD's review of the CAPER determined that the City followed the HUD approved Consolidated Plan and Annual Action Plan during the 2012 program year. The activities undertaken during the year are consistent with the City's 2010-2014 Consolidated Plan goals, objectives and priority needs. These goals, objectives and priority needs as stated in the five year Consolidated Plan included the following key elements:

1. The Economy – create an economy and community that meet the needs of its citizens.
2. Downtown – revitalization of the central business district, including historic preservation and focal point for cultural and entertainment activities.
3. Neighborhoods – improve living environment through public and private reinvestment in housing, infrastructure and public facilities.

The actual 2012expenditures 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. The City's CAPER for 2012 was received by the HUD Buffalo Field Office on October 26, 2013. The report was received on time, determined to be substantially complete, and described the City's performance throughout the program year. The 2012 CAPER included a clear presentation of the progress for the year. More detailed information and assessments of accomplishments can be found in Section III of this report.

Section II. - General Overview and Cross Cutting Areas

- Fair Housing and Equal Opportunity (FHEO) - HUD's FHEO division has also evaluated the CAPER and verified that programs and expenditures are acceptable in terms of equal opportunity and fair housing. During the past year, Glens Falls updated their Analysis of Impediments and submitted a Section 3 report as required.

- Citizen Participation - The grantee has conducted the required hearings and public notification to comply with citizen participation requirements. The City conducted neighborhood (Ward) based meetings along with outreach to direct organizations that are key stakeholders in the Consolidated Planning process.

  Comments were noted during the Annual Action Plan process and no citizen comments were received during the CAPER review process

- Compliance Monitoring – The last HUD compliance monitoring was conducted in June, 2013. There were no findings and no concerns noted

- Subrecipient Oversight & Monitoring – Glens Falls reports conducting regular monitoring and evaluation of subrecipients administering programs with CDBG funding. The CAPER included copies of the program monitoring.

- Management – Glens Falls has experienced staff and consultants that are capable of administering and overseeing the HUD funded programs. The City staff takes advantage of available training and technical assistance and they regularly communicate with HUD regarding program management issues.

- Financial –

  Audits - A Single Audit must be submitted each year 9 months from the end of the City's fiscal year. HUD has received and reviewed Glens Falls' 2012 Single Audit.

  Quarterly Federal Cash Transaction Reports (SF-272) - Reports have been received for the assessment period and are current.

  Interest earned on HUD funds has been returned to the U.S. Treasury as required during the program year.

Section III – Specific Program Progress and Performance
Community Development Block Grant

National Objective Compliance: The CDBG program was designed to principally benefit low-moderate income persons. During the reporting period, it was determined that the City spent 100 percent of their non-administrative funds on activities that principally benefitted low-moderate income persons.

All activities reported appear to meet a national objective. The objectives noted include:

- Low to Moderate Income person benefit

Activities: Program activities were adequately described during the reporting period. CDBG funds were spent on activities that were eligible under program rules. Glens Falls' largest use of funds continues to be rehabilitation of housing. The housing projects include owner-occupied, single unit and multi-unit rental rehabilitation.

Glens Falls has reported on the third year of a five-year strategic plan. The CAPER and IDIS indicate that goals and activity targets have been met or are on track for completion.

Public Services: Glens Falls' public service spending, adjusted for program income, represents 14.28 percent of the total expenditures. This is within the 15 percent public service limit. Nine different programs were funded in the 2012 budget from CDBG. All are reported to be delivering services at the projected levels.

Financial

Planning and Administration: The City's spending for planning and administration during the reporting period, accounts for 18.89 percent of their overall spending. This was within the 20 percent limit. Glens Falls is reminded to closely manage expenditures to ensure the administrative costs do not exceed the cap.

Program Income: The City receives program income from housing loan programs and a modest amount from an economic development loan program. The City's CAPER outlines the program income received and a review of the IDIS system indicates that Glens Falls received $89,243 in Program Income during the 2012 program year.

Expenditure Timeliness: The CDBG program requires that the City's unexpended CDBG funds be no more than 1.5 times their annual grant 60-days before the end of the program year. The City was in compliance with the 1.5 timeliness test made on June 1, 2013 reporting a ratio of 1.18.

IDIS Data: Glens Falls maintains data in IDIS in a timely and accurate manner. A review of IDIS Report PR02, List of Activities by Program Year and Project reveals there are several activities that are open activities but have been fully expended. A follow-up discussion was held specific to those activities with Jackie Squadere of your staff who provided a satisfactory update on their status.

Other Issues / Recommendations / Highlights

- Highlights noted during the CAPER review include:
  - Glens Falls continues to leverage state, federal and private funds for housing and community development efforts including Brownfield remediation.
  - During the past year the City did not receive loan requests that would have led to viable business opportunities.
  - Curbs and sidewalks were reconstructed in various income eligible neighborhoods.
  - 15 units of housing rehabilitation were completed during the program year.

Section IV – Summary and Follow up

Recommendations

At this time there are no recommendations.

This report was prepared by

Lambros Touris, CPD Representative
716-551-5755 ext 5810
Lambros.j.touris@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 at this time, the City of Glens Falls has the continuing capacity to carry out HUD programs indentified in this report.