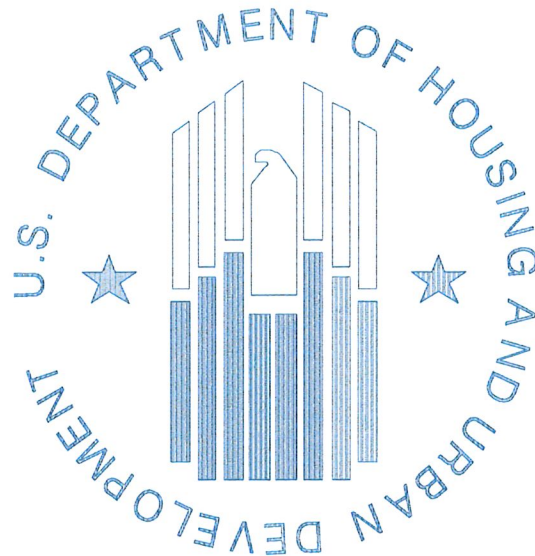


**U.S. Department of Housing & Urban Development
Buffalo, New York Office**



Annual Community Assessment Report

**Jamestown, New York
CDBG and HOME Programs**

Period Reviewed: August 1, 2017 – July 31, 2018

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 strategic plan and its 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 report, records, maintained, findings from monitoring, 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 assessment in order to make a determination that a grantee has the continuing capacity to administer HUD programs.

Assessment Period: August 1, 2017 – July 31, 2018

Program:	Community Development Block Grant (CDBG)
Funding Amounts:	FY 2017: \$1,056,212
Last On-Site CDBG Monitoring:	2012
Findings Identified:	2
Open Findings:	0

Program:	HOME
Funding Amounts:	FY 2017: \$230,231
Last On-Site HOME Monitoring:	2014
Findings Identified:	0
Open Findings:	0

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 CDBG and HOME Programs during the subject period. This report is presented in two sections. Section One provides a general overview related to compliance and accuracy specific to your planning and performance reporting. Section Two contains program specific feedback.

Section I: Consolidated Plan & Annual Action Plan: Determination of Consistency

HUD's review of the CAPER determined that the City followed its HUD-approved Consolidated Plan and Annual Action Plan. The activities undertaken during the year were consistent with the City's 2015-2019 Consolidated Plan goals, objectives and priority needs. These goals, objectives and priority needs as stated in the City's 2015-2019 Consolidated Plan included the following key elements:

1. Improve the quality of affordable owner housing.
2. Neighborhood target area demolition.
3. Owner-occupied emergency repair program.
4. Citywide rental rehab.
5. Public facility needs.
6. Public service needs.
7. Economic development.

Actual 2017 Program Year expenditures reported in IDIS indicate that the City expended CDBG and HOME funds in these categories except for public services where no funds were expended.

CAPER Due Date and Completeness

The City's Consolidated Annual Performance and Evaluation Report (CAPER) is due 90 days after the completion of its HUD program year. Due to key staff turnover, the City requested a CAPER due date extension on August 17, 2018. HUD approved the extension on September 18, 2018 with a new deadline of November 30, 2018. The City's 2018 CAPER was officially received in IDIS on December 3, 2018, therefore considered late. The CAPER was determined to be missing some required information which is addressed within this report and should be submitted within 30 days.

Cross Cutting Requirements

Financial Management: The City is current with its Single Audit Report through 12/31/2017. Federal Financial Reports are current through 03/31/2018.

Fair Housing and Equal Opportunity - HUD's FHEO Division evaluated the City's 2017 CAPER and determined that the City's performance was adequate under Title VIII and E.O. 11063 Certifications.

Citizen Participation – The CAPER did not include evidence that it advertised the availability of the CAPER, the location of the document, the dates of the fifteen-day comment period, and the opportunity for citizens to submit written comments. This evidence should be submitted within the next 30 days.

Section II: Formula Program Assessment

Community Development Block Grant

- Based upon CAPER descriptions, CDBG activities undertaken in 2017 appear eligible and meet a CDBG National Objective. This assessment is subject to future on-site monitoring.
- In 2017, 70.45 % of the City's CDBG activities benefitted Low- to Moderate-Income Persons.
- For Fiscal Year 2017 the City met its CDBG Timeliness 1.5 Ratio Requirement on June 1, 2018.
- Planning and Administration: The CDBG program rules allow the City to spend up to 20% of grant funds. During the 2017 reporting period, the City spent 19.49% on administrative expenditures, indicating compliance.
- Public Service: The CDBG program rules allow the City to spend up to 15% of grant funds. During the 2017 reporting period, the City spent zero CDBG funds for public service expenditures.

HOME Investments Partnership Program

- Based upon CAPER descriptions, HOME activities undertaken in 2017 appear eligible and compliant with applicable HOME Regulations. This assessment is subject to future on-site monitoring.
- Beneficiaries were compliant with HOME low-mod income requirements.
- The City's HOME Administrative expenses were within the 10% cap.
- The City met its 15% HOME CHDO set-aside requirement, 24 Month HOME Commitment Requirement and Five-Year Expenditure Requirement.
- 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.
- The City received a 100 percent match reduction in PY 2017, based on fiscal distress.

Required Follow Up Items

Please submit a statement related to the following items within the next 30 days

1. CR-20 Affordable Housing: Worst-case needs are not addressed in the CAPER. "Worst-case housing needs" are defined as: renters with incomes at 50 percent or less of the Area Median Income [AMI] who do not receive government housing assistance and who pay more than one-half of their income for rent, live in severely inadequate conditions, or both. Each year HUD uses the most recent data from the American Housing Survey to prepare a *Worst-Case Housing Needs* report for Congress. This deficiency was noted in previous CAPERs.

2. CR-40 Monitoring: More details are needed regarding the monitoring conducted by the City, for example: whether the City conducts a review of all program and financial submissions by each subrecipient (including requests for payment), prior to approving payments or disbursing funding; whether it requires its subrecipients to submit reports on their accomplishments (and, if so how frequently); how often both CDBG and HOME subrecipients are monitored when there are no complaints or concerns; and whether the City monitors more frequently if there are complaints or concerns. This deficiency was noted in previous CAPERs.
3. CR-50 HOME Grantees: According to 24 CFR 92.504 the City is required to conduct an annual review of the performance and compliance of each contractor and subrecipient. The results of these reviews should be included in each CAPER. The City' PY 2017 CAPER did not include the following information: the result of HOME unit compliance inspections; a list of HOME projects that were scheduled for inspection in PY 2017; an indication of which HOME units were inspected in PY 2017 and a summary of the issues disclosed during the inspection; and a description of how and when the City will accomplish any HOME inspections that were scheduled for completion in PY 2017, but were not completed. This deficiency was noted in previous CAPERs.
4. The CAPER did not include evidence that it advertised the availability of the CAPER, the location of the document, the dates of the fifteen-day comment period, and the opportunity for citizens to submit written comments.

Recommendations/ Oversight of HUD Programs/Capacity

The Jamestown Department of Development and Jamestown Urban Renewal Agency is responsible for the oversight of the City's CDBG and HOME Programs. New planning and financial staff were hired during the 2018 calendar year. HUD has determined that at this time the City is administering its CDBG and HOME Programs in a satisfactory manner and has the continuing capacity to carry out these HUD Programs.

In order to strengthen its institutional structure and staff capacity, the City is encouraged to take advantage of the ongoing training and technical assistance opportunities that will be offered by HUD. The City should regularly monitor HUD's IDIS system for any required CDBG remediation plans.

If you have any questions or would like to discuss the Assessment Report, please contact Karen Kist at 716-551-5755, extension 5816 or via email at Karen.A.Kist@hud.gov. If you disagree with this assessment, please respond in writing to the William T. O'Connell, Director, Community Planning & Development Division of Housing and Urban Development, 465 Main St., 2nd floor, Buffalo, NY 14203. Your response should identify any areas of disagreement and corrections or any additional comments you would like HUD to consider.