

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



2022

Annual Community Assessment Report

for

Erie County, New York

**Program Year of
April 1, 2022 – March 31, 2023**

INTRODUCTION

Erie County, as a recipient of HUD Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME) and Emergency Solutions Grant Program (ESG) funding, is required to annually review and report on its progress in carrying out the goals and priorities of its 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 to both HUD and local community stakeholders and residents. Prior to submission to HUD, a grantee must make its CAPER available for review by 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 a grantee's overall performance and effectiveness. 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. This review is an on-going process; however, the CAPER report summarizes a community's performance and its continuing capacity to administer HUD funds. This report is prepared to provide feedback on Erie County's performance in the delivery of programs and services using HUD Community Development funds. This report consists of four sections:

Section I provides a general overview regarding compliance and reporting accuracy

Section II evaluates grantee performance in key crosscutting functions

Section III evaluates the progress and performance of each specific HUD program

Section IV provides recommendations and/or areas for improvement

Programs Administered and 2022 Funding Amounts:

Community Development Block Grant (CDBG)	\$3,115,575.00
Home Investment Partnerships Program (HOME)	\$1,095,213.00
Emergency Solutions Grant (ESG)	\$ 239,111.00

Assessment Period:

April 1, 2022 – March 31, 2023
3rd Year of a 5-Year Consolidated Plan

Section I - Summary of Consistency with Consolidated Plan & Annual Action Plans

HUD's review of the CAPER determined that Erie County followed its HUD-approved Consolidated Plan and Annual Action Plan during the 2022 program year. The activities undertaken during the year are consistent with the County's Consolidated Plan goals, objectives, and priority needs. These goals, objectives, and priority needs as stated in Erie County's 2020-2024 Consolidated Plan include the following:

- *Infrastructure Development:* To improve sewer/water and sidewalks, and, in targeted low-income neighborhoods, improve storm drainage, flood protection facilities, and vehicular access to areas of employment, recreation, and commercial activity.
- *Public Facilities:* To construct, expand, or improve community centers, libraries, youth, and senior centers, particularly in low-income areas; develop, expand, and rehabilitate park, recreation, and open space facilities serving low-income areas; and enhance commercial centers through improved façades, infrastructure, and other public enhancements.
- *Public Services:* To provide enhancements to senior service programs, such as daycare, health and nutrition, employment, supportive housing, and transportation; provide housing counseling and fair housing services to low-income persons, to improve access to decent, affordable housing.
- *Brownfield Redevelopment:* To provide technical assistance and funding for the redevelopment of older urbanized areas that need additional assistance to succeed.
- *Business Development:* To provide financial and technical assistance to microenterprise businesses, and technical assistance and counseling to other types of businesses.
- *Housing:* To improve existing housing stock in neighborhoods and rural areas, assist with the purchase of affordable housing, and support non-profit organizations in the development of affordable housing.
- *Removal of Slum/Blight Conditions:* To demolish and clear buildings and land features that contribute to blight on a spot basis.
- *Homeless Needs:* To support the operation of emergency shelters, provide rental assistance to prevent homelessness or re-house homeless persons, and provide supportive services to homeless individuals through housing search, counseling, and legal aid assistance.

The actual 2022 Program Year expenditures recorded in IDIS reflected that Erie County did expend HUD funds within the requirements of HUD funding regulations. The activities completed during this reporting period supported these goals, objectives, and priorities. Program activities and accomplishments were consistent with the Plan.

Performance Reports / CAPER Completeness

A Consolidated Annual Performance and Evaluation Report (CAPER) is due 90 days after the County completes its program year. The deadline was June 30, 2023. The County's 2022 CAPER was received in HUD's Buffalo Field Office on June 30, 2023. The report was determined to be substantially complete and adequately described the County's progress and performance throughout the program year. More detailed information and accomplishments can be assessed in Section III of this report.

Section II - General Overview and Cross Cutting Areas

Citizen Participation

Erie County conducted the required hearings and public notifications to comply with the citizen participation requirements. Draft copies of the CAPER were mailed to all chief elected officials of the Consortium and Coordinating Committee. Erie County published public notices of the CAPER's availability in the local newspapers, the *Buffalo News* on June 9, 2023, and the *Buffalo Criterion* on June 10, 2023. The 15-day comment period was June 14-29, 2023. A virtual public call-in hearing was held on Wednesday, June 22, 2023. In addition, the draft CAPER was also made available for public review on Erie County's Web Page. No comments were received.

HUD Compliance Monitoring

CDBG - The most recent compliance on-site monitoring was conducted June 2021. There are no open findings.

HOME - The most recent compliance on-site monitoring was conducted in July 2014. There are no open findings.

ESG -The most recent compliance remote monitoring was conducted June 2022. There are no open findings.

ER – The most recent Environmental Review compliance monitoring was conducted in June 2019. There are no open findings.

Subrecipient Oversight & Monitoring

Erie County's Community Development staff meets monthly to review subrecipient progress to ensure that regulatory compliance is maintained with program requirements. Annual letters are forwarded to Mayors and Supervisors representing municipalities where progress has been slow.

During 2022, the following subrecipients were monitored:

- The 2021-22 Rural Transit Service, Inc. annual grant monitoring and closeout was conducted on September 13, 2022.
- The Town of Hamburg's HOME grant yearly monitoring took place on May 25, 2022.

Management

Erie County continues to maintain a solid institutional structure and staff with several years of experience. It has demonstrated adequate capacity to manage and provide oversight of the HUD-funded programs. The County has participated in all HUD's training and technical assistance opportunities.

Financial

Single Audits - A Single Audit must be submitted each year, nine months from the end of the County's fiscal year. The County's Single Audit Report is current through 12/31/2021. The most recent FYE audit was submitted to FAC on 8/4/2022. This submission is more than 30 days following the audit report date of 6/24/2022 and is not in compliance with 2 CFR 200.512(a)(1) requirements.

PR-29 Quarterly Reports - Grantees must report their cash on hand to HUD within 30 days following each quarter-end date. Federal Financial Reports are submitted timely and are current through 3/31/2023. The financial information reported by Erie County on the IDIS PR26 report appears to be complete, accurate, and sufficiently detailed to document the overall condition of HUD programs.

Section III – Specific Program Progress and Performance

Community Development Block Grant (CDBG)

National Objective Compliance: The CDBG program was designed to principally benefit low- and moderate-income persons. According to the PR26 CDBG Financial Summary Report, Erie County spent **\$3,770,946** or **100%** percent of its non-administrative funds on activities that principally benefited low-moderate income persons. All activities reported appear to meet a national objective.

Activities

Program activities were adequately described during the reporting period. CDBG funds were spent on activities that were eligible under program rules. The CAPER and IDIS indicate that good progress was made towards meeting stated numeric goals for specific activities.

Accomplishments

CDBG

- *10 community projects were completed.*
- *1 facade improvement project was completed.*
- *1,610 seniors received transportation services.*
- *100 low/moderate income households received housing rehab or repair services.*

CDBG-CV

- 44 small business owners were assisted with Micro-Enterprise Business Loans
- 3 Recreation/Park improvement projects were completed.
- 2 Recreation/Park improvement projects are underway.
- 16 senior Citizen Centers were re-designed to include COVID-19 safety improvements.
- 919 persons received fair housing counseling.
- 3,112 persons received food assistance from Feedmore of WNY

Financial

Planning and Administration: Based on the PR26 CDBG Activity Summary by Selected Grant report for 2022, Erie County has not exceeded the 20% grant-based administrative cap for any open CDBG grants since 2015. Erie County expended **\$619,324.63** or **16.81%** of its overall spending on planning and administration.

Public Services: According to the County's 2022 CAPER and PR 26, Erie County expended **\$435,378.27** or **8.98%** of its overall spending on public services during PY202. This is within the 15 percent limit.

Program Income: According to the County's 2022 CAPER and PR26, Erie County's CDBG programs generated program income of **\$591,108.33**. This was confirmed by a review of IDIS records.

IDIS Data: A review of the IDIS Report PR 02, List of Activities by Program Year and Project Report, and PR 05, Drawdown Report by Project and Activity Reports does confirm that Erie County maintains data in IDIS in a timely and accurate manner. The County should continue to monitor its IDIS records regarding the status of activities at least quarterly.

Expenditure Timeliness: The CDBG program requires that the County's unexpended CDBG funds be no more than 1.5 times their annual grant, 60 days before the end of the program year. Erie County met the timeliness test with a timeliness ratio of **1.49%** as of 1/31/2023.

Home Investment Partnerships (HOME)

Beneficiary Compliance: Beneficiaries were compliant with HOME low-mod income requirements.

Activities: Program activities were described for the reporting period. HOME funds were spent on activities that were eligible under program rules. The funded programs and accomplishments reported are on track, compared to the stated goals.

CHDO Projects: Erie County currently has 12 CHDO projects and 3 project sites were inspected on-site during the 2022 program year. Desk review was completed for all 12 projects in 2022. Files were reviewed for compliance with HOME rental requirements, including verification of information submitted on the rent and occupancy report for rents charged and how incomes were calculated. HOME rents were at the appropriate level and relevant documentation was in good order.

Commitments/Reservations/Disbursements: Erie County committed 10% towards admin and has not exceeded the 10% cap with \$71,796.82 disbursed. CHDO set-aside funds of \$164,281.95 have been reserved, which meets the 15% CHDO set-aside requirement for HOME funds.

Program Income: According to the City's 2022 CAPER, Erie County expended **\$221,134.00** in program income on owner-occupied housing rehabilitation for low – to moderate-income persons.

Emergency Solutions Grant (ESG)

Activities

Erie County provided Rapid Re-Housing and Homeless Prevention during PY2022. No ESG funds were expended on street outreach or emergency shelter services. The county utilized two (2) subrecipients: Homeless Alliance of Western New York (HAWNY) and Restoration Society, Inc. (RSI). Erie County is an active partner with the Buffalo/Niagara Continuum of Care (NY-508).

Accomplishments

During PY2022, ESG activities were adequately described, and all funds were spent according to program rules. The following performance standards for ESG were achieved in PY2022:

Rapid Re-Housing (RRH): Erie County ESG program focuses 60% of available funding for rapid re-housing activities, which assists homeless persons living in shelters and places them in permanent housing quickly. According to SAGE Reporting, 26 individuals were rehoused out of a shelter in 2022 with ESG funds.

Homeless Prevention: According to SAGE reporting, the program prevented 22 persons in 21 households from becoming homeless. This program includes case management for housing relocation and stabilization services along with financial assistance for rent and other eligible housing expenses to individuals and families at risk of becoming homeless.

The following accomplishments were achieved in 2022 with ESG-CV funds:

- Rapid Re-Housing Assistance to 18 people- expended \$241,835.15
- Homeless Prevention Assistance to 46 people- expended \$361,776.11
- Shelter Services to 271 people- \$242,456.35
- Administrative expenditures- \$21,345.58
- Total ESG-CV expenses in the 2022 program year = \$867,413.18

Financial

Commitments and Disbursements: ESG program regulations require that the County obligate or “commit” 100 percent of the grant award within 180 days after the grant award, and that the County expend 100 percent of the grant within 24 months after the grant award. By 7/30/23, **\$224,951.42** must be expended. The County appears to be committing funds and making disbursements for activities within the required timeframes. Program progress has been determined to be satisfactory.

All ESG-CV funds must be expended by September 30, 2023, except for administration and HMIS funds necessary for ESG-CV closeout, which must be expended by December 31, 2023. As of 8/3/2023, Erie County has \$143,567.84 remaining to spend by the upcoming deadline. A spending plan was provided to HUD and the County is on track to expend these funds in a timely manner.

Match Requirement: The ESG program requires a dollar-for-dollar or 100 percent match in cash or services. Erie County reported adequate match totaling **\$5,177,067.00** for **PY2022** from local government funds.

Section IV – Summary

Based on the information that was available at the time of this review, HUD has determined that Erie County is administering its CDBG, HOME and ESG Programs in a satisfactory manner and has demonstrated continuing capacity to carry out these HUD Programs.

This report was prepared by

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