



U.S. Department of Housing and Urban Development

Philadelphia Office  
The Wanamaker Building  
100 Penn Square East  
Philadelphia, Pennsylvania 19107-3380

MAY 29 2015

The Honorable J. Richard Gray  
Mayor  
City of Lancaster  
Municipal Building  
P.O. Box 1599  
120 N. Duke Street  
Lancaster, PA 17608-1599

Dear Mayor Gray:

SUBJECT: Annual Community Assessment  
City of Lancaster  
January 1, 2014 to December 31, 2014

The provisions of the Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require the annual submission of performance reports by grant recipients receiving federal assistance through programs covered under these Acts. Additionally, these Acts require that a determination be made by the Secretary of HUD that the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received.

The Consolidated Plan regulation at 24 CFR 91.525 requires this Department to evaluate and report to the public on a community's overall progress in the management of its program funds, compliance with the Consolidated Plan, the accuracy of performance reports, and the extent to which progress has been achieved toward the statutory goals identified in Section 91.1. This letter serves to apprise you of our assessment of Lancaster City's overall progress.

In making our evaluation, we relied primarily upon the City's submission of the Consolidated Annual Performance and Evaluation Report (CAPER) for Fiscal Year 2014. This report summarized accomplishments made with funds provided from the Community Development Block Grant (CDBG) and the Emergency Solutions Grants (ESG) Programs. In addition, we took into account technical assistance, and follow up conversations with City staff. This letter is a summary of our review of the City of Lancaster's overall performance.

As you know, under the update to the Part 91 Consolidated Planning regulations that came into effect March 13, 2006, all Annual Action Plans and Consolidated Annual Performance and Evaluation Reports (CAPER) are required to include performance measures as part of their annual reporting. The Office of Management and Budget (OMB) has deemed this information necessary to validate the continued funding of HUD programs. The City of Lancaster provided performance measures as required by this guidance.

The HUD timeliness requirement is that a community may have no more than 1.5 times their most recent annual grant remaining in the line of credit 60 days prior to the end of their program year. When the 60-day timeliness test was conducted on November 2, 2014, it was calculated that Lancaster City had a balance in its line of credit of .60 times its annual grant and is in compliance with the 1.5 timeliness standard. Please note that this figure did not include any program income that the City may have in its accounts. Thus, this figure may actually be higher.

During the 2014 program year, the City has expended 72.03 percent of its CDBG funds for activities benefiting low/moderate income persons, which meets the primary objective of the Housing and Community Development Act of 1974. In addition, the City obligated 8.19 percent of funds on public service activities, which meets the 15 percent regulatory cap. The City of Lancaster obligated 11.42 percent of its funds on planning and administration, which is within the 20 percent regulatory cap.

The City continues to participate with Lancaster County in a HOME Consortium, where the Lancaster County Housing and Redevelopment Authority manages the Consortium HOME funds that cover the City and the County.

During 2014, CDBG funds were used in nine discrete projects in the categories of housing (rehabilitation, inspections, critical repairs and fair housing services), economic development activities (promoting small business development and opportunities for minorities), human services (public safety/crime prevention and homeless outreach), and infrastructure improvements.

Additionally, CDBG funds were used to assist 24 homeowners deal with serious safety and/or health threats in their residences by using the City's emergency repair loan program designed to eliminate hazardous structural conditions and/or reduce or remove unhygienic elements in the environment.

The City has worked with the Department of Economic Development and Neighborhood Revitalization to address lead hazards by conducting risk assessments and clearance inspections. In addition, certified contractors conduct lead hazard reduction work on all single-family and rental units rehabilitated with CDBG and HOME funds.

The City included in its CAPER its role in affirmatively furthering fair housing and identifying impediments to fair housing. In 2014, the County in conjunction with the City of Lancaster updated the Analysis of Impediments to Fair Housing Choice. We commend you for these efforts.

The Office of Fair Housing and Equal Opportunity (FHEO) reviewed the City's CAPER and FHEO noted that the CAPER revealed the City's Public Meeting Notice includes information for persons with disabilities who may require a reasonable accommodation. FHEO commends the City for ensuring this information is included in their notices and recommend the City continue this practice. Additionally, the City, according to the 2010 Census, has a 45 percent minority population. FHEO recommends that the City work with the County, whose

minority population is 11 percent, to provide housing opportunities for persons outside the City to enable access to areas of higher opportunity. FHEO noted the City as a recipient of ESG funds assisted 274 homeless persons. However, no race/ethnicity information was provided regarding those benefitting. The City is reminded that race and ethnicity data should be provided for all persons assisted with federal funds.

Please note that the Office of Fair Housing and Equal Opportunity (FHEO) is available to provide technical assistance regarding affirmatively furthering fair housing upon your request.

We congratulate the City on its many accomplishments during this program year. Based on our review, we have concluded that the City of Lancaster has the capacity to carry out its programs and has met its reporting requirements.

We ask that you review our assessment of your performance and provide any comments that you may have within 35 days of the date of this letter. Upon receipt, we will evaluate your comments and make any revisions that are deemed appropriate. If you do not have any comments, we request that you formally notify us of that fact within the 35-day timeframe. Where no comments are received within the designated timeframe, our initial letter will serve as our final assessment of the City's performance for this program year. To facilitate and expedite citizen access to our performance letter, we request that you inform the general public and interested citizens' organizations and non-profit entities of its availability. If, for any reason, the City chooses not to do so, please be advised that our office is obligated to make the letter available to the public. We appreciate your cooperation in this matter.

We look forward to continuing to work with you and members of your staff to accomplish Departmental goals and mutual objectives to develop viable urban communities. We would also be pleased to provide you with any information on resources that may be available to your community. If you need assistance, or if you have any questions concerning the content of this letter, please contact Mr. Nadab O. Bynum, Community Planning and Development Director, at (215) 861-7652, or Ms. Fatina Ming, Senior Community Planning and Development Representative, at (215) 861-7662. This office may be reached via text telephone (TTY), by dialing (215) 656-3452.

Sincerely,



Jane C. W. Vincent  
Regional Administrator

cc:

✓ Mr. Randy S. Patterson