

Scranton OECD

Office of Economic and
Community Development

May 27, 2010

Ms. Brenda M. Laroche
Deputy Regional Director
U. S. Department of Housing and Urban Development
The Wanamaker Building
100 Penn Square East
Philadelphia, Pennsylvania 19107-3380

Re: Annual Community Assessment
Scranton, Pennsylvania
January 1, 2009 through December 31, 2009


Dear Ms. Laroche:

This office is in receipt of your letter dated May 21, 2010 congratulating the City of Scranton on its performance using federal funding from the Community Development Block Grant, the HOME Program and Emergency Shelter Grant along with the many accomplishments during the 2009 program year.

Please be assured the City will make HUD's document available to the public by placing it on Scranton's official website at www.scrantonpa.gov.

As always, this office will continue to work with HUD to accomplish the goals and mutual objectives that these programs were meant to achieve.

Sincerely,



Linda B. Aebli
Executive Director

Lba/

cc: Mr. Nadab O. Bynum, Director, CPD, HUD, Philadelphia
Mr. Steven Stein, CPD Representative, HUD, Philadelphia



U.S. Department of Housing and Urban Development

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

Rec. 5/26/2010

MAY 21 2010

The Honorable Christopher A. Doherty
Mayor of Scranton
340 North Washington Avenue
Scranton, PA 18503-1523

Dear Mayor Doherty:

SUBJECT: Annual Community Assessment
City of Scranton
January 1, 2009 through December 31, 2009

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 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 regulations at 24 CFR 91.525 require 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 the City of Scranton's overall progress.

In making our evaluation, we relied primarily on the City's submission of the Consolidated Annual Performance and Evaluation Report (CAPER) for Fiscal Year 2009. This report summarized accomplishments made with funds provided from the Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), and the Emergency Shelter Grant (ESG) Programs. In addition, we took into account technical assistance; follow up conversations with Scranton's staff, and the handling of citizen comments and complaints. This letter is a summary of our review of Scranton'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 Scranton provided Performance Measures as required by the new guidance.

The HUD timeliness requirement is that a community may have no more than 1.5 times its most recent annual grant remaining in the line of credit 60 days prior to the end of its program year. When the 60-day timeliness test was conducted on November 2, 2009, it was calculated that the City had a balance in its Line of Credit of 0.84 times its annual grant and is apparently in compliance with the 1.5 timeliness standard.

During the 2009 program year, Scranton has expended 84 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 12 percent of funds on public service activities which is within the 15 percent regulatory cap. The City also obligated 19 percent of its funds for planning and administrative costs. This is within the 20 percent regulatory cap.

Scranton has met the HOME requirements for expenditures by committing all funds to projects within two years and expending funds within five years. The requirement to provide at least 15 percent of HOME funding to Community Housing Development Organizations has also been achieved. We remind grantees that all HOME projects should be closed within 120 days of the final draw.

The City of Scranton included in its CAPER its role in affirmatively furthering Fair Housing and identifying impediments to Fair Housing. Scranton works with the Neighborhood Housing Services which implements an affirmative marketing plan. Brochures are strategically placed and information is distributed through the Lackawanna County Housing Coalition. The Coalition consists of 24 agencies which meet monthly to address housing issues. They assist their own clients and disseminate information through presentations to business and community groups. Some of these groups, such as financial institutions, faith-based organizations, and Realtors, refer prospective clients to the City's housing programs.

Scranton's CAPER included detailed descriptions of several major projects. These include the redevelopment of the 500 block of Lackawanna Avenue, the Mount Pleasant Corporate Center, the renovation of the Connell Building, and the Elm Street Program. The vast majority of the funding for these projects comes from non-HUD sources.

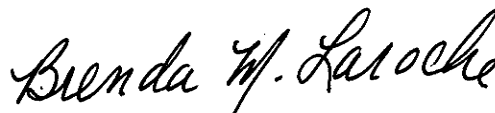
Scranton has made progress toward implementing its CDBG-R and HPRP programs. As of May 10, 2010 it had expended 5% and 11%, respectively, of its allocations from these programs. Scranton has also received an allocation of \$3,000,000 from the Neighborhood Stabilization Program (NSP) through the state. If you have experienced any problems or obstacles that have slowed the expenditure of these funds, please let us know. Technical assistance resources are available to assist you.

We congratulate the City of Scranton on its many accomplishments during this program year. Based on this review we have concluded that Scranton 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 Scranton's performance for this program year. To facilitate and expedite citizen access to our performance letter, we request that you inform the general public, interested citizens' organizations, and non-profit entities of its availability. If, for any reason, Scranton chooses not to do so, please be advised that our Office is obligated to make this 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, Director, Office of Community Planning and Development, at (215) 861-7652. This Office may be reached by text telephone (TTY), at (215) 656-3452.

Sincerely,



Brenda M. Laroche
Deputy Regional Director

cc:
Ms. Linda Aebli