# City of Scranton Office of Economic and Community Development (OECD)

# Action Plan 2012 Community Development Block Grant Program HOME Program Emergency Solutions Grant Program

The following is a brief description and explanation of the changes that OECD is requesting to be made to the City of Scranton's 2012 Action Plan; amending File of Council No. 53, 2011. If you do not understand or need additional information please do not hesitate to contact the Office of Economic and Community Development.

The City of Scranton will be receiving funding through the Community Development Block Grant Program in the amount of **\$2,480,802.00** and **\$417,355.00** for the HOME Program. This reflects a decrease in our 2012 allocation from the amount submitted to HUD and needs a Substantial Amendment to our Action Plan 2012. It should be noted that the City of Scranton has not received our 2012 contracts from HUD until the Substantial Change is submitted with the approved changes.

# Community Development Block Grant Program

## Public Services - Neighborhood Police Patrol

HUD has completed and approved our 2012 Action Plan; however, HUD is questioning the CDBG funding for both the Neighborhood Police Patrol and the Neighborhood Police vehicles. Both of these activities were funded by City Council Ordinance 53 – 2011 under Public Services CFR 570.201.

During a recent email to both Scranton's OECD and City Council Clerk, Nancy Krake dated December 21, 2011 HUD questioned the eligibility of both these activities. HUD indicated at that time <u>no</u> CDBG funds can be allocated to either the Neighborhood Police Patrol or the Neighborhood Police vehicles without written approval from HUD. OECD indicated to HUD during their monitoring visit that Scranton would not undertake the Neighborhood Police Patrol for 2012. However, Scranton's City Council included funding for both the Neighborhood Police Patrol and the Neighborhood Police vehicles in its version of the amended 2012 Ordinance.

OECD recently contacted City Councilman Pat Rogan and John Loscombe to discuss the amended changes OECD planned to propose to City Council for the 2012 Action Plan. Linda Aebli, Executive Director of OECD explained in separate conversations to both Councilmen that if either the Neighborhood Police Patrol or the Neighborhood Police vehicles are funded a decrease or elimination of other Public Services will be affected due to the Public Service cap of 15%.

Due to the decrease in funding and questions HUD has concerning the eligibility of the Neighborhood Police Patrol and the Neighborhood Police vehicles OECD has deleted both these activities from the proposed budget. By doing this no other Public Service allocations will be affected.

# **Public Services**

No Public Services were reduced except for the elimination of the Neighborhood Police Patrol and the Neighborhood Police vehicles as stated above.

#### Lackawanna Neighbors, Inc.

\$200,000.00 reduced to \$125,000.00

This will enable LNI to purchase, rehabilitate, lead abatement one home in Scranton.

Forestry \$ 75,000.00 \$ 50,000.00

Vacant Property Review Committee \$ 50,000.00 \$ 30,000.00

The Vacant Property Review Committee has funding still available from a previous year; Linda Aebli, Executive Director of OECD, contacted Don King, Chairperson for the Vacant Property Review Committee to discuss and it was determined that these funds will be sufficient for this activity.

# Scranton Downtown Center Parking Lot

\$3,500.00

\$0.00

Linda Aebli, Executive Director of OECD contacted the Executive Director of Downtown Senior Center to discuss the following. Will the Scranton Downtown Center have sufficient funds combined with CDBG to pave this parking lot? It was determined by the Downtown Senior Center that no additional funds would be available for this project and the conclusion was to reduce their allocation to zero (\$0.00). (See attached letter).

Reconstruction of Roads and Handicap Curb Cuts	\$838,000.00	\$575,823.00
<b>Demolition of Hazardous Structures</b>	\$300,000.00	\$200,000.00
<u>Administration</u>	\$592,000.00	\$473,955.00

#### **CDBG / HUD AUDIT**

OECD responded on October 6, 2011 to the findings that were received by the City of Scranton as the result of the U. S. Department of Housing and Urban Development's monitoring review for the City of Scranton's Community Development Block Grant Program (CDBG). This monitoring was conducted from April 11, 2011 to April 15, 2011 by Mr. Steven Stein, Community Planning and Development Representative, Mr. Paul Lehmann, Regional Environmental Officer, Mr. Christopher McDonnell, and Ms. Stephanie Satiah, Financial Analysts. Mr. Michael Szupper, Regional Real Property Acquisition and Relocation Specialist conducted monitoring from April 18, 2011 to April 21, 2011.

The City of Scranton received written confirmation from the U. S. Department of Housing and Urban Development that two activities were found to be ineligible and must be repaid to HUD. One activity is included in this Substantial Amendment and will be deducted from the 2012 CDBG allocation. The \$111,023.31 that reflects fifty percent of the Director of Licensing, Permits and Inspections salary dating back several years is reflected as the last item on the spread sheets. The City did receive credit for the amount shown on submitted salary time sheets that were submitted by the LIPS Directors; however, paperwork was not available for the five year period that included previous LIPS Directors.

OECD is still taking steps to recapture the second item in the amount of \$49,500.00 for the construction damage to a building in the central business district. This activity did not have appropriate documentation for their eligibility to be approved by HUD.

OECD did reflect these deductions in the attached spread sheet for amendment. The Administration and Public Service cap will be based on \$2,369,778.00.

#### **HOME Program**

The City of Scranton HOME Program was reduced to **\$417,355.00** from the requested \$600,000.00. OECD made reductions by 30% for activities. It should be noted that the Administration is based on 10% and the Community Housing Development Organization (CHDO) is 15%. The Administration is needed for the salary of the Director of Housing and health benefits and any other staff person that works on the HOME Program and other Administrative expenses incurred by the HOME Program that includes training.

# **Emergency Solutions Grant Program**

The total funding amount for the Emergency Solutions Grant Program has been increased to \$268,307.00. City Council passed legislation based on \$150,000.00. Additional funding was allocated to the current Sub-Grantees and must be approved for the additional funding.