

CITY OF BUFFALO URBAN RENEWAL AGENCY

FOUR YEAR PLAN

Grant revenues are primarily based on funding allocations from the U.S. Department of Housing and Urban Development. The amounts allocated may change from year to year. Effective January 2013, all entitlement funds are received by the City of Buffalo and paid to BURA as a sub-recipient. BURA is responsible for the administration and program delivery of services related to these entitlements.

Grant revenues are accruable to the extent of expenditures paid and accrued, subject to the limit of the awarded grant amount, plus program income earned. As expenditures increase or decrease, so do grant revenues. Therefore, unless we have reached the grant maximums (which we have not), we are not overly concerned about changes in grant revenues from the original budgeted amounts. Any revenues not drawn in the current year will be available for future year operations. In addition to the current budget, there is also unspent grant monies available from prior years that have rolled over into the current budget, and will continue to roll over into future years until all monies have been spent. These rolled over monies are reflected on the budget to actual report.

FY 2016-2017 Entitlement Budget

CDBG	\$5,422,925
HOME	\$2,414,585

BURA is budgeted at a staffing level of 41. There are currently two vacant positions. Reimbursements from federal grants are based on actual payroll costs, therefore there are no accrued savings created by any of these vacant positions.

BURA anticipates the following cuts over the next four years:

20% cut in CDBG and HOME FY 17-18

5% incremental cuts over proceeding 3 years

2% salary increase FY 17-18 and 1.75% incremental increases over 3 proceeding years; decrease in legal costs due to RP case resolution

The BURA Division of Housing oversees the Emergency Rehab for Single and Multi-Family properties, the Down-payment and Closing Cost Assistance Program, the 50/50 Program, the Target Focus Program, and the Multi-family New Construction Rehab and Conversion Program for affordable rental units. Target streets are selected by the City's network of Community Based Organizations in conjunction with the BURA Division of Community Planning.

The Division of Housing also participates in the Green and Healthy Home Initiative (GHHI), which layers resources from multiple funding streams from several government sources to reduce exposure to environmental hazards in homes.

The following overview includes current and prior year funds which are being spent in programs such as Emergency Housing Repairs and Weatherization, Down Payment Assistance, and new multi-family construction projects.

Examples of some of these in process projects include:

- **Ferry Homes-New Construction Infill – 831, 833, 845 and 847 E. Ferry Street**

The project will consist of assembling five (5) vacant parcels in the Ferry Grider Neighborhood into three (3) buildable lots and constructing three (3) 4-bedroom single family homes. Upon completion, the homes will be sold at an affordable price to qualified first time homebuyers.

The Ferry Homes project is in the predevelopment and preconstruction stages.

Supplemental Call for Projects – HOME Investment Partnerships Program

On April 6, 2017 the City of Buffalo Urban Renewal Agency released a Supplemental Call for Projects. As a supplement to previous RFP's by the City of Buffalo ("City"), and/or the Buffalo Urban Renewal Agency ("BURA") for HOME Projects, is seeking proposals from experienced developers, through the federal HOME Investment Partnership Act to assist in the development of affordable housing projects in the City of Buffalo. The City of Buffalo and BURA will support projects that provide for an increase in the number of affordable housing units through new construction, conversion of non-residential space or renovations to vacant residential structures or rehabilitation of existing rental units in substandard condition. Projects that propose renovations to existing rental units whereby the cost of renovation is less than 60% of the proposed development budget, including acquisition and soft costs will not be considered for HOME funding.

In addition to the Entitlement Grants, BURA received a Non-Federal award from Evans Bank for \$475,000.00. The first installment of \$237,500.00 was received in December 2015, and the second installment for the same amount was received in December 2016. This award will be utilized for several activities including:

- The Target Street Program – funds for code-related repairs and lead paint hazard reduction;
- The Emergency Roof Program – funds for repairs of severely deteriorated roofs damaged by water infiltration;
- The Emergency Assistance Program- funds for repairs of emergency conditions such as inoperable furnaces, broken hot water tanks, hazardous chimney;
- The Weatherization Assistance Program – funds for weatherization improvements based on energy audits/surveys of properties;
- The Down Payment Closing Cost Assistance Program – funds that will assist first time homebuyers in meeting closing costs or down payment expenses associated with the purchase of a single family home;
- Support of homebuyer education workshops and activities

BURA staff will continue to assist the Department of Permits and Inspections with demolitions; the Department of Public Works with improvements to community centers, parks, streets, and sidewalks; the Department of Community Services with the funding and oversight of public service agencies; and the Division of Citizen Services with a Crime Prevent Program. BURA staff work with these departments to ensure compliance with federal regulations, which includes ensuring that the projects are undertaken in a timely manner.

The Division of Community Planning helps to coordinate improvements in neighborhoods throughout the City of Buffalo. Among other things, staff within the Division of Community Planning focus on homelessness, New Americans, public infrastructure improvements, vacant and abandoned property, and the strengthening of commercial corridors.

This year, the Division of Community Planning will continue to work with a consultant to prepare an Affordable Housing Plan. This effort will develop a framework for addressing housing needs with broad community support, and identify opportunities to better coordinate the work of public, non-profit, and private entities to meet the agreed-upon goals and objectives.

The upcoming budget continues Mayor Brown's commitment to provide increased quality housing options for low income citizens to the City, furtherance of planning initiatives, emergency services to our most needy residents, and demolitions for safety and to create buildable lots and improvements to city-wide centers.

CITY OF BUFFALO URBN RENEWAL AGENCY
 OPERATING BUDGET & FOUR YEAR PLAN

FOR THE FISCAL YEARS

ENTITLEMENT & GENERAL FUND OPERATING BUDGETS

	2017-2018	2018-2019	2019-2020	2020-2021
Grant Revenues and Related Income				
CDBG	\$ 3,253,755	\$ 3,091,067	\$ 2,936,514	\$ 2,789,688
CDBG Prior Years	\$ 8,440,586	\$ 6,300,000	\$ 5,000,000	\$ 5,000,000
CDBG Interest/Rental Income	\$ 275,000	\$ 300,000	\$ 325,000	\$ 350,000
HOME	\$ 1,448,751	\$ 1,376,313	\$ 1,307,498	\$ 1,242,123
HOME Prior Years	\$ 8,049,757	\$ 5,800,000	\$ 2,000,000	\$ 2,000,000
CDBG Program Income	\$ 725,000	\$ 800,000	\$ 875,000	\$ 950,000
HOME Program Income	\$ 120,000	\$ 125,000	\$ 130,000	\$ 135,000
Evans Fund	\$ 250,000	\$ -	\$ -	\$ -
LISC	\$ 175,000	\$ -	\$ -	\$ -
JAG Grant	\$ 64,300	\$ 57,848	\$ -	\$ -
General Fund Revenues	\$ 664,300	\$ 592,300	\$ 592,300	\$ 592,300
	<u>\$ 23,466,449</u>	<u>\$ 18,442,529</u>	<u>\$ 13,166,312</u>	<u>\$ 13,059,111</u>

Grant Expenditures

CDBG Crime Prevention	\$ 85,380	\$ 81,111	\$ 77,055	\$ 73,203
CDBG ER Loan Program Costs	\$ 1,873,400	\$ 1,899,730	\$ 1,928,744	\$ 1,960,306
CDBG Program Delivery	\$ 589,800	\$ 560,310	\$ 532,295	\$ 505,680
HOME CHDO @15%	\$ 217,313	\$ 206,447	\$ 196,125	\$ 186,318
HOME Program Delivery	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Evans Fund Program Costs	\$ 237,500	\$ -	\$ -	\$ -
HOME Program Costs	\$ 944,564	\$ 894,735.37	\$ 847,624	\$ 803,092
LISC Program Costs	\$ 175,000	\$ -	\$ -	\$ -
Entitlement Prior Year Allocation Rollovers - CDBG ER Loan Program and HOME Program	\$ 13,706,945	\$ 9,623,361	\$ 4,747,193	\$ 4,969,833
Entitlement Prior Year Allocation Rollovers -Admin Related Over CAPS	\$ 2,233,382	\$ 1,954,123	\$ 1,756,417	\$ 1,558,596
	<u>\$ 20,313,283</u>	<u>\$ 15,469,818</u>	<u>\$ 10,335,452</u>	<u>\$ 10,307,029</u>

Admin & Planning Costs

CDBG Admin @20% cap (on total CDBG Award) including Program Income	\$ 1,705,175	\$ 1,649,916	\$ 1,598,420	\$ 1,550,500
HOME Admin Costs @10% cap including Program Income	\$ 156,875	\$ 150,131	\$ 143,750	\$ 137,712
Entitlement Roll over at CAPS	\$ 550,017	\$ 522,516	\$ 496,390	\$ 471,571
Evans Fund Admin Costs	\$ 12,500	\$ -	\$ -	\$ -
JAG Costs (Salary and Fringe)	\$ 64,300	\$ 57,848	\$ -	\$ -
General Fund Costs	\$ 664,300	\$ 592,300	\$ 592,300	\$ 592,300
	<u>\$ 3,153,166</u>	<u>\$ 2,972,711</u>	<u>\$ 2,830,860</u>	<u>\$ 2,752,082</u>
	<u>\$ 23,466,449</u>	<u>\$ 18,442,529</u>	<u>\$ 13,166,311</u>	<u>\$ 13,059,111</u>

Variance \$0 \$0 \$0 \$0

BURA Admin Costs

Salaries	\$ 2,300,699	\$ 2,339,854	\$ 2,380,801	\$ 2,422,465
Fringe	\$ 920,279.49	\$ 935,941.48	\$ 952,320.45	\$ 968,986.06
	<u>\$ 3,220,978</u>	<u>\$ 3,275,795</u>	<u>\$ 3,333,122</u>	<u>\$ 3,391,451</u>
Less Program Delivery (HOME and CDBG)and JAG	\$ 919,800	\$ 890,310	\$ 862,295	\$ 835,680
Total Admin Salaries and Fringe	\$ 2,301,178	\$ 2,385,485	\$ 2,470,827	\$ 2,555,771
Plus Services and Supplies	\$ 851,988	\$ 587,226	\$ 360,033	\$ 196,311
Total BURA Admin Costs	<u>\$ 3,153,166</u>	<u>\$ 2,972,711</u>	<u>\$ 2,830,860</u>	<u>\$ 2,752,082</u>