

## The Penn Hills Consolidated Annual Performance and Evaluation Report

### **Executive Summary**

Ninety days following the end of the program year all state and local governments that receive Community Development Block Grant (CDBG) funds directly from the Department of Housing and Urban Development (HUD) such as Penn Hills must submit a Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER is prepared by the Penn Hills Department of Planning and Economic Development annually and submitted to HUD in accordance with Federal Guidelines. The CAPER describes in detail how the funds were expended during the Program Year. The Program Year being reported on in this document is 2009, Year 35. This marks the completion of the 354th year that Penn Hills has taken part in the Federal Community Development Block Grant program. This Program Year ran from March 01, 2009, to February 28, 2010. The February to March Program Year schedule was adopted in 1997 to coincide with Allegheny County's Program Year. The Municipality of Penn Hills, the City of McKeesport, and Allegheny County are all part of a Housing Consortium for the purpose of sharing Home Funds. Although we are in a consortium for Home Funds and our program year schedule is the same, the Municipality operates its own CDBG Program independent of the County and McKeesport.

The forms included within this document are required by Federal Regulations and provide information on each project that was approved by the Penn Hills Mayor and Council and found to be eligible by HUD to be carried out utilizing CDBG funds. The End of Program Year Narratives describes the program activities in detail and illustrates how each activity furthers the objectives of the Consolidated Plan. The Financial Summary Report CO4PR26 illustrates the total expenditures for the program year as well as the total expenditures for low-mod benefit, public services, and administration. The Summary of Consolidated Plan Projects Report C04PR06 illustrates each activity outlined in the Consolidated Plans since 1994. The Summary of Accomplishments Report C04PR23 illustrates the disbursement of funds by activity group and matrix code. The CDBG Housing Activities Report C04PR10 illustrates housing activities, and the Activity Summary Report C04PR03 provides the bulk of statistical information including a brief description of the projects, the location of the activity, the demographics of the participants, the amount of funds spent within the program year, the current project status, and the program year budget amounts. Copies of the CAPER are available at the Planning Department and Penn Hills Library. Additional information on the forms, requirements, and the application is available on the U.S. Department of Housing and Urban Development's homes and communities web site at [www.hud.gov](http://www.hud.gov).

The Planning Department utilizes HUD's Integrated Disbursement and Information System (IDIS) to create the above mentioned reports. IDIS is an online computer system designed to HUD's specifications to improve record keeping and facilitate HUD's monitoring of our program. It permits our staff to communicate directly to a main frame in Washington DC through the Internet. Each time we perform a draw down (request for payment), revise or update a project, review and monitor a project's status, or print a report, we perform these functions using IDIS. In addition, local HUD staff can utilize the same system to monitor our performance from their own desks. Perhaps there will be a day when the public will be able to log on and review the status of a project from their own

home or public library. The IDIS system is continuously being improved and updated to meet the needs of grantees like Penn Hills. We recently updated to the new Reengineered IDIS 11.0.3.6 replacing IDIS 10.4. Reengineered IDIS is the latest new and improved version of IDIS available. Besides regular updates to the software to accommodate the needs of its users, HUD has multiple screens to address Community Planning and Development (CPD) Outcome Performance Measures.

Outcome Performance Measurement is a method used to determine which of three objectives best describes the purpose of the activity: Suitable Living Environment, Decent Housing, Creating Economic Opportunity, and which of three outcomes best reflects what the grantee is seeking to achieve: Availability/Accessibility, Affordability, and Sustainability. The three objectives and three outcomes will combine to make nine possible objective/outcome statements. Each activity is to be given one of the nine statements. In addition, there is a standardized list of output indicators that grantees report on as appropriate for their chosen objectives and outcomes. Penn Hills incorporated the Outcome Performance Measurement System into the Action Plan, Consolidated Annual Performance Evaluation Report, and the Five Year Consolidated Plan.

The System has been designed to enable grantees and HUD to inform Congress and the public of the outcomes of eligible covered activities. HUD's goal is to begin focusing on more outcome-oriented information and be able to combine results across the broad spectrum of programs funded by CDBG dollars at the city, county, and state level. To do this reporting must be uniform. As a result, all communities receiving CDBG funds will be able to report performance using the same criteria.

The Outcome Performance Measurement System has been incorporated into the Consolidated Plan and all existing activities currently underway. All activities completed after October 01, 2006, are required to include Outcome Performance Measurement data. Any activity reopened for revisions or corrections following the 2006 deadline are also required to include Performance Data to be marked as completed once again.

Some additional requirements requested by HUD include the Summary and End of Program Year Narratives, which compare the CAPER to the Consolidated Plan as a way of monitoring the program's performance against our goals and objectives as outlined in the Plan. The Summary of Accomplishments reflects a comprehensive look at the highlights of the program year. The Summary and Narratives provide an opportunity for the grantee to elaborate on its performance. Although the comment form in IDIS was greatly expanded from the earlier versions, the Summary and Narratives allow the grantee to elaborate on its performance, insert pictures, graphs, and maps, and improve its reporting function beyond simple data.

## **Summary of the 2009, Year 35, Accomplishments**

The Department of Planning and Economic Development is very pleased to report on this year's performance in which \$ 833,666.09 was expended during the program year in carrying out Community Development Block Grant activities and an additional \$156,039.72 was expended during the program year carrying out American Recovery and Reinvestment Act (CDBG-R) activities for a total of \$989,705.81. CDBG-R funds resulted in 3.11 Full Time Equivalent (FTE) jobs. Not including the CDBG-R fund, this is 100% of the year's available funds. As of December 31, our spending ratio was approximately .66. This program year's performance was above satisfactory and represents outstanding performance on the part of Penn Hills CDBG program. Our entitlement grant was \$751,536.00 and our CDBG-R grant was \$200,233.00 for a total of \$951,769.00.

The chart below illustrates key factors associated with the Municipality's performance over the past eleven years. A review of the performance figures from the past 11 years, program years 25 through 35 would indicate that Penn Hills has experienced consistent performance and average expenditures of nearly of \$1,000,000 per year. The timeliness figure for this program year was well within the 1.5 guidelines at 0.66. Each grantee is required to maintain a spending ratio below 1.5 times the program year's allocation within 60 days of the end of the program year and spend in excess of 100% of its yearly available funding. We are reporting 0.66 for the spending ratio and 94.9% of available funding for 2009. Perfect performance would be a ratio of .50 and 100% of the available funds in one program year. We monitor our own spending progress on a monthly basis. We believe that we have increased our level of spending to a point where spending ratios and % of expenditures is not a concern. Although we are subject to an administrative cap where spending on planning and administration cannot exceed 20%, it should be noted that the high level of spending mentioned above was accomplished with the use of less than 8% of expenditures going to general program administration. This includes figures from the Fair Housing Partnership which spends all of its funding on administration and salaries for Municipal Employees.

An area of concern could be the decrease in the amount of Program Income received. A review of the Program Income column reveals a steady decline in the amount collected over recent program years. Program Income comes from our Single Family Rehab Program. As loans are paid back, we put the money back into the program to assist in the funding of the CDBG budget. In recent years, as the amount of funding has been reduced the Program Income has also declined greatly reducing the overall budget. The decline in Program income is a result of a high number of delinquent loans. Currently 119 of the 125 outstanding loans are delinquent. In March of 2007, we sent a letter to all of our loan holders reminding them of their obligation to pay back the loan. This effort met with little success. The loan recipients are low/mod, low, and very low income families. These households are at risk of not being able to afford the loan payments in good times and with the steady economic decline of the country, their failure to pay back there loans is not a surprise. Efforts to keep these families in their homes overshadow the collection of delinquent loan payments. This will continue to be a problem as long as the economy continues to decline. At some point in the future we may need to discuss a method of increasing collection rates. This effort could begin with an inventory of the delinquent properties to see if the loan holder still lives there, what their current income is, and their ability to pay. We suspect that some of them may be vacant or occupied by another party.

Year	Program Year	Grant	Program Income	Funds Available	Expenditures	Timeliness	% of Funds Expended
1999	Year 25	\$736,000	\$201,959	\$937,959	\$1,199,777	1.57	127.9
2000	Year 26	\$755,000	\$173,446	\$928,446	\$1,151,379	1.39	124.0
2001	Year 27	\$798,000	\$155,341	\$953,341	\$ 912,964	1.17	95.7
2002	Year 28	\$849,000	\$146,930	\$995,930	\$1,096,382	1.04	110.1
2003	Year 29	\$866,000	\$159,169	\$1,025,169	\$1,041,368	1.08	101.6
2004	Year 30	\$861,000	\$98,873	\$959,873	\$ 775,536	1.43	80.7
2005	Year 31	\$823,026	\$95,443	\$918,469	\$1,296,951	1.03	141.0
2006	Year 32	\$751,343	\$49,677	\$801,020	\$ 716,128	1.08	89.0
2007	Year 33	\$760,302	\$55,139	\$815,621	\$ 829,722	1.08	101.7
2008	Year 34	\$737,540	\$37,995	\$775,535	\$989,267	1.08	127.56
2009	Year 35	\$751,536	\$56,120	\$807,656	\$833,666	0.66	103
2009	CDBG-R	\$200,233	\$0	\$200,233	\$156,040		79
<b>Total</b>		<b>\$8,688,747</b>	<b>\$1,230,092</b>	<b>\$9,919,019</b>	<b>\$10,843,140</b>	<b>1.15</b>	<b>109.3</b>



A review of our overall spending and the amount of available funds during the program year reveals a considerable increase in the amount of funding for 2009. This is a result of the CDBG-R American Recovery and Reinvestment Act funding. Penn Hills received an entitlement grant of \$751,536.00 in March of 2009 and a CDBG-R grant of \$200,233.00 in September for a total of \$951,769.00. A considerable amount of money was expended on public facility improvements at our local community and senior centers. The following activities represent the highlights of the

year with respect to spending and include approximately \$31,109.94 at the Senior Service Center for completion of the renovations to the office and improvements to the multi-purpose room for a total of \$159,408.64 over the two year period; \$ 257,541.77 at the Lincoln Park Community Center for the renovation of two classrooms for a computer room and food pantry room and the renovation of four bathrooms to bring them into compliance with current building codes including accessibility and efficiency with the installation of automatic lights and flush controls; \$103,630.08 at the Shining Arrow building for the installation of a new paved parking area, dumpster enclosure, fencing, and recreation area at the rear of the building; \$273,534.13 for the resurfacing of 3,900 feet of public streets repaved from curb to curb; \$33,125.00 in expenditures for residential rehab for the rehab of 2 single family homes; \$34,654.64 for the demolition of 2 unsafe structures; and \$123,827.87 for public services. A complete description of each of these activities can be found in the Accomplishment Narrative section of the CDBG Activity Summary Report located on page 53 of this document along with all other activities funded during the program year.



**Senior Service Center Improvements**

**\$ 31,109.94**



The Senior Service center (SSC) is located at 147 Jefferson Road. During the 2008 program year we provided renovation improvements to the staff offices, hallways, reception area, and multi-purpose room. The offices and reception area are located in the original part of the building. \$31,109.94 was expended during the 2009 program year and \$128,298.70 was expended during the 2008 program year to replace the ceiling, carpet, wall finishes, and furniture in the offices, reception area, and main hallway and the installation of new floor tile and cove base in the multi-purpose

room for a two year total of \$159,408.64. The Senior Service Center is eligible for CDBG funds as a Low/Mod limited clientele benefit (LMC). It provides a benefit to low and moderate income clientele. Senior citizens are presumed low-income. It is a Public Facility Improvement Matrix Code is 03A Senior Service Center improvements. Improvements to the SSC offices will assist in improving the delivery of services to the seniors of Penn Hills. The objective is the creation of a suitable living environment and the outcome is availability and accessibility. Outcome performance will be measured by the number of people that no longer have access to a substandard facility as a result of the improvements. The addition was built with nearly \$1,000,000.00 in CDBG funds in the early 90's and an additional \$704,778.25 has been expended since 1997 for various improvements to the building.



**LPCC Improvements**

**\$ 257,541.77**



\$ 257,541.77 was expended during the program year for improvements to the Lincoln Park Community Center located at 7300 Ridgeview Avenue for the renovation of two classrooms and the renovation of four bathrooms. Both rooms received new lighting, wall finishes, flooring, windows, and unit ventilators. One room was turned into a computer room/conference room with new computers, server, furniture, projector, screen, and podium. The other room received a counter top, sink, wash tub, commercial refrigerator and freezer for the food pantry, furniture, and chairs.

Two restrooms on each floor were completely renovated with new automatic lighting, ceilings, wall finishes, partitions, automatic fixtures, floor tile, and accessible partitions. A new water pump and bladder system was also installed to ensure that adequate water pressure and volume is supplied to the new fixtures. A considerable amount of work has occurred in the building over the years and there is more to come. In an effort to organize, prioritize, and budget for the future, I asked the Municipal Engineer to prepare a report for each our community



center buildings including the Lincoln Park Community Center. The report is a comprehensive analysis of the condition and accessibility of the Center. The structures were assessed from the views of structural integrity, accessibility, and general concerns including the buildings surroundings. The report includes an overview, executive summary, visual inspection, center uses and classifications, structural inspection, accessibility inspection, and a safety and general code compliance section.



The MEP (Mechanical, Electrical, and Plumbing) section provides an analysis of each building system. Each report includes as built drawings with dimensions and proposed use classifications. In addition, each report includes a budget to project proposed projects and the year of construction based on importance for the next five years to assist in the development of future CDBG budgets. Future improvements at this building could include fire and safety improvements, electrical upgrades, ventilation improvements, improvements to the

playground and basketball court, façade improvements, an elevator, and other projects as outlined in the report. Since 1993, \$1,277,741.57 has been expended at the Lincoln Park Community Center for various improvements to the building. The Lincoln Park Community Center is located at 7300 Ridgeview Avenue in Census Tract 5231 Block Group 4. It is 58% low/mod and qualifies for assistance as an area benefit utilizing the HUD’s quartile calculation for eligibility. The projects at the Lincoln Park Community Center are a Low/Mod Area Benefit under Public Facilities and Improvements matrix code 03. Improvements to the LPCC provide additional service to the residents of Lincoln Park and the surrounding communities including Penn Hills, Wilkinsburg, and the City of Pittsburgh. The objective is the creation of a suitable living environment and the outcome is availability and accessibility. Outcome performance will be measured by the number of people that no longer have access to a substandard facility as a result of the improvements.



**James Fedele Shining Arrow Building Improvements    \$ 83,630.08CDBG**  
**\$ 20,000.00CDBG**  
**\$103,630.08**



\$ 103,630.08 was expended at the Shining Arrow Building located at 10147 Frankstown Road. \$83,630.08 was expended from our CDBG entitlement and the remaining \$20,000.00 came from the CDBGGR funding resulting in 1 Full Time Equivalent Job (FTE). With these funds we installed a new paved driveway and parking are in the rear, lawn and paved recreation area, walkways, dumpster, and fencing. The Shining Arrow Building is eligible for CDBG

funds as a Low/Mod limited clientele benefit (LMC). It provides a benefit to low and moderate income clientele. Handicapped are presumed low income. It is a Public Facility Improvement Matrix Code is 03B Handicapped Center improvements. Improvements to Shining Arrow will assist in improving the delivery of services to the handicapped of Penn Hills. The objective is the creation of a suitable living environment and the outcome is availability and accessibility. Outcome performance will be measured by the number of people that no longer have access to a substandard facility as a result of the improvements.



Following the initial \$110,000.00 rehab of the existing structure in 1994 to serve the needs of Shining Arrow and its programs, the Municipality has been committed to continued support of Shining Arrow and its mission. Since 1994 we have expended \$496,081.10 in CDBG funds in support of Shining Arrow. Shining Arrow provides services to mentally and physically handicapped children and adults. We renovated the Shining Arrow buildings to include an accessible kitchen, social area, outdoor recreation, and classrooms. The kitchen is instrumental

in training participants in life skill so that they can obtain jobs and eventually live on their own. Shinning arrow provides training in life skills, education, and other services directly related to the mentally and physically handicapped. In 1998 we built a storage building to house aluminum can crushing machines and store cans prior to pick up. Shining Arrow uses the cans as a fundraiser. In 2002, we paved the front parking lot and in 2005 we completed an outdoor recreation patio area to provide passive outdoor recreational opportunities. During the 2006 program year, we constructed an addition on the building which included a badly needed additional restroom, kitchenette for staff, and additional program space. While not directly providing housing, the funds spent in the support of Shining Arrow facilitate the moving of handicapped individuals into their own homes. Shining Arrow has programs for approximately 150 handicapped children and adults. Milestone Centers Incorporated operates many programs for the handicapped in the building.



**Street Improvements**

**\$174,994.41CDBG**  
**\$ 98,539.72CDBGR**  
**\$273,534.13**



\$273,534.13 was expended during the program year for the resurfacing of 3,900 feet of public streets repaved from curb to curb in low income areas. \$174,994.41 was expended from our CDBG entitlement and the remaining \$98,539.72 came from the CDBGR funding resulting in 2.1 Full Time Equivalent Jobs (FTE). The location of these streets is mapped on page xx of this document. This program is designed to provide street improvements in low-income neighborhoods throughout the

municipality. Many of the paving activities follow storm sewer improvements from the previous year. We have essentially caught up with deteriorated streets in eligible neighborhoods and can now pave on a standard cycle. Street improvements are intended to benefit the quality of life in these neighborhoods by improving the physical environment. These improvements add value to the homes in the area and hopefully encourage home ownership, rehabilitation activity, and new construction. Storm sewer improvements assist in the safety and maintenance of the streets. During the 2009 program year, we expended \$4,500.00 on the installation of street trees in the center Island of Travella Boulevard to assist in the redevelopment of this neighborhood. Penn Hills spends \$150,000.00 to \$350,000.00 per year on street paving from the CDBG program. This is to supplement the additional funds that Penn Hills spends on street paving utilizing other sources of funding including Liquid Fuels money. This activity serves low-income areas town-wide and qualifies as a Low/Mod Area Benefit. This year's program included 3,900ft of streets in Census Tracts 5231 block Group 4. This block group is 58% low/mod and qualifies for assistance as an area benefit utilizing the HUD's quartile calculation for eligibility. The objective is to provide a suitable living environment and the outcome is sustainability. A solid street paving program is key to providing a sustainable community. Outcome performance will be measured by the number of people that no longer have access to substandard streets as a result of the improvements.



### **Single Family Residential Rehab**

**\$ 33,125.00**

\$33,125.00 was expended during the program year for the rehab of 2 single-family homes located throughout Penn Hills. Funds from this program provided 0% and 6% loans of up to \$15,000.00 to qualifying low-income homeowners for improvements to their homes. Repayment of loans provides an estimated \$50,000.00 in program income each year.



Although the amount of program income has diminished in recent years, this program is essentially self-sufficient. Funding is below the level obtained in earlier program years due to significant changes in federal guidelines, which require the applicant to perform lead based paint abatement as a part of the loan. In addition the Nation's economy has prevented residents from taking on extra debt in the form of a rehab loan. Although



the program remains a significant part of the Penn Hills CDBG program, the number of loans and the amount funds expended has decreased significantly. As a result of the low participation in 2007, \$66,611.34 remained from previous program years. In 2008 the Year 34 rehab program budget was reduced to zero. We were pleased to receive more requests than we had funding for requiring us to transfer additional funds into this activity. We revived the level of funding for Year 35 bringing it

back up to \$100,000.00. Although we only expended \$33,125.00 during the program year, several loan applications are being processed which will result in additional expenditures in 2010. A matching grant of up to \$2,500.00 is also available for accessible improvements to qualifying homeowners. We offer this rehab program to low and moderate-income homeowners and encourage them to make necessary improvements to their homes. We assist homeowners in the application and bidding process. We prepare bid specifications and monitor construction through the Municipality's Housing Coordinator. The loans are used to repair or replace roofs, install replacement windows, install new furnaces, install new doors, rehab bathrooms and kitchens, and upgrade the electrical services among other things. This activity serves low-income homeowners town-wide. This is a Low/Mod Housing Benefit. The object is to provide decent housing and the objective is affordability. The outcome performance is measured by the number of households that now have access to housing that is no longer substandard as a result of providing an affordable loan.

### **Town Wide Demolition**

**\$ 34,654.64**

In combination with rehabilitation, when owners of deteriorated structures cannot be located and successfully prosecuted, or when owners are low-income individuals, the municipality will demolish these unsafe and deteriorated structures. A lien is placed on the property so future recovery of costs is possible. This program operates on a town wide basis. These funds can also be used to remove retaining walls, debris, and accessory structures as well as for the reestablishment of appropriate lawns or vegetation. Penn Hills demolished 18 structures in during the 2007 program year. Although an insignificant amount of funding was expended in



2009, 10 unsafe structures were bid out and awarded for demolition and an additional 10 structures are in the works which will result in increased spending for 2010. Although the structures are removed, Penn Hills does not own the land. We are removing a code violation and unsafe condition. Maintenance of the vacant lot is still the responsibility of the landowner. Many residents in the vicinity of these lots would like to see these vacant lots maintained as lawn. Although our specifications require that the contractor fine grade the property and rake to establish a surface suitable for mowing, Penn Hills does not have the resources to mow these lots and there is no



ordinance that requires owners of vacant property to maintain it as lawn. In fact, the opposite is true. Land is to remain wooded until a development proposal is approved. As long as no development proposal or building permit is obtained, these sites may return to woodland. This activity qualifies under Removal of Slum and Blight. The objective is to provide a suitable living environment and the outcome is sustainability. Outcome performance will be measured by the number of unsafe structures removed through this activity.

**Public Services**

**\$91,479.58CDBG**  
**\$23,500.00CDBGR**  
**\$114,979.58**

Penn Hills funded eight Public Services activities with CDBG funds during the program year; including the Western Penn Hills Community Action Neighborhood Beautification Program, The Penn Hills Service Association, the Penn Hills Branch of the Greater Pittsburgh YMCA, Lincoln Park Community Center Food Pantry, Townwide Blight Removal, the Jefferson Manor Food Pantry, the Fair Housing Partnership, and the lease purchase of two vehicles for the Senior Service Center Home Delivered Meals Program. Although the budget for each activity is relatively low compared with other activities, when combined the Public Service Activities they make up a significant part of the overall CDBG Program expenditures. Federal regulations prohibit spending in excess of 15% of the overall funds available during the program year on Public Services. HUD would prefer “Brick and Mortar” activities that result in the construction of buildings or the purchase of equipment. During the 2009 program year we expended \$91,479.58 in CDBG funds or 11.59% of the overall funds available on Public Services. We spent an additional \$23,500.00 on public services utilizing CDBG-R funds. The objective of public service is to provide a suitable living environment and the outcome is availability and accessibility. Outcome performance will be measured by the number of people that now have access to food, clothing, and services that they couldn’t otherwise have access to or afford.

Besides the projects completed during this reporting period there are a number of projects underway that will be completed during the 2010 program year that are ready to begin as soon as funds become available. Considerable funds were expended for engineering services for projects that will be completed or underway in the coming year including: William McKinley Electrical Upgrades where the entire electrical service will get needed renovations and upgrades, street paving, rehab, and demolition. We are looking forward continued increase in activity for the Senior Aide Rehab Program. In addition, we will be performing street paving, the demolition of unsafe structures, single family rehab, the funding of six subrecipients, and many other projects.

The basic format of this document was developed by HUD and meets HUD requirements for reporting. The Penn Hills Action Plan and CAPER have been described as well prepared in recent monitoring reports from HUD. This office has made several attempts to be more thorough in explaining the CDBG program than is required. We have attempted to make it more user friendly to the public by adding pictures, graphics, and maps along with our narratives. This goes beyond basic requirements, but allows for a better understanding of our programs, projects, and expenditures by the public.

We hope that readers find the information that they desire with respect to the program’s performance during the Program Year. Once again I believe you will find that Penn Hills has addressed all of the community needs established in the Consolidated Plan. If you have any questions please contact the Penn Hills Department of Planning and Economic Development at 412-798-2126 or [www.pennhills.org](http://www.pennhills.org).