

**LANCASTER
COUNTY
HOUSING AND
REDEVELOPMENT
AUTHORITIES**



**ANNUAL REPORT
2006**

From The *Strategic Plan for the Lancaster County Housing and Redevelopment Authorities*:

VISION STATEMENT

To be a catalyst for community revitalization and affordable housing efforts in Lancaster County.

MISSION STATEMENT

To initiate and provide opportunities through partnerships to encourage individual achievement, empower families, strengthen neighborhoods, develop and preserve affordable housing and promote community and economic growth to revitalize Lancaster County's communities.

THE LANCASTER COUNTY REDEVELOPMENT AUTHORITY

administers the following HUD-funded programs which benefit low- and moderate-income residents of Lancaster County: • **Community Development Block Grant** - provides and supports a wide range of activities: Housing Assistance for Homeowners and Homebuyers, Public Infrastructure and Community Facilities Projects, Human Services Activities, Fair Housing Programs and Economic Development Programs. • **HOME Investment Partnerships Program** (including the American Dream Downpayment Initiative) - supports a range of housing activities: Construction and Rehabilitation of Rental Housing, Assistance for Homebuyers, and Assistance for Tenants. • **Emergency Shelter Grant Program** - provides support for Homeless Prevention/Assistance activities, such as Emergency Shelter, Transitional Shelter, and Essential and Supportive Services to individuals in the County who are homeless or those at risk of becoming homeless.

Members of the Redevelopment Authority Board include: Cindy Stewart, *Chair*; Neil Kinsey, *Vice Chair*; Ralph Murray, Sr., *Treasurer*; Miriam Fletcher and James Shultz.

THE LANCASTER COUNTY HOUSING AUTHORITY administers the HUD-funded "**Section 8**" **Housing Choice Voucher Program**, which provides rental assistance to elderly and disabled individuals and to families with children. This program inspects for housing quality and pays rent subsidies directly to participating landlords on behalf of low-income households that lease privately-owned rental units in Lancaster County, outside Lancaster City. The Program also funds the **Family Self-Sufficiency Program**, in which clients receive case management services and set goals to become independent of government financial assistance within five years. A Homeownership component also helps qualified rental assistance tenants to become first-time home buyers and receive monthly mortgage assistance. In addition to the Housing Voucher Program, the Housing Authority subsidizes rents for tenants in County properties that were renovated through HUD's **Moderate Rehabilitation Program**.

Members of the Housing Authority Board include: Cindy Stewart, *Chair*; Neil Kinsey, *Vice Chair*; Ralph Murray, Sr. ; Miriam Fletcher and James Shultz.

EXECUTIVE DIRECTOR'S MESSAGE

It is a pleasure to offer the first Annual Report of my tenure as Executive Director. Since taking over on July 10, 2006, I have focused on getting to know the Authorities and the varied, dynamic programs we provide. What I have found is a strong organization with a dedicated staff, committed to providing the highest quality services to our constituents.

The first half of 2006 was a time of transition. Randy Patterson, executive director for the past seven years and a staff member for 28-1/2 years, left to take on major redevelopment responsibilities for the City of Lancaster. His final projects here, especially the development of Clipper Magazine Stadium, steered the Authorities in a new, more proactive direction. My challenge is to pick up where Randy left off and expand the Authorities' involvement in urban revitalization and community development.

When contemplating growth it is important not to lose sight of our core mission. Our primary service is administering Lancaster County's Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), American Dream Downpayment Initiative (ADDI) and Emergency Shelter Grants (ESG) through the Redevelopment Authority, and Housing Choice Voucher Program (HCV) and the Family Self-sufficiency Program (FSS) through the Housing Authority. Other project-specific funding comes from the PA Department of Community and Economic Development, and the County of Lancaster.

HUD programs managed by the Redevelopment Authority provided \$4,840,919 in support of housing initiatives, public improvements, community services and homeownership programs. The Housing Authority managed \$5,502,177 in voucher payments and family self-sufficiency initiatives.

Looking ahead, our strategic plan calls for review of our program strategies to make sure we are responding as effectively as possible to current needs in the community. These changes will start to show up in next year's report. One major change will be an expanded role in redevelopment of the borough downtowns. Another will be a move toward diversifying our funding base so we are less reliant on a single source of revenue.

Our agenda is ambitious and is only possible because of the dedication and imagination of our staff. They are a wonderful team of colleagues. Particular thanks go to deputy executive director David Brazina, tenant services director Terry Danforth and community development director Aimee Tyson, who led the authorities through the management transition. I also want to thank our board of directors – Cindy Stewart, chairwoman, Miriam Fletcher, Neil Kinsey, Ralph Murray, Sr., and James Shultz.

We look forward to continue serving the community throughout the coming year.

Sincerely,

Matthew T. Sternberg
Executive Director

THE BOARD CHAIR'S MESSAGE

The Board of Directors of a public authority is expected to maintain the public's trust and oversee the programs that have been established in order to advance the well being of the residents of Lancaster County. This is accomplished through three very important responsibilities. Two of these, the establishment of operating policy and the monitoring of the authorities' finances, are an integral part of our day-to-day oversight. The third, the recruitment and hiring of our chief executive, is required less frequently, but is no less important.

Last year, the Board of Directors was very pleased to welcome Matthew Sternberg to the Lancaster County Housing and Redevelopment Authorities in his role as Executive Director. We were assisted in this effort by community volunteers: Dan Basehoar, Forrest Collier, Terry Kauffman, Art Morris, and Lisa Riggs. I want to thank them for their contribution of time and talent in our selection process.

In his first year, Matthew has been able to learn a great deal about the challenges facing our County. He has worked very hard to develop relationships and launch initiatives that will serve as a foundation for future successes. In partnership with the professional and dedicated staff of the Authorities, I am confident that the Board of Directors will provide the necessary leadership to assure the continued high standards of our existing programs and to strategically position ourselves to take advantage of new opportunities.

Sincerely,

Cindy Stewart
Board Chair of the Lancaster County
Housing and Redevelopment Authorities

REDEVELOPMENT AUTHORITY OF THE COUNTY OF LANCASTER

EXPENDITURES — 2006

The Redevelopment Authority expended \$10,103,004 in 2006. HUD grants funded \$6,450,152 in expenditures and State and Local grants funded the balance (\$3,652,852) of expenditures.

HUD Grants

CDBG	<i>Community Development Block Grant</i>	\$4,359,147
HOME	<i>HOME Investment Partnerships Program</i>	\$1,916,512
ESG	<i>Emergency Shelter Grant</i>	\$150,867
HMIS	<i>Homeless Management Information System</i>	\$23,626

State and Local Grants

DCED	<i>PA Department of Community & Economic Development</i>	\$634,681
RACP	<i>Redevelopment Assistance Capital Program</i>	\$1,728,692
AHTF	<i>Lancaster County Affordable Housing Trust Fund</i>	\$1,189,479
GLF	<i>Grow Lancaster Fund</i>	\$100,000

HOUSING CONSTRUCTION AND REHABILITATION ACTIVITIES

RENTAL HOUSING: In 2006, rental housing units were created or rehabilitated through the Rental Housing Program for 109 lower-income individuals and families using HOME and DCED funds. Additionally, construction continued on 130 rental housing units:

- Golden Triangle Apartments provides 58 new apartments for families
- Larkspur Crossing Apartments provides 29 new apartments for families
- Fordney Road SRO provides 14 single room units for individuals with mental illness
- Market View Apartments provides 8 apartments for individuals and families who are disabled and homeless
- Manor Heights Apartments will provide 70 new apartments for families
- Village Garden Apartments will provide 60 new apartments for seniors

OWNER-OCCUPIED HOUSING: In 2006, the homes of 122 families were rehabilitated through various programs using CDBG and DCED funds:

- The Home Improvement Program provided assistance to 31 homeowners to address code compliance and structural repairs to their homes
- The Homeowner Assistance Program provided assistance to 3 homeowners enabling them to complete municipally required improvements to their homes
- The Energy Conservation Program provided assistance to 65 homeowners to enable them to make their home more energy efficient
- The Access Program provided assistance to rehabilitate 23 homes to make them accessible to a family member with a physical disability

HOMEBUYER ASSISTANCE: In 2006, CDBG, HOME and AHTF funds assisted 156 families to purchase their first home.

PUBLIC INFRASTRUCTURE ACTIVITIES

Last year, CDBG funds were used to complete projects that provided 127 low-income and moderate-income households in Lancaster County, outside the city of Lancaster, with either access to water and sanitary sewer improvements or street reconstruction and improvements.

- The installation of sanitary sewer lines in Paradise Township benefited 22 households by providing sanitary sewer lines to replace failing on-lot sewer systems.
- The replacement of curbs and sidewalks in projects in Mount Joy, Columbia and Lititz benefited 105 households. These projects also included installing 24 accessible ramps, reconstruction of over 6,000 square yards of road, resurfacing more than 8,000 square yards of road and the installation of 515 linear feet of water lines.

PUBLIC SERVICES ACTIVITIES

CDBG assisted 6,204 low- and moderate-income youth, adults, and seniors; persons with disabilities; people who are homeless; and other individuals and families in crisis throughout Lancaster County in 2006, by funding 22 human service programs at 15 agencies.

- **Homeless Prevention/Services** - 997 individuals or households who were homeless or at risk of homelessness received housing assistance, shelter, homeless prevention services, counseling and/or advocacy through CDBG and ESG funds.
- **Health Services** - Last year, a total of 1,425 people of low- and moderate-income received medical and dental treatment. 16 people were provided professional mental health care.
- **Legal Services** - 117 low-income clients were provided with free legal representation and counsel in cases of domestic violence, child custody, housing needs and public benefits.
- **Youth Services** - 1,973 Lancaster County youth received counseling, advocacy, health services, educational and recreational opportunities, and case management.
- **Case Management / Public Services** - In 2006, CDBG funds an additional 3,443 low- and moderate-income residents in Lancaster County (outside the City) by funding other various human service programs.

HOMELESS PREVENTION/ASSISTANCE ACTIVITIES

Both ESG and CDBG funds were used to provide shelter, transitional housing and essential/supportive services to the homeless and those at risk of becoming homeless in Lancaster County. Funds covered operation and maintenance costs of various shelters, homeless prevention activities and case management services. The Authority also continued to administer the Homeless Management Information System (HMIS) called ServicePoint to coordinate and improve the accuracy of data entry and statistics by shelters and homelessness prevention/supportive services agencies in the County.

ECONOMIC DEVELOPMENT ACTIVITIES

Last year, 20 entrepreneurs were provided business training for the purpose of creating economic opportunities, and nine (9) of these individuals went on to start a business. CDBG funds also provided 39 entrepreneurs with access to technical assistance and business capital for the purpose of sustaining economic opportunities. Business counseling was also provided for start-up or existing micro-enterprises to 43 entrepreneurs, with two of them receiving loans through the County's CDBG-funded Micro-enterprise Loan Fund to establish or expand an existing business.

2006 ANNUAL FINANCIAL STATEMENTS

Redevelopment Authority of the County of Lancaster

STATEMENT OF NET ASSETS

As of December 31, 2006

ASSETS

Current Assets

Unrestricted Cash and Cash Equivalents	801,450
Restricted Cash and Cash Investments	33,617
Accounts Receivable	2,052,898
Prepaid Financing Costs (Net of Accumulated Depreciation)	<u>678,796</u>
Total Current Assets	3,566,761
Capital Assets	<u>24,518,170</u>

TOTAL ASSETS	<u>28,084,931</u>
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LIABILITIES AND FUND EQUITY

Current Liabilities

Accounts Payable	
US Treasury	6,125
Deferred Revenue	140,163
Accrued Liabilities	143,373
Other Current Liabilities	1,517,624
Current Portion of Bonds & Notes Payable	920,000
Advances Payable	33,819
Accrued Interest Payable	94,729
Total Current Liabilities	2,855,833
Bonds Payable	<u>13,175,000</u>
TOTAL LIABILITIES	16,030,833

NET ASSETS

Invested in Capital Assets Net of Related Debt	8,905,546
Restricted Net Assets	33,617
Unrestricted Net Assets	<u>2,983,887</u>
TOTAL NET ASSETS	<u>11,923,050</u>

TOTAL LIABILITIES AND NET ASSETS	<u>27,953,883</u>
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2006 ANNUAL FINANCIAL STATEMENTS

Redevelopment Authority of the County of Lancaster

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

For the Year Ended December 31, 2006

REVENUES

HUD Grants	5,873,812
State Grants	2,000,000
Program Income	2,210,823
DCED Grant	634,681
Other	100,000
Interest	18,495
Total Revenues	<u>10,837,811</u>

EXPENSES

2003 CDBG	6,000
2004 CDBG	77,906
2005 CDBG	1,314,482
2006 CDBG	2,933,635
2005 ESG	79,600
2006 ESG	71,267
2001 HOME	72,960
2002 HOME	295,649
2003 HOME	367,798
2004 HOME	916,110
2005 HOME	245,195
2006 HOME	18,800
Supportive Housing Program (HMIS) 2005	23,626
21-170-0075 DCED	634,681
Amortization Expense	38,703
Interest Expense	810,633
PILOT Expense	23,027
Insurance Expense	50,565
Depreciation	798,411
Other Administrative Expenses	139,381
Other Program Expenses	1,184,575
Total Expenses	<u>10,103,004</u>

Excess/(Deficiency) of Revenue over Expenses 734,807

Net Assets - Beginning of Period	<u>11,188,243</u>
Net Assets - End of Period	<u>11,923,050</u>

2006 ANNUAL FINANCIAL STATEMENTS

Redevelopment Authority of the County of Lancaster

STATEMENT OF CASH FLOWS For the Year Ended December 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES

Operating Income	734,807
Adjustment to Reconcile Operating Income to Net Assets Provided (Used) by Operating Activities	
Amortization of Prepaid Financing Costs	38,703
Depreciation Expense	798,411
Decrease (Increase) in Assets:	
Accounts Receivable - Due from HUD	70,693
Accounts Receivable - Other	(1,371,807)
Increase (Decrease) in Liabilities	
Accounts Payable	60,907
Advances Payable to Housing Authority	17,031
Accrued Interest Payable	6,066
Deferred Revenues	(87,197)
Accrued Compensated Absences	(11,363)
Cash Provided by Operating Activities	<u>256,251</u>

CASH FLOWS PROVIDED BY FINANCING ACTIVITIES

Proceeds from Borrowings	629,560
Cash Paid for Repayment of Short Term Debt	(614,871)
Repayment on Bonds	<u>(410,000)</u>
Cash Provided by Financing Activities	<u>(395,311)</u>

CASH FLOWS USED IN INVESTING ACTIVITIES

(Purchase)/Sale of Investments	848,011
Deposits from Debt Service Accounts	(16,198)
Acquisition of Property and Equipment	<u>(578,409)</u>
	<u>253,404</u>
Increase in Cash and Cash Equivalents	114,344
Cash and Cash Equivalents - Beginning of Year	<u>687,106</u>
Cash and Cash Equivalents - End of Year	<u><u>801,450</u></u>

LANCASTER COUNTY HOUSING AUTHORITY

EXPENDITURES — 2006

In 2006, the Housing Authority expended \$5,046,298 to provide rental assistance to 897 households through the Section 8 Housing Choice Voucher Program and to 132 households through the Section 8 Moderate Rehabilitation Program.

<i>HCV</i>	<i>Housing Choice Voucher Program</i>	\$4,446,645
<i>MR</i>	<i>Moderate Rehabilitation Program</i>	\$599,653

2006 ANNUAL FINANCIAL STATEMENTS

Lancaster County Housing Authority

STATEMENT OF NET ASSETS

At December 31, 2006

ASSETS

	For the Year Ended	
	12/31/2006	12/31/2005
CURRENT ASSETS		
Cash and Cash Equivalents - Unrestricted	1,697,154	554,420
Cash - FSS Escrow	48,667	31,960
Accounts Receivable - HUD	12,486	5,809
Accounts Receivable - Other Government	10,029	0
Accounts Receivable - Other	13,500	13,500
Accrued Interest Receivable	5,370	10,341
Investments	0	505,478
Total Assets	1,787,206	1,121,508

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable:

Vendors and Contractors	11,703	0
Accrued Wages/Payroll Taxes	6,222	0
Due to Tenants:		
Security Deposits & Escrow Deposits	48,667	31,960
Due to HUD	3,239	2,971
Accrued Liabilities	5,491	0
Compensated Absences	8,417	7,664
Total Current Liabilities	83,739	42,595

NON CURRENT LIABILITIES

Accrued Compensated Absences	104,751	68,985
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NET ASSETS

Unrestricted Net Assets	1,598,716	1,009,928
Total Net Assets	1,598,716	1,009,928
Total Liabilities and Net Assets	1,787,206	1,121,508

2006 ANNUAL FINANCIAL STATEMENTS

Lancaster County Housing Authority

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

For the Year Ended December 31, 2006

	For the Year Ended	
	12/31/2006	12/31/2005
REVENUES		
HUD Grants	5,502,177	5,346,055
Other Income	21,386	18,782
Total Revenues	5,523,563	5,364,837
EXPENSES		
Administration	623,952	673,789
Housing Assistance Payments	4,399,317	4,667,951
General Expenses	23,029	68,530
Total Operating Expenses	5,046,298	5,410,270
EXCESS OF OPERATING REVENUE OVER EXPENSES	477,265	(45,433)
Interest Income	58,092	30,248
INCREASE IN NET ASSETS	535,357	(15,185)
Beginning Net Assets	1,009,928	1,029,255
Prior Period Adjustments	53,431	(4,142)
Ending Net Assets	1,598,716	1,009,928

2006 ANNUAL FINANCIAL STATEMENTS

Lancaster County Housing Authority

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2006

	For the Year Ended	
	12/31/2006	12/31/2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received		
From Government Agencies for Operating Grants	5,485,739	5,341,913
For Other Operating Revenues	21,386	22,545
Cash Paid:		
To Employees for Operations	(316,708)	(345,702)
To Suppliers for Operations	(168,240)	(512,477)
For Housing Assistance Payments	<u>(4,399,317)</u>	<u>(4,667,951)</u>
Net Cash Provided by Operating Activities	<u>622,860</u>	<u>(161,672)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Security Deposits	<u>(31,960)</u>	<u>(34,249)</u>
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(31,960)</u>	<u>(34,249)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Paid for Investments	505,478	(2,041)
Investment Income	<u>63,063</u>	<u>19,907</u>
Net Cash Provided by Investing Activities	<u>568,541</u>	<u>17,866</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	1,159,441	(178,055)
Cash and Equivalents at Beginning of Period	<u>586,380</u>	<u>764,435</u>
Cash and Equivalents at End of Period	<u><u>1,745,821</u></u>	<u><u>586,380</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operations		
Operating Income/(Loss)	477,265	(45,433)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities		
Prior Period Adjustments	53,431	(4,142)
Decrease/(Increase) in Assets		
Accounts Receivable	(16,706)	3,763
Increase/(Decrease) in Liabilities		
Accounts Payable and Accrued Expenses	17,925	(115,860)
Due to HUD	268	0
Accrued Compensated Absences	36,519	0
Other Liabilities	<u>54,158</u>	<u>0</u>
Net Cash Provided by Operating Activities	<u>622,860</u>	<u>(161,672)</u>

THE STAFF IN 2006

Matthew T. Sternberg	<i>Executive Director (effective July 10, 2006)</i>
▸ Randy S. Patterson	<i>Executive Director (resigned in April, 2006)</i>
David M. Brazina	<i>Deputy Executive Director</i>
Marian Joyce	<i>Administrative Assistant</i>
Karen Bousquet	<i>Community Development Assistant</i>
Michael Brightbill	<i>Controller</i>
Aimee L. Tyson	<i>Director of Community Development</i>
Michael Urenovitch	<i>Community Development Finance Specialist</i>
▸ Patricia Schoor	<i>Community Development Coordinator</i>
Dale Kaufman	<i>CDBG Project Coordinator</i>
Steve Glatfelter	<i>Community Development Assistant</i>
Teresa W. Danforth	<i>Director of Housing Services</i>
Loida R. Rodriguez	<i>Housing Management Assistant</i>
Audrey L. Steinmetz	<i>Housing Management Assistant</i>
Rosa M. Matias	<i>Tenant Case Manager</i>
Nellie Cruz	<i>Tenant Case Manager</i>
David Winnerling	<i>Housing Project Coordinator</i>
Scott E. Herr	<i>Housing Project Coordinator</i>
Shaun Sponagle	<i>Housing Inspector</i>

▸ Indicates left employ of Authorities during 2006.

LANCASTER COUNTY COMMISSIONERS

Dick Schellenberger, *Chairman* Sharron V. Nelson Molly S. Henderson

This annual report was funded through a Community Development Block Grant from the U. S. Department of Housing and Urban Development. (HUD).

Any questions or comments concerning information printed in this document should be addressed to:

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equal housing opportunity



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Redevelopment Authorities**

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