

**U.S. Department of Housing and Urban Development**

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

NOV 15 2006

The Honorable Dick Shellenberger
Chairman
Lancaster County
Board of Commissioners
50 North Duke Street
P.O. Box 83480
Lancaster, PA 17608

Dear Mr. Shellenberger:

SUBJECT: | Consolidated Annual Assessment
Lancaster County
January 1, 2005 through December 31, 2005

The Department of Housing and Urban Development (HUD) is required to evaluate and report to the public on a community's management of its grant funds provided through the Office of Community Planning and Development; the completeness and accuracy of its performance report; and the extent to which progress has been achieved toward the statutory goals identified in Section 91.1 of the Consolidated Plan regulations.

This letter serves to apprise you of our assessment of Lancaster County's overall progress. In making this evaluation, we relied primarily upon the County's Consolidated Annual Performance and Evaluation Report (CAPER) for Program Year 2005. This report summarized the County's accomplishments of the Community Development Block Grant (CDBG) Program, the HOME Investment Partnership (HOME) Program, and the Emergency Shelter Grant (ESG) Program.

We congratulate the County on its accomplishments during the past program year. Based upon our analysis of the CAPER and other relevant data, we have made the following determinations:

- A comparison between our financial data from the LOCCS and the information in the Consolidated Plan Report evidences that the report is accurate and that funds are being properly managed; and
- With respect to compliance with the Primary Objective, 100% of the CDBG funds expended were for activities that benefited low/moderate income persons or households.

- The 2005 CAPER evidences compliance with the requirements contained in 24 CFR 570.200(g), in that 14.39 percent of its CDBG grant, plus program income, was expended for planning and program administrative costs.

In addition, we note that the activities carried out address the highest priorities established in the Strategic Plan section of the 2000 Consolidated Plan; and that progress has been made toward achieving the goals of providing decent housing and creating a suitable living environment, and creating economic opportunity. In 2005, CDBG, HOME, and ESG Funds were expended to carry out activities to include: public infrastructure, human services, economic development, housing-new construction and rehabilitation.

With respect to the production of affordable housing units, and other activities to promote a suitable living environment and economic opportunities during the reporting period the following results were achieved:

- 159 housing units were rehabilitated to sustain decent, affordable housing;
- 86 housing units were created to provide access to decent, affordable housing;
- 1188 homeless persons were sheltered and received supportive services via renovations to a transitional living facility, and other funding to aid the homeless;
- 199 households benefited from the sustainability of a suitable living environment through 20 community infrastructure projects;
- 16 community organizations provided access to needed social services to 4,624 low and moderate income persons to help sustain a suitable living environment; and
- 166 entrepreneurs and potential entrepreneurs were assisted to create or sustain economic opportunities through business training, technical assistance, counseling, loans and/or access to business capital.

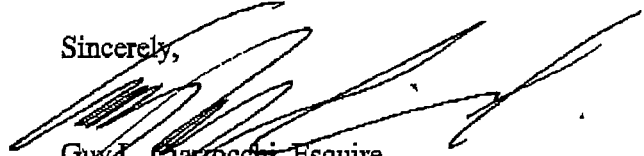
In addition to the above noted accomplishments, CDBG and ESG funding was provided to six nonprofit agencies that assisted homeless clients with emergency shelter and transitional housing and essential services.

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 relative to the above, 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 Lancaster County's performance for this program year. To facilitate and expedite citizen access to our performance letter, we request that you apprise the general public and interested citizens' organizations and non-profit entities of its availability. If for any reason, the County chooses not do so, please be advised that our Office is obligated to make the letter available to the public. We appreciate your cooperation in this matter.

3

We will continue to work with you and members of your staff to accomplish our mutual goals as well as local objectives whose purpose is to develop viable urban communities. If there is any assistance you require relative to achieving mutual and local ends, we will be pleased to discuss what resources we may be able to provide. Should you wish to meet or if you have any questions about the content of this letter, please contact Ms. Ileana Colón, Community Planning and Development Representative, at (215) 656-0631, extension 3178, or, via e-mail, at Ileana_Colon@hud.gov. This Office may be accessed via text telephone (TTY), by dialing (215) 656-3452.

Sincerely,



Guy L. Ciarrocchi, Esquire
Regional Director

cc:

✓ Mr. Matthew T. Sternberg