



**CITY OF BUFFALO  
DEPARTMENT OF AUDIT AND CONTROL**

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**INFORMATIONAL REPORT**

**EMERGENCY REHABILITATION OF HOUSING LOAN  
PROGRAM CONDUCTED BY THE CITY OF BUFFALO AS  
OF SEPTEMBER 30, 2015**

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**Overview**

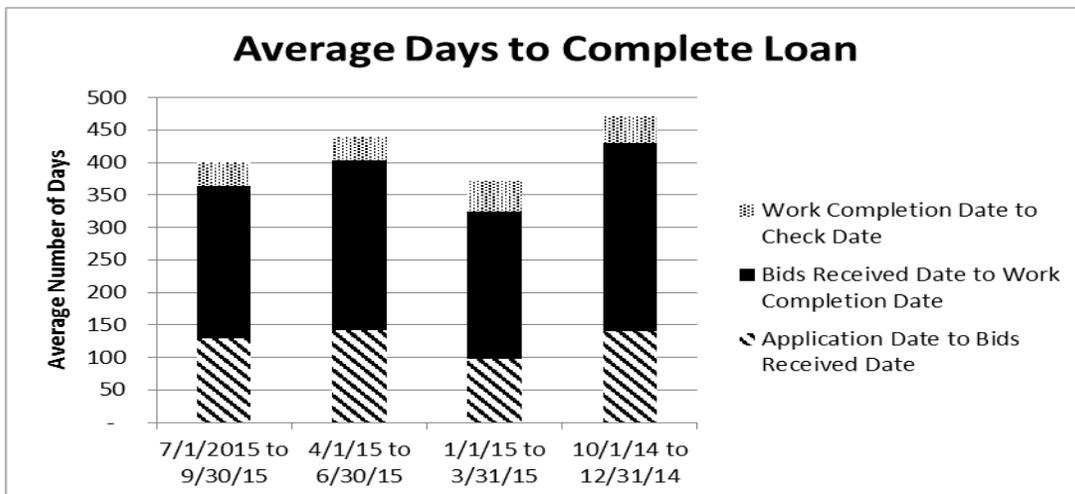
This report details the City of Buffalo expenditures of the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant Program (CDBG). This report covers HUD funding used for the CDBG emergency rehabilitation of housing loan program (The Program). The City contracts with Buffalo Urban Renewal Agency (BURA) to operate this program. The Program provides loans to lower income individuals to complete emergency housing repairs, such as replacement of a roof, furnace or hot water tank. As these are emergency repairs, it is of extreme importance to minimize the time from loan application to repair. To qualify for the program, the homeowner must have an existing emergency condition such as a leaking roof or broken furnace.

**Timeliness of Program**

As the program has been underway for multiple years, it is reasonable to assume that the process would be operating efficiently, and that the time from loan application to repair would be minimal. The following charts and graphs document the length of time it takes to complete an emergency loan.

- Application Date – The date the loan application was approved.
- Bids Received Date – The date contractor bids were received and approved
- Work Completion Date – The date the repair was completed.
- Check Date – The date the check is printed by the City and delivered to BURA.

	<b>Average Number of Days to Complete</b>			
	<b>7/1/2015 to 9/30/15</b>	<b>4/1/15 to 6/30/15</b>	<b>1/1/15 to 3/31/15</b>	<b>10/1/14 to 12/31/14</b>
Number of Loans	43	45	47	32
Application Date to Bids Received Date	130	141	98	141
Bids Received Date to Work Completion Date	234	263	226	290
Work Completion Date to Check Date	37	36	47	41
<b>Total Days to Complete</b>	<b>400</b>	<b>440</b>	<b>371</b>	<b>471</b>



The average homeowner seeking aid from the program has to struggle with a leaky roof or broken furnace for approximately 13 months prior to the situation being remedied.

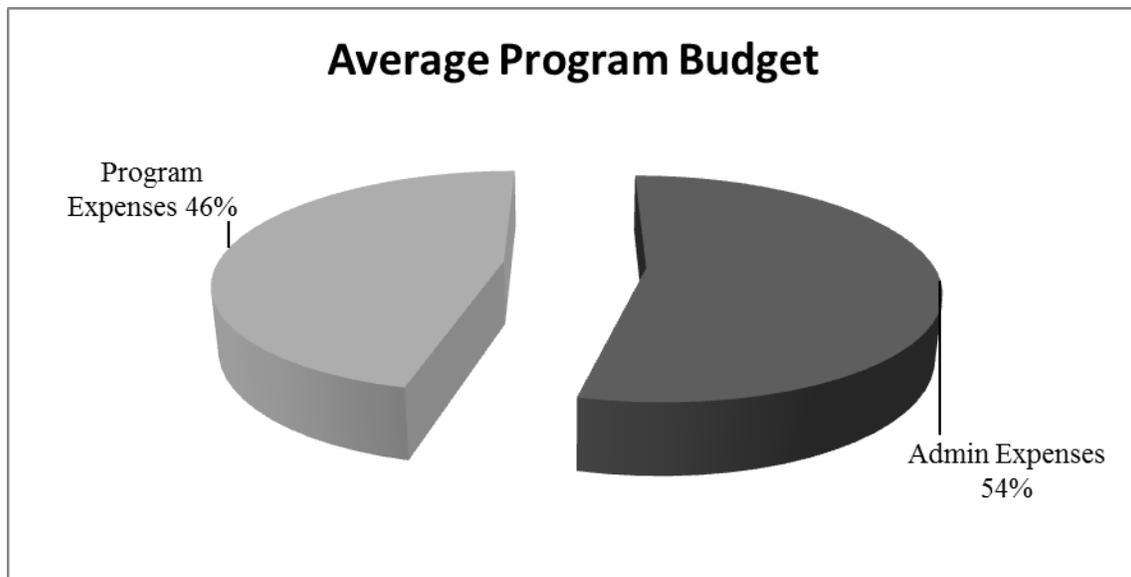
**Administrative Burden of Program**

Program expenses are directly related to the repair of a roof or any other emergency repair to a home, such as payment to the contractor performing the work.

Administrative expenses are not directly related to the operation of the program. Expenses would include BURA salaries and benefits.

The following data shows the budgeted expenditures of the program:

<b>Program Budget</b>			
Period	10/1/14 to 9/30/15	10/1/13 to 9/30/14	Average
Admin Expenses	1,230,700	1,562,411	1,396,556
Program Expenses	1,184,300	1,187,118	1,185,709
Total Budget	2,415,000	2,749,529	2,582,265



For every \$10 that is spent, only \$4.60 is actually spent on the emergency repairs, while \$5.40 goes to administrative expenses such as payroll. The average emergency loan to an underprivileged citizen was approximately \$7,000. Each loan required approximately \$8,000 in administrative costs for a total expense of \$15,000.