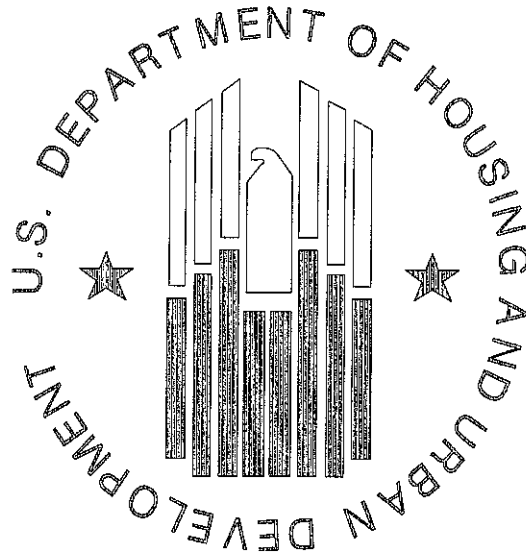


**U.S Department of Housing & Urban Development
Buffalo, New York Office**



2010
Annual Community Assessment Report

For

City of Rochester, New York

July 1, 2010 – June 30, 2011

Introduction

As a recipient of grant funds provided by the Department of Housing and Urban Development, each jurisdiction that has an approved Consolidated Plan shall annually review and report to HUD on the progress it has made in carrying out its Consolidated Plan and Annual Action Plan. The performance report is submitted to HUD in the form of the Consolidated Annual Performance and Evaluation Report (CAPER).

HUD has the responsibility to review the CAPER report and the performance for each jurisdiction on an annual basis. In conducting performance reviews, HUD will primarily rely on information obtained from the recipient's performance reports, records, findings from monitoring reviews, grantee and subrecipient audits, audits and surveys conducted by the Inspector General, and financial data regarding the amount of funds remaining in the line of credit plus program income. HUD may also consider relevant information pertaining to a recipient's performance gained from other sources, including litigation, citizen comments, and other information provided by or concerning the recipient. A recipient's failure to maintain records in the prescribed manner may result in a finding that the recipient has failed to meet the applicable requirement to which the records pertains. Such information, along with grantee input, is considered in HUD's Annual Community Assessment in order to make a determination that a grantee has the continuing capacity to administer HUD programs.

In the assessment of your community's performance, this report is prepared to provide feedback on your community's performance in the delivery of HUD's Community Development Programs. This report is presented in two sections. Section I provides a general summary related to your planning and performance reporting. Section II provides general overview related to specific program progress and performance.

Section I – Planning and Reporting

2010 Programs and Funding Amounts:	CDBG	\$10,439,918.00
	HOME	\$3,492,596.00
	ESG	\$ 423,300.00
	HOPWA	\$ 709,220.00

Compliance with Consolidated Plan and 2010 Annual Action Plan

It was determined that the City followed its HUD-approved Consolidated Plan and Annual Action Plan during the 2010 program year, consistent with the City's stated goals, objectives and priority needs for each program funded. These goals, objectives and priority needs were based on the following four key elements identified by the City:

1. Support Neighborhoods Building Neighborhoods
2. Promote Economic Stability
3. Improve Housing Stock and Property Conditions
4. Respond to General Community Needs

The activities designed, funded and completed during this reporting period supported these goals, objectives and priorities. More detailed information about accomplishment highlights and assessments of expected accomplishments to actual accomplishments can be found in Section II of this report.

Accuracy of Performance Reports

A Consolidated Annual Performance and Evaluation Report (CAPER) is due 90 days after the City completes their 2010 program year. The City's CAPER for 2010 was received by the HUD Buffalo Field Office on September 28, 2011. The report was received on time, determined to be substantially complete, and accurately described the City's performance throughout the program year. More detailed information about accomplishment highlights and assessments of expected accomplishments to actual accomplishments can be found in Section II of this report.

Section II – Program Progress and Performance

Community Development Block Grant (CDBG)

Summary of Performance Indicators and Accomplishments

Activities: Program activities were adequately described during the reporting period. CDBG funds were spent on activities that were eligible under program rules. The following highlights activities and accomplishments that were completed during the program year:

Economic Development: \$1,384,151.00 was spent during the program year. The City assisted 29 businesses and created or retained 182 jobs.

Housing: \$5,003,568.00 was spent during the program year to improve the quality of owner housing through activities such as residential assistance, rehabilitation, energy efficient improvements and lead paint abatement. The City completed 389 units during the reporting period.

Public Services: The City spent \$866,598.00 during the program year funding a variety of public service providers. The City assisted 700 youth and family members during the reporting period.

National Objective Compliance: The CDBG program was designed to principally benefit low-moderate income persons. During the reporting period, it was determined that the City spent 99.86% of their funds on activities that principally benefitted low-moderate income persons.

Planning and Administration: The CDBG program rules allow the City to spend up to 20% of their grant funds plus program income on eligible planning and administrative costs. During the reporting period, the City spent \$882,187.00 which accounted for 6.09% of expenditures. This was within the 20% limit.

Public Services: The CDBG program rules allow the City to spend up to 15% of their grant funds plus program income on eligible public services related activities. During the reporting period, the City spent \$866,598.00 which accounted for 6.40% of expenditures. This was within the 15% limit.

Program Progress and Timeliness: The CDBG program requires that the City's unexpended CDBG funds be no more than 1.5 times their annual grant 60-days before the end of the program year. The City was in compliance with the 1.5 timeliness test made on May 1, 2011. It was determined that the City's CDBG program was carried out in a timely manner.

Fair Housing and Equal Opportunity: Our review did not reveal any significant issues related to compliance. Performance was satisfactory.

HUD Monitoring: The Buffalo Field Office did not conduct an on-site monitoring review of the City's performance during the program year.

Financial

The financial information provided by the City appears to be complete, accurate, and with a sufficient level of detail to document the overall financial condition of the CDBG program. The Financial Summary Report submitted with the 2010 program year CAPER is accurate and complete. During the program year, the City has also correctly receipted program income in IDIS, submitted quarterly Federal Cash Transactions Reports, and is current with required audits. Our review did not reveal any significant issues related to overall financial compliance.

Management

The City has experienced staff that is capable of administering and overseeing their CDBG program activities. There have not been any key staff vacancies or new hires during the reporting period. The City reports that they regularly monitor and evaluate subrecipients administering activities with CDBG funds.

Recommendations/Areas for Improvement

There are no recommendations or areas for improvement noted at this time. The City has the continuing capacity to carry out their CDBG program.

Home Investment Partnerships (HOME)

Summary of Performance Indicators and Accomplishments

Activities: Program activities were adequately described during the reporting period. HOME funds were spent on activities that were eligible under program rules. The following highlights activities and accomplishments that were completed during the program year:

First-Time Homebuyer: \$672,359.00 was spent on first-time homebuyer education and purchase assistance during the program year. The City completed 85 units.

Minority Business Enterprises (MBE): The City awarded 34 MBE contracts totaling \$1,588,299.00 during the program year

Woman Business Enterprises (WBE): The City awarded 1 WBE contract for \$92,800.00 during the program year.

Beneficiary Compliance: The HOME program was designed to principally benefit low-moderate income persons. During the reporting period, it was determined that the City spent 100% of their funds on activities that principally benefitted low-moderate income persons.

Commitments/Reservations/Disbursements: The HOME program requires that funds be committed or reserved to a CHDO within two years, and disbursed within five years. It was determined that the City is committing funds, making CHDO reservations, and making disbursements for activities within the required timeframes, including commitments and disbursements for administration. Program progress was determined to be satisfactory.

Fair Housing and Equal Opportunity: Our review did not reveal any significant issues related to compliance. Performance was satisfactory.

HUD Monitoring: The Buffalo Field Office did not conduct an on-site monitoring review of the City's performance during the program year.

Financial

The financial information provided by the City appears to be complete, accurate, and with a sufficient level of detail to document the overall financial condition of the HOME program. During the program year, the City has also correctly receipted program income in IDIS and was current with required audits. Our review did not reveal any significant issues related to overall financial compliance.

Management

The City has experienced staff that is capable of administering and overseeing their HOME program activities. There have not been any key staff vacancies or new hires during the reporting period. The City reports that they regularly monitor and evaluate CHDOs and subrecipients administering activities with HOME funds.

Recommendations/Areas for Improvement

There are no recommendations or areas for improvement noted at this time. The City has the continuing capacity to carry out their HOME program.

Emergency Shelter Grant (ESG)

Summary of Performance Indicators and Accomplishments

Activities: The City does not provide shelter or services directly. The City uses a request for proposal process to solicit projects that receive funds. During the program year, ESG activities were adequately described and funds were spent according to program rules. The following highlights activities and accomplishments that were completed during the program year:

Emergency Shelters and Services: The City spent \$489,538.00 funding 21 agencies.

Beneficiary Compliance: The ESG program is designed to provide shelter and support services to homeless persons. The City expected to serve 5,594 during the 2010 program year and the actual number served was 12,752.

Commitments and Disbursements: The City is committing funds and making disbursements for activities within the required timeframes, including commitments and disbursements for administration. Program progress was determined to be satisfactory.

Fair Housing and Equal Opportunity: Our review did not reveal any significant issues related to compliance. Performance was satisfactory.

HUD Monitoring: The Buffalo Field Office did not conduct an on-site monitoring review of the City's performance during the program year.

Financial

The financial information provided by the City appears to be complete, accurate, and with a sufficient level of detail to document the overall financial condition of the ESG program. During the program year, the City was current with required audits. Our review did not reveal any significant issues related to overall financial compliance.

Management

The City has experienced staff that is capable of administering and overseeing their ESG program activities. There have not been any key staff vacancies or new hires during the reporting period. The City reports that they regularly monitor and evaluate the agencies that provide ESG services.

Recommendations/Areas for Improvement

There are no recommendations or areas for improvement noted at this time. The City has the continuing capacity to carry out their ESG program.

Housing Opportunities for Persons with AIDS (HOPWA)

Summary of Performance Indicators and Accomplishments

Activities: During the program year, HOPWA activities were adequately described and funds were spent according to program rules. During the 2010 program year, the City spent \$872,289.00 funding the following agencies:

AIDS Care
Catholic Charities

Beneficiary Compliance: The HOPWA program is designed to provide housing for persons with AIDS. During the reporting period, the City expected to serve 220 persons and their families and the actual number served was 295.

Commitments and Disbursements: The City is committing funds and making disbursements for activities within the required timeframes, including commitments and disbursements for administration. Program progress was determined to be satisfactory.

Fair Housing and Equal Opportunity: Our review did not reveal any significant issues related to compliance. Performance was satisfactory.

HUD Monitoring: The Buffalo Field Office did not conduct an on-site monitoring review of the City's performance during the program year.

Financial

The financial information provided by the City appears to be complete, accurate, and with a sufficient level of detail to document the overall financial condition of the HOPWA program. During the program year, the City was current with required audits. Our review did not reveal any significant issues related to overall financial compliance.

Management

The City has experienced staff that is capable of administering and overseeing their HOPWA program activities. There have not been any key staff vacancies or new hires during the reporting period. The City reports that they regularly monitor and evaluate the agencies that provide HOPWA services.

Recommendations/Areas for Improvement

There are no recommendations or areas for improvement noted at this time. The City has the continuing capacity to carry out their HOPWA program.

This report was prepared by Alex J. Vilardo, CPD Representative
716-551-5755 extension 5831
alexander.j.vilardo@hud.gov

HUD is providing you the opportunity to review this assessment and comment. Based on the information available at the time of this review, HUD has determined that at this time, the City of Rochester has the continuing capacity to carry out HUD programs identified in this report.

The City has the opportunity to respond within 30 days concerning the information contained in this report. If you have any questions or would like to discuss the Assessment Report, please contact Alex Vilardo, CPD Representative. Mr. Vilardo can be reached at 716-551-5755 extension 5831. If you disagree with this assessment, please respond in writing to William T. O'Connell, Director of Community Planning & Development – HUD, 465 Main Street, Buffalo, New York 14203. Your response should identify any areas of disagreement and corrections or any additional comments you would like HUD to consider.

If no response is received, this report is final and will be considered the City's Program Year Review Letter as required by HUD regulation. Consistent with the Consolidated Plan regulations, the Program Year Review Letter should be made available to the public through the City's established citizen participation process. HUD will also make it available to citizens upon request.



U.S. Department of Housing and Urban Development
Buffalo Office
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(716) 551-5755

JAN 23 2012

Mr. R. Carlos Carballada
Commissioner, Department of Neighborhood
and Business Development
City of Rochester
City Hall, Room 223B
30 Church Street
Rochester, NY 14614-1290

Dear Mr. Carballada:

SUBJECT: 2010 Annual Community Assessment
Community Development Block Grant Program (CDBG), Home Investment
Partnerships Program (HOME), Emergency Shelter Grant Program (ESG), and
Housing Opportunities for Persons with AIDS Program (HOPWA)

Enclosed please find HUD's Annual Community Assessment (ACA) for the City of Rochester, New York. While continuing efforts are taken into consideration, this assessment was based primarily on the 2010 program year, which covered the period of July 1, 2010 to June 30, 2011.

We offer you the opportunity to respond within 30 days with any comments or updates. If no response is received, this report is final and will be considered the City's Program Year Review Letter as required by HUD regulation. Consistent with the Consolidated Plan regulations, the Program Year Review Letter should be made available to the public through your established citizen participation process. HUD will also make it available to citizens upon request.

If you have any questions about this matter, please contact Margaret Rafferty, CPD Representative, at 716-551-5755, extension 5807.

Sincerely,

A handwritten signature in black ink, appearing to read "William T. O'Connell", is positioned above the typed name.

William T. O'Connell
Director
Community Planning and
Development Division

cc: Mary Kay Kenrick

Enclosure