

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



**2013
Annual Community Assessment Report**

For

City of Rochester, New York

July 1, 2013 – June 30, 2014

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 primarily relies 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 a general overview related to specific program progress and performance.

Section I – Planning and Reporting

2013 Programs and Funding Amounts:	CDBG	\$8,198,055.00
	HOME	\$1,897,548.00
	ESG	\$ 571,885.00
	HOPWA	\$ 657,405.00

Compliance with Consolidated Plan and 2013 Annual Action Plan

It was determined that the City followed its HUD-approved Consolidated Plan and Annual Action Plan during the 2013 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 that were 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 its 2013 program year. The City's CAPER for 2013 was received by the HUD Buffalo Field Office on September 26, 2014. 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 for the reporting period were adequately described in the CAPER. CDBG funds were spent on activities that were eligible under program rules. The following highlights CDBG activities and accomplishments that were completed during the program year. The City's CAPER narratives as well as the IDIS report "CDBG Activity Summary Report (GPR) for Program Year 2013 – PR03" were used as a basis for these conclusions.

Economic Development: \$2,103,357.00 was spent during the program year on activities for direct assistance to for-profits and assistance to micro-enterprises. The City assisted 103 businesses and created or retained 485 jobs.

Housing: \$902,151.00 in CDBG funds were 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 addressed 212 housing units during the reporting period.

Public Services: The City disbursed \$822,668.00 during the program year on a variety of public service activities including youth services, employment training, tenant/landlord counseling and child care services. Over 700 individuals were served during the reporting period.

Public Facilities: The City spent \$1,646,421.00 on public facilities such as street improvements and asbestos removal.

Minority Business Enterprises (MBE): The City awarded 20 MBE contracts totaling \$6,497,118 and a total of \$1,563,779 to 120 MBE subcontractors during the program year.

Woman Business Enterprises (WBE): The City awarded 82 WBE contracts totaling \$998,282 during the program year.

National Objective Compliance: The CDBG program was designed to principally benefit low-moderate income persons. During the reporting period, the City spent 71.37 percent of its CDBG 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 percent of its grant funds plus program income on eligible planning and administrative costs. During the reporting period, the City spent \$948,564.00 on planning and administration. This figure is adjusted by subtracting the \$137,551 of unliquidated obligations at the end of the previous year and adding \$29,200 of unliquidated obligations at the end of the current program year for a total of \$840,214. This adjusted figure is 10.12 percent of the entitlement grant amount plus program income which is \$9,376,304 and is well within the 20 percent limit.

Public Services: The CDBG program rules allow the City to spend up to 15 percent of its grant funds plus program income on eligible public services related activities. During the reporting period, the City spent \$822,668. When this figure is adjusted by subtracting the \$66,274 of unliquidated obligations at the end of the previous year and adding the \$332,885 of unliquidated obligation at the end of this reporting year, the total public services obligations subject to the cap is \$1,089,280. The City's public service expenditure and obligations for the reporting year is 12.00 percent of the CDBG grant plus program income and is within the 15 percent 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, 2014. It was determined that the City's CDBG program was carried out in a timely manner.

Fair Housing and Equal Opportunity: The Fair Housing Division of HUD in the Buffalo Field Office reviewed the CAPER and has made no additional recommendations for this reporting period. Technical assistance regarding FHEO issues can be provided upon request. The City can contact Ms. Angela Woodson-Brice via email at angela.e.woodsonbrice@hud.gov and by telephone at 716-551-5755 extension 5602 for technical assistance.

HUD Monitoring: The Buffalo Field Office did not conduct an on-site monitoring review of the City's CDBG 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. However, based on a review of the Financial Summary Report (PR 26) submitted with the 2013 CAPER the City should take note of the following two items:

1. The \$117,686.24 adjustments noted on line seven (7) and \$3,415,000 on line ten (10) of the Financial Summary Report need to be explained.

2. On page 38 of the CAPER stated there were four lump sum agreements. However, the name of the financial institution, the date the funds were deposited, the date the use of funds commenced, and the percentage of funds disbursed within 180 days of deposit in the institution were not provided.
3. A separate list of the total number of outstanding loans that are deferred or forgivable (if any), the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness was not provided.

During the program year, the City has 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 its CDBG program activities. There have not been any key staff vacancies or new hires during the reporting period. The City reports that it regularly monitors and evaluates its subrecipients that administer activities with CDBG funds.

Home Investment Partnerships (HOME)

Summary of Performance Indicators and Accomplishments

Activities: Program activities were adequately described for 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: \$1,001,553 was spent on first-time homebuyer education and purchase assistance during the program year. The City completed 182 units.

Rentals: \$633,000 was disbursed in order to complete rental units.

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 percent of its HOME 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: As previously noted, the FHEO division of the HUD Buffalo Office has made no additional recommendations for this reporting period.

HUD Monitoring: The Buffalo Field Office conducted an on-site monitoring review of the City's HOME program in June 2014. No findings or concerns were noted.

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 its HOME program activities. There have not been any key staff vacancies or new hires during the reporting period. The City reports that it regularly monitors and evaluates CHDOs and subrecipients administering activities with HOME funds.

Emergency Solutions 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 \$253,165 funding 16 agencies.

Beneficiary Compliance: The ESG program is designed to provide shelter and support services to homeless persons. The City expected to serve 3,733 during the program year and the actual number served was 3,369 unduplicated.

100 percent Match Requirement: The City has outlined that ESG recipients have a 100 percent match requirements and the eligible match funds. The City should continue to ensure that this requirement is met by each recipient.

Commitments and Disbursements: The City is committing funds and making disbursements for activities within the required timeframes, including commitments and disbursements for administration with a few minor exceptions. According the IDIS report "ESG Risk Status Recipient Report PR-93" the City has committed 99.29 percent of its 2012 ESG allocation. The City must commit \$5,330 to eligible activities and expend \$10,757.92. For the City's FY 2013 ESG allocation 100 percent of the funds are committed and \$80,708.40 has yet to be expended.

Please see that these funds for FY 2012 are committed and disbursed on eligible ESG activities as soon as possible.

Fair Housing and Equal Opportunity: As previously noted, the FHEO division of the HUD Buffalo Office has made no additional recommendations for this reporting period.

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 was described 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 its ESG program activities. There have not been any key staff vacancies or new hires during the reporting period. The City reports that it regularly monitors and evaluates the agencies that provide ESG services.

Recommendations/Areas for Improvement

The uncommitted and undisbursed funds for FY 2012 ESG should be spent on eligible ESG activities as soon as possible.

The City has the continuing capacity to carry out its 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 program year, the City spent \$495,303 funding the following agencies:

Trillium (AC Center Inc. dba AIDS Care)
Catholic Charities Community Services

Beneficiary Compliance: The HOPWA program is designed to provide housing for persons with AIDS. During the reporting period, the City expected to serve 179 households. The actual number served was 134.

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: As previously noted, the FHEO division of the HUD Buffalo Office has made no additional recommendations for this reporting period.

HUD Monitoring: The Buffalo Field Office did not conduct an on-site monitoring review of the City's performance of its HOPWA program 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 its HOPWA program activities. There have not been any key staff vacancies or new hires during the reporting period. The City reports that it regularly monitors and evaluates 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 its HOPWA program.

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 Linda Moore, CPD Representative. Ms. Moore has recently been assigned as your CPD representative due to the recent retirement of Margaret Rafferty. She can be reached at 716-551-5755 extension 5830. 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.



Kenrick

U.S. Department of Housing and Urban Development
Buffalo Office
465 Main Street
Buffalo, New York 14203-1780
(716) 551-5755

MAY 12 2015

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

Dear Mr. Muhammad:

SUBJECT: 2013 Annual Community Assessment
Community Development Block Grant Program (CDBG), Home Investment
Partnerships Program (HOME), Emergency Solutions 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 2013 program year, which covered the period of July 1, 2013 to June 30, 2014.

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 Linda Moore, CPD Representative, at 716-551-5755, extension 5830.

Sincerely,

A handwritten signature in black ink, appearing to read "William T. O'Connell".

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

✓ cc: Mary Kay Kenrick

Enclosure



City of Rochester

Neighborhood and Business Development
City Hall Room 223B, 30 Church Street
Rochester, New York 14614
www.cityofrochester.gov

Baye Muhammad
Commissioner

June 5, 2015

Mr. William T. O'Connell
Director, Community Planning and Development Division
U.S. Department of Housing and Urban Development
Buffalo Office
465 Main Street
Buffalo, NY 14203-1780

Dear Mr. O'Connell:

We received the 2013 Annual Community Assessment from HUD regarding our Community Development Block Grant Program (CDBG), Home Investment Partnerships Program (HOME), Emergency Solutions Grant Program (ESG), and Housing Opportunities for Persons with AIDS Program (HOPWA).

There were a few items for which we are providing a response.

CDBG-

1. Financial information was requested to explain adjustments on line seven and ten of the Financial Summary Report. The explanations were included in the CAPER and are provided below.

PR26 Additional Information:

#7 -\$205,457.68 for 2012-13 Program Income that was receipted in 2013-14
 +\$87,771.44 for 2013-14 Program Income that was receipted in 2014-15

#10 \$3,415,000 in 108 loan payments

2. The CAPER stated that there were four lump sum agreements. The name of the financial institution, the date the funds were deposited, the date the use of funds commenced, and the percentage of funds disbursed within 180 days of deposit in the institution were not provided, and HUD requested said information.

Upon researching the information requested, it was determined that the City does not have any lump sum agreements. The lump sum agreements should be changed from 4 to 0.




3. The assessment requested a separate list of the total number of outstanding loans that are deferred or forgivable (if any), the principal balance owed as of the end of the reporting period, and the terms of deferral or forgiveness.

The City of Rochester has no deferred or forgivable loans.

ESG-

1. The City has 2012 funds that must be committed and expended as well as 2013 funds that have yet to be expended. The City of Rochester is working on this issue.

Sincerely,


Baye Muhammad
Commissioner, NBD

xc: M.K. Kenrick
K. Washington
V. Wehbring
C. Wheeler