



U. S. Department of Housing and Urban Development
Jacksonville Field Office
CPD Division, 4HD
Charles Bennett Federal Building
400 West Bay Street, Suite 1015
Jacksonville, Florida 32202-4410

January 25, 2012

Tish Elston
City Administrator
City of St. Petersburg
P O Box 2842
St. Petersburg, FL 33731

Annual Community Assessment
Community Development Programs
Program Year 2010 [October 1, 2010 - September 30, 2011]
City of St. Petersburg

Dear Ms. Elston:

This Office is required to make an annual determination that the City is in compliance with the Housing & Community Development Act of 1974 and the National Affordable Housing Act and the applicable statutes. The Annual Community Assessment is an evaluation of the City's progress in meeting the statutory goals of providing decent housing in a suitable living environment and expanding economic opportunities which are identified as objectives in the City's Consolidated Plan.

We have recently completed our Annual Community Assessment for the City for the program year October 1, 2010 to September 30, 2011. To accomplish this assignment, we reviewed the Consolidated Annual Performance Evaluation Report (CAPER) received December 21, 2011; the Annual Action Plan (AP) submitted August 2, 2010 and the Consolidated Plan (Con Plan) submitted in 2005. We have determined the City's overall progress and capacity continues to be satisfactory. This determination is based upon the information available to this Office and does not reflect a comprehensive evaluation of specific activities. A copy of the Assessment Summary is enclosed for your convenience.

A copy of the City's CAPER was forwarded to the staff of Fair Housing and Equal Opportunity (FHEO) for their review. If FHEO has comments they will be provided under separate cover.

Pursuant to 24 CFR § 91.525 if you disagree with the enclosed Annual Community Assessment you may submit comments and or justification of your contrasting views within 30 days of receipt of this letter. If we do not receive comments within the 30 day time frame this report will be considered final and should be made available to the public.

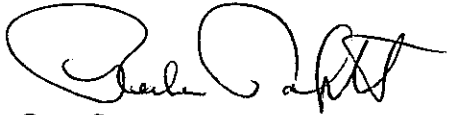
HUD's mission is to increase homeownership, support community development and increase access to affordable housing free from discrimination.

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We hope the summary provides a basis to work together to achieve your housing and community development goals. We also wish to congratulate the City on their accomplishments during the past year and we look forward to working with you over the next year. If you have any questions or immediate concerns, please contact me or Melissa Ramile, your Community Planning and Development Representative, by phone at (904) 208-6082 or by e-mail at melissa.ramile@hud.gov.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Gary Causey". The signature is fluid and cursive, with a large initial "G" and "C".

Am Gary Causey, Director
Community Planning and Development
Division, 4HD

Cc: Joshua Johnson, Director
Housing and Community Development Department

ANNUAL COMMUNITY ASSESSMENT SUMMARY
Community Planning and Development Programs
PY 10 - October 1, 2010 - September 30, 2011
City of St. Petersburg

PART I: SUMMARY OF CONSOLIDATED PLAN/ACTION PLAN REVIEW AND ASSESSMENT

The City's Action Plan for PY 2010 was consistent with goals and objectives established in the 5 year 2005-2010 Consolidated Plan which addresses the City's needs. The City established three priorities for its consolidated plan, (1) Provide and sustain affordable housing opportunities for persons and households at or below 150% of median family income, (2) Provide and enhance community and economic development opportunities, (3) Provide permanent supportive housing and services for homeless and special needs populations. The CAPER assesses and describes the City's actions during its extended program year of implementing their plan and measures the process and progress in meeting its strategy. During PY 2010 the City received grant allocations under each of the following CPD Programs: CDBG, HOME, ESG and NSP-3. The City also continues working with funding allocations through programs such as CDBG-R, HPRP, and NSP-1 to address community needs.

PART II: SUMMARY OF PERFORMANCE

Community Development Block Grant Programs

The City received a CDBG grant of \$2,395,171 for PY 2010. The CAPER reflects expenditures in the amount of \$2,325,899 during the program year to benefit low and moderate income persons. Program income of \$92,058.58 was reported. Funds were used for public facilities improvements project, public services and economic development activities. According to the IDIS **CO4PR26** report, submitted by the grantee, the City expended 17.67% of its funds on planning and administration which follows HUD regulatory cap of 20%. The percentage of funding expended on public services was 13.44% which complies with the regulatory cap of 15% established by HUD.

One of the tools that the Department uses to evaluate grantees performance is to conduct a financial review of the County's obligations and expenditures of CDBG funding. Under the provisions of 24 CFR §570.902 of the CDBG regulations, a grantee is considered to meet timeliness criteria, if 60 days prior to the end of the grantee's program year, the balance in its line-of-credit does not exceed 1.5 times its annual grant amount. On July 31, 2011 the City had 0.57 times its annual grant amount on hand and therefore met the provision of the regulations. We congratulate the City on this accomplishment.

To ensure compliance with the timeliness requirements throughout the CDBG program year, we utilize a straight-line projection of this formula for each month. Using this straight line

formula the City's unexpended funds ratio for January 2012 was expected to be 2.00; on January 25, 2012 the City's ratio was .85.

HOME and American Dream Down payment Initiative (ADDI)

The City of St. Petersburg received \$1,389,703 in HOME funds for PY 2010. The funds were used for the construction of new rental housing, purchase assistance for single family residences, Tenant Based Rental Assistance, and allocating funds to CHDO's to assist with affordable housing development. A total of \$1,042,500 match was contributed during PY 2010.

The HOME regulations at 24 CFR 92.5000 (d) require the City to commit HOME funds within 24 months of the execution of the HOME Investment Partnerships Grant Agreement. We commend the staff for their actions to ensure that this very important regulation is met. The HOME Deadline Compliance Status Report dated November 30, 2011, shows the City did not have a shortfall at the October 31, 2011 deadline date and therefore met the provision of the regulations. We congratulate the City on this accomplishment.

Emergency Shelter Grant (ESG)

The City received \$97,573 in ESG funds for PY 2010. Funds were used for the operations of emergency shelters, a center for battered and abused women and children, and an alcoholic recovery center for the homeless and very low income persons.

Community Development Block Grant Recovery (CDBG-R)

The American Recovery and Reinvestment Act of 2009 (Recovery Act), signed into law on February 17, 2009, awarded \$598,343 to carry out eligible programs under CDBG on an expedited basis, to stimulate the local economy and increase jobs. The City processed and the Department approved an amendment to the 2008 Action Plan to implement the CDBG-R funding. Two projects were approved: (i) Installation of sidewalks and (ii) installation of mast arms. The City expended \$349,501 during PY 2010 and carried forward \$44,199 to PY 2011. Per the Status of CDBG-R Grant Funds Report dated January 25, 2012, the City has obligated a total of \$554,143 and has drawn 92.61% of its funds. The CDBG-R deadline for expenditures is September 30, 2012.

Homelessness Prevention and Rapid Re-Housing (HPRP)

As part of the 2009 Recovery Act, St. Petersburg was awarded \$914,999 in HPRP funding. This program was designed to prevent homelessness and provide rapid re-housing assistance to those persons affected by the current economy. Per the Status of HPRP Grant Funds Report dated January 25, 2012, the City has obligated a total of \$904,839 and has drawn 98.89% of its funds. The HPRP deadline for expenditures is three years from the date HUD signed the grant agreement.

Neighborhood Stabilization Program (NSP-1) and (NSP-3)

The City of St. Petersburg was awarded \$9,498,962 for the NSP-1 under Title III of the Housing and Economic Recovery Act (HERA) of 2008. For PY 2010 the City obligated \$4,224,241, expended \$2,949,212 and received \$800,619 in program income. The remaining grant balance at September 30, 2011 was \$2,075,648.

The City was awarded \$3,709,133 for the NSP-3 through the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. For PY 2010 the City obligated \$3,709,133 and expended \$10,639. The remaining grant balance at September 30, 2011 was \$3,698,494.

PART III: HUD EVALUATION AND CONCLUSIONS

Overall Evaluation


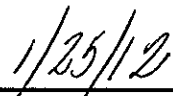
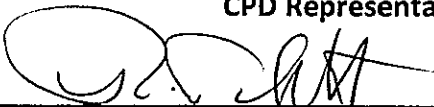
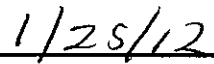
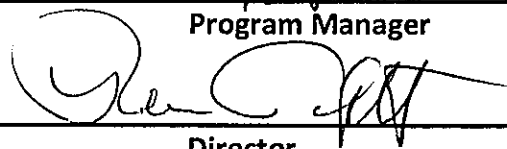
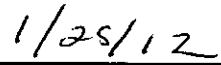
The CAPER reflects the City's continuing commitment to meet the Consolidated Plan goals and objectives. According to the information reviewed, Community Development programs and services have consistently been delivered to your constituents while following the City's strategies, program requirements and in many cases exceeding established goals. In conclusion, we have determined that the City's overall performance is satisfactory. We congratulate you and your team for the accomplishments and progress toward meeting the achievement of the City of St. Petersburg Consolidated Plan goals during PY 2010.

Capacity

Based on our review of review of the available information pertaining to St. Petersburg's programs during the past year, the following determinations have been made:

1. During the past year, the City has carried out its programs substantially as described in its Consolidated Plan;
2. The Consolidated Plan submission as implemented complies with the Housing and Community Development Act and other applicable laws and regulations; and
3. The City has the continuing capacity to carry out the approved programs in a timely manner.

PART IV: SIGNATURES

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| Melissa Ramile | CPD Representative | Date |
|  | |  |
| Reuben Padgett | Program Manager | Date |
|  | |  |
| For Gary Causey | Director | Date |