



# First Program Year CAPER

The CPMP First Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

## GENERAL

### Executive Summary

This module is optional but encouraged. If you choose to complete it, provide a brief overview that includes major initiatives and highlights that were proposed and executed throughout the first year.

*Executive Summary response:*

This Consolidated Annual Performance and Evaluation Report (CAPER) describes the activities undertaken during the program year beginning January 1, 2010 and ending December 31, 2010 using Federal funds granted to the City of Rockford by the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG), Home Investments Partnership (HOME), and Emergency Solutions Grant (ESG) programs. Activities and accomplishments described in this report primarily focused on low and moderate-income residents of the City of Rockford, neighborhoods with high concentrations of low income, and the city as a whole where slum or blighted conditions have contributed to the determination of the overall health of the city.

A draft of this report has been made available for public review and comment for a 15-day period beginning March 15, 2011 and ending March 29, 2011. The availability of the report has been publicly advertised consistent with the provisions of Rockford's Consolidated Plan. The complete document is available for review on the City of Rockford's web site at <http://www.rockfordil.gov> and in print form at the Community Development Department and the Rockford Public Library main branch.

The table below outlines the Consolidated Plan funding received by the City of Rockford between January 1, 2010 and December 31, 2010. This table only includes new funds received during the program year and program income for each subsequent program.

Program Funds Received				
	CDBG	HOME	ESG	TOTAL
Entitlement Grants	\$2,284,581.00	\$1,015,047.00	\$92,065.00	\$3,391,693.00
Program Income	\$ 82,245.00	\$ 11,651.37	\$0	\$ 93,896.37
<b>Total Funds Received</b>	<b>\$2,366,826.00</b>	<b>\$1,026,698.37</b>	<b>\$92,65.00</b>	<b>\$3,485,589.37</b>

The activities and accomplishments outlined in this document are based on the drawn amount of Federal funding between January 1, 2010 and December 31, 2010, as outlined below. Funds expended during the program year include reprogrammed prior year funds, program income, and funds awarded to activities in prior program years that were not spent until the 2010 program year. As a result, funds expended do not equal funds received.

Program Funds - Drawn Amount Total 2010

	CDBG	HOME	ESG	TOTAL
Total Funds Drawn 2010	\$2,548,983.57	\$1,312,975.60	\$ 93,263.24	\$3,955,222.41

Program Funds – Drawn Amount in 2010 on 2010 Projects

	CDBG	HOME	ESG	TOTAL
Total Funds Drawn in 2010 on 2010 Projects	\$1,959,073.01	\$698,794.27	\$0.00	\$2,657,867.28

Program administration expenses and public service activities were within the regulatory caps of 20% and 15% respectively. Rockford's Administration expenditures totaled 7.99% and public service expenditures totaled 10.69%. The City is also in compliance with the regulatory requirement that 70% of CDBG expenditures benefit low and moderate income. The regulation states that, in the aggregate, at least 70% of CDBG funds expended during a one, two, or three-program year period specified by grantee will be for activities meeting the L/M Income Benefit national objective. The City of Rockford utilizes a three year period and selected years 2008, 2009 and 2010 as their aggregate years. In 2010, the City of Rockford's benefit to low and moderate income was 71.11% and, in the aggregate, at 82.93%.

The required HOME set-aside for Community Housing Development Organizations (CHDOs) is 15% of the entitlement grant. The City of Rockford committed \$30,736.00 to CHDOs in 2010 with an overall commitment of \$4,498,123.53 since the start of the HOME program in 1992. 94.2% of the funds have been disbursed.

The City of Rockford was well within its ESG Grantee Administrative cap. The legislation and regulations provide that up to 7.5% of a grantee's funds may be spent for administering the grant. Other limits on use were also met including up to 30% for essential services, up to 10% for operating costs, and up to 30% for homeless prevention activities.

The City of Rockford's 2010 - 2014 Consolidated Plan continued to address the three priority needs that were established in the previous five year Consolidated Plan. They included decent affordable housing, economic development and neighborhood stabilization. Specific program accomplishments are detailed in the various sections of this report.

The following tables list the activities and programs that were supported using Consolidated Plan program funds during the 2010 program year. Program Administration and Planning activities have been excluded from this list.

Organization-Activity	2010 Dollars Drawn
<b>Acquisition and Demolition</b>	\$ 593,571.80
<b>Economic Development</b>	\$ 172,797.20
<b>Housing Activities</b>	\$ 1,149,210.59
<b>Public Facilities</b>	\$ 0.00
<b>Public Service Activities:</b>	\$ 170,608.09
<b>ESG Activities:</b>	\$ 0.00
<b>CHDO HOME Activities:</b>	\$ 20,093.91
<b>Homebuyer Assistance</b>	\$ 39,162
<b>Code Enforcement</b>	\$ 470,139.96
<b>HPRP</b>	\$ 0.00

The activities listed above resulted in the following accomplishments during the 2010 program year. In addition to the specific outputs outlined below with data taken for the PR02, the collective impact of these activities resulted in substantial improvements to the lives and neighborhoods of Rockford's low and moderate-income residents.

Accomplishment Unit of Measure	2010 Program Year Accomplishments (Completed Activities)
<b>CDBG Program</b>	
People Served by Infrastructure Improvements	0
People Served by Public Service Activities	1,800
Public Facilities	0
People Served by Fair Housing Activities	76
Households Receiving Homebuyer Assistance	8
Households Receiving Homebuyer Training	896
Derelict Housing Units Acquired, Disposition, and Demolished	22
Acquisition	6
Housing Units Rehabilitated Single Family	20
Housing Units Rehabilitated Multifamily	0
Violations addressed for Code Compliance	8,428
Housing Units Abated for Lead Hazards	15
<b>Economic Development</b>	
Financial Assistance to For Profits	8
Micro-Enterprise Assistance	73
<b>HOME Program</b>	
Existing Homeowners	25
First Time Homebuyers Assisted	11
<b>ESG Program</b>	
Homeless Persons Receiving Assistance	1,116

## General Questions

1. Assessment of the one-year goals and objectives:
  - a. Describe the accomplishments in attaining the goals and objectives for the reporting period.
  - b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.
  - c. If applicable, explain why progress was not made towards meeting the goals and objectives.

*General Question 1 response:*

- a. 2010 Economic Development accomplishments were obtained by exceeding the Self-Employment Training goals and completing Entrepreneurial training assistance to 64 low and moderate income residents interested in starting a new business or retaining a current business.

The Construction Management Training Program fell short of the original goal of 50 persons, but was able to train 11 LMI MBE/WBE persons that own microenterprises or are developing microenterprises in the area of the construction trades.

A health facility that primarily serves low-income and homeless persons (Crusader Clinic) was assisted with a project to install proficient lighting utilities in a LMA neighborhood. As a result, there were 21,089 LMI residents that were served by this project. A total of 3 vacant properties located in a LMA targeted neighborhood were sold to a displaced funeral home business (Collins & Stone) that needed to relocate their business. A demolition of 2 dilapidated buildings located in a Brownfield area was demolished. These activities helped to exceed the goal of assisting one activity that would improve infrastructure, make improvements, and demolish structures to sustain lower income neighborhoods.

Also in 2010, there were 4 previously leased West State Street Shopstead business units sold for the appraised value to the current lesser. Also, a total of 126 call center positions (66 in 2010) have been created for LMI persons at a new business that was assisted with a property & equipment purchase in 2009. These activities helped to exceed the goal of assisting five new or current businesses and the creation/retention of jobs.

- b. The Self Employment Training (SET) Program 2010 budgeted funds were \$30,000 and all funds were expended in 2010.

The Construction Management Training Program (CMTP) was budgeted funds of \$25,000 in 2010 and only \$1971.45 was expended due to an increased carryover of 2009 budgeted funds being available. Only the carryover balance of 2010 funding was used to budget this program for the 2011 program year and no new funds will be programmed.

A total of \$31,558.84 was expended to assist a health facility utility installation project (Crusader Clinic/Broadway).

Three previously acquired vacant properties for housing activities were transferred ownership to a displaced funeral home business to relocate in a targeted low-moderate income area. Funding from a previous year was used to acquire the properties. In addition, the West State Street Shopstead units were previously constructed and reported in IDIS#'s 487, 1642, and 2067. No new funding was budgeted or expended for these projects.

The amount of \$125,951 of the total budgeted \$562,555 CDBG-R funds were used to demolish two dilapidated buildings (Barber Colman #10 & #19) and of the \$350,000 that was budgeted in 2009 to purchase equipment and personal property to attract a for-profit business(FMS Inc) to the area \$100,000 was expended in 2010.

c. The Construction Management Training Program was expected to assist a total of 50 persons with training during the Fall and Spring Semesters. There were only 11 assisted, which is down considerably and attributed to reduced advertising of the program availability, economy(area's market currently not favorable for starting a construction business or hiring in this labor market), and the reduced inability to secure capital loans from lending institutions.

2. Describe the manner in which the recipient would change its program as a result of its experiences.

*General Question 2 response:*

As a result of our experiences over the last year, in the area of housing programs have changed and we continue to flesh out additional changes into 2011. The slump in the housing market caused a home sales drop of 8.3 percent from 2009 to 2010. The average sales price reached \$116,675, 2.9% percent off the 2009 year-end sales. The bust that began in 2007 brought housing growth in Rockford to a virtual stop in 2009 and 2010. Several of our past new construction commitments funded by HOME or Tax Increment Financing funds are stalled with the single family homes and condo units simply not being sold.

On the positive side, the new census data does show an increase in population and although small, does indicate that the number of home owning households will increase. Today in the United States the homeownership rate is 66% - down from 69% in 2005. As the homeownership rate returns and default rates decline, we can expect more solid and sustainable homeownership. But, until the market reverses, it has been the decision to not commit to any new housing construction projects in which there was no previous commitment.

Rather, there is a push to add more resources to the limited pool of dollars currently available to increase the number of rehabilitation and demolition projects. Rockford's housing stock is aged with 52,680 units constructed prior to 1978 and 8,624 identified as being in poor or worse condition. As the number of foreclosures continue to add to the blight of our neighborhoods, this number is expected to increase unless immediate measures are taken.

Since funds are limited, in order to make an impact the financial resources must either be increased significantly; assistance on a per unit basis be reduced; the neighborhood(s) selected as target or strategy areas must be reduced in size; or, the area(s) selected must be based on the size of the homes in conjunction with

the age, condition as well as the ability of the households being assisted to leverage private dollars with the grant assistance. There is also some consideration to determine housing focus areas based on the location of public works projects or other significant projects in order to make an impact.

Our Down Home program for down payment assistance was discontinued in 2011 with the exception to projects constructed or redeveloped through this department but not yet sold due to the economy. Instead this type of assistance will be provided by the Rockford Area Affordable Housing Coalition and Freeport Neighborhood Housing through a grant they received from the State of Illinois. The decline in housing market, exacerbated by tough credit scoring, was the rationale for the program's discontinuation through the City and its HOME program.

Increased advertising of the Construction Management Training program for 2011 will be established and a reduced program fee from \$100 to \$50 will be put into place for 2011-2012 Fall & Spring Semesters; as to encourage increased enrollment in the program.

Another program change expected to take place in 2011 because of an increased business interest in facade rehabilitation is a facade rebate program. This will assist businesses located in and providing goods and services to low and moderate income neighborhoods. All other economic development programs currently in place will remain status quo through this annual plan period with one exception – financial support bringing the Embry-Riddle campus to Rockford. This project will bring jobs and additional educational opportunities to the community but it will take an aggressive and attractive incentive package. There are a couple of other projects on the horizon that if determined eligible and the funds are available, may require additional funding in economic development developer assistance.

The downturn of the nation's economy and its slow recovery has created some economic factors that contributed to goals and objectives not being met. This has created a challenge for the Rockford Community, but we continue to strive to bounce back from the loss of manufacturing companies and jobs to foreign countries and a high unemployment rate.

Additionally from a homeless standpoint, the Emergency Solutions Grant Program has been and continues to be a cornerstone of our response to homelessness issues. For the most part it has provided those who are facing a crisis which results in homelessness a safe place to spend the night as well as a hot meal. While the amount of persons accessing emergency shelter has remained steady from year to year, we've seen more people move to transitional and/or permanent housing. While we are responding to crises as well as we can with the resources available, it would be more helpful to have additional funding in the prevention category. Having additional resources to address problems before they result in homelessness would assist in lowering the number of people who seek emergency shelter.

In addition, establishing a maximum time of service could be helpful in motivating some folks to be engaged in programs aimed at self-sufficiency and free up slots allowing other homeless persons an opportunity to move towards self-sufficiency and permanent housing.

3. Affirmatively Furthering Fair Housing:
  - a. Provide a summary of impediments to fair housing choice.
  - b. Identify actions taken to overcome effects of impediments identified.

*General Question 3 response:*

4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

*General Question 4 response:*

*The Human Services Department is a Community Action Agency. The Community Action Plan (CAP Plan) completed each year identifies areas of gaps and needs in the low-income community and Community Services Block Grant funds are used to the greatest extent possible to address those needs. In addition the CAP Plan identifies other local resources available to address those needs.*

5. Leveraging Resources
  - a. Identify progress in obtaining "other" public and private resources to address needs.
  - b. How Federal resources from HUD leveraged other public and private resources.
  - c. How matching requirements were satisfied.

*General Question 5 response:*

- a. The City attempted to obtain several sources of funds including the Neighborhood Stabilization 3 program Illinois Housing Development Authority (IHDA) 2010 Home Modification Program. We did not receive funds from either source. We did apply for IHDA's Homebuyer Assistance program with the Rockford Area Affordable Housing Coalition and Neighborhood Housing Services of Freeport as the primary applicants. A grant was awarded in the amount of \$235,000. We did apply for IHDA Home Modification program in 2009 and executed the agreements in 2010. We received \$120,000.

In 2010, we were able to obtain Federal USEPA Brownfield cleanup grant funds in the amount of \$200,000 and Brownfield Assessment grant funds in the amount of \$750,000. These accomplishments will assist with future economic development projects.

In 2010, the Community Services Block Grant (CSBG) administered by the Human Services Department leveraged \$3.60 in other federal, state and local funding for every CSBG dollar received. These funds go to address low-income needs.

- b. HOME funds were used as leverage for the IHDA Home Modification program as well as homeowner private funds, when necessary. Home Funds were leveraged with State funds, as well as homeowner private funds, to complete the Gilbert Avenue Rehabilitation program. Private funds were also leveraged with our Focus Area Rehabilitation program (HOME funded), when costs exceeded the program's maximums or the homeowner was required to provide their share of the costs. The Down Home homebuyer assistance program, which was funded with HOME funds, was leveraged with the buyer's private first mortgage financing. Community Housing Development Organizations received HOME funds for projects and operations which served as leverage to donations, revenue from services they provide, YouthBuild (through the Department of Labor), Neighborhood Housing Services, Capital Improvement Program funds and private financing.

The Healthy Neighborhoods program required a 25% match and therefore leveraged other private and public funds. The RAMP program was administered by an outside agency, therefore CDBG funds were leveraged with the agency's operating costs. The 21<sup>st</sup> Century Program funded with CDBG leveraged funds that they received by District 205 (school district). CDBG also provided leverage to the General Fund and its operations for Code Enforcement.

Traditionally, all HUD funding used in combination with economic development projects are leveraged with 50% or more developer or applicant private funding and/or additional public funding as designed by program.

- c. Homeowner equity for housing rehabilitation projects was required up front at the time the project agreement was executed and deposited into an escrow account to ensure that the match-type requirements were satisfied. Match for other programs was documented in the file and each payout takes into consideration the required match paying out only the CDBG/HOME/ESG program's share. Agreements are executed prior to project start in which the terms and conditions of the match requirements are stipulated.

Economic development activities require a submittal of a Performa and business plans that document the use of other funding sources. Typically, leveraging resources will range from private lender financing, personal savings, investor funds, TIF, and River Edge or Enterprise Zone funds.

The Emergency Solutions Grant leveraged private and public resources also. NANCY needs to respond.

## Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

*Managing the Process response:*

The City of Rockford continues to utilize an on-going plan development and evaluation process to ensure that program and planning requirements are met and done so in a satisfactory manner. This process is led by the City of Rockford

Community and Economic Development Department which coordinates the actions of all of the City Departments involved in Community Planning and Development formula program implementation and the partner (public and private) agencies that supplement these efforts. The Community and Economic Development Department shares the coordination of homeless related programming with the Human Services Department. The coordination includes establishing timelines with task assignments for all of the required aspects of both the Consolidated Plan/Annual Plan and the Consolidated Annual Performance and Evaluation Report. The following schedules illustrate the processes for both the annual plan preparation and submission and the CAPER development and submission for the year:

**Annual Action Plan Development and Citizen Participation Schedule**

<b>Date</b>	<b>Activity</b>
July 2	Receive 2010 – 14 Con Plan for review
July 6 – 10	Evaluate current programs
July 13 - 15	Hold ND/ED budget planning session
July 16 - August 14	Develop Draft of Annual Action Plan
August 31	Provide Annual Action Plan to WES
September 18	Receive combined Plan from WES
September 21 - 25	Present plan to administration and aldermen affected most by programs
September 27	Publish Notice of Plan – 30 day comment period begins
September 28	Read Plan into City Council with pending date for committee review of 11/2
September 28 – October 23	Additional discussions with Alderman if needed
October 6 – 8	Hold public input sessions (3 Districts)
October 27	30 day comment period ends and provide comments to WES
November 2	Plan is discussed at Planning & Development committee
November 9	Committee discussion continued if needed, a suspension of rules will be required
November 9	Receive City Council approval
November 12	Submit to HUD

December 15 Publish request for release of funds

**CAPER Preparation Schedule**

April 1- 15	Complete quarterly IDIS updates
July 1 – 15	Complete quarterly IDIS updates
October 1 – 15	Complete quarterly IDIS updates
November 15	Print IDIS reports and route for staff review
November 17 – 30	Conduct review ensure all #s served are entered Complete accomplishment screens Completed projects marked complete Slow projects identified and addressed Insert next program year for continuing projects Enter information on beneficiaries
December 1	Provide letters to HOME program recipients indicating date for final year end billing
December 13	Provide letters to CDBG program recipients indicating date for final year end billing
December 28	Process all HOME pending draws
December 31	Run IDIS reports PR12 and PR25
January 4 – 18	Finalize data for year end up dating
January 18	Run IDIS reports and assign narrative sections to be completed
January 19	Begin narrative preparation
February 3	Hold status meeting
February 10	Hold status meeting
February 16	Complete year end CDBG draws
February 17	Hold status meeting
February 24	Hold status meeting
March 7	Hold status meeting
March 11	Complete narrative preparation
March 14	Prepare draft report

March 15	Publish notice of 15 day comment period
March 29	15 day comment period ends
March 29 – 30	Make final adjustment and address citizen comments
March 30	Submit CAPER to HUD

## **Citizen Participation**

1. Provide a summary of citizen comments.

*Citizen Participation Question 1 response:*

2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

\*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

*Citizen Participation Question 2 response:*

## **Institutional Structure**

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

*Institutional Structure response:*

*Actions have been taken during the last year to enhance coordination. Those actions include:*

1. Actions taken to overcome gaps in the institutional structures and enhance coordination included the following:
  - Continued to work with the Human Services Department's to coordinate rehabilitation programs.

- Continued to partner, when possible, with the Winnebago County Health Department's lead program to remove the hazards in homes - primarily with children ages 6 or younger.
- Partnered with the Rockford Area Affordable Housing Coalition (RAAHC) and Family Credit Management (FCM) to provide pre- and post- purchase counseling to program participants.
- Continued partnership with RAAHC & FCM to administer homebuyer programs.
- Partnered with RAMP and NIAAA to administer a rehabilitation program for seniors and the physically disabled.
- Worked with Human Services Department, Rockford Urban Ministries, and various work camps to do minor repairs to properties within two Weed and Seed areas.
- Participated with the Weed and Seed Steering Committee and subcommittees to bring about change within their neighborhoods.
- Took a leadership role in Money Smart week and participated in its activities.
- Partnered with the Public Works Department to provide funds for water hook ups. This included the provision of funds to Habitat for Humanity and their newly constructed homes.
- Continued to partner with Rockford Area Economic Development Council to assist with relocating, expanding and retaining companies in the Rockford area.
- Continued to partner with Rockford Local Development Corporation to provide the administration of the City of Rockford's Small Business Revolving loan fund.
- Continued to provide staff support for the Mayor's Task Force on Homelessness.
- Partnered with Rockford Area Association of Realtors for the development of 2011 Real Estate Boot Camp, a collaborative effort to provide housing seminars for new and current homeowners and redevelop a single family home.
- Baker Tilly was hired by the City and evaluated the City departments to determine inefficiencies and outsourcing possibilities.
- Continued to partner with RAEDC to assist with attracting, relocating, expanding and retaining companies in the Rockford area.
- Continued to partner with RLDC to provide the administration of the City of Rockford's Small Business Revolving loan fund.
- Individual neighborhood business organizations were encouraged to partner with each other or combine in order to help serve their respecting neighborhood areas; as their annual TIF funding for marketing the neighborhoods would be reduced or deleted from future budgets.
- The Self Employment Training Program Manager submitted a proposal of additional duties that would seek to provide 1-year of mentoring to applicants receiving City of Rockford loan funds. The mentoring would be provided to applicants that plan to open new businesses without prior financial or bookkeeping experience to help ensure their success.

Below is a matrix of partnerships formed to overcome gaps and improve/enhance services related to Housing.

	Intake/ Referral	Eligibility Determination	Loan Processing	Construction Write Up	Construction Management	Payouts to Contractors	Pre-postpurchasing counseling	Additional financial resources	Other Services
<b>IHDA Home Modification Program</b> Northwestern Illinois Area Agency on Aging Regional Access Mobilization Project	X							X	X
<b>RAMP Program</b> Regional Access Mobilization Project	X	X		X	X	X		X	X
<b>Future Rehabilitation Program</b> 203K Lender(s) (2011)				To be determined - 2011					
<b>Down Home</b> Rockford Area Affordable Housing Coalition Family Credit Management	X	X					X		X
<b>Employer Assisted Housing Program</b> Rockford Area Affordable Housing Coalition	X	X	X				X		X
<b>IHDA Home Buyer Assistance</b> Rockford Area Affordable Housing Coalition Neighborhood Housing Services of Freeport				To be determined - 2011					
<b>Future Rehabilitation Program</b> Rockford Area Affordable Housing Coalition Neighborhood Housing Services of Freeport				To be determined - 2011					
<b>Healthy Neighborhoods Sub recipients</b> <b>Developers (CHDO's &amp; Private)</b>	X	X		X	X			X	X

## Monitoring

1. Describe how and the frequency with which you monitored your activities.

*Monitoring Question 1 response:*

2. Describe the results of your monitoring including any improvements.

*Monitoring Question 2 response:*

3. Self Evaluation
  - a. Describe the effect programs have in solving neighborhood and community problems.
  - b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.
  - c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.
  - d. Indicate any activities falling behind schedule.
  - e. Describe how activities and strategies made an impact on identified needs.
  - f. Identify indicators that would best describe the results.
  - g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.
  - h. Identify whether major goals are on target and discuss reasons for those that are not on target.
  - i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

*Monitoring Question 3 response:*

- a. The effect of our programs in solving neighborhood and community problems varies by neighborhood and funding.

Economic Development assisted the Rockford's community with increasing the availability of goods and services in low-income neighborhoods and/or the businesses that serve them, job creation that will assist in providing a livable wage for families, and the availability of job training and entrepreneurship training opportunities.

Human Services Department funded three specific neighborhood focused projects: Rockford Urban Ministries, Neighborhood Network and Community Gardens. These projects have had a decisive impact on the community. Neighborhood Network has grown the number of active, sustainable neighborhood watches and associations from under fifty such organizations to over 125 active groups. The community garden project, which began only two years ago with four gardens has now expanded to over 40 gardens with over 13 tons of food being donated to "Plant a row for the needy."

- b. Progress in meeting Economic Development needs have been very slow, due to the downturn in the economy. As a result, there are less City employees to work on these objectives which slow the process down for assisting projects even more. In addition, the larger projects take a longer time to develop through negotiations before they can be seen by the community as tangible projects. Priority needs are still a high priority; it just takes longer to get to the end result under the current economic circumstances.
- c. A utility installation project was undertaken to light a LMA neighborhood health facility that assists predominately LMI patients. This assistance made it safer for the LMI patients that receive care at the health facility. We also negotiated a sale of 3 vacant lots to a displaced business owner that provides services to a LMA neighborhood so that they could relocate in the same neighborhood. In addition, four business incubator units were sold to small business owners that provide goods and services to a long-time underserved LMA neighborhood of the Rockford community.
- d. The Construction Management Training Program fell behind schedule for meeting enrollment goals, due to a decreased amount of program participants since the Fall 2009 Semester. A portion of this decrease in enrollment can be attributed to economic times and slow building construction in the area. Also, marketing of the program was increased in the Spring of 2010 with the delivery of flyers, posters and radio advertisement of the program.

Although Human Services Department was behind goals in the Homelessness Prevention and Rapid Re-Housing Program due to slow spending by subgrantees, they have since reached the appropriate level of spending in this program by reallocating some of the funds to be expended through their housing programs.

- e. Several programs have made a positive impact on identified economic development needs of this community. The health facility activity mentioned above helped to serve *21,089 LMI residents*. *The funeral business and business incubator units sold helped to assist residents with goods and services located in neighborhoods in census tracts with 70%+ LMI residents and patrons of their businesses.*

- f. Economic Development indicators of results can be best described by the number of residents served that live in the LMA neighborhoods, the number of persons trained to start their own business, and the retention of a business that was considering closing due to displacement.
- g. Barriers that had a negative impact on fulfilling the strategies and overall vision for economic development consisted of:
  - An on-going limited amount of economic development tools that lend incentives to offer to businesses inquiring about locating to or expanding in the Rockford area.
  - Lending Institutions have re-structured their lending procedures and guidelines in a way that has prevented most small business owners to obtain loans and/or increases in a line of credit or deleted their previous lines of credits. Economic Development financing deals are becoming more creative and packaged in a way to make them financially feasible for the community and the developer/business.
  - Another barrier, low education attainment and low to no job skills, has produced a large workforce of unemployed or underemployed residents with low test scoring and decreased job readiness in the Rockford community that presents a problem when economic development staff are working to attract companies to the area. Although, the number of first time unemployment claims fell (in 2010 for the Rockford metro area )19 percent from 2009, last year's volume was the second highest in the past decade and is more than double the decade's low point in 2006.
- h. Except for the Construction Management Training Program (CMTTP), all goals have been met or have been exceeded. The CMTTP has had reduced participation due to a decrease in marketing of the program and current economic barriers in the Rockford area.
- i. An improvement to Economic Development programs that would help meet the area needs more effectively includes the addition of activities or programs to assist the small business owner. A Facade Rehabilitation Program was developed late in 2010, but is currently on hold. This program will help meet the need of local businesses located in low and moderate income neighborhoods. But, there is another potential project outstanding that if comes to fruition could deplete the balance of funds budgeted.

## **Lead-based Paint**

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

### *Lead-based Paint response:*

The City of Rockford Community Development Department continues to incorporate lead-safe work practices, interim controls, and lead abatement when assisting households through our CDBG and HOME-assisted housing rehabilitation programs. This includes:

- Two staff persons have state certifications as Lead Risk Assessor's which helps to reduce the expenses relating to risk assessments and clearance testing.
- Three Code Enforcement Zone Coordinators and one Code Enforcement Inspector have received state certification as Lead Supervisors to better equip the City of Rockford Code Enforcement Division in inspecting properties that are in a potential Property Maintenance Code violation condition.
- Since January of 2010, we have conducted 65 property inspections for our rehabilitation programs. Of those, five (5) rehab projects were completed in a joint partnership with the Winnebago County Health Department Lead program and Ten (10) rehab projects were completed in a joint partnership with the City of Rockford, Human Services GLO program. Twenty-one (34) total rehab projects with Lead abatement/mitigation activities were completed.

The Winnebago County Health Department serves as a delegate agency for the State Health Department to conduct lead risk assessments on properties identified as being occupied by a lead poisoned child. In our community 67.4% of housing units in the County (84,596) were built prior to 1979, and in the City limits, that number jumps to 77.8%. (44,656) (the Consolidated Plan indicates a higher potential incidence of lead in homes).

The inspectors conduct approximately six to ten inspections per month and insure compliance by following the State Act and Code and if necessary turning over the property owner to the State's Attorney's office for enforcement.

In the third and final year of the HUD grant program the health department removed lead hazards from 22 homes in 2010. Two of the homes were joint projects with the City of Rockford's housing rehabilitation program.

The Health Department has formed several partnerships to make the process smoother for the clients that we serve. A partnership was formed with Crusader Community Health, which is a non-profit health care provider that serves low income and Medicaid patients. This partnership teaches expecting, first time moms and their partners about lead poisoning prevention. It started at one location and is now at two of Crusader's locations. "Baby Basics" is a first time initiative that was started by a community health nursing student. It meets for six weeks and covers such topics as newborn and pediatric care, infant/toddler CPR, home safety, lead poisoning prevention, child care, car seat safety and healthy relationships. At the end of the program the participants receive a brand new car seat.

Year	2005	2006	2007	2008	2009
# of children screened	3839	3979	4842	4440	5294
# of children lead poisoned >10 mg/dL	175	157	161	123	109

Over a five year period, Winnebago County increased its lead screenings by 37.9% and reduced the incidence rate of lead poisoning by 37.7%

The City of Rockford Human Services Department, through a grant from the Winnebago County Health Department, administered the third year of the Get the

Lead Out Program (GLO). This program complemented several City housing programs including CDBG Home Rehabilitation, HPRP Homeless Assistance and Weatherization. Through GLO, 60 homes in Boone and Winnebago Counties had lead hazards removed in between 2008 and 2010. The CDBG program did supply at 10% match to GLO homes (44) that were completed within the City of Rockford.

In addition, all weatherization contractors this year were trained and certified in EPA lead safe practices per Weatherization requirements and all housing inspectors were trained in visual lead based paint inspections per HUD requirements. This resulted in over 500 homes being inspected for lead hazards through housing programs that previously would not have addressed these issues.

## HOUSING

### Housing Needs

\*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe Actions taken during the last year to foster and maintain affordable housing.

*Housing Needs response:*

The City's Community and Economic Development Department fostered and maintained affordable housing through several mechanisms. The HOME program is commonly used by the City of Rockford to create or maintain affordable housing. Seven focus areas were in place in 2010 in which homeowners could apply to rehabilitate housing that was owner occupied. Also, in 2010 we committed 100% of our Neighborhood Stabilization Program funds awarded in 2009 (2008 CDBG program year). Through this funding source, we were able to rehabilitate a number of vacant and foreclosed properties bringing them back into productive use. We created additional decent, safe, and affordable for sale and for rent units while making an impact, particularly in one neighborhood.

We formed or continued partnerships with a number of different agencies (discussed in the Institutional Structure section) which helped to bring about additional resources and maintain housing for seniors and the disabled. Through partnerships, an additional resource for down payment and closing cost assistance for eligible new buyers was developed.

Only two units of new construction were underway in 2010. Citywide the number of new housing starts dropped significantly. This was due solely to the housing crisis.

The Human Services Department continued to operate their Rental Housing Support Program and have just received renewals of Round One and contracts for Round Three. Rental Housing Support provides affordable housing for persons at 30% or below of median income.

## Specific Housing Objectives

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.

*Specific Housing Objectives Question 1 response:*

The City of Rockford exceeded the rental rehab assistance goal of zero (0) by completing four (4) units which were funded in prior years.

The City of Rockford assisted fifty-seven (57) low to moderate income homeowners with rehabilitation on their home. This was 93% of the City's goal. However, this percentage did not include the additional twenty-three (23) homeowner activities meeting the Slum/Blight National Objective, nor did it include the eleven (11) homeowners assisted through the City of Rockford Water Hook-up program funded by the City of Rockford Public Works Capital Improvement Plan funds. The Water Hook-up program by design only assists homeowners at or below 80% of area median income.

The City of Rockford met 75% of its goal for Homebuyer activities, which can be attributed to the down turn in the housing market.

Type of Household Assisted	Extremely Low Income (at or below 30% Area Median Income)	Low Income (between 30% & 50% Area Median Income)	Moderate Income (between 50 & 80% of Median Income)	Total households assisted	2009 Proposed Goal
Rental					
Homeowner					
Homebuyer					

2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

*Specific Housing Objectives Question 2 response:*

The City of Rockford housing programs are designed to ensure all federally funded activities meet the Section 215 definition of affordable housing for rental and owner households. Therefore, all the activities indicated on chart in number one (1) above meet Section 215.

3. Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.

*Specific Housing Objectives Question 3 response:*

Worst case housing needs is defined as low-income households who paid more than half their monthly income for rent, lived in severely substandard housing, or both. Nationally, this increased by 20% between 2007 and 2009 which has been attributed to “shrinking incomes as well as rent increased due to increased competition amongst low-income families for fewer affordable units.”

In 2010, the City of Rockford directly offered several programs that addressed “worst-case” housing needs and needs of persons with disabilities. One such program is the Rental Housing Support Program administered by the Human Services Department. It provides affordable housing for persons at 30% or below of median income. In addition, the program gives unit preference for disabled persons.

Human Services also administers the Shelter Plus Care program which provides over 100 units of housing for persons with serious mental illness.

The city’s HOME program, in conjunction with the Illinois Housing Development Authority (State) funded program and two other partnering agencies, provided rehabilitation and home modification assistance through the Home Modification Program. The City also provided housing rehabilitation programs funded through the HOME program and the City partners with the **Regional Access and Mobilization Program** (RAMP) to construct ramps for low-income disabled persons. The RAMP program is funded through CDBG funds.

Additionally, the Community Foundation has several programs to address crisis needs and needs of the elderly and physically disabled. These programs are accessed through a referral process with the City being an eligible referring agency.

## Public Housing Strategy

1. Describe actions taken during the last year to improve public housing and resident initiatives.

### *Public Housing Strategy response:*

In the past year Winnebago County Housing Authority (WCHA) has completed a \$13 million revitalization program, which included a \$5.7 million of tax credit award, and was one of only 14 housing authorities in the nation to receive the \$2.3 million public transformation competitive stimulus grant, which allowed WCHA to complete the revitalization of Collier Gardens including all deferred maintenance. WCHA has started the \$6.2 million mixed finance revitalization of Johnston Garden apartments, which then completes the transformation of the complete WCHA portfolio and exceeded WCHA’s five year plan. In addition, WCHA received over \$160,000 for a computer technology center at Collier Garden, another \$62,973 to expand the Family Self Sufficiency program to help families transition from Section 8 into homeownership, and an additional \$400,000 in Rental Housing Support funds for a three year period from other grants and funding sources. The successful Section 8 program enabled WCHA to increase its funding with a \$200,000 HUD Housing Choice Voucher utilization award and a funding increase for the remainder of the year. These examples represent over \$20 million received for the authority in the past 12 months,

without looking at savings in the capital fund that would have been expended without the revitalization, lost Section 8 revenues, and other lost services to the community.

The WCHA nonprofit component (WHA) has grown into five LLCs. WHA's first case flow (which started receiving funds 18 months at the close of each program) has started, and the operations with WHA, Boone County Housing Authority management, absorbing the Freeport Housing Authority Section 8 program, and the Rental Housing Support Program which covers three counties has grown from a medium size authority to a creative large housing authority which covers much of Northern Illinois and has operations in two states. This is important positioning as HUD is developing a regionalization policy, and WCHA was invited along with about 20 others PHAs, out of the 3000 in the nation, to attend the Washington DC Section 8 policy creation. The successful turnaround of the troubled Freeport Housing Authority Section 8 program in only four months led HUD asking WCHA to manage the Boone County Housing Authority, which was restored within a year—a process that HUD estimated would take four years. The housing authority is represented on the boards of the national NAHRO, Regional HAHRO and Illinois NAHRO, a member the Illinois Association of Housing Authorities and the Public Housing Directors Association.

The authority remains committed to resident services, adding a Resident Service Coordinator this past summer. WCHA has also brought the Family Self Sufficiency Program in-house (which assists families from rental to homeownership), renewed affiliation with the Saint Anthony College of Nursing, enacted preferences to directly serve the community, work with the County E-Team, the Winnebago/Boone Homelessness Task Force, the City of Rockford Department of Community Development, share programs and resources with the Rockford Park District, and have 50 of only 2400 nationwide Family Unification Program vouchers (the State of Illinois has asked for WCHA's further assistance). The housing authority also received Disaster Housing Assistance Vouchers to help families across the nation displaced by disaster. The housing authority received an award from the Illinois Association of Housing Authorities for Outstanding Achievement for Creativity in its partnership with RAMP to create the Whitehall House for Traumatic Brain Injury Victims.

WCHA has positioned itself for a time of national budgetary reductions to continue uninterrupted community services. 44% of staff is certified for Section 8 operations, 3% for tax credit management, 33% for Uniform Physical Condition Standards, 44% for Housing Quality Standards, 2% for Family Self Sufficiency, 22% for Section 8 Financial Management, 22% for Section 8 Executive Management, 39% for Public Housing and 2% for Senior Public Housing Management and Public Housing Executive Management. WCHA was selected as one of five housing authorities in the United States to present a best practices affordable housing program to the Shanghai Municipal government. WCHA is completing a Resident Advisory Group composed of all Resident Councils and representatives of the Housing Choice Voucher program. WCHA received the public housing High Performer status awarded by the United States Department of Housing and Urban Development (HUD), and the Housing Choice Voucher High Performer status from HUD.

The Rockford Housing Authority took a number of different actions during the past year to improve both public housing and resident initiatives. These actions were in a variety of areas and are listed below;

#### SECURITY

Over the past five years, there has been a decline in the amount of criminal arrests taking place on RHA property, an overall decrease of 81% (1202 reported arrests in 2005 vs. 224 reported arrests in 2010). Last year alone saw a decrease of over one hundred criminal arrests. RHA has taken a proactive approach to criminal activity in the form of contracted security, higher accountability for those already in housing, and close partnerships with local authorities. The ultimate goal of the security department has been to assist in providing a safe environment for our residents. The downward trend in criminal arrests on RHA property is directly related to the efforts taken in pursuing that goal.

#### RESIDENT INITIATIVES

Rockford Housing Authority Resident Programs Includes;

##### Neighborhood Network Centers (NNC)

The NNC in partnership with Rock Valley College provides computer classes for adults: Basis computer skills, keyboarding, using the internet, Microsoft word and Excel. RHA also partners with Rockford Literacy to offer a computerized reading and math program.

##### GED

Free GED and Pre GED classes are offered in partnership with Rock Valley College. Open to both RHA residents and non-residents. Free transportation is available.

##### RESIDENT OPPORTUNITY SELF-SUFFICIENCY PROGRAM (ROSS)

The ROSS Program consists of a five-step process: Life skills, job training, career advancement, job search/placement, post-employment follow-up. This program offers tuition for some education/training programs as well.

##### FAMILY SELF-SUFFICIENCY (FSS)

The FSS Program is a program established by HUD to promote economic self-sufficiency among RHA participating families. Emphasis is on full time employment, credit readiness, and independence from public assistance.

##### SUCCESS X THREE TRAINING PROGRAM

The Success X Three Program promotes economic opportunities for resident based on local needs and available resources in the community it serves. Funds are available to assist with transportation, college courses, technical training, or any other barrier that will impede the successful completion of training or employment.

#### DEVELOPMENT

Hope VI – RHA submitted a 2010 Hope VI application in November in hopes of obtaining funding to complete the full renovation/development project on the Jane Addam's site, Brewington Oaks, Grinnell Court and limited Scattered sites. The project scope includes – full revitalization of the Brewington Oaks facility (includes return to senior only), 38 new supportive disabled housing units on the

former Jane Addams site, 12 unit building construction on Grinnell Court and 30 2-story SF family home replacements for scattered sites.

Jane Addams – while the 38 new supportive disabled housing units were included in the Hope VI applications a 2010 disaster relief LIHTC award allows us to move this project forward. The goal is to obtain entitlements by mid 2011, and achieve a ground breaking goal of summer 2011. There will be a small portion of the original JA site that is being sold to the City for ROW acquisition – necessary for the Morgan Street Bridge replacement.

Scattered Sites – Plans include the disposition of 4 units to Habitat for Humanity and 1 unit to Swedish American Hospital. Both arrangements require that affordable housing consistent with the RHA mission be built on each site. The SAH site is already demolished. The 4 proposed sites for Habitat would be torn down by Habitat prior to their construction. RHA/Gorman via partnership will be submitting a 2011 LIHTC application – see LIHTC applications heading.

Fairgrounds Valley – RHA submitted a planning grant request under the 2010 Choice Neighborhoods program seeking \$250,000.00 to aid in the planning, redesign and re-development plan of the current facility into an education-centric mixed income, mixed finance community. In absence of an award, the project will be shelved until other financial resources present.

LIHTC applications – RHA was successful in obtaining a special award of disaster relief LIHTCs that will be used to build the 38 new supportive disabled housing units at the Jane Addam's site; considered as Phase one of several phases under the 2010 Hope VI grant request. RHA/Gorman in partnership will submit two 2011 LIHTC applications – 1) Application addresses 38 scattered site units in an attempt to improve the quality of living for each of these site's occupants. The 38 chosen units were in QCT (Qualified Census Tracts) and were on RHA's list of the poorest quality Scattered Sites. 2) Brewington Oaks renovation of 1 tower. This application is being submitted as a backup to a Hope VI award so that in the absence of a Hope VI award incremental progress may continue at the JA/BO sites.

#### OTHER

##### Housing Choice Voucher Program/Management

The Authority's 100 members of management and staff serve over 3,500 families throughout Rockford. During 2010, 310 new families received assistance in our public housing program. There are almost 1,100 families remaining on the Housing Choice Voucher (HCV) waiting list. HUD has decreased funding for the voucher program so we do not plan to accept applications within the next year.

In 2010, the Housing Choice Voucher Program provided over \$11 million into the local economy in the form of rent subsidies, utility allowances, landlord payments, and vendor payments. The program continues to grow and increase community partnerships.

RHA continues to administer a grant through the Division of Mental Health (DMH) Bridge Subsidy for the Janet Wattles Clients. We also became Contract Administrator for the Veterans Affairs Supported Housing (VASH) Program in FY

2010. The primary goal of the HUD-VASH program is to move veterans and their families out of homelessness.

Since the demolition of Jane Addams in May 2008, we have continued to work with the community to improve that area. We are compliant with the Consent decree that was entered in January 2009. Our Housing Mobility Program that was instituted through this decree has grown and we now have a full time Housing Mobility Counselor within the HCV program. We have identified the Opportunity areas of Rockford and encourage all participants to consider these areas when moving. These areas generally have greater educational and employment opportunities options which can help the family become self-sufficient.

Site based budgeting and management processes have continued to progress the past fiscal year. The site staff has assisted with developing and maintaining their site budgets efficiently. At the end of FY2010, all sites had a positive cash flow. Property management staff has been consolidated to improve efficiency. Occupancy rates and unit turnaround times have been two areas of focus. Most developments have significantly improved their occupancy rate.

Over \$4 million of capital stimulus funds were received and allocated to numerous projects. These funds have been used to complete exterior improvements at the low rises, windows and siding at scattered sites, interior rehab at high rises and low rises, as well as other projects. All funds were expended according to the shortened HUD deadlines.

Additional stimulus funds have been awarded to complete energy improvements at North Main Manor and Orton Keyes. Planned improvements include energy efficient lighting, water conservation including toilets, shower heads, aerators at both locations. We will be replacing furnaces with energy efficient models including set back thermostats and replacement energy efficient windows at Orton Keyes and solar voltaic panels on the roof at N. Main Manor to generate electricity for common area uses.

## **Barriers to Affordable Housing**

1. Describe actions taken during the last year to eliminate barriers to affordable housing.

### *Barriers to Affordable Housing response:*

Regulatory barriers (HUD, State and local) increase housing costs. Public processes and requirements significantly impede the development of affordable housing and raise the development costs. These costs include infrastructure costs, property taxes, lead paint removal costs, local utility and permit fees, and prevailing wage costs.

Regulatory barriers also affect the location of housing. To the extent that regulatory barriers prevent development in areas of high job growth, they can force lower income households to live far from job opportunities. This home-to-work distance can make it more difficult for the unemployed to find work; for the

employed, it lengthens the commute and increases the household gasoline expenses which lowers the quality of life.

State and HUD Regulations that restrict market rate housing in conjunction with affordable housing exacerbates the efforts toward neighborhood stabilization by clustering poverty in lower income census tracts. These census tracts also have high incidences of crime. Therefore, affordable housing may not in neighborhoods of choice.

HUD must review and remove or modify its own regulations that affect neighborhood stabilization. Rockford is a community with plenty of affordable housing but lacks the resources to diversify its neighborhoods with a mix of incomes and bring the housing it has up to decent and safe standards.

The regulations, reporting requirements have become overly complex and can inhibit development. Funding commitment timelines can be unreasonable given the complexity of programs.

Although home values are low, the tightened credit market, has caused many families to find themselves unable to move or buy a home. Home sales declined by about \_\_\_ percent from August of 2007 to August of 2010, dropping from \_\_\_ to )\_\_\_. The median selling price also declined from \$\_\_\_\_\_in \_\_\_\_\_ to \$ in \_\_\_\_\_.

National (and local) unemployment rates are at an all time high, as are foreclosure rates. Homeownership opportunities will continue to be restricted by lenders unwilling or unable to finance home mortgages or lend money to builders and developers.

Zoning and other land use regulations at the local level do not appear to inhibit the provision of a variety of affordable housing options. Rockford's land use regulations were created for the public good and in order to maintain a high standard of development. Rockford's regulations ensure the health and safety of the residents in our community.

A multitude of factors and forces contribute to housing price and availability, including labor and material costs, availability of financing for buyers and developers, land values, changes in population, demographics, migration, and other local economic factors such as unemployment rates and income. Consumer preferences and expectations related to housing size, quality, and amenities, as well as federal or state priorities and corresponding policies also contribute to the availability of specific types of housing.

## **HOME/ American Dream Down Payment Initiative (ADDI)**

1. Assessment of Relationship of HOME Funds to Goals and Objectives
  - a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.

*HOME/ADDI Question 1 response:*

2. HOME Match Report
  - a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.

*HOME/ADDI Question 2 response:*

3. HOME MBE and WBE Report
  - a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).

*HOME/ADDI Question 3 response:*

4. Assessments
  - a. Detail results of on-site inspections of rental housing.
  - b. Describe the HOME jurisdiction's affirmative marketing actions.
  - c. Describe outreach to minority and women owned businesses.

*HOME/ADDI Question 4 response:*

- a.
- b.
- c. *Describe outreach to minority and women-owned businesses.*

Consistent with Executive Orders 11625, 12432 and 12138, the City of Rockford will continue its efforts to encourage the use of minority and women's business enterprises, the City's outreach standards at a minimum included:

- The promotion and encouragement of minority and woman-owned businesses and their participation in the City's procurement process as general contractors, subcontractors and suppliers of goods and services.
- The City's purchasing staff sought quotes under \$10 thousand from Minority and Women Owned Businesses who are certified by the City's Diversity Procurement Officer.
- Businesses certified a MBEs and WBEs were placed on the City's web site for internal purchasers and for the community-at-large to recruit MBEs and WBEs for products and services.
- Administered the U. S. Department of Housing and Urban Development (HUD) Section 3 regulation on low to very low income persons who reside in the eligible areas of the City to assist them with employment and training and to be hired on HUD funded projects. Also assisted Minority Business Enterprises and Women Business Enterprises for opportunities to obtain work as general contractors or subcontractors from HUD funded programs.
- A yearly statement is issued in the Rockford Register Star (and/or a minority publication with a substantial circulation) of its public policy and commitment to minority and women business development.

- Coordinated training classes for minority, women, disadvantaged, veterans, minority and women business owners, to attend Construction Management Training Classes for the construction and service industries through NIMCA as a sponsor and Rock Valley College, our area Community College, to teach the classes.
- Networked with local, state, federal and private agencies and organizations to enhance the contractual opportunities for minority and women business development.
- Administered the City Council approved Procurement Policy that encourages the use of Minority and Women Owned Business in the City's Procurement efforts.
- As part of bid requirements, the City of Rockford required Minority and Women Owned Business to certify their business as such and bid documents; require contractors to register as a Minority Business Enterprise (MBE) or Women Business Enterprise (WBE), as a means of certification. Certifications from the Illinois Department of Transportation, Illinois Central Management Services, City of Chicago, and U.S. Small Business Administration's Disadvantaged Business Enterprise (DBE) and Section 8 (a) can be reciprocated for this requirement.
- Administered HUD Section 3 requirements on all Federal funds to be reported annually to U.S. Department of Housing and Urban Development (HUD).
- Required contractors/firms to provide a listing of subcontractors.
- Tracked MBE/WBE participation of all contracts awarded through bid & quote process by implementing bullet points 1 -2 above.
- Revamped measures to encourage minority and women-owned business participation.
- Based upon the implementation of the last three bullet points noted above, set goals for minority participation.

## HOMELESS

### Homeless Needs

\*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Identify actions taken to address needs of homeless persons.

*Homeless Needs Question 1 response:*

Homeless persons who are engaged within the Continuum of Care system can expect to receive a full assessment of their strengths and weaknesses and will be assisted in establishing personal goals which promote self-sufficiency. We are very fortunate to have a close-knit Continuum and are able to often work across several agencies to provide necessary and appropriate supportive services to our homeless population. At varying intervals, persons who are receiving services and/or housing will be reassessed and progress towards goals determined. If a client falls behind, then the goals and means to achieve those goals are reviewed and modified, if needed, and then implemented. Once it is determined that the client is stabilized and ready for permanent housing, then we assist them in securing permanent housing. Some of the supportive services that accompany this type of move include job readiness training, mental illness and substance abuse services, budgeting, education and life skills. We believe that in order for our community's homeless to remain permanently housed and successful in supporting themselves, our response needs to be tailored to meet their specific needs as much as possible.

2. Identify actions to help homeless persons make the transition to permanent housing and independent living.

*Homeless Needs Question 2 response:*

The Continuum of Care takes service to homeless persons very seriously and follows the principles of housing first, whenever possible. We understand that not everyone is ready to be in permanent housing and be self-sufficient. To assist this portion of the homeless population, we offer transitional housing combined with appropriate and meaningful supportive services geared towards moving to permanent housing.

Homeless persons who are engaged in a transitional housing program within our Continuum can expect to receive a full assessment of their strengths and weaknesses as they relate to their current situation and will be assisted in establishing personal goals which promote self-sufficiency. The Continuum works as closely as possible to provide necessary and appropriate supportive services to our homeless population. At varying intervals, persons who are residing in transitional housing will be reassessed and progress towards goals determined. If a client falls behind, then the goals and means to achieve those goals are reviewed and changes, if needed, are implemented. Once it is determined that the client is stabilized and ready for permanent housing, then we assist them in securing permanent housing. Supportive services that may accompany this type of move include job readiness training, mental illness and substance abuse services, budgeting, education and life skills.

3. Identify new Federal resources obtained from Homeless SuperNOFA.

*Homeless Needs Question 3 response:*

The Rockford/Winnebago and Boone Counties Continuum of Care was fortunate to receive funding in the 2009 application for five units of permanent supportive housing for homeless persons with substance abuse issues. The amount of the

award was \$137,359 and we expect to have the project running at full capacity by late spring.

## **Specific Homeless Prevention Elements**

1. Identify actions taken to prevent homelessness.

*Specific Housing Prevention Elements response:*

The City was fortunate to receive Homeless Prevention Rapid Re-Housing funding from both the State of Illinois and the United States Department of Housing and Urban Development. With these additional resources, we were able to fill the gap and allow persons who were facing eviction due to the precarious state of our local economy (Rockford's unemployment rate has consistently been higher than the State of Illinois). Persons who received this assistance also benefitted from other services such as development of a personal housing stabilization plan, referrals to job training and other programs as well as case management. In addition, new to our Emergency Solutions Grant Program is Prairie State Legal Services, which offers low income persons legal representation geared at preventing homelessness. We believe the number of persons who are experiencing homelessness to be reduced due to this type of support service.

## **Emergency Shelter Grants (ESG)**

1. Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).

*Emergency Shelter Grants Question 1 response:*

The City of Rockford conducts a Point In Time Count of the Homeless each year at the end of January. Through this count, a snapshot of the current homeless problem, provides the Mayor's Homeless Task Force a starting point. From there, the count is discussed, needs are identified and resources are assessed. In terms of emergency shelter, we are fortunate to have a large emergency shelter in our area which is supported by a handful of emergency shelter beds prioritized by domestic violence, substance addiction and/or mental illness. Recent counts have indicated that local emergency shelters are consistently at maximum capacity. However, few persons are turned away for lack of space. Rather, persons who are turned away because they were banned from the facility on a prior occasion for violence and related issues.

A response to the needs of the homeless who seek emergency shelter is to bridge them to transitional housing, with the goal of obtaining permanent housing at some point. Through intensive case management and supportive services offered by the Continuum of Care agencies, we are able to establish various types of transitional housing, identify homeless persons who are ready for the transition and to ensure that the transition is smooth and follow-up occurs on a steady basis. Transitional shelter in our community is accompanied by a lengthy wait

list. However, the Continuum does work very closely and thoughtfully to provide interim housing and ensure that no one falls between the cracks.

Subpopulations served by both ESG and Transitional Housing include a large percentage of substance addiction, domestic violence and/or mental health characteristics. To address these issues, Continuum agencies specialized in serving that population take the lead and directly work with an individual (and sometimes their families) to become stabilized. While an agency may take the lead, it is often the case that several Continuum agencies will work together towards a positive outcome.

Chronically homeless persons continue to comprise a large percentage of our homeless population. The number of chronically homeless has remained the same over the past few years. As well, there are also two types of chronically homeless. There are persons who are currently housed and who have been homeless for a long period of time and/or who have experienced homelessness numerous times. The other type of chronically homeless includes those who are living on the street who have been homeless for a long time and/or experienced homelessness on numerous occasions. Of those living on the street, most have "opted-out" of mainstream resources and prefer being homeless on their own turf and terms. They may seek and receive supportive services, meals, etc. However, many live in homeless camps throughout the City. While the City works with service providers to disburse these camps and get the street homeless housed, it is a constant challenge as some homeless simply do not want to change their lifestyle.

2. Assessment of Relationship of ESG Funds to Goals and Objectives
  - a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.
  - b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.

*Emergency Shelter Grants Question 2 response:*

- a. Overall, the Continuum of Care has done a tremendous job of getting homeless persons housed and provided the services and supports necessary to maintain an independent lifestyle. Through data sharing, phone calls, emails, meetings, referrals and so forth, persons who were once homeless are now housed and even working or volunteering for the same organizations which assisted them in their time of need.

The ESG program has been instrumental in addressing an immediate homelessness crisis as many persons who find themselves homeless lack the support network to avoid homelessness in the first place. They seek a safe and warm place to sleep, which is what each emergency shelter provides. Once they have acclimated themselves to the program, they are case managed and goals and strategies are established to move that person to a more stable living environment, which can be transitional or permanent housing.

An incredible resource this past year has been the Homeless Prevention Rapid Re-housing program. Through this program, many homeless have been able to secure a permanent residence, obtain employment and work on life skills and other issues that have served to be a detriment to self-sufficiency. As the program continues, the anticipation is that more homeless will move from the streets, emergency shelter and transitional shelter into permanent housing.

Prevention under ESG has also been effective. The prevention funding has primarily been designated to career development and supportive services. What this has afforded the Continuum is a method to address recent parolees, those with low or no skills and others to develop skills, learn how to search for adequate employment, establish a personal budget and participate in meaningful interview dialogue.

- b. On an annual basis over 3000 unduplicated homeless persons are served by local emergency shelters. This includes meals, shelter and/or services.
3. Matching Resources
- a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.

*Emergency Shelter Grants Question 3 response:*

4. State Method of Distribution
- a. States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as subrecipients.

*Emergency Shelter Grants Question 4 response:*

Required matching funds under the ESG program is 1:1 and includes cash invested into the program by the sub-grantee, in-kind matching of space, salaries and services, donated goods and, rarely, volunteer time. In terms of new funding, agencies have historically provided cash match to the program. However, their funders have remained constant and we report no new funding entering the program than what has existed in prior years.

5. Activity and Beneficiary Data
- a. Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.
  - b. Homeless Discharge Coordination
    - i. As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as

health care facilities, foster care or other youth facilities, or corrections institutions or programs.

- c. Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.

*Emergency Shelter Grants Question 5 response:*

## COMMUNITY DEVELOPMENT

### Community Development

\*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Assessment of Relationship of CDBG Funds to Goals and Objectives
  - a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.
  - b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.
  - c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.

*Community Development Question 1 response:*

a.  
Economic Development(ED) job creation goals were met, even though the unemployment rates were still high in 2010, ED funding sources were limited, the education attainment of workforce is still low, and the community continues to deal with the loss of manufacturing companies that have moved to other countries with cheaper labor costs.

b.

c.  
The Microenterprise activities benefitted 18 extremely low person, 33 low income persons and 20 moderate income persons. A LMA utility location project benefitted 18,137 low income persons and 2952 moderate income persons, and there were 5 businesses assisted with the acquisition of city owned property in LMA neighborhoods. CDBG-R projects created 66 low income jobs in 2010 and demolished 2 dilapidated buildings in a LMI neighborhood consisting of 1882 LMI persons- census tract#28.

2. Changes in Program Objectives
  - a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

*Community Development Question 2 response:*

a.

*There were no economic development changes in program objectives, but there was a Façade program change considered and developed for the 2011 program year. Due to the current state of the economy and the high unemployment; more focus has been put on economic development. A new Façade program has been developed to assist the small business owners within LMA neighborhoods that may not have the funds to rehabilitate the exterior of their buildings. Assistance to these business owners will not only employ contractors, but may help the owner increase their business sales and customer base.*

3. Assessment of Efforts in Carrying Out Planned Actions

- a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.
- b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.
- c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

*Community Development Question 3 response:*

a.

The City pursued all resources indicated in the Consolidated Plan for CDBG programs. Federal funds discussed in this report and other resources were obtained from a variety of other public and private sources to address priority needs identified in the Plan.

b.

CDBG programs that deal with economic development are carried out on a first-come, first-served basis and eligibility. All written materials on programs and advertising states equal housing opportunity logo and a statement prohibiting discrimination to ensure programs are carried out in a consistent, fair, and impartial manner.

c.

The City of Rockford did not hinder the implementation by action or willful inaction of the Consolidated Plan. The City contracted with a consultant to assist in the development of the 2010 -2014 Consolidated Plan and maintains an open process for the preparation and implementation of all Consolidated Plans.

4. For Funds Not Used for National Objectives

- a. Indicate how use of CDBG funds did not meet national objectives.
- b. Indicate how did not comply with overall benefit certification.

*Community Development Question 4 response:*

5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property

- a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.
- b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act

- or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.
- c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.

*Community Development Question 5 response:*

6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons
  - a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.
  - b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.
  - c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.

*Community Development Question 6 response:*

- a.

City of Rockford economic development agreements providing CDBG funds for creating and/or retaining jobs customarily include a clause that 51% or more of created jobs must be held by low/mod persons. Activities undertaken where jobs were made available, but not taken by low or moderate income persons is not applicable to our programs.
- b.

The 66 Permanent jobs created with the FMS/CDBG-R activity all went to low/mod persons. The created job titles were: (1) Technician, (2) Office/Clerical, and (63) Telecommunications/Service Worker type jobs. Activities undertaken where jobs were made available, but not taken by low or moderate income persons are not applicable to our program. All job creation or retention activities must create or retain 51% of the jobs for low/mod persons.
- c.

No jobs were made available to low/mod persons that were requiring special skill, work experience or education. Activities undertaken where jobs were made available, but not taken by low or moderate income persons are not applicable to our program. All job creation or retention activities must create or retain 51% of the jobs for low/mod persons. If these jobs will require a special skill, work experience, or education that these individuals may not have; training is also provided for them by the assisted business.

7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit
  - a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.

*Community Development Question 7 response:*

- a.

The Crusader Clinic was assisted with the installation of utility lines from the public right of way to the facility. The parking lot and alley were in dire need of repairs and was a hazard with many holes, and there were uneven sidewalks and limited outdoor lighting. This health facility serves 99% low-income persons and is located within and surrounded by CDBG eligible census tracts with 70% or more low/moderately low residents. The facility also completes an annual report called the Uniform Data System report for the Federal government. This report details the clientele the facility assists are 99% low/mod. A copy of this report has been documented in the file.

8. Program income received
  - a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.
  - b. Detail the amount repaid on each float-funded activity.
  - c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.
  - d. Detail the amount of income received from the sale of property by parcel.

*Community Development Question 8 response:*

- a. There was no program income reported that was returned to any revolving loan fund.
  - b. There were no funds repaid on float-funded activities.
  - c. 

1218 Fairview Blvd.	\$155.07	(Other)
1516 W. Jefferson St	6580.00	(Other)
1510 Blaisdell St.	\$494.30	(Other)
  - d. No Income was received from the sale of property.
2. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:
    - a. The activity name and number as shown in IDIS;
    - b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
    - c. The amount returned to line-of-credit or program account; and
    - d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.

*Community Development Question 9 response:*

3. Loans and other receivables
  - a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.
  - b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
  - c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.

- d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.
- e. Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.

*Community Development Question 10 response:*

- a. The City of Rockford did not provide any float funding during the reporting period.
- b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
- c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.
- d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.
- e. Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.

2. Lump sum agreements

- a. Provide the name of the financial institution.
- b. Provide the date the funds were deposited.
- c. Provide the date the use of funds commenced.
- d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.

*Community Development Question 11 response:*

3. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year
- a. Identify the type of program and number of projects/units completed for each program.
  - b. Provide the total CDBG funds involved in the program.
  - c. Detail other public and private funds involved in the project.

*Community Development Question 12 response:*

4. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies
- a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

*Community Development Question 13 response:*

## Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

*Antipoverty Strategy response:*

## NON-HOMELESS SPECIAL NEEDS

### Non-homeless Special Needs

\*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).

*Non-homeless Special Needs response:*

### Specific HOPWA Objectives

\*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives  
Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:
  - a. That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;
  - b. That community-wide HIV/AIDS housing strategies are meeting HUD's national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;
  - c. That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;
  - d. That through community-wide strategies Federal, State, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;
  - e. That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,
  - f. That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.

*Specific HOPWA Objectives Question 1 response:*

2. This should be accomplished by providing an executive summary (1-5 pages) that includes:
  - a. Grantee Narrative
    - i. Grantee and Community Overview
      - (1) A brief description of your organization, the area of service, the name of each project sponsor and a broad overview of the range/type of housing activities and related services
      - (2) How grant management oversight of project sponsor activities is conducted and how project sponsors are selected
      - (3) A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS
      - (4) A brief description of the planning and public consultations involved in the use of HOPWA funds including reference to any appropriate planning document or advisory body
      - (5) What other resources were used in conjunction with HOPWA funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other individuals or organizations
      - (6) Collaborative efforts with related programs including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs, homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.
    - ii. Project Accomplishment Overview
      - (1) A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage or utility payments to prevent homelessness; rental assistance; facility based housing, including development cost, operating cost for those facilities and community residences
      - (2) The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds
      - (3) A brief description of any unique supportive service or other service delivery models or efforts
      - (4) Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.
    - iii. Barriers or Trends Overview
      - (1) Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement
      - (2) Trends you expect your community to face in meeting the needs of persons with HIV/AIDS, and
      - (3) Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5-10 years
  - b. Accomplishment Data
    - i. Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).
    - ii. Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).

*Specific HOPWA Objectives Question 2 response:*

## OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

*Other Narrative response:*