



Third Program Year Action Plan

The CPMP Third Annual Action Plan includes the SF 424 and Narrative Responses to Action Plan 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.

Narrative Responses

GENERAL

Executive Summary

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

Program Year 3 Action Plan Executive Summary:

- A. **Summary of Objectives and Outcomes in Plan.** This Action Plan outlines the activities, of which the City of Rockford proposes to undertake during the program year beginning January 1, 2012 and ending December 31, 2012. It represents a concerted effort to bring together various public and private resources and to direct the utilization of such resources to address identified housing and community development needs.

In 2012, Rockford will continue to focus on seven objectives: Reduce blight, increase redevelopment activities, increase the provision of affordable housing, repair and maintain streets and sidewalks, enhance crime awareness, create, expand and retain employment, and reduce chronic homelessness. These objectives will meet HUD's performance measurement objectives of Creating Suitable Living Environments, Providing Decent Affordable Housing, and Creating Economic Opportunities.

Rockford plans to reduce blight through a number of actions, including rehabilitation, demolition of both residential and older vacant commercial and industrial property, code enforcement and a limited amount of new construction.

Rockford will continue code enforcement in conjunction with the Police Department's efforts to create a more holistic approach to addressing problem areas. This approach will not only place a major emphasis on code enforcement but, will also use it to augment the city's "fast track" demolition process and acquisition/demolition or redevelopment program to remove vacant/abandoned properties. All of these efforts encompass several of the activities designed to meet one of the identified objectives of creating *decent housing availability/accessibility, affordability and sustainability*.

The City will invest its current federal financial resources while seeking to obtain and leverage additional resources to demonstrate that properly channeled efforts can make a difference and bring about "Excellence Everywhere".

Additional housing related activities are proposed to increase the *provision of decent housing through availability/accessibility, affordability, and sustainability of decent housing* for homeowners, renters and individuals/families who are either homeless or in eminent danger of becoming homeless. The use of HUD's 203(k) program is also anticipated to help increase the number of households served. These activities include the removal of architectural barriers and environmental conditions, providing down payment and closing cost assistance, supporting pre/post purchase counseling, providing homeless rental assistance, supporting homeless shelter operations, enhancing permanent supportive housing for the homeless and activities designed to prevent homelessness.

Rockford's Community & Economic Development Department will continue its efforts to partner with other city departments and other public entities to stabilize and in some cases remove the blighted influences that plague many of the City's older business/neighborhood districts.

Rockford continues to strive to bounce back from the loss of manufacturing jobs resulting from the relocation of many companies to foreign lands and, of recent, as a result of the economic meltdown. In January of 2005, the start of the last Consolidated Plan, Rockford's unemployment rate was 7.7% which skyrocketed to 20% in January of 2010. The unemployment rate has improved and in July of 2011 was at the rate of 12.1%. But, as other cities across the nation, Rockford continues to need jobs.

While opportunities exist in the service industry, such opportunities often do not pay a "livable wage" or a wage at least comparable to their manufacturing counterparts. In addition, the current workforce is often unable to assume technical and other skilled positions due to lack of training and education. Together, all of these factors weigh heavy on the City's ability to create economic opportunity.

There are some bright spots. Many of the Rockford area manufacturers are suppliers to the auto and truck industry, farm machinery industry and the aerospace industry. All three of these sectors are doing well. The local auto industry continues to report year-over-year increases in sales. The Chrysler assembly plant located in the Rockford MSA is back to two full shifts, completing a 500,000+ square foot expansion, and production is back to prerecession levels. Farm machinery manufacturers like Caterpillar and John Deere are having an exceptionally good year. Our local aerospace cluster is the largest such cluster in Illinois and ninth largest in the U.S. Nationally and locally, manufacturing companies grew faster in 2011 and continue to lead the economic recovery. This is good news for Rockford. While home sales dropped after the government tax credits expired and the credit market is still frozen, the interest rates have dropped to under 5% making buying a home more affordable.

Rockford will continue to maximize its current resources and look at ways to bring in outside resources. This will include the appropriate use of such tools as Tax Increment Financing (TIF), Enterprise Zone (EZ), River Edge Redevelopment Zone (RERZ), New Market Tax Credits, Historic Tax Credits and the Section 108 program. The City will also continue to look at other resources to expand the number of people provided assistance by leveraging the Federal entitlement funds with funds from the State of Illinois and local partnerships.

The Economic Development Façade Improvement Program will continue as well as the Developer Assistance Program that will assist business owners with improving their property. Incentives will be provided when necessary and feasible to bridge gaps and bring projects to closure. Proposed activities are designed to achieve the objective of *expanding economic opportunities through sustainability and availability/accessibility*. Such activities include the increasing of job training opportunities, promoting the creation and retention of jobs, rehabilitation and the improving of infrastructure for businesses in lower income neighborhoods.

The following is a brief description to the activities proposed for 2012. These coincide with the budget spreadsheet which can be found at Appendix 8.

1. Administration and Planning

- a. Administration - \$262,490 FY 2012 CDBG, \$21,400 FY 2012 CDBG Program Income, \$90,302 FY 2012 HOME, \$1,500 HOME Program Income and \$4,627 FY 2012 ESG

The City of Rockford will continue to utilize CDBG, HOME, and ESG funds for the planning and implementation of programs and strategies that are assisted in whole or in part with federal funds. Program administration costs include staff and related costs required for overall program management, coordination, monitoring, reporting and evaluation subject to a statutory limitation that not more than 20% of grant funds plus program income may be used for planning and administration.

- b. \$100,000 in CDBG 2012 funding will be made available to plan for the redevelopment of the Barber Coleman site. This will include such tasks as environmental assessments, conceptual designs, community planning, a market study for types of businesses or facilities proposed at the site and the development of a financial package.

- c. Fair Housing - \$1,500 FY 2012 CDBG

Funds available for the provision of fair housing services designed to further the fair housing objectives of the Fair Housing Act by making all persons without regard to race, color, religion, sex, national origin, familial status or handicap, aware of the range of housing opportunities available to them; other fair housing enforcement, education, and outreach activities; and other activities designed to

further the housing objective of avoiding undue concentrations of assisted persons in an area containing a high proportion of low- and moderate-income persons. Activities are commonly conducted by the City of Rockford's Fair Housing Board.

The City also anticipates utilizing a portion of its remaining committed Administration funds available through the Neighborhood Stabilization Program (NSP1) in 2012.

2. Rehabilitation Services – \$520,403 FY 2012 CDBG, \$85,600 FY 2012 CDBG Program Income, and \$100,000 FY 2011 Carryover Reprogrammed

This project funds operating costs and staff positions that are primarily responsible for outreach efforts for marketing programs, rehabilitation counseling, loan underwriting and processing, preparing work specification, inspections, and other services related to assisting owners, tenants, contractors, and other entities who are participating or seeking to participate in eligible rehabilitation activities.

3. Homeowner - Single Family Housing – Existing and New

- a. Focus Area and Strategy Area Rehabilitation Program: \$641,588 FY 2012 HOME, \$15,000 FY 2012 Program Income HOME, and \$144,096 FY 2011 HOME Carryover Reprogrammed

Rehabilitation assistance will be provided to approximately 40 existing owner occupants located within the ten (10) Neighborhood Stabilization census tracts and HUD's Qualified census tracts (see map at Appendix 3). This number will change if we do not receive the recently applied for Federal Home Loan Bank of Chicago Affordable Housing Program grant. Eligible improvements include interior health and safety code items, the work needed to remove lead hazards, and modifications to ensure mobility throughout the home for physically disabled household members.

As a secondary priority, funds may be made available to households anywhere within the CDBG area.

In 2012 there will be a \$25.00 application fee. The maximum assistance is \$25,000 per property and program participants are required to attend a property maintenance class. Priority will be given to households with physically disabled and/or elderly (62 years of age and older) household members.

- b. 203(k) Loan/Grant Foreclosure Program: \$35,684 HOME FY 2012, and \$24,316 FY 2011 HOME Carryover Reprogrammed

A pilot loan/grant program will begin utilizing the services of a local lender – PNC Mortgage. This will include HUD's 203(k) loan program in conjunction with a \$5,000 rehabilitation grant from HOME funds. The City anticipates assisting 12 units.

The City also intends to continue its programs/projects under the Housing and Economic Recovery Act of 2008 and it's Neighborhood Stabilization Program (NSP1) which began March 20, 2009 resulting from program income or de-obligated funds.

4. Acquisition, Relocation, and Disposition - \$0

Due to limited funds, the City is not budgeting for an acquisition program but will continue to dispose of excess property. A majority of the lots were improved with less than \$25,000 in CDBG funds and therefore the City can negotiate a fair deal for the buyer while saving money on the ongoing maintenance costs paid by the city's general fund. Properties owned by the City but with improvement costs of more than \$25,000 will be sold at the current market value or will meet one of the Community Development Block Grant program's national objectives.

5. Rental Rehabilitation

Rehab of Church School - \$0

The City intends to provide leverage to the rehab or demolition of the former Church School. If rehabilitated, 26 to 44 housing units will be created. This project is contingent upon private, State and possibly other federal funding.

6. Assistance to Community Housing Development Organizations (CHDOs)

CHDO Operating - \$36,500 FY 2012 HOME

The City continues to work with local housing non-profit organizations to further enhance and complement our efforts. Non-profits that meet the eligible criteria may become a Community Housing Development Organization (CHDO) and compete for these operating funds. Funds will be awarded to CHDOs through an application process. There are currently five (5) eligible CHDOs within Rockford.

7. Get the Lead Out! (GLO) Program - \$26,000 FY 2012 CDBG

A 10% match will be provided to the City of Rockford Human Services Department to match a State of Illinois lead-based paint federal grant. This \$26,000 represents year 1 of a 3-year commitment. The program is offered citywide and is restricted to low-moderate income households. The City anticipates assisting 23 households.

8. Homebuyer's Assistance Programs

Many people in Rockford who dream of becoming homeowners face a steep challenge especially in light of the continued foreclosure crisis, credit scrutiny, and economic downturn. The City of Rockford has funded projects to help those families and stabilize the rate of homeownership in Rockford and neighborhoods affected most by the foreclosure crisis while assisting in the de-densification of lower income neighborhoods.

All program participants must complete homebuyer counseling classes and the property must meet local code and the unit cleared through a lead inspection, if applicable, at completion.

a. Down HOME Program and REACH Programs - \$0

Down Home and REACH will not be offered in 2012. Instead, funds will be made available through IHDA's Homebuyer Assistance program awarded to the Rockford Area Affordable Housing Coalition and Neighborhood Housing Services (NHS) of Freeport through their Homebuyer Advantage program.

b. Homebuyer Assistance Program – \$75,000 FY 2012 HOME Carryover.

Homebuyer assistance may be available for various City funded activities. Assistance may include one or more of the following activities:

1. Springfield Corners Subdivision
2. Thatcher Blake River Walk
3. 224 Foster
4. Garrison School Lofts
5. Projects rehabilitated or newly constructed utilizing Federal Funds, typically by a CHDO or through a NSP developer.
6. Hudson Place
7. Lantow Lofts

9. Rehabilitation – RAMP Program \$15,000 FY 2012 CDBG

Funds will be provided to the Regional Access Mobilization Project (RAMP) to construct ramps for persons physically challenged. It is anticipated that approximately 6 ramps will be constructed for persons of lower income. This project will be eligible as single family or multi-family rehabilitation.

10. Homebuyer and Rental CHDO Projects - \$135,455 FY 2012 HOME and \$165,114 FY 2011 HOME Carry Over Reprogrammed

Funds will be made available to eligible CHDOs on a first come basis to subsidize the gap needed to produce affordable housing homebuyer and rental projects within their strategy areas. The City anticipates assisting 3-7 units.

Additional funding may be provided through the Neighborhood Stabilization Program (NSP1) through the Housing and Economic Recovery Act of 2008 de-obligated or program income funds. The City will continue to target these funds to census tracts with the greatest need.

11. Demolition - \$52,501 FY 2012 CDBG, and \$105,418 FY 2011 CDBG Carryover Reprogrammed.

Blighted structures that are not suitable for rehabilitation will be demolished through this program. The City will focus on properties in the

CDBG area and deteriorated properties located near schools, on major thoroughfares, and strategically located scattered sites. The City anticipates the demolition of 16 residential and non-residential structures.

Demolitions will also be conducted utilizing funds through the Neighborhood Stabilization¹ program that are de-obligated or considered program income in the geographic areas designated and properties meet the NSP1 definition of blighted.

12. Public Service and Facilities Programs

- a. Healthy Neighborhoods Program \$50,000 FY 2012 CDBG and \$5,000 FY 2011 Carryover Reprogrammed.

Funds will be awarded to neighborhood groups and/or other non-profits to facilitate projects that address identified needs in specific neighborhoods by making public improvements, improving public facilities and/or creating new services. Priority will be given to projects serving the City's designated focus areas, the CDBG area and TIF districts. The City will review requests for proposals on a monthly basis and anticipates providing assistance to 3 projects. The program concept will remain consistent with that of the previous year.

- b. Twenty-First Century After School Program - \$50,000 FY 2012 CDBG - Year 4 of 10.

This program supports an after school program at Lathrop and Nashhold Elementary schools.

- c. Rockford Area Affordable Housing Coalition - \$25,000 FY 2012 CDBG

The Rockford Area Affordable Housing Coalition will provide home-owner pre-purchase and post-purchase counseling services to consumers to ensure that they are fully informed about the home buying process, what to expect after they purchase a home, and to assist those facing foreclosure. It is anticipated that 600 households will be assisted.

The Coalition also provides homeownership counseling relating to ongoing maintenance of property. Most City rehabilitation program participants are required to attend.

The funds will be provided to pay for operational costs incurred by the RAAHC to administer these programs.

13. Code Enforcement Program - \$489,010 FY 2012 CDBG

The Code Enforcement Program will include the payment of salaries and overhead costs directly related to the enforcement of state and local code within the CDBG eligible area. This program will be targeted at deteriorated or deteriorating lower income strategy areas. Code enforcement, together with other improvements such as rehabilitation,

demolition, and public improvements, is expected to arrest the decline of the area and result in addressing over 3,455 code violations over the next year. This funding will support neighborhood standards inspectors as well as 1 zone coordinator position, a portion of the supervisor, a Senior Building Inspector and clerical support.

14. Economic Development Assistance Programs

Microenterprise Assistance – SET Program - \$30,000 FY 2012 CDBG

The City of Rockford will continue to support the creation of new businesses, particularly owned by low/ moderate-income residents. The City will use CDBG funds to support the Self-Employment Training (SET) Program, an entrepreneurial training program operated by the Rock Valley College Small Business Development Center. Two informational classes per month will be held with general information about starting a business designed to self-screen candidates for SET classes. An English and Spanish version of the SET classes will be held and there will also be a Creative Business class held designed for artists, musicians, writers, and other creative business areas. A total of at least three sessions, eight weeks in length, will be offered. It is anticipated that 50 persons will be assisted through the program.

15. SBDC/RVC Manufacturing Technical Training - \$25,000 FY 2011 CDBG Carryover Reprogrammed.

This is a new program to assist low-moderate income residents with manufacturing training and technical assistance that are interested in starting micro-enterprises in the City of Rockford. Participants will receive assistance in the areas of manufacturing, regulations, taxes, business plan advice, lending, marketing and one-on-one counseling. Three sessions will be provided; two English and one Spanish version.

16. Entrepreneurial Program - \$75,000 FY 2011 CDBG Carryover Reprogrammed.

This is a proposed program to assist low-moderate income City Market vendor participants.

17. Economic Development Services - \$117,300 FY 2012 CDBG

The City will utilize CDBG funds to provide economic development services to entrepreneurs, business- and property-owners, developers, Community Based Development Organizations (CBDs), and other interested parties in order to facilitate development and provide more goods, services, and jobs to low/moderate income neighborhoods.

18. Standby Section 108 Loan Debt Service - \$77,716 FY 2012 CDBG.

The City will provide stand-by cash infusion to support debt service payments for the South Main Street grocery store.

19. Rehabilitation & Development Assistance- \$50,000 FY 2012 and \$100,000 FY 2011 CDBG Carryover Reprogrammed.

The City will continue to provide assistance to Commercial & Industrial businesses or developers making investments within CDBG targeted areas and/or creating or retaining permanent jobs for low- and moderate-income persons. It is anticipated that 2 projects will be assisted.

20. LMA Façade Improvement Program – \$56,597 FY 2012 CDBG.

This new program will provide assistance to businesses to make façade improvements in lower income neighborhood commercial districts. The Program will assist businesses which provide goods and services to the neighborhood and help stabilize CDBG low-to moderate-income neighborhoods. Improvements will be limited to exterior improvements. It is anticipated that 2-4 businesses will be assisted this first year of the program and will be restricted to 1 neighborhood initially. It is anticipated that this will be a multi-year program with different eligible districts designated each year.

21. Construction Management Training Program - \$0

The Construction Management Training Program was created as an educational based program designed to provide attendee's with entry level construction and business management skills. Participants learn to manage the daily business operation needs of a small to mid-sized construction firm. The program consists of 10 weeks of in-depth training that is designed to help eligible minorities and women to compete successfully in the construction industry. This program is being discontinued in FY2012 due to a large decline in enrollment. The nation's construction industry continues to recover at a slow rate, since the economic downturn and as a result participant enrollment in this program has also declined.

22. Commercial/Industrial Acquisition & Demolition - \$0 (see #10 above)

The City is pursuing the potential for commercial or industrial development in designated economic development target areas. It is desirable to acquire, demolish and dispose of such substandard properties as deemed necessary to remove blight and facilitate redevelopment. Relocation assistance will be provided as necessary.

23. Homeless ESG Activities - \$27,767 FY 2012 ESGP Funds for Essential Services, \$33,164 for Operating, \$27,000 for Homeless Prevention activities, and \$4,627 for Program Administration (as previously noted in #1 of this section).

Through the Federal Emergency Solutions (Shelter) Grants Program, local homeless agencies will be assisted. Rehabilitation, essential services, operating, and homeless prevention activities are eligible activities. Funds will be distributed through a competitive process utilizing the Mayors' Community Task Force on the Homeless as the review and approval committee. The City anticipates funding 6 non-profit homeless service providers. The program continues to be administered by the City's Human Services Department.

- B. **Evaluation of Performance.** The goals and objectives for the 2011 reporting period were based on priority needs identified in the 2010-2014 Five Year Consolidated Plan. The Five-Year Plan also recognized the funding areas that correspond to the vision of the City of Rockford's 2020 Plan.

General Questions

1. *Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.*

Response: From a strategic standpoint, the primary geographic areas of Rockford in which assistance (demolition, rehabilitation, new construction, economic development and code enforcement) will be directed during 2012 will include the Community Development Block Grant area, the HUD Qualified Census tracts and the NSP census tracts. See maps in Appendix 3 of the appendices section of this document. These areas are some of the most severely distressed areas of the city as more than fifty percent of the residents are low income and most have high concentrations of racial minorities.

It is estimated at least 70% of our funds will be allocated to projects within these designated areas.

Economic Development in which jobs are proposed to be created or retained, public services and facilities and homeless activities will be funded on a citywide basis. The location of current and proposed facilities and businesses, acquisition costs, proximity to bus lines, and the current location of feeding programs will help dictate the location of these proposed activities and services.

Strategy areas within the focus areas may include the South Main area, the Ellis Heights and Kishwaukee Weed and Seed designated areas, the HOPE VI area, current Tax Increment Financing Districts, the West End along West State Street and Springfield, the North West area including the Garrison School area and the Main and auburn Business District and North Main and Riverside District, the Kishwaukee Corridor, the Blaisdell/Furman Area and the 203 (k) Loan/Grant Foreclosure Program Area. Maps of these areas can be found in Appendix 3.

2. *Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.*

Response: There are several reasons for the basis for allocating investments geographically within the above noted boundaries. First, with dwindling resources, the whole city cannot be served. Since the goal of the programs is to serve low to moderate income persons, the CDBG area has been selected as a primary focus. Secondly, the City of Rockford has a grant request to the Federal Home Loan Bank of Chicago which, if awarded, will help leverage Rockford's HOME funds. As part of that grant, we designated the HUD qualified census tracts and the NSP areas as the geographic boundary. We receive many requests throughout the year for assistance but the location of their project falls just outside the formerly designated focus areas. This will give additional eligible households the opportunity to apply for assistance. In order to continue to focus resources, we will market our programs within these areas to areas we want to pay particular attention such as main thoroughfares, around schools, and near redevelopment projects to help spur redevelopment of the entire neighborhood.

3. *Describe actions that will take place during the next year to address obstacles to meeting underserved needs.*

Response: The greatest obstacles we foresee in 2012 will be limited resources to address the needs of our community – decent housing and services, the continued foreclosure problem and the need for livable wage jobs.

The actions that will take place in 2012 to address the obstacles to meeting underserved needs include:

- Housing rehabilitation programs will continue. A limited amount of affordable new construction may also be assisted.
- The Healthy Neighborhoods program will continue which provides funds to identified neighborhood needs.
- The Rockford Area Affordable Housing Coalition will be funded in order to provide pre and post purchase counseling, rehabilitation maintenance training and foreclosure prevention classes.
- A program leveraging these federal funds with the HUD 203(k) program help address foreclosures.
- Rehabilitation, development assistance, and a self-employment training program will be available for business expansion or retention and improve the neighborhood business districts.
- The Community Services Block Grant Community Action Plan identifies highly concentrated areas of poverty as well as surveys low-income residents year round in order to determine priority needs among the low income population. The Continuum of Care ten year strategic plan is updated annually and uses the Point in Time count of the homeless in conjunction with the Housing Inventory Chart to determine gaps in services to the homeless population. Both of these plans are adjusted annually to redirect existing funding or seek new funding in order to address the identified

4. *Identify the federal, state, and local resources expected to be made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.*

Response: The following resources are expected to be made available and are listed by source type: Federal, State or other resources.

Federal resources expected to be made available include:

1. Community Development Block Grant
2. HOME Investments Partnerships Program
3. Emergency Solution Grant funds
4. Neighborhood Stabilization Program (NSP) program income and deobligated funds.
5. Housing Choice Voucher Program (Section 8 funds): This program is designed to help low-income families obtain affordable housing and increased housing choices. Two (2) public housing authorities, the Winnebago County Housing Authority and the Rockford Housing Authority, administer the program serving the Rockford community.
6. HUD's 203(k) – The Section 203(k) program is the Department of Housing and Urban Development primary program for the rehabilitation and repair of single family properties. Lenders have successfully used the Section 203(k) program in partnership with state and local housing agencies and nonprofit organizations to rehabilitate properties and assist borrowers. This program can be combined with CDBG and HOME funds. The 203(k) program allows borrower to get one mortgage loan, at a long-term fixed (or adjustable) rate, to finance both the acquisition and the rehabilitation of the property. To provide funds for the rehabilitation, the mortgage amount is based on the projected value of the property with the work completed, taking into account the cost of the work. To reduce the risk to the mortgage lender, the mortgage loan is eligible for endorsement by HUD as soon as the mortgage proceeds are disbursed and a rehabilitation escrow account is established. The lender then has a fully-insured mortgage loan.

The program can be used to accomplish rehabilitation of an existing one-to-four unit dwelling in one of three ways:

- To purchase a dwelling and the land on which the dwelling is located and rehabilitate it.
 - To purchase a dwelling on another site, move it onto a new foundation on the mortgaged property and rehabilitate it.
 - To refinance existing liens secured against the property and rehabilitate.
7. The New Markets Tax Credit (NMTC) Program was established in 2000 as part of the Community Renewal Tax Relief Act of 2000. The goal of the program is to spur revitalization efforts of low-income and impoverished communities across the United States and Territories. The NMTC Program provides tax credit incentives to investors for equity investments in certified Community

- Development Entities, which invest in low-income communities. The credit equals 39% of the investment paid out over seven years.
8. Section 108 loans provide a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. It allows the City of Rockford to transform a small portion of our CDBG funds into federally guaranteed loans large enough to pursue physical and economic revitalization projects that can renew entire neighborhoods. This type of public investment is often needed to inspire private economic activity, providing the initial resources or simply the confidence that private firms and individuals may need to invest in our distressed areas.
 9. Choice Neighborhoods is a pilot program and an initiative to transform distressed neighborhoods and public and assisted projects into viable and sustainable mixed-income neighborhoods by linking housing improvements with appropriate services, schools, public assets, transportation, and access to jobs. A strong emphasis is placed on local community planning for access to high-quality educational opportunities, including early childhood education. The initiative involves public housing, local governments, non-profits, and for-profit developers in undertaking comprehensive local planning with residents and the community. The Rockford Housing Authority submitted an application in 2010 with the support of the City of Rockford.
 10. HOPE VI Revitalization Program goal is to transform the physical condition of public housing community and to positively impact the lives of the residents. Since 1993, HUD has awarded HOPE VI grants to public housing authorities to encourage public-private partnerships to transform severely distressed public housing into mixed-income communities that assist residents in becoming self sufficient. HOPE VI is used for an array of activities, including demolition of severely distressed public housing, acquisition of sites for off-site construction; capital costs of major rehabilitation; new construction and other physical improvements; costs for mobility counseling and relocation; and community and supportive service programs for residents, including those relocated as a result of revitalization efforts. Housing authorities are competitively selected for HOPE VI grants based on many factors.

State Funds expected to be made available include:

1. Illinois Housing Development Authority (IHDA) Trust Funds
2. Low Income Housing Tax Credits: IHDA is the state's designated housing tax credit agency. Tax credits are incentives for for-profit or non-profit investors to invest in affordable housing for lower income families. The credits may be taken for ten years after the project is placed in service. The annual amount of the credit is a fixed percentage of the qualified costs of the project. Tax Credit projects may leverage other public and private resources such as HOME, CDBG, Tax Increment Financing (TIF) funds, Section 108 and conventional financing in the form of first and second mortgages.
3. IHDA Home Start is a state program, available through local financial institutions, offers below-market interest rates on conventional loans for new and existing homes. First time homebuyers may also qualify for 3% of the purchase price up to \$6,000 for down payment assistance. Assistance is

provided as a 10%, zero interest rate second mortgage. Homebuyer must provide \$1,000 toward the transaction. There are income and purchase price restrictions.

4. IHDA Home Modification grant
5. IHDA's Homebuyer Assistance Program in conjunction with the Rockford Area Affordable Housing Coalition (RAAHC) and the Neighborhood Housing Services of Freeport. The program provides \$3,000 - \$5,000 (based on household income) for homebuyer assistance. Low to moderate income households may purchase single family dwelling located throughout Stephenson and Winnebago Counties. It is anticipated that the two (2) year grant will assist 57 households.
6. IHDA's Rental Housing Support Program to address the need for decent, affordable, and permanent rental housing. Grants are received by and administered through the City's Human Services Department.
7. Reach Illinois – Employer Assisted Housing may continue. REACH Illinois is a two-part incentive package for Illinois employers who implement an employer-assisted housing program which includes state matching funds and state tax credits.

Eligible employees who are interested in using the homebuyer assistance must complete an approved homebuyer education curriculum offered by an approved local non-profit housing counseling agency. Employees learn how to establish or improve their credit score, develop a household budget and savings plan, understand the home-buying process and home ownership experience, and shop for good mortgages.

To offset the total cost of the program, which may include homebuyer assistance, rental assistance, counseling, and administrative costs, the state also provides a 50-cent tax credit for each dollar invested by the employer in its employer-assisted housing program.

8. The River Edge Redevelopment Zone promotes the safe and cost effective development of environmentally challenged properties near rivers through the use of tax incentives and grants. The River Edge purpose is to create and retain jobs and to stimulate business and industrial retention and growth.
9. The Enterprise Zone assists in the revitalization of distressed areas by offering financial and tax incentives to stimulate business growth and neighborhood improvement.
10. Federal Home Loan Bank of Chicago – Affordable Housing Program (AHP) & Downpayment Plus Program: The AHP is a subsidy fund is designed to assist in the development of affordable housing for low and moderate income households. Owner-occupied and rental projects are eligible for funding. Funds can be used to finance homeownership for households at or below 80% of area median income, or to finance the purchase, construction of rehabilitation of rental housing in which at least 20% of the units will be occupied by and affordable for very low income residents. Financial institutions in Illinois that hold stock in the Chicago FHLB may apply for AHP.

The City may apply through a local member of the Federal Home Loan Bank in 2012 for assistance as well as support other for-profit and non-profit applications. Local members include, but are not limited to, Alpine Bank, Blackhawk Bank, BMO Harris Bank, Midwest Bank, Riverside Community Bank, and Stillman Bank.

Local members also have access to Downpayment Plus, a program administered through FHLB. The Downpayment Plus program provides down payment and/or closing cost assistance to low income households purchasing in Illinois.

11. Community Services Block Grant, Department of Energy Weatherization funds, HUD Continuum of Care and ESG funds, funding from the Illinois Housing Development Authority that is applied for and administered by the City's Human Services Department.

Local Funds expected include:

1. American Dream Mortgage available through U S Bank. This program provides fixed rate, repair escrows, and up to \$3,000 Entry Cost Assistance to be used as closing costs, prepays or down payment for homebuyers purchasing 1-2 unit dwellings. Income restrictions apply.
2. Habitat for Humanity International is a nonprofit organization that builds and sells homes to low-income families at-cost. As of September 2011, Rockford Area Habitat for Humanity built 5 homes. After participants show "need", willingness to partner, and an ability to pay mortgage, they are required to volunteer 300 hours of "sweat equity" toward the construction of their home or others. The work varies from general construction, family selection to assisting at the local office. They plan to build 6 more homes in 2012.
3. Youthbuild/Comprehensive Community Solutions, Inc. (CCS) was awarded one of the first grants from the U.S. Dept. of Labor for the YouthBuild Rockford program, following transfer of the program from HUD to DOL in 2006. The program's original goals remain - to educate, provide construction training and employ at-risk youth in their communities - while a greater emphasis is being placed on offering postsecondary education and forging stronger links with the One-Stop Career Center system and the nation's community colleges. CCS has been operating the YouthBuild Rockford program since its inception in 1995.

The YouthBuild Rockford Program's goals include: 1) to create affordable housing for homeless and low-income persons and facilities serving various community needs; 2) to create access to well-paying, long-term, meaningful jobs for young adults; 3) to graduate young people who have internalized a commitment to being active community leaders, the ability to take responsibility for their successes and failures and the capacity to set and achieve goals, and 4) to develop meaningful partnerships between adults and youth. (The program has had over 4,300 applicants, has served 763 young people, and placed approximately 78% in jobs or education upon graduation.)

YouthBuild targets at-risk youth that have barriers to employment and to self-sufficiency, in the age range of 16-28. Each youth has the opportunity to participate in a variety of educational components related to their specific needs including Applied Academics, Employability Training, Experiential Vocational Training (Construction), Leadership Development and Service Learning, Life skills training, a one-year Graduate Program, and an Alumni Club.

Structured classes are conducted to introduce youth to skilled apprenticeships. They learn and practice construction skills, including green building, and earn a nationally-recognized credential through the construction of new homes, or other projects undertaken by CCS, Inc. as a CHDO. The program places graduates in employment, including union apprenticeships, and/or post secondary education.

The YouthBuild Rockford Program has been the recipient of three national awards, and is considered one of the most effective programs in the country.

4. The Community & Economic Development Department uses the Capital Improvement Program (CIP) funds to fund the Water Hook-up program, a program available to low-income households for hooking up to City water.
5. Homebuyer Counseling Services – Homebuyer counseling services are provided locally through the Rockford Area Affordable Housing Coalition and Family Credit Management. All of the City of Rockford’s Community & Economic Development homebuyer assistance programs require the homebuyer to obtain pre-purchase housing counseling. Counseling helps to ensure families have been trained to undertake and maintain homeownership responsibilities.
6. Tax Increment Financing (TIF) is an important economic development tool used to finance certain types of development costs. TIFs are used by the City to provide public infrastructure improvements, attract private development, spur employment growth and increase the municipal tax base. There are 30 TIF districts scattered throughout the city which include commercial, industrial, residential and mixed use neighborhoods.

TIF Financing allows a developer or property owner to receive a portion of the increased real estate taxes generated from a rehabilitation or new construction project.

7. Neighborhood Housing Services (NHS) of Freeport: Established in 1997, NHS is a community-based nonprofit organization, committed to improving neighborhoods and the lives of people throughout Freeport, IL. NHS, through collaborating with the Rockford Area Affordable Housing Coalition, has extended services to the Rockford area.

Managing the Process

1. *Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.*

Response: The City of Rockford Community and Economic Development Department will continue to serve as the lead agency in regards to the proposed activities outlined in this plan. This will encompass coordinating and/or managing most housing and publicly-funded economic development activities. In some instances, this Department will defer its lead role and share coordination with the Rockford Local Development Corporation on publicly/privately-funded economic development activities. Public Housing activities will continue to be the responsibility of the public housing authorities (Rockford Housing Authority and Winnebago County Housing Authority). Home energy related activities including home weatherization and energy assistance along with social service activities will continue to be managed and coordinated by the City of Rockford's Human Service Department. This entity will also continue to serve in the lead role in all homeless activities in 2012. The Winnebago County Health Department generally takes the lead regarding lead mitigation/control or lead abatement activities but work cooperatively with the City of Rockford's Community Development and Human Services Departments.

The City will also continue to provide technical assistance to external agencies including Northwestern Illinois Agency on Aging, Regional Access Mobilization Project, Family Credit Management, Neighborhood Housing Services of Freeport and the Rockford Area Affordable Housing Coalition. These agencies are providing a myriad of services to help increase our affordable housing activity and have teamed up with the City to do so.

2. *Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.*

Response: The development of the Action Plan starts at the beginning of the year and continues throughout the year through periodic assessments of current program performance including participation and expenditure rates. It is culminated at the time of the public hearing with the presenting of the draft plan. The entire process represents a collective effort from the City of Rockford and other partner organizations such as the Mayor's Task Force on the Homeless [represented by some fifty (50) social service agencies] to numerous public and private housing and economic development entities. Private, public, and non-profit organizations were reached through several means, including informal telephone conversations, e-mail correspondence, and meetings regarding specific issues. The Community and Economic Development Department provides staff support for many City boards, commissions, and task forces that provide guidance and data for the Plan preparation. The consultation process also included discussion and coordination with both local Housing Authorities, Rockford and Winnebago and the City of Rockford Human Services Department. They also provide statistical data and narratives related to their housing stock and plans they have for on-going enhancements to their affordable housing stock.

Annual Action Plan Citizen Participation Schedule

<u>Date</u>	<u>Activity</u>
April 29	Perform quarterly program assessment
June 1	Hold initial meeting with administration to discuss ideas
June 6 – 24	Evaluate current programs
July 11 – 15	Hold ND/ED budget planning sessions(s)
July 18 – August 12	Develop draft of Annual Action Plan
August 22 or 23	Meet with Administration to present draft plan budget
August 25	Hold first public input sessions (AM & PM)
August 26 – September 19	Complete narrative portions of plan to correspond with proposed budget
September 7 & 8	Hold second public input sessions
September 12 – 16	Meet with Aldermen and share proposed plan
September 14 & 15	Hold third public input sessions and present draft plan
September 19	Read plan into City Council with pending date for committee review of 10/24 & publish plan for 30 day comment period
September 20	30 day comment period begins
September 20 – October 21	Additional discussions with Aldermen as needed
October 21	30 day comment period ends
October 24	Plan is discussed at Planning & Development committee meeting
October 31	City Council reviews committee recommendation
November 7	Receive City Council approval

November 14	Submit to HUD
December 15	Publish request for release of funds

3. *Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.*

Response: The City of Rockford will maintain the most recent efforts to foster coordination between public and private housing, health and social service agencies. All such agencies are encouraged to meet on a periodic basis and establish regular communications. As a result, duplication of services and efforts has been significantly reduced.

From a City of Rockford standpoint, multiple city departments will continue to coordinate efforts to promote the best possible delivery of services. This involves Finance, Human Services and the Community and Economic Development specifically in administering homeless programs, emergency payment of rent and utilities, weatherization, lead hazard reduction and home rehabilitation programs.

The city will continue to staff various boards, committees, coalitions, commissions and task forces to enable interaction with other service providers. In particular, the mayor's task force on homelessness manages the well defined Continuum of Care network and has several city staffers assigned to provide support with its implementation. Additionally, one city staffer supports the Rockford Area Affordable Housing Coalition and its efforts to provide coordinated housing programs related to rehabilitation, homebuyer assistance and counseling.

Citizen Participation

1. *Provide a summary of the citizen participation process.*

Response: As required by the Department of Housing and Urban Development Rules and Regulations, the City of Rockford complies with regulation 24 CFR 91.105, Citizen Participation Plan for local governments as outlined. As a result, the City continues to follow its adopted citizen's participation plan. The plan sets forth the City's policies and procedures for citizen participation.

The City of Rockford recognizes citizen participation as an important component of the Annual Action Plan development process. The citizen participation process is instrumental in providing an opportunity to obtain meaningful input from the community and organizations serving the community in designing programs that will best meet the needs of low and moderate income population. The year's process included holding a set of two public input sessions designed to inform citizens as well as to provide an opportunity for input that will be used to help the City determine activities for the 2012 Action Plan. Their input, along with the assistance of the Citizen Participation Committee, helps to ensure that Rockford's Federal funds are appropriately allocated. Throughout the process, the Community and Economic Development staff provides technical assistance to applicants and the Citizen Participation Committee members. Two sets of public

input sessions was held west of the river and a second set was held east of the river with each having a day time option as well as the evening. All locations were all fully accessible facilities, and included ample available free parking as well as being either located on or adjacent to public bus lines. In addition, a city staff person trained in providing sign language was present at each public input session.

2. *Provide a summary of citizen comments or views on the plan.*

Response: There were two written comments received during the 30-day comment period. The comments are contained in the appendix 6 of this document. In addition, comments and views offered during public hearings were captured in the minutes of each and public hearing and can be found in appendix 5.

3. *Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.*

Response: The city continues to encourage participation from all citizens while developing this plan including minorities, non-English speaking persons and persons with disabilities.

Specific outreach to these groups includes communications with local community centers, churches and other organizations that primarily provide services to minority populations. The city also provides outreach to both the local Hispanic Resource Center and the local Center for Independent Living.

These efforts are done in an attempt to better engage the various populations served by entities and to involve them plan development. Furthermore, the Community and Economic Development Department continues to employ a Planner who works with neighborhood groups to obtain input in regards to plan preparation including the Annual Action Plan.

4. *Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.*

Response: There were no comments made that were not accepted.

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

Institutional Structure

1. *Describe actions that will take place during the next year to develop institutional structure:*

Response: The principal administration of this Annual Action Plan remains with the Department of Community and Economic Development. Consequently, coordination among all public and private organizations involved in community development activities will be initiated and maintained by the department.

Current partnerships will be nurtured and new ones will be sought to address the needs of this community. Such efforts are designed to identify and secure resources necessary to carry out the various aspects of this plan. More specifically, the following actions will be continued:

- The city will continue to carry out the final aspects of its Neighborhood Stabilization Program activities.
- The city will continue to attempt to strengthen and build the capacity of non-profit housing developers by facilitating their access to technical assistance.
- The city will continue to work with and make resources accessible to neighborhood and community based groups and organizations.
- The city will continue to encourage coordination among local lenders and realtors to create additional affordable housing opportunities.

Monitoring

1. *Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirement:*

Response:

a. Recipient Monitoring

The City of Rockford continues to recognize that ongoing monitoring is a critically important component of effective CDBG, HOME, and ESG program implementation. Consequently, the City of Rockford Community and Economic Development Department has developed an internal management plan to assure the proper and timely implementation of the strategic plan and the annual plan. Processes have also been put in place to assure proper compliance with all program requirements for the CDBG, HOME, and ESG entitlements.

b. Rehabilitation Projects

Up until a project is completed, it will be the responsibility of the assigned Finance/Construction specialist to monitor the project. Once it is complete, it will be the responsibility of the Compliance unit to ensure that all the requirements of the agreement have been met. The City of Rockford will also ensure compliance with housing codes, consistent with the requirements of the Consolidated Plan programs. All properties assisted will be inspected prior to assistance by a trained Rehabilitation Construction Specialist for code compliance and require that violations be addressed as a condition of funding. In most cases, the rehab project will assist in addressing the violations. The specialist will continue to monitor projects throughout the construction phase.

Also:

- Each homeowner or investor-owner project file in which funds may be committed will contain a check sheet to determine if it meets the definition of Section 215 goals (affordable housing) upon initial occupancy.

For projects that actually result in assistance, records will be kept regarding the units' affordability, data on income, age, race/ethnicity, family size and gender data on each household benefiting from the program in the file and at a centralized location for reporting purposes. Each file will also contain costs, methods of procurements, work items completed and volunteer hours, if utilized.

- Accountability of recipients and their contractors will be insured through quality standards and performance/production guidelines as outlined in the agreements/contracts executed with each recipient of federal funds. In addition, all funds awarded will be held in an escrow account and disbursed only after proper invoicing to the City is presented and an inspection is made at the project site by City staff. The City shall also inspect each unit to determine if it meets local housing code, housing quality standards established by HUD, or the building code prior to final payout and yearly throughout the term of the agreement or contract. The agreements/contracts will specify City and HUD requirements including affirmative marketing and fair housing requirements, Section 504 handicapped accessibility requirements, rules regarding lead based paint, housing quality standards through the attachment of itemized work item lists/ bids/proposals, procurement requirements, maintenance of insurance, Davis-Bacon, and other rules as they may apply. Also, through the execution of promissory notes and mortgages, other restrictions will be outlined such as, but not limited to, recapture restrictions, determinations of appropriate equity interest and third party rights, and those that will ensure continued affordability through long term mortgages with assumption clauses, as applicable. Title will be conveyed to those participating in the City's programs with specific terms and conditions.
- Investor-owners that have received federal funds for the rehabilitation of rental units will also be required to submit annual responses to questionnaires regarding rents, tenant characteristics, and affirmative marketing procedures in order to determine compliance with program policies and procedures as stipulated in executed agreements, contracts, notes and mortgages.
- Occupancy and maintenance requirements will be instituted on several programs. Monitoring methods include: 1) requiring property owners to maintain property insurance in full force and effect with the City listed as loss payee. This ensures the City being notified if ownership changes and protects City investments, and 2) scheduling on-site and regular drive-by inspections.
- All projects assisted with CDBG and HOME funds will be monitored subsequent to completion consistent with the regulations of the program.

The Department also monitors the amount of available funding utilizing the IDIS and the City's financial management accounting system to assure that uncommitted and expended funding does not exceed allowable HUD-recommended levels yet meets the 1.5 percent expenditure HUD requirement.

The City's overall monitoring practices are designed to achieve the following goals:

- Improve program performance
- Improve financial performance
- Assure regulatory compliance

c. Sub-Recipient Monitoring

The City provides oversight of all designated sub-recipients of CDBG, HOME, or ESG funds and conducts a Risk Assessment to determine the appropriate level of monitoring that is needed. Typical monitoring will include monthly desk audits of records and reports, yearly on-site visits and a comprehensive review, if there is warning signs of problems.

Monthly "desk audits" of the programs allows staff the occasion to track the timeliness of expenditures. On-site monitoring enables staff members an opportunity to ensure sub-recipients are in compliance with Federal regulations and are actively working to achieve the objectives outlined in their grant agreement and the Annual Action Plan. Site visits also allow sub-recipients to receive technical assistance and provide feedback about program administration.

The Risk Assessments will also take into account the following risk factors:

- Sub-recipients new to the CDBG, HOME and ESG program,
- Sub-recipients that have experienced turnover in key staff positions or a change in goals or direction,
- Sub-recipients with previous compliance or performance problems such as untimely reports and pay requests or repeatedly inaccuracy,
- Sub-recipients carrying out high-risk activities; and
- Sub-recipients undertaking multiple-funded activities for the first time.

To help ensure success in meeting its goals, the City will:

- Select sub-recipients that share the vision of the Consolidated plan,
- Prescreen to determine capacity, eligibility and feasibility,
- Execute clear, complete and enforceable agreements,
- Provide training and technical assistance to improve performance; and,
- Ensure that there is an effective reporting and data gathering system will be in place.

d. Davis Bacon Compliance

The City of Rockford has a staff member assigned to oversee any projects that require Davis Bacon compliance whose office is located in the City's Legal Department. This position is responsible for conducting site visits, conducting employee interviews, and checking the weekly payroll forms for accuracy and compliance.

e. Section 3 Compliance

The same Legal Department employee that is responsible for Davis Bacon Compliance is also responsible for Section 3 compliance. This includes overseeing projects that require section 3 compliance and preparing the yearly reports to document compliance.

f. Minority and Women Business Outreach Program

1. Minority and Women Business Outreach Efforts

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.

2. Outreach Standards

The City's outreach standards at a minimum will include:

- a. The promotion and encouragement of minority and woman-owned businesses and their participation in the City's procurement process as both general contractors, subcontractors and suppliers of goods and services.
- b. Issuing a yearly statement 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.
- c. Networking with local, state, federal and private agencies and organizations to enhance the contractual opportunities for minority and women business development.

3. Guidelines for a Minority/Women Business Outreach Program

In order to ensure the inclusion to the greatest extent feasible, of minorities and women and entities owned by minorities and women, the City of Rockford's guidelines for Minority and Women Business outreach programs will include:

- a. Publishing, in conjunction with the Northern Illinois Minority Companies Association, a Minority and Female Business Directory if feasible.
- b. Supporting a minority and women business development and support group (NIMCA-Northern Illinois Minority Companies Association & RAMBA – Rockford Area Mexican Business Association).
- c. Conducting specialized workshops for minority and women regarding contacting and subcontracting opportunities through City and other agencies.
- d. Promoting and marketing minority and woman business through:
 - News stories

- Television talk shows
 - Public service announcements
 - Special video tapings
 - Flyers to other interested businesses and organizations
 - Specialized advertising in magazines and newsletters
- e. Preparing an annual year-end report on the dollar amounts awarded to minority and women businesses.
- f. Continuing an established and extensive network with local, state, and federal agencies and businesses to more readily notify and assist the minority and women business community when contract or subcontract opportunities arise.
- g. The sponsoring or co-sponsoring of:
- Minority and Women Business Support Group meetings
 - Northern Illinois Minority Companies Association (NIMCA)
 - Chicago Regional Purchasing Council
 - Downstate Illinois Minority Enterprise Systems (DIMES)
 - Hispanic Chamber of Commerce of Northern Illinois (HCCNI)
 - Northern Illinois Black Chamber of Commerce (NIBCC)
 - Rockford Black Business Owners Association (RBBOA)
 - Ministers Fellowship
 - National Association for the Advancement of Colored People (NAACP)
 - Rockford Area Minority Coalition Organizations (RAMCO) made up of several organizations for networking & the dissemination of information.
 - Rockford Area Mexican Business Association
 - Business related education workshops
 - State, federal and private conferences, works shops and seminars
- h. Maintaining centralized records on the use and participation of minority and women businesses as contractors and sub- contractors in all HUD-assisted program-contracting activities through the Neighborhood Development Division and the Purchasing Department.
- i. Maintaining a 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 requires Minority and Women Owned Business to certify their business as such. Also, 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 and the City of Chicago can be reciprocated for this requirement.
 - Require contractors/firms to provide a listing of subcontractors.
 - Track MBE/WBE participation of all contracts awarded through bid process.
 - Revamped measures to encourage minority and women-owned business participation.

- Set goals for minority participation

g. Other Projects/Actions

1. Economic development activities will have individual project files, in which the eligibility, environmental review, financial underwriting, public benefit analysis, and approval documentation will be found. Each file will also contain project cost documentation, procurement information, Davis-Bacon documentation, and work item progress checklist.
2. The Community and Economic Development Department is responsible for meeting identified goals and will complete year-end accomplishment reports. The reports will be reviewed at regularly scheduled quarterly staff meetings. Accomplishments will be evaluated to determine whether the programs are being carried out in accordance with its goals, objectives and performance measurements in the Action Plan and in a timely manner. Productivity and program impact will be evaluated on a yearly basis.
3. As required, a Consolidated Annual Performance and Evaluation Report (CAPER) will be completed and submitted to HUD annually by March 31st (90 days after end of program year) to document the progress made implementing Rockford's community development strategy.
4. The Mayors' Community Task Force on Homeless will meet monthly to review the homeless providers' progress in serving the homeless, discuss problems, and identify gaps in services. They will also identify priorities for the following year and grant opportunities.
5. The Rockford Housing Authority will continue to submit to the City of Rockford copies of reports and plans that they are required to submit to HUD for those programs it undertakes that are a necessary part of this Consolidated Plan.
6. More clearly defined roles and improved cooperation has enabled federal grant fund draw downs to occur in a timely manner thus decreasing the need to use local funds to carry out grant activities. As a result, the department is less likely to not reimburse the local dollars and thus more likely to expend grant dollars in a timely manner.
7. Community Development staff works with the Finance Department to review grant disbursements. This review enables a more realistic projection of which, if any funds will probably need to be reprogrammed. A thorough evaluation of projects and activities is performed yearly prior to annual budget preparation. At this time, slow moving projects are evaluated to determine if funds should be reprogrammed to other line items. After appropriate reprogramming of activities then the budget is prepared.
8. The Community and Economic Development Department also meets monthly with the Finance and Human Services Department to review and discuss current financials and address any issues.

9. As of October 1, 2006, in place are HUD's requirements to institute performance measurements. Thus, the five-year goals and objectives that the city commonly develops for each Consolidated Planning period includes objectives and outcomes. Progress towards meeting the goals established in the each year's annual plan is tracked and assessed. All of this provides a solid framework for completing each year's Consolidated Annual Performance and Evaluation Report.
10. IDIS reports are reviewed regularly to evaluate program status.

Lead-based Paint

1. *Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.*

Response: The Winnebago County Health Department serves as a delegate agency of the Illinois Department of Public Health to enforce the Illinois Lead Poisoning Prevention Act and Code. Lead risk assessments are conducted on properties occupied by a confirmed lead poisoned child and the department works with the property owners to make these properties lead safe at the owners' expense in lieu of grant monies being available in the community. The vast majority of the properties made lead safe are occupied by low income, minority families.

Winnebago County Health Department has applied for a lead hazard reduction demonstration grant through HUD. If the application was approved and it is the Health Department's goal to make 200 homes lead safe during the 3 yr. grant period. The grant amount was \$2,885,700. Priority will be given to homes occupied by a confirmed lead poisoned child with the chances of a property being approved into the program increasing as the age of the child decreases. The target area for this grant is comprised of the 61101, 61102, 61103, and 61104 zip codes which all fall within the City of Rockford. These zip code areas also contain the highest percentage of children 6 years of age and under as compared to the rest of the county.

The Illinois Department of Public Health has once again applied for a lead reduction grant which has historically been entitled "GLO" (Get the Lead Out). Monies from this grant have been allocated to the high population centers of the state which includes the City of Rockford. The Winnebago County Health Department is ready to collaborate with the City and provide lead risk assessment support and follow through as needed if the state's grant application is accepted and lead hazard reduction funds are once again made available to this community.

Blood Test Results

Year	2005	2006	2007	2008	2009	2010
# of children blood tested for lead	3839	3979	4842	4440	5294	7184
# of venous blood tests > 10 mg/dl	175	157	161	123	109	163

Note: the percentage of venous blood tests greater than 10mg /dl compared to the total number of blood tests for lead went dropped from 4.5 % in 2005 to 2.2% in 2010.

Also, the Human Services Department of the City will continue to identify lead risks in housing inspections completed through Shelter Plus Care, Rental Housing Support and Homeless Prevention programs.