

COMMUNITY DEVELOPMENT

Community Development

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.

Program Year 3 CAPER Community Development response:

The priority housing needs in the Consolidated Plan with high needs were renters including small and large family and both elderly and "all others" in all income categories. Relating to owners, all of the same categories were considered a high priority except "all others" was indicated a moderate need which included the physically disabled.

The Five-Year Housing and Community Development Objectives and Strategies listed by objectives for the next five years and included:

1. Reduce housing blight and blighting influences.
2. Increase redevelopment activities.
3. Increase the provision of quality affordable housing.
4. Repair and maintain streets and sidewalks
5. Enhance crime awareness and reduce the incidence of crime.
6. Create, expand and retain jobs.
7. Reduce chronic homelessness

High community development needs in the Consolidated Plan were to attract new businesses, retain existing businesses, expand existing businesses, and to provide job training and/or re-training.

All of the CDBG programs delivered over the last three years, including 2012, addressed the high housing priority needs as well as the objectives with regards to owners/homebuyers. Rental priorities were addressed on a limited basis due to lack of funds.

In 2012 we continued the demolition program and reduced neighborhood blight. Liens were filed and foreclosed on with an alternative use was determined. All of the housing redevelopment efforts providing quality affordable housing were funded through the Home Investments Partnership program. Repair and maintenance of streets and sidewalks was delivered not by CDBG but through the Department of Public Works' programs.

Crime was primarily addressed through the Rockford Police Department but also through activities assisted through the CDBG funded Healthy Neighborhoods program and Economic Development's

funding of businesses that provide jobs. Crime reduction can also be associated with our code enforcement and demolition activities.

Job creation goals were met this year even though there were Economic Development budget constraints. More funds and a variety of creative economic development programs could increase our goals and achievements.

The education attainment of workforce continues to be low, but the Rockford Public Schools have recognized how this effects the economic development of the community and are putting plans in place to increase education attainment in the near future. The community has lost a good deal of manufacturing companies that have moved to other countries with cheaper labor costs. But, we are partnering with Rockford Area Economic Development Council and the Rock Valley College Self-Employment Training program to attempt to restore and increase this industry area.

- b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.

Program Year 3 CAPER Community Development response:

The performance measurements report in the performance measurements tab of the appendix illustrates the overall progress in terms of numbers and percentage of completion. As a whole the progress indicated is considered acceptable, but it should be noted that most of the city's affordable housing efforts were funded with HOME funds and not with CDBG.

- c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.

Ninety-one percent of all CDBG funds were expended on activities that directly benefitted extremely low-income, low-income and moderate income persons.

IDIS Report PR 23 for CDBG activities illustrates the various accomplishments associated with carrying out these activities including those by beneficiary type. Please see it in the IDIS report tab of the appendix.

The economic development microenterprise activities benefitted 57 persons; 9 were extremely low income, 31 were low-income, 3 were moderate and 14 were non low-moderate income persons. There were 2 businesses assisted with exterior improvements through the Façade Program that are located in low to moderate areas of the city. There were 135 low income jobs created. Through the Rehabilitation Assistance program, there were 4 business owners assisted that are located in a low-income neighborhood.

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.

Program Year 3 CAPER Community Development response:

Since the Consolidated Plan report was written and adopted, the City has gone through a serious recession; one that has had burst what little bubble the city had in housing values and continued a decline in the manufacturing base resulting in a high unemployment rate. The number of foreclosures has top that of most communities across the nation leaving us with a less than desirable housing stock and a high number of vacant properties. Many people are underwater on their mortgages.

No program objectives should be changed, but there does need to be a greater emphasis on job creation in lower income neighborhoods specifically for lower income persons, job training or re-training, sustaining or expanding programs that address youth, life skills, family support, and recreational activities. There is a need to institute programs or support projects that help stabilize the housing stock, both renter and owner occupied, and demolish the housing that no longer has economic value. Also, there is a need to help keep people in their homes or provide them an opportunity to move up even though they have lost all home equity. Finally, there is a need for mediation foreclosure services and an increase in funds to assist more economic development activities. We are currently very limited on budgeted economic development funds to make a significant change in the community and to assist with the large amount of low-skilled workers to obtain a job.

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.

Program Year 3 CAPER Community Development response:

- a. All resources indicated in the Consolidated Plan for programs were pursued. All Certificate of Consistencies requested were approved. The City did not hinder Consolidated Plan implementation by action or willful inaction except that there was some delay in approving a Homeless Management Information System (HMIS).

Resources were obtained from other public and private sources when accessible to address priority needs identified in the Plan for economic development activities. This would include Tax Increment Financing, Enterprise Zone and River Edge Redevelopment Zone benefits, bank financing, owner equity funds, IL Edge, and brownfield re-development funds.

- b. Economic Development CDBG programs are designed to be carried out on a first-come, first-serve basis for applicants meeting eligibility requirements. All written materials on programs and advertising adheres the equal

opportunity logo and a statement prohibiting discrimination to ensure programs are carried out in a consistent, fair, and impartial manner. Program brochures and applications are available with guidelines online and in the Community & Economic Development department. Funds are also expended on a first- come first-serve basis until they are depleted. There is an Annual Plan Public Hearing held annually that discusses the activities that the funds were used to assist.

- c. The City contracted with a third party 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.

Program Year 3 CAPER Community Development response:

HUD requested repayment of expenditure on activities in which acquisition was started and never completed or properties that were acquired but not yet met a national objective. Funds were repaid to the CDBG program through the revision of vouchers from ineligible activities to eligible activities for the amount expended or, for those under the city's ownership, the current market value of the property.

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.

Program Year 3 CAPER Community Development response:

No properties were acquired in 2012 that were CDBG-assisted activities. All properties demolished in 2012 were vacant and dilapidated housing or commercial structures. No steps were needed to minimize displacement, although processes are in place to do so. No steps were taken to identify households, businesses, farms or nonprofit organizations because it was not necessary nor was it needed to issue timely information notices since there was no relocation assistance necessary.

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.

Program Year 3 CAPER Community Development 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. Also, job training programs must serve 51% of low income persons. Other assistance provided with these funds is structured to assist low-income business owners. Activities undertaken where jobs were made available, but not taken by low or moderate income persons are not applicable to our programs.
 - b. Activities undertaken where jobs were made available, but not taken by low or moderate income persons are not applicable to our economic development programs.
 - c. No jobs were made available to low/mod persons that were requiring special skill, work experience or education. All job creation or retention activities must create or retain 51% of the jobs for low/mod persons. If 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.

Program Year 3 CAPER Community Development response:

None of the housing, economic development or public services funded activities that benefitted a limited clientele presumed benefit by listing one of the presumed benefit categories. In all cases income documentation was used to determine eligibility and to ensure that at least 51% of those served were indeed low income.

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.

Program Year 3 CAPER Community Development response:

Program income returned to a revolving loan fund was not applicable in 2012. Also, there were no funds repaid on float-funded activity.

- c) The detail of all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other included:

3027 Arcadia \$4,964.56 (housing rehab)

9. 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:
- The activity name and number as shown in IDIS;
 - The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
 - The amount returned to line-of-credit or program account; and
 - 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.

Program Year 3 CAPER Community Development response:

- See Adjustments Tab
- See Adjustments Tab
- N/A
- N/A

10. Loans and other receivables

- 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.
- List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
- 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.
- 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.
- Provide a List of the parcels of property owned by the grantee or its sub-recipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.

Program Year 3 CAPER Community Development response:

- The City of Rockford did not provide any float funding during the reporting period.
- See Loans Tab.
- See Loans Tab.
- See Loans Tab.
- List of properties owned by the City or sub-recipients acquired or improved and available for sale include:
224 Foster – Single Family Residence
220 Concord Avenue (3423 Chestnut) – Single Family Residence

909 N. Rockton Avenue – Single Family Residence
2228 Elm Street – Single Family Residence
416 S. Main – Amerock Building – commercial building
502 S. Main – Tapco Building site – vacant lot

All of the remaining properties are vacant lots. Those highlighted are currently being considered for the Rockford Housing Authority's Choice Neighborhood program. A letter of intent has been drafted but not yet approved.

1811 S. Central
206 Lane
210 Lane
1045 Mulberry Street
1050 W. Jefferson
2xx Ogden
2xx N. Avon
125 Forest
110 Ollman Court
117 S. Independence
227 N. Avon
1044 W. Jefferson
302 N. Hinkley Street
218 S. Independence
17xx Chestnut Street
211 N. Avon
213 N. Avon
1061 Mulberry Street
1045 Mulberry Street
Ogden Avenue 11-22-251-031
1131 Andrews Street
219 N. Avon Street
1055 Mulberry Street
10xx Mulberry Street
1402 Andrews Street
234 N. Hinkley
1036 W. Jefferson
450 Underwood
1417 Mulberry
229 N. Independence
1918 Elm Street
416 Underwood Street
1067 Mulberry Street
418 Albert
1047 Mulberry Street
210 Tay Street
1044 School Street
1510 Mulberry Street
436 Underwood Street
440 Underwood Street
452 N. Avon Street
226 Ogden Avenue
228 Ogden Avenue

1060 W. Jefferson Street
1051 Mulberry Street
1056 W. Jefferson Street
802 S. 5th Street
804 S. 5th Street
8xx S. 6th Street
808 10th Avenue
807 8th Avenue
735 8th Avenue Court
812 10th Avenue
7xx Kishwaukee Court 11-26-408-018
7xx Kishwaukee Court 11-26-412-001
616 Newport
1329 School Street
430 Concord
1006 Kishwaukee Street
1027 Woodlawn Avenue
3915 Delaware
520 Hartford
806 Lee Street
316 Lexington
521 College Avenue
309-11 N. Horsman
715 7th Avenue
733 N. Rockton Avenue

11. 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.

Program Year 3 CAPER Community Development response:

- a. - d. are not applicable.

12. 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.

Program Year 3 CAPER Community Development response:

- a. Please see the PR03 – CDBG Activity Summary Report in the IDIS reports tab in the Appendix for each type of rehabilitation program for which projects/units were reported as completed during the program year, including the number of projects/units completed for each program.
- b. Please see the PR03 – CDBG Activity Summary Report in the IDIS reports tab in the Appendix for each type of rehabilitation program for which

projects/units were reported as completed during the program year, including the number of projects/units completed for each program.

- c. Please see the PR03 – CDBG Activity Summary Report in the IDIS reports tab in the Appendix for each type of rehabilitation program for which projects/units were reported as completed during the program year, including the number of projects/units completed for each program.

13. 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.

Program Year 3 CAPER Community Development response:

- a. N/A

Antipoverty Strategy

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

Program Year 3 CAPER Antipoverty Strategy response:

All Community Development programming funded with formula funding is designed to impact lower income persons and/or neighborhoods and serves to augment the anti-poverty program administered through the City's Human Services Department. While all activities are not mandated to provide a direct benefit to this population, seventy percent must and during the 2012 program year 87.8 percent did. The housing and public service programming did provide a direct benefit to many persons living in poverty and had a positive impact on the City's overall anti-poverty efforts.

The City of Rockford Human Services Department also acts as a two county Community Action Agency. Therefore, our organization is routinely engaged in exploring ways to improve services to have the greatest impact upon our community. Each year we look to improve our programming to further address priority population community needs and target specific neighborhoods enmeshed in poverty. Through the Community Services Block Grant (CSBG) and other funding from local, state and federal governments, Rockford Human Services will provide residents of Boone and Winnebago Counties access to economic development, education and training, community health and prevention services, financial literacy, housing resources, self-sufficiency programs, emergency services, and neighborhood and community revitalization.

Our Community Services Division, which includes CSBG, HUD Programs, Community Health and Prevention and our Energy Division, supports all agency programs and services with the exception of early child services including Head Start. This has led to a streamlining of services and support and improved our customer service abilities. Our Head Start division assists prenatal to three and pre-school aged children with education, family social services, special needs services, health/nutrition services and parent/family education and development. During the

school calendar year of 2011/2012 our Head Start Division served 831 children. Additionally, our Community Health and Prevention program conducted a community strategic plan in collaboration with our local Minority Health Advisory Council. The goal of their strategic plan is to reduce the number of youth engaging in alcohol and substance abuse/use residing in specific zip codes (which are traditionally low-income).

Through the combination of the community needs assessment and our strong community partnerships, we identify the service needs in our community that are not being sufficiently addressed. From this process, we have chosen to address the following in our Work Plans:

1. Economic Development

CSBG Loan Program

Rockford Human Services allocated 15% of our CSBG funding to loan programs in 2012. Both micro-loans and small business loans are made with these funds. We plan to create a mini-micro loan program in 2013. This loan program will be loans of less than \$5,000 with a focus on small self-entrepreneur projects, especially those focused on improving nutritional options in targeted neighborhoods utilizing green carts and increasing the availability of nutritional foods in corner stores.

Youth Employment Program

We plan to continue our Sharing Work for Excellence Everywhere Program (SWEEP) as well as adding additional youth employment and training opportunities. SWEEP is a partnership between the City of Rockford Human Services and Community Development Departments. This program results in the lives of low-income persons being improved by providing employment and training to teens from economically challenged families.

2. Education

Scholarship

CSBG staff provides educational enhancement of low-income persons in our service area through our scholarship program. Interested candidates can be either self or agency referred. Potential recipients complete a formal application and interview process.

Youth Leadership Programs

CSBG staff provides support and guidance to low-income youth residing in Boone and Winnebago Counties, Illinois. Services come in the form of leadership training, counseling, service projects and/or educational support. Through this work CSBG staff provides intense self-esteem building, linkages and follow-up to increase long-term success for low-income youth.

3. Income Management

Energy Conservation Education

We will offer opportunities for low-income residents to learn and practice energy efficient strategies to reduce utility costs.

Financial Literacy (proposed but not starting until January 2013)

We will target a campaign toward low-income individuals to provide information and education on savings, predatory lending, budgeting and banking.

4. Housing

Housing Counseling/Landlord-Tenant Mediation

Rockford Human Services will provide mediation and counseling in addressing rental issues.

5. Emergency Services

Direct Client Assistance

Rockford Human Services assists clients through emergency assistance to meet basic needs, assist with employment and training, transportation and increase self-sufficiency and perform needed life/safety repairs. Through this program we assist with rent, temporary hotel stay, medical costs, utility bills (including water/sewer), car repairs and other transportation costs such as bus tokens. These funds are not limited to these categories but they are the most frequently requested. These services are normally requested as part of a crisis and are intended to stabilize the individual or family and avert additional crisis such as breakdown of an automobile, which will inhibit the low-income resident from maintaining gainful employment. Through this program, we also assist with condemnation relocations and crisis caused by natural disasters.

6. Nutrition

Summer Food Program

The Summer Food Program provides nutritious meals to children ages 2-18 during the summer when the public school lunch program is unavailable. Meals are served at a variety of low-income community sites. Sites offer both recreation and education programming to children. Programs provide their own supervision of the lunch and/or snack program. The Illinois State Board of Education provides meal funding for this project. Rockford Human Services sub-contracts with an outside vendor to prepare and deliver the food. Without this project, many low-income children would not have at least one nutritious meal during their day.

Community Garden Project

The Community Garden Project provides funding to neighborhood groups to create community gardens within their neighborhoods. The Community Garden Project is an active pursuit in yielding fresh food and a partnership with Neighborhood Network. By neighborhoods growing some of their own food, individuals and families have access to fresh, nutritious food that supports nutritional health. As well as promoting physical fitness and health and encourages good relationships amongst neighbors. The program in 2013 will add a component of consumer education for all gardens.

7. Neighborhood Development

Convening and Supporting Efforts to Support Low-Income Populations

CSBG dollars will be used to support the activities of a variety of community groups that work on low-income issues. This includes providing staff support and meeting supplies. Some of the groups supported include the Continuum of Care, the Fair Housing Board, the Rockford Alcohol Free Teens Coalition, and others.

Elderly Advocacy and Resource Project (Coffee Chat- estimated 2013 start date)

This project will provide monthly community meetings that rotate between locations in low-income areas and provide seniors with a variety of resources, education and advocacy options. This is part of our efforts to increase our outreach to low-income seniors. Our community has multiple senior service providers who provide excellent service; however, they are site based and not accessible to many low-income seniors.

Neighborhood Network

Our partnership with Neighborhood Network has provided significant benefits to both our agency and neighborhoods. By providing organizing, training and education in low-income neighborhoods, our access to and understanding of these neighborhoods has dramatically increased allowing us to provide more targeted services to these areas.

8. Self Sufficiency

DCFS Self Sufficiency

We will continue our partnership with the Illinois Department of Children and Family Services (DCFS) during the next calendar year. We plan to advocate for DCFS youth and families to obtain and maintain permanent housing to increase the likelihood of their children to return. This project includes networking with landlords, client counseling, life-skill building and case management. The ultimate goal of this work-program is to establish long-term stabilization through housing retention.

Family and Community Development

Community Services will provide Family and Community Development (FCD) case management services to families at risk for homelessness due to poverty, violence or economic turmoil. We plan to link FCD to specific financial assistance programs we provide such as rental assistance in order to increase the effectiveness of FCD. CSBG will provide intense self-esteem, linkage and follow-up to increase long-term success of area low-income residents.

9. Health

Youth Prevention Programs

We will be providing community health prevention services to students in elementary schools in low income areas. These services will include prevention classes on alcohol, tobacco and other drugs as well as violence prevention and bullying.

From a public housing perspective, RHA continues with its ROSS and FSS programs. Both programs have been historically successful in reducing poverty. In addition, RHA is piloting its ReBuild program. The program underperformed in its first round of services. RHA reviewed and refined the program to better serve our clients and increase the successful outcomes of the program. This new and improved version just started and will also be scrutinized at completion to see if it has improved results. Additionally, under the Choice Planning process for Ellis Heights more than 25 initiatives have been identified and are being fostered as a means to reduce poverty. It is early in the process but implementation is beginning and good results are expected.

The WCHA nonprofit component, Winnebago Homes Association (WHA) purchased two foreclosed homes to lease back to the owner in place or new residents with affordable housing rents. WCHA maintains a 100% occupancy rate at all times (so unusual that it is above the maximum 95% occupancy rate permitted by the Illinois Housing Development Authority for underwriting purposes). WCHA provides the Illinois Housing Development Authority Rental Housing Support program and has received a third round of funding. WCHA provides a 90% HCV Payment Standard which increases the number of families that may be assisted, and with strong reserves has utilized the program in excess of HUD funding over 2012.