



2010-2014 HOUSING AND COMMUNITY DEVELOPMENT CONSOLIDATED PLAN FOR ROCKFORD, ILLINOIS

FINAL REPORT

NOVEMBER 4, 2009

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2010-2014 HOUSING AND COMMUNITY DEVELOPMENT CONSOLIDATED PLAN FOR ROCKFORD, ILLINOIS

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I. EXECUTIVE SUMMARY

A. INTRODUCTION

In 1994, the U.S. Department of Housing and Urban Development (HUD) issued new rules consolidating the planning, application, reporting and citizen participation processes for four formula grant programs: Community Development Block Grants (CDBG), Home Investment Partnerships (HOME), Emergency Shelter Grants (ESG) and Housing Opportunities for People with AIDS (HOPWA). The new single-planning process was intended to more comprehensively fulfill three basic goals: to provide decent housing, to provide a suitable living environment and to expand economic opportunities. It was termed the *Consolidated Plan for Housing and Community Development*.

According to HUD, the Consolidated Plan is designed to be a collaborative process whereby a community establishes a unified vision for housing and community development actions. It offers entitlements the opportunity to shape these housing and community development programs into effective, coordinated neighborhood and community development strategies. It also allows for strategic planning and citizen participation to occur in a comprehensive context, thereby reducing duplication of effort.

As the lead agency for the Consolidated Plan, the Rockford Department of Community Development (DCD) hereby follows HUD's guidelines for citizen and community involvement. Furthermore, it is responsible for overseeing these citizen participation requirements, those that accompany the Consolidated Plan and the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and the Emergency Shelter Grant (ESG) programs, as well as those that complement the DCD planning processes already at work in the city.

PURPOSE OF THE CONSOLIDATED PLAN

The *2010 – 2014 Housing and Community Development Consolidated Plan for Rockford, Illinois* is the comprehensive five-year planning document identifying the needs and respective resource investments in satisfying the city's housing, homeless, non-homeless special needs population, community development and economic development needs.

GOALS OF THE CONSOLIDATED PLAN

The goals of the Rockford DCD are to provide decent housing, a suitable living environment and expanded economic opportunities for its low- and moderate-income residents. The Rockford DCD strives to accomplish these goals by maximizing and effectively utilizing all available funding resources to conduct housing and community development activities that will serve the economically disadvantaged residents of the city. By addressing need and creating opportunity at the individual and neighborhood levels, the DCD hopes to improve the quality of life for all residents of the city. These goals are further explained as follows:

- *Providing decent housing* means helping homeless persons obtain appropriate housing and assisting those at risk of homelessness; preserving the affordable housing stock; increasing availability of permanent housing that is affordable to low- and moderate-income persons without discrimination; and increasing the supply of supportive housing.
- *Providing a suitable living environment* entails improving the safety and livability of neighborhoods; increasing access to quality facilities and services; and reducing the isolation of income groups within an area through de-concentration of low-income housing opportunities.
- *Expanding economic opportunities* involves creating jobs that are accessible to low- and moderate-income persons; making mortgage financing available for low- and moderate-income persons at reasonable rates; providing access to credit for development activities that promote long-term economic and social viability of the community; and empowering low-income persons to achieve self-sufficiency to reduce generational poverty in federally-assisted and public housing.

B. ROCKFORD BACKGROUND AND TRENDS

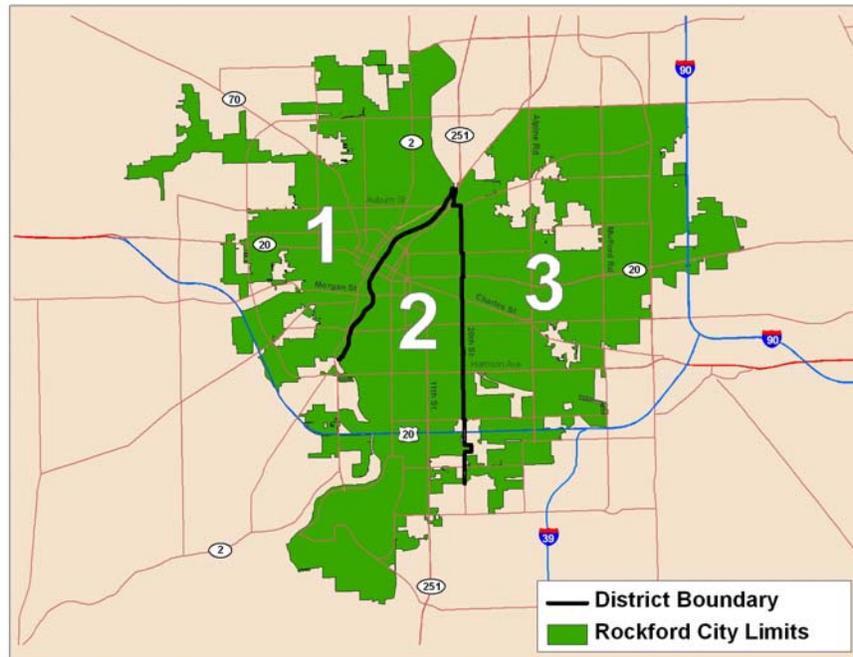
ROCKFORD COMMUNITY PROFILE

The city of Rockford is located about 75 miles west of Chicago, Illinois, and 10 miles south of the Wisconsin border. For purposes of the consolidated planning process, the city has been segmented into three planning districts, as seen in Map I.1, on the following page.

Economic Profile

From 1990 through 2007, the labor force in Rockford, defined as people either working or looking for work, grew by roughly 5 percent from about 142,000 people to more than 150,000. However, the recent economic downturn has caused unemployment figures to rise with rates nearly doubling from 6.2 percent in 2007 to 12.0 percent at the end of 2008. Average earnings per job in Winnebago County have lagged in recent years, with a peak of \$42,157 in 2003 and a drop to \$41,044 in 2006. In the same year, Winnebago County held a per capita income of roughly \$30,000, as compared to the U.S. average of nearly \$38,000. The poverty rate in Rockford in 2000 was 14.0 percent with 20,351 persons considered to be living in poverty at that time. Poverty rates varied by district: District 1 had the highest rate at 21.1 percent, followed by District 2 with a comparable 18.1 percent and District 3 with a very low 5.4 percent.

Map I.1
Rockford Illinois Planning Districts



Demographic Profile

Rockford had a population of 150,115 persons at the time the 2000 census was taken. By 2007 the population was estimated to be 156,596 persons. In terms of race and ethnicity, Rockford had a white population of 109,303 persons at the time of the 2000 census, which equated to 72.8 percent of the population. Blacks were the largest minority racial group, at about 17.4 percent, or 26,072 persons. Rockford also held an Asian population of 3,301 persons (22.0 percent), an American Indian population of 474 persons (0.3 percent) and a native Hawaiian/Pacific Islander population of just 67 persons. These populations were not evenly distributed throughout the city, with Districts 1 and 2 having a disproportionate share of minority populations. The majority of the population in Rockford in 2000 was between the ages of 35 and 54 (27.3 percent), followed by persons aged 5 to 19 (21.6 percent), 20 to 24 (15.0 percent), over the age of 64 (14.1 percent), 55 to 74 (7.9 percent), under the age of 5 (7.7 percent) and 20 to 24 (6.6 percent). Nearly 30,000 persons or 21 percent of the population in Rockford had some type of disability at the time of the 2000 census. Again, this disabled population was mostly found to reside in Districts 1 and 2. A population forecast for the city showed that growth is expected to be moderate, with an increase of roughly 25,000 persons between 2010 and 2025 and an expected total population of 185,396 in 2025.

ROCKFORD HOUSING MARKET

Housing Stock

At the time that the 2000 census was taken, 63,607 housing units were counted in the city of Rockford. Most units, 40,285, were single-family homes. Of the 63,607 housing units in Rockford at that time, 36,304 were owner-occupied units and 22,897 were renter-occupied units. These figures represented a homeownership rate of 61.3 percent. Vacant units represented 4,406 units, and 828 vacant units were seen as possible contributors to the blighting influence in the city. Of the roughly 63,600 housing units in Rockford, 44,595 units or 70.1 percent were constructed prior to 1970. Most of this older housing stock was located in Districts 1 and 2.

Production, Value, Affordability

From 1981 through 2007, 10,542 units were authorized for construction in Rockford, while only 2,389 units were demolished. More than 3,000 housing construction permits were issued from 2000 through 2007, with 1,766 representing single-family homes. Between 1990 and 2007, housing values plummeted and then gradually rebounded, ending with an average value of \$129,719 in 2007. The average prices of single-family home sales in Rockford have not increased much over the last 24 years, and residential sales activity dropped sharply in 2008 by nearly 40 percent. Average rental rates in the city ranged from \$370 for a studio apartment to \$839 for a five-bedroom apartment.

Housing Assessments and Problems

Assessment of roughly 44,000 housing units by the Rockford Township Assessor showed that 17,225 units were classed as average condition and 8,624 units were classed as poor or worse. Housing with higher condition ratings was mostly found in District 3. District 3 also tended to have the vast majority of the units labeled “excellent” or “prestige,” while Districts 1 and 2 had the majority of units labeled “cheap” or “low grade and inferior.”

According to 2000 census data, there were 551 owner-occupied houses that were overcrowded and an additional 298 that were severely overcrowded in Rockford. The city also had 573 housing units lacking complete kitchen facilities and 409 housing units lacking complete plumbing facilities. Rockford had 4,052 renters with a cost burden and another 3,819 with a severe cost burden. Citywide, there were some 13,400 householders with a housing problem or housing problems at the time that the 2000 census was taken. There were also some 13,823 renter units and 23,247 owner units with the potential for lead-based paint risks, mostly located in District 1.

In total, there were nearly 4,000 public and assisted housing units in Rockford. Nearly 2,200 of these units were located in District 1; District 2 had roughly 1,400 units, and

District 3 had only 375 units. By 2015, Rockford is expected to experience an increase of 9.7 percent in the number of homeowner households and an increase of 25.8 percent in the number of renter households.

HOUSING AND HOMELESS NEEDS ASSESSMENT

Housing Needs

Results from a survey of community stakeholders in Rockford showed that residential rehabilitation, affordable rental housing, affordable for-sale housing and homeownership assistance were seen as high priority housing needs in the city. Data on future housing needs showed that by 2014, there is anticipated to be some 18,989 households with one or more housing problems, which include cost burdens, overcrowding, and incomplete kitchen or plumbing facilities.

Homeless and Non-Homeless Special Population Needs

In Rockford, a Continuum of Care exists to address homeless needs in the city of Rockford, as well Winnebago and Boone counties. Working in part as the Mayor's Task Force on Homelessness, the CoC has the goal of eliminating homelessness in the city through such actions as preventing homelessness from occurring and providing support services. The most recent point-in-time count in Rockford was conducted in April 2009; roughly 480 homeless persons were counted.

Investigation into the needs of the non-homeless special needs population showed that most of these groups in Rockford had some type of unmet need in terms of either housing or services. For example, persons with disabilities in the city were noted to have a need for additional support services to promote independent living, such as employment placement programs and specialized transportation services, while persons living with HIV/AIDS had a need for access to supportive or assisted housing options.

COMMUNITY DEVELOPMENT NEEDS ASSESSMENT

The 2008 housing and community development survey provided data on the perceived community development needs in the city. According to survey results, there was a high need for work force training, local business support, youth centers, infrastructure and crime awareness. Most other community development needs received medium or low need rankings.

Comments received from the public input sessions reaffirmed the needs gathered from the survey, including the idea that infrastructure issues in the city should have a high priority along with activities to positively impact employment opportunities.

C. FIVE-YEAR HOUSING AND COMMUNITY DEVELOPMENT OBJECTIVES AND STRATEGIES

The objectives the City will pursue over the next five years are as follows:

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.

Each of the objectives identified above, as well as the strategies consistent with each objective, are discussed in greater detail below. Performance measurement criteria are presented at the end of each objective narrative.

OBJECTIVE ONE: REDUCE HOUSING BLIGHT AND BLIGHTING INFLUENCES

STRATEGIES:

Rehabilitate Suitable Homeowner Properties

Rehabilitation of existing homeowner properties is an important part of the overall improvement of Rockford's neighborhoods. Rehabilitation will enhance property values and reduce the number of unsuitable or dilapidated homes.

The City will establish criteria that define housing that is economically feasible and suitable for rehabilitation as well as housing that is not suitable for rehabilitation. This process will help ensure that Rockford can more effectively utilize its housing resources and make incremental improvements focusing on the exterior appearance of a property and significant health and safety deficiencies in the interior of a property. Examples of these standards include:

1. Housing that is suitable for rehabilitation was constructed with higher-quality materials and workmanship and has architectural, historic or aesthetic value.
2. Housing that is not suitable for rehabilitation was constructed with inferior or lower-quality materials and workmanship and has no architectural, historic or aesthetic value.

The City will target rehabilitation efforts in selected areas of the city, so that neighborhood improvements can be more readily reflected in the area's surrounding homes and neighborhoods.

Reduce Blighted Housing

A blighted area is defined as one in which conditions place serious physical or economic burdens on a community which cannot reasonably be expected to be reversed

or alleviated by private enterprise acting alone. Blighted areas may be detrimental to the public health, safety or welfare of the community and they may be detrimental to the effective redevelopment of the area. A combination of many factors seems to have left Rockford with a burdensome amount of blighted and dilapidated housing. By reducing blight through the following actions the City will revitalize deteriorated neighborhoods and reduce low-income concentrations:

1. The City will seek to identify housing that is unsuitable for rehabilitation and initiate efforts to acquire and eliminate such housing, whether through acquisition, condemnation or other means. Rockford will attempt to eliminate 1,000 units over the five-year planning period.
2. Once the housing is eliminated, the City will identify private residential owners interested in acquiring the land, expanding selected lot sizes in the city or using the lots for infill housing.

Promote New Construction for Infill Replacement of Housing

Because Rockford's population is expanding slowly, there remains a need to provide affordable new construction for homeownership. The new construction needs to be handled in a thoughtful manner that takes into consideration the issues of the entire community. Given these considerations, infill opportunities, including the redevelopment of residential properties, should be targeted as follows:

1. Identify possible infill projects.
2. Review and, budget permitting, fund appropriate infill projects.

PERFORMANCE MEASUREMENT CRITERIA

Provide Decent Housing:

Availability/Accessibility: the number of eligible households that benefit from rehab.

Affordability: the number of housing units that have been rehabilitated.

Affordability: the number of housing units created through infill replacement.

Sustainability: the number of housing units that have been rehabbed or demolished.

OBJECTIVE TWO: INCREASE REDEVELOPMENT ACTIVITIES

STRATEGIES:

Eliminate Older Vacant Commercial and Industrial Properties Lacking a Useful Life

Structural economic change has been occurring for a number of years in Rockford. The previous manufacturing core of the city's economy has declined. Consequently, much of the structural capital serving earlier manufacturing needs, such as suppliers, wholesalers and other related business operations, have also succumbed to those same economic forces. As a result, a number of properties are vacant and lack a useful purpose. The City will take two steps toward correcting these difficulties:

1. Continue to eliminate these vacant, blighted commercial and industrial properties.
2. Search for redevelopment opportunities, thereby enriching Rockford's older neighborhoods.

Eliminate Older Vacant Residential Properties Where Land Can be Converted to Useful Purposes

The city tends to have a large base of older vacant residential properties that are concentrated in certain areas of the city. These vacant properties, represent an opportunity to enhance the community around which these properties exist. The City will take two actions over the course of the next five years:

1. Continue to remove older vacant dilapidated housing.
2. Consolidate vacant blighted properties into a single development opportunity for redevelopment.

PERFORMANCE MEASUREMENT CRITERIA

Expand Economic Opportunities:

Sustainability: the number of blighted non-residential buildings removed.

Sustainability: the number of redevelopment sites located and made ready for use.

Sustainability: the number of properties with blighted structures removed formed into larger development opportunities.

OBJECTIVE THREE: INCREASE THE PROVISION OF AFFORDABLE HOUSING

STRATEGIES:

Enhance Rental Housing Quality Standards

Selected areas of Rockford have a significant number of rental properties. These areas of the City tend to have an older housing stock, some of which is not in suitable housing condition. This finding was established by review of the Rockford Township Assessor housing data and affirmed in both the survey and public input meetings. It is the desire of the City to increase the quality of this rental housing to reflect positively on the image of Rockford. As such, the City will:

1. Review existing systems being used throughout Illinois and the United States and consider alternate methods to enhance rental housing quality so that the goals of improving the quality of rental properties are achieved.
2. Consider the possibility of establishing a rental inspection program.
3. Define housing quality standards and enforcement mechanisms for the program.
4. Evaluate properties only when vacant and for rent.
5. Avoid displacement of renter households.

Increase Transitions From Low-Income Rentals to Homeownership

Homeownership is an important step in transitioning out of poverty. By helping persons in low-income rental situations access homeownership, the City will provide greater opportunity for low-income persons to accumulate equity and wealth. The City will attempt to:

1. Enhance understanding and operation of the credit markets, particularly through homebuyer education classes.
2. Increase minority homeownership in Rockford by using available resources such as the Neighborhood Stabilization Program.

PERFORMANCE MEASUREMENT CRITERIA

Provide Decent Housing:

Sustainability: establishment of rental inspection program to improve quality of rental stock.

Affordability: number of units inspected and thereby maintained.

Availability/Accessibility: the number of householders who have benefited from enhancing the quality of the housing stock.

Affordability: number of householders who have taken homebuyer education course.

Affordability: the number of minority racial or ethnic householders who been assisted with first-time homebuyer activities.

OBJECTIVE FOUR: REPAIR AND MAINTAIN STREETS AND SIDEWALKS

STRATEGIES:

Determine which streets and sidewalks to improve throughout the city

Assessment of Rockford's streets and sidewalks should be considered the first step in determining the size of the City's needs for enhanced infrastructure maintenance. Hence, the City should consider establishing a "Report Card" for streets and sidewalks that are in need of investment. A ranking from "A" to "D" ("A" being the best) can be assigned to each category, with those in the "D" ranking being considered for investment.

PERFORMANCE MEASUREMENT CRITERIA

Provide Suitable Living Environment:

Availability/Accessibility: create inventory of streets and sidewalks that need repair.

Availability/Accessibility: count the number of eligible households assisted.

Sustainability: the number of feet/miles or dollars spent on improving streets and sidewalks.

OBJECTIVE FIVE: ENHANCE CRIME AWARENESS AND REDUCE THE INCIDENCE OF CRIME

STRATEGIES:

Enhance Crime Awareness and Reduce the Incidence of Crime

Crime against persons or property is of significant concern to the city. Even the perception of the risk of crime can lead to a decline in the livability of residential neighborhoods and suppress economic viability in commercial areas. Consequently, crime prevention, awareness and intervention efforts are important steps toward building a strong community and assisting in arresting slum and blight.

To adequately address crime within Rockford, the most pressing need is to provide an array of public services for at-risk youth, their families and other impacted people that may serve as alternatives to drugs, gangs and involvement in criminal activity. Public service activities that might be funded over the next five years include drug and gang prevention and recreational activities, or other services such as education and employment training.

PERFORMANCE MEASUREMENT CRITERIA

Provide Suitable Living Environment:

Availability/Accessibility: the number of drug and gang prevention activities as well as other recreational and service activities that have occurred.

Sustainability: the number of drug and gang prevention activities as well as other recreational and service activities that have occurred.

OBJECTIVE SIX: CREATE, EXPAND AND RETAIN EMPLOYMENT IN ROCKFORD

Rockford has an abundant, capable workforce that has unfortunately experienced significant job losses in recent years, particularly in the manufacturing sector. These recent problems can be overcome by focusing on the strengths of the workforce, attracting new business to the city, educating and retraining workers, and supporting and expanding current business in the city.

STRATEGIES:

Expand and Retain Employment at Existing Businesses.

The City will take action by providing working capital, technical assistance, assistance with locating local employees and/or aiding with special skills training.

Recruit New Businesses.

The City will seek new business by targeting employers with needs matching the abilities of the city's workforce.

Retrain Existing Rockford Labor

The City has experienced an increase in persons previously working but now looking for employment. The City will seek to retrain these workers for new and emerging employment opportunities in Rockford.

PERFORMANCE MEASUREMENT CRITERIA

Expand Economic Opportunities:

Sustainability: the number of retained or new jobs created at existing businesses.

Sustainability: the number of jobs created by recruiting new business to the city.

Sustainability: the number of persons retrained.

Availability/Accessibility: the number of eligible individuals acquiring jobs, having their jobs retained or being trained for new employment opportunities.

OBJECTIVE SEVEN: PROVISION OF ADDITIONAL COMMUNITY FACILITIES AND PUBLIC SERVICES

Rockford has an ongoing need for enhancing existing and providing additional community facilities and public services. This need goes hand-in-hand with the city's rising population and the desire to enhance the city's well-being, the vibrancy of its neighborhoods, and the overall attractiveness of the community

STRATEGIES:

Create Additional Community Facilities.

The City will take action to enhance existing facilities and create additional community facilities, thereby increasing the vitality of the city's neighborhoods and increasing the attractiveness of the city.

Provide Additional or New Public Services.

The City will seek to provide enhancements to the existing service network so that current and newly arriving residents can obtain the public services needed within an expanding community.

PERFORMANCE MEASUREMENT CRITERIA

Additional or Enhanced Community Facilities and Public Services:

Sustainability: the number of new or enhanced community facilities.

Sustainability: the number of persons served through such facilities or services.

Availability/Accessibility: the number of eligible individuals using the new or enhanced facilities or services.

OBJECTIVE EIGHT: REDUCE CHRONIC HOMELESSNESS

One of the nation's goals is to end chronic homelessness by 2012. The City, through its participation in the Rockford/Winnebago, Boone Counties' Continuum of Care, is addressing the problem of chronic homelessness. A chronically homeless person is defined by HUD as an unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years.

STRATEGIES:

Assist in Implementing the 10-Year Plan to End Chronic Homelessness

Within the Continuum of Care (CoC) region 240 chronic homeless persons were identified in a 2009 point-in-time count, which provides a conservative estimate of the total population. Helping these persons receive the assistance they need to make a successful transition into permanent housing is a priority that, once achieved, will likely result in greater resources and services for other homeless persons in need of assistance. The following actions, as drawn from the CoC 10-year plan, will be taken by the CoC to end chronic homelessness.

1. Prevent homelessness through short-term aid, education and supply of basic needs.
2. Provide outreach to the chronically homeless, community leaders and agencies.
3. Offer rapid rehousing options that shorten the length of homelessness.
4. Provide supportive services that are designed to fill service gaps.
5. Enhance opportunities for citizens to achieve livable wages.
6. Expand housing options including temporary, transitional and permanent types.
7. Monitor and evaluate progress.

PERFORMANCE MEASUREMENT CRITERIA

Provide Decent Housing:

Availability/Accessibility: track the number of beds available for the homeless and count the number of persons assisted.

Availability/Accessibility: enhance the variety of services available for the homeless.

D. SUMMARY OF ANNUAL ACTION PLAN

The Annual Action Plan outlines the activities the city of Rockford proposes to undertake during the program year that begins January 1, 2010 and ends December 31, 2010. It represents a concerted effort to bring together various public and private resources and to direct the utilization of such resources to address as many housing and community development needs as such resources will allow. In 2010 it will focus on seven objectives

and will: 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.

A combination of many factors seems to have left Rockford with a burdensome amount of blighted and dilapidated housing. The current City administration has adopted the vision of a city that demonstrates and subsequently displays "EXCELLENCE EVERYWHERE." Therefore, Rockford must focus on and work to recapture and revitalize deteriorated neighborhoods and reduce low-income concentrations. Rockford plans to reduce blight through a number of actions, including rehabilitation, demolition of both residential and older vacant commercial and industrial property, and in-fill housing. The City will invest its current federal financial resources while seeking to obtain and leverage additional resources to demonstrate that properly channeled efforts can and will over time bring the vision to reality.

Rockford's Community & Economic Development Department will continue its efforts to partner with other City Departments and other public entities to control and in some cases remove the blighted influences that plague many of the City's older neighborhoods. Rockford will continue code enforcement in conjunction with the Police Department's efforts to create a more holistic approach. This holistic approach will not only seek to place a major emphasis on code enforcement, but will also use it to supplement 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*.

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. 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.

From an economic development standpoint, 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. Unemployment rates in Winnebago County have nearly doubled, from 6.2 percent in 2007 to 12.0 percent at the end of 2008, while average earnings per job have also been lagging and the poverty rate has been increasing from 14 percent in 2000 to an estimated 20 percent of late. In January of 2005, the start of the last Consolidated Plan, Rockford's unemployment rate was 7.7 percent. In June of 2009, the unemployment rate in Rockford was 14 percent. 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.

However, armed with the belief that the City should display “EXCELLENCE EVERYWHERE,” the city will once again take a holistic approach to creating more economic opportunities. The City will do so by seeking to maximize its current resources and looking at creative ways to bring in outside resources. This process will include the appropriate use of such tools as Tax Increment Financing (TIF) and Section 108. Incentives will be provided when necessary and feasible to bridge gaps and bring projects to closure. The City will also eliminate older vacant commercial and industrial properties lacking a useful life and those that can be converted to a useful purpose. 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.

E. SUMMARY OF ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

BACKGROUND

As an entitlement jurisdiction, the city of Rockford is required to submit to the U.S. Department of Housing and Urban Development (HUD) certification that it is affirmatively furthering fair housing. This certification has three elements:

1. Complete an Analysis of Impediments to Fair Housing Choice;
2. Take actions to overcome the effects of any impediments identified through the analysis; and
3. Maintain records reflecting the actions taken in response to the analysis.

During 2009, the city of Rockford completed step one in this process. Several key impediments were identified, along with actions for the city to consider. These are enumerated in the following section.

IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE

The 2009 Analysis of Impediments for the city of Rockford uncovered several issues that can be considered barriers to affirmatively furthering fair housing and, consequently, impediments to fair housing choice. These issues are as follows:

1. Several areas of the city of Rockford have extremely high concentrations of selected racial and ethnic minorities. These areas also tend to have lower-quality and older housing units. High concentrations of assisted housing units, public housing and

Section 8 voucher use exist in the same areas of the city. This situation has resulted in racial and ethnic minority segregation.

2. Potential history of steering is a concern.
3. Very few housing complaints tend to lead to several concerns:
 - a. Insufficient fair housing system capacity for enforcement,
 - b. Lack of effective referral system,
 - c. Lack of understanding of the fair housing system,
 - d. Lack of concern by residents on the east side of Rockford,
 - e. Questionable effectiveness of the Rockford Fair Housing Board fair housing complaint process.
4. HMDA data indicate that minorities are denied home loans much more often than whites, even after correcting for income.
5. Concentration of high annual percentage rate loans tends to occur more frequently in areas with high concentrations of racial and ethnic minorities. Hence, the geographic distribution of sales is a concern and it seems that subprime and potentially predatory lending has been occurring in marketplace and has been targeted to areas with higher concentrations of poverty and ethnic and racial minorities.

SUGGESTED ACTIONS TO CONSIDER

In response to these listed impediments, the city of Rockford should consider taking the following actions:

1. Work with Realtors to issue a policy statement that discourages steering and exclusionary location policies and encourages inclusive housing location patterns and activities.
2. In order to prevent or remedy concentrations of assisted housing, public housing and Section 8 voucher use, incentives or disincentives can be offered to encourage better integration. This approach could include working more closely with the Rockford Housing Authority to dissipate its public housing stock throughout the city.
3. Enhance the capacity of Rockford's fair housing system.
 - a. Increase the effectiveness of the Rockford Fair Housing Board by:
 - i. Posting the annual report to the Mayor on the City's Web site,
 - ii. Tracking the number of complaints that have come to the Board over the year and the referrals to the Illinois Department of Human Rights,
 - iii. Making the online information more user-friendly, such as:
 - Making a link directly to the City's Fair Housing Ordinance,
 - Being sure that the voice mail box is available and not full,
 - Posting the mailing address of the Board and indicating a contact person,
 - Explaining the process of filing a complaint more simply.

- iv. Listing other resources where a person might also go for support, such as Prairie Legal Services, Inc. or the Illinois Department of Human Rights.
 - b. Engage an existing Fair Housing Initiative Program (FHIP) grant recipient, or entity receiving funds from HUD for various fair housing activities, to conduct outreach and education activities in Rockford.
 - i. This effort would include outreach and education to the general population.
 - ii. This effort could include fair housing trainings for city staff, management and public safety offices.
 - iii. This effort could include a focus area, such as the eastern side of the city, thereby encouraging greater understanding and knowledge of the current fair housing situation in Rockford.
- 4. Enhance the education of prospective homebuyers and report the attributes of loans with predatory characteristics, such as high annual percentage rate terms, balloon payments, teaser introductory rates and constrained refinancing terms.

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