

ATTACHMENT I: PUBLIC HEARING MINUTES

**City of Rockford
Community Development Department**

**PUBLIC HEARING
CONCERNING**

**2010 – 2014 Consolidated Plan
and
2010 Annual Action Plan**

Tuesday, October 6, 2009 – 3:00 PM
**Rockford Housing Authority
223 S. Winnebago Street**

MINUTES

I. Welcome

Rob Gaudin, Director of Research and Planning for Western Economic Services, introduced himself and welcomed everyone. Western Economic Services is the firm hired by the City of Rockford to assist with the preparation of the 2010 – 2014 Consolidated Plan, the 2010 Annual Action Plan and an Analysis of Impediments to Fair Housing Choice. He explained that this public hearing is regarding the Community Development Formula Programs that are funded through the Department of Housing and Urban Development (HUD). The programs include the Community Development Block Grant, HOME Investment Partnership Program and the Emergency Shelter Grant.

II. 2010-2014 Consolidated Plan Presentation

- The Five Year Consolidated Plan Presentation was explained by Rob Gaudin. See slides attached.
- The following questions were addressed:
 - ⇒ Question – If there is a surplus of affordable housing, in general, in the community, how does that tie into the goal of increasing transition from low-income rentals to home ownership and to consider alternative methods to enhance rental housing? Are you talking about using existing surplus stock or building new?
Answer – Rob Gaudin explained that the goal is to rehabilitate properties when possible, remove blighted properties that are unsuitable for rehab and promote new construction for in-fill for replacement of housing.

- ⇒ Question – Will this strategy create more surplus housing?
Answer – No because you are removing the undesirable housing and providing opportunity for in-fill in those areas rather than more construction in the other districts.

- ⇒ Question – The point is there is a surplus of suitable housing in general because of the building that has occurred in the past and there is an increase in building on the fringes of Zone 1 and the west end of Zone 1. If you continue to demolish houses that are already unoccupied and you build more houses in that area you're still going to have surplus housing stock.
Answer – There will not be a one for one replacement of demolished property.

- ⇒ Question – Most of the demolitions being done are fast tracks which are not owned by the city and the lots are not suitable for building. This creates a surplus of vacant lots on which nothing can be done. This is a big problem.
Answer – It is a problem but the property is offered for sale to adjoining property owners when possible.

- ⇒ Comment – It is a short term gain with a long term loss because you end up with a huge number of unusable properties that even the adjacent owners don't want.

- ⇒ Comment – The report five years ago that shows the number of households in District 1 with incomes over \$75,000 had quadrupled is a better indicator than there are "x" number of blacks, whites or Hispanics as to whether it is diversifying and whether they can afford more house than what may be there now.

- ⇒ Comment – The other unintended consequence of the demolition sequence is that the costs to redevelop the vacant lots, if they become available, have increased significantly, often due to the lack of infrastructure. This creates a disincentive for the redevelopment of the vacant lots.

- ⇒ Question – The city wants to demolish our property but we have a \$50,000 mortgage on it. We have remodeled the property four or five times and it was destroyed each time by tenants so we would agree to the demolition but will the city pay off the mortgage?
Answer – When a fast track demolition is done a lien is placed on the property for the demolition costs. The property owner is still responsible for the mortgage.

- Vicki Manson explained the Proposed 2010 Budget sheet. She noted that the numbers are still changing due to constant evaluation of funding requests that are received. The following questions/comments were addressed:
 - ⇒ Comment – The earlier slide showed that economic development is a high priority but that isn't reflected in the budget. There are zero dollars on the HOME side budgeted for economic development. (Vicki advised that HOME funds must be used for housing or activity tied to housing.) There is a lot of money designated for

demolition and code enforcement which does not have a lot to do with economic development or workforce development.

Answer – Rob explained that the city also uses other resources so the focus on economic development is not shown in this budget which only covers these three programs.

- ⇒ Question – What is the status of the Church School project?

Answer – We did not receive funding from the state for redevelopment. We have application in for NSP2 funds which would be used if these funds are received.

Otherwise the developer will pursue possible tax credits for funding. The property is scheduled to go to sheriff's sale on Thursday (10/8).

- ⇒ Question – A Family Dollar store was built on South Main and a medical clinic was also planned for the development. The bank backed out on the financing for the clinic. There is someone that would like to start a day care in the space. She needs approximately \$50,000 to get started. What funding would be available for this?

Answer – If she will be creating jobs, it is possible that economic development funds could be used. A complete proposal would need to be submitted and it was noted that the city would only provide gap financing. Other financing would also need to be obtained. Assistance may also be available through the Workforce Investment Board and the Human Services Department.

- ⇒ Question – While assisting residents with relocation after the Rockford Housing Authority demolished one of the complexes, it was noted that there is open discrimination in the “opportunity” areas. Someone from Chicago offered assistance during this process. He said that he would be coming to Rockford to do testing. Would it be beneficial for the Fair Housing Board to contact this person? He is from the HOPE Fair Housing organization.

Answer – Dwayne Collins advised that last year money was designated to HOPE Fair Housing for this program but they did not follow through with it. A citizen suggested contacting the Business and Professional People for the Public Interest organization out of Chicago for assistance.

- ⇒ Comment – We need to bring in developers that would be willing to take large parcels of abandoned property on the west side and build on them instead of taking virgin land and creating subdivisions. It seems that as a result of demolitions there are blocks worth of land that could be used by a developer for urban projects.

Answer - Vicki noted that these properties are still individually owned and not city property. She also stated that acquiring the property is not the problem. The problem is that the cost to build a home is greater than the value of the completed home. The city has the ability to only provide the gap financing for a few projects. What works well is being able to get a grant like a HOPE VI or NSP grant that will allow you to put a large amount of money into one area. She noted that these grant applications are difficult and time consuming and often not successful.

- ⇒ Comment – Now may be the time to view the situation as an opportunity rather than a problem and bring more people into the discussions such as developers, investors and realtors. We need someone with urban planning and/or central city

development expertise to look at what we have and help us develop a strategy for redevelopment.

- ⇒ Comment – Rockford Housing Authority is working on the Brewington Oaks and Fairgrounds projects. The developer for Brewington Oaks has urban development experience in inner cities and also experience in preservation of existing buildings. They believe the Fairgrounds project will require reaching out for blocks and creating a new community. This will mean finding a developer with a different niche and including other entities such as the Park District and the City of Rockford as leads for the project. It is important to look at these projects as opportunities and to involve the community.

III. Schedule for Continuation of the Process

- Rob advised everyone to contact himself, Vicki or Dwayne if they have any further questions or comments.

IV. Comments

- There were no additional comments or questions.
- Rob thanked everyone for coming and the meeting was adjourned.

**City of Rockford
Community Development Department**

**PUBLIC HEARING
CONCERNING**

**2010 – 2014 Consolidated Plan
and
2010 Annual Action Plan**

Tuesday, October 6, 2009 – 6:00 PM
**Anderson Gardens
318 Spring Creek Road**

MINUTES

I. Welcome

Rob Gaudin, Director of Research and Planning for Western Economic Services, introduced himself and welcomed everyone. Western Economic Services is the firm hired by the City of Rockford to assist with the preparation of the 2010 – 2014 Consolidated Plan, the 2010 Annual Action Plan and an Analysis of Impediments to Fair Housing Choice. He explained that this public hearing is regarding the Community Development Formula Programs that are funded through the Department of Housing and Urban Development (HUD). The programs include the Community Development Block Grant, HOME Investment Partnership Program and the Emergency Shelter Grant.

II. 2010-2014 Consolidated Plan Presentation

- The Five Year Consolidated Plan Presentation was explained by Rob Gaudin. See slides attached.
- The following questions were addressed by staff members:
 - ⇒ Question – Has Rockford always had a high unemployment rate?
Answer – Unemployment and wage rates were good back in the late 70's when the industrial companies were doing well.
 - ⇒ Comment – We are a city of industry and people who employ people part time. It is impossible to make a decent wage with a part time job. It seems like most people have to work more than one job. Rockford is a city of service jobs.

- Answer – Rob Gaudin noted that this is very true everywhere there has been a strong industrial base that has collapsed. It is important to bring higher paying jobs to the area.
- ⇒ Question – There is a group of new homes in southeast Rockford that were sold through sub-prime mortgages that are being foreclosed on. Would it be possible to buy these homes for low income families? Would there be a grant that could be used for this?
Answer – The city could possibly provide down payment/closing cost assistance to low income families but we could not buy the properties and sell them due to lack of funds.
 - ⇒ Question – The Fair Housing Board received money to develop a new web site. Are you aware of any sites that we could use as a model? We have done research but had trouble finding good examples.
Answer – Minneapolis, St. Paul and surrounding area communities have good web sites to look at.
 - ⇒ Question – Are there any cities about our size that we could contact to get information regarding how their Fair Housing Board operates?
Answer – Most cities that do it well have enforcement capabilities that we don't have. Without the "muscle" it is more of an exercise in encouraging fair housing.
 - ⇒ Comment – The police force needs to be trained in fair housing law.
 - ⇒ Comment – The Fair Housing Board needs to present 6 training sessions to receive the \$15,000.00 from the Human Services Department. One of these should be with the police department. Another suggestion was to bring in someone with more authority, like from the Attorney General's office, to present information at the training sessions.
 - ⇒ Comment – It was noted that the Fair Housing Board has lost members recently due to illness and relocation but they should be replaced soon. With the grant money to implement the new marketing campaign, they are hopeful that they will be able to start making a significant difference in educating the community regarding fair housing.

III. Comments

- There were no additional comments or questions.
- Rob thanked everyone for coming and the meeting was adjourned.

**City of Rockford
Community Development Department**

**PUBLIC HEARING
CONCERNING**

**2010 – 2014 Consolidated Plan
and
2010 Annual Action Plan**

Tuesday, October 7, 2009 – 10:30 AM
Patriots Gateway Center
615 S. 5th Street

MINUTES

I. Welcome

Rob Gaudin, Director of Research and Planning for Western Economic Services, introduced himself and welcomed everyone. Western Economic Services is the firm hired by the City of Rockford to assist with the preparation of the 2010 – 2014 Consolidated Plan, the 2010 Annual Action Plan and an Analysis of Impediments to Fair Housing Choice. He explained that this public hearing is regarding the Community Development Formula Programs that are funded through the Department of Housing and Urban Development (HUD). The programs include the Community Development Block Grant, HOME Investment Partnership Program and the Emergency Shelter Grant.

II. 2010-2014 Consolidated Plan Presentation

- The Five Year Consolidated Plan Presentation was explained by Rob Gaudin. See slides attached.
- The following questions/comments were addressed:
 - ☐ Comment – There are several programs in Rockford that include inspections of rental property including Section 8 and Shelter Plus Care. The problem we are seeing is that the different agencies conducting the inspections are using different sets of standards so what is acceptable for one agency may not meet the other standards.
Answer – This is being addressed by a committee of members from several different agencies.

☐ Comment – It was noted that the Fair Housing Board has received new funding and will be able to implement an outreach program in 2010.

☐ Question – Where does public facilities and public services rank in the goals?

Answer – Only in repair and maintenance of streets and sidewalks and enhancement of crime awareness. It can be added to the list if needed.

- Vicki Manson explained the Proposed 2010 Budget sheet. She noted that the numbers are still changing due to constant evaluation of funding requests that are received. The following questions/comments were addressed:

☐ Question – How many years can the grant money be carried over?

Answer – We can carry over 1.5 times our yearly allocation of the money each year. This is important because we don't receive the new money at the beginning of the year so we need to have carryover to use.

☐ Question – Do you have pamphlets available on the programs?

Answer – Yes, there are brochures available on all programs. They will be available following the meeting.

☐ Question – If the Church School project does not occur, how will that money be used?

Answer – It will depend on who gains ownership of the building at the sale. If the city gets it the money could be used for demolition or rehabilitation of it. If we don't obtain the property at the sale then we would look at the programs and determine where the money should go. We also receive funding requests that are reviewed for possible funding.

☐ Question – Since this is a proposed budget can changes still be made? Would it be possible to request more funding for the Fair Housing Board?

Answer – We may amend the budget throughout the year as needed. It may be possible to provide more funding for the Fair Housing Board if it is requested for a specific program or project. There would need to be a definite plan showing what is going to be done and what the cost will be.

III. Schedule for Continuation of the Process

- Rob advised everyone to contact himself, Vicki or Dwayne if they have any further questions or comments.

IV. Comments

- There were no additional comments or questions.
- Rob thanked everyone for coming and the meeting was adjourned.