

City of Rockford
2019 Annual Action Plan
Substantial Amendment
Public Comments



Deb Dorsey

From: Paula Olson <info@miraclemilerockford.com>
Sent: Monday, April 27, 2020 4:41 PM
To: Deb Dorsey
Subject: Micro loan Enterprize program

Deb,

I would like to encourage the city to approve the proposed CDBG Microloan Enterprise program. In the Miracle Mile business district, we have so many small Mom & Pop businesses who struggle to stay open during a good day. In the COVID environment, it is just about impossible, especially if deemed non-essential.

This Micro Loan program would, I hope, give funds to businesses who didn't qualify for any of the federal programs.

One such business in our area that could use help is 815 Blades, is a newly opened hair salon. He had 10 chair rentals in his salon and has only been open since August 15, 2019. He hasn't been able to qualify for any programs and hasn't even been able to receive any unemployment compensation yet. He is worried he will be one of the last types of businesses allowed to re-open as they have close contact with people. This proposed new program could help him cover his lease and utility payments he needs to cover while unable to open which, ultimately, would allow him to be able to afford to reopen.

We also have numerous service businesses and retail stores who have been deemed non-essential as well. The new curbside pickup option will help, but not sure if it will be enough to help them recover from being closed over the last 6 weeks.

Thank you for your consideration and I look forward to hearing more about this innovative program.

Paula Olson
Executive Director
Miracle Mile Rockford
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April 30, 2020

Deb Dorsey
Housing and Program Manager
City of Rockford
425 East State Street
Rockford, Illinois 61104

Submitted via e-mail: Deb.Dorsey@rockfordil.gov

RE: Written public comments on amendments to the City's 2019 Annual Action Plan and the Citizen Participation Plan required due to additional CDBG-CV and ESG-CV funds authorized through the Coronavirus Aid, Relief and Economic Security Act (CARES Act).

Ms. Dorsey –

Thank you for the opportunity to submit comments. Prairie State Legal Services, Inc. is a non-profit law firm that provides free legal representation to low income persons and those age 60 and over who have serious civil legal problems impacting a basic human need such as housing or safety. Prairie State has 12 offices that serve 36 counties in northern Illinois. Our office located in the City of Rockford serves Winnebago County and five other surrounding counties.

In 2019, Prairie State served over 14,500 clients (including approximately 1,270 clients located within the City of Rockford) on a wide range of legal problems, including evictions, foreclosures, public benefits, and orders of protection. Yet, Prairie State cannot meet the already-existing demand for its services, and as a result of the COVID-19 pandemic, we expect the demand for civil legal services will increase significantly.

For instance, in just over one month (March 1, 2020 and April 4, 2020), the Illinois Department of Employment Security received more initial unemployment claims (over 500,000) than all of last year. The Illinois Department of Human Services has experienced a 280 percent increase in new requests for Medicaid or SNAP, and an almost 1000 percent increase in individuals receiving one benefit who are seeking to add another (mostly Medicaid recipients who now also need food assistance). By some counts, approximately 30 percent of all tenants were not able to pay rent in April, and mortgage default rates are projected to surpass those of the foreclosure crisis a decade ago.

While there is currently a moratorium on enforcement of evictions and some foreclosures we expect a surge in issues related to housing instability. Legal services is an essential aspect to addressing issues of housing stability as our experience has shown that lenders fail to follow laws to protect home owners, some landlords violate state laws in their treatment of tenants, and housing authorities misapply the laws

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governing federal public and subsidized housing. In addition, many people facing the loss of their housing are so overwhelmed by the myriad of issues they are facing that they are unable to act on their own behalf.

Prairie State relies on grants to support its services which are all provided free of charge. The only grant we currently receive for homelessness prevention work is a grant of \$43,142 from the Illinois Homeless Prevention Grant for services for Winnebago and Boone Counties. This is not sufficient to meet the coming surge of cases related to housing stability we expect from residents of the City of Rockford. We are therefore asking the City to consider amending its plan to include funding for efforts to help residents facing housing instability, including evictions and mortgage foreclosures.

Prairie State receives CDBG funds in many other communities including McHenry County, Lake County, DuPage County, and from the Cities of Aurora, Peoria, Pekin, Waukegan and Bloomington. Our services are part of addressing key national objectives for serving low and moderate income residents. While Rockford has not historically funded Prairie State Legal Services, we are in an unprecedented situation. Other communities in the state are using CDBG COVID-19 funds to support services to address housing stability because of the expected surge in this need. The City of Rockford had the highest rate of eviction of any city in Illinois with over 100,000 residents in 2016 per data from the Eviction Lab at Princeton University. Realty Trac reports 1 in every 1048 homes in Winnebago County is in foreclosure and in Rockford the rate in March 2020 was 1 in every 999 homes. Because of the timing of foreclosures this reflects rates when the economy was doing well. We will not see the increase related to COVID-19 until later this summer and fall.

We urge the City to consider addressing housing stability as a part of its plan.

Respectfully,

A handwritten signature in black ink, appearing to read 'Jesse P. Hodierne', written in a cursive style.

Jesse P. Hodierne
Managing Attorney



Karl F. Franzen
Director
Community and Economic
Development Department

May 5, 2020

Ms. Jesse P. Hodierne
Prairie State Legal Services
303 North Main Street, Suite 600
Rockford, Illinois 61101

Submitted via email: jhodierne@pslegal.org

RE: Written public comment to City of Rockford 2019 Annual Action Plan Substantial Amendment due to additional CDBG-CV and ESG-CV funds through the CARES Act

Dear Ms. Hodierne:

Thank you for written comments regarding the proposed City of Rockford's Substantial Amendment to the 2019 Annual Action Plan, as it relates to additional CDBG-CV and ESG-CV funds through the CARES Act. We appreciate your strong commitment to our community and identification of housing stability needs.

The City evaluated programming decisions for the CDBG-CV funds with consideration of several factors. First, the immediate financial needs related to COVID-19 and the desire to distribute funds to the community as quickly as possible. Second, the unmet needs with programming that did not duplicate benefits. The City conferred with the Emergency Operations Center regarding its response needs, in addition to feedback from community partners and private industry. Incorporating your public comments, the City maintains its proposal to assist low-to-moderate income microenterprises, who have been unable to access existing financial relief programs. These microenterprises face permanent closure due to the impacts of COVID-19.

The City acknowledges the impact that COVID-19 has on household incomes and the likely increase in evictions and foreclosure proceedings after moratorium periods end. The City has taken some initial steps to address housing stability needs related to the COVID-19 pandemic. The City's Human Services department received over \$600,000 in additional ESG-CV funds, with the majority of the funds being allocated to homeless prevention rental assistance and rapid rehousing rental assistance. The City appreciates Prairie State Legal Service's initiative in identifying upcoming needs related to housing stability. The City will continue to work with housing partners and stakeholders to monitor the changing environment and address issues through available resources.

Thank you again for your commitment to furthering fair housing in the City of Rockford.

Sincerely,

Deb Dorsey
Housing and Program Manager