

**City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan**

Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

4. Summary of citizen participation process and consultation process

Add:

In addition to the public hearing previously advertised and conducted during the development of the 2015-2019 Consolidated Plan, a Substantial Amendment has been submitted for the review and approval of the City of Rockford City Council. Notice of a public hearing on August 6, 2015 as well as the availability of the Substantial Amendment were provided in accordance with the current City of Rockford Citizen's Participation Plan. Notice of the substantial amendment and public hearing was published in the Rockford Register Star on July 23, 2015. The substantial amendment was available for review during the 30 day public comment period at the following locations: the City of Rockford website www.rockfordil.gov; the City of Rockford Department of Community Development, 425 E. State St.; Rockford Public Library, 215 N. Wyman St.; and La Voz Latina, 730 N. Church Street.

5. Summary of public comments

Add comments, if received.

6. Summary of comments or views not accepted and the reasons for not accepting them

Add narrative, if applicable.

PR-15 Citizen Participation

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

Add:

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City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

well as the availability of the Substantial Amendment were provided in accordance with the current City of Rockford Citizen’s Participation Plan. Notice of the substantial amendment and public hearing was published in the Rockford Register Star on July 23, 2015. The substantial amendment was available for review during the 30 day public comment period at the following locations: the City of Rockford website www.rockfordil.gov; the City of Rockford Department of Community Development, 425 E. State St.; Rockford Public Library, 215 N. Wyman St.; and La Voz Latina, 730 N. Church Street.

Citizen Participation Outreach

Add text under Public Hearing:

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Meeting	Non-targeted/broad community Agency representatives	Seven Consolidated Plan Forums and Stakeholder Focus Group meetings were held in April, 2014. A wide variety of individuals and social service agencies were invited to participate in the events.	The focus group sessions identified a wide range of issues of concern to the attendees with regard to social and economic conditions, housing, public policy and awareness of fair housing, banking and mortgage lending issues, special needs housing, and public transportation.	All comments were accepted.	

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
2	Internet Outreach	Non-targeted/broad community	A total of 204 surveys were received from attendees to the forums and focus group meetings and through the online survey linked to the City's website. These responses provided City staff with direction in the prioritization of service needs for the allocation of CDBG funding.	No comments were included in the survey instrument. Questions were posed as ranking opportunities in the identification of local programmatic needs. City staff reviewed the results provided by the survey and developed a list of priorities to be included in the Consolidated Plan.	All comments were accepted.	

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

3	Public Hearing	Non-targeted/broad community	<p>The community participation plan process included Community Public Hearings conducted by the Community Development Department at city community facilities and libraries October 20 through 23, 2014; City Council public hearings - City Council First Reading October 20, 2014; City Council Committee Work Session October 27, 2014; City Council Public Hearing and Approval November 3, 2014; and a 30 Day Public Comment and Review Period for public review of the Draft Consolidated Plan Document October 1 through 31, 2014 before final City approval.</p>	<p>Comments received at the public hearings are included in the attachments.</p>	<p>All comments were accepted.</p>	
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City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
			<p><i>For the Section 108 Loan Pool substantial amendment, a public hearing was held at City Council Chambers on August 6, 2015.</i></p>			

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City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan
Strategic Plan

SP-05 Overview

Strategic Plan Overview

Rename Strategy 3.4 to 3.4 a) and add Strategy 3.4(b)

Strategy 3.4(a): Rehabilitation and Development Assistance - CDBG funds allocated to provide assistance to Commercial and Industrial businesses or developers making investment within CDBG eligible areas and or creating or retaining permanent jobs for low/moderate income persons (80% or below the median income), and low/moderate income microenterprise business owners.

Performance Goal: Support 3 businesses or projects in the first year and an additional 2 per year thereafter.

Strategy 3.4(b): *Rehabilitation and Development Assistance – If approved, the Section 108 Loan Pool will be used to guarantee private loans and provide gap financing to a range of development types. All projects selected by the City shall meet Section 108 underwriting criteria including project readiness, proven development capacity and leveraging, as well as be completed within a reasonable timeframe from the approval date. Section 108 loans will be used to provide direct assistance to private for-profit entities developing large scale projects that will create jobs and revitalize blighted and underutilized properties.*

Performance Goal: *Support up to 13 businesses or projects in three years*

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The City of Rockford receives funding from three federal grant programs, the Community Development Block Grant Program, the HOME Investment Partnership, and the Emergency Solutions Grant. These three grant programs combined will bring \$4,787,504 into the city to support affordable housing, homeless, and community development programs and projects in the first program year.

Add:

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

The City's application for \$6.5 million in Section 108 Loan Guarantee financing is being submitted concurrently with the Substantial Amendment. Availability of funds will be contingent upon HUD approval. The draft application details proposed eligible uses.

Anticipated Resources

Add new row for Section 108 Loan Pool:

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	2,059,278	315,000	212,276	2,586,554	8,237,112	Expected amount for remainder of Con Plan equals the Year 1 Annual Allocation plus the Year 1 Program Income times four.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	777,086	0	1,237,410	2,014,496	3,108,344	Expected amount for remainder of Con Plan equals the Year 1 Annual Allocation times four.

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

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ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	186,454	0	0	186,454	745,816	Expected amount for remainder of Con Plan equals the Year 1 Annual Allocation times four.
<i>Section 108 Loan Pool</i>	<i>Public - federal</i>	<i>Economic Development</i>	<i>\$2,166,667</i>	<i>\$21,667</i>		<i>\$2,188,334</i>	<i>\$6,565,002</i>	<i>Expected amount for remainder of Con Plan equals the year 1 Annual Allocation times three.</i>

Discussion

The City has programmed approximately \$4.8 million from the CDBG, HOME, and ESG programs for the FY 2015 program year. This sum included the annual allocation, program income, and reprogrammed funds from previous program years. These funds will be used to operate a range of private and public services as described later in the Annual Action Plan.

Add: The City's application for \$6.5 million in Section 108 Loan Guarantee financing is being submitted concurrently with the Substantial Amendment. Availability of funds will be contingent upon HUD approval. The draft application details proposed eligible uses.

SP-45 Goals Summary – 91.215(a)(4)

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Goals Summary Information

Change Goal name for #17 to be Objective 3.4(a)

Add new goal #22:

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeless Objective 1.1	2015	2019	Homeless	City Wide	HMIS	ESG: \$69,920	Other: 5 Other
2	Homeless Objective 2.1	2015	2019	Homeless	City Wide	Rapid Re-Housing	ESG: \$375,000	Other: 10 Other
3	Homeless Objective 2.2	2015	2019	Homeless	City Wide	Emergency Shelter Operations/Essential Services Homeless Prevention Rapid Re-Housing	ESG: \$200,000	Other: 5 Other
4	Homeless Objective 2.3	2015	2019	Homeless	City Wide	Emergency Shelter - Facilities	ESG: \$287,350	Other: 10 Other
5	Affordable Housing Objective 1.1	2015	2019	Affordable Housing	City Wide	Public Infrastructure (streets, sidewalks, etc.) Major Home Improvement	HOME: \$381,700	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 11 Households Assisted
6	Affordable Housing Objective 1.2	2015	2019	Affordable Housing	City Wide	Major Home Improvement Affordable Housing Development/Owner and Rental Affordable Housing	HOME: \$1,200,000	Homeowner Housing Rehabilitated: 60 Household Housing Unit
7	Affordable Housing Objective 2.1	2015	2019	Affordable Housing	City Wide	Affordable Housing Development/Owner and Rental	HOME: \$216,830	Other: 5 Other

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Affordable Housing Objective 2.2	2015	2019	Affordable Housing	City Wide	Major Home Improvement Affordable Housing Development/Owner and Rental	HOME: \$3,303,000	Rental units rehabilitated: 8 Household Housing Unit Homeowner Housing Added: 11 Household Housing Unit Homeowner Housing Rehabilitated: 80 Household Housing Unit
9	Affordable Housing Objective 3.1	2015	2019	Affordable Housing	City Wide	Affordable Housing for Seniors/Disabled	CDBG: \$75,000	Rental units rehabilitated: 5 Household Housing Unit Homeowner Housing Rehabilitated: 15 Household Housing Unit
10	Non-Housing Community Development Objective 1.1	2015	2019	Non-Housing Community Development	CDBG Eligible Areas	Demolition	CDBG: \$2,713,380	Buildings Demolished: 270 Buildings
11	Non-Housing Community Development Objective 1.2	2015	2019	Non-Housing Community Development	CDBG Eligible Areas	Code Enforcement	CDBG: \$2,851,300	Housing Code Enforcement/Foreclosed Property Care: 25000 Household Housing Unit
12	Non-Housing Community Development Objective 2.1	2015	2018	Non-Housing Community Development	City Wide	Youth Services Child Care Services	CDBG: \$250,000	Public service activities other than Low/Moderate Income Housing Benefit: 960 Persons Assisted

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
13	Non-Housing Community Development Objective 2.2	2015	2015	Non-Housing Community Development	City Wide	Senior Services	CDBG: \$0	
14	Non-Housing Community Development Objective 3.1	2015	2019	Non-Housing Community Development	City Wide	Technical Assistance to Small Business/Incubators Commercial Corridor Revitalization, Incentives	CDBG: \$232,100	Other: 5 Other
15	Non-Housing Community Development Objective 3.2	2015	2019	Non-Housing Community Development	City Wide	Job Training/Workforce Readiness Technical Assistance to Small Business/Incubators	CDBG: \$125,000	Jobs created/retained: 120 Jobs Businesses assisted: 5 Businesses Assisted
16	Non-Housing Community Development Objective 3.3	2015	2019	Non-Housing Community Development	City Wide	Technical Assistance to Small Business/Incubators Commercial Corridor Revitalization, Incentives	CDBG: \$454,860	Businesses assisted: 5 Businesses Assisted
17	Non-Housing Community Development Objective 3.4(a)	2015	2019	Non-Housing Community Development	CDBG Eligible Areas	Technical Assistance to Small Business/Incubators Commercial Corridor Revitalization, Incentives	CDBG: \$830,000	Jobs created/retained: 60 Jobs Businesses assisted: 11 Businesses Assisted
18	Non-Housing Community Development Objective 3.5	2015	2019	Non-Housing Community Development	City Wide	Commercial Corridor Revitalization, Incentives	CDBG: \$300,000	Businesses assisted: 15 Businesses Assisted

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
19	Non-Housing Community Development Objective 4.1	2015	2019	Non-Housing Community Development	CDBG Eligible Areas	Commercial Corridor Revitalization, Incentives	CDBG: \$0	
20	Non-Housing Community Development Objective 5.1	2015	2019	Non-Housing Community Development	City Wide	Technical Assistance to Small Business/Incubators	CDBG: \$0	
21	Non-Housing Community Development Objective 5.2	2015	2019	Non-Housing Community Development	City Wide	Technical Assistance to Small Business/Incubators	CDBG: \$0	
22	<i>Non-Housing Community Development Objective 3.4(b)</i>	2015	2019	<i>Non-Housing Community Development</i>	<i>City Wide</i>	<i>Revitalization, Incentives, Job creation/retention</i>	<i>CDBG: \$6,500,000</i>	<i>Jobs created/retained: 130 Jobs</i> <i>Businesses assisted: Up to 13 Businesses Assisted</i>

Goal Descriptions

Update Goal #17 to include both Strategy 3.4(a) and 3.4(b)

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

1	Goal Name	Homeless Objective 1.1
	Goal Description	<p>Goal: Facilitate an expansion of housing and supportive services offered to homeless families and individuals in Rockford over a five year period.</p> <p>Objective 1: Continue to collaborate with homeless providers to supply a continuum of services.</p> <p>Strategy 1.1: Support and encourage non-profit participation in a Homeless Management Information System (HMIS).</p> <p>Performance Goal: Provide support to agencies / service providers for collection of client data and development of the continuum of care. Assist annually in the Point in Time Homeless Count and development of the Continuum of Care Report. Provide assistance to one COC organization each annual plan year.</p>
2	Goal Name	Homeless Objective 2.1
	Goal Description	<p>Goal: Facilitate an expansion of housing and supportive services offered to homeless families and individuals in Rockford over a five year period.</p> <p>Objective 2: Support services aimed at the homeless prevention and elimination of homelessness and Rapid Re-housing.</p> <p>Strategy 2.1: Provide ESG funds to avert eviction and/or utility disconnection, as well as pay deposits and rent and to provide for rapid rehousing of those persons becoming homeless.</p> <p>Performance Goal: Assist 2 agencies each annual plan year.</p>
3	Goal Name	Homeless Objective 2.2
	Goal Description	<p>Goal: Facilitate an expansion of housing and supportive services offered to homeless families and individuals in Rockford over a five year period.</p> <p>Objective 2: Support services aimed at the homeless prevention and elimination of homelessness and Rapid Re-housing.</p> <p>Strategy 2.2: Provide ESG funds for Essential Services and Street Outreach to persons currently homeless or at risk of becoming homeless.</p> <p>Performance Goal: Assist 1 Agency each annual plan year.</p>

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

4	Goal Name	Homeless Objective 2.3
	Goal Description	<p>Goal: Facilitate an expansion of housing and supportive services offered to homeless families and individuals in Rockford over a five year period.</p> <p>Objective 2: Support services aimed at the homeless prevention and elimination of homelessness and Rapid Re-housing.</p> <p>Strategy 2.3: Provide ESG funds for operations and rehabilitation of emergency shelters that provide shelter for homeless persons and families and persons and families at risk of becoming homeless.</p> <p>Performance Goal: Assist 2 agencies each annual plan year.</p>
5	Goal Name	Affordable Housing Objective 1.1
	Goal Description	<p>Goal: Improve the condition and availability of affordable housing over a five-year period.</p> <p>Objective 1: Improve the condition of housing for low-income homeowners.</p> <p>Strategy 1.1: Provide major and minor rehabilitation and reconstruction funding to homeowners with repair needs in designated Focus Areas. Provide Infrastructure Improvements/ Homeowner Rehabilitation Funding to provide utility reconnections and infrastructure upgrades to existing homeowners in the Haskell Street Focus Area.</p> <p>Performance Goal: Assist 7 units with major rehabilitation/reconstruction and utility reconnections and one annually for each remaining annual plan year.</p>
6	Goal Name	Affordable Housing Objective 1.2
	Goal Description	<p>Goal: Improve the condition and availability of affordable housing over a five-year period.</p> <p>Objective 1: Improve the condition of housing for low-income homeowners.</p> <p>Strategy 1.2: Provide Housing Rehabilitation Assistance funding to homeowners with urgent repair needs in conjunction with the Illinois Housing Development Trust Fund Grant. Provide Homeowner Rehabilitation Funding to provide homebuyer and rehabilitation assistance.</p> <p>Performance Goal: Assist 20 units with acquisition and major rehabilitation/reconstruction for FY2015 and 10 annually for each annual plan year if future funding is available.</p>

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

7	Goal Name	Affordable Housing Objective 2.1
	Goal Description	<p>Goal: Improve the condition and availability of affordable housing over a five-year period.</p> <p>Objective 2: Increase the viability for potential homeownership and rental housing opportunities.</p> <p>Strategy 2.1: Provide funding to CHDO organization for operating funds and development fees to develop affordable housing for low-moderate income homeownership and rental housing.</p> <p>Performance Goal: Support 1 CHDO organization annually for each annual plan years.</p>
8	Goal Name	Affordable Housing Objective 2.2
	Goal Description	<p>Goal: Improve the condition and availability of affordable housing over a five-year period.</p> <p>Objective 2: Increase the viability for potential homeownership and rental housing opportunities.</p> <p>Strategy 2.2: Provide funding to development and rehabilitation of affordable housing for low-moderate income homeownership and rental housing.</p> <p>Performance Goal: Develop or rehabilitate 22 the first year and 98 over the five years of the Strategic Plan (Affordable Housing Projects).</p>
9	Goal Name	Affordable Housing Objective 3.1
	Goal Description	<p>Goal: Improve the condition and availability of affordable housing over a five-year period.</p> <p>Objective 3: Increase accessibility for persons physically challenged and persons with disabilities to owner occupied and rental housing.</p> <p>Strategy 3.1: Provide funding to provide ramps for persons physically challenged and persons with disabilities to access housing for low-moderate income homeowners and renters.</p> <p>Performance Goal: Support 4 units to be assisted annually for each annual plan year.</p>

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

10	Goal Name	Non-Housing Community Development Objective 1.1
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 1: Removal of slum and blighted conditions to create marketable sites for new housing development and improve the physical condition and comply code violations for existing housing.</p> <p>Strategy 1.1: Demolition and Property clearance of slum and blighted conditions.</p> <p>Performance Goal: 54 units to be demolished each annual plan year.</p>
11	Goal Name	Non-Housing Community Development Objective 1.2
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 1: Removal of slum and blighted conditions to create marketable sites for new housing development and improve the physical condition and comply code violations for existing housing.</p> <p>Strategy 1.2: Code Enforcement salaries and overhead associated with the enforcement of state and local codes within CDBG eligible areas.</p> <p>Performance Goal: Address 5,000 code violations/units inspected each annual plan year.</p>
12	Goal Name	Non-Housing Community Development Objective 2.1
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 2: Address community needs through community-based public service programs.</p> <p>Strategy 2.1: Provide funding to non-profit and government organizations to deliver after school care and programming and childcare services to youth and children.</p> <p>Performance Goal: Serve 240 persons each annual plan year to support a program for after school and childcare.</p>

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

13	Goal Name	Non-Housing Community Development Objective 2.2
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 2: Address community needs through community-based public service programs.</p> <p>Strategy 2.2: Provide funding to non-profit organizations to deliver services to seniors.</p> <p>Performance Goal: No funding in first annual plan year. Additional funding to be allocated annually if funds are available for the remaining annual plan years.</p>
14	Goal Name	Non-Housing Community Development Objective 3.1
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 3: Expand business opportunities by supporting economic development services and providing economic development assistance.</p> <p>Strategy 3.1: Economic Development Services - Provide direct program delivery costs for economic development activities.</p> <p>Performance Goal: Provide program support each year.</p>
15	Goal Name	Non-Housing Community Development Objective 3.2
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 3: Expand business opportunities by supporting economic development services and providing economic development assistance.</p> <p>Strategy 3.2: Self-Employment Training - CDBG funds allocated to provide economic development self-employment training to assisting owners, businesses, contractors and entities participating in or seeking funding to participate in eligible projects.</p> <p>Performance Goal: Support 1 project annually for each annual plan year serving 24 persons each year.</p>

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

16	Goal Name	Non-Housing Community Development Objective 3.3
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 3: Expand business opportunities by supporting economic development services and providing economic development assistance.</p> <p>Strategy 3.3: Section 108 Loan Debt Service - CDBG funds allocated to provide funds for stand-by cash infusion to support debt service payments for a South Main Street grocery store (year 8 of 16 years).</p> <p>Performance Goal: Support 1 project annually for the each annual plan year.</p>
17	Goal Name	Non-Housing Community Development Objective 3.4
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 3: Expand business opportunities by supporting economic development services and providing economic development assistance.</p> <p>Strategy 3.4(a): Rehabilitation and Development Assistance - CDBG funds allocated to provide assistance to Commercial and Industrial businesses or developers making investment within CDBG eligible areas and or creating or retaining permanent jobs for low/moderate income persons (80% or below the median income), and low/moderate income microenterprise business owners.</p> <p>Performance Goal: Support 3 businesses or projects in the first year and 2 per year thereafter.</p> <p>Strategy 3.4(b): <i>Rehabilitation and Development Assistance – If approved, the Section 108 Loan Pool will be used to guarantee private loans and provide gap financing to a range of development types. All projects selected by the City shall meet Section 108 underwriting criteria including project readiness, proven development capacity and leveraging, as well as be completed within a reasonable timeframe from the approval date. Section 108 loans will be used to provide direct assistance to private for-profit entities developing large scale projects that will create jobs and revitalize blighted and underutilized properties.</i></p> <p>Performance Goal: Support up to 13 businesses or projects in three years.</p>

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

18	Goal Name	Non-Housing Community Development Objective 3.5
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 3: Expand business opportunities by supporting economic development services and providing economic development assistance.</p> <p>Strategy 3.5: Façade Improvement Assistance Program - CDBG funds allocated to provide assistance to Commercial and Industrial businesses or developers making façade improvement investment within CDBG eligible areas and or creating or retaining permanent jobs for low/moderate income persons (80% or below the median income), and low/moderate income microenterprise business owners.</p> <p>Performance Goal: Support 3 businesses or projects annually for each annual plan year.</p>
19	Goal Name	Non-Housing Community Development Objective 4.1
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 4: Create marketable sites for new business development.</p> <p>Strategy 4.1: Property clearance of slum and blighted conditions and site improvements and amenities such as signage, parking, lighting, security and other infrastructures for select sites for commercial development and expansion.</p> <p>Performance Goal: Funding not available for the 1st Annual Plan Year. Provide commercial technical assistance program funding to businesses as funds become available.</p>

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

20	Goal Name	Non-Housing Community Development Objective 5.1
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 5: Expand Small Business Technical Assistance Programs and access to financing.</p> <p>Strategy 5.1: Provide funding for Business Assistance Centers and Business Incubators to provide technical assistance to small businesses with business planning, branding, marketing, and expansion.</p> <p>Performance Goal: Funding not available for the 1st Annual Plan Year. Provide commercial technical assistance program funding to businesses as funds become available.</p>
21	Goal Name	Non-Housing Community Development Objective 5.2
	Goal Description	<p>Goal: Improve living conditions in Rockford by addressing non-housing community development needs over a five year period.</p> <p>Objective 5: Expand Small Business Technical Assistance Programs and access to financing.</p> <p>Strategy 5.2: Partner with local lending institutions to create credit enhancement tools such as a loan loss reserve fund, interest rate buy downs, and loan guaranties to promote business opportunities in inner-city neighborhoods.</p> <p>Performance Goal: Funding not available for the 1st Annual Plan Year. Provide commercial technical assistance program funding to businesses as funds become available.</p>

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

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City of Rockford
Substantial Amendment – Section 108 Loan Pool
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City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

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City of Rockford
Substantial Amendment – Section 108 Loan Pool
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Discussion

The City has programmed approximately \$4.8 million from the CDBG, HOME, and ESG programs for the FY 2015 program year. This sum included the annual allocation, program income, and reprogrammed funds from previous program years. These funds will be used to operate a range of private and public services as described later in the Annual Action Plan.

Add: The City's application for \$6.5 million in Section 108 Loan Guarantee financing is being submitted concurrently with the Substantial Amendment. Availability of funds will be contingent upon HUD approval. The draft application details proposed eligible uses.

DRAFT

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan
Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Change #16's objective from 3.4 to 3.4(a)

Add #22

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeless Objective 1.1	2015	2019	Homeless	City Wide	HMIS	ESG: \$13,984	Other: 1 Other
2	Homeless Objective 2.1	2015	2019	Homeless	City Wide	Homeless Prevention	ESG: \$75,000	Other: 2 Other
3	Homeless Objective 2.2	2015	2019	Homeless	City Wide	Emergency Shelter Operations/Essential Services	ESG: \$40,000	Other: 1 Other
4	Homeless Objective 2.3	2015	2019	Homeless	City Wide	Emergency Shelter Operations/Essential Services Emergency Shelter - Facilities	ESG: \$57,470	Other: 2 Other
5	Affordable Housing Objective 1.1	2015	2019	Affordable Housing	City Wide	Public Infrastructure (streets, sidewalks, etc.) Major Home Improvement	HOME: \$381,700	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 11 Households Assisted Homeowner Housing Rehabilitated: 16 Household Housing Unit

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Affordable Housing Objective 1.2	2015	2019	Affordable Housing	City Wide	Major Home Improvement Homeownership Assistance	HOME: \$402,405	Homeowner Housing Rehabilitated: 21 Household Housing Unit
7	Affordable Housing Objective 2.1	2015	2019	Affordable Housing	City Wide	Affordable Housing Development/Owner and Rental	HOME: \$43,366	Other: 1 Other
8	Affordable Housing Objective 2.2	2015	2019	Affordable Housing	City Wide	Affordable Housing Development/Owner and Rental	HOME: \$1,245,370	Rental units constructed: 6 Household Housing Unit Homeowner Housing Rehabilitated: 16 Household Housing Unit
9	Affordable Housing Objective 3.1	2015	2019	Affordable Housing	City Wide	Affordable Housing for Seniors/Disabled	CDBG: \$15,000	Rental units rehabilitated: 2 Household Housing Unit Homeowner Housing Rehabilitated: 2 Household Housing Unit
10	Non-Housing Community Development Objective 1.1	2015	2019	Non-Housing Community Development	CDBG Eligible Areas	Demolition	CDBG: \$542,676	Buildings Demolished: 54 Buildings
11	Non-Housing Community Development Objective 1.2	2015	2019	Non-Housing Community Development	CDBG Eligible Areas	Code Enforcement	CDBG: \$570,260	Housing Code Enforcement/Foreclosed Property Care: 5000 Household Housing Unit
12	Non-Housing Community Development Objective 2.1	2015	2019	Non-Housing Community Development	City Wide	Youth Services Child Care Services	CDBG: \$50,000	Public service activities other than Low/Moderate Income Housing Benefit: 240 Persons Assisted

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
13	Non-Housing Community Development Objective 3.1	2015	2019	Non-Housing Community Development	City Wide	Technical Assistance to Small Business/Incubators	CDBG: \$46,420	Other: 1 Other
14	Non-Housing Community Development Objective 3.2	2015	2019	Non-Housing Community Development	City Wide	Job Training/Workforce Readiness Technical Assistance to Small Business/Incubators	CDBG: \$25,000	Businesses assisted: 1 Businesses Assisted
15	Non-Housing Community Development Objective 3.3	2015	2019	Non-Housing Community Development	City Wide	Technical Assistance to Small Business/Incubators Commercial Corridor Revitalization, Incentives	CDBG: \$90,972	Businesses assisted: 1 Businesses Assisted
16	Non-Housing Community Development Objective 3.4(a)	2015	2019	Non-Housing Community Development	CDBG Eligible Areas	Job Training/Workforce Readiness Technical Assistance to Small Business/Incubators Commercial Corridor Revitalization, Incentives	CDBG: \$230,000	Jobs created/retained: 24 Jobs Businesses assisted: 3 Businesses Assisted
17	Non-Housing Community Development Objective 3.5	2015	2019	Non-Housing Community Development	City Wide	Technical Assistance to Small Business/Incubators Commercial Corridor Revitalization, Incentives	CDBG: \$60,000	Businesses assisted: 3 Businesses Assisted

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
18	Non-Housing Community Development Objective 3.4(b)	2015	2019	Non-Housing Community Development	City Wide	Revitalization, Incentives, Job creation/retention	CDBG: \$2,166,667	Jobs created/retained: 43 jobs Businesses assisted: 1 business assisted

Goal Descriptions

Change objective for #16 from 3.4 to 3.4(a)

Add Goal #18

1	Goal Name	Homeless Objective 1.1
	Goal Description	Support and encourage non-profit participation in a Homeless Management Information System (HMIS).
2	Goal Name	Homeless Objective 2.1
	Goal Description	Provide ESG funds to avert eviction and/or utility disconnection, as well as pay deposits and rent and to provide for rapid rehousing of those persons becoming homeless.
3	Goal Name	Homeless Objective 2.2
	Goal Description	Provide ESG funds for Essential Services and Street Outreach to persons currently homeless or at risk of becoming homeless.
4	Goal Name	Homeless Objective 2.3
	Goal Description	Provide ESG funds for operations and rehabilitation of emergency shelters that provide shelter for homeless persons and families and persons and families at risk of becoming homeless.

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

5	Goal Name	Affordable Housing Objective 1.1
	Goal Description	Provide Major Rehabilitation and Reconstruction funding to homeowners with urgent repair needs in designated Focus Areas. Provide Infrastructure Improvements/ Homeowner Rehabilitation Funding to provide utility reconnections and infrastructure upgrades to existing homeowners in the Haskell Street Focus Area.
6	Goal Name	Affordable Housing Objective 1.2
	Goal Description	Provide Housing Rehabilitation Assistance funding to homeowners with urgent repair needs in conjunction with the Illinois Housing Development Trust Fund Grant. Provide Homeowner Rehabilitation Funding to provide homebuyer and rehabilitation assistance.
7	Goal Name	Affordable Housing Objective 2.1
	Goal Description	Provide funding to CHDO organization for operating funds and development fees to develop affordable housing for low-moderate income homeownership and rental housing.
8	Goal Name	Affordable Housing Objective 2.2
	Goal Description	Provide funding to development and rehabilitation of affordable housing for low-moderate income homeownership and rental housing.
9	Goal Name	Affordable Housing Objective 3.1
	Goal Description	Provide funding to provide ramps for persons physically challenged and persons with disabilities to access housing for low-moderate income homeowners and renters.
10	Goal Name	Non-Housing Community Development Objective 1.1
	Goal Description	Demolition and Property clearance of slum and blighted conditions.
11	Goal Name	Non-Housing Community Development Objective 1.2
	Goal Description	Code Enforcement salaries and overhead associated with the enforcement of state and local codes within CDBG eligible areas.

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

12	Goal Name	Non-Housing Community Development Objective 2.1
	Goal Description	Provide funding to non-profit and government organizations to deliver after school care and programming and childcare services to youth and children.
13	Goal Name	Non-Housing Community Development Objective 3.1
	Goal Description	Economic Development Services - Provide direct program delivery costs for economic development activities.
14	Goal Name	Non-Housing Community Development Objective 3.2
	Goal Description	Self-Employment Training - CDBG funds allocated to provide economic development self-employment training to assisting owners, businesses, contractors and entities participating in or seeking funding to participate in eligible projects.
15	Goal Name	Non-Housing Community Development Objective 3.3
	Goal Description	Section 108 Loan Debt Service - CDBG funds allocated to provide funds for stand-by cash infusion to support debt service payments for a South Main Street grocery store (year 7 of 16 years).
16	Goal Name	Non-Housing Community Development Objective 3.4(a)
	Goal Description	Rehabilitation and Development Assistance - CDBG funds allocated to provide assistance to Commercial and Industrial businesses or developers making investment within CDBG eligible areas and or creating or retaining permanent jobs for low/moderate income persons (80% or below the median income), and low/moderate income microenterprise business owners.
17	Goal Name	Non-Housing Community Development Objective 3.5
	Goal Description	Façade Improvement Assistance Program - CDBG funds allocated to provide assistance to Commercial and Industrial businesses or developers making façade improvement investment within CDBG eligible areas and or creating or retaining permanent jobs for low/moderate income persons (80% or below the median income), and low/moderate income microenterprise business owners.
	Goal Name	<i>Non-Housing Community Development Objective 3.4(b)</i>

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

18	Goal Description	<i>Rehabilitation and Development Assistance – If approved, the Section 108 Loan Pool will be used to guarantee private loans and provide gap financing to a range of development types. All projects selected by the City shall meet Section 108 underwriting criteria including project readiness, proven development capacity and leveraging, as well as be completed within a reasonable timeframe from the approval date. Section 108 loans will be used to provide direct assistance to private for-profit entities developing large scale projects that will create jobs and revitalize blighted and underutilized properties.</i>
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Projects

AP-35 Projects – 91.220(d)

Introduction

The following projects were developed by staff with consultation from non-profit service providers and community input through priorities established with involvement of the community survey.

Projects

Add #23 for Section 108 Loan

#	Project Name
1	CDBG Administration
2	HOME Administration
3	Housing Rehabilitation Services
4	Focus Area Housing Rehabilitation
5	Community Housing Development Organization Program
6	Accessibility Repairs
7	Homebuyer Assistance
8	Homebuyer Assistance - 224 Foster Ave.
9	Homebuyer and Rental CHDO
10	Demolition
11	Code Enforcement

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

#	Project Name
12	Economic Development Services
13	Self-Employment Training Program
14	Standby Section 108 Loan Debt Service
15	Rehabilitation and Development Assistance
16	Facade Improvement Assistance Program
17	After School and Child Care Services
18	ESG15 Rockford
19	ESG15 Essential Services/Street Outreach
20	ESG15 Operating/Rehabilitation of Emergency Shelters
21	ESG15 Homeless Prevention and Rapid Re-Housing
22	ESG15 Administration
23	<i>Section 108 Loan</i>

Table 1 – Project Information

AP-38 Project Summary

Project Summary Information

For project #15, change Goal objective from 3.4 to 3.4(a)

15	Project Name	Rehabilitation and Development Assistance
	Target Area	CDBG Eligible Areas
	Goals Supported	Non-Housing Community Development Objective 3.4(a)
	Needs Addressed	Technical Assistance to Small Business/Incubators Commercial Corridor Revitalization, Incentives
	Funding	CDBG: \$230,000

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Description	Rehabilitation and Development Assistance - The City will provide CDBG funds to provide assistance to Commercial and Industrial businesses or developers making investment within CDBG eligible areas and or creating or retaining permanent jobs for low/moderate income persons (80% or below the median income), and low/moderate income microenterprise business owners. It is anticipated that 3 businesses will be assisted during the 1 year period.
Target Date	12/31/2015
Estimate the number and type of families that will benefit from the proposed activities	Three businesses will be assisted.
Location Description	Sites to be determined within CDBG eligible areas.
Planned Activities	Rehabilitation and Development Assistance – The City will provide CDBG funds to provide assistance to Commercial and Industrial businesses or developers making investment within CDBG eligible areas and or creating or retaining permanent jobs for low/moderate income persons (80% or below the median income), and low/moderate income microenterprise business owners. It is anticipated that 3 businesses will be assisted during the 1 year period.

Add #23 to table (I did not reprint all of the previous 22 items)

23	Project Name	<i>Section 108 Loan Pool</i>
	Target Area	<i>City -Wide</i>
	Goals Supported	<i>Non-Housing Community Development Objective 3.4(b)</i>
	Needs Addressed	<i>Revitalization, Incentives, Job creation/retention</i>
	Funding	<i>CDBG: \$2,166,667</i>

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Description	<i>Rehabilitation and Development Assistance – If approved, the Section 108 Loan Pool will be used to guarantee private loans and provide gap financing to a range of development types. All projects selected by the City shall meet Section 108 underwriting criteria including project readiness, proven development capacity and leveraging, as well as be completed within a reasonable timeframe from the approval date. Section 108 loans will be used to provide direct assistance to private for-profit entities developing large scale projects that will create jobs and revitalize blighted and underutilized properties.</i>
Target Date	12/31/2015
Estimate the number and type of families that will benefit from the proposed activities	One business will be assisted.
Location Description	Sites to be determined within City of Rockford.
Planned Activities	<i>Rehabilitation and Development Assistance – If approved, the Section 108 Loan Pool will be used to guarantee private loans and provide gap financing to a range of development types. All projects selected by the City shall meet Section 108 underwriting criteria including project readiness, proven development capacity and leveraging, as well as be completed within a reasonable timeframe from the approval date. Section 108 loans will be used to provide direct assistance to private for-profit entities developing large scale projects that will create jobs and revitalize blighted and underutilized properties. Minimum funding threshold will be \$500,000 per project.</i>

City of Rockford
Substantial Amendment – Section 108 Loan Pool
2015 Annual Action Plan of 2015-2019 Consolidated Plan

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

The following provides details on program specific requirements for each of the three entitlement programs, Community Development Block Grant, HOME Investment Partnership, and ESG.

Add: The City’s application for \$6.5 million in Section 108 Loan Guarantee financing is being submitted concurrently with the Substantial Amendment. Availability of funds will be contingent upon HUD approval.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

Add Program income:

- | | |
|---|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed | 0 |
| 2. <i>The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee’s strategic plan.</i> | 0 |
| 3. The amount of surplus funds from urban renewal settlements | 0 |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan | 0 |
| 5. The amount of income from float-funded activities | 0 |
| Total Program Income: | 0 |