

Appendix E. 2005 Annual Action Plan Addenda

Annual PHA Plan PHA Fiscal Year 2005 [24 CFR Part 903.7]

Annual Plan Type

[Select which type of Annual Plan the PHA will submit.]

Standard Plan

Streamlined Plan:

High Performing PHA

Small Agency (<250 Public Housing Units)

Administering Section 8 Only

Troubled Agency Plan

Executive Summary of the Annual PHA Plan [24 CFR Part 903.7 9 (r). Provide a brief overview of the information in the Annual Plan, including highlights of major initiatives and discretionary policies the PHA has included in the Annual Plan.]

Rockford Housing Authority (RHA) Profile. The RHA currently manages 2,004 units of low-income public housing in 15 development projects. RHA is also the parent organization of the Rockford Housing Development Corporation (RHDC), which involves the management of two project based Section 8 projects consisting of 216 units at Concord Commons Apartments and 20 units at River North Apartments. The RHA also administers a Section 8 tenant-based program within the City of Rockford that currently serves approximately 1,859 families through the Housing Choice Voucher Program, Moderate Rehabilitation program, and several small developments in which the RHA partners with several local service agencies providing Project Based Vouchers for persons with special needs.

Overall, RHA/RHDC programs serve about 3.25 percent of Rockford's total population and make up about 9.5 percent of the City's rental housing stock.

Objectives for FY2005

The following initiatives are some of the Rockford Housing Authority projects currently in the planning stage or in process.

The Rockford Housing Authority has submitted a questionnaire to IHDA expressing interest in pursuing the possibility of leveraging its Capital Fund monies through participation in IHDA's "Capital Fund Program Revenue Bond Pool." Prior to making a decision on whether to participate in this program, a "Physical Needs Assessment" of all Low Income Public Housing programs will be completed and the Rockford Housing Authority's strategic plan will be updated.

The Rockford Housing Authority is currently exploring cooperative initiatives with the City of Rockford, the Winnebago County Housing Authority, and a local affordable housing developer for the purpose of maximizing resources and developing alternative income streams in order to

better address the current and future affordable housing needs of our community. Items under discussion include the demolition and/or redevelopment of Concord Commons Apartments through a cooperative effort with the Winnebago County Housing Authority in conjunction with their HOPE VI grant, and de-densification and/or demolition of high-density problematic developments such as Fairgrounds Valley and Jane Addams Village. Concurrent with the plans to de-densify and demolish existing properties is the exploration of available financing options that will result in the development of mixed-finance and mixed-income housing.

At this time, the City of Rockford intends to replace the Morgan Street Bridge, which is located just west of Jane Addams Village. As part of their replacement, the bridge will be relocated one span to the south. This shift will require the realignment of College Avenue. The City will need to acquire the Jane Addams Housing units located on the south side of the current street location. This will equate to approximately 7 percent of the Brewington Oaks/Jane Addams Housing Development. To properly position the Authority, we will seek a 1-to-1 replacement housing posture with the City of Rockford. The Authority will also seek a Section 18 (Demolition/Disposition) application with HUD to address the remainder of the Jane Addams property, which equates to 9 percent of the total development. Per the Section 18 application, the Authority will meet with residents to keep them informed of any and all progress, provide counseling as needed, provide moving assistance (should that time come), and ensure 1-to-1 quality housing replacement should the remaining portion of Jane Addams be disposed.

Through the “Replacement Housing Factor (RHF) the Rockford Housing Authority is in the process of purchasing two stand alone three (3) bedroom homes. The Rockford Housing Authority plans to partner with a local agency known as YouthBuild, which will complete any remodeling work required to prepare the homes for rental as Scattered Site properties.

In order to maximize our cooperative efforts in the Rockford community, members of the RHA staff participate on numerous boards and steering committees including:

- West State Street Corridor Planning Committee
- Morgan Street Bridge Planning Committee
- Joint Purchasing Committee
- Fair Housing Board Representation
- Advisory Council of Shelter Care Ministries
- Mayor’s Homeless Task Force
- Homeless Provider’s Committee
- City of Rockford Citizen’s Participation Committee

Sincerely,
Lewis Jordan, Executive Director

City of Rockford Community Development Programs Citizen Participation Plan

The administration of all Community Development Programs is a function of the Community Development Department granted through a policy directive from the Rockford City Council. Even though the elected City officials have unrestricted responsibility and authority for these Community Development Programs, the City recognizes citizen involvement in the decision making process is of greater benefit to all parties in the development and implementation of each program's goals and objectives.

In order to provide citizens with opportunities to participate in an advisory role in planning, implementing and assessing the Community Development Programs, the City will provide adequate information to citizens; hold public hearings to obtain views of the citizens, and provide citizens an opportunity to comment on the City's community development performance. The Citizen Participation Plan was developed as a mechanism to address those concerns.

Integral to the Citizen Participation Plan is the establishment of the Citizen Participation Committee (CPC). The Committee can be viewed as a formal/structured means of receiving and disseminating information for citizen action and input toward Community Development plans, programs, and activities. The role of the Committee and its composition will be presented later.

The purpose of the Citizen Participation Plan is to identify the process, procedures and policies to be followed by the City of Rockford regarding the involvement of citizens in its Community Development Programs (CDP). While the Plan is designed to meet the federal regulations associated with each, it has been expanded beyond those requirements to further enhance citizen participation. Nothing in the Plan, however, shall be construed to restrict the responsibility and authority of the City officials for the development of the application and the execution of its Community Development Programs.

This plan outlines the means by which citizens can actively participate in the CDP process. In all instances, citizen participation will be conducted in an open manner, with freedom of access for all interested persons. Citizens will be provided adequate and timely information that enables them to be meaningfully involved in the CDBG program. All citizens, particularly low and moderate income persons and persons/residents of blighted neighborhoods, shall be encouraged to submit views and proposals regarding the City's Community Development Programs.

Additionally, minorities and non English speaking persons as well as mobility, visually and hearing impaired persons will be encouraged to participate. The staff of the Community Development Department will be responsible for providing necessary technical assistance to groups and/or individuals that request assistance in developing proposals and statements of views. Further, staff may assist citizens in organizing neighborhood and project area organizations in carrying out Community Development Program activities.

Citizens may submit their views and proposals, 1) directly to the City via the Department of Community Development; 2) to recognized neighborhood groups/associations, non profit community service organizations; 3) to the Citizen Participation Committee; 4) and/or at public hearings. Timely responses to all proposals will be made, including written responses to written proposals stating the reasons for the action taken by the City on the proposal. The City will make every effort to respond within 30 days of the receipt of the request, unless otherwise designated.

The CPC will be central to the implementation of the Citizen Participation Plan. The Citizen Participation Committee will be appointed by the Mayor with the consent of the City Council.

The Committee will be expected to function as the formal/structured means of receiving and disseminating information for citizen input and action both community-wide and at a neighborhood level, toward the planning, implementation and evaluation of community development programs. Additionally, the Committee will be the vehicle to ensure continuity of citizen involvement through all stages of the Community Development Programs.

The Committee will consist of eleven members. Terms of membership shall be as follows: five positions—3 year terms; six positions—2 year terms. Members shall serve until their successors are appointed; they resign, or upon yearly review (at the end of the program year) it is indicated the member has missed more than 50 percent of the Committee meetings without cause. In such instances, the member will be asked to resign.

All members of the Committee must be residents of the City of Rockford. Membership is not limited to those who reside in lower income census tracts. However, since most activities are either directed to such areas or benefit residents of such areas, residency is strongly encouraged.

With initial and each subsequent appointment extreme efforts should be taken to reflect representing low to moderate income, minority, and of areas where significant activities are proposed. Additionally, the elderly, persons with disabilities, the business community, and civic groups who are concerned about the program should have representation. Discrimination because of race, creed, color, religion, national origin, sex or income in making appointments is prohibited.

The Mayor will make appointment to the CPC from a list of candidates submitted by the Citizen Participation Committee, ad hoc citizen groups, neighborhood groups, community service organizations serving low to moderate income persons, elderly, and/or persons with disabilities as well as the community at large. Vacancies, expirations and committee replacements shall be made public through the Community Development Department and/or interagency announcements. All members of the CPC shall have resumes on file which are available for public review if requested.

Although no formal committee structure exists, ad hoc committees will be formed on an as needed basis.

The full CPC shall meet at least four times per program year. A quorum shall be a majority of the membership. A majority shall be 51 percent of those in attendance at a formal CPC meeting. Formal recommendations of the CPC will require a majority vote.

The Citizen Participation Committee will minimally be involved in:

Program Development. The CPC will provide advisory input toward decisions affecting priority-setting and housing and community development needs identification, including the Five Year Consolidated Plan and Strategy; the Annual Plan; Special CDP Project reviews such as “Community Assistance Program; other strategic plans and substantial changes resulting in amending the Annual Plan, dollar allocations and/or targeted population or geographic area.

Performance Assessment. The CPC will be involved in assessing and providing comments regarding the City’s community development performance. The formal mechanism for assessing and documenting performance shall be the Consolidated Annual Performance and Evaluation report or CAPER. The CAPER shall come before the full CPC prior to submittal to the Planning and Development Committee of the City Council for approval.

Public Hearings and Notices

A minimum of three public hearings will be held throughout the program year. Each of the hearing arrangements and timing will be so as to allow City-wide participation including persons with disabilities. Additionally when it is evident a significant number of non English speaking residents will be present arrangements will be made to have an interpreter present. A public hearing(s) will take place prior to the major yearly application submission. A second hearing will be held to provide a review of the proceeding year's CDP accomplishments (GPR) and/or evaluate and determine special projects, i.e., CAP. Notice of public hearing will minimally be made via the media.

The purpose of the public hearings will be to make adequate information available to citizens concerning: 1) the amounts of funds available; 2) the range of allowable activities; 3) estimated amount of funds proposed for activities that meet the national objective of benefit to low and moderate income persons; 4) proposed activities likely to result in displacement and plans for minimizing displacement; 5) the types and levels of assistance available to persons displaced by CDP funded activities; 6) the application process; 7) past or last annual assessments of performance; 8) the role of citizens in the application/evaluation process and 9) other important program information. Additionally, the hearing will allow for obtaining of views from citizens on the City's community development needs.

A notice of availability of a proposed plan for public review and comment will be published in the local newspaper(s) prior to the submittal to HUD of the yearly grant application. Comments made by citizens resulting from the publication and the public hearing(s) will be considered at the CPC meeting prior to final submission.

Notice and opportunity for citizen comment on proposed activities not previously described in the Annual Plan and activities which are proposed to be deleted or substantially changed in terms of purpose, scope, location or beneficiaries will be provided. The criteria the City will use to determine what constitutes a substantial change will be increases or decreases in grant dollars or activity dollars that cumulatively totals twenty percent that program year's grant allocation.

The City shall also make copies of the Consolidated Annual Performance and Evaluation Report (CAPER) available to the public for review and comment. This may be done per publication of the report within local newspapers with a request for comments. The third public hearing will be conducted to receive citizen feedback regarding the CAPER and/or special projects. The availability of the performance and evaluation information will be made known per newspaper publication and will be provided in sufficient time to permit comments prior to submission of the report to the Department of Housing and Urban Development.

Information announcing public hearings and significant events in the Community Development process will be published in the local newspaper(s) at least 7 days prior to the meeting. The notice will contain:

- 1) Date
- 2) Time
- 3) Place
- 4) Topic(s) to be discussed.

Information can be available at main and neighborhood libraries at same time as newspaper publication.

Nothing in the above shall prevent the City from holding CPC meetings and public hearings concurrently.

Citizen Participation Records and Information

The Community Development Department will be responsible for the maintenance of records of citizen participation activities. The records will be maintained for each program year for a period of three years after the closing date of the program year. The records will be available for review in the Department's office upon request during normal working hours. Documents to be maintained will include: 1) all mailing and promotional material; 2) records of hearings and meetings; 3) all key documents, including all prior Annual Plans, letters of approval, grant agreements, the Citizen Participation Plan, performance reports, evaluation reports, other reports required by HUD; 4) copies of regulations and assurances governing the program; 5) documents regarding other important program requirements, such as contracting procedures, environmental policies, fair housing and other equal opportunity requirements and relocation provisions.

The availability of these records and information shall be consistent with applicable State and local laws regarding personal privacy and obligations of confidentiality.

Grievance, Complaints, and Objections

Any person or group feeling aggrieved in connection with the equal opportunity requirements of the Housing and Community Development Act of 1974 as amended with respect to any portion of the local Community Development Program or any of its project activities shall present those grievances in written form to the Director of the City of Rockford's Department of Community Development. The director will make every effort to provide a written decision on the grievance within 15 working days of a written complaint. If the aggrieved person feels the decision by the director is not acceptable, they may submit the written complaint to the Mayor of the City of Rockford. The Mayor will attempt to respond in writing within 15 days of receipt of the written complaint.

If the person submitting the grievance continues to feel unsatisfied, the Department will assist them in pursuing to submit and have their grievance heard by the Department of Housing and Urban Development. The area office, the regional office, and finally the central office will be exhausted in that order. The decision of the central office of the Department of Housing and Urban Development will be final.

A record of each grievance received by the Department's director will be maintained. Included within the record will be:

- 1) Name of person or persons alleging grievance.
- 2) Date of receipt.
- 3) Nature of the grievance.
- 4) Action taken by the Department.
- 5) Action taken by the local governing body.
- 6) Final disposition of the grievance.

Programs currently affected by the CP plan:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships (HOME)
- American Dream Downpayment Initiative (ADDI)
- Emergency Shelter Grant (ESG)
- Housing opportunities for Persons with AIDS (HOPWA)

City of Rockford Public Meeting Minutes September 16, 2004

Mr. Gaudin introduced himself and explained the purpose for this public hearing. He's here to talk about the Five-Year Consolidated Plan for Housing and Community Development. The Draft has been submitted to the City of Rockford for review and copies are available for public review. Mr. Gaudin will be giving an overview of the draft plan using a PowerPoint presentation. Vicki will later talk about the Annual Action Plan and how these two processes work together.

Mr. Gaudin explained that the process is actually a decade old. It includes HOPWA, but the City of Rockford does not receive HOPWA funds. In 1994, when HUD consolidated this plan it consolidated four separate planning processes. The idea was to put all programs together and all your needs together and prioritize them and get a better sense of how to allocate the resources. Resources are always limited. The Act itself put a number of things in the planning process related specifically to housing. In some regards, the Consolidated Plan is geared toward housing planning. There are three primary goals: to provide decent housing, to provide a suitable living environment, and to expand economic opportunities.

Approximately one year ago, we did research on the City and housing and received much information. Mr. Gaudin will touch on some of those highlights. After reviewing this information, we began developing strategies with the City staff and objectives that will address those items within the next five years.

Mr. Gaudin explained that there are significant differences around the City. In order to get to the problem, he had to segment the City by Census tracts into four areas. He proceeded to explain the areas of these four tracts. He looks at Census data and employment data to get a sense of how the City is doing.

Mr. Gaudin continued by going over some of the data, telling us how we got where we are. This relates to demographic issues, economic issues, housing, homeless data, and most importantly population in housing and what is going to happen in the future.

Demographics in the City are significantly different over the last decade. We see a sharp difference between the east and west. The West Side is declining, particularly the Southwest. The housing study that was done earlier is in final form and it will soon be on the Web site. Overall, the population of the City grew approximately 7.7 percent or about 10,000 in population. There is a significant difference in racial makeup over these 10 years. We are seeing Whites leaving the City (-3.4 percent), a substantial increase in blacks (25 percent), increase in Asians (55 percent), and all other races (246.2 percent), which includes Hawaiian, Native American, and others.

These number means the City is increasing racial diversity. Whites are leaving certain parts of the City and moving into the northeast. Blacks are mostly leaving the Southwest and show a significant increase in the population moving to the Northeast, Northwest and Southeast. Mr.

Gaudin continued to go over the racial demographics as reflected through page 11 of the PowerPoint slides.

Households grew 7.9 percent. He mentioned there are fewer family households, more childless households, and more unrelated persons living together as a household. What this means is that the number of persons per household is shrinking.

Mr. Gaudin reported 28,470 disabled persons living in Rockford, as shown on page 14 of the PowerPoint slides.

On page 15, Mr. Gaudin referred to the economics from 1990-2000. He explained the percent of households within certain income ranges

Employment, as reflected on page 17, shows a 4.1 percent in growth. The numbers show an east/west issue, where the east side is gaining employment and the west side is losing employment. The west side declining more quickly than the east side, declining more quickly than households, implies that there is a greater underutilization of labor force on the west side than on the east side.

Mr. Gaudin continued to go over page 18, which shows the five largest employment sectors and the breakdown in numbers from 1990-2000. This shows the biggest decrease (-15 percent) in the area of manufacturing.

The important thing in economic development is jobs.

In this consolidated planning process, we realized how important housing really is. Without good housing, how can you get good jobs? In going over pages 21 through 23, he said total housing grew 9.3 percent. The west side actually lost housing and the biggest growth was on the Northeast showing a 22.8 percent increase. At the same time, home ownership has increased. The number of rental units in the Northeast has grown tremendously (30.4 percent) and that has increased faster than regular single-family owner occupied homes. That is why it shows a decline of 2.6 percent of home ownership in the Northeast.

He continued to explain Rental Vacancy Rates, as shown on page 24. Vacancy rate means “for rent” or “for sale” plus occupied. It does not include houses that have been rented, but not occupied yet. It doesn’t include seasonal or recreational or vacation houses. This raises the question of who takes care of this property (that is, mowing, broken window, roof repairs, etc).

One of the things that the City must face with their housing programs is the risk of lead-based paint. With homes in Illinois built prior to 1976, the owner has a higher chance of lead-based paint hazard (refer to page 27).

The Total Projection of Housing Production or building permits issued from 1981-2002 shows a couple hundred units, including single-family homes. This information was received from the Building Department.

He said that there was a telephone survey that had been done some time ago asking people about rental markets. They also called property managers to ask about rental rates. Basically, the Northeast averaged over \$660 per month and the Southwest \$441 per month.

In reviewing page 30, he explained the graph that shows how much the gross rent (rent plus utilities) is by Census tract. This shows lower gross rent where there is lower income. These areas are highly concentrated.

He mentioned they went down and spoke with the Rockford Township Assessor to get a database from them that depicted all the residential property and their style. This is how they evaluate each house for tax purposes. They are also able to track the sales price of these homes. Mr. Gaudin went over page 31 and explained the difference in the sale price of single-family homes and how they differ in each area.

In reviewing page 33, The Rockford MSA Housing Price Index, he said the Office of Federal Housing Enterprise Oversight is a regulatory agency over Fannie Mae and Freddie Mac Mortgage lenders. They keep track of homes that come through their programs.

Mr. Gaudin continued to go over and explain further on the Township Assessor information and how it relates to housing conditions. As he explained the section on demolitions, he commented that there are about 100 units each year that are demolished.

He said the population data was taken from the Health System Research Group at the Illinois College of Medicine in Rockford. He did a prediction of persons per household, which basically declines in the Northeast but holds steady everywhere else. Home ownership increases in the other areas, and stabilizes in the Northeast.

The information on the Rockford Homeless Housing Needs came from the region under our Continuum of Care and he explained this section. This shows that we continue to have problems serving this population. There are almost 740 homeless individuals and another 856 homeless families. He went into more detail regarding the section on homelessness.

In summary, growth is slow but continues. Racial and ethnic diversity is rising. The number of persons per households continues to decline in the Northeast quadrant, but levels off elsewhere. Incomes continue to rise, but there are many households in lower income groups. The manufacturing sector has declined, but other sectors show promise: education, social and professional services, and entertainment. Rental units have increased in the Northeast. Overall, there are too many vacant and dilapidated units.

The five-year objective and strategies are based on public input through various meetings over the past year. One of the main issues is to reduce housing blight and blighting influences in neighborhoods. This could be accomplished by rehabbing suitable homeowner units, promoting new construction for in-fill, and reducing blighted housing.

Secondly, increasing the provision of affordable housing could be accomplished by increasing transitions from low-income rental to homeownership and enhancing rental properties in areas where market demand permits expansion.

Third, creating, expanding, and retaining employment in the City could be done by expanding and retaining employment at existing businesses and recruiting new businesses to the City.

Fourth, reducing chronic homelessness could be achieved by developing and implementing a 10-year plan to end chronic homelessness and encouraging collaboration and cooperation among Continuum of Care agencies.

Mr. Gaudin concluded by thanking everyone and encouraged any questions.

Vicki Manson referred to the budget spreadsheet and the descriptive narrative handout of each line item on the spreadsheet handout.

Administrative dollars are used to pay staff and to pay for planning. Funds are budgeted out of CDBG, HOME, and ESGP for administration.

Some \$20,000 was set aside to help pay a debt that might be incurred as late payments that are due on the South Main Grocery by Rockford Local Development Corporation (RLDC). She explained that the City took out a Section 108 Loan and developers pay us, but because it may be difficult for them to make the full payment in 2005, this money is set aside for that purpose. If they don't need the funds in 2005, we will reprogram the line item.

Both CDBG and HOME funds are used for rehab services. With homeowner (existing and new), these are funds that are set aside for our Focus Area Rehab Program and it is specifically for homes within the Mid Town North and South Main Trinity area. Focus Area Rehab program also includes the Homestead Program. She explained this is where we buy houses and fix them up and resell them. We have been struggling with the lead based paint regulations, the cost of rehab, environmental requirements, and have not have acquired properties as a result.

We anticipate with the North Main and Auburn improvements that there will be a carryover from another line item to go into that particular program. The West Side Alive! Program is a continuation.

Vicki continued to go over and explain each line item on the spreadsheet. Champion Park is a Winnebago County Housing Authority Home development program. They applied for a HOPE VI Grant and have recently received the grant. They also received a large tax credit allocation from the State of Illinois. They are going to build 180 single-family for sale and rental units in the Champion Park area.

Vicki explained the American Dream Downpayment Assistance Initiative (ADDI). We have received 2003 and 2004 funds. This program provides a loan in the form of a mortgage, forgiven over five years for 6 percent of the purchase price. The program is targeted for Northwest Rockford.

Emerson Subdivision shows \$14,999, which is a carryover of 2004 funds. This completes Phase I of his subdivision at Emerson Estates. Vicki continued to explain the line item Assistance of Community Housing Development Organizations (CHDOs). Get The Lead Out Program is a 10 percent match through a grant that the Human Services Department receives from the State of Illinois. It is a 4-year match program, with \$25,000 allocated each year for four years.

Vicki continued explaining the remainder of the spreadsheet and then introduced James Caruso, the Community Development Director, who explained the Economic Development portion of the spreadsheet.

Questions or comments were sought. There were no questions.

At the conclusion of the meeting, everyone was thanked for their attendance and given a schedule of events that will take place over the next several months. The events to follow include the citizen 30-day comment period, review by the Planning and Development Committee, review and approval by City Council, and finally, submission to HUD by Nov. 15, 2004. It was explained that comments could be submitted in writing to the Community Development Department at 425 East State Street, Rockford, Illinois 61104.