

Expected Resources

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

Introduction

The City of Rockford's Fiscal Year is from January 1 – December 31. Therefore, for planning purposes, the City bases its 2026 Annual Action Plan estimated budget tables on the prior year's grant allocations, which were as follows:

- FY 2025, Community Development Block Grant (CDBG): \$2,254,724.00;
- FY 2025, HOME Investment Partnerships Program (HOME): \$961,680.65; and
- FY 2025, Emergency Solutions Grant (ESG): \$195,054.00.

The estimated budget tables are contingent on the Department of Housing and Urban Development (HUD) 2026 allocations. Once the allocations are made, any increases or decreases in funding will be applied to projects in need or slow moving, respectively.

The budget ensures that the City does not expend more than what is allowed for regulatory caps such as administration, public service and Community Housing Development Organization Development (CHDO) operating. The budget includes enough funding to meet the minimum funding requirements for CHDO reserves, as well.

In addition to the above, the City intentionally includes funding in every budget line item. This allows for flexibility, as most developments and programs come to fruition after multiple years of planning. Flexibility is also needed to ensure that expenditure deadlines are met. If necessary the City will complete a minor amendment to fund a faster passed program, which has shovel ready activities.

For definitions and processes followed for minor and substantial budget amendments, see the City's Citizen Participation Plan.

Each year, due to the timing of the HUD awards, the City reserves the right to incur pre-award costs to minimize disruption in

programming. Pre-award costs are those incurred before the start date of the Federal award, and are subject to repayment.

Each year the City budgets Community Housing Development Organization (CHDO) operating funds. If they are not requested or committed by the end of the calendar year, they are automatically moved to another HOME funded Housing Strategy project/activity in needed.

The statements above are current practices and may change throughout the 2025-2029 Consolidated Plan (Con Plan) period. Should changes occur, Citizen Participation following the City's Citizen Participation Plan will take place. A change in any of the above statements do NOT constitute a substantial amendment for the City's Con Plan and/or Annual Action Plan.

In addition to the anticipated resources below, the City continues to administer CDBG, CDBG-Corona Virus, HOME, HOME-American Rescue Plan, Neighborhood Stabilization Program, and ESG grants awarded to the City in prior years. The City does not intend to reallocate any of those grants to this FY 2026 Annual Action Plan as "Prior Year Resources". Therefore, refer directly to other action plans for what type of projects are being funded with any remaining prior year funds.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder 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	\$2,254,724.00	\$30,000	0	\$2,284,724.00	\$6,764,172.00	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$961,680.65	\$12,884.00	0	\$974,564.65	\$2,885,041.95	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$195,054.00	0.00	0.00	\$195,054.00	\$585,162.00	

Table 1 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

City Response

The City leverages entitlement and other public dollars listed below with private, state, and local resources. They include, but are not limited to,

the following:

Public:

- United States Environmental Protection Agency
- Department of Commerce & Economic Development - Community Services Block Grant
- Department of Commerce & Economic Development - Low income home emergency assistance Program
- Department of Housing and Urban Development - Continuum of Care Homeless funding
- Department of Energy - Weatherization Assistance Program

In addition, the City of Rockford is eligible to make application to HUD for five times the current CDBG entitlement for application of Section 108 Loan Guarantee funds. Section 108 can be used to fund economic development, housing, public facilities, infrastructure, and other physical development projects, including improvements to increase resilience against natural disasters.

Private:

- Community Solutions—private foundation funds for data collections and intake services for the homeless persons.
- Community Solutions—private funds for the development of a Landlord Engagement program and staff salary.
- When costs associated with the rehabilitation exceeds the City's program maximums, property owners invest their own funds, obtain available grants from local agencies, and/or seek loans from a financial institution.
- First mortgage financing and homebuyer assistance is often provided by mortgage lenders. Some homebuyers may qualify for additional homebuyer assistance through a Federal Home Loan Bank of Chicago housing program. In addition, most homebuyers are required to invest their own savings.
- The City's assistance provides gap financing for developers. Therefore, developers may seek bridge loans, additional gap financing, and/or permanent financing from financial institutions, the Federal Home Loan Bank of Chicago (FHLBC), Community Development Financial Institutions, investors through Low Income Housing Tax Credit programs, deferred developer fee, donations, etc.
- Some City economic development programs require beneficiaries to provide their own funds as leverage. This is typically their own

funds, or a loan from a financial institution, etc.

State:

- Department of Human Services
 - Emergency Solution Grant Funds
 - Shelter Diversion
 - Rapid Rehousing
- Illinois Housing Development Authority (IHDA)
 - Homeowner Assistance Fund Home Repair (HAFHR) Program
 - Strong Communities Program (SCP)
 - Financial institutions offer IHDA funded homeownership programming. Eligible homebuyers may obtain first mortgage financing along with down payment assistance, and/or reduced interest rates.
 - Developers awarded Low Income Housing Tax Credit (LIHTC) funds may qualify for gap financing from IHDA.
- Illinois Public Health Initiative (IDPH); Medical Respite funding

Local:

- Agencies with compatible programming:
 - Winnebago County Health Department – Lead and Healthy Homes programs
 - Rockford Area Habitat for Humanity (Habitat) homeownership program
 - LifeScape/Northern Illinois Area Agency on Aging
 - The Community Foundation of Northern Illinois
- City of Rockford Public Works Capital Improvement Plan funds
- Tax Increment Financing Districts
- Winnebago County Mental Health Board—funds IMPACT program a mental health navigator program and Transitional Housing for unhoused, severely mentally ill individuals.

Matching requirements of the HOME and ESG programs will be met as follows:

- HOME 25% match: The City requires that developers, as part of their project, provide eligible forms of match. Most recently this has been the direct cost of social services provided to residents of HOME-assisted units.
- ESG One for One match: The City meets the requirements by a combination of any of the following:
 - Local funds
 - State funds
 - Sub-grantee
 - Donations
 - Grants
 - In kind non-cash contributions such as goods, services, equipment, or real property that are given to the ESG program

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

City Response

In general, the City does not intend to acquire or improve land, property, or buildings with CDBG funds. However, the City reserves the right to utilize CDBG funds for such acquisitions, should there be an appropriate and vetted project.

Discussion

City Response

Not Applicable

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	HS-1 Housing New Construction	2025	2029	Affordable Housing Non-Homeless Special Needs	City Wide CDBG Eligible Areas	Housing Strategy	HOME: \$313,030.24	Homeowner Housing Added: 1 Household Housing Unit Rental Housing Unit Constructed: 1 Household Housing Unit
2	HS-2 Preservation of Housing	2025	2029	Affordable Housing Non-Homeless Special Needs	City Wide CDBG Eligible Areas	Housing Strategy	CDBG: \$539,344.20 HOME: \$313,030.23	Homeowner Housing Rehabilitated: 10 Household Housing Units (9 CDBG and 1 HOME) Rental Housing Unit Rehabilitated: 1 Household Housing Unit (HOME)
3	HS-3 CHDO Support & Development	2025	2029	Affordable Housing Non-Homeless Special Needs	City Wide CDBG Eligible Areas	Housing Strategy	HOME: \$192,336.12	Homeowner Housing Added: 1 Household Housing Unit Other: 1 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	HS-4 Homeownership	2025	2029	Affordable Housing Non-Homeless Special Needs	City Wide CDBG Eligible Areas	Housing Strategy	CDBG: \$100,000.00 HOME: \$60,000.00	Direct Financial Assistance to Homebuyers: 26 Households Assisted (20 CDBG and 6 HOME)
5	HS-5 Project Delivery	2025	2029	Affordable Housing Non-Homeless Special Needs	City Wide CDBG Eligible Areas	Housing Strategy	CDBG: \$396,000.00	Homeowner Housing Added: 2 Household Housing Unit Homeowner Housing Rehabilitated: 1 Household Housing Units Direct Financial Assistance to Homebuyers: 6 Households Assisted Rental Housing Unit Constructed: 1 Household Housing Unit Rental Housing Unit Rehabilitated: 1 Household Housing Unit (HOME) Other: 1 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	HMS-1 To Reach Functional Zero	2025	2029	Homeless	City Wide CDBG Eligible Areas	Homeless Strategy	ESG: \$195,054.00	Tenant-based rental assistance / Rapid Rehousing: 10 Households Assisted Tenant-based rental assistance / Rapid Rehousing: 30 Persons Assisted Outreach: 50 Persons Assisted Emergency Shelter: 15 Households Assisted Emergency Shelter: 35 Person Assisted
7	CDS-1 Non-Housing Community Development Needs	2025	2029	Non-Housing Community Development	City Wide CDBG Eligible Areas	Community Development Strategy	CDBG: \$107,435.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3000 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	CDS-2 Public Services	2025	2029	Non-Housing Community Development	City Wide CDBG Eligible Areas	Community Development Strategy	CDBG: \$10,000.00	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted
9	CDS-3 Clearance/Demolition	2025	2029	Non-Housing Community Development	City Wide CDBG Eligible Areas	Community Development Strategy	CDBG: \$300,000.00	Buildings Demolished: 6 Buildings
10	EDS-1 Business Support	2025	2029	Non-Housing Community Development	City Wide CDBG Eligible Areas	Economic Development Strategy	CDBG: \$250,000.00	Businesses assisted: 5 Businesses Assisted
11	EDS-2 Property Development	2025	2029	Non-Housing Community Development	City Wide CDBG Eligible Areas	Economic Development Strategy	CDBG: \$125,000.00	Businesses assisted: 1 Businesses Assisted
12	AMS-1 Overall Coordination	2025	2029	Administration	City Wide CDBG Eligible Areas	Administration, Planning, and Management	CDBG: \$456,944.80 HOME: \$96,168.06	Other: 2 Other

Table 2 – Goals Summary

Goal Descriptions

1	Goal Name	HS-1 Housing New Construction
	Goal Description	Increase the number of housing units in the City for owners and renters through new construction. This includes, but is not limited to, costs associated with acquisition, disposition, clearance, demolition, infrastructure, and new construction of residential housing.
2	Goal Name	HS-2 Preservation of Housing
	Goal Description	Preserve existing housing units in the City for owners and renters. This includes, but is not limited to, costs associated with acquisition, disposition, clearance, demolition, infrastructure, and the rehabilitation of residential housing.
3	Goal Name	HS-3 CHDO Support & Development
	Goal Description	Support Community Housing Development Organizations with operating dollars and development funds. This meets the HOME program 15% minimum set aside requirement for affordable housing. Funds would be used for the development of decent, safe, and sanitary housing for owners and renters. This includes, but is not limited to, costs associated with acquisition, new construction, reconstruction, and the rehabilitation of residential housing. In addition, eligible homebuyers purchasing any of the newly developed units may receive homebuyer assistance such as down payment, etc.
4	Goal Name	HS-4 Homeownership
	Goal Description	Create wealth through homeownership. Assistance includes, but is not limited to direct subsidies for down payment, closing costs, housing counseling fees, interest subsidies, etc.
5	Goal Name	HS-5 Project Delivery
	Goal Description	Support housing through project delivery, the comprehensive process of carrying out and completing housing units.

6	Goal Name	HMS-1 To Reach Functional Zero
	Goal Description	Supplement the Continuum of Care's efforts by identifying and engaging people at risk of and experiencing homelessness, intervening to prevent the loss of housing and divert people from entering the homelessness services system, and providing immediate access to shelter and crisis services. This includes, but is not limited to, efforts related to street outreach, emergency shelter, homeless prevention, rapid re-housing, operating, supporting the Homeless Management Information System (HMIS), and administration.
7	Goal Name	CDS-1 Non-Housing Community Development Needs
	Goal Description	Improve public facilities, infrastructure, and public safety. This includes, but is not limited to, rehabilitation, reconstruction, and new construction of community spaces, and infrastructure such as streets, sidewalks, bridges, curbs, storm water & sanitary sewer, accessibility improvements, the removal of architectural barriers, community policing, and ability to respond to emergencies in the City, etc.
8	Goal Name	CDS-2 Public Services
	Goal Description	Supplement public services (including labor, supplies, and materials) for low to moderate-income persons, including persons with other special needs. This includes, but is not limited to adding new services or making a quantifiable increase in the level of existing services. Services include, but are not limited to, services related to employment, crime prevention, childcare, health, drug abuse, education, fair housing counseling, energy conservation, welfare, or recreational needs.
9	Goal Name	CDS-3 Clearance/Demolition
	Goal Description	Remove and eliminate slum and blighting conditions through demolition of vacant, abandoned, and dilapidated structures.
10	Goal Name	EDS-1 Business Support
	Goal Description	Provide financial support to start and/or grow businesses.
11	Goal Name	EDS-2 Property Development
	Goal Description	Develop new and existing commercial and industrial properties through means such as acquisition, disposition, clearance, demolition, remediation, preservation, renovation, etc.

12	Goal Name	AMS-1 Overall Coordination
	Goal Description	Provide program management and oversight for the successful administration of Federal programming, including planning services for special studies, annual action plans, five-year consolidated plans, substantial amendments, consolidated annual performance and evaluation reports (CAPER), environmental reviews and clearances, fair housing, and compliance with all Federal, State, and local laws and regulations.

Projects

AP-35 Projects – 91.220(d)

Introduction

The City of Rockford proposes to undertake the project types below with the FY 2026.

Projects

#	Project Name
1	HS-1 Housing New Construction
2	HS-2 Preservation of Housing
3	HS-3 CHDO Support & Development
4	HS-4 Homeownership
5	HS-5 Project Delivery
6	HMS-1 To Reach Functional Zero for Families, Youth, and Single Adults
7	CDS-1 Non-Housing Community Development Needs
8	CDS-2 Public Services
9	CDS-3 Clearance/Demolition
10	EDS-1 Business Support
11	EDS-2 Property Development
12	AMS-1 Overall Coordination

Table 3 - Project Information

AP-38 Project Summary

Introduction:

City Response

The City of Rockford proposed to undertake the project types below with FY 2026 grant funds. The Project Summary Table details how all of the 2026 funds are budgeted by project and the number of anticipated units of measurement (household, businesses, etc.)

1	Project Name	HS-1 Housing New Construction
	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	HS-1 Housing New Construction
	Needs Addressed	Housing Strategy
	Funding	HOME: \$313,030.24
	Description	Increase the number of housing units in the City for owners and renters through new construction. This includes, but is not limited to, costs associated with acquisition, disposition, clearance, demolition, infrastructure, and new construction of residential housing.
	Target Date	12/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	2 households
	Location Description	CDBG Eligible Areas and/or City Wide.
	Planned Activities	New construction 2 housing units (rental or homeownership)
2	Project Name	HS-2 Preservation of Housing
	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	HS-2 Preservation of Housing
	Needs Addressed	Housing Strategy
	Funding	CDBG: \$539,344.20 HOME: \$313,030.23

	Description	Preserve existing housing units in the City for owners and renters. This includes, but is not limited to, costs associated with acquisition, disposition, clearance, demolition, infrastructure, and the rehabilitation of residential housing.
	Target Date	12/31/2027
	Estimate the number and type of families that will benefit from the proposed activities	11 households with income at or below 80% of the Area Median Income. (9 CDBG and 2 HOME)
	Location Description	CDBG Eligible Area and/or City Wide
	Planned Activities	Rehabilitation of 11 housing units (rental or homeownership)
3	Project Name	HS-3 CHDO Support & Development
	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	HS-3 CHDO Support & Development
	Needs Addressed	Housing Strategy
	Funding	HOME: \$192,336.12
	Description	Support Community Housing Development Organizations with operating dollars and development funds. This meets the HOME program 15% minimum set aside requirement for affordable housing. Funds would be used for the development of decent, safe, and sanitary housing for owners and renters. This includes, but is not limited to, costs associated with acquisition, new construction, reconstruction, and the rehabilitation of residential housing. In addition, eligible homebuyers purchasing any of the newly developed units may receive homebuyer assistance such as down payment, etc.
	Target Date	12/31/2026

	Estimate the number and type of families that will benefit from the proposed activities	1 household with income at or below 80% of the Area Median Income.
	Location Description	CDBG Eligible Areas and/or City Wide.
	Planned Activities	Development of 1 single family home for purchase. In addition, operating funds will be made available for a CHDO. If operating dollars are not requested or committed by the end of the calendar year, they are automatically moved to HOME funded projects in need. The City also reserves the right to request permission from HUD to reallocate any CHDO dollars not requested or committed within two (2) years of the City's award to HOME funded projects in need.
4	Project Name	HS-4 Homeownership
4	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	HS-4 Homeownership
	Needs Addressed	Housing Strategy
	Funding	CDBG: \$100,000.00 HOME: \$60,000
	Description	Create wealth through homeownership. Assistance includes, but is not limited to direct subsidies for down payment, closing costs, housing counseling fees, interest subsidies, etc.
	Target Date	12/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	26 household with income at or below 80% of the Area Median Income.
	Location Description	CDBG Eligible Areas and/or City Wide.

	Planned Activities	Direct Financial Assistance to 26 Homebuyers (20 CDBG funded and 6 HOME funded).
5	Project Name	HS-5 Project Delivery
	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	HS-6 Project Delivery
	Needs Addressed	Housing Strategy
	Funding	CDBG: \$396,000.00
	Description	Support housing through project delivery, the comprehensive process of carrying out and completing housing units.
	Target Date	12/31/2027
	Estimate the number and type of families that will benefit from the proposed activities	Project Delivery will provide for 40 households with income at or below 80% of the Area Median Income will be assisted (29/CDBG and 11/HOME). One (1) Community Housing Development Organization will be assisted with HOME funds.
	Location Description	CDBG Eligible Areas and/or City Wide.
	Planned Activities	Project delivery for CDBG and HOME funded activities. Properties may not be counted more than once per funding source. Therefore, accomplishments for CDBG assisted properties will be reported once under HS-2 Preservation (which is CDBG funded) and accomplishments for HOME assisted properties are reported once under HS-1 Housing New Construction or HS-3 CHDO Support & Development (which are HOME funded) and once under HS-6 Project Delivery (which is CDBG funded).
6	Project Name	HMS-1 To Reach Functional Zero for Families, Youth, and Single Adults
	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	HMS-1 To Reach Functional Zero

	Needs Addressed	Homeless Strategy
	Funding	ESG: \$195,054.00
	Description	Supplement the Continuum of Care's efforts by identifying and engaging people at risk of and experiencing homelessness, intervening to prevent the loss of housing and divert people from entering the homelessness services system, and providing immediate access to shelter and crisis services. This includes, but is not limited to, efforts related to street outreach, emergency shelter, homeless prevention, rapid re-housing, operating, supporting the Homeless Management Information System (HMIS), and administration.
	Target Date	12/31/2027
	Estimate the number and type of families that will benefit from the proposed activities	25 Households Assisted 115 Persons Assisted
	Location Description	CDBG Eligible Areas and/or City Wide.
	Planned Activities	The following activities are anticipated: HMIS, Administration, Essential Services/Outreach, Essential Services/Emergency Shelter, Rapid Re-Housing, and Outreach. Approximately 3 homeless agencies will be awarded to assist 140 homeless households/persons along with City staff.
7	Project Name	CDS-1 Non-Housing Community Development Needs
	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	CDS-1 Non-Housing Community Development Needs
	Needs Addressed	Community Development Strategy
	Funding	CDBG: \$107,435.00

	Description	Improve public facilities, infrastructure, and public safety. This includes, but is not limited to, rehabilitation, reconstruction, and new construction of community spaces, and infrastructure such as streets, sidewalks, bridges, curbs, storm water & sanitary sewer, accessibility improvements, the removal of architectural barriers, community policing, and ability to respond to emergencies in the City, etc.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	3000 Persons Assisted
	Location Description	City Wide and CDBG Eligible Areas
	Planned Activities	Funding will supplement the City's Sidewalk Program, which is a vital component to satisfying the mission of the City's ADA (Americans with Disabilities Act) Transition Plan. The program provides repair, replacement, and infill of gaps to the existing sidewalk network within the City's municipal boundaries.
8	Project Name	CDS-2 Public Services
	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	CDS-2 Public Services
	Needs Addressed	Community Development Strategy
	Funding	CDBG: \$10,000.00
	Description	Supplement public services (including labor, supplies, and materials) for low to moderate-income persons, including persons with other special needs. This includes, but is not limited to adding new services or making a quantifiable increase in the level of existing services. Services include, but are not limited to, services related to employment, crime prevention, childcare, health, drug abuse, education, fair housing counseling, energy conservation, welfare, or recreational needs.

	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	100 Persons Assisted
	Location Description	City Wide and CDBG Eligible Areas
	Planned Activities	Organizations will be awarded dollars to promote fair housing choice through education, testing, training, and outreach in the city of Rockford.
9	Project Name	CDS-3 Clearance/Demolition
	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	CDS-3 Clearance/Demolition
	Needs Addressed	Community Development Strategy
	Funding	CDBG: \$300,000.00
	Description	Remove and eliminate slum and blighting conditions through demolition of vacant, abandoned, and dilapidated structures.
	Target Date	12/31/2027
	Estimate the number and type of families that will benefit from the proposed activities	The number and type of families varies, as this funding is going to be used to demolish 6 buildings.
	Location Description	CDBG Eligible Areas and/or City Wide.
	Planned Activities	The City will clear, demolish, remove six (6) vacant and blighted buildings.
	Project Name	EDS-1 Business Support

10	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	EDS-1 Business Support
	Needs Addressed	Economic Development Strategy
	Funding	CDBG: \$250,000.00
	Description	Provide financial support to start and/or grow businesses.
	Target Date	12/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	The number and type of families varies, as the funding will assist 5 businesses.
	Location Description	CDBG Eligible Areas and/or City Wide.
	Planned Activities	5 businesses will receive financial support.
11	Project Name	EDS-2 Property Development
	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	EDS-2 Property Development
	Needs Addressed	Economic Development Strategy
	Funding	CDBG: \$125,000.00
	Description	Develop new and existing commercial and industrial properties through means such as acquisition, disposition, clearance, demolition, remediation, preservation, renovation, etc.
	Target Date	12/31/2026

	Estimate the number and type of families that will benefit from the proposed activities	The number and type of families varies, as the funding will assist one (1) business.
	Location Description	City Wide and CDBG Eligible Areas
	Planned Activities	One (1) business will receive funding to develop new and existing commercial and industrial properties through means such as acquisition, disposition, clearance, demolition, remediation, preservation, renovation, etc.
12	Project Name	AMS-1 Overall Coordination
	Target Area	City Wide CDBG Eligible Areas
	Goals Supported	AMS-1 Overall Coordination
	Needs Addressed	Administration, Planning, and Management
	Funding	CDBG: \$456,944.80 HOME: \$96,168.06
	Description	Provide program management and oversight for the successful administration of Federal programming, including planning services for special studies, annual action plans, five-year consolidated plans, substantial amendments, consolidated annual performance and evaluation reports (CAPER), environmental reviews and clearances, fair housing, and compliance with all Federal, State, and local laws and regulations.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	The number and type of families varies, as the funding is for the administration of the CDBG and HOME funds.

	<p>Location Description</p> <p>CDBG Eligible Areas and/or City Wide.</p>
	<p>Planned Activities</p> <p>Administration of Federally funded programming, including all necessary compliance, planning, reviews, and reports. If the City receives \$25,000 or more in Program Income, The City will utilize 20% of the CDBG Program Income received throughout the year for administration, as well.</p> <p>The CDBG budget of \$456,944.80 consists of \$450,944.80 (20% of anticipated CDBG allocation) and \$6,000 (20% of \$30,000 – anticipated program income).</p> <p>The HOME budget of \$96,168.06 is 10% of the anticipation HOME allocation.</p>

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs:

City Response

The allocation priorities and the projects outlined above directly align with the City of Rockford 2040 Comprehensive Plan and the City of Rockford, IL 2023-2032 Housing Needs Assessment and Market Study. These documents together cover each aspect of the projects listed above. For instance, the City of Rockford 2040 Comprehensive Plan covers areas such as: equitable access to housing, housing choice, barriers to housing, cost burden, affordability, lack of units, special needs populations, vacant housing efforts, homelessness reduction efforts, and historic preservation.

Some of the key takeaways from the City of Rockford, IL 2023-2032 Housing Needs Assessment and Market Study were:

- There is an immense need for new housing construction,
- The preservation and rehabilitation of existing units is important,
- Fair housing and low-income housing needs have been addressed and continue to improve,
- There is improved coordination between City of Rockford government and partner agencies,
- Affordable housing is an issue that may in part be due to availability of units,
- Development of infill lots especially needed in areas that have seen high demolition rates.

Both of the plans considered community input that was gathered from surveys, meetings and stakeholder interviews. Residents confirmed that their barriers to housing included the following:

- Not enough available units,
- The condition of the available units or their current unit, and
- The access to good jobs and reliable transportation.

This input confirmed what the City's planning data said – Rockford needs to build and preserve housing units that have access to services, jobs and transportation options.

The City of Rockford continues working to achieve functional zero (FZ) for youth, families, and all adults.

- Goal 1: FZ number of five (5) youth by December 2025. The current number as of September 2025 is six (6) homeless youth. Once this goal is reached, it does have to be sustained for six (6) months prior to confirmation.
- Goal 2: FZ goal of six (6) families with minor children by the mid-2026. Currently the City of Rockford has forty-three (43) actively homeless families on the By-name list.
- Goal 3: FZ goal of fifteen (15) single adults. It is much harder to reach FZ for this population. Currently the actively homeless number fluctuates around the 200-person mark. The City leverages ESG Rapid Re-housing (RRH) funds with Continuum of Care (CoC) RRH funds, State of Illinois Homeless Prevention, and State of Illinois Rapid Re-housing funds to remove as many homeless individuals/families as possible off the streets as quickly as possible.

In addition, most recently through current programming, City Health and Human Services staff has recognized the following:

- A need for housing for larger families,
- Unsheltered individuals are underserved,
- Families are not qualifying to stay in congregate shelters, and
- Landlords tend to be more engaged when their tenants' rents are subsidized and case management is being provided.

At this time there are no concerns or known obstacles that will cause issues with the City of Rockford's plans to address its underserved community needs.

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

City Response

Below is a summary of the geographic distribution data found in the 2025-2029 Consolidated Plan.

Rockford's total population was similar in 2000 and 2010, then decreased by about 4,200 between 2010 and 2019. At the same time, the city's minority population increased substantially.

The population is aging, with the median age increasing from 35.8 years in 2010 to 37.8 years in 2020.

While the population has changed in the last 10 years, the number of households has remained relatively stable.

Rockford has seen a decrease in single-parent families from 59,827 in 2010 to 59,551 in 2019.

The population 25 years and older with high school diplomas increased from 80 percent in 2010 to 84 percent in 2019, while the percentage of those with a bachelor's degree or higher, went from 21 percent in 2010 to 22 percent by 2019.

Rockford's percentage of households who earned \$50,000 to \$99,999 remained at around 40 percent in both 2010 and 2019.

Owner-occupied units have decreased from 60.5 percent in 2010 to 54.2 percent in 2019.

The number of vacant housing units has decreased from 13 percent in 2010 to 10.4 percent in 2019.

Geographic Distribution

Target Area	Percentage of Funds
City Wide	100
CDBG Eligible Areas	70

Table 4 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Generally, all Federal funding must be utilized within the City of Rockford Municipal Boundaries.

Based on prior years reporting, the City anticipates that over 70% of the City's Federal funds will be within the CDBG Eligible Area. The Community Development Block Grant (CDBG) Eligible Area consists of census tracts with at least 51% of its residents being low- and moderate-income individuals, meaning their household income falls below 80% of the Area Median Income (AMI) in that area. Approximately, 45% of Rockford currently falls within the CDBG Eligible Area.

Discussion

City Response

Not Applicable

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

City Response

The Table below includes CDBG and HOME accomplishment totals (except for from HS-Project Delivery) from the AP-38 Project Summary Table above.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	40
Special-Needs	0
Total	40

Table 5 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	3
Rehab of Existing Units	11
Acquisition of Existing Units	26
Total	40

Table 6 - One Year Goals for Affordable Housing by Support Type

Discussion

Emergency Solution Grant goals are as follows:

- Rapid Re-housing

- Ten (10) households
- Thirty (30) persons
- Emergency Shelter
 - Fifteen (15) households
 - Thirty-five (35) persons
- Outreach
 - Fifty (50) persons

AP-60 Public Housing – 91.220(h)

Introduction

The Rockford Housing Authority (RHA) remains committed to advancing the well-being of Rockford residents by ensuring access to safe, high-quality, and affordable housing for households with limited income. In alignment with this commitment, RHA has undertaken a comprehensive strategic planning effort, resulting in a renewed mission and vision that will guide the agency's delivery service and long-term objectives.

Mission Statement

The Rockford Housing Authority is dedicated to building strong collaborations with local partners, expanding housing options that meet a wide range of needs, and leveraging supportive services to create stable and welcoming communities. Through these efforts, RHA promotes self-reliance, accountability, and personal growth for the individuals and families we serve.

Vision Statement

The Rockford Housing Authority envisions a future where residents are empowered to thrive through equitable access to safe, affordable, and forward-thinking housing opportunities. By prioritizing education, workforce development, and personal advancement, we are committed to helping residents reach their full potential. At the same time, RHA invests in revitalizing neighborhoods, fostering healthier environments, and supporting economic vitality, ensuring that all members of the Rockford community can enjoy an improved quality of life.

Actions planned during the next year to address the needs to public housing

Over the next year, the Rockford Housing Authority will continue to build upon its standing as a well-performing agency, maintaining compliance with all HUD standards and guidelines. Our objective is to address housing needs within the Rockford community by expanding access to safe, affordable, and high-quality housing options while strengthening partnerships with landlords, residents, and community stakeholders. This will include pursuing strategic initiatives that preserve and reposition existing housing assets, enhancing the Housing Choice Voucher program to broaden opportunities, and leveraging our Moving to Work designation to pilot

innovative approaches. By doing so, RHA will not only sustain its satisfactory performance but also respond proactively to the growing demand for housing, ensuring that families have stable, supportive environments in which to thrive.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Rockford Housing Authority (RHA) has developed a comprehensive set of priorities and programs focused on strengthening resident engagement, supporting pathways to independence, and enhancing overall quality of life. These efforts are designed to equip residents with the tools and resources needed to thrive, while also reinforcing the bonds that unite our communities. Key initiatives include:

1. **Housing Occupants Mobilization Effort (HOME):** A resident-elected body that works alongside RHA staff and Resident Leadership Councils (RLCs) to address matters impacting public housing households. HOME serves as the coordinating and governing entity for RLCs, ensuring alignment with HUD requirements and amplifying the voices of residents.
2. **Resident Leadership Councils (RLCs):** Tenant-led organizations that represent residents across RHA properties. These councils champion resident concerns, assess community needs, encourage self-reliance, and foster collaboration between residents, RHA, and HOME/RAB leadership.
3. **Family Self-Sufficiency (FSS) Program:** A structured initiative offering four distinct pathways to economic independence, empowering residents to set and achieve personal goals while building long-term stability.
4. **Life Force Development Institute (LDI):** A 12-week learning platform dedicated to personal growth, financial literacy, and social skill-building. LDI equips participants with tools to strengthen resilience and advance their quality of life.
5. **Targeted Programs and Initiatives:** Through efforts such as ConnectHome, New Mix & Craft Entrepreneurship, and enhanced leadership opportunities, RHA provides residents with expanded access to resources, technology, and personal development.
6. **Resident Opportunities for Self-Sufficiency (ROSS):** A service-driven program that creates individualized action plans tailored to education and employment. ROSS supports residents in achieving greater independence and, over time, reducing reliance

on subsidy assistance.

7. **Jobs Plus:** An employment-focused initiative offering residents training, job placements, and career advancement support. Participants benefit from the Jobs Plus Earned Income Disallowance (JPEID), enabling them to retain additional income while improving financial security.
8. **Section 3 Initiatives:** RHA is recognized for its leadership in advancing Section 3 opportunities, creating jobs, apprenticeships, and business participation for eligible residents and local enterprises, in full compliance with HUD standards.
9. **Housing Choice Voucher (HCV) Program:** Serving more than 1,700 households, RHA administers the HCV program, including a Homeownership option that has helped 12 families achieve ownership. Incentives are also offered to private landlords to expand available housing options and strengthen participation.
10. **Moving to Work (MTW) Designation:** With MTW authority, RHA has introduced new landlord incentives—including higher rent standards, damage reimbursement, and signing bonuses—broadening housing opportunities and improving outcomes for families.
11. **Landlord Liaison Role:** A dedicated position bridging landlords and residents. The Liaison maintains an updated Landlord Unit Listing to streamline housing searches, while also educating landlords on inspection standards, fostering transparency, and strengthening trust. Additionally, the Landlord Liaison connects residents searching for suitable housing directly with a participating landlord, thereby minimizing the time required to find affordable housing.
12. **Repositioning of Assets:** RHA is actively assessing properties for repositioning and disposition, carefully considering long-term strategies to preserve and expand the housing portfolio in ways that best serve current and future resident and community needs.

Through these initiatives, RHA demonstrates its ongoing commitment to resident empowerment, neighborhood revitalization, and

the creation of sustainable communities where families can thrive.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

The Rockford Housing Authority is recognized by HUD as a well-performing agency and is not designated as “troubled.” Current operations meet HUD’s established standards and guidelines, and as such, no external intervention or corrective assistance is required to support the Authority’s performance.

Discussion

Not Applicable

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

City Response

The City of Rockford is part of the IL-501 Boone, DeKalb, and Winnebago County Continuum of Care. The City supports the efforts of the Continuum of Care and encourages organizations to submit applications for ESG funding requests to the Northern Illinois Homeless Coalition.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

City Response

The Northern Illinois Homeless Coalition includes a broad representation of relevant organizations and agencies as well as interested individuals charged with:

- community-wide planning and strategic use of resources to address homelessness;
- improving coordination and integration with mainstream resources and other programs targeted to people experiencing homelessness;
- promoting the quick re-housing of homeless individuals and families; and
- improving data collection and performance measurement to ensure program success.

The City of Rockford Department of Human Services Community Service Division has a street outreach team to identify homeless individuals and get them into emergency and eventually permanent shelter. Individuals' needs are assessed during street outreach to make referrals for services if an individual does not want shelter assistance. This outreach team works in collaboration with other agencies including shelter providers, mental health/health providers, law enforcement, and EMS Services. The goal of outreach is to get engaged with homeless persons and link them to permanent housing programs as quickly as possible. The goal is to get every newly identified person housed within 45 days of identification; however due to lack of affordable housing and client choice, sometimes that goal is not met.

Remedies & Rockford Rescue Mission, both members of the Continuum of Care, place a great emphasis on helping individuals who are victims of

domestic violence and abuse. The City of Rockford also has worked with the Rockford Police Department to help identify the risks of domestic violence and to keep victims in their homes while removing the perpetrator. The CoC does provide domestic violence training to all member agencies.

The City of Rockford has reached “functional zero” for veteran and chronic homelessness and is near reaching the “functional zero” goal of 5 for youth homelessness. The overarching goal of the program would be to reach “functional zero” for all populations. They continue to work with partners at Built for Zero to reach this goal.

Addressing the emergency shelter and transitional housing needs of homeless persons

City Response

While the City only paid for a small number of people in hotels through ESG/ESG-CV funding, the City was able to address the shortage of emergency shelter beds by providing non-congregate (hotel/motel) through other funding sources. While in the hotels, case management is provided to the participants to link them with needed resources and permanent housing options. In addition, staff worked very close with the other emergency shelters and the agencies that opened the emergency “cold weather” shelters. Through collaboration and maintaining accurate information on capacity of each place, we continued to be aware of availability and options to send unhoused individuals. The City will continue to work with the local CoC to plan for non-congregate options when the shelters are full or people are not appropriate for that setting. The City of Rockford has added some local funding to open additional Transitional Housing units for unsheltered, mentally ill persons in the area which has added to the number of TH beds available in the area. The City does partner with other CoC partners for other transitional housing options for different populations.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to

affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

City Response

The Coalition is a member of Built for Zero, a national movement to end homelessness; Rockford has reached “functional zero” for veterans and those who are chronically homeless. This means the City has reached a target number (seven for veterans and three for chronic) and has been able to maintain that number for several years. It also means service providers rapidly rehouse newly homeless veterans and new chronically homeless in less than 30 days.

The City of Rockford’s Department of Human Services Community Service Division offers three (3) housing assistance programs. These are: rapid rehousing, homeless prevention, and condemnation relocation. In addition, the agency partners with other local housing providers including local housing authority to refer clients for special Voucher opportunities. Currently there is a partnership with RHA to refer clients for Family Unification Vouchers (FUP), VASH (vouchers for veterans), Emergency Housing Vouchers (EHV). There is also a partnership with WCHA to refer clients for FUP, VASH, and Mainstream Vouchers. The CoC is currently working with WCHA on an application for the new HUD Stability Vouchers that would also benefit the homeless population and be referred through the Coordinated Entry System.

The Community Service Division offers a Homeless Single Point of Entry to help all literally homeless persons (on streets or in shelters) as well as homeless youth, veterans and survivors of domestic violence access housing services. Through this Coordinated Entry system, any person who is experiencing “literal homelessness” can be assisted. Literal homeless does include anyone in shelters, transitional housing program for homeless, people fleeing domestic violence, and those who are unsheltered or living in places not meant for human habitation.

All persons housed through PSH or Rapid Rehousing continue to work with a case manager up to six months beyond leaving the program for stability purposes. In addition, the City's diversion program works with persons at risk of homelessness to provide them with the necessary referrals and resources to avoid homelessness.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from

public or private agencies that address housing, health, social services, employment, education, or youth needs.

City Response

The Health & Human Services Department serves as the Coordinated Entry System (CES) provider for Rockford's Continuum of Care. Through this work, CES works extensively with the many low-income persons and systems that serve them, as well as working closely with the local mental health facilities and health care systems. The Department has a contract with the child welfare system and works closely with youth exiting the foster care system who are likely to become homeless. Through the City's participation in the local CoC, strong partnerships were made with other local social services agencies, schools, community healthcare providers, housing providers, and employment agencies. The City is able to use these partnerships to link homeless clients with the services that they need to move forward and be successful. Not only did the City use its CoC resources but they also leveraged its other funding sources to help people when possible. For example, youth aging out of Foster Care in many cases were assisted by use of FUP vouchers so that they could receive long term housing solutions. For those exiting mental health facilities, we used partnerships that already exist with Rosecrance to see if we can get them into their Permanent Supportive housing or other subsidized units that are specifically for people with mental health conditions. We worked extensively with our local PHA's when people were eligible for their services. In addition, the City and other CoC partners received some funding in 2023 for shelter diversion from the State which was specifically for the purpose of keeping people from becoming homeless.

Discussion

City Response

Not Applicable

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

City Response

The Zoning Code has been amended up through July 1st, 2024. There are no public policies that restrict fair housing.

The City of Rockford's FY2025-2029 Analysis of Impediments to Fair Housing Choice has identified the following impediments and strategies:

Impediment 1: Fair Housing Education and Outreach. There is a need to educate persons about their rights under the Fair Housing Act and to raise community awareness about fair housing choice, especially for those who fear retaliation if they lodge a complaint.

A: Promote Fair Housing awareness through media, seminars, testing, and training to provide educational opportunities for all persons to learn more about their rights under the Fair Housing Act and the Americans with Disabilities Act

B: Provide literature and informational material concerning fair housing issues, an individual's housing rights, and landlord's responsibilities regarding fair housing.

C: Promote housing choice so residents with the same financial means may choose to live anywhere in the City, using media and seminars to educate tenants and landlords on Section 8 vouchers and source of income discrimination.

D: Provide fair housing education and outreach to seniors and people with disabilities to address fear of reporting housing and code violations.

E: Promote and advocate for fair housing testing.

Impediment 2: Need for Decent, Safe, and Affordable Rental Housing. The City of Rockford does not have a sufficient supply of rental housing that is decent, safe, and sound. In many cases, landlords often do not maintain their property to code standards which results in unsafe living conditions for tenants. However, the monthly cost of rent for apartments has steadily increased due to the limited supply of rental housing, despite the condition of the rental unit.

A: Support and advocate for both private developers and non-profit housing providers to develop and construct new affordable, mixed income, and middle-income rental housing throughout the City of Rockford.

B: Support and advocate for both private developers and non-profit housing providers to develop and construct new affordable, mixed income, and middle-income rental in vacant commercial and industrial structures.

C: Support and advocate for both private landlords and non-profit housing providers to rehabilitate existing housing units in the City to create decent, safe and sound rental housing that is affordable to lower income households.

Impediment 3: Lack of Affordable Homeownership Opportunities. Referencing Census data, the population of Rockford has remained relatively stable between 2010 and 2020 decreasing by about 4,200 people or -3%. However, the population is projected to increase due to regional growth factors mainly related to current and planned job growth. Therefore, it is expected that the number of new dwelling units needed to handle this growth is between 3,200 and 9,100 units by the year 2032. Renter-occupied units have increased from 39.5 percent in 2010 to 45.8 percent in 2019. In contrast, owner-occupied units have decreased from 60.5 percent in 2010 to 54.2 percent in 2019.

Today the biggest issue facing affordable home ownership opportunities are availability and cost. In 10 years, the average price of a home in the Rockford area has more than doubled. An average home in Rockford would cost you just over \$88,000 in 2014 while in June of 2023 the same home on average would cost just over \$198,000. As of June 2024, the median price of a home in Rockford was \$155,377, a 17.9% increase from the previous year.

- A:** Support and advocate for both private developers and non-profit housing providers to develop and construct new affordable housing that is for-sale.
- B:** Support and advocate for the acquisition, rehabilitation and resale of existing housing units to become decent, safe and sound.
- C:** Support and provide funds for down payment assistance to lower-income households to become homeowners.
- D:** Support homebuyer education and training programs to improve homebuyer awareness and increase the opportunities for lower-income households to become homebuyers.

Impediment 4: Need for Accessible Housing Units That Are For-Sale or Rent. There is a lack of accessible housing units in the City of Rockford. Most of the existing housing units do not have accessible features. The City's disabled population has grown to 32% of the total population.

- A:** Support home rehabilitation programs that financially assist seniors and people with disabilities to provide a safe and accessible home.
- B:** Support and encourage the development of accessible housing units in the City of Rockford.
- C:** Enforce the ADA and Fair Housing requirements for landlords to make "reasonable accommodations" to their rental properties so they become accessible to tenants with disabilities.

Impediment 5: Economic Issues that affect Fair Housing Choice. There is a lack of economic opportunities in the City which prevent low-income households from improving their income and ability to live outside areas with concentrations of low-income households, which makes this a fair housing concern.

- A:** Support and enhance workforce development and skills training that result in a "livable wage" and increases job opportunities.
- B:** Continue to provide support, education, and technical assistance opportunities to minority, women owned and small businesses.

C: Continue to promote and encourage economic development with local commercial and industrial firms to expand their operations and increase employment opportunities.

D: Support and encourage efforts for improvements in public transportation options in the City to allow for employees to access housing of choice without worry of getting to work.

E: Support and encourage private and non-profit developers and businesses to provide assets (grocery stores, services, etc.) in low-to-moderate income neighborhoods.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

City Response

The Zoning Code has been amended up through July 1st, 2024. There are no public policies that restrict fair housing.

Discussion:

City Response

Not Applicable

AP-85 Other Actions – 91.220(k)

Introduction:

The City of Rockford has developed the following initiatives which addresses obstacles to meeting underserved needs, fosters affordable housing, reduces lead-based hazards, reduces the number of poverty-level families, develops institutional structures, and enhances coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

The City under its FY 2025 Program Year will take the following actions to address obstacles to meeting the underserved needs:

- Continue to provide funds for housing for owner occupied and renter occupied units.
- Continue to provide funds for new housing construction of owner occupied and renter occupied housing units that are decent, safe, sound, affordable, and accessible.
- Continue to work on the foreclosed and abandoned housing issues to help strengthen the City's vitality.
- Continue to work on the removal of architectural barriers in the City's older housing stock through rehabilitation.
- Continue to fund rehabilitation programs to help bring owner occupied housing stock up to code standards and to help seniors age in place.
- Continue to fund projects that assist business, employment training, and career counseling.
- Continue to leverage resources for minority and women owned businesses.
- The City will continue to leverage its financial resources and apply for additional public and private funds.
- Additionally, the City of Rockford will continue to implement its Residential Lead Service Line Replacement Program.

Actions planned to foster and maintain affordable housing

The following strategies and recommendations were proposed for the City of Rockford in the recent Housing Needs Assessment & Market Study (2023-2032).

- **Programs**
 - Relaunch and Enhance Downpayment Assistance Program. In the Consolidated Plan, HS-3 is the goal that works toward home

ownership. Down payment assistance will support home ownership and help lift individuals and families out of poverty by allowing them to invest in an asset, creating wealth. The City plans to relaunch its downpayment assistance program and should continue to evolve the program to meet local needs

- Redevelop Infill Lots that support low-moderate income residences
- Code Compliance and Registrations. Focus staff time and resources on encouraging full compliance with the Rental Registry and Vacant Land and Foreclosed Property Registry. These two tools are in place to support code enforcement. Focusing on code enforcement for residential properties will communicate to landlords and owners that residential properties need to be well-maintained in the City of Rockford.
- Reenact Home Rule. This will allow more opportunity to enforce building codes, create programs that disincentivize poor property maintenance and poor landlords, and ensure housing unit conditions are maintained to a decent, safe, and sanitary standard.
- Create a Public Sector Working Group. This group would meet on a regular schedule. One of its main goals would be to improve housing conditions in the most challenged neighborhoods. They would meet to discuss the various ways they could collaborate to implement strategies to increase home improvements, redevelop infill sites/vacant lots, encourage home ownership, and work together to make a concentrated positive impact on the target areas. The City would lead the effort and invite members to participate including Rockford Housing Authority and, R1 Planning Council. Other local groups could be added to the working group as appropriate.

- **Policies**

- Prioritize Housing in TIF Districts. In TIF districts where it makes sense to incentivize housing development, projects creating housing, especially affordable housing, should be awarded more points.
- Focus on new development in existing subdivisions with infrastructure in place.
- Encourage development of townhomes.
- Training for Section 8 Voucher recipients and landlords.

- **Projects**

- Oversee the development of infill lots. a. Start with vacant parcels in Wards 5, 6, 7, 11 and 13. There are 2,237 vacant lots in these five Wards, which total 70% of all the vacant residential lots in the City.
- Identify groups of vacant lots either contiguous or near each other and market them to a developer as a package. Incentivize the development of smaller homes on each lot.

Ultimately, more housing units will create a better housing environment for low- to moderate income households who are already

overburdened by the cost of housing as a portion of their total expenses.

Actions planned to reduce lead-based paint hazards

The City shall continue to work towards the reduction of potential lead-based paint hazards. Below are the City's activities to reduce lead-based paint hazards related to rehabilitation and homeownership programs.

- **Rehabilitation Programs:** While complying with Title 24 Part 35, the City of Rockford will ensure that:
 - Applicants for rehabilitation funding receive the required lead-based paint information, including notices, and explanation of their responsibilities.
 - Properly certified people perform risk assessment, paint testing, lead hazard reduction, and post project lead clearances.
 - Required lead hazard reduction work and protective measures are incorporated into project rehabilitation specifications.
- **Homeownership Programs:** While complying with Title 24 Part 35, the City of Rockford will ensure that:
 - Applicants for homeownership assistance receive the required lead-based paint information, including notices, and explanation of their responsibilities.
 - Proper visual assessments are performed to identify deteriorated paint in the dwelling unit, common areas servicing the unit, and exterior surfaces of the building.
 - Prior to occupancy, properly qualified persons perform paint stabilization and the dwelling passes Lead reduction involves the implementation of a lead-based paint treatments which will be carried out in conjunction with the City of Rockford's CDBG and HOME funded housing activities. The City partners with, and supports, the Winnebago County Health Department, who administers a "Creating Lead Safe Rockford" (CLSR) program. This program is funded by the U.S. Department of Housing and Urban Development (HUD) to mitigate lead hazards for low/moderate income owner-occupied or rental homes in the region. The City recognizes the importance of addressing lead-based paint hazards and will continue to support partners with and/or apply for additional resources to support these efforts.

Actions planned to reduce the number of poverty-level families

City Response

Approximately 22.2% of the City of Rockford's residents live in poverty, while only 15.1% Metro Area residents live in poverty and 11.8% of the

State of Illinois residents live in poverty. Compared to the State of Illinois, Rockford has nearly double the number of residents in poverty as a percent of the total portion of residents.

The City's anti-poverty strategy is based on supporting workforce development including job-training services for low to moderate income residents. In addition, the City's strategy is to provide supportive services for target income residents. The City plans to use its CDBG funds to fund the following types of economic development and antipoverty programs including:

- Assist in job creation and retention
- Small businesses assistance, which could include workforce training or support services for new employees
- Promote minority and women owned businesses
- Revitalization efforts
- Commercial/industrial infrastructure development and redevelopment

The City will also provide support of shelters and rapid rehousing/homelessness prevention through the use of ESG funds.

Actions planned to develop institutional structure

City Response

To effectively implement the Five-Year Consolidated Plan, the City needs to continue collaborating with a variety of agencies located in the City of Rockford and in Winnebago County. Coordination and collaboration between agencies is important to ensuring that the priorities identified in the Five-Year Consolidated Plan within the City are adequately addressed. The key agencies that are involved in the implementation of the Five-Year Consolidated Plan and FY2025 Annual Action Plan, as well as additional resources that may be available are described below.

- **Public Institutions:**
 - The City continues to partner with the Winnebago County Health Department's Lead Safe Program on housing projects to

leverage available resources.

- The Northern Illinois Land Bank was established in 2019 and will be a resource for addressing vacant and blighted properties, as well as providing more efficient and effective procedures for returning properties to beneficial use.
- In 2022, the City worked with Rockford Local Development Corporation, a non-profit lender, to establish and launch the Rockford Community Investment Fund (RCIF). RCIF is now a certified CDFI and provides construction loans to contractors completing acquisition/rehab projects. RCIF has completed over 200 loans so far, and all of the homes were sold to homeowners.
- The City's Neighborhood Specialist facilitates networks of neighborhood associations, builds capacity of organizations and community leaders, and helps to strategize neighborhood level plans that align efforts with City programs. In 2025, this staff member is working with Public Works, Police, and Fire to coordinate neighborhood efforts, and with local residents to host block parties.
- The City has updated its Neighborhood Revitalization Strategy, which will be used to determine geographic priorities for community development and housing programs, depending upon the type of neighborhood (Strong, Middle, or Emerging), and the program type (i.e., homeownership, housing rehabilitation, economic development).

- **Non-Profit Organization:**
 - The City certifies CHDOs at the time of application for an affordable housing project and also on an annual basis during the term of affordability.
 - The City collaborates with other housing partner agencies to not only leverage funds but also support partner housing and community development projects.
- **Private Industry:** The private sector is an important collaborator in the services and programs associated with the Five-Year Consolidated Plan and Annual Action Plan. The private sector brings additional resources and expertise that can be used to supplement existing services or fill gaps in the system. Several lending institutions provide first-time mortgage financing and financing for rehabilitation. Lenders, affordable housing developers, business and economic development organizations, and private service providers offer a variety of assistance to residents such as health care, small business assistance, home loan programs, and assisted housing, etc.

Actions planned to enhance coordination between public and private housing and social service agencies

City Response

The City is committed to continuing its participation and coordination with public and private housing and social service agencies. The

Neighborhood Development pages of the City website includes a list of resources for Fair Housing, Homebuyer Assistance programs, Mow to Own programs etc. Under the Health and Human Services Department's section of the website, the City offers information on financial assistance programs, homelessness prevention, Community Health, and information on the Continuum of Care and grant funding.

The City's Health and Human Services Department in collaboration with the Continuum of Care plan to increase marketing efforts to encourage new members to participate and apply for funding opportunities to address homelessness.

Through HUD's Thriving Communities Technical Assistance program, the City has established a Public Sector Working Group that will meet quarterly in perpetuity to coordinate plans, land use, and development. The newly established Community Based Organizations Group will remain an ad hoc advisory committee as the City launches its Housing Strategies in 2025.

Discussion:

City Response

Not Applicable

Program Specific Requirements

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

Introduction:

Overall Benefit: 3 years (2025, 2026, 2027)

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(l)(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.

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. 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.	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:

Other CDBG Requirements

1. The amount of urgent need activities	0
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Annual Action Plan
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50

2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.

0.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

City Response

The City of Rockford does not intend to use any other forms of investment other those described in 24 CFR 92.205(b).

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

City Response

The Resale/Recapture guidelines used by the City can be found at the end of this Annual Action Plan document.

The City does not use presumption of affordability for resale.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

City Response

The City's Resale/Recapture guidelines explain how the City ensures affordability.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a

description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

City Response

In general, the City does not intend to use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds. However, the City reserves the right to do so. Should the City decide to do so, guidelines will be written in accordance with 24 CFR Part 92.206(b).

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).

City Response

Not Applicable

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

City Response

Not Applicable

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed

under 24 CFR 5.105(a).

City Response

Not Applicable

Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

City Response

The City of Rockford Health and Human Services Department follows the City of Rockford Grant Policy. In addition to the Grant Policy, the ESG policies and procedures that are currently in the process of review and conversion to interactive electronic procedures.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

City Response

The Northern Illinois Homeless Coalition (NIHC) implemented a Coordinated Entry System (CES) system effective January 2, 2015. The system is comprised of a Single Point of Entry (SPOE) location. This location is open from 8:00 am until 4:00 pm on Monday-Friday, excluding recognized holidays. An after-hours "Hotline" is available for 24-hour contact. The SPOE conducts initial screenings and assessments, which allow for service matching and referrals to appropriate housing options. The SPOE is also responsible for maintaining a Centralized "By-Name List". All Northern Illinois Homeless Coalition (NIHC) member agencies that operate any housing programs including Permanent/Permanent Supportive Housing (PH), Transitional Housing (TH), Emergency Shelters (ES), Rapid-Rehousing, or Homeless Prevention for the homeless will operate by this procedure in order to better serve the homeless population. This does include both CoC/ESG funded agencies and those funded through other means. The NIHC also seeks collaborations with other key stakeholders in order to make this a community- wide effort to end homelessness in DeKalb, Winnebago and Boone Counties. Based on HUD recommendations, the SPOE prioritizes clients based on lowest income, longest/chronically homeless and greatest barriers. Those with the highest priority will be directed to Permanent Housing options first (including supportive and non-supportive housing options), followed by Transitional Housing and Emergency Shelters.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations

(including community and faith-based organizations).

City Response

The ESG funds will be awarded to community-based, faith-based, or nonprofit organizations providing emergency shelter and related services to the homeless, on a dollar-for-dollar match. The City reserves the right to provide these services directly as appropriate. The City issues a request for proposals for the eligible functions of ESG. A focus is placed on organizational providing needed eligible services (especially rapid rehousing), and the project's ability to move participants to permanent housing quickly. Once the proposals are received, City staff, along with feedback from a NIHC committee, reviews and makes recommendations for awards. These recommendations go to City Council for final approval.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

City Response

The City requires non-profits participating in the ESG program to have homeless representatives on their board of directors. In addition, the NIHC includes homeless and formerly homeless persons who advise on the ESG program. The City, as the HUD Collaborative Applicant, is currently working on implementing a advisory committee made up of people with lived experience of homelessness and hopes to have that up and running by early 2026.

5. Describe performance standards for evaluating ESG.

City Response

ESG performance is monitored using the HUD CPD Monitoring standards. All recipients funded under this proposal must provide required data to the City of Rockford in order to be reimbursed for eligible expenses. ESG recipients must provide performance reports through HMIS that measures their performance against HUD goals. The City strives to meet all program specific requirements as detailed in the enabling legislation and program guidelines. City staff work with sub-grantees to ensure that these requirements are met and oversees internal operations towards the same goal.

Discussion:

City Response

Not Applicable

Resale & Recapture Guidelines

Last revised 7/25/2018

Description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254 is as follows:

The City intends to provide HOME funds to low income homebuyers planning to occupy units as their primary residence. The homebuyer programs will follow the recapture guidelines. However, the City will follow the Resale guidelines if City provides *developer subsidy* and does not provide *direct HOME subsidy*, as defined below. The City will enforce deed restrictions, homebuyer agreements, and/or covenants recorded at the Winnebago County Recorder's Office. The City ensures compliance with the residency requirement as mortgagee on the homeowner's insurance policy – receiving notice upon ownership changes. Homebuyers found non-compliant for occupying the unit as their primary residence will repay the entire HOME investment (developer subsidy plus direct HOME subsidy) to the Department of Housing and Urban Development.

Definitions: The definition of *italicized* words throughout the document are below.

Developer subsidy - The difference between the cost of producing the affordable unit and the fair market value of the unit.

Direct HOME subsidy - The amount of HOME funds that enabled the *low-income* homebuyer to purchase a unit. This includes down payment, closing costs, interest subsidies, HOME funds provided directly to the homebuyer, and/or HOME funds that reduced the purchase price from fair market value to an affordable price. When developing a unit using HOME funds, if a unit sells below fair market value, the difference between the fair market value and the purchase price is also *direct HOME subsidy*.

Fair return - The City calculates a fair return by multiplying the percentage change in the Consumer Price Index (CPI) over the period of ownership by the amount of the homebuyer's initial investment plus any homebuyer capital improvements since time of purchase.

Step 1

$$A - B = C$$

$A = \text{CPI \% at time of sale to subsequent homebuyer}$

$B = \text{CPI \% at time of initial purchase}$

$C = \% \text{ CPI change}$

Step 2

$$(A + B) \times C = D$$

$A = \text{Homebuyer Initial Investment}$

$B = \text{Homebuyer Capital Improvements}$

$C = \% \text{ CPI change}$

$D = \text{Fair Return}$

Homebuyer capital improvements – This includes the amount originally spent for improvements to the unit that add value or substantially prolongs the life of the unit. Examples may include, but are not limited to, room additions, roof and/or window replacement, electrical and/or plumbing upgrades, accessibility modifications, bathroom and/or kitchen remodel, and outdoor improvements such as a new drive way, side walk, retaining wall or fence. Examples do not include replacing worn or dated components such as appliances or carpet. Homebuyers must provide proof of amount originally spent; i.e. paid receipts/invoices.

Homebuyer initial investment – This includes any homebuyer contributions at time of initial purchase. Examples may include but are not limited to, down payment, closing costs, and earnest money.

Low-Income – 80% of the area median income as determined annually by the Department of Housing and Urban Development.

Net proceeds – are the sales price minus *superior loan* repayment (other than HOME funds) and any closing costs.

Period of affordability – is the length of time a *low-income* homebuyer must occupy the unit as their primary residence.

Period of Affordability	
Total HOME funds provided to the homebuyer	Minimum Period of Affordability
Under \$15,000	5 years
Between \$15,000 and \$40,000	10 years
Over \$40,000	15 years

Affordability restrictions (recapture or resale) will be revived according to the original terms if, during the original period of affordability, the initial homebuyer has a terminating event and regains ownership interest in the unit.

Superior loan – The recording of the initial mortgage loans at the time of purchase will be in the order in which repayment is required should a transfer of ownership occur voluntarily or involuntarily. All mortgages recorded in front of the HOME funds are superior loans.

Recapture Guidelines:

For recapture, the total *direct HOME subsidy* determines the length of time the *period of affordability* lasts. Since the *direct HOME subsidy* is subject to recapture throughout the *period of affordability*, the homebuyer will sign an assistance agreement, a promissory note, and a mortgage. Recorded at the Winnebago County Recorder's office is the assistance agreement and mortgage.

If transfer of ownership occurs to any willing homebuyer during the *period of affordability* either voluntarily or involuntarily, the initial homebuyer is required to repay the remaining principal loan balance after a pro rata reduction over time calculation. However, the City will never recapture more than the available *net proceeds*. When the *net proceeds* are zero, there is no recapture of *direct HOME subsidy*.

Homebuyers found non-compliant of the recapture requirements will repay the entire HOME investment (developer subsidy plus direct HOME subsidy) to the Department of Housing and Urban Development.

Subsequent Homebuyer:

The City may allow a subsequent *low-income* homebuyer assume the HOME requirements if no additional HOME funds are provided.

Lease Purchase:

Under a lease purchase agreement, if the unit fails to transfer to the homebuyer within forty-two months after project completion, the City will ensure the HOME affordability requirements for rental housing apply.

Preserving Affordability:

If necessary to preserve the affordability of the unit, the City may use additional HOME funds to acquire through a purchase option, right of first refusal, or other preemptive right before foreclosure, or to acquire the housing at the foreclosure sale, to undertake any necessary rehabilitation, and to assist a subsequent homebuyer. When this occurs, unless the City chooses to treat the expense as an administration cost, the original HOME funds and the additional HOME funds will not exceed the maximum per unit subsidy amount under 24 CFR Part 92.250. Considered will be the reimbursement of administrative funds used, in whole or in part, when the housing sells to the subsequent homebuyer.

Resale Guidelines:

For resale, the total amount of HOME funds invested in the unit (*developer subsidy* plus *direct HOME subsidy*) determines the length of time the *period of affordability* lasts. The homebuyer will sign a resale covenant, a promissory note, and a mortgage. Recorded at the Winnebago County Recorder's Office are the covenant and the mortgage.

When transfer of ownership to a qualifying subsequent homebuyer occurs, voluntary or involuntary during the *period of affordability*, the initial homebuyer may receive, when *net proceeds* allow, the sum of their *initial investment*, *capital improvements*, and *fair return*. The City will not receive more than the total HOME investment. Therefore, when appreciation of the unit exceeds the amount of HOME funds invested, the City will only collect an amount equal to the HOME investment.

Besides allowing the initial homebuyer to receive a fair return on their investment, the City must ensure the unit is affordable to a reasonable range of *low-income* homebuyers interested in fulfilling the resale requirements for the remaining *period of affordability*. Affordable to a reasonable range of *low-income* homebuyers is defined as homebuyers with household income between sixty percent (60%) and eighty percent (80%) of the area median income paying between twenty-five percent (25%) and thirty percent (30%) of their gross monthly income for principal, interest, property taxes, and insurance. Exceptions to the 25%-30% range maybe made when 1) homebuyers use State or Federal funded first mortgage lending products or 2) when the result significantly reduces the homebuyer's cost burden. The current fair market value will determine the sale price and not what is affordable to the subsequent homebuyer. To ensure affordability for the subsequent *low-income* homebuyer, the City may provide additional HOME funds.

Homebuyers found non-compliant of the resale requirements will repay the entire HOME investment (developer subsidy plus direct HOME subsidy) to the Department of Housing and Urban Development.