

Grantee: Rockford, IL

Grant: B-08-MN-17-0006

July 1, 2021 thru September 30, 2021 Performance

Grant Number: B-08-MN-17-0006	Obligation Date:	Award Date:
Grantee Name: Rockford, IL	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$2,287,004.00	Grant Status: Active	QPR Contact: No QPR Contact Found
LOCCS Authorized Amount: \$2,287,004.00	Estimated PI/RL Funds: \$67,263.96	
Total Budget: \$2,354,267.96		

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

Introduction

The U.S. Department of Housing and Urban Development's (HUD) new Neighborhood Stabilization Program (NSP) provides financial assistance to local governments "to purchase foreclosed or abandoned homes and to rehabilitate, resell or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes." The following describes the methodology for choosing the City of Rockford designated area and further describes the target area which was prepared by the University of Illinois College of Medicine Health Systems Research on October 17, 2008.

Methodology

HUD provided housing, demographic and income data by census tract block group. Health Systems Research examined these data for the city of Rockford, identifying block groups that:

- 1) met income criteria (incomes do not exceed 120% of area median income),
- 2) possessed the highest current foreclosure risk score (10 on a ten-point scale), and
- 3) ranked within the top two quartiles for 18-month predicted foreclosure risk.

Based on these criteria, block groups were combined within their respective census tracts (in all cases except 23.02, all block groups within a census tract fell into the same categories). "Qualifying" census tracts were then placed into two priority groups, depending on whether they fell into the top or second highest quartile for 18-month predicted foreclosure risk.

Distribution and and Uses of Funds:

Neighborhood Stabilization Target Area

The target area for the City of Rockford is composed of 27 census tracts with 21 in the priority area. Total target area population is 79,631 or approximately half of the west, central, and near southeast portions of the community. These areas have been identified as areas of need in assessments by planning and consulting organizations.

The target area is typified by a high minority level in that about half of the population is minority. Tracts average 21% poverty, 24% within the priority area. Eight tracts exhibit median family incomes below \$3,000.

Once the data was received from Health Systems Research it was mapped, first by the 120% of median criteria, and then by the other need factors provided by the Department of Housing and Urban Development. We also analyzed rental and owner occupancy, police statistics for Part A and Part B crimes, and layered Rockford's General Disorder Density onto the base 120% of AMI map.

The priority area was rather large covering over 75% and of the census tracks in Rockford and half the population. Since grantees are to give priority emphasis and consideration to those areas with the greatest need, we honed in on the priority areas and selected census tracts within the priority area demonstrating all of needs criteria i.e. the highest vacancy rates, foreclosure rates, rate of subprime mortgages, while being amongst the highest ranked for future foreclosures. The final census tracts selected as our geographic boundary include Census Tract 10, 12, 13, 21, 22, 25, 26, 28, 31 and 32.

Definitions and Descriptions:

Definition of blighted structure in context of state or local law.

Response:

The City of Rockford will be applying the Housing and Economic Recovery Act's definition of blighted structure being a structure that "exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and the public welfare". This definition is consistent with the definition provided by the International Property Maintenance Code that the City has adopted and follows:



Section 108: Unsafe Structures and Equipment

108.1 General. When a structure or equipment is found by the code official to be unsafe, or when a structure is found unfit for human occupancy, or is found unlawful, such structure shall be condemned pursuant to the provision of this code.

108.1.1 Unsafe structures. An unsafe structure is one that is found to be dangerous to the life, health, property or safety of the public or the occupants of the structure by no providing minimum safeguards to protect or warn occupants in the event of fire, or because such structure contains unsafe equipment or is so damaged, decayed, dilapidated, structurally unsafe or of such faulty construction or unstable foundation, that partial or complete collapse is possible.

108.1.2 Unsafe equipment. Unsafe equipment includes any boiler, heating equipment, elevator, moving stairway, electrical wiring or device, flammable liquid containers or other equipment on the premises or within the structure which is in such disrepair or condition that such equipment is a hazard to life, health, property or safety of the public or occupants of the premises or structure.

108.1.3 Structure unfit for human occupancy. A structure is unfit for human occupancy whenever the code official finds that such structure is unsafe, unlawful or, because of the degree to which the structure is in disrepair or lacks maintenance, is insanitary, vermin or rat infested, contains filth and contamination, or lacks ventilation, illumination, sanitary or heating facilities or other essential equipment required by this code, or because the location of the structure constitutes a hazard to the occupant of the structure or to the public.

108.1.4 Unlawful structure. An unlawful structure is one found in whole or in part to be occupied by more persons than permitted under this code, or was erected, altered or occupied contrary to law.

Section 110 Demolition

110.1 General. The code official shall order the owner of any premises upon which is located any structure, which in the code official's judgment is so old, dilapidated or has become so out of repair as to be dangerous, unsafe, insanitary or otherwise unfit for human habitation or occupancy, and such that it is unreasonable to repair the structure, to demolish and remove such structure; or if such structure is capable of being made safe by repairs, to repair and make safe and sanitary or to demolish and remove at the owner's option; or where there has been a cessation of normal construction of any structure for a period of more than two years, to demolish and remove such structure.

Definition of "affordable rents."

Response:

The City of Rockford will adopt the Rent Limitation HUD provides at 92.252 (a) in that the maximum NSP rents are the lesser of:

- (1) The Section 8 Fair Market Rents (FMRs) for existing housing; or
- (2) 30% of the adjust

Definitions and Descriptions:

income of a family whose annual income equals 65% of median income, as published by HUD.

The FMRs include all utilities (excluding telephone). This means that if the tenant pays utilities, the maximum allowable NSP rents must be reduced accordingly.

Fair Market Rent Limits (effective 10/1/07 and subject to annual adjustments)

Efficiency

1-Bdrm

2-Bdrm

3-Bdrm

4-Bdrm

5-Bdrm

6-Bdrm

\$466

\$525

\$666

\$871

\$897

\$1032

\$1166

Describe how the grantee will ensure continued affordability for NSP assisted housing.

Response:

Rockford shall ensure, to the maximum extent practicable and feasible, that the sale, rental or redevelopment of abandoned and foreclosed upon homes and residential properties will remain affordable to individuals or families whose incomes do not exceed 120% of AMI and remain affordable to individuals and families whose incomes do not exceed 50% of AMI.

NSP Qualification as Affordable Housing: Homeownership. The City will adopt the HOME program standards at 24 CFR 92.254 and will apply the recapture requirements. In summary, this includes:

- Any property that will serve as the purchaser's principal residence is eligible, including a single-family residence, a 2- to 4-unit property, a condominium, or a co-operative or mutual housing unit, or a manufactured home. When buyers purchase a 2- to 4-unit structure, HOME rental rules apply to any rental units that are assisted with NSP funds.
- The value of any NSP-assisted homebuyer property must not exceed 95 percent of the median purchase price for that type of single-family housing for the area, as published by HUD (Single Family Mortgage Limits under Section 203(b) of the National Housing Act). In the case of acquisition with rehabilitation, the housing has an estimated value after rehabilitation that does not exceed 95 percent of the median purchase price for the area.

203(b) Mortgage Limits: (current as of 4/10/08 and subject to adjustments)

1-Family

2-

Definitions and Descriptions:

amily

3-Family

4-Family



\$200,160
\$256,248
\$309,744
\$384,936

- All the funds made available under this section are to be used with respect to homebuyers whose income does not exceed 120% of area median income.
 - The NSP-assisted housing must meet the affordability requirements for not less than the applicable period specified on the following table, beginning after project completion.
- Homeownership Assistance

Minimum period of affordability in years

Under \$15,000

5 years

\$15,000 to \$40,000

10 years

Over \$40,000

15 years

- To ensure affordability, recapture provisions will be imposed to recoup all or a portion of the NSP assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the term of affordability noted above.

Also, first mortgage loans financing mechanisms will be made available at a 20-30 year fixed rate. NSP will provide soft-second mortgages for the term of affordability.

NSP Qualification as Affordable Housing: Rental Housing. The City will adopt the HOME program standards at 24 CFR 92.252(a), (c), (e) and (f). In summary:

(a) Rent Limitation HUD provides at 92.252 (a) in that the maximum NSP rents are the lesser of:

(1) The Section 8 Fair Market Rents (FMRs) for existing housing; or

(2) 30% of the adjusted income of a family whose annual income equals 65% of median income, as published by HUD.

(c) The FMR include all utilities. If the tenant pays utilities, the maximum allowable NSP rents must be reduced accordingly. Utility allowances to be used when adjusting rents are prepared by the local public housing agency.

(d) Required periods of affordability include:

Rehabilitation or acquisition of existing structures with NSP investment per unit of:

Period of Affordability

Less than \$15,000

5 years

\$15,000 - \$40,000

Public Comment:

The Draft NSP Substantial Amendment to the 2008 Action Plan was made available to the public for review and comment during a fifteen day comment period from 10/31/08 through 11/14/08. A legal notice regarding the comment period was published in the Rockford Register Star on October 31, 2008. Additionally, notice of the comment period was posted on the City of Rockford's website.

The following is a summary of public comments received to the proposed NSP Substantial Amendment.

Two comments were received. One comment was received from Kerry Knodle, the Executive Director of Comprehensive Community Solutions, Inc. (CCS). Mr. Knodle proposes collaboration between CCS and the City of Rockford to address issues relating to the foreclosure crisis. He believes their organization has the capacity and a construction line of credit that would enable them to readily respond to undertake construction activities and manage the process of acquisition and rehabilitation. In response, the City of Rockford intends to partner with lenders, Realtors, and non-profits and for-profits in order to utilize the funds in a manner that is not only timely but has an impact on the areas of greatest need. Comprehensive Community Services, Inc. will be considered as a potential partner.

The second comment was from the Executive Director of the Rockford Area Affordable Housing Coalition - Bob Campbell. Mr. Campbell suggests an innovative approach to buying and then selling through the selling of tickets and the "lottery" of homes. The lottery winner would be responsible for bringing the home up to City standards. He suggests that this will "generate interest" and be a positive and creative use of the funds while also creating program income for additional projects.

Mr. Campbell's suggestion is similar in many ways to what has been suggested through Activity #2 and #3 which resurrects the basic structure of the former Urban Homesteading Program. Mr. Campbell will be encouraged to participate in the further development of these activities. The organization itself is expected to play an integral role in the administration of counseling services which will be made available to the program participants.

Amendment #1 which included the additions of census tracts 21 and 22 was made available to the public for review and comment during a 15-day comment period which began on August 4, 2009 through August 19, 2009. A legal notice regarding the comment period was published in the Rockford Register Star on August 4, 2009. Additionally, notice of the comment period was posted on the City of Rockford's website and was approved by City Council on August 31, 2009.

No additional comments resulted from this amendment.

Amendment #2 made in February 2010 involved only budget adjustments and did not constitute a substantial amendment.

Definitions and Descriptions:

10 years

\$40,000 or more

15 years

Refinance of Rehabilitation project:

Period of Affordability

Any amount



15 years

New construction, including acquisition of new units:

Period of Affordability
Any amount

20 years

(e) The maximum NSP rents are recalculated on an annual basis after HUD determines fair market rents and median incomes. This information will be provided to project owners so that rents may be adjusted. Regardless of changes in fair market rents and in median income over time, the NSP rents for the project are not required to be lower than the NSP rent limits for the project in effect at the time of project commitment.

Owners must annually provide the City with information on rents and occupancy of HOME-assisted units to demonstrate compliance.

Any increase in rents for NSP-assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before increasing rents.

Also, the City of Rockford will review all requests for refinancing to ensure continued affordability and that rents will remain within the NSP standards.

Describe housing rehabilitation standards that will apply to NSP assisted activities.

Response:

Housing that is constructed or rehabilitated with NSP must meet all applicable, city ordinances, zoning ordinances, rehabilitation standards, development ordinances at the time of project completion. Newly constructed housing must also meet the current edition of the Model Energy Code published by the Council of American Building Officials.

A work-item-list will be developed for all housing assisted with rehabilitation assistance in which rehabilitation standards are incorporated. These standards require that all building purchased for rehabilitation be brought up to local code, that building permits be obtained and that appropriate inspections be performed.

Green building and energy efficiency improvement will be utilized to the greatest extent feasible.

Low Income Targeting:

Identify the estimated percentage of funds appropriated or otherwise made available under this section to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income.

Response:

The estimated percentage of funds to be appropriated or otherwise made available to persons at or below 50% of AMI will be 25% of the City of Rockford’s allocation. These funds will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for the provision of housing for these individuals or families. This represents \$571,751.00.

Acquisition and Relocation:

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., = 80% of area median income).

If so, include:

(a) Number of low-and moderate-income dwelling units reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.

(b) The number of NSP affordable housing units that will be made available.

(c) The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Response:

The City of Rockford intends to demolish or convert low- and moderate-income dwelling units. Approximately 78 units will be demolished or converted. Ten (10) units will be created under the NSP Urban Homesteading Program for individuals or households at 50% or less of AMI between January, 2009, and July, 2010. Ten (10) units will be created under the NSP Urban Homesteading Program for individuals or households at 120% or less AMI between January, 2009, and July, 2010. Also, the units will be created for rental housing for persons at or below 50% of AMI with the number to be determined and financing will be provided for purchase and rehabilitation through NSP Financing Mechanisms during the same timeframe which may serve persons at or below 50% of AMI.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$0.00	\$2,288,533.75
Total Budget	\$0.00	\$2,288,533.75
Total Obligated	\$0.00	\$2,288,533.75
Total Funds Drawdown	\$0.00	\$2,286,905.73
Program Funds Drawdown	\$0.00	\$2,286,905.73
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$62,056.92
Total Funds Expended	\$0.00	\$2,303,753.74
HUD Identified Most Impacted and Distressed	\$0.00	\$0.00
Other Funds	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00



Funds Expended

Overall	This Period	To Date
City of Rockford	\$ 0.00	\$ 2,303,753.74

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	99.99%	.00%	.00%
Minimum Non Federal Match	\$.00	\$.00	\$.00
Overall Benefit Amount	\$2,160,113.50	\$.00	\$.00
Limit on Public Services	\$343,050.60	\$.00	\$.00
Limit on Admin/Planning	\$228,700.40	\$193,938.43	\$193,408.68
Limit on Admin	\$.00	\$193,938.43	\$193,408.68
Most Impacted and Distressed	\$.00	\$.00	\$.00
Progress towards LH25 Requirement	\$588,566.99		\$571,754.12

Overall Progress Narrative:

The City of Rockford has completely expended all program funds related to carrying out activities associated with the overall implementation of its Neighborhood Stabilization Program. There were no actions taken during this reporting period that resulted in program expenditures or income.

The following represents unit accomplishment data:

Fifteen (15) units were produced with NSP funds: Eight (8) homebuyer units and seven (7) rental units.

A total of Fifty-five (55) units have been demolished.

The overall total of NSP funds expended was \$2,292,498.56.

Current program income on hand is \$60,527.17 (\$20,058 - activity 10; \$1,000 - activity 30; \$37,469.17 - activity 60; and \$2,000 - activity 80).

Current 25% of 50% of AMI expended is \$571,754.12.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
100, Administrative Costs	\$0.00	\$193,938.43	\$193,408.68
101, Demolition	\$0.00	\$671,997.96	\$671,997.96
102, Financing Mechanisms	\$0.00	\$78,728.90	\$77,728.90
103, Acquisition and Rehabilitation	\$0.00	\$1,336,670.12	\$1,336,571.85
104, Redevelopment	\$0.00	\$0.00	\$0.00
105, Land Bank	\$0.00	\$7,198.34	\$7,198.34
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
BCKT01, Bucket Project	\$0.00	\$0.00	\$0.00

Activities

Project # / 100 / Administrative Costs



Grantee Activity Number: 40

Activity Title: Planning and Administration

Activity Type:

Administration

Project Number:

100

Projected Start Date:

09/29/2008

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administrative Costs

Projected End Date:

12/31/2015

Completed Activity Actual End Date:

Responsible Organization:

City of Rockford

Overall	Jul 1 thru Sep 30, 2021	To Date
Total Projected Budget from All Sources	\$0.00	\$193,938.43
Total Budget	\$0.00	\$193,938.43
Total Obligated	\$0.00	\$193,938.43
Total Funds Drawdown	\$0.00	\$193,408.68
Program Funds Drawdown	\$0.00	\$193,408.68
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$529.75
Total Funds Expended	\$0.00	\$209,408.42
City of Rockford	\$0.00	\$209,408.42
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

This activity will provide the general administration and planning activities required to receive NSP funding and implement successful NSP activities, as described.

Location Description:

Census tracts 10, 12, 13, 21, 22, 25, 26, 28, 31 and 32 i.e. areas determined to be of greatest need.

Activity Progress Narrative:

The City of Rockford did not carry out any actions associated with this activity during the report period.

Accomplishments Performance Measures

No Accomplishments Performance Measures



Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / 102 / Financing Mechanisims

Grantee Activity Number: 20

Activity Title: Urban Homesteading - 50% AMI

Activity Type:

Homeownership Assistance to low- and moderate-income

Project Number:

102

Projected Start Date:

01/15/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Financing Mechanisms

Projected End Date:

12/31/2010

Completed Activity Actual End Date:**Responsible Organization:**

City of Rockford

Overall	Jul 1 thru Sep 30, 2021	To Date
Total Projected Budget from All Sources	\$0.00	\$15,078.80
Total Budget	\$0.00	\$15,078.80
Total Obligated	\$0.00	\$15,078.80
Total Funds Drawdown	\$0.00	\$15,078.80
Program Funds Drawdown	\$0.00	\$15,078.80
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$15,078.80
City of Rockford	\$0.00	\$15,078.80
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

This activity will address neighborhood stabilization in one or more of the census tracts noted above through the purchase, rehab of abandoned or foreclosed housing. The specific addresses within the census tracts will be identified at the time the NSP funds are available for drawdown. Purchase of specific foreclosed properties will be dependent on the availability of foreclosed, moderately priced properties but priority will be given to locations near schools. Funds for this activity will be used to meet the 50% AMI housing requirement. The tenure of the beneficiaries will be homeownership. The homes will remain affordable for the term of affordability which will be ensured by recorded agreements. A portion of the assistance is expected from conventional/FHA first mortgage financing offered at terms from 20-30 years. The gap subsidy (or developer's subsidy) will be provided through NSP as well as the amount necessary to ensure affordability provided directly to the homebuyer. The NSP soft second mortgage will be forgiven over the term of affordability. The interest rate to the homebuyer will be consistent with the conventional/FHA rates. A minimum of 8-hours of homebuyer training will be required through one of the three HUD-approved housing counseling agencies in Rockford prior to the homebuyer obtaining a mortgage loan. All properties acquired will be at a discounted rate of a minimum of 5%. All properties acquired will be at a discounted rate of a minimum of 1% from the current market-appraised value of the foreclosed home or property. If the proposed acquisition is estimated at \$25,000 or less and the acquisition is voluntary, the value will be based on available data by the City Land Acquisition Officer. The structure of the long-term financing in conjunction with the location of the sites will ensure continued affordability. NSP funds will provide housing for persons of 50% AMI. 25% of the NSP allocation is anticipated to be used for this activity.

Location Description:

Census tracts 10, 12, 13, 21, 22, 25, 26, 28, 31 and 32.

Activity Progress Narrative:

The City of Rockford did not carry out any actions associated with this activity during the report period.

Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
		Total		Total
# of Housing Units		0		2/1
# of Singlefamily Units		0		2/1

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	1/1	0/0	1/1	100.00
# Owner	0	0	0	1/1	0/0	1/1	100.00

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Grantee Activity Number: 80

Activity Title: Financing Mechanisms for Purchase and Redevelopment

Activity Type:

Homeownership Assistance to low- and moderate-income

Project Number:

102

Projected Start Date:

03/15/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Financing Mechanisms

Projected End Date:

12/31/2011

Completed Activity Actual End Date:

Responsible Organization:

City of Rockford

Overall	Jul 1 thru Sep 30, 2021	To Date
Total Projected Budget from All Sources	\$0.00	\$63,650.10
Total Budget	\$0.00	\$63,650.10
Total Obligated	\$0.00	\$63,650.10
Total Funds Drawdown	\$0.00	\$62,650.10
Program Funds Drawdown	\$0.00	\$62,650.10
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$3,000.00
Total Funds Expended	\$0.00	\$62,650.10
City of Rockford	\$0.00	\$62,650.10
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

This activity will address neighborhood stabilization in one to eight of the census tracts listed above through the establishment of creating financing mechanisms for purchase and redevelopment of fore closed upon homes and residential properties. The specific neighborhoods within the census tracts will be identified at the time the NSP funds are available for drawdown as the program progresses. Purchase of specific foreclosed properties will be dependent on the highest degree of availability of foreclosed, moderately priced property. The tenure of beneficiaries will be low-, moderate, and middle-income homeownership. The housing will meet City standards and will be affordable. Homes will be purchased at the discounted rate of a minimum of 1% from the current market-appraised value of the foreclosed home or property. If the proposed acquisition is estimated at \$25,000 or less and the acquisition is voluntary, the value will based on available data by the City's Land Acquisition Officer. Homebuyers will receive down payment and closing cost assistance with maximum assistance to be determined. Minimum assistance will be \$1,000. Minor rehabilitation assistance may also be provided. Assistance will be forgiven over the term of affordability. Continued affordability will be achieved through the financing mechanisms. Financing will be long term and at a fixed-rate. Recapture provisions will be placed as a lien on the property. A portion of the funds to make the project affordable be forgiven over the term of affordability. The projects will be monitored through the same process that is used to monitor HOME projects. A limited amount of funds are expected to be used to provide housing for persons whose incomes do not exceed 50% of area median. It is anticipated that if persons are assisted, it may be in conjunction with Activities #2 - NSP Urban Homesteading program.

Location Description:

Properties will be located within Census Tracts 10, 12, 13, 21, 22, 25, 26, 28 31, and 32



Activity Progress Narrative:

The City of Rockford did not carry out any actions associated with this activity during the report period.

Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Housing Units	0		5/8	
# of Singlefamily Units	0		5/8	

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/0	2/4	5/8	40.00
# Owner	0	0	0	0/0	2/4	5/8	40.00

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / 103 / Acquisition and Rehabilitation

Grantee Activity Number: 21

Activity Title: Urban Homesteading (50% of AMI or less)

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

103

Projected Start Date:

01/15/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Acquisition and Rehabilitation

Projected End Date:

12/31/2012

Completed Activity Actual End Date:**Responsible Organization:**

City of Rockford

Overall	Jul 1 thru Sep 30, 2021	To Date
Total Projected Budget from All Sources	\$0.00	\$225,619.28
Total Budget	\$0.00	\$225,619.28
Total Obligated	\$0.00	\$225,619.28
Total Funds Drawdown	\$0.00	\$225,619.28
Program Funds Drawdown	\$0.00	\$225,619.28
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$225,619.28
City of Rockford	\$0.00	\$225,619.28
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

This activity will address neighborhood stabilization in one or more of the census tracts noted above through the purchase, rehab of abandoned or foreclosed housing. The specific addresses within the census tracts will be identified at the time the NSP funds are available for drawdown. Purchase of specific foreclosed properties will be dependent on the availability of foreclosed, moderately priced properties but priority will be given to locations near schools. Funds for this activity will be used to meet the 50% AMI housing requirement. The tenure of the beneficiaries will be homeownership. The homes will remain affordable for the term of affordability which will be ensured by recorded agreements. A portion of the assistance is expected from conventional/FHA first mortgage financing offered at terms from 20-30 years. The gap subsidy (or developer's subsidy) will be provided through NSP as well as the amount necessary to ensure affordability provided directly to the homebuyer. The NSP soft second mortgage will be forgiven over the term of affordability. The interest rate to the homebuyer will be consistent with the conventional/FHA rates. A minimum of 8-hours of homebuyer training will be required through one of the three HUD-approved housing counseling agencies in Rockford prior to the homebuyer obtaining a mortgage loan. All properties acquired will be at a discounted rate of a minimum of 5%. All properties acquired will be at a discounted rate of a minimum of 1% from the current market-appraised value of the foreclosed home or property. If the proposed acquisition is estimated at \$25,000 or less and the acquisition is voluntary, the value will be based on available data by the City Land Acquisition Officer. The structure of the long-term financing in conjunction with the location of the sites will ensure continued affordability. NSP funds will provide housing for persons of 50% AMI. 25% of the NSP allocation is anticipated to be used for this activity.

Location Description:

Census tracts 10, 12, 13, 21, 22, 25, 26, 28, 31 and 32 i.e. areas determined to be of greatest need.

Activity Progress Narrative:

The City of Rockford did not carry out any actions associated with this activity during the report period.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# ELI Households (0-30% AMI)	0	0/0
# of Properties	0	2/1

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	2/1
# of Singlefamily Units	0	2/1

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	2/1	0/0	2/1	100.00
# Owner	0	0	0	2/1	0/0	2/1	100.00

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None



Grantee Activity Number: 30

Activity Title: Urban Homesteading (120% of AMI or less)

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

103

Projected Start Date:

01/15/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition and Rehabilitation

Projected End Date:

04/01/2013

Completed Activity Actual End Date:**Responsible Organization:**

City of Rockford

Overall	Jul 1 thru Sep 30, 2021	To Date
Total Projected Budget from All Sources	\$0.00	\$251,153.04
Total Budget	\$0.00	\$251,153.04
Total Obligated	\$0.00	\$251,153.04
Total Funds Drawdown	\$0.00	\$251,054.77
Program Funds Drawdown	\$0.00	\$251,054.77
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$1,000.00
Total Funds Expended	\$0.00	\$251,153.04
City of Rockford	\$0.00	\$251,153.04
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

This activity will address neighborhood stabilization in one or more of the census tracts noted above through the purchase, rehab of abandoned or foreclosed housing. The specific addresses within the census tracts will be identified at the time the NSP funds are available for drawdown. Purchase of specific foreclosed properties will be dependent on the availability of foreclosed, moderately priced properties but priority will be given to locations near schools. Funds for this activity will be used to assist households at or below 120% AMI as allowed by the NSP. The tenure of the beneficiaries will be homeownership. The homes will remain affordability for the term of affordability which will be ensured by recorded agreements. A portion of the assistance is expected from conventional financing. The gap subsidy (or developer's subsidy) will be provided through NSP as well as the amount necessary to ensure affordability provided directly to the homebuyer. First mortgages will be offered at 20 and 30 years. The NSP soft second mortgage will be forgiven over the term of affordability. The interest rate to the homebuyer will be at the current rate of conventional financing. A minimum of 8-hours of homebuyer training will be required through one of the two HUD-approved housing counseling agencies in Rockford prior to the homebuyer obtaining a mortgage loan. All properties acquired will be at a discounted rate of a minimum of 5%. But, the City will make every attempt possible to acquire all properties at a discounted rate of minimum of 1% from the current market-appraised value of the foreclosed home or property. If the proposed acquisition is estimated at \$25,000 or less and the acquisition is voluntary, the value will be based on available data by the City's Land Acquisition Officer. For housing activities, the design of the activity will ensure continued affordability. Loans will be made available at a fixed rate with terms that lend to continued affordability. The projects will be monitored and direct homebuyer's assistance will follow HOME program method of recapture. Funds will not be used to provide housing for persons whose incomes do not exceed 50% of area median.

Location Description:



Census tracts 10, 12, 13, 21, 22, 25, 26, 28, 31 and 32 i.e. areas determined to be of greatest need.

Activity Progress Narrative:

The City of Rockford did not carry out any actions associated with this activity during the report period.

Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Properties	0	2/1
	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	0	2/1
# of Singlefamily Units	0	2/1

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/0	0/1	2/1	0.00
# Owner	0	0	0	0/0	0/1	2/1	0.00

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None



Grantee Activity Number: 60

Activity Title: Rental Program (50% of AMI or less)

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

103

Projected Start Date:

01/15/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Acquisition and Rehabilitation

Projected End Date:

06/30/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Rockford

Overall	Jul 1 thru Sep 30, 2021	To Date
Total Projected Budget from All Sources	\$0.00	\$331,056.04
Total Budget	\$0.00	\$331,056.04
Total Obligated	\$0.00	\$331,056.04
Total Funds Drawdown	\$0.00	\$331,056.04
Program Funds Drawdown	\$0.00	\$331,056.04
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$37,469.17
Total Funds Expended	\$0.00	\$331,056.04
City of Rockford	\$0.00	\$331,056.04
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

The expected benefit will be to improve and stabilize neighborhoods through the purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent or redevelop. It may also include the new construction of housing. The tenure of the beneficiaries will be affordable rental housing. The duration or term of assistance will be consistent with the HOME regulations at 24 CFR 92,252 (a), (c), (e) and (f). Purchases will be at the discounted rate of a minimum of 1% from the current market-appraised value of the foreclosed home or property. If the proposed acquisition is estimated at \$25,000 or less and the acquisition is voluntary, the value will be based on available data by the City's Land Acquisition Officer. To avoid potential non-compliance, the City's intent is to buy all property at a 1% discount. Interest rates will be established that are consistent with the conventional/FHA market. Since it is most likely that Tax Credits will be involved in any proposed project, the long-term affordability of the tax credit in conjunction with the HOME requirements will ensure continued affordability. Also, projects will be monitored annually in the same manner as HOME. Any change in ownership will only be allowable with the approval of the City and assumptions of the HOME conditions. The cost to acquire and rehabilitate homes is expected to exceed the after rehabilitation of the home due to Rockford's weak market. The property sold under the NSP program will be sold at FMV. The City may also provide a soft-second mortgage on each property to ensure continued affordability. The term of the soft-second will be consistent with the HOME regulations as previously noted. Funds will be used to provide housing for persons whose incomes do not exceed 120% with an emphasis on 50% of area median. At least \$318,003 of the amount of the budget will be allocated to 50 % of area median income. The estimated amount of funds to be used to provide housing for persons whose income do not exceed 50% of the AMI may be as high as \$571,751.00, which is just over 25% of our 2008 allocation.

Location Description:

Properties will be located within Census Tracts 10, 12, 13, 21, 22, 25, 26, 28 31, and 32.



Activity Progress Narrative:

The City of Rockford did not carry out any actions associated with this activity during the report period.

Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# ELI Households (0-30% AMI)	0		3/0	
# of Properties	0		2/4	

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Housing Units	0		3/6	
# of Multifamily Units	0		2/2	
# of Singlefamily Units	0		1/4	

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	3/4	0/0	3/4	100.00
# Renter	0	0	0	3/4	0/0	3/4	100.00

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None



Grantee Activity Number: 61

Activity Title: Rental 120% of AMI or less

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

103

Projected Start Date:

01/15/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition and Rehabilitation

Projected End Date:

12/31/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Rockford

Overall	Jul 1 thru Sep 30, 2021	To Date
Total Projected Budget from All Sources	\$0.00	\$528,841.76
Total Budget	\$0.00	\$528,841.76
Total Obligated	\$0.00	\$528,841.76
Total Funds Drawdown	\$0.00	\$528,841.76
Program Funds Drawdown	\$0.00	\$528,841.76
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$528,841.76
City of Rockford	\$0.00	\$528,841.76
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

The expected benefit will be to improve and stabilize neighborhoods through the purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent or redevelop. It may also include the new construction of housing. The tenure of the beneficiaries will be affordable rental housing. The duration or term of assistance will be consistent with the HOME regulations at 24 CFR 92,252 (a), (c), (e) and (f). Purchases will be at the discounted rate of a minimum of 1% from the current market-appraised value of the foreclosed home or property. If the proposed acquisition is estimated at \$25,000 or less and the acquisition is voluntary, the value will be based on available data by the City's Land Acquisition Officer. To avoid potential non-compliance, the City's intent is to buy all property at a 1% discount. Interest rates will be established that are consistent with the conventional/FHA market. Since it is most likely that Tax Credits will be involved in any proposed project, the long-term affordability of the tax credit in conjunction with the HOME requirements will ensure continued affordability. Also, projects will be monitored annually in the same manner as HOME. Any change in ownership will only be allowable with the approval of the City and assumptions of the HOME conditions. The cost to acquire and rehabilitate homes is expected to exceed the after rehabilitation of the home due to Rockford's weak market. The property sold under the NSP program will be sold at FMV. The City may also provide a soft-second mortgage on each property to ensure continued affordability. The term of the soft-second will be consistent with the HOME regulations as previously noted. Funds will be used to provide housing for persons whose incomes do not exceed 120% with an emphasis on 50% of area median. At least \$318,003 of the amount of the budget will be allocated to 50 % of area median income. The estimated amount of funds to be used to provide housing for persons whose income do not exceed 50% of the AMI may be as high as \$571,751.00, which is just over 25% of our 2008 allocation.

Location Description:

Census Tracts 10, 12, 13, 21, 22, 25, 26, 28, 31 and 32.



Activity Progress Narrative:

The City of Rockford did not carry out any actions associated with this activity during the report period.

Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Properties	0	3/5

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	0	3/6
# of Multifamily Units	0	1/1
# of Singlefamily Units	0	2/5

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	1/0	1/5	3/5	66.67
# Renter	0	0	0	1/0	1/5	3/5	66.67

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / 105 / Land Bank



Grantee Activity Number: 70

Activity Title: Land Bank

Activity Type:

Land Banking - Acquisition (NSP Only)

Project Number:

105

Projected Start Date:

01/15/2009

Benefit Type:

Area (Census)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Land Bank

Projected End Date:

12/31/2012

Completed Activity Actual End Date:

Responsible Organization:

City of Rockford

Overall	Jul 1 thru Sep 30, 2021	To Date
Total Projected Budget from All Sources	\$0.00	\$7,198.34
Total Budget	\$0.00	\$7,198.34
Total Obligated	\$0.00	\$7,198.34
Total Funds Drawdown	\$0.00	\$7,198.34
Program Funds Drawdown	\$0.00	\$7,198.34
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$7,198.34
City of Rockford	\$0.00	\$7,198.34
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

This activity will allow for the establishment of land banks for homes by a governmental or nonprofit entity established to temporarily manage, and dispose of vacant homes for the purpose of stabilizing neighborhoods and encouraging re-use or redevelopment of urban property. It will purchase properties in the census tracts noted above for the NSP that have been abandoned or foreclosed upon and maintain, assemble, facilitate redevelopment of, market, and dispose of the land-banked properties. It may also maintain abandoned or foreclosed property that it does not own, but the owner of the property will be charged the full cost of the service or a lien will be placed on the property for the service. Properties acquired for land-banking purposes will be disposed of via Activity #2 – Urban Homesteading (50% or less of AMI), #3 - Urban Homesteading (120% or less of AMI), #6 – NSP Rental Program, or #8 – Financing Mechanisms for Purchase and Redevelopment which are outlined in this amendment. For housing activities, the design of the activity will ensure continued affordability.

Location Description:

Properties will be located within Census Tracts 10, 12, 13, 21, 22, 25, 26, 28 31, and 32.
2000 Census

Activity Progress Narrative:

The City of Rockford did not carry out any actions associated with this activity during the report period.



Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/5

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

