

JOLIET

2012 ACTION PLAN

(Annual Update of the Consolidated Plan)

Prepared by the

City of Joliet

Community and Economic Development Department

Neighborhood Services Division



willfindhousing.org

The affordable housing search resource for the communities of Will County, IL

TABLE OF CONTENTS

	Page
Executive Summary	3
Table 3A Summary of Specific Annual Objectives	5
Consultations and Citizen Participation	7
Resources	8
Federal Resources	8
State Resources	9
Local Resources	10
Activities to be Undertaken	11
Geographic Distribution	15
Homelessness and Other Special Needs Activities	17
Other Actions	18
Obstacles to Addressing Underserved Needs	18
Foster and Maintain Affordable Housing	19
Removal of Barriers to Affordable Housing	20
Evaluate and Reduce Lead based Paint Hazards	21
Reduce the Number of Poverty Level Families	22
Institutional Structure	22
Coordination	22
Public Housing	23
Program Specific Requirements	23
HOME Recapture Requirements	23
HOME Affirmative Marketing Requirements	24
Home Program Matching Requirements	24
Monitoring	24
Contract Requirements	25
HOME On-site Inspections	26
Minority Business Outreach	27
Appendix A - Will County Continuum of Care Annual Open Meeting Information	
Appendix B – Public Hearing Mailing List	
Appendix C – Public Hearing Minutes	
Appendix D – Table 3B-Annual Housing Completion Goals	
Appendix E – Table 3C-Listing of Proposed Projects	
Appendix F – Certifications	
Appendix G –Public Hearing Newspaper Ad	
Appendix H – Analysis of Impediment to Fair Housing Choice (Figure 2-5, 2-11 and Map 1, 2 and 3)	

EXECUTIVE SUMMARY 2012

The **2012 Action Plan** details the activities for meeting the housing and community development needs identified in the **2010 Consolidated Plan** to be funded with Community Development Block Grant (CDBG) and HOME funds. **In 2012, the City of Joliet anticipates receiving CDBG funds in the amount of \$750,000.00 as well as HOME funds in the amount of \$430,000.00.** The Action Plan was prepared by the City of Joliet, Community and Economic Development Department, with the assistance and input from various local housing, social service and health service providers. Citizen participation was solicited throughout the process and formally done so at public hearing.

In the 2010 Consolidated Plan, the City of Joliet identified the following priority needs and specific objectives to increase housing opportunities for all residents of Joliet and promote stability in declining areas:

Priority Needs & Objectives:

1. Affordable Housing

- a. To increase the supply of decent, safe and affordable *rental and for-sale* housing.
- b. To increase the ability of low and moderate-income households to become homeowners
- c. To promote safe, decent and affordable housing through code enforcement

2. Preserving Existing Affordable Housing

- a. Elimination of blighting influences in the neighborhoods through clearance and demolition
- b. Revitalization of distressed affordable housing that expands housing opportunity.

3. Public Service

- a. Graffiti Removal from public and private property
- b. Funding of the Neighborhood Newsletter
- c. Homeless Services

4. Public Infrastructure

- a. Infrastructure improvements in low and moderate-income areas

Objectives and Outcomes

Each of the activities to be undertaken in the Consolidated Plan is designed to meet one of two major objectives: decent housing or suitable living environment. In addition to meeting specific objectives, these activities are designed to achieve outcomes which can be categorized under three headings: (1) availability/accessibility, (2) affordability and (3) sustainability. The following table shows the activities to be undertaken in 2012 and the objectives to be met:

Activity	Objective	OUTCOME CATEGORIES		
		Availability/ Accessibility	Affordability	Sustainability
Local Homestead Program	Decent Housing		X	
Code Enforcement – Inspections	Suitable Living Environment			X
Code Enforcement – Demolition	Suitable Living Environment			X
Graffiti Removal	Suitable Living Environment			X
Homeless Services	Suitable Living Environment	X		
Neighborhood Newsletter	Suitable Living Environment			X
Administration and Planning-CDBG/Affirmatively Furthering Fair Housing	N/A	N/A	N/A	N/A
Infrastructure	Suitable Living Environment			X
CHDO Set-Aside	Decent Housing		X	
Down Payment	Decent Housing		X	
Other HOME Activities	Decent Housing		X	
Administration and Planning-HOME	N/A	N/A	N/A	N/A

Summary of Past Performance

An overview of the activities funded during the second year (2011) of the five year Consolidated Plan shows that the City made progress towards many of its goals. The City conducted over 21,000 property maintenance inspections, addressed over 820 Graffiti Removals, published a quarterly newsletter, provided 6 low and moderate income families with Downpayment Assistance, Demolished 2 blighting neighborhood properties and completed a Public Infrastructure project. The City also committed HOME funding for 3 Habitat for Humanity projects and a ground breaking was held for Phase II of Liberty Meadows Estates Subdivision. The City is also in the process of selling one condo building as part of the Local Homestead Program and has credit counseled and offered prospective clients the property for homeownership.

Since the inception of the NSP1 program, the City has acquired, rehabilitated and sold 10 properties. Currently, 1 property is under rehabilitation and 3 properties are being considered for purchase. A total of 5 properties were acquired, rehabilitated and rented to benefit very low-income households (25% set-aside). There are also 12 properties demolished or under contract for demolition.

The following table presents the cumulative accomplishments for the second year of the five year Consolidated Plan:

Table 3A Summary of Specific Annual Objectives

Affordability of Decent Housing (DH-2.1) (2010 LH 1, WCHH 3, DP 5)(2011 LH 1, DP 5)(2012 LH 1, WCHH 3)(2013 LH 1, DP 5)(2014 LH 1) DP success is contingent on IHDA funds							
Specific Annual Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
DH 2.1	Provide decent, affordable housing for low to moderate income homeowners	CDBG HOME	2010	10, 8	9	0	0%
			2011	10	6	6 (IHDA)	100%
			2012	10, 8	4		
			2013	10	6		
			2014	10	1		
			MULTI-YEAR GOAL				26
Affordability of Decent Housing (DH-2.2) (Cornerstone)							
DH 2.2	Provide decent, affordable housing for rent CHDO	HOME	2010	6	1	0	0%
			2011	6	1	0	0%
			2012	6	2		
			2013	6	1		
			2014	6	2		
			MULTI-YEAR GOAL				7
Affordability of Decent Housing (DH-2.3) (Development of Rental 9, Liberty Meadows 6 in 2011)							
DH 2.3	Provide decent, affordable housing for rent	HOME	2010	7	2	0	0%
			2011	6, 7	8	0	0%
			2012	7	2		
			2013	7	1		
			2014	7	2		
			MULTI-YEAR GOAL				15

Sustainability of Suitable Living Environment (SL-3.1)							
Specific Annual Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
SL 3.1	Creating suitable living environment	CDBG	2010	3 (Code Enforcement)	21,000	21,000	100%
			2011		21,000	21,000	100%
			2012		21,000		
			2013		21,000		
			2014		21,000		
			MULTI-YEAR GOAL		105,000	21,000	40%
Sustainability of Suitable Living Environment (SL-3.2)							
SL 3.2	Creating suitable living environment through elimination of slum & blight	CDBG	2010	3 (Clearance/Demo)	10	1	10%
			2011		10	2	20%
			2012		10		
			2013		10		
			2014		10		
			MULTI-YEAR GOAL		50	1	6%
Sustainability of Suitable Living Environment (SL-3.3)							
SL 3.3	Creating suitable living environment	CDBG	2010	2 (graffiti removal)	820	820	100%
			2011		820	820	100%
			2012		820		
			2013		820		
			2014		820		
			MULTI-YEAR GOAL		4,100	820	40%
Sustainability of Suitable Living Environment (SL-3.4)							
SL 3.4	Creating a suitable living environment	CDBG	2010	2 (newsletter)	6,000	14,181	236%
			2011		6,000	14,181	236%
			2012		6,000		
			2013		6,000		
			2014		6,000		
			MULTI-YEAR GOAL		30,000	14,181	95%
Sustainability of Suitable Living Environment (SL-3.5) (Clement St-2010, Summit St-2011)							
SL 3.5		CDBG	2010	1	25	50	200%
			2011		25	25	100%
			2012		25		
			2013		25		
			2014		25		
			MULTI-YEAR GOAL		125	0	40%

Sustainability of Suitable Living Environment (SL-1.1) (Substantial Amendment)							
Specific Annual Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
SL 1.1	Homeless Services	CDBG	2010	2	Not funded	0	0%
			2011		374	0	0%
			2012		374		
			2013		374		
			2014		374		
MULTI-YEAR GOAL					1,496	0	0%

Consultation and Citizen Participation

The City of Joliet staff consults with public and private entities that provide assisted housing, health services and social services through its membership and involvement in community organizations. The City of Joliet is an active participant in the Will County Continuum of Care which includes representatives from local housing, health service, social service and child service agencies. The City is represented on the following committees:

- Leadership Committee: Director of Neighborhood Services
- Housing/Plan to End Homelessness Committee: Director of Neighborhood Services
- Ranking Committee: Director of Neighborhood Services

Additionally, the Neighborhood Services Director serves on the board of the Will-Grundy Medical Clinic, which assists the uninsured residents of Will and Grundy counties. He is also on the steering committee of Advocates United for Joliet Children which is an initiative bringing together early childhood stakeholders to build, advance and sustain a system of services and supports that ensures that all children in Joliet are ready for school success and able to achieve their full potential.

City engineers also serve on the Hickory Creek Watershed Planning Group, with other representatives of local government. The goals of this newly formed committee include: improve water quality, protect environmentally sensitive areas and habitat, enhance recreational uses, mitigate problem areas, public outreach, education and participation.

The City of Joliet promoted citizen participation for the 2012 Action Plan according to the guidelines stated in the City's Citizen Participation Plan. The following activities were designated and carried out to increase citizen participation:

- A newspaper display ad was printed in the Herald News on September 20, 2011. The ad gave notice of the public hearing held on September 29, 2011 and described proposed activities to be undertaken, resources available and a contact person for further information.
- A mailing, which included the proposed projects for 2012 and public hearing information, was sent to 70 local housing providers, faith-based institutions and

interested citizens. The names of those included in the mailing are in **Appendix B**.

- A public hearing was held at City Hall on September 29, 2011 at 11:00 a.m. in the Community and Economic Development Conference Room. A copy of the minutes are included in **Appendix C**.
- Copies of the Proposed 2012 Annual Action Plan are available at the Joliet Public Library's main location and branch location, the Neighborhood Services Office and the City Clerk's Office throughout the 30-day comment period from September 30, 2011 to October 31, 2011. The Plan was also available to view online at the City of Joliet website, www.cityofjoliet.info.

RESOURCES

Federal and non-federal resources are expected to provide funding sources for implementation of the City of Joliet's housing and community development programs in 2012.

A. Federal Resources

Community Development Block Grant Program (CDBG): The City of Joliet anticipates receiving \$750,000.00 in CDBG funds for 2012. The City will allocate CDBG funds for activities that benefit low and moderate-income persons, including downpayment assistance, code enforcement, the elimination of slum and blight through demolition, public service and public infrastructure activities. The City will also budget CDBG funds and otherwise support the efforts of local and regional fair housing advocacy organizations in undertaking paired real estate testing, both for rental and sales housing. Enlist the support of these local and regional fair housing advocacy organizations in providing testing results and tracking complaints by the basis of discrimination. Effectuate a fair housing outreach and training strategy that is aimed at the most significant need. Conduct a more in-depth analysis of HMDA data to determine if discrimination is occurring against minority applicant households.

HOME Investment Partnership Program: The City of Joliet anticipates utilizing the anticipated 2012 HOME allocation of \$430,000.00 to promote affordable housing for low and moderate income persons. Activities to be undertaken include sponsoring CHDO housing projects and rental rehab/development. Community Housing Development Organizations (CHDOs) are special types of non-profit developers of permanent housing that are accountable to the low and moderate-income communities they serve. The HOME Program attempts to promote and expand the capacity of the non-profits by setting aside a minimum of 15% of each municipality's HOME allocation for investment in housing owned, sponsored, or developed by CHDOs.

B. State Resources

State Housing Trust Fund: The Illinois Housing Development Authority (IHDA) awarded the City of Joliet \$230,000 in trust fund dollars to assist very low-income and low-income home buyers. Funding equal to \$20,000.00 or \$30,000.00, depending on the household income level, was approved, at a zero percent interest rate and amortized over a thirty year period and due as a balloon payment at maturity. Down payment grants of \$3,000.00 or \$5,000.00 are available, depending on the household income level, and forgivable over a five year term. In 2011 the City of Joliet, utilized these funds and \$10,000 in HOME Downpayment Assistance to assist 6 homebuyers.

Joliet in cooperation with Will County and Bolingbrook expended \$2.5 million in Neighborhood Stabilization Program funds from the State of Illinois. As of this date all properties have been purchased and +50% of the funding is being used by agencies such as Cornerstone, Housing Authority of Joliet, Trinity and Lambs Fold to provide permanent supportive housing throughout the County and City. Two homes for sale were constructed in the Forest Park area.

The Illinois Housing Development Authority (IHDA) awarded the City of Joliet \$1,890,000.00 in Neighborhood Stabilization Program 3 (NSP3) funds. The State of Illinois was awarded \$5 million from the Department of Housing and Urban Development (HUD) under Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) to provide funding for eligible activities under the third round of NSP. The primary focus of the NSP3 funding is to demonstrate impact by addressing the negative results of vacant and foreclosed properties on communities. In order to achieve the impact desired the State of Illinois is requiring that all housing rehabbed and sold/rented be included within a designated target area. The target area is roughly outlined as Taylor St on the North, Interstate 80 on the South, Collins St on the East and Midland Ave on the West. These funds have substantially similar requirements as NSP1 funding.

Roadway Improvement Program: The City of Joliet implements neighborhood public works projects through the Roadway Improvement Program. These projects include street reconstruction, street lighting, drainage and storm sewer projects. It is anticipated that the Roadway Improvement Program budget for 2012 will be approximately \$1.1 million which is funded by the State of Illinois Motor Fuel Tax Fund.

C. Local Resources

Volume Cap: Annually, the City of Joliet receives an allocation of “tax exempt private activity” bonds also known as “Volume Cap” from the State of Illinois. In the past, the Volume Cap has been used to finance tax-free bonds for various industrial and residential projects. Section 146 of the Internal Revenue Code of 1986 (the "Code"), provides that the City of Joliet has Volume Cap equal to \$95 per resident.

In prior years, the City has participated with the Will-Kankakee Regional Development Authority (WKRDA) and first time home buyer programs such as the Assist Program. The WKRDA issues Tax Exempt Bonds for the purpose of developing, constructing, acquiring or improving properties or facilities for business entities locating in or expanding within the territorial jurisdiction of the Authority. This year WKRDA requested \$8,000,000 in Volume Cap. The Assist Program provides 3% cash assistance to homebuyers at a low interest rate from local lenders. The balance of the \$14,026,560 allocation was requested by the Assist Program.

Local Lending Institutions: The City of Joliet uses federal and state funds to leverage private resources to expand activities for low and moderate-income persons. The City has a \$2,000,000.00 line of credit with First Community Bank for the acquisition and rehabilitation of properties in its Local Homestead Program. Once a property has been completely rehabilitated, the City sells the property and pays down the line of credit with the net proceeds. Additionally, the City works with Harris Joliet to procure first mortgage financing for qualified participants of the Local Homestead Program at current market rates.

Public Land Auction: The City of Joliet has been acquiring vacant parcels through a public auction administered by the Will County Tax Agent for the past fourteen years. Many of these properties are used for the development of new single family homes. The homes are offered for purchase through the Local Homestead Program to low and moderate-income families.

ACTIVITIES TO BE UNDERTAKEN

For Program Year 2012, the City of Joliet will undertake a variety of housing and other community development initiatives designed to address the priority needs and objectives as identified in the 2010 Consolidated Plan. Minimal Program Income is anticipated and is considered a contingency for the 2012 Program Year. The City also has carryover funding from the 2011 allocation that will supplement these activities. A description of the activities are as follows.

1. Local Homestead Program (Project ID 0001/Local Code 12-1)

The City of Joliet will use a portion of its 2012 CDBG allocation to fund the continuation of the Local Homestead Program. It is anticipated that 1 low and moderate income family, will benefit from this activity. The properties to be used in this program would be acquired by the City of Joliet through a line of credit from a local lender.

- Applicant must be at least 18 years old.
- Provide a \$2,500 down payment, payable at the time of closing.
- Demonstrate the ability to repay the loan by showing stable employment for the last two (2) years.
- It must be at least four (4) years or more since a Chapter 13 or 7 bankruptcy has been discharged.
- All collections, judgments, etc. must be paid prior to approval.
- Attend home counseling offered by a HUD-approved home counseling agency prior to closing on a home.
- Meet current income guidelines.

The City of Joliet has not yet identified the properties to be used for the Local Homestead Program:

Priority #1, Objective #2

Direct Homeowner Assistance	\$ 8,619.70
Program Delivery Costs	\$25,000.00
Estimated 2012 Allocation	\$33,619.00

2. Code Enforcement-Inspection of Housing Units & Environment (Project ID 0002/LocalCode 12-02)

The City of Joliet will continue to operate Property Maintenance Code Enforcement activities which are aimed at eliminating slum and blight. CDBG funds will be used to cover the operational costs for housing inspections and minor environmental problems, such as weeds, abandoned vehicles and debris. The funds allocated are for the cost of salaries and fringe benefits for a Supervisor, four (4) Property Maintenance Evaluators and one (1) Secretary. It is estimated that 21,000 inspections will be made during Program Year 2012. Locations where inspections will take place cannot be listed, since

they are not known until a problem arises and an inspection is done. The activity will take place in all low and moderate census tracts.

Priority #1, Objective #3

Program Delivery Costs	\$368,483.53
Estimated 2012 Allocation	\$368,483.53

3. Code Enforcement –Demolition of Vacant & Deteriorated Structures (Project ID 0003/ Local Code 12-03)

The City of Joliet will continue its efforts in eliminating dangerous and unsafe structures through the Circuit Court system. These are buildings that have been abandoned and have become a detriment to the neighborhoods. It is anticipated that 5 vacant, dilapidated and unsafe structures will be demolished in 2012. Locations of the anticipated demolitions cannot be listed as they are not yet known. However, the activity will take place on a spot basis citywide

Priority #2, Objective #3

Demolition Allocation	\$51,500.00
Program Delivery Costs	\$10,377.50
Estimated 2012 Allocation	\$61,877.50

4. Public Service – Graffiti Removal (Project ID 0004/Local Code 12-04)

The City of Joliet operates an aggressive Graffiti Removal Program and will continue to fund this activity in 2012. Unsightly graffiti is removed from public and private property. The city will complete approximately 820 graffiti removals in 2012. Specific locations where this activity will take place cannot be identified as they are not yet known. However, the activity will take place in all low and moderate census tracts.

Priority #2, Objective #3

Graffiti Removal Costs	\$ 4,750.00
Program Delivery Costs	\$17,940.00
Estimated 2012 Allocation	\$22,690.00

5. Public Service- Homeless Services (Project ID 0005/Local Code 12-05)

The City of Joliet will contract with Catholic Charities Daybreak Shelter to provide Homeless Services to homeless individuals in the form of health and housing counseling.

Priority #3, Objective #1

Delivery Costs	\$ 75,000.00
Estimated 2012 Allocation	\$ 75,000.00

6. Public Service – Neighborhood Newsletter (Project ID 0006/Local Code 12-06)

The City of Joliet has contracted with the University of Illinois Extension Services to produce a Neighborhood Newsletter that is published four times a year. The newsletter contains information concerning community development initiatives, housing opportunities and various topics for the residents of the low and moderate income areas. The newsletter is published in both English and Spanish and distributed to over 14,181 residents. The newsletter is mailed to residents in the low and moderate income census tracts.

Priority #3, Objective #3

Newsletter Production Costs	\$14,696.00
Estimated 2012 Allocation	\$14,696.00

7. CDBG General Administration – (Project ID 0007/Local Code 12-07)

Funds have been allocated to operate the 2012 Community Development Block Grant general administration and oversight of all CDBG Activities and Projects.

In addition, the City will budget CDBG funds and otherwise support the efforts of local and regional fair housing advocacy organizations in undertaking paired real estate testing, both for rental and sales housing. Enlist the support of these local and regional fair housing advocacy organizations in providing testing results and tracking complaints by the basis of discrimination. Effectuate a fair housing outreach and training strategy that is aimed at the most significant need. Conduct a more in-depth analysis of HMDA data to determine if discrimination is occurring against minority applicant households.

These activities are being undertaken in the furtherance of Goal #3 (Strategies I and II) and Goal #12 (Strategy II) of the City of Joliet 2011 Analysis of Impediments to Fair Housing Choice, Fair Housing Action Plan. The total amount for these fair housing activities is anticipated to be \$10,000.00.

2012 CDBG Administration	\$ 98,913.28
Program Overhead	\$ 40,870.00
Estimated 2012 Allocation	\$139,783.28

8. Infrastructure Improvements – (Project ID 0008/Local Code 12-08)

The City of Joliet will allocate \$33,849.99 in 2012 CDBG funds for infrastructure improvements. The activity will take place in low and moderate income census tracts. These improvements will include upgrading streets, and installing new storm sewers, curbs and gutters. The City of Joliet implements neighborhood public works projects through the Roadway Improvement Program. It is anticipated that the Roadway Improvement Program budget for 2012 will be approximately \$1.1 million which is funded by the State of Illinois Motor Fuel Tax Fund.

Priority #4, Objective #3

Infrastructure Improvements	\$33,849.99
Estimated 2012 Allocation	\$33,849.99

9. CHDO Set aside – (Project ID 0009/Local Code 12-09)

HUD requires that Participating Jurisdictions set aside at least 15% of their annual HOME allocation for investment only in housing to be developed, sponsored or owned by designated Community Housing Development Organizations (CHDOs). The City anticipates allocating \$80,000.00 in 2012.

Priority #1, Objective 2

CHDO Set Aside	\$80,000.00
Estimated 2012 HOME Allocation	\$80,000.00

10. Down Payment Assistance-(Project ID 0010/Local Code 12-10)

This activity is a continuation of a current activity involving the new construction/rehabilitation/purchase of single family homes. This is a HOME activity and the HOME funds allocated will be used for homebuyer's assistance. A total of \$50,000.00 of Program Year 2012 HOME funds have been allocated for this activity. It is anticipated that 5 homes will be assisted in 2012. Each homebuyer is required to provide \$2,500.00 in down payment and qualify for a mortgage loan.

This activity is being undertaken in the furtherance of Goal #4 (Strategy II) of the City of Joliet 2011 Analysis of Impediments to Fair Housing Choice, Fair Housing Action Plan.

Priority #1, Objective 2

Down payment Assistance	\$ 50,000.00
Estimated 2012 HOME Allocation	\$ 50,000.00

11. Rental – (Project ID 0011/Local Code 12-11)

Program Year 2012 HOME funds in the amount of \$257,000.00 will be allocated for the construction/rehabilitation/purchase of 2 rental units. This activity is being undertaken in the furtherance of Goal #5(Strategy I) of the City of Joliet 2011 Analysis of Impediments to Fair Housing Choice, Fair Housing Action Plan.

Priority #1, Objective #2

HOME Investment Partnership Allocation	\$257,000.00
Estimated 2012 HOME Allocation	\$257,000.00

12. HOME Administration – (Project ID 0012/Local Code 12-12)

Program Year 2012 HOME funds in the amount of \$43,000.00 will be set aside for general management and oversight of the HOME activities. As required by HUD HOME regulations a Participating Jurisdiction is allowed to allocate 10% of its annual HOME funding for this purpose.

2012 HOME Administration	\$43,000.00
Estimated 2012 HOME Allocation	\$43,000.00

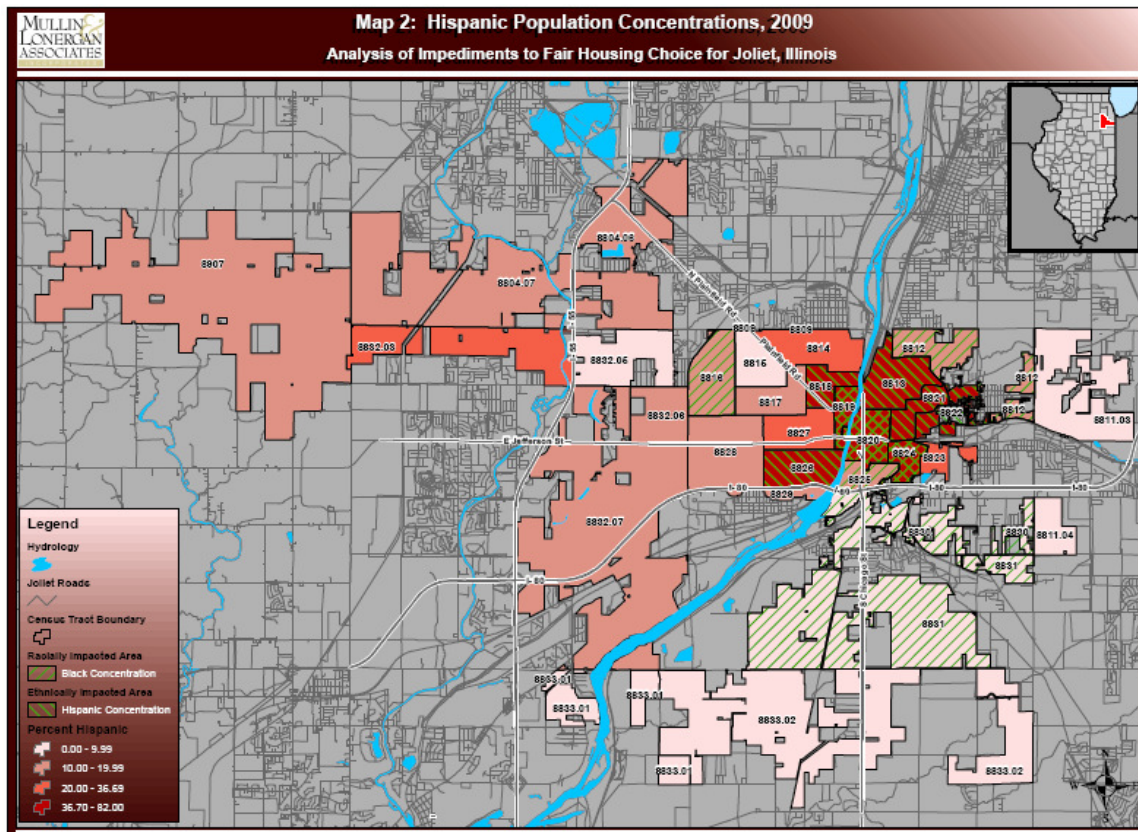
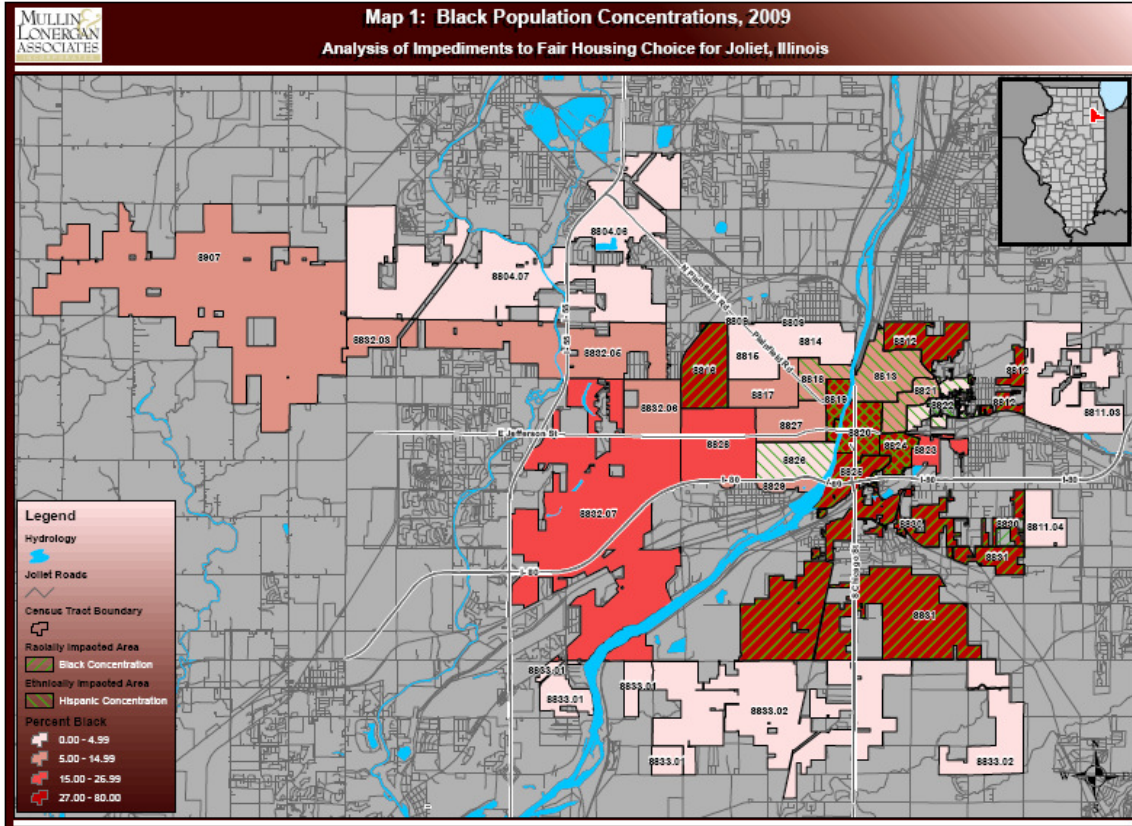
Table 3C Consolidated Plan Listing of Projects can be found in **Appendix E** of this document.

The balance of the Goals in the City of Joliet 2011 Analysis of Impediments to Fair Housing Choice-Fair Housing Action Plan will be performed by staff.

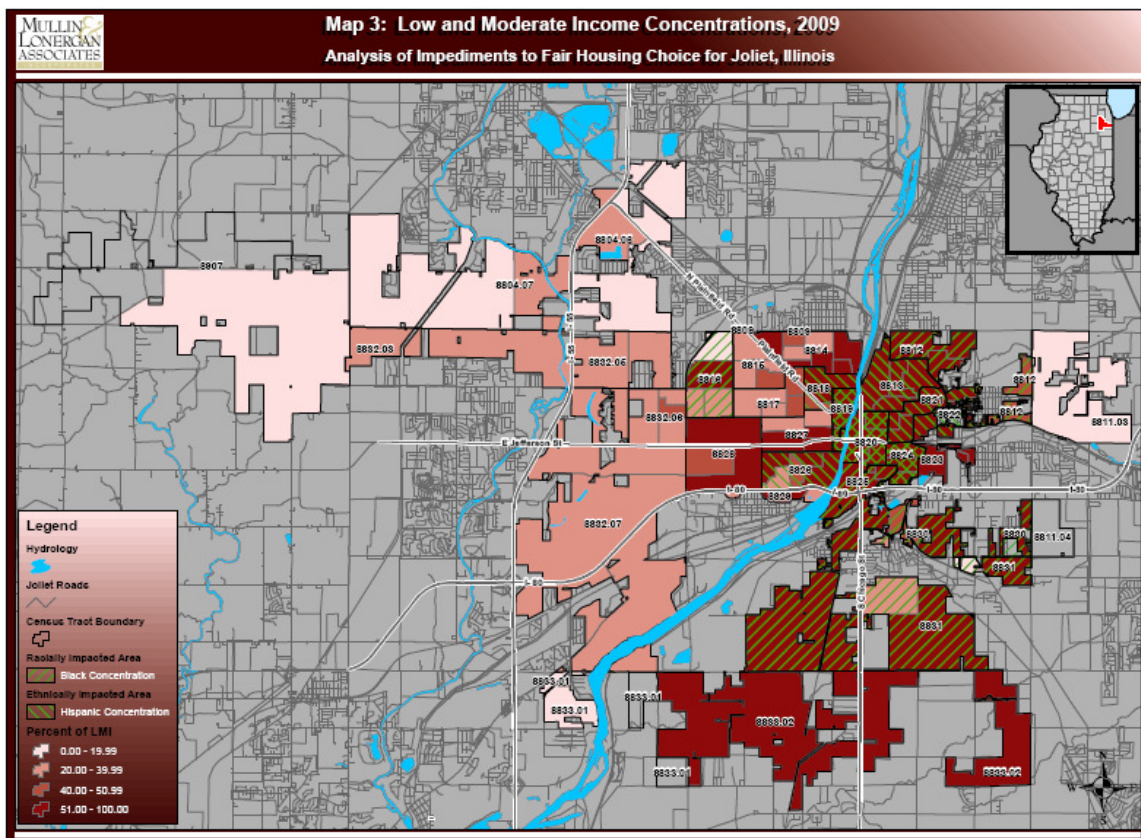
GEOGRAPHIC DISTRIBUTION

The City defines an area of minority concentration as one in which the percentage of a specific minority group is 10 percentage points or higher than the percentage of the specific minority group for the City as a whole. For example, in Joliet, Blacks accounted for 17.0% of the overall population in 2009. Therefore, an area of racial concentration of Blacks would include any census tract where the percentage of Black residents is 27.0% or higher. Eight census tracts meet this criterion. No other single racial minority group meets the criterion of an area of racial minority concentration. Hispanic residents represent 26.7% of Joliet’s total population. An area of ethnic concentration would include any census tract where the percentage of Hispanics is 36.7% or higher. Eight census tracts meet this criterion. Three census tracts are areas of both racial and ethnic concentrations. These include census tracts 8819, 8820, and 8824. Areas of racial and ethnic concentration are listed in Figure 2-5 of the Analysis of Impediments to Fair Housing Choice attached as **Appendix H**.

Maps 1 and 2 of the Analysis of Impediments to Fair Housing Choice, on the next page and attached as **Appendix H**, illustrate the geographic locations of the areas of minority concentration.



HUD data reveals that there are 48 census block groups in Joliet where at least 51.0% of residents (for whom this rate is determined) meet the criterion for LMI status. Of these, 37 census block groups are located in all 13 census tracts identified as areas of concentration of minorities, as depicted in Figure 2-11 of the Analysis of Impediments to Fair Housing Choice attached as **Appendix H**. The thirteen census tracts identified as areas of concentration of minority residents are also areas of concentration of LMI persons. These are referred to as impacted areas. Map 3 of the Analysis of Impediments to Fair Housing Choice, below and attached as **Appendix H**, illustrates the location of impacted areas in Joliet.



HOMELESSNESS AND OTHER SPECIAL NEEDS ACTIVITIES

The City is an active participant in the Will County Continuum of Care, which is continuously working with the homeless and special needs population. The Continuum of Care has received millions for Will County/Joliet through the SuperNOFA funding process since 1997.

The 2010 Continuum of Care (CoC) Homeless Assistance Program Project Listing is as follows:

Renewal Applications - Permanent Supportive Housing Projects (PH)

Catholic Charities-Diocese of Joliet

Daybreak Center – Permanent Housing for Chronically Homeless Men

Projected Renewal Amount: \$754,500 Location: 611 E. Cass Street, Joliet

Cornerstone Services, Inc.

Permanent Housing for Homeless Persons with Mental Illness and Their Families

Projected Renewal Amount: \$1,702,441 Location: Scattered Sites; Will County

Permanent Housing for Homeless Veterans with Mental Illness

Projected Renewal Amount: \$115,071 Location: Scattered Sites; Will County

Permanent Housing for Chronically Homeless Veterans with Mental Illness

Projected Renewal Amount: \$25,476 Location: Scattered Sites; Will County

Permanent Housing for Veterans - Chronically Homeless with Mental Illness

Projected Renewal Amount: \$24,948 Location: Scattered Sites; Will County

Trinity Services, Inc. in partnership with Lamb's Fold Center for Women and Children

Permanent Housing for Disabled Women and Their Children

Projected Renewal Amount: \$253,317 Location: Scattered Sites; Will County

Renewal Applications - Transitional Housing Projects (TH)

Christian Family Ministries, Lamb's Fold Center for Women and Children

Transitional Housing for Women with Mental Illness and Their Children

Projected Renewal Amount: \$33,250 Location: 153 S. Ottawa Street, Joliet

New Project Applications - Permanent Housing Bonus (\$51,828 max.)

Cornerstone Services, Inc.

Permanent Housing for Chronically Homeless Veterans with Mental Illness

Two Year Grant: \$51,828 Location: Scattered Sites; Will County

Catholic Charities Daybreak Center, with a capacity for 100 persons, is currently the only emergency shelter located in Joliet. The center provides emergency shelter, food, supportive services and case management services to individuals and families. It also serves as a cooling/warming center depending on the season. Additionally, Cornerstone Services provides permanent supportive housing for two chronically homeless veterans through SuperNOFA funding. The Continuum has an Annual Open Leadership Meeting Report that contains minutes of the meeting, updates on annual activities, structures and reports. A copy of this item is attached as **APPENDIX A**.

OTHER ACTIONS

A. Obstacles to Addressing Underserved Needs

Affordable housing has been identified in the 2010 Consolidated Plan as the highest priority need. The Local Homestead Program addresses that need through acquisition/rehabilitation of existing homes and new construction. A major obstacle to addressing the need for affordable housing is the current housing crisis. The current economic climate is impacting city spending, as evidenced by budget projections for 2012 that anticipate revenues remaining flat and a reduction in discretionary spending.

The cost of acquiring properties for rehabilitation has been positively influenced by the housing market, but is offset by rising rehabilitation costs. Because the City's low and moderate census tract area includes the oldest sections of Joliet, historic preservation requirements are an additional obstacle to affordable housing. Rehabilitation costs are driven up when elements must be fixed rather than replaced, due to their historic or architectural significance. The end result is an expensive home requiring additional down payment assistance and/or leveraged financing.

The City continues to work on Hickory Creek and Spring Creek, which flow through the heart of the east side low and moderate income census tracts. The project to deepen Hickory and Spring Creeks is funded by the Department of Natural Resources Division of Waterways and will not be completed for several years. Rehabilitation in flood plains is very difficult to complete and, in some instances, impossible to consider due to FEMA rules with regard to rehabilitation projects in the floodplain. This leaves the City unable to acquire certain properties for the Local Homestead Program. Even if the purchase prices of properties are within budget to acquire, the cost to rehabilitate is not feasible due to their location in the floodplain. Once the project to deepen Hickory Creek and Spring Creek is completed, a Letter of Map Revision will be requested. Once approved, some of the properties currently in the flood plain will be reclassified as no longer in the flood plain. This action will positively impact the City's ability to undertake new construction and rehabilitation projects in that area.

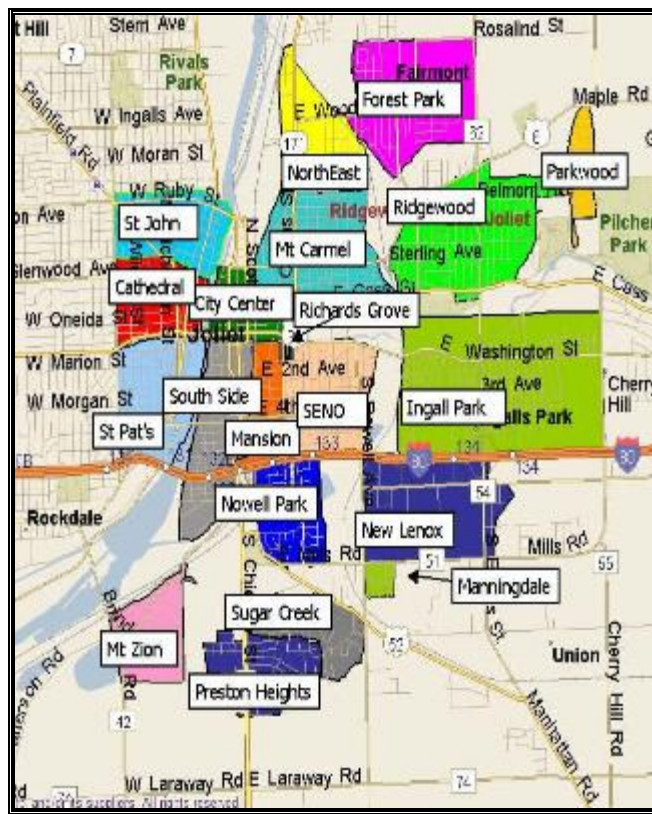
B. Foster and Maintain Affordable Housing

Code enforcement is the key to maintaining and improving the affordable housing stock. Rental and property maintenance inspectors work with various other departments to focus on problems that threaten safe and secure housing. The City utilizes an administrative review process to mitigate housing problems on a timely basis. Additionally, the City inspects rental properties through the Rental Inspection Program. All rental properties with three units or above and all non-owner occupied two units are required to be inspected.

Properties are certified for two to four years, depending on the number of code violations and timeliness of the property owner's response to code violations. The City offers the Landlord Training Program once a year in order to educate property owners on such topics as fair housing regulations, lead paint disclosure requirements, property maintenance codes, fire safety and crime prevention. Training consists of a three hour program which includes presentations by the Joliet Police Department, Illinois

Department of Human Rights, Housing Authority, University of Illinois Extension Office, Joliet Regional Landlords Association, an Eviction Attorney and the Will County Center for Community Concerns. Landlords receive the training program manual, the international property maintenance codes, rental inspection ordinances and other materials deemed appropriate to promote decent and safe housing. Attendance is mandatory for landlords brought in for an administrative hearing and is highly recommended for new and longtime landlords. Over 200 landlords participated in the 2011 training.

Fourteen Neighborhood Oriented Policing Team Officers (NOPT) work in eleven target areas throughout the City. These officers are familiar with the residents in their neighborhoods and respond to all calls for service during their shift. They are taught to seek long-term solutions to repeat problems and to work with residents to create a safer environment. The City also participates in neighborhood meetings. Six neighborhood groups St. John's (CT 8818 & 8819), St. Pat's (CT 8826) St. Mary Nativity's (CT 8818 & 8819), Collins Street (CT 8813), Parkwood (CT 8812) and Southside (CT 8825) all are located in the low and moderate census tracts. They hold meetings regularly attended by city officials. Unity CDC has also assisted in the formation of Neighborhood Councils that meet to address neighborhood issues. Housing, safety and code enforcement issues are addressed and residents work in partnership with the City to resolve issues in their neighborhoods. These Neighborhood Councils have been identified by Unity CDC below.



C. Removal of Barriers to Affordable Housing

As of this writing the City has submitted an Analysis of Impediments to Fair Housing Choice to HUD. Based on the analysis of demographic and housing trends and conditions in Joliet, potential impediments to fair housing choice were identified. These potential impediments are linked to the remedial strategies in the Fair Housing Action Plan included in Section 7 of the document. The following goals and strategies are being proposed for funding as part of the 2012 Action Plan: Goal #3 (Strategies I and II), Goal #4 (Strategy II), Goal #5 (Strategy I) and Goal #12 (Strategy II). The balance of the Goals in the City of Joliet 2011 Analysis of Impediments to Fair Housing Choice-Fair Housing Action Plan will be performed by staff.

D. Evaluate and Reduce Lead-Based Paint Hazards

The homes which the City acquired and rehabilitated through its Local Homestead Program have been located in low and moderate census tracts, which include the majority of housing units built prior to 1978. Purchasers of pre-1978 built city-owned houses are provided with a copy of the lead paint pamphlet, Protect Your Family From Lead in Your Home. The City also requires contractors to follow HUD's lead-based paint regulations for construction and rehabilitation projects funded through the CDBG and HOME programs. Work write-ups for projects include a section on lead-based paint testing and abatement when necessary under the current regulations. The City also includes a section on Residential Lead Paint Disclosure Requirements in the Landlord Training Manual, which landlords receive when they participate in the Landlord Training Program. Staff continues to attend training on these requirements. Staff is currently working with the Chicago Field Office on a Lead Technical Assistance request.

In Will County, three zip codes are high risk for lead poisoning: 60432, 60433 and 60436. All three of the zip codes are located in Joliet. The Illinois Lead Program Surveillance Report – 2009, contains the results of blood lead testing in Will County on all children 15 years old or younger. The vast majority of 2009 tests (92 percent) were performed on children younger than 6 years of age:

- 6,933 children were tested in Will County
- 20 children had blood lead test results of 10 – 14 ug/dL
- 7 children had blood lead test results of 15 – 19 ug/dL
- 2 children had blood lead test results of 20 – 24 ug/dL
- 3 children had blood lead test results of 25 + ug/dL

Based on testing throughout the State of Illinois, there is a difference in lead poisoning by race. African-American children are twice as likely to be affected by lead poisoning compared to Caucasians. African Americans are slightly ahead of Asian and Hispanic children. Lead poisoning in Asian children is on the rise. One logical explanation for disparity to lead exposure can be attributed to the fact that minorities are more likely to live in older housing, common to high-risk zip codes.

Education is a key component to reducing lead-based paint hazards. In Illinois, all children from low income families (i.e., Medicaid-eligible children) should receive a

blood lead test at ages 12 and 24 months, even if they live in a low-risk zip code area. If the child is 3 through 6 years old and has not been tested, a blood lead test is required.

Will County's 2007 Lead Grant was a "Lead Hazard Reduction Demonstration Grant" in the Amount of \$1,500,000 originally intended to assist 129 units pursuant to the grant agreement. When the grant was completed, 132 units had been assisted in Will County.

In 2009 Will County applied for and received a "Lead Hazard Control Program" grant in the amount of \$2,070,000. Since the inception of this grant, they have maintained the highest ranking "green" and continue to be on target with unit production. To date, they have completed and cleared an additional 96 units and have a State Licensed Lead Risk Assessor on staff. By the end of the 2009 grant, Will County projects the completion of 175 units in Will County.

E. Reduce the Number of Poverty Level Families

The Neighborhood Services Division of the City of Joliet works closely with the Will County Continuum of Care to set up and offer training for individuals. Some of the trainings offered are welding, computer, typing and food service. The purpose of the classes is to provide individuals living in homeless shelters with the education needed to obtain gainful employment. In 2011 one homeless individual was served and the individual became employed.

In 2006 the City established the Quality of Life (QOL) Task Force to analyze the needs of District 4 and 5 residents in low and moderate income areas. One outcome of the Quality of Life Plan was the formation of Unity CDC, which will oversee proposed actions in ten subject areas in Districts 4 and 5. The subject areas are housing, education, human capital, industrial development, employment, land use, neighborhood character, recreation, retail development and transportation. The City is working closely with Unity CDC in the development and completion of the action items.

F. Institutional Structure

The City of Joliet will continue to work with the Illinois Housing Development Authority (IHDA) to assist very-low and low income households purchase homes through the City's Local Homestead Program. The City will work with Harris Bank to finance the purchase of Local Homestead properties by qualified applicants. The City will continue to work in cooperation with the Housing Authority of Joliet on issues related to public safety and resident initiatives. Neighborhood Oriented Policing Team Officers are assigned to many of the Housing Authority sites. Additionally, the City has committed funding to the Liberty Meadow Estates Development project that is currently underway at Rosalind and Briggs Street.

G. Coordination

It is a priority of the City of Joliet to strengthen partnerships in housing and community development. During 2012, the City will continue to work in cooperation with the Housing Authority of Joliet on issues related to public safety and resident initiatives.

Neighborhood Oriented Police Team Officers are assigned to many of the housing authority sites.

H. Public Housing

The Housing Authority of Joliet’s Board of Commissioners is a seven-member body appointed by the Mayor and City Council. Although the Board of Commissioners is appointed by the Mayor and City Council, under Illinois law it is a separate unit of local government and is not subject to City control. Commissioners determine policies and approve operating budgets, programs and services consistent with its mission and subject to the mandates and limits imposed by state and federal laws.

A complete review of the Housing Authority of Joliet is contained in the Analysis of Impediments to Fair Housing Choice submitted to HUD in August of 2011.

PROGRAM SPECIFIC REQUIREMENTS

CDBG: The activities to be undertaken utilizing CDBG funds are described on pages 11- 15 under “ACTIVITIES TO BE UNDERTAKEN.”

HOME: HOME funds will be invested according to HOME regulations described in 92.205(b) and are described on pages 11-15 under “ACTIVITIES TO BE UNDERTAKEN.”

Recapture Requirements for HOME: The City of Joliet imposes recapture requirements on HOME-assisted housing. The HOME-assisted housing must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion.

Homeownership Assistance HOME amount per-unit	Minimum period of affordability in years
Under \$15,000.00	5
\$15,000.00 to \$40,000.00	10
Over \$40,000.00	15

At the time the homebuyer purchases the HOME-assisted property as their personal residence, a mortgage is signed and recorded. The amount of the HOME funds and the affordability period are included in the document. If the buyer chooses to sell the premises or no longer use it as his/her principal residence during the affordability period, the City’s mortgage will appear on the title commitment. The City will be notified when a payoff figure is requested. The entire amount of the HOME investment will be recaptured out of the net proceeds of any sale of HOME-assisted property. Net proceeds include the sales price, less loan repayments. If the net proceeds are not sufficient to recapture the entire HOME investment, plus allow the homeowner to recover the amount of their down payment, acquisition costs, principal payment and any other capital improvements, then the City may reduce the amount of recapture on a pro-rated basis. The pro-ration will be

based on the length of time the homeowner occupies the property relative to the required affordability period as outlined in the chart above. Once funds are recaptured, they will be utilized to assist other homebuyers as required by HUD. The requirements of this paragraph shall survive closing and shall not merge in the deed to the premises. The seller may incorporate the HOME and federal affordability requirements into deed restrictions, restrictive covenants or similar instruments.

HOME Affirmative Marketing Requirements:

An affirmative marketing plan is required for multifamily housing projects containing 5 or more HOME-assisted housing units. Advertisements in print media, such as newspapers, brochures, signs and leaflets, must have the equal housing logo or slogan prominently displayed on all materials. Community organizations, places of worship, fair housing groups and employment centers are to be utilized to inform and solicit applications from persons in the housing market who are not likely to apply for the housing without special outreach. Additionally, the equal housing opportunity poster must be conspicuously displayed in the rental office, model unit or wherever rental information is being distributed. All rental staff must be familiar with fair housing laws and the affirmative marketing plan. Records and documentation regarding affirmative marketing actions taken are to be maintained. These will include documentation of contact with community groups, copies of current advertisements and demographic data on tenants/homeowners. The City of Joliet will maintain records regarding monitoring, as well as an assessment of the HOME recipient's affirmative marketing actions. The City will also maintain records of demographic data on tenants (i.e., sex, race, age, income, etc.) gathered at annual on-site monitoring inspections. If a determination is made that the recipient is not in compliance, the City will provide assistance in obtaining compliance. In those cases where the recipient continues to be in non-compliance, the City will take corrective action, including termination, if deemed necessary.

HOME Matching Requirements:

The HOME match requirement for all HOME-eligible activities is 25% of any funds expended. The City of Joliet will be using the following sources for match: infrastructure improvements, land donation, IHDA Housing Trust Funds, waived building permit fees and other associated construction costs. The City will also utilize the match accrued from other HOME projects to meet the 2012 HOME match requirements.

Monitoring

A. Standards and Procedures

Program evaluation and monitoring is the means utilized by the City of Joliet to provide the necessary administrative oversight and performance evaluation of all activities undertaken using HUD assistance under the 2010 Consolidated Plan as well as the 2012 Action Plan. Evaluation and monitoring applies to all activities undertaken by the City of Joliet as well as all activities undertaken by a sub-recipient or CHDO.

Specific Regulatory Requirements

Specific regulatory requirements of HUD programs are included or will be included as a requirement for compliance in all sub-recipient or CHDO written agreements in compliance with the requirements of the HUD program and the activity being proposed.

Contract Requirements and Monitoring Procedures

Although there will be instances, as with any community, where differences in the specifics of contracts will occur, all contracts and agreements will contain certain items. Those items that will be a constant in all contracts and agreements include: dollar amount, what work or activity is to be undertaken, timetable and performance requirements, record keeping and monitoring. Neighborhood Services staff is charged with the responsibility of assuring that all activities, whether city-initiated or through a CHDO, are completed per all applicable laws and regulations. Depending on the type of activity, Neighborhood Services staff members will be assigned specific jobs in the monitoring process. The Neighborhood Services Director will ensure that all performance and compliance requirements for the CDBG and HOME Programs are met. The Finance Specialists will perform the necessary environmental and historic reviews for all activities requiring these reviews. The Rehabilitation Specialist will perform all regular monitoring of rehabilitation and new construction projects.

The monitoring of activities will be conducted in a positive, productive and pro-active manner to ensure that all problems are identified early enough in the process or activity to prevent irreversible consequences. If problems are found during any monitoring process, technical assistance will be provided either by the City of Joliet or HUD. The City of Joliet intends to maintain communication and offer feedback on performance issues with entities utilizing any federal program.

It is the intent of the City of Joliet to adequately educate any sub-recipient or CHDO as part of the monitoring process. All requirements will be reviewed and explained to each individual sub-recipient or CHDO prior to City Council approval of the agreement. The City of Joliet intends to monitor each activity's or sub-grantee's performance and compliance on an ongoing basis. The common denominator to all activities is the disbursement of funds and accurate documentation of costs through a disbursement. Prior to any disbursement of funds, all compliance issues will need to be remedied. This desk monitoring will be an on-going exercise. In addition, all CHDO projects will be inspected on an annual basis by means of a field monitoring visit. New CHDOs will experience more frequent on-site monitoring during all phases of their activities, including more frequent post-construction visits.

The City of Joliet will begin a more intensive monitoring of all disbursements through comparison with all schedules or completion dates to ensure that:

- Funds requested for any activity do not exceed authorized budget allocations.
- All funds requested are appropriate and in line with scheduled expenditure rates or benchmarks as set forth by any contract or agreement.
- The activity or CHDO is performing or has the capacity to perform as per the agreement or contract.

A series of reports will be developed and used for monitoring all activities that are initiated by the City of Joliet. These reports will be used to measure progress. The reports that will or have been developed are as follows:

- Quarterly Financial Report - This report will measure the expenditure and encumbrance rates for all CDBG activities to ensure that funds are being expended in a timely manner.
- Quarterly HOME Program Activity Status Report – This report will track all HOME expenditures
- Environmental Review Status Report
- Homeowners Assistance Report – This report will indicate the status of each application for assistance.

B. Progress Measures

For CHDO or other sub-recipient activities, the measurement of progress will be predicated on what type of activity is being performed and the schedule and benchmarks set forth in the agreements. For other activities covered in the Consolidated Plan and this Annual Action Plan, the City of Joliet will initiate a schedule establishing appropriate benchmarks and expenditure targets. Each program or activity will have its own thresholds and goals. Although the overall program scheduling is primarily focused on the total activity, the specifics of each activity will be incorporated. Overall performance of all activities will be reviewed at least quarterly to determine progress and other scheduling items as deemed appropriate.

C. Long Term Compliance Monitoring

The City of Joliet's Consolidated Plan covers a 5-year period from January 1, 2010 through December 31, 2014. During that period the City of Joliet plans to complete all goals identified in the Consolidated Plan. Of course, realizing all the goals set forth in the Consolidated Plan depends on federal funding levels remaining constant. The City of Joliet will reassess all long-term goals prior to the development of each Annual Action Plan under the Consolidated Plan. This will be done by assessing progress made the previous year(s) and expectations for the upcoming year. This assessment will be used as a tool to determine if specific goals are feasible. Additionally, each year the City of Joliet will reassess the long-term goals in coordination with measurements of activity progress and benchmarks. This reassessment will be conducted at the beginning of the 6th month of any Action Plan year.

D. HOME On-Site Inspections

Activities funded under the HOME program will be monitored for compliance at least once a year for a period that is equal to a specific activity's period of affordability. A notification letter will be sent to each HOME-assisted agency at least two weeks prior to the monitoring visit and include the date and scope of the inspection. Follow-up letters are sent after the monitoring visit to advise the agency of any concerns, findings or corrective actions to be taken. Currently, annual on-site monitoring visits are performed at the following HOME assisted rental housing projects: Victory Centre of Joliet, Louis

Joliet Apartments and 19 properties owned by Cornerstone Services. The locations of the properties owned by Cornerstone Services are:

711 Ann Street	3113 Heritage Drive
1802 Birmingham Drive	1850 Mappold Way
7708 Briarcliff Drive	1701 Mason Avenue
1323 Buell Avenue	754 – 756 McDonough Street
1312 – 1314 Coral Bell Drive	1710 Oneida Street
3301 Fiday Road	7105 Pyramid Drive
1204 Galway Road	400 – 402 Raynor Avenue
2883 Heritage Drive, #2D	404 Terry Drive
220 Madison Unit C-3	3515 Theodore
201 Pleasant	

HOME-assisted files are reviewed for compliance with affordability, income targeting and tenant participation requirements. Leases are examined to confirm that they contain no prohibited provisions, terms are at least one year (unless otherwise agreed upon by the tenant and owner), rents do not exceed the maximum HOME rents and that they are properly executed. Income certification and source documentation are also reviewed. Inspections are made of 15% of the HOME-assisted units to ensure that minimum property standards are met.

The 2010 CAPER identified the match liability and the match associated.

E. Minority Business Outreach:

It is the policy of the City to provide equal opportunities for firms owned by minority and women business enterprises to bid on all contracts awarded by the City of Joliet. It is also the policy of the City to prohibit discrimination against any business in pursuit of these opportunities, to conduct its contracting activities so as to prevent such discrimination, to correct present effects of past discrimination and to resolve complaints of discrimination. The City maintains a mailing list of small, minority and women-owned businesses interested in doing residential rehabilitation work. A notice of bid availability is routinely distributed to businesses on this mailing list and is advertised in the legal section of the local newspaper. The City also encourages minority participation in non-housing community development projects, such as demolition and clearance, weed cutting and board ups. The City maintains a listing of minority and women-owned businesses which is updated annually.