

## Town of Cicero

Community Development Block Grant Program  
The Consolidated Annual Performance and Evaluation Report  
October 1st, 2015 through September 30th, 2016



As Submitted to the U.S. Department of Housing and Urban Development.

**Town of Cicero, Cook County, Illinois**  
**Larry Dominick, Town President**

Prepared Under the Direction of:

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**Table of Contents**

I. Executive Summary .....	2
II. Budget and Resources .....	3
III. CDBG Legal Statements.....	7
IV. Assessment of the One-Year goals and objectives.....	8
V. Town of Cicero Geographic Demographic Distribution .....	9
VI. Managing the Process .....	14
VII. Housing.....	15
VIII. Homeless Needs/Prevention .....	26
IX. Emergency Solutions Grant (ESG).....	27
X. Community Development .....	30
XI. Neighborhood Stabilization Program.....	37
XII. Antipoverty Strategy .....	41
XIII. Home Improvement Loans .....	41
XIV. Economic Development .....	41
XV. Amendments .....	42
Public Notice for Public Hearing.....	Tab 1
Public Comments.....	Tab 2
Amendments.....	Tab 3
Table 2C & 3A.....	Tab 4
PR03.....	Tab 5
PR06.....	Tab 6
PR10.....	Tab 7
PR23.....	Tab 8
PR26.....	Tab 9
PR83.....	Tab 10

## **I. Executive Summary**

The Town of Cicero Department of Housing prepares the Consolidated Annual Performance Evaluation Report (CAPER) to report on the activities that were undertaken during the program year, and report on the accomplishments toward meeting the goals, and objectives; which were identified in the 2015-2019 Consolidated Plan. This first Program Year CAPER covers projects that began October 1, 2015 and ended September 30, 2016 (PY2015).

The CAPER satisfies the requirements for end of year reporting for the Community Development Block Grant (CDBG) Program offered through the U.S. Department of Housing and Urban Development (HUD). The Town of Cicero, as an entitlement grantee for the CDBG program, has the responsibility of preparing and submitting the CAPER to remain eligible for this program.

This is the first CAPER of the 5-Year Consolidated Plan. The following goals, objectives, and proposed accomplishments were identified for the year in the Consolidated Plan:

**Priority:** Expand the supply of safe, decent, and affordable housing.

**Objective:** Improve the quality of housing stock through rehabilitation and repair.

**Proposed Accomplishments:** Over the course of this action plan year, it is anticipated that 50 homes will be rehabilitated or repaired. This will result in safer living conditions and increased property values.

**Actual Accomplishments:** The Town of Cicero Department of Housing, during PY2015, completed 20 Housing Rehabilitation Projects resulting in 28 total units benefiting from the Town's program. Of these 20 projects, all were brought to standard condition, 9 units were addressed for lead hazard reduction. The demand for housing rehabilitation is growing in The Town of Cicero. A total of \$121,138.00 was spent on these completed projects.

**Priority:** Provide safe housing free from lead hazards.

**Objective:** Identify children with high lead levels, implement an educational program that provides information on lead poisoning, and identify and abate sources of lead-based paint in residential units.

**Proposed Accomplishments:**

1. Testing and promote the screening of all children 6 months to 6 years for blood lead levels as required by law as a condition of admittance to preschool, day care centers, nursery schools, kindergarten, and other child care facilities.
2. Provide educational materials to families within the Town of Cicero regarding the hazards of lead poisoning.
3. To complete 10 rehabilitation projects that involves lead hazard reduction.

**Actual Accomplishments:** The Town of Cicero Department of Housing, during PY2015, completed 9 lead hazard reduction projects. The demand for housing rehabilitation and lead hazard reduction is growing in The Town of Cicero. A total of \$13,210 was spent on these completed projects through the program year. An additional \$41,155 were paid out after September 30, 2016 on projects that were started in program year 2015.

**Priority:** Improve service to non-homeless Cicero residents who are low-to-moderate income and/or have special needs.

**Objective:** Make social services available for persons in need who have low-to-moderate incomes.

**Proposed Accomplishments:** Develop a diverse network of needed services toward enhancing the health, safety, and overall well-being of individuals and persons with special needs, through the provisions for creating and expanding quality public and private human service programs.

**Town of Cicero, Illinois**  
**PY 2015 Consolidated Annual Performance Evaluation Report**

**Actual Accomplishments:** The Town of Cicero Department of Housing was able to maintain and/or improve the services that the diverse network of agencies in the town provides. Overall, the agencies that were awarded CDBG funds from The Town of Cicero were able to meet and/or exceed their goals proposed to the Town of Cicero. In total, our network of Public Service Agencies served 2,180 people.

**Priority:** Strengthen the community's living environment by making improvements to public facilities.

**Objective:** Make funding available for infrastructure improvements.

**Proposed Accomplishments:** Over the course of this Consolidated Plan, it is anticipated over \$1 million will be spent on infrastructure improvements such as street and curb repairs, alley re-paving, and rehabilitation of public facilities.

**Actual Accomplishments:** The Town of Cicero Department of Housing was able to maintain and/or improve the services that the diverse network of agencies in the town provides. Also, 615 +/- people are now served by public facilities that are no longer substandard, since our department funded agencies to perform public facility improvement projects. More beneficiaries are expected as the remaining public facility projects complete and report their accomplishments.

**II. Budget and Resources**

The Resources available for these goals for PY2015 were as follows:

- Total PY2015 CDBG Entitlement Grant: \$ 1,541,264.00
- Total Program Income Received in PY2015: \$ 30,000.00
- Total CDBG Funds Expended in PY2015: \$ 438,552.20\*\*

**\*\*This amount is for the end of September 30, 2016. Additional withdrawals for different activities will still be made after October 1, 2016. \*\***

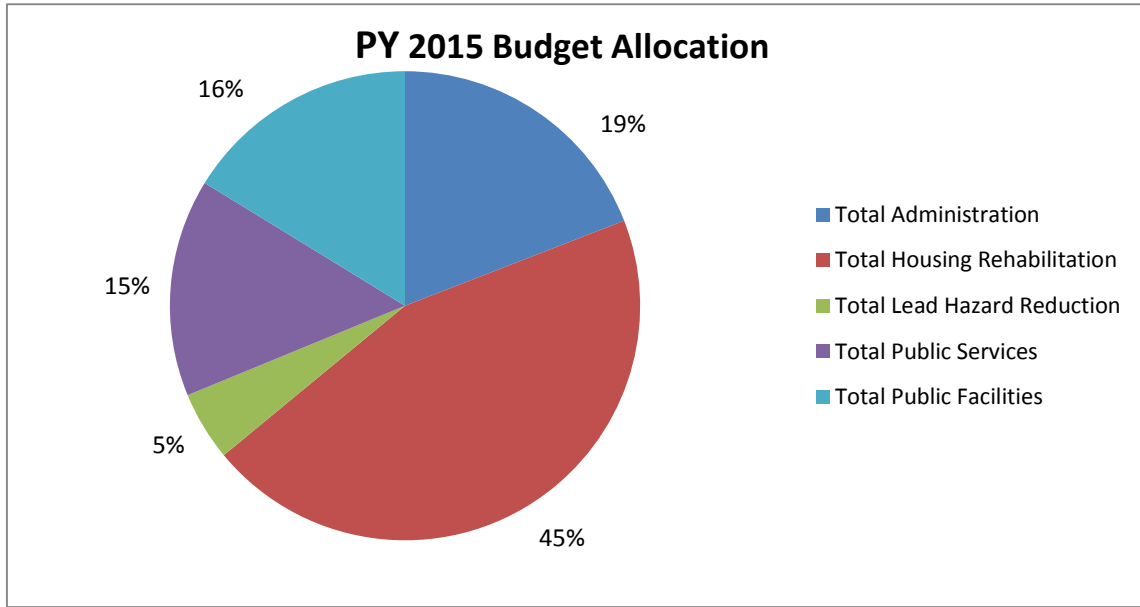
The Town of Cicero Department of Housing had budgeted their entitlement grant in such a way to best serve the community of Cicero, and their needs.

**Table 1: PY2015 Budget Allocation\*\***

Estimated Grant	\$1,541,264.00
Estimated Program Income	\$30,000.00
Administration	\$300,000.00
Housing Repair Program	\$705,664.00
Lead Hazard Reduction	\$75,000.00
Public Services	\$235,600.00
Public Facilities	\$255,000.00

*\*\*Only includes PY2015 Entitlement Grant. Does not include carry over projects from previous year and/or Amendments to reallocate funds to current projects.*

**Figure 1: Budget Allocation**

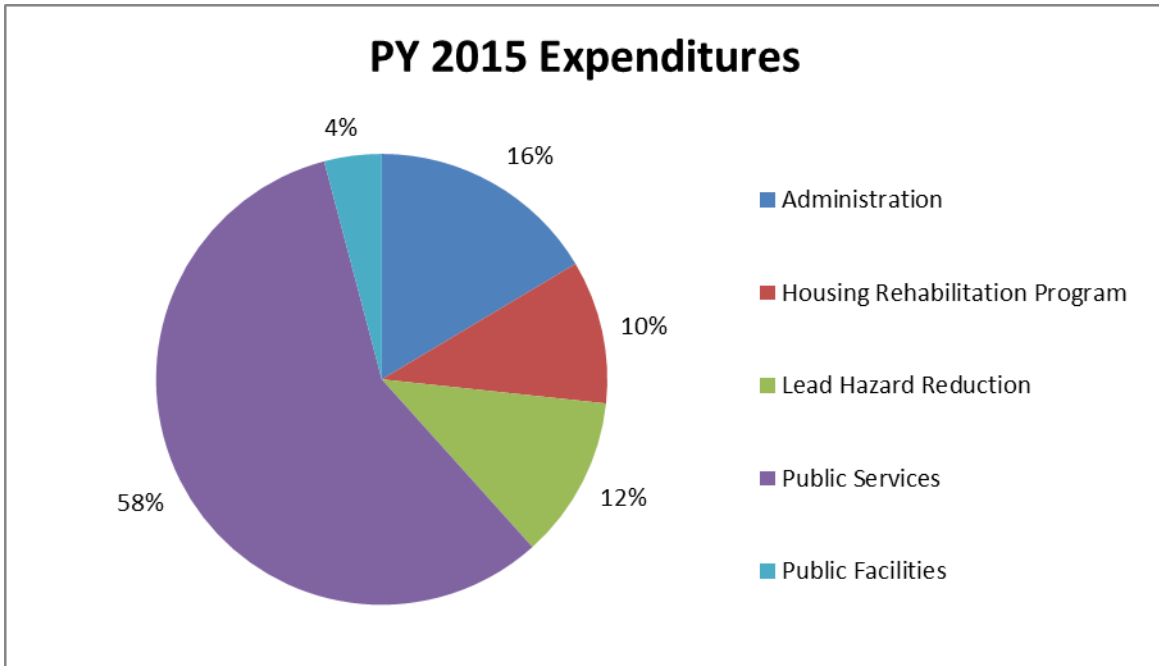


**Table 2: PY 2015 Expenditures\***

<b>Budget Category</b>	<b>Drawn Amount</b>
Administration	\$ 74,817.56
Housing	\$ 108,166.50
Lead Hazard Program	\$ 13,210.00
Public Services	\$ 200,092.00
Public Facilities	\$ 42,266.14
<b>Total</b>	<b>\$ 438,552.20</b>

\*All expenditures during PY2015 (October 1, 2015 – September 30, 2016).

Figure 2: Expenditures



**Program Income**

During PY2015, The Town of Cicero Department of Housing recorded **\$30,000** in Program Income. IDIS is reconciled on a quarterly basis, and when updated, program income is expended prior to drawing down funds from the U.S. Treasury. This money came from small business loan repayments and home improvement loan payments. Remember that the Town projected a total of **\$30,000** in program income for PY2015.

**Town of Cicero, Illinois**  
**PY 2015 Consolidated Annual Performance Evaluation Report**

**Un-liquidated Obligations**

The definition of an Un-liquidated obligation is:

- Dollar amount of orders placed, contracts and grants awarded, goods and services received and similar transactions for which an expenditure has been accrued, but not yet recorded as paid as of the end of the reporting period.

Based on this "official" definition of Un-liquidated obligations for purposes of administration and public service activities, the Town of Cicero's Un-liquidated obligations are:

Act #	Project Name/Agency	Funded Amount	Drawn Amount	Unliquidated Obligation
730	General Administration	\$50,000.00	\$15,556.61	\$34,443.39
731	Staff Salaries	\$250,000.00	\$59,260.95	\$190,739.05
732	Housing Rehabilitation Program	\$250,000.00	\$41,079.00	\$208,921.00
733	Housing Staff Salaries	\$305,664.00	\$56,358.50	\$249,305.50
734	Emergency Heat Program	\$50,000.00	\$3,129.00	\$46,871.00
735	Emergency Accessibility Program	\$100,000.00	\$7,600.00	\$92,400.00
736	Lead Hazard Reduction	\$75,000.00	\$13,210.00	\$61,790.00
737	Boys Club	\$16,600.00	\$0.00	\$16,600.00
738	Children's Center	\$24,500.00	\$14,152.60	\$10,347.40
740	Family Services	\$62,500.00	\$57,310.00	\$5,190.00
742	South Cicero Baseball	\$20,000.00	\$18,835.23	\$1,164.77
743	CEDA	\$12,000.00	\$9,794.17	\$2,205.83
744	Alley Repavement Program	\$668,016.63	\$42,266.14	\$625,750.49
	<b>Total</b>			<b>\$1,545,728.43</b>

Some of the balances of these activities have been used up and currently are read as \$0.00 in IDIS. Some other activities have been reduced since some contracts or orders have been paid out after September 30, 2016.

**Leveraging Resources**

The following is a list of the other resources available to the Town of Cicero in Program Year 2015:

- |                                                 |                 |
|-------------------------------------------------|-----------------|
| 1. Mental Health Board:                         | \$ 476,800.00   |
| 2. Cicero Housing Authority-Section 8:          | \$ 923,799.00   |
| 3. Town of Cicero Capital Improvement Projects: | \$ 2,550,000.00 |
| 4. State Grants:                                | \$ 5,650,000.00 |
| 5. General Assistance:                          | \$ 267,120.00   |
| 6. NSP:                                         | \$ 362,046.73** |

**\*\*Includes remaining funds of Entitlement Grant plus Program Income\*\***

**Table 3: Community Health Board Agencies**

<b>PY 2015 Community Mental Health Board Agencies Funded</b>	
<b>Agency</b>	<b>Amount</b>
Cicero Family Services & Mental Health Center	\$215,000.00
Cicero Police Explorers	\$12,000.00
Cicero Youth Commission	\$35,000.00
The Children's Center	\$35,800.00
Community Support Services, Inc.	\$23,000.00
Oak-Leyden	\$5,000.00
Pillars Community Center	\$11,000.00
Pilsen/Little Village Community Mental Health Center	\$20,000.00
ProCare Center	\$15,000.00
Solutions for Care	\$20,000.00
UPC Seguin	\$30,000.00
Youth Crossroads, Inc.	<u>\$55,000.00</u>
<b>Total Agency Disbursements</b>	<b>\$476,800.00</b>

**III. CDBG Legal Statements**

The Town of Cicero Department of Housing must provide a narrative analysis to show that the grantee: (1) pursued all resources that the grantee indicated it would pursue; (2) provided requested certifications of consistency for HUD programs, in a fair and impartial manner, for which the grantee indicated that it would support application by other entities; and (3) did not hinder Consolidated Plan implementation by action or willful inaction. To the extent that these points are covered in other parts of the performance report, appropriate cross-reference will suffice. (24 CFR 91.225(b)(3) and 24 CFR 570.903)

1. The Town of Cicero Department of Housing pursued all resources that we indicated that we would pursue.
2. The Town of Cicero Department of Housing did not receive any requests for certifications of consistency with the Consolidated Plan in PY 2015-2019.
3. The Town of Cicero Department of Housing did not hinder Consolidated Plan implementation by action or willful action.



#### **IV. Assessment of the One-Year goals and objectives**

##### **Successes**

Overall, The Town of Cicero Department of Housing, in conjunction with its extensive list of subrecipients, was able to accomplish most of the goals outlined in the Consolidated Plan (**See Tab 4**).

The Department of Housing was able to advance its accomplishments from the first program year and developed a much greater expertise going through PY2015.

To illustrate the effect the internal advancements the Department of Housing has made, many of PY2015 Subrecipients were able to complete their proposed projects and further influence the livelihoods of many low to moderate-income individuals and families:

- The Boys Club of Cicero continues to be a nucleus within the community of Cicero and additionally completed their After School Program and Girls Program, which have made this public service a true asset to our community and our children.
- The Children's Center was once again able to assist low income families with subsidized day care for those that can't afford the full daycare fees. Children were able to enjoy an educational environment with nutritious meals and snacks while their parents were at work.
- The Cicero Youth Commission, which is well-established within a much larger state of the art facility, has continued to expand its programs, such as computer classes, cooking, and a better recreational area for the children of Cicero's low to moderate income community.
- Family Service and Mental Health of Cicero serviced a large number of people this year. They continue to be one of our well-needed Subrecipients.
- The Literacy Program was able to assist over 230 Cicero students with improved reading and comprehensive skills. The student tutors were able to develop higher self-esteem as a result of this program.
- South Cicero Baseball was included again in this program year with funding as a result of the children they service through their sports program. South Cicero Baseball year after year has shown great numbers in participants that have access to baseball competitions of different age groups. As a result of this organization, many of their teams have won awards from major competitions throughout the region.
- CEDA was able to assist 17 Cicero households with mortgage counseling. They were able to prevent Cicero homeowners from losing their homes while assisting others in qualifying for new home loans.

Although the public service activities show that some agencies may have a remaining balance as of September 30, 2016, those remaining balances will be expended after the final invoice is processed.

##### **Issues Facing the Department**

There were a few issues that the Department has faced this program year, which prevented the department from meeting all its goals. These issues have been with timing of projects and administrative issues.

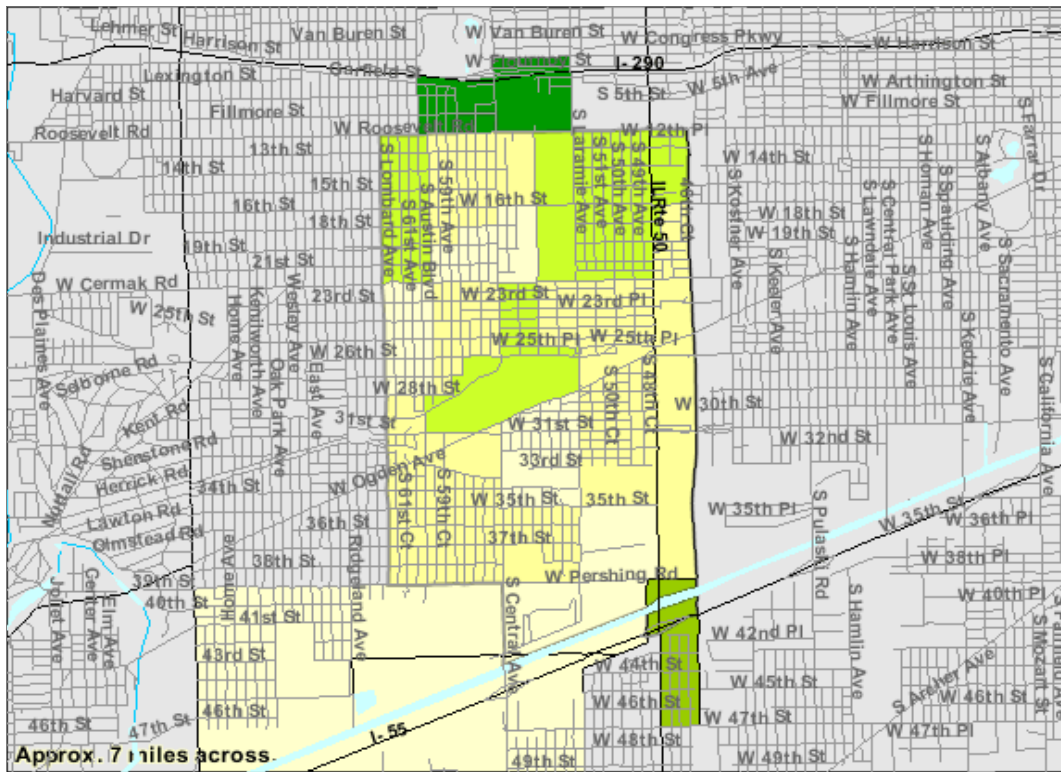
- The main issue this program year was in regards to the housing rehabilitation project. There was a timing issue while collecting the proper documents from potential clients. Clients would delay on submitting the proper documentation which in turn would delay the process of completing those projects. This is the main result of not obtaining our goal of 50 rehabilitation projects for the year.
- The second issue was the timing of completing projects prior to the end of the program year (September 30, 2016). Invoices were not submitted prior to this date, which has resulted in certain activities still having a remaining balance.

**V. Town of Cicero Geographic Demographic Distribution**

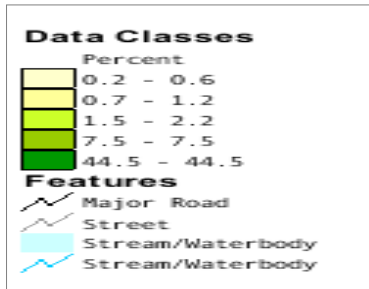


**Percent of Persons Who Are Black or African American Alone: 2000**  
 Universe: Total population  
 Data Set: Census 2000 Summary File 1 (SF 1) 100-Percent Data  
**60804 5-Digit ZCTA, 608 3-Digit ZCTA by Census Tract**

NOTE: For information on confidentiality protection, nonsampling error, definitions, and count corrections see <http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.



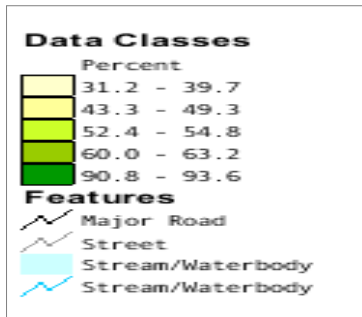
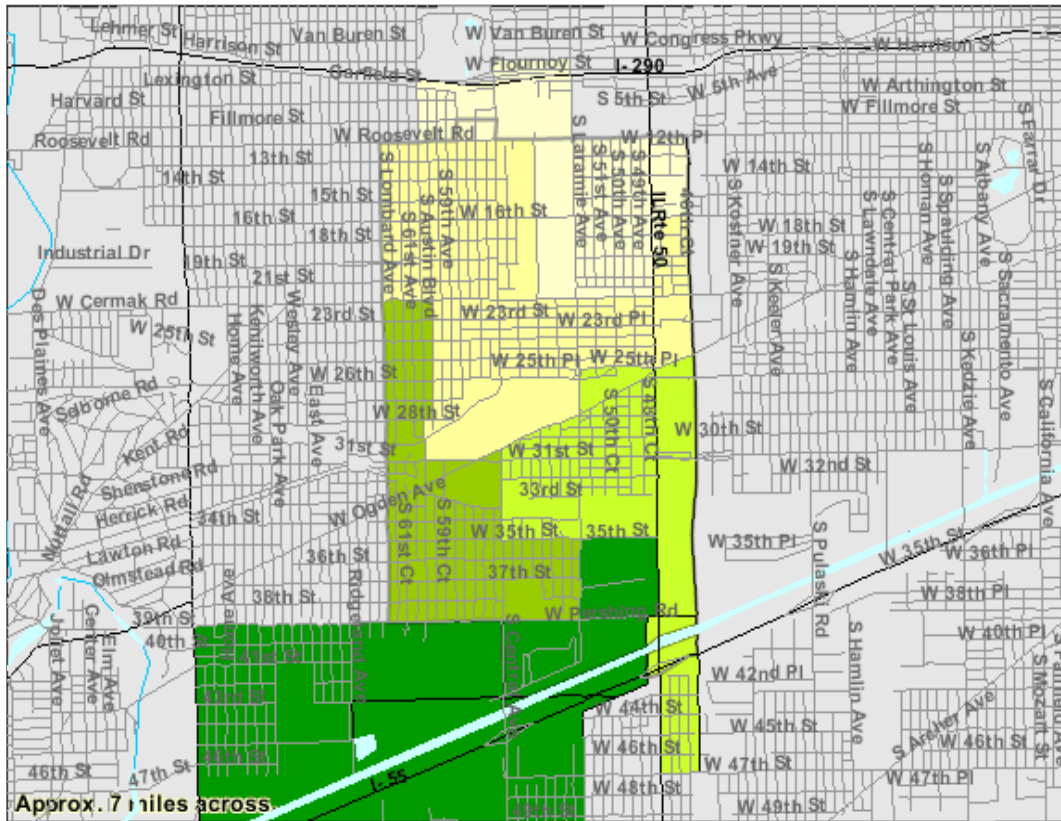
Source: U.S. Census Bureau, Census 2000 Summary File 1, Matrices P1, and P7.





**Percent of Persons Who Are White Alone: 2000**  
 Universe: Total population  
 Data Set: Census 2000 Summary File 1 (SF 1) 100-Percent Data  
**60804 5-Digit ZCTA, 608 3-Digit ZCTA by Census Tract**

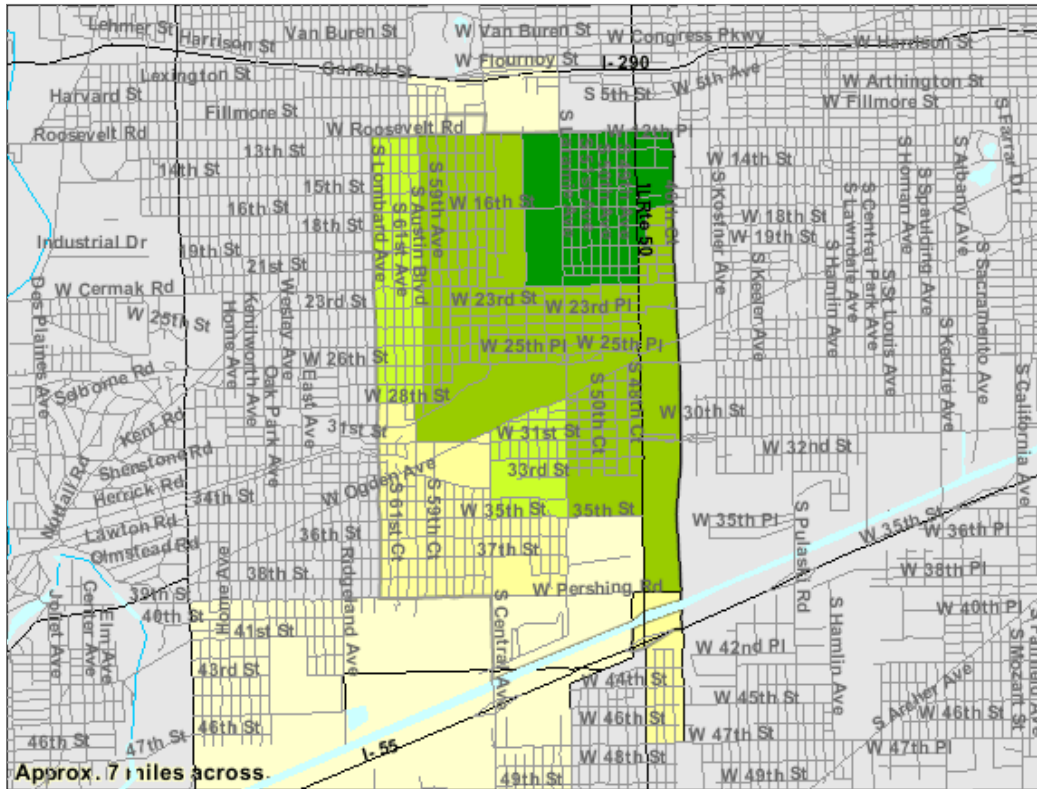
NOTE: For information on confidentiality protection, nonsampling error, definitions, and count corrections see <http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.



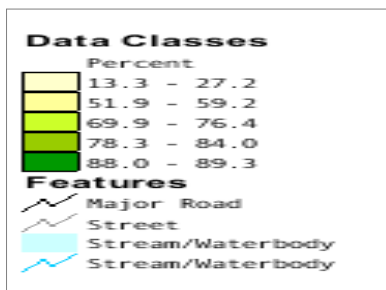


**Percent of Persons Who Are Hispanic or Latino (of any race): 2000**  
 Universe: Total population  
 Data Set: Census 2000 Summary File 1 (SF 1) 100-Percent Data  
**60804 5-Digit ZCTA, 608 3-Digit ZCTA by Census Tract**

NOTE: For information on confidentiality protection, nonsampling error, definitions, and count corrections see <http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.



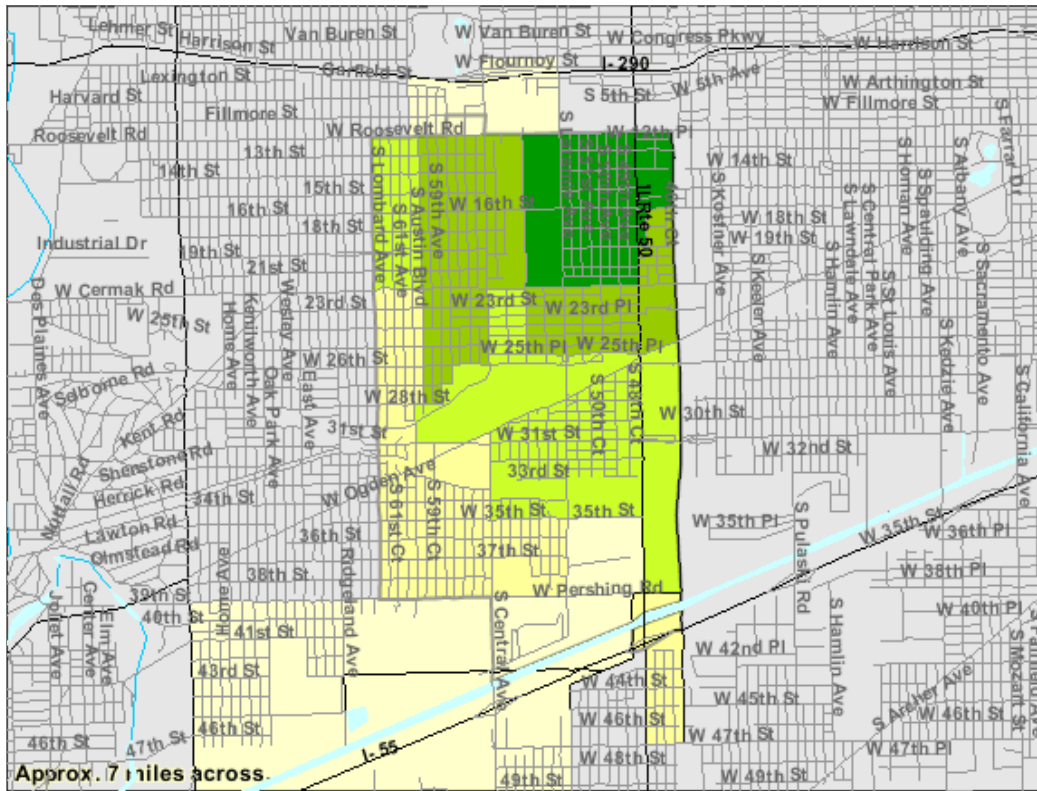
Source: U.S. Census Bureau, Census 2000 Summary File 1, Matrices P1, P8.



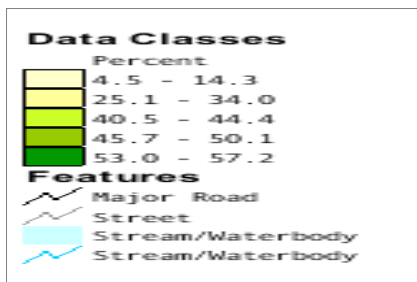


**Percent of Persons Who Are Some Other Race Alone: 2000**  
 Universe: Total population  
 Data Set: Census 2000 Summary File 1 (SF 1) 100-Percent Data  
**60804 5-Digit ZCTA, 608 3-Digit ZCTA by Census Tract**

NOTE: For information on confidentiality protection, nonsampling error, definitions, and count corrections see <http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.



Source: U.S. Census Bureau, Census 2000 Summary File 1, Matrices P1, and P7.



**Town of Cicero Census Tract Map**



**Table 4: Census Tract Income Data**

CDBG ID	CDBG NAME	TRACT #	% Low/Mod
171332	CICERO	813300	78.02
171332	CICERO	813400	67.5
171332	CICERO	813500	56.42
171332	CICERO	813600	71.5
171332	CICERO	813700	66.62
171332	CICERO	813800	72.55
171332	CICERO	813900	68.46
171332	CICERO	814000	63.72
171332	CICERO	814100	71.9
171332	CICERO	814200	66.78
171332	CICERO	814300	65.63
171332	CICERO	814400	55.2
171332	CICERO	814500	48.83

## **VI. Managing the Process**

The Town of Cicero's Department of Housing, serving on behalf of the Town of Cicero, is the lead agency responsible for overseeing the development of the Town of Cicero's Consolidated Annual Performance Evaluation Report (CAPER), and is the entity responsible for administering the CDBG Program covered by the CAPER.

For further information or to make comments on this CAPER, please contact:

The Town of Cicero Department of Housing  
Attn: Jorge M. Rueda, Executive Director  
1634 South Laramie Avenue  
Cicero, IL 60804  
Phone: (708) 656-8223

### **Citizen Participation**

The Town of Cicero must make the CAPER available to allow citizens, public agencies and other interested parties the opportunity to examine its contents and submit comments. The Town of Cicero shall accomplish the above by doing the following:

1. Publish a summary of the CAPER in one newspaper of general circulation, and on the Town's Website. This summary must include a list of the locations where copies of the CAPER can be examined.
2. Make copies of the proposed CAPER available at libraries, government offices, and other public places.
3. The Town of Cicero made the proposed CAPER available on the Town's Website:

<http://www.thetownofcicero.com/departments/housing-department#actPlan>

Public Comments were solicited and gathered via email, and in person at the Public Hearing.

4. Make a reasonable number of free copies of the CAPER available to citizens and groups that request it.
5. Allow a 15-day comment period prior to submitting to HUD.
6. Hold a public hearing to receive comments and views.
7. Attach a summary of all comments or views, and a summary of any comments or views not accepted and the reason therefore, to the final CAPER.

**(See Tab 1 & 2)**

### **Institutional Structure**

The Town has in place a network of agencies, programs and resources to meet the social service and housing needs of our residents. Any unmet needs will be reviewed and the programs reassessed and addressed on an ongoing basis from year to year.

### **Social Service Needs**

Within the Town of Cicero, social service needs are addressed by town departments such as the Community Mental Health Board, the Health Department, the President's Office for People with Disabilities and the Cicero Youth Commission.

In addition, other governmental bodies such as, the Cicero Housing Authority (CHA) also contributed this program year.

Many other governmental agencies are also involved: Illinois Planning Council on Developmental Disabilities, Illinois Housing Authority, Illinois Department of Public Health, Illinois Department of Alcohol and Substance Abuse, Illinois Department of Mental Health and Developmental Disabilities, Illinois Department of Public Aid, and the Illinois Department of Aging.

Cicero also has a wide variety of not-for-profit, social service agencies providing a wide-range of services: Berwyn-Cicero Council on Aging, Children's Center of Cicero-Berwyn, the Fillmore Center for Human Services, Oak/Leyden Developmental Services, Inc., Sarah's Inn, WIC, Salvation Army, OARS (Older Adult Rehabilitative Services, the Catholic Charities, Boy's Club, Family Service and Mental Health Center of Cicero, Seguin Services, Seguin Retarded Citizens Association, Mujeres Latinas en Accion, and Pillars Community Services.

### **Housing Needs**

Housing needs are addressed by the following governmental and social service agencies: the Cicero Health Department (Emergency Shelter Program), the Cicero Housing Authority, Illinois Housing Authority, Illinois Department of Public Aid, Catholic Charities, Sarah's Inn, Seguin Services, and Seguin Retarded Citizens Association.

## **VII. Housing**

**The Town of Cicero offered three (3) housing programs to our residents.**

1. **The Home Repair Program (HRP)** is a grant with a maximum funding amount of \$4,999.00 to correct substandard living conditions, address health and safety hazards, alleviate deficiencies in the structure and make essential repairs/improvements to permit use by persons with disabilities. Types of projects completed consisted of updating obsolete electrical and plumbing systems and replacement of roofs, windows, porches and concrete which were defective or obsolete. As a result of the cost of the project, Lead Based Paint Regulations applied and were addressed through Risk Assessment/Paint Testing. All lead based paint hazard reduction activities discovered were addressed by the most cost effective means possible, either by paint film stabilization, interim controls or abatement. In addition, the owner/occupant was educated on the health effects of lead poisoning and how to protect their families by proper maintenance using safe work practices, housekeeping and nutrition. All owners and occupants were provided with the pamphlet "Protect Your Family from Lead in Your Home".
2. **The Emergency Heat Assistance Program (EHAP)** is administered by the Department of Housing. The EHAP is aimed at providing financial assistance to low income homeowners of the Town of Cicero for the purpose of repairing/replacing a defective heating unit, which requires immediate action to restore heat for the occupants of the structure. The program provided financial assistance between October 1<sup>st</sup> and March 31<sup>st</sup>, to owner-occupants of one and two unit residential properties in the form of a grant.
3. **The Accessibility Program (Access)** is administered by the Department of Housing. The Access Program is aimed at providing financial assistance to low income homeowners, in order to eliminate physical barriers, which inhibit the use of the dwelling unit by a person with disabilities. The program will provide financial assistance to owner-occupants of one unit residential properties in the form of a grant with a maximum amount of \$24,999 per project.

### **Housing**

The 2010 US Census reported Cicero to have 24,562 housing units and 95% of these were built prior to 1980. Most of these units are single-family dwellings and multiple unit buildings of up to four stories tall. The age of Cicero's housing stock coupled with the fact that many of the occupied housing units are severely overcrowded has had a negative impact on the safety and livability of these housing units. While



**Town of Cicero, Illinois**  
**PY 2015 Consolidated Annual Performance Evaluation Report**

the development of new housing would be an ideal goal, the best strategy for the immediate future is to rehabilitate and repair existing housing and bring them up to code.

The Town of Cicero's Housing Rehabilitation Program is designed to preserve our existing housing stock and neighborhoods, while assisting property owners to eliminate all property code violations. The program encourages property owners to take responsibility for home maintenance and develop pride in their homes and neighborhoods. The Housing Rehabilitation Program enables property owners to make improvements to mechanical and structural systems and to correct other code violations.

Action taken: The Department of Housing funded \$ 400,000.00 of its PY2015 CDBG allocation for the Housing Rehabilitation Program (Construction Costs), to assist low-to moderate income owner/occupants of one and two unit residential properties. **This money and unused allocations from previous year(s) was spent on 20 completed projects and 28 total units.** Of the recipients of this assistance, 1 was very low income, 10 were low income, and 18 were moderate income.

These programs include:

1. The Housing Repair Program (HRP)
2. The Emergency Heat Assistance Program (EHAP)
3. The Accessibility Program (Access)

There is an identified gap in Cicero's Community Development Block Grant Program. The Town only has a certain dollar amount they can allocate to these projects. Capping the grant at \$4,999.99 spreads a benefit out over more people, but the scope of the projects is decreased. Any project over \$4,999.99 demands risk assessments, safe work practices, and clearance of lead hazards, which drives the cost of rehab up as much as \$25,000.00. Taking into account these lead costs, the amount of quality projects the department can accomplish decrease further more. The Town of Cicero is currently addressing this issue, by revising the current policy and procedure for the Housing Rehabilitation Program.

The Town of Cicero Department of Housing, if awarded extra funds for Housing and Lead Hazard Reduction, would remove the cap on the grant amount, and perform more quality, and impacting rehabilitation projects within the Town of Cicero, to revitalize the community, increase home safety, and sustain decent housing for their residents.

The Goal of this year's action plan was to assist 50 households. The Town was able to assist 20 households with a total of 28 units, including the Access and HRP Programs

The Following list is Completed Housing Rehabilitation Projects completed during PY2015. The list includes type of program (Home Repair Program [HRP], Emergency Heat Program (Heat), Accessibility Program [Access], and Lead Hazard Reduction Program [Lead].

**Town of Cicero, Illinois**  
**PY 2015 Consolidated Annual Performance Evaluation Report**

**Table 5: PY2015 Complete Housing Rehab Projects**

<b>HRP</b>	<b>Heat</b>	<b>Accessibility</b>	<b>Lead</b>	<b>Units</b>	<b>Census Tract</b>
	\$3,129.00			2	8142
\$4,999.00				2	8140
\$4,500.00				1	8145
\$4,999.00				1	8141
\$3,200.00			\$750.00	1	8145
\$4,999.00				2	8138
\$3,385.00				1	8144
\$4,999.00				1	8142
		\$7,600.00	\$9,735.00	1	8136
\$4,999.00			\$700.00	1	8138
\$4,999.00			\$1,500.00	2	8140
\$4,999.00				1	8139
\$4,999.00				2	8144
\$4,557.00			\$950.00	1	8138
\$4,999.00				2	8135
\$4,999.00			\$800.00	1	8141
\$3,850.00				1	8137
\$4,850.00				2	8141
\$4,380.00				1	8145
\$4,999.00				1	8139
\$4,999.00			\$1,300.00	1	8135
\$4,999.00			\$1,300.00	2	8135
		\$16,700.00	\$23,170.00	1	8135

Table 6: Housing Accomplishments by Ethnic Group

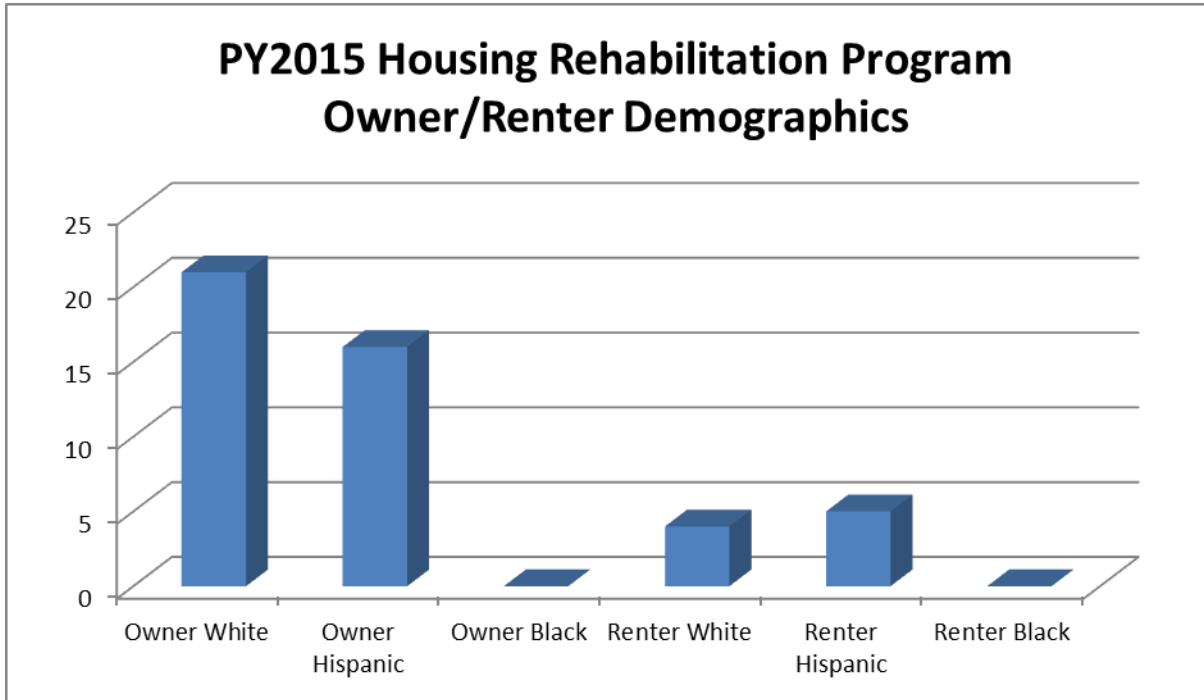


Table 7: Housing Accomplishments by Income Level

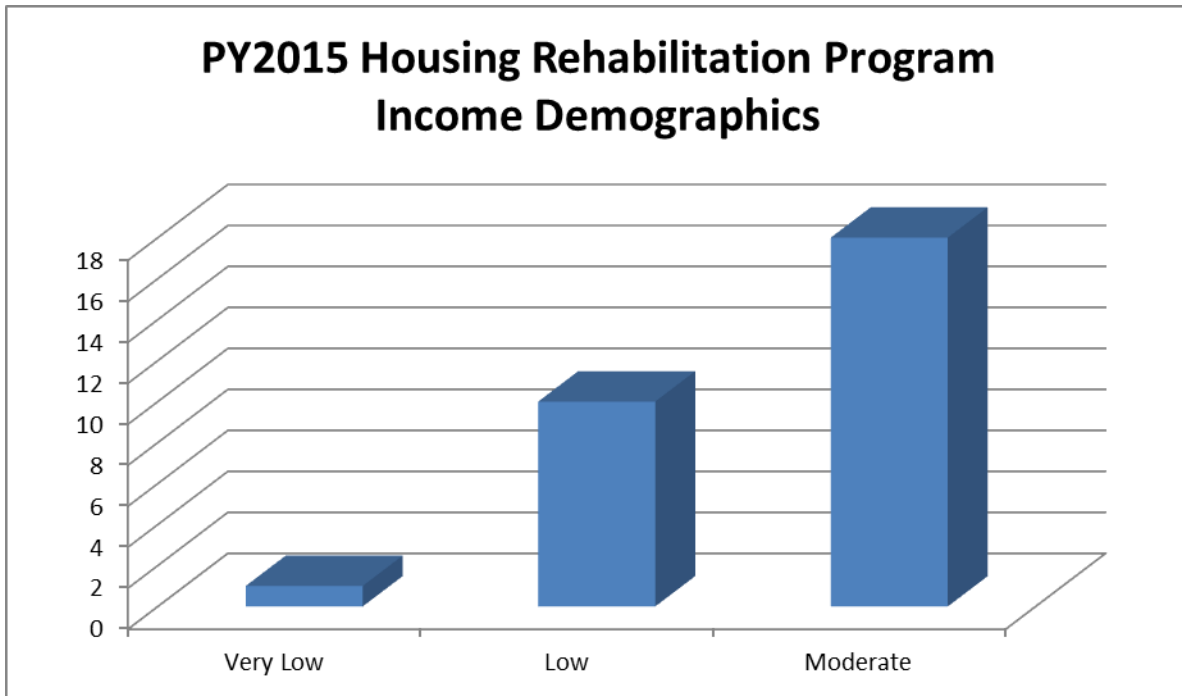


Table 8: Housing Accomplishments for Special Needs

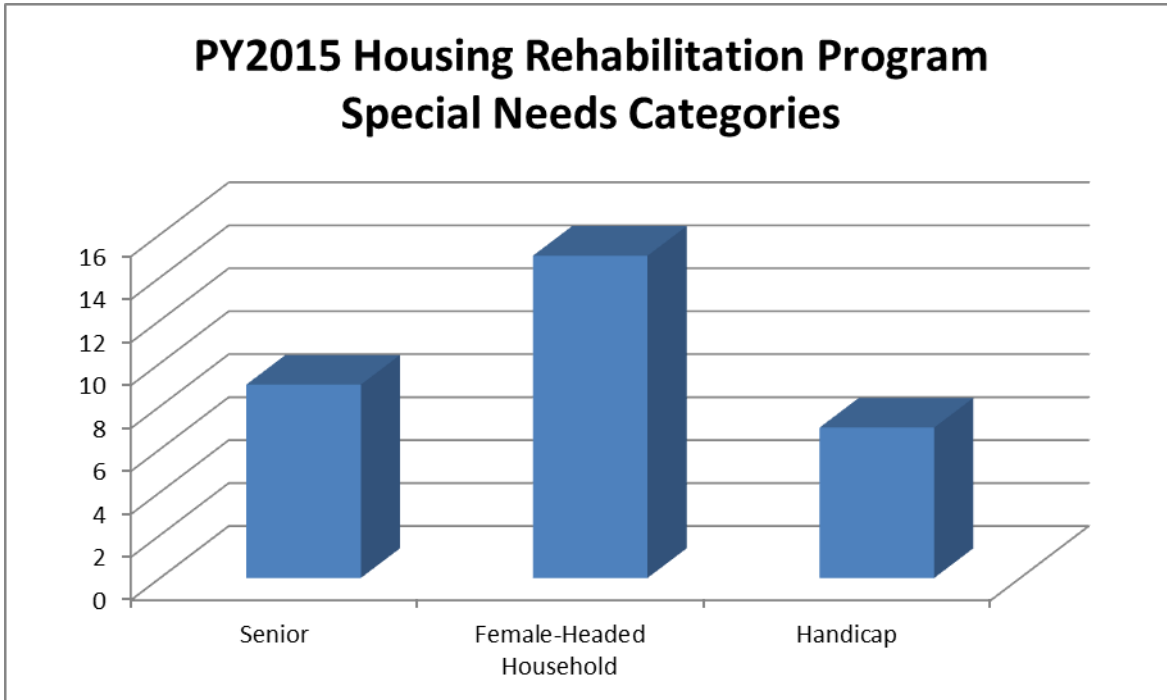


Table 9: Housing Accomplishments by Census Tract

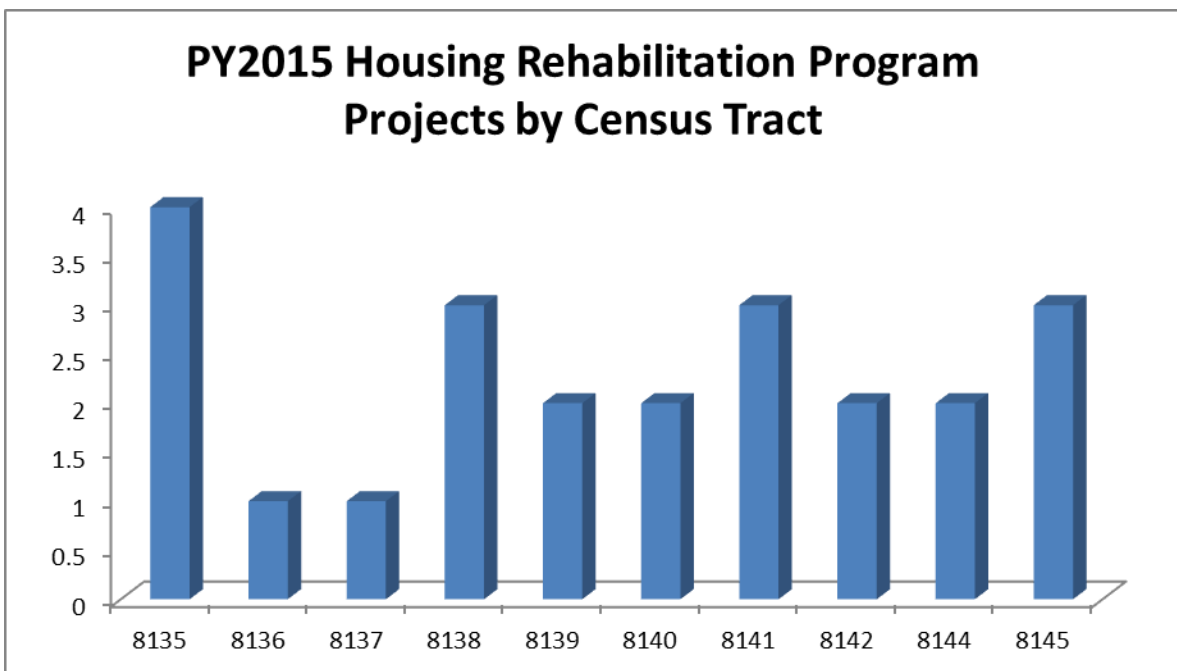
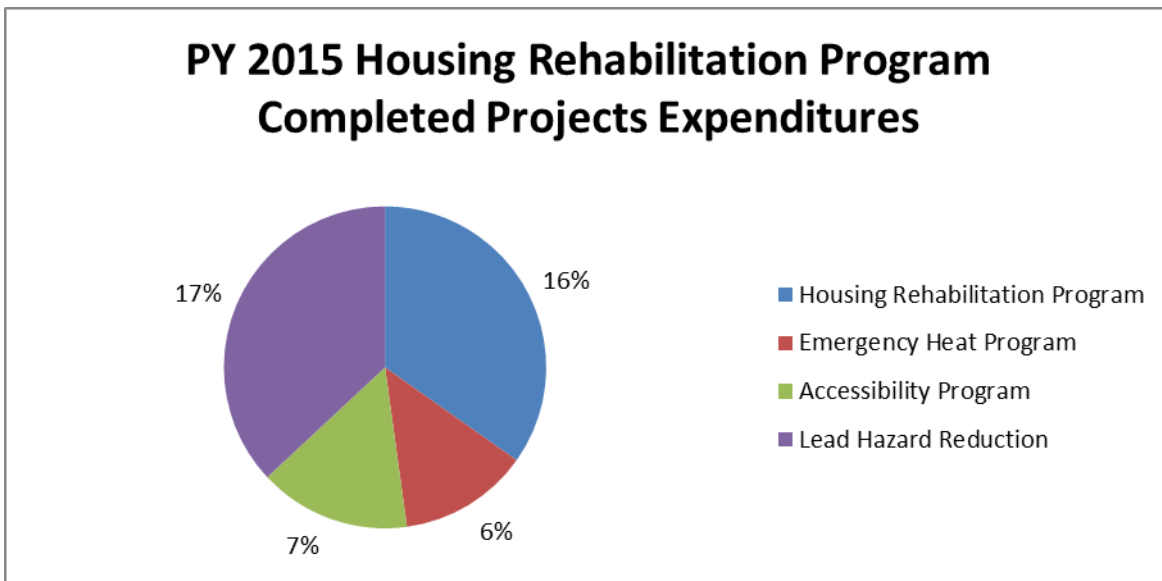


Table 10: Housing/Lead Expenditures by Program



#### Lead-based Paint

The Town of Cicero, as with all older communities, contains a large number of dwelling units containing lead based paint. Of these, 23,577 or 94.9% were built prior to 1970; and thus presumed that these dwellings all have lead based paint to some extent. In 1998, 62 children in Cicero scored a twenty or above blood lead level. It must be assumed, given the pervasiveness of the use of lead based paint, that 94% of the lowest moderate income families living in the Town of Cicero live in housing units containing lead based paint.

The Town of Cicero Health Department evaluates Lead Based Paint (LBP) hazards through literature and a referral testing service. The Health Department promotes educational literature in an attempt to educate Cicero residents on the effects LBP can have on individuals within their homes. This information is especially targeted toward the testing of young children. The Health Department refers Cicero residents to Kendon Medical Center, located at 7120 W. Cermak Road in Berwyn. Once LBP testing is complete, the Town of Cicero Health Department receives the results and contacts the patient in the event the results indicate a high level of lead poisoning. The Health Department suggests the patient should follow-up with a physician for further treatment.

#### Action Taken:

The Town of Cicero has a four-prong approach on the lead hazard problem:

- First, is a screening program to identify children with high lead levels and get them proper treatment.
- Second, continue implementing an education program that provides information on what lead poisoning is, how lead affects children, the importance of screening and methods that individuals may undertake on their own for reducing lead hazards and advising on the effects of good nutrition.
- Third, before a building containing residential units is sold, it must be brought up to code and all lead hazards abated. The Town of Cicero using both CDBG funds and TIF funds is looking at

implementing a program making deferred payment loans, which are to be repaid when the property is sold. With the rapidly rising home values in the Town of Cicero, this should result in little or no financial hardship for the homeowner. The Town of Cicero will have first lien on the property. This will return funds to the Town, which it can recycle to assist other homeowners in need.

- Finally, the Town of Cicero will continue to provide CDBG funding necessary to implement a program to identify and abate the sources of lead-based paint. With the implementation of the Lead-Based Paint Hazard Reduction regulation under 24 CFR 35 the Town has included Lead-Based Paint Hazard Reduction activities in all its rehabilitation programs. These activities include: paint testing, safe work practices, occupant protection, education and clearance testing before re-occupancy.

Over the course of PY2015, 9 units were treated for lead hazards from the Town of Cicero's Housing Rehabilitation Program, totaling \$13,210. The goal for PY 2015 was 10 units. The Town of Cicero has built a good working relationship with lead abatement contractors and secured the service of a state licensed risk assessor.

**Displacement**

During PY 2015, there were no people displaced by any activity carried out by The Town of Cicero Department of Housing. Department staff took part in Community Development and Displacement Uniform Act Update Training in 2006. Through this training, the department has solid knowledge and guidance for Section 104(d).

The department requires that all contractors use Safe Work Practices as listed at 24 CFR 35.1350 which includes:

**Occupant Protections:**

Occupants will not be permitted to enter the work-site during hazard reduction activities until after hazard reduction work had been completed and clearance had been achieved.

The unit and the work-site were secured against unauthorized entry, and occupant's belongings were protected from contamination by dust-lead hazards and debris during hazard reduction activities. Occupant's belongings in the containment area were relocated to a safe and secure area outside the containment area.

**Work-Site Preparation:**

The work-site was prepared to prevent the release of leaded dust, and contain lead-based paint chips and other debris from hazard reduction activities within the work-site until they were safely removed. Practices that minimize the spread of leaded dust, paint chips, soil and debris were used during work-site preparation.

Warning signs were posted at each entry to a room where hazard reduction activities were conducted when occupants were present; and at each main and secondary entryway to a building from which occupants had been relocated.

**Prohibited Methods:**

The following methods were not used to remove paint that was, or could have been, lead-based paint:

1. Open flame burning or torching.
2. Machine sanding or grinding without a high-efficiency particulate Air (HEPA) local exhaust control.
3. Abrasive blasting or sandblasting without HEPA local exhaust control.
4. Heat guns operating above 700 degrees Fahrenheit or chaffing the paint.
5. Dry sanding or dry scraping, except dry scraping in conjunction with heat guns or within one foot of electrical outlets.
6. Paint stripping in a poorly ventilated space using volatile stripper that is a hazardous substance in accordance with regulations of the Consumer Product Safety Commission, and/or a hazardous

chemical in accordance with the Occupational Safety and Health Administration regulations, as applicable to the work.

**Work-Site Cleanup:**

After hazard reduction activities were completed, the work-site was cleaned using cleaning methods, products and devices that are successful in cleaning up dust-lead hazards, such as a HEPA vacuum or other method of equivalent efficacy, and lead-specific detergents or equivalent.

In addition all projects are evaluated using a Relocation Screening Worksheet, which lists all activities that may require relocation. The scope of work of our rehabilitation projects that do not require relocation due to the following circumstances:

- Work did not disturb lead-based paint, or involve any lead dust hazard reduction activities.
- Work in the interior of the unit was completed within one period in eight daytime hours, the site was contained, and the work did not create other safety, health, or environmental hazards.
- Only the building's exterior was treated, the windows, doors, ventilation intakes, and other openings near the work site were sealed during hazard reduction activities and cleaned afterward, and a lead-free entry was provided.

Treatment was completed within five calendar days; the work area sealed; at the end of each day, the area within 10 feet of the containment area was cleared of debris and cleaned; at the end of each day, occupants had safe access to sleeping areas, bathroom, and kitchen facilities; and the treatment did not create any other safety, health, or environmental hazards.

In the event that relocation would be required we have in place a temporary relocation policy that provides for temporary housing that is decent, safe, sanitary and lead-safe.

The program also provides for all reimbursable housing expenses such as rent and utilities of the relocation unit as well as eligible transportation costs and moving/storage expenses.

**Public Housing Strategy**

The Town of Cicero has no public housing, but The Cicero Housing Authority (CHA) provided \$923,799.00 through its section 8 program.

The Cicero Housing Authority was established for the purpose of operating and maintaining housing for low-income households. The Federal Government sets the Housing Authority's Program Guidelines. The Housing Authority is funded for 232 units of Section 8 housing. Pursuant to these programs, property owners participating in the programs are allowed to charge fair market rents. Those rents as currently applied, are:

1. Efficiency .....	\$774.00
2. One-Bedroom .....	\$900.90
3. Two- Bedroom .....	\$1,058.40
4. Three-Bedroom .....	\$1,344.60
5. Four- Bedroom .....	\$1,602.00

Currently, the Cicero Housing Authority has made significant progress in an attempt to better meet the needs of residents participating and seeking assistance through the Housing Choice Voucher Program. The Cicero Housing Authority has begun various initiatives, which are intended to exemplify the mission statement established at the inception of the Housing Choice Voucher Program (HCV):

*The Cicero Housing Authority's mission is to provide safe, decent and sanitary housing conditions for very low-income families and to manage resources efficiently. The Cicero Housing Authority will promote personal, economic and social upward mobility to provide families the opportunity to make the transition from subsidized to non-subsidized housing.*

It is the opinion of the Cicero Housing Authority—both in the short and long-term—that rental markets within the Town of Cicero will see an increased demand. Because this rising demand in rental markets may, or may not, be due to the national housing crisis, the Cicero Housing Authority is preparing to position itself to better meet the possible rise in households, which will seek out subsidized housing.

The Cicero Housing Authority continues to make constant modifications to the internal operations of the organization. Most recently, the Cicero Housing Authority moved its office to 1634 S. Laramie Avenue, Cicero, IL 60804. Additionally, the Cicero Housing Authority reclassified its HAP equity against Admin equity in order to reflect a more accurate financial position.

### **Barriers to Affordable Housing**

Anything that adds to the cost or increases the regulations upon housing adds to the expense of purchasing or owning housing. To acquire property whether for rent or for direct occupancy, every person must have a minimum down payment and income sufficient to meet lending institutions loan guidelines. Given the paperwork involved in documenting a loan and obtaining title, the process is generally complex enough to require a purchaser to obtain an attorney to aid in the closing of the loan and the purchase, which only adds to the cost. Generally a purchaser will require title insurance, a survey, a termite inspection, and in The Town of Cicero, a Town Compliance Certificate in order to purchase and/or sell a property. All these costs can be considered to be subsumed within the purchase price.

Once a property is purchased or rented, insurance, taxes, and utilities must be paid and the housing must be maintained, all of which present some level of a barrier to affording the housing.

The Town of Cicero requires an inspection of the property of all homes, prior to the sale, to determine code compliance. This process is done at a minimal expense to offset the cost of the inspection. The properties not “up to code” are cited with a list of code violations, which must be corrected in order to obtain a Certificate of Compliance. The Town believes that the minimal cost is outweighed by the benefits of providing safe and sanitary housing that meets minimum codes. The Town has adopted the 2009 version of the International Residential Code (IRC) for Building, Fire Prevention, Mechanical, Plumbing and Property Maintenance Codes, and the National Electric Code. All code requirements add to the cost of producing and maintaining homes, but costs are outweighed by the benefits of safe, sanitary housing. Building codes are necessary to ensure some standard and average livability. An example of one of these codes, which is deemed to be essential, is the requirement that every dwelling unit have two (2) safe, unobstructed exits, and the requirement of having smoke and carbon monoxide detectors.

Likewise, property taxes add to housing costs. In the Town of Cicero, all property is assessed by the Cook County Assessor’s Office and the assessed value of the property is multiplied by the sum of the tax rates for all taxing bodies having authority within the corporate limits of The Town of Cicero, to arrive at the annual tax bill. As property values increase, taxes may increase even if the rates do not change.

The Town of Cicero has adopted a program of minimizing its tax rate increase at no more than five (5%) percent over the previous year’s rate. Commercial and industrial property is taxed at a higher rate than residential and commerce and industry; in effect subsidizing home ownership. The Town of Cicero also maintains a Zoning Ordinance dividing The Town into eight districts, five of which permit residential uses. Within the residential districts are provisions between single family and multiple family uses. One of the purposes of a Zoning Ordinance is to protect residential uses from commercial and industrial encroachment and to preserve the sanctity of housing districts. The Town’s building permit process is simplified and user friendly, and permits are issued at a minimal cost designed to offset the cost of the regulatory process. The Zoning Ordinance is strictly enforced and attempts to intensify the use of residential property are rarely permitted. However, the application process used is simple and the required hearings are promptly scheduled. The Town has struggled to maintain itself as a desirable place to live and believes that all of its codes are necessary in order to further that desire.



The Town of Cicero continues to be a community with affordable housing prices and rents. While prices are affordable, the majority of Cicero's Housing Stock was built prior to 1980. Repairs are essential but can be quite expensive. The housing rehabilitation program is very essential to the Town of Cicero and is a valuable resource for low-to-moderate income homeowners. The Town also keeps housing affordable through the Cicero Housing Authority Section 8 Program.

**Fair Housing**

On March 25<sup>th</sup>, 1993, the United States filed a complaint against The Town of Cicero alleging that the Town's occupancy code violated fair housing requirements. On December 3<sup>rd</sup>, 1997, the United States of America and The Town of Cicero entered into a consent decree. The consent decree did not constitute an admission by The Town of Cicero of any wrongdoing. Pursuant to the decree, the Town of Cicero agreed to halt enforcement of Cicero Health and Sanitation Code Section 19-81G1 and any other ordinance implementing the occupancy limits imposed by section 19-81 (a) and notified all residents through the mail, that Section 19-81 was no longer valid. Also, the Town of Cicero adopted the 2009 version of the International Residential Code (IRC) for Building, Fire Prevention, Mechanical, Plumbing and Property Maintenance Codes, and the National Electric Code. Since this time, the Town of Cicero has made available to its residents fair housing brochures provided by the Federal Government. In addition, the Town of Cicero will continue ongoing seminars for its officials and employees on fair housing practices.

Prior to starting the current 5 year Consolidated Plan, The Town of Cicero performed an Analysis of Impediments to Fair Housing (AI). At the conclusion of this process, the Town of Cicero Department of Housing did identify potential impediments to Fair Housing Choice. The impediments to Fair Housing Choice and the suggested recommendations are:

**Impediments to Fair Housing identified through this Analysis**

1. Lack of employee training regarding Fair Housing Laws, and discriminatory practices.
2. Lack of Knowledge regarding Fair Housing Laws and Protective Classes.
3. Lack of local government/community service agency participation in community outreach regarding education in Fair Housing.
4. The Illinois Legislative Latino Caucus Foundation identified language barriers and information asymmetry an impediment to Fair Housing.

**The Town of Cicero Department of Housing Recommendations**

1. The Town of Cicero Employees should complete Fair Housing Training, to ensure all employees are aware of Fair Housing and Discrimination Laws.
2. The Town of Cicero should sponsor workshops and events on Fair Housing, tailored to renters, purchasers, landlords, local government, and social service workers.
3. The Town of Cicero should conduct informative seminars with private business, non-profit agencies, and the public to affirmatively further Fair Housing.
4. The Town of Cicero should publish information regarding protective classes, and fair housing laws in their monthly Town News Letter.
5. The Town of Cicero needs to ensure that bilingual materials, services, and outreach are available to the community.
6. The Town of Cicero should have a Certified Fair Housing Investigator. This certification can be received from the National Fair Housing Training Academy.

The Town of Cicero Department of Housing also identified impediments to decent affordable housing as a by-product to the analysis of impediments to Fair Housing. While not a requirement of this analysis, The Town of Cicero Department of Housing felt it was important to disclose these identified impediments, and make appropriate recommendations. The impediments to decent affordable housing are:

**Impediments to Decent Affordable Housing identified through this Analysis**

1. The demand for housing is high in Cicero, but the amount of decent, affordable housing units is not keeping pace with demand.
2. The age of Cicero's current housing stock places a greater burden on upkeep and maintenance, thus raising the price of decent housing, and also adding to financial burden from issuance of tickets/violations.
3. Some foreclosures may be forcing families to "double-up" in homes/apartments.
4. Illegal Apartments located in the Town, are impediments to safe, affordable housing.
5. Cost-Burden in homeownership remains in the Town of Cicero.
6. Local infrastructure (Streets/Alleys/Sewer) is deteriorating, and with high cost-burden, need to be invested in.

**The Town of Cicero Department of Housing Recommendations**

1. The Town needs to perform outreach to educate the public on the safety issues related to illegal apartments.
2. Investigate the possibility of offering an incentive program to install energy efficient appliances/windows, insulation, etc. in properties.
3. Continue, or expand the Keep Cicero CLEAN event.
4. Increase investments in Town Road and Alley pavement projects, to maintain the safety and livability of our neighborhoods.
5. The Town should explore additional funding sources, or internally subsidize/offer incentives for a developer to build on all "Town-Owned" property zoned for residential purposes, with a clause that these units be made "affordable", and made available to current Town of Cicero Residents to attempt to alleviate the population density.
6. The Town of Cicero needs to perform a land-use assessment/needs assessment, to determine creative ways to alleviate the overcrowding issue in regards to people-per-unit, illegal basement apartments, parking congestion, traffic congestion, school congestion, etc...
7. The Town of Cicero needs to offer "Customer Service Training" for all employees of the Town.

**HOME/ American Dream Down Payment Initiative (ADDI)**

The Town of Cicero has been in the process of trying to obtain HOME funds from Cook County. Cicero, as a member of the Cook County HOME Consortium, has never received any HOME dollars in over 20 years it has been a member of the Consortium. The Town of Cicero probably has the greatest need for assistance with its housing problems. Obtaining HOME funds would greatly assist the Town in efforts to provide safe and decent housing for its citizens.

**Eligible Activities Utilizing Home Funds**

HOME funds can be used to cover development hard costs. These costs are actual costs of constructing or rehabilitating housing. These costs include the following:

- ⌘ HOME funds can be used for the new construction of rental or permanent housing for low income individuals
- ⌘ HOME funds can be used for rehabilitation, conversion of non-residential buildings to residential, reconstruction and new construction of non-luxury housing.
- ⌘ HOME funds can be used on improved properties to assist with rents for low income families or individuals.
- ⌘ HOME funds can be used for rehabilitation to:
  - Correct substandard conditions
  - Make essential improvements including energy related improvements/repairs
  - Improvements to permit use by persons with special needs
  - Lead-based paint hazard abatement
  - Repair or replace major housing systems in danger of failure.

### **VIII. Homeless Needs/Prevention**

Cicero is part of the Continuum of Care process and supports the Continuum-wide planning and coordination of resources, programs, shelter, housing, and services for homeless persons in suburban Cook County. Cicero participates in the Alliance to End Homelessness in Suburban Cook County through the local West Suburban Coalition to End Homelessness, and supports the four objectives of the Alliance's strategy on Homelessness which are:

- 1) *Expanding homelessness prevention efforts;*
- 2) *Supporting existing emergency and transitional housing programs;*
- 3) *Creating new permanent supportive housing; and*
- 4) *Increasing county-wide planning and coordination of homelessness programs and services.*

#### **1. Permanent Housing**

Cicero Housing Authority operates 232 units of subsidized housing.

#### **2. Transitional Housing**

The Town of Cicero Emergency Shelter program provided shelter for extreme emergencies with a hotel stay for up to 3 days. These calls come through the town's Building Department, Fire Department or a referral from agencies. In addition to the services provided by the Town of Cicero Emergency Shelter Program, the following agencies also offer services to Cicero's homeless:

- Seguin: has changed their name to UPC Seguin they have 7 CILA homes in Cicero with 24 residents. In two homes there are 6 homes residents - these are our "shift-staffed" homes, with rotating shifts of staff providing services. 3 of the homes have 2 residents and 2 of the homes have 3 residents – these are our shared living or adult foster homes.
- Oak Leyden Developmental Services: Provides persons with developmental disabilities, affordable supportive housing.
- Sarah's Inn, Des Plaines Valley Community Center, Youth in Crisis, and the Salvation Army: Provide people with overnight shelter, meals, and referral services.

#### **3. Coordination**

Through the use of CDBG funds, Town of Cicero funds, and the line of communication established in the development of the Consolidated Plan, The Town anticipates coordinating its efforts along with the efforts of other agencies to provide for a comprehensive network of services. Where appropriate, and where consistent with the town's goals, the town will support applications of other agencies for funding of services and programs.

This plan is a starting point and a tool to provide comprehensive services. Further refinement and improvements are necessary, and hopefully will come through continued communication and coordination with The Town and outside agencies. The Town will continue its efforts to promote economic opportunity and hopefully reduce the number of households below the poverty level.

The Alliance to End Homelessness in Suburban Cook County coordinates the Cook County Continuum of Care (IL-511), which encompasses homeless assistance efforts throughout all of Cook County except for the city of Chicago. Established in 1997 as the Task Force on Homelessness, the group changed its name and formally incorporated in August 2004. To shift its focus from managing homelessness to ending homelessness in our county, the Alliance also hired a full-time staff and secured nonprofit 501(c)(3) status in 2005.

As the lead agency for suburban Cook County's Continuum of Care, the Alliance brings together a range of services and housing options for homeless people. The Alliance convenes a variety of stakeholders to cooperatively set priorities, collect data, rank project applications, and measure outcomes. In coordinating the annual application to the US Department of Housing and Urban Development (HUD) for homeless assistance grants, the Alliance brings in approximately \$8 million per year to support over forty homeless programs in the region.

The Alliance organizes its work at the local grassroots level into three Community Based Service Areas (CBSAs) for Homeless Assistance. These CBSAs—serving the north, west, and south areas of suburban Cook County—form a collaborative homeless assistance information, referral, shelter, and service delivery system within their local communities. The CBSAs have been instrumental in the overall development and implementation of the Continuum of Care strategy.

The mission of the Alliance to End Homelessness is to strive for the elimination of homelessness in suburban Cook County through the coordination and maximization of available resources to assist homeless individuals and families. The Alliance serves as a convener for the collaborative, community-based endeavors of homeless service providers, affordable housing developers, local governments, foundations, and the private sector.

There are currently six projects supported by McKinney-Vento Homeless Assistance Grants that have some units in or participants from Cicero. Together, these programs represent nine (9) affordable units of supportive housing in Cicero. One of the six projects is a services-only program that serves about 27 homeless people per year who are from Cicero.

**Figure 3: Cook County Continuum of Care**

<b>LEAD AGENCY:</b>	<b>PROGRAM:</b>	<b>APARTMENTS IN CICERO (estimated):</b>
Catholic Charities	New Hope Apartments - West	2 apartments
CEDA & West Suburban PADS	West Supportive Housing Program	One 2 BR apartment
Pillars (formerly, Community Care Options)	Project WCHIP	One apartment
Vital Bridges	Shelter Plus Care	2 apartments
West Suburban PADS & South Suburban PADS	Project WISH	Three 1 BR apartments
Pillars (Community Care Options) & West Suburban PADS	Project WIN (supportive services only)	Approx. 27-30 Cicero residents served annually

**IX. Emergency Solutions Grant (ESG)**

The Town of Cicero received an Emergency Solutions Grant (ESG) for Program Year 2015 in the amount of \$135,154. This grant will be used to address the needs for homeless prevention in the Town of Cicero. Homelessness is an area of focus for the Town of Cicero. The Alliance to End Homelessness in Suburban Cook County (the Alliance) is the nonprofit organization responsible for planning and coordinating homeless services and housing options in suburban Cook County and leads the local Continuum of Care (CoC). The Alliance, as the CoC coordinates annual funding applications for and distribution of HUD Shelter Plus Care and Supportive Housing Program dollars to address the needs of homeless persons, and those at risk of homelessness throughout suburban Cook County. The Alliance recently completed a strategic plan, providing a comprehensive look at homeless trends in suburban Cook County. The Alliance found that while homelessness is predominantly an issue afflicting single-individuals, a growing share of the homeless population is in families. Overall, the number of homeless people increased 16% between 2011 and 2013. More than 1/5 of those who are homeless suffer from serious mental illness and more than 15% struggle with substance abuse. If all people in suburban Cook County who are residing in “doubled-up” living situations (e.g., living with relatives or friends typically temporarily) were considered homeless, the number of homeless would be far higher.

The Alliance’s plan emphasizes the role that structural factors such as housing costs and employment opportunities play a role in homelessness trends. Nearly 13% of the known homeless population in suburban Cook County is considered chronically homeless, meaning he or she has been homeless for an extended period of time or has cycled in and out of homelessness repeatedly. Over 11% are veterans, and over 10% are leaving domestic violence situations. A substantial share has a disability, such as substance use (17%) or a mental illness (21%). When the most vulnerable people experiencing homelessness in the county were surveyed, nearly 1/2 reported having spent time in a jail or prison in the past.

Since the inception of the Alliance, the supply of permanent supportive housing has quadrupled, while chronic homelessness has decreased by almost 2/3. These trends can be attributed to a number of factors, including the success of the national 100,000 Homes Campaign and stimulus funding for homeless prevention and rapid re-housing. As a result, one of the Alliance’s main goals between 2014 and 2016 is ending chronic homelessness in suburban Cook.

The Cook County Consortium and the Alliance have an existing strong partnership related to homeless programming, funding, and special initiatives. During the development of this plan, the Town of Cicero consulted with Cook County and the Alliance to determine the needs of homeless persons or persons at risk of homelessness. This consultation and coordination will continue throughout implementation.

**Homeless Strategy**

The Town of Cicero is in the process of entering into an intergovernmental agreement with Cook County as to the administration of the Town’s ESG Grant. Cook County is in possession of the intergovernmental agreement and is reviewing will work with the Alliance and subrecipients to encourage agencies to provide technical assistance in getting people who have experienced homelessness, to be more involved in policy roles. The Town will support specific homeless activities.

Street Outreach.....	\$ 20,000
Emergency Shelter.....	\$ 30,000
Homelessness Prevention.....	\$ 33,154
Rapid Re-Housing.....	\$ 30,000
Data Collection (HMIS).....	\$ 15,000
Administration.....	\$ 7,000

- 1) Street Outreach is directed toward finding people experiencing homelessness who might not use shelter or services. It includes building relationships, checking on and monitoring clients’ welfare, assessing vulnerability, linking to services, and providing follow-up case management to ensure successful linkage to services. Outreach is a critical first step in connecting chronically homeless people with the services they need and reducing the length of time they spend homeless. This is a challenge as a result of limited resources available to support such services. The Alliance has been making strides in expanding outreach, and through the work of the Alliance staff and street outreach providers, the Town will focus in partnership towards increasing the geographic coverage of street outreach and securing adequate resources for street outreach.
- 2) Emergency shelters in suburban Cook County are largely operated on a seasonal basis, in rotating congregations and staffed primarily through volunteers. They operate within a funding and practice context that is moving away from using shelters as a housing solution and with growing recognition that, for many people who end up in shelters, their homelessness could have been prevented in the first place. In order to respond to this context and to meet the goals of reducing how many people enter the homeless system, the Alliance will focus on strengthening assessment and referral practices to connect people to housing as quickly as possible and divert emergency shelter stays whenever possible.

- 3) Homelessness prevention activities are designed to reduce the number of people who become homeless for the first time. Activities include short or medium-term financial assistance and services as well as tenant and legal services. In addition it includes systems prevention efforts with institutions that may discharge people without stable housing lined up. A newly emerging area of prevention work is identifying the situations that make a person most likely to become homeless and intentionally targeting households with those situations. This reinforces the importance of assessment in the process.
- Transitional housing is itself going through a transition across the nation. Through research and the emergence of newer housing and service models, it is becoming clearer that transitional housing should prioritize individuals and families going through transitional periods in their lives. Their service needs are acute but not indefinite. Examples include victims of domestic violence, people in recovery or in treatment, and young adults with a history of child welfare involvement. In order to create the right mix of housing types for those within the homeless system and to promote housing stability and success, the Alliance will focus on redefining the role of transitional housing within local housing continuum and developing alternative funding and service models for transitional housing. The Town of Cicero will participate in and support these efforts as appropriate.
  - Permanent supportive housing is broadly understood to effectively end homelessness for those with disabilities, especially chronically homeless individuals and families. The expansion of permanent supportive housing has been a core feature of the Alliance's work since its inception. The 150 Homes campaign has reached new people and established processes to get chronically homeless off the streets quickly and housed permanently. This recently transitioned into the Zero: 2016 effort which aims to end veteran homelessness by the end of 2015 and chronic homelessness by the end of 2016. In short, persons who are assessed and score low will be provided with services only. Those who score in the middle will be targeted with Rapid Re-housing, and those who score high will be targeted for Permanent Supportive Housing. The Alliance has been working very closely with the Veterans Administration on this initiative. Moreover, the Alliance believes that ending chronic homelessness is attainable in suburban Cook County with more newly created and newly targeted permanent housing. The Alliance will also focus on ensuring that permanent supportive housing targets populations with intensive service needs, those who experience long-term homelessness, those who are vulnerable, and those who are the hardest to house. The Town of Cicero will participate in and support these efforts as appropriate.
- 4) Rapid re-housing, short to medium term rental assistance with limited services, is the newest player in terms of interventions on the housing continuum targeted at people experiencing homelessness. While it has many features similar to transitional housing, in rapid re-housing the assistance is temporary but the housing is meant to be permanent. The rapid re-housing programs in suburban Cook County are small given the limited amount of funds available. The Alliance sees rapid re-housing as a key tool to shorten the duration of homelessness, and through staff leadership and the work of many committees and providers, the Alliance will focus on increasing rapid re-housing capacity, ensuring that rapid re-housing targets populations with low to moderate service needs, and developing standards and procedures for rapid re-housing.
- 5) Data Collection (HMIS) - The Alliance has primary responsibility for all HMIS activities. Beginning with the 2003 Continuum of Care (CoC) grants and continuing with the Emergency Solutions Grants (ESG), the United States Department of Housing and Urban Development (HUD) requires

all grantees and sub-grantees to participate in their local Homeless Management Information System. This policy is consistent with the Congressional Direction for communities to provide data to HUD on the extent and nature of homelessness and the effectiveness of its service delivery system in preventing and ending homelessness. The HMIS and its operating policies and procedures are structured to comply with the most recently released HUD Data and Technical Standards for HMIS. The Alliance uses all submitted data for analytic and administrative purposes, including the preparation of Alliance reports to funders and the Continuum's participation in the Federal Annual Homeless Assessment Report (AHAR). Aggregate data taken from the HMIS is used to inform Strategic Planning activities and the Consolidated Plans of Cook County and other entitlement communities.

- 6) Administration – Up to 7.5 % of the ESG funds can be used for administrative activities. These activities include general management, oversight, and coordination on reporting on the program.

Under this grant, The Town of Cicero through Cook County will aim to address the emergency shelter and transitional housing needs of homeless persons through the deployment of ESG resources to agencies that provide said housing options as noted.

Additionally, The Town of Cicero will be committed to helping homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living as well as to shorten the period of time that individuals and families experience homelessness. In order to shorten the period of time that individuals and families experience homelessness, the Town of Cicero will support rapid-re-housing assistance that helps participants quickly obtain and sustain stable housing through the ESG program.

The Town of Cicero had conversations with representatives of HUD, the Alliance of Cook County, and Cook County representatives as to the direction this ESG grant will be administered. Talks will continue to finalize a collaboration between the Town of Cicero and Cook County regarding the town's portion of ESG funding.

The Town of Cicero will work diligently with Cook County into a further collaboration regarding the available Emergency Solutions Grant (ESG) from the U.S. Department of Housing and Urban Development. The Town of Cicero will provide additional information regarding the collaboration once an agreement is in place.

#### **X. Community Development**

The Town of Cicero addressed priority needs through the housing rehabilitation program and its PY2014 subrecipients. The majority of the subrecipients were able to follow through with their proposed accomplishments, but as mentioned above, we have had some difficulties with some. In total, **2,180** persons were assisted by public service agencies. Also, issues in Public Facility Projects were addressed, and Cicero residents now have improved access to these public facilities, or are now served by a public facility that is no longer substandard. The total number benefiting from these activities are **615 +/-**. These numbers should increase, as our open activities come to a close, and the subrecipients report their accomplishments.

Overall The Department is working diligently to address all needs identified in the Consolidated Plan. The Town of Cicero Department of Housing staff has been pro-actively attending training sessions. All projects funded were used exclusively for one of the three national objectives.

The Town of Cicero does not have a CDBG "targeted area" in which to expend funds. Housing Projects are based on household income, and Public Service projects must serve predominantly low-to-moderate income residents. The Department also funds agencies based on Limited Clientele, for example, the Youth Commission.

**Town of Cicero, Illinois**  
**PY 2015 Consolidated Annual Performance Evaluation Report**

The following lists are Public Service and Public Facility Projects, funded during PY2015 included in the list are national objective and matrix code, and funded amount and drawn amount.

*The funded amounts include funds allocated to the activity from previous years after an amendment was published.*

**For detailed information regarding beneficiaries by race, ethnicity, income category, etc. Please refer to the PR23 Report located in Tab 8.**

**Table 11: Public Service Projects**

<b>Public Service Projects</b>						
<b>Act #</b>	<b>Project Name</b>	<b>Nat Obj</b>	<b>MTX</b>	<b>Funded</b>	<b>Drawn</b>	<b>Balance</b>
737	Boys Club	LMC	05D	\$16,600.00	\$0.00	\$16,600.00
738	Children's Center	LMC	05L	\$24,500.00	\$14,152.60	\$10,347.40
739	Cicero Youth Commission	LMC	05D	\$70,000.00	\$70,000.00	\$0.00
740	Family Services	LMC	05O	\$62,500.00	\$57,310.00	\$5,190.00
741	Literacy Program	LMC	05D	\$30,000.00	\$30,000.00	\$0.00
742	South Cicero Baseball	LMC	05D	\$20,000.00	\$18,835.23	\$1,164.77
743	CEDA	LMC	5	\$12,000.00	\$9,794.17	\$2,205.83

**Table 12: Public Facility Projects**

<b>Public Facility Projects</b>						
<b>Act#</b>	<b>Project Name</b>	<b>Nat Obj</b>	<b>MTX</b>	<b>Funded</b>	<b>Drawn</b>	<b>Balance</b>
744	TOC Alley Repavement	LMA	03K	\$668,016.63	\$42,266.14	\$625,750.49



Summary of CDBG-Funded (Priority Need)  
 Community Development Accomplishments  
 For Public Services/Facilities  
 Town of Cicero  
 Program Year 2015

**Table 13: Public Services/Facilities**

<b>Public Services</b>		
<b>Priority Need Category</b>	<b>Agency Name</b>	<b>Persons Assisted</b>
Youth Centers	The Boys Club	148
	Youth Commission	572
	Literacy Program	234
	South Cicero Baseball	276
Day Care Centers	Children's Center of Cicero	135
Mental Health Centers	Family Services & Mental Health Center	798
Support Services	CEDA	17**
<b>Total Served</b>		<b>2180</b>
<b>Public Facilities</b>		
<b>Priority Need Category</b>	<b>Agency Name</b>	<b>Persons Assisted</b>
Public Facilities	Town of Cicero Alley Repavement	615+/-
<b>Total Served</b>		<b>615</b>

\*\* Households

**Town of Cicero, Illinois**  
**PY 2015 Consolidated Annual Performance Evaluation Report**

Summary of CDBG-Funded (Demographics)  
 Community Development Accomplishments  
 For Public Services  
 Town of Cicero  
 Program Year 2015

**Table 14: Public Services**

<b>Agency Name</b>	<b>White</b>	<b>Hispanic</b>	<b>Asian</b>	<b>A.Indian/Alskn</b>	<b>N.Hawaiian</b>	<b>Afr.American</b>	<b>Other</b>	<b>/Af.Amer.&amp;wh</b>
The Boys Club	124	124	0	1	0	4	18	1
Youth Commission	551	545	0	0	0	21	0	0
Lieracy Program	234	234	0	0	0	0	0	0
South Cicero Baseball	8	4	0	265	0	3	0	0
Children's Center of Cicero	131	131	0	0	0	4	0	0
Family Services & Mental Health Center	776	650	1	0	0	21	0	0
CEDA	16	16	0	0	0	1	0	0
<b>Total Served</b>	<b>1840</b>	<b>1704</b>	<b>1</b>	<b>266</b>	<b>0</b>	<b>54</b>	<b>18</b>	<b>1</b>

<b>Agency Name</b>	<b>Ex. Low</b>	<b>Low</b>	<b>Moderate</b>	<b>NonLow/Mod</b>
The Boys Club	109	32	7	0
Youth Commission	536	36	0	0
Literacy Program	46	172	16	0
South Cicero Baseball	94	69	75	38
Children's Center of Cicero	79	46	7	3
Family Services & Mental Health Center	556	190	31	21
CEDA	17	0	0	0
<b>Total Served</b>	<b>1437</b>	<b>545</b>	<b>136</b>	<b>62</b>

## **Monitoring**

The Town of Cicero's Department of Housing is the designated lead agency responsible for administering the Community Development Block Grant Program (CDBG) funded by the U.S. Department of Housing and Urban Development (HUD). With its CDBG entitlement grant, the Department of Housing funds a number of "subrecipients", particularly agencies that administer public service projects serving Cicero's low-moderate income population. All these agencies receiving CDBG funds are required to sign an agreement detailing all pertinent regulations, certifications, project descriptions, and performance requirements.

Subrecipients of CDBG funds are required to adhere to the same rules and regulations HUD imposes on entitlement grantees. One way to ensure subrecipients are in compliance with HUD rules and regulations is through monitoring. All of the Town of Cicero's Department of Housing CDBG subrecipients are monitored regularly during the program year with a minimum of two on site visits. Verbal correspondence and mail correspondence between the subrecipient and the grantee is ongoing and plays a valuable role in ensuring compliance.

The Town of Cicero's Department of Housing subrecipient monitoring visits addressed the five following components:

**1. Compliance with Eligible Activities and National Objectives**

- The Town of Cicero's Department of Housing verifies that the subrecipient has documentation showing that the funded activity is HUD eligible and meets one of the prescribed national objectives.

**2. Progress against Production Goals stated in the Written Agreement.**

- The Town of Cicero's Department of Housing reviews the subrecipient's production goals to determine if they are achieved and on time.
- If the production goals were not met, The Town of Cicero's Department of Housing determines whether the subrecipient took all reasonable actions and steps to try to meet their production goals on time.
- The Town of Cicero's Department of Housing determines whether or not the subrecipient has the capacity to meet production goals.

**3. Compliance with CDBG Program Rules and Administrative Requirements.**

- The Town of Cicero's Department of Housing determines if the subrecipient selected households/individuals who were income eligible and if income was verified correctly.
- The Town of Cicero's Department of Housing determines if requirements for conflict of interest and religious organizations are being met.

**4. Timely use of Funds**

- The Town of Cicero's Department of Housing determines if the subrecipient uses funds in a timely manner, and if there is program income, The Town of Cicero's Department of Housing verifies whether it was used before additional funds were requested.
- If the subrecipient has program income, The Town of Cicero's Department of Housing determines if the subrecipient is tracking its receipt and if the funds were expended before requesting CDBG funds from The Town of Cicero Department of Housing.

**5. Prevention of Fraud and Abuse of Funds**

- The Town of Cicero's Department of Housing determines if the subrecipient's financial management system prevents fraud and mismanagement of funds.

The monitoring visits also included a review of all financial records associated with the CDBG grant, income, race verification procedures, visual audits of items purchased, inventory schedules, salary documentation, labor standards, EEO compliance, fair housing literature, procurement, etc.

**Town of Cicero, Illinois**  
**PY 2015 Consolidated Annual Performance Evaluation Report**

The Department also conducted site inspections during and after the construction of infrastructure projects, and the rehabilitation and/or lead abatement of residential units. The inspections were carried out to ensure that high quality construction work was performed and completed on time. The Department also performed follow-up audits after it receives Single Audit Reports from Subrecipients. Reports are generated which identify project status, findings, corrective actions, and unused funds. The Town of Cicero Department of Housing monitors all Public Facility projects to ensure compliance with all Federal Regulations, including the Davis Bacon Act. The Department also requires a quarterly written status report from all Subrecipients, to assess the overall performance of each program and activity.

The goals of The Town of Cicero's Department of Housing monitoring policy is to ensure that HUD rules and regulations in respect to the CDBG program are being met and subrecipients are fulfilling their pledge to achieve the goals in their respective agreements with the Town of Cicero. The Town of Cicero's Department of Housing also uses the monitoring process as a way to determine whether or not the goals stated in the one-year Action Plan and five-year Consolidated Plan are being met. The following spreadsheets show the dates agencies were visited, as well as amount of concerns brought about from those monitoring sessions.

**Table 15: First Monitoring Session**

Name of Agency	Date of Visit	Number of Concerns
Boys Club of Cicero	03/21/16	0
Children's Center	03/24/16	0
Youth Commission	03/22/16	0
Family Services	03/22/16	0
Literacy Program	03/23/16	0
CEDA	03/24/16	0
South Cicero Baseball	04/05/16	1

**Table 16: Second Monitoring Session**

Name of Agency	Date of Visit	Number of Concerns
Boys Club of Cicero	08/16/16	0
Children's Center	08/15/16	0
Youth Commission	08/17/16	0
Family Services	08/17/16	0
Literacy Program	08/17/16	0
CEDA	08/24/16	0
South Cicero Baseball	08/18/16	0

**Performance Measurement**

In response to Federal Register/Vol. 71, No. 44 issued on March 7<sup>th</sup> 2006, The Town of Cicero has edited its 2015-2019 Consolidated Plan, and its corresponding Annual Action Plans. As part of the Federal Register, grantees must implement and track new information designated as Performance Measurement. The Performance Measurement will be a tool for The Department of Housing and Urban Development (HUD) to use to tell the story of their formula grantees.

**Town of Cicero, Illinois**  
**PY 2015 Consolidated Annual Performance Evaluation Report**

Performance measurement contains specific objectives and outcomes that will be standardized to ensure that an accurate story can be told both to Congress as well as the public. The story will inform both Congress and the public of the wonderful accomplishments that the formula grantees contribute to society as a whole.

The Performance Measurement System offers three possible objectives for each activity. These objectives are based on the broad statutory purposes of the four formula grants:

1. Creating Suitable Living Environments
2. Providing Decent Housing
3. Creating Economic Activities

The Performance Measurement Working Group considered a wide range of reasons why a grantee might fund activities and narrowed the outcomes down to the following:

1. Availability/Accessibility
2. Affordability
3. Sustainability

When choosing outcomes and objectives, grantees will combine the objective with the outcome to come up with an outcome statement. These can be seen below in table A.

<b>Table A Outcome Statements</b>			
	Outcome 1: Availability/ Accessibility	Outcome 2: Affordability	Outcome 3: Sustainability
Objective 1: Suitable Living Environment	Accessibility for the purpose of creating Suitable Living Environments	Affordability for the purpose of creating Suitable Living Environments	Sustainability for the purpose of creating Suitable Living Environments
Objective 2: Decent Housing	Accessibility for the purpose of creating Decent Housing	Affordability for the purpose of creating Decent Housing	Affordability for the purpose of creating Decent Housing
Objective 3: Economic Development	Accessibility for the purpose of creating Economic Opportunities	Affordability for the purpose of creating Economic Opportunities	Affordability for the purpose of Creating Economic Opportunities

**Non-homeless Special Needs**

Services to this particular population require the coordination and collaboration of both governmental and not-for-profit agencies. Persons served include the developmentally disabled, the mentally ill, victims of domestic violence, victims of sexual abuse, and youths in need of daycare services, after school programs, summer programs, and cultural awareness programs.

During PY2015, The Town of Cicero Department of Housing funded several non-homeless special needs projects. These agencies include Children’s Center (day care services), Boys Club of Cicero , Cicero Youth Commission and the Literacy Program (after school programs), Family Services (mental health counseling), CEDA (housing counseling), and Vida Abundante (youth services).

**Specific HOPWA Objectives**

**Not Applicable**

**XI. Neighborhood Stabilization Program**

Pursuant to the Housing and Economic Recovery Act of 2009 (HERA), the Town of Cicero completed a Substantial Amendment to their PY2010 Annual Action Plan in order to obtain Neighborhood Stabilization Funds (NSP). The Town of Cicero received a grant allocation of \$2,078,351.00 in NSP funds for the purpose of carrying out NSP activities.

The Town of Cicero had enacted 3 different Projects under the NSP Program. These Projects are:

- General Program Administration
- Down Payment Assistance/Rehabilitation
- Property Purchase, Redevelopment, and Sale

**Table 17: NSP Budget\***

<b>NSP Activity Summary Report</b>			
<b>Project #</b>	<b>Description</b>	<b>Budget</b>	<b>Obligated</b>
Project 1	Purchase & Rehabilitation of Rental Properties	0.00	0
Project 3	Financing Mechanisms for Down Payment Assistance, and Rehabilitation of Foreclosed Properties	900,786.53	900,786.53
Project 4	Demolition & Redevelopment	1,439,228.25	1,439,228.25
Project 6	Administration	246,354.39	246,354.39
<b>Total Allocation</b>		<b>2,586,369.17</b>	<b>2,586,369.17</b>

\*Obligated includes Program Income

**DPA Program Summary**

The Town of Cicero established the NSP Down Payment Assistance (DPA) Program to assist low to middle income home buyers with the purchase of a home, while attempting to stabilize the Town during the foreclosure crisis throughout the country. The program also attempts to spark interest in homeownership, and to sustain property values. The program is administered by the Town of Cicero Department of Housing.

To maximize the effectiveness of the NSP Program as a vehicle for enhancing affordability, borrowers pay no current principal or interest on the second mortgage for as long as they own their home. A mortgage in which payment is deferred is also known as a "silent second" mortgage. There is no interest calculated on the amount borrowed.

Loan principal is due and payable upon a variety of conditions or circumstances, the most common one being the sale or transfer of the home.

The Town of Cicero lends an eligible Borrower 20% (up to \$65,000.00) for down-payment assistance and up to \$24,999.00 of any rehabilitation work needed to bring the property up-to-code. The new homeowner would also receive a grant of up to \$30,000.00 to mitigate any lead-based paint hazards, and other environmental hazards identified through a risk assessment. This part of the program is no longer available.

If the borrower fails to live in the residence for up to twenty years (depending on size of loan) and one month they are required to repay the un-forgiven balance of their loan.

If borrower lives in the home for longer than twenty-years and one month, the down-payment assistance provided is forgiven in its entirety, as long as the property has been maintained in code compliance.

**NSP Funds Invested Minimum Period of Affordability**

- Under \$15,000 - 5 years
  1. years 1-5 (20% each year)
- \$15,000 to \$40,000 - 10 years
  1. years 1-5 no forgiveness
  2. years 5-10 (20% forgiveness each year)
- Over \$40,000.00 – 15 Years
  1. years 1-5 no forgiveness
  2. years 5-15 (10% forgiveness each year)
- New Construction – 20 years
  1. year 5: 25% forgiven
  2. year 10: 25% forgiven
  3. year 15: 25% forgiven
  4. year 20: 25% forgiven

**NSP DPA Program Accomplishment Summary**

Currently, The Town of Cicero has had the following accomplishments under the Down Payment Assistance/Rehabilitation Program:

- **Down Payment Assistance/Rehabilitation (80-120% AMI):**
  - 6 Total Projects
  - Average investment per unit - \$85,067

<b>Race/Ethnicity/Household</b>	
White	0
Black/African American	1
Hispanic	5
Female Headed Household	2

- **Down Payment Assistance (50% AMI):**
  - 6 Total Projects
  - Average investment per unit - \$95,489

<b>Race/Ethnicity/Household</b>	
White	0
Black/African American	0
Hispanic	6
Female Headed Household	4

### **Redevelopment Program Summary**

The Town of Cicero has established the NSP Redevelopment Program, to assist low to middle income home-buyers with the purchase of a home, while attempting to stabilize the Town of Cicero during the foreclosure crisis throughout the country. The NSP program also attempts to spark interest in homeownership, and to sustain property values. The NSP program is administered by the Town of Cicero Department of Housing.

In this NSP program, the Town of Cicero purchases a vacant and foreclosed property, and after closing, the Town of Cicero determines if the property is eligible for renovation, or if demolition and new construction is more appropriate. Once the redevelopment is complete, the home is listed for sale to income qualified and NSP program qualified applicants. The home is sold at an affordable rate, and a 20% Down Payment Subsidy is left in the property (secured by a mortgage note and lien) to ensure affordability.

To maximize the effectiveness of the NSP program as a vehicle for enhancing affordability, borrowers pay no current principal or interest on the second mortgage for as long as they own their home. A mortgage in which payment is deferred is also known as a “silent second” mortgage. There is no interest calculated on the amount borrowed.

Loan principal is due and payable upon a variety of conditions or circumstances, the most common one being the sale or transfer of the home.

The repayment terms for these loans are the same as those listed above for the DPA Program.

The Town of Cicero also set-aside ½ of the Town-Home Redevelopment Project, to be sold to an applicant at or below 50% AMI in order to fully meet the 25% funding set aside requirement for those in that income bracket.

- Demolition & Redevelopment Summary:
  - Properties have been acquired by the Town
  - Redeveloped Property has already sold to an income-qualified applicant.
  - Redeveloped Property has an offer accepted, and pending closing
  - Redeveloped Property is in close-out stages of construction and will be listed FOR SALE.
  - Property is ready for demolition and redevelopment, and program income will fund this project.
  - Redeveloped Properties are currently being constructed

<b>Race/Ethnicity/Household</b>	
White	2
Black/African American	0
Hispanic	3
Female Headed Household	1

### **NSP Program Assessment**

Overall, the Town of Cicero's NSP Program has been a complete success. The Town of Cicero feels satisfied that not only have we transferred “renters” into “owners” we have assisted those that thought home ownership was not possible. Through dedication from property identification, through closing, and finally through rehabilitation, these applicants were able to purchase a home.

The Town of Cicero is satisfied that these applicants not only have decent affordable housing, but the



program went above and beyond standard code compliance. The infrastructures of these homes were completely rehabilitated, correcting neglect and improper rehabilitation; lead hazards are no longer there, other environmental issues have been corrected, and in several cases, major structural issues were corrected. The Town of Cicero wanted to ensure new homeowners a suitable living environment.

The Town of Cicero relied on individual applicants to identify potential properties, make offers, and get them accepted. The original requirement of a 15% discount from the appraised value was difficult, as cash investors outbid applicants regularly. The Town of Cicero had at one time over 25 people actively searching for homes, and pre-qualified for the program. Many applicants became discouraged by the repeated denial of offers, and chose to drop out of the program.

A second major issue of this program was unforeseen at the time of development. This issue is related to the rehabilitation portion of the program. Our applicants are low to moderate income that could not afford large mortgages; therefore the majority of the homes purchased were in horrible condition (probably the reason they were able to get offers accepted). These properties required substantial rehabilitation. The town did not want to place an un-needed burden on these new homeowners, who were now paying rent, and a mortgage until rehabilitation and lead clearance was achieved. This placed stress on Town staff, the contractors involved, and the homeowners. Thankfully, each rehabilitation project was completed and all homeowners are enjoying their homes.

These issues were a major factor in amending the program budget, to allow the town to purchase homes directly, rehabilitate/redevelop them and place them for sale. This allowed the town to obligate funds quickly, and allow the town ample time for rehabilitation/redevelopment, without the stress of unneeded financial burdens on applicants.

If the Town of Cicero were to receive additional NSP funding in the future, this program would not be continued, and the Redevelopment Program would be the main priority for funding.

The Town had set aggressive goals for the program in their substantial amendment for the NSP Program:

**Down Payment Assistance/Rehabilitation**

- Goal: 19 units
- Actual: 12 units
- Difference: 7 number of units
  - While the town did not meet their unit goal, this program is still considered a success, as the new homeowners are enjoying their rehabilitated properties, and we were able to meet our obligation goals.

**Redevelopment/Sales**

- Goal: 10 Units
- Actual: 6 Units
- Difference: 4 units
  - While the Town has yet to meet their goal of 10 units, Program Income received from the sales of the redeveloped units will be returned to further fund this project. It is expected, that after all program income has been recycled, ten (10) units will be accomplished.

The Town found itself in a position where 100% of the funds would not be obligated by the deadline, and several amendments to the plan were performed, to allow the Town the opportunity to increase the amount of homes they could purchase, demolish, and build new construction homes. Funds were transferred from the DPA/Rehabilitation Program, to the Redevelopment Program.

**NSP Accomplishments for the Year**

Currently, the Town of Cicero has a remaining balance of \$113,467 from its NSP Entitlement Grant. Combine that amount with the \$248,579 in Program Income; the Town has a total of 362,046. In PY2015, the Town of Cicero is considering amending the NSP Action Plan to address the issue of slum and

blighted property around Town. The Town of Cicero's Building Department has addressed different properties that pose a threat to the health and safety of the community. If approved by HUD, the remaining funds will target the demolition of those properties identified as slum and blight.

### **XII. Antipoverty Strategy**

The Town's Strategy to eliminate poverty is to assist the agencies that have been put in place to address this circumstance. The Family Service and Mental Health Center of Cicero and the Cicero Health Department are instrumental in providing services to individuals in the hope of eliminating or reducing poverty.

### **XIII. Home Improvement Loans**

The Home Improvement Loan Program (HILP) is used to finance improvements to bring the property up to code, energy conservation improvements and lead hazard evaluation and reduction activities.

Home Improvement Loans are provided as a loan for ten (10) years with 3% interest and repayment, which is recorded as a mortgage (*1<sup>st</sup> or 2<sup>nd</sup> position only*). There is *no* assumptions allowed and prepayment *is* allowed with no penalty.

However, if the applicant (all title holders) is sixty-two (62) years of age or older and has a low to moderate income household on a fixed income and repayment of a rehabilitation loan would cause the applicant's monthly fixed expenses to exceed 60% of their gross monthly income, principal payment shall be deferred and paid at the time of the sale of the property or the death of the borrower (to be paid by the estate of the borrower). *All deferred loans must be in a first mortgage position.*

This program is no longer offered; however, to date there is one (1) outstanding loan totaling \$5,666.90. This loan has been deferred.

### **XIV. Economic Development**

At the start of PY2015, there were still (2) outstanding economic development loans, which consist of a medical office and a graphite parts manufacturer.

All of the companies receiving assistance through this program have the capability to expand job creation in areas requiring little or no special skill. Also, they have the ability to train lower skilled individuals as needed to assume job tasks with greater responsibility and technical proficiency. The ability of this department and program is to be flexible enough to accommodate these businesses through periods of economic stagnation, when job creation is low or non-existent due to weakened demand for their services or products is one of its greatest strengths. Currently, the Town of Cicero is no longer offering loans to small businesses and will continue to maintain and offer assistance to the current four outstanding loan recipients that were previously funded.

At the end of the 2015 program year, there was one (1) remaining outstanding economic development loans. The remaining loan (Midwest Graphite) is in default, and the Town of Cicero was previously notified that the loan holder has been foreclosed. The Town of Cicero has become more aggressive in responding to delinquent loans, and has partnered with both our department attorney, and 5/3 Bank's Small Asset Recovery Division to ensure recipients keep their loans current. The Town of Cicero Department of Housing's attorney prepared a personal guarantee lawsuit against the loan holder in default. To date the loan holder has only made one (1) payment of \$911.83 dated October 24, 2013 to the remaining balance of approximately \$32,000.

The other small business loan holder (Family-Medical) has paid off its loan as of June, 2016.

<b>PY2015 Caper - Outstanding Small Business Loans</b>		
<b>October 1, 2015 through September 30, 2016</b>		
A. Total number of loans and principal balance for Small Business Loans:		2
Applicant	Beginning Principal Balance	Status
Midwest Graphite	\$83,000.00	Default
<b>Total</b>	<b>\$83,000.00</b>	
B. Total number of deferred loans, principal balance and terms of deferral:		0
C. Total CDBG loans, and amounts that have gone into default:		1
Applicant	Ending Principal Balance	Status
Midwest Graphite	\$32,147.36	Default
<b>Total</b>	<b>\$32,147.36</b>	

**XV. Amendments**

An amendment to the annual action plan was made during PY2015. We anticipated the need for these amendments in order to administer the program in a more efficient and effective manner.  
**(See Tab 3)**