

ROCKFORD HOUSING AUTHORITY

REVITALIZE. RENEW. RESPECT.

**Visit the Past and
Vision the Future**

Inaugural Event | September 10



Special thanks to our
Board of Commissioners:

Gerald Lumpkins,
Chairman

Phyllis Ginestra,
Vice-Chairman

Alice Jenkins
Ric Cervantes
Karen Hoffman

Additional thanks to our
Executive Advisory Board:

Todd Cagnoni,
City of Rockford
(Community Development)

David Sidney,
City of Rockford
(Real Estate Design/Development)

Shelly Perkins,
DeKalb County
Housing Authority
(Public Finance and Administration)

Ginnie Weckerly,
Goodwill, NI
(Human Resources)

The Executive Advisory Board (EAB) advises the CEO and the Executive team in the activities of the Rockford Housing Authority and its ancillary companies; with particular emphasis on advancing housing, supportive services and human resources so that RHA can meet its mission.

223 S. Winnebago St.
Rockford, Illinois 61102
815-489-8500 (office)

ROCKFORDHA.ORG

September 10, 2014

On behalf of our Board, staff and clients, welcome to the Rockford Housing Authority's inaugural celebration! Tonight we pay tribute to our past, celebrate our present, and look toward the vision of our future.

There was a time when our agency was a leader. We led with innovative resident programs both locally and nationally, but then we lost our way...

Since 2009, the agency has been focused on learning from our past and charting our path to success. Along the way there have been bumps and diversions, but in 2013 we found our path. We emerged with a new strategic plan created with the Board, staff, residents and community partners at the table. Fundamental to our plan are our core values. These values drive our actions so that we meet our goals and objectives.

In order to meet our goals, we must invest in our staff, our real estate and our service platform. These investments will provide returns to our staff and residents as well as our community. In spite of fading federal support for our core programs, RHA worked to substantially increase these investments.

In 2014, investments in staff training (\$160,000) exceeded twice that of 2011 and years prior. Investing in staff is critical because people are at the core of what we do: providing the best possible service to our clients through agile staff who find satisfaction in a job well done. Proposed 2015 investments remain consistent.

More capital, equity and redevelopment investments have been made in our real estate portfolio in the past three years. Increases in our average annual real estate assessment scores mean safer, better quality developments with benefit to our residents, staff and community. In the next two years, RHA anticipates making the largest "bricks and mortar" investment, since the early 1970s. We aim to provide new deconcentrated, quality, affordable housing for our community. This will be *housing of opportunity*.

Over the coming year, we will live up to the promises of greater investment in our service platform. We are currently establishing a structure of outcomes based performance standards and programmatic outcomes review. This "dashboard" will drive focus, decisions and results as we convert to evidence based programmatic principals.

Long term, we will secure and grow our role as a leading human service and community development agency for our region, delivering results above your expectations.

Thank you for your investment in our agency and your continued presence in our future!

Ron Clewer
Chief Executive Officer

Guided by its strategic plan, RHA has made several significant, award-winning advancements in transitioning the agency towards a high-performing, high-impact agency; delivering results that improve the lives of our clients and improve our community.



ORGANIZATIONAL VALUES

- Leadership
- Respectful
- Quality
- Accountable
- Integrity
- Consistent
- Resourcefulness
- Caring
- Collaborative
- Professional

MISSION – “RHA partners with the community and responsible residents to transform houses into homes while guiding families to self-sufficiency”

VISION – “Within 5 years the RHA will re-establish itself as a high-performing agency that is a leader in housing and sustainable communities by developing additional, non-HUD revenue streams, increasing our asset base and offering state-of-the-art resident initiatives.”

“Making a positive difference in the lives of our clients.”

HISTORY - ROCKFORD HOUSING AUTHORITY

The **Rockford Housing Authority (RHA)** is a municipal, nonprofit corporation established in 1951 to provide quality affordable and low-rent housing. Public housing needs were determined by the State Housing Board under the Certificate of Need issued with the formation of the agency. Public Housing products and quantities were adjusted over time to meet the needs of the community.

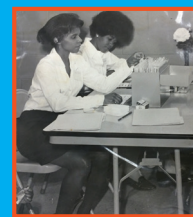
The Housing Authority operates under a financial assistance contract with the Department of Housing and Urban Development (HUD), a federal agency, and works closely with HUD in the development and operation of its programs.

In 1974, Congress authorized new funding platforms for affordable housing and community development. These regulations moved to place the funding and support for affordable housing at the local level vs. a directive from our nation's capital.

RHA now works closely with other community improvement organizations involved in providing better housing for low-income families, eliminating substandard housing, effecting housing code enforcement and uplifting and encouraging self-improvement of the community's low-income families.

The Authority has changed dramatically over the past sixty years as political will and federal funding ebbed and flowed. In 2009, the agency recognized the need to better utilize public and private resources as a means to reinvent itself.

In 2013 the RHA Board of Commissioners, by process and resolution adopted a strategic plan, guided by a new mission and strategies to lessen the agencies reliance on federal funding and to achieve its vision.



1951

RHA formed by Rockford City Council

1967-1972

RHA constructs 90% of its current inventory

1974

Section 8 program is authorized

1975

RHA begins to build adult and youth resident empowerment programs

1980-88

RHA adds 139 new construction scattered sites homes

ORCHiD NEIGHBORHOOD - HISTORY

On November 7, 1843 David S. Haight purchased 3,631 acres from the United States for the sum of \$45.39. This area East of the Rock River is now known as Haight Village.

On June 21, 1845 David S. Pennfield purchased the land now known as ORCHiD (Old Rock College Historic District) for the sum of \$201. David S. Pennfield died on May 20, 1873. Three former mayors lived in the ORCHiD neighborhood along with bank presidents, CEOs and other industry leaders. Many of these historic homes still stand today.

Rockford Female Seminary was built in 1852 at the intersection of Seminary and Morgan streets. The Seminary occupied the land where the strip mall and Brewington Oaks now stand. The library portion of the old college is the only building left and still stands next to the Rock River.

One graduate was Jane Addams who also became one of the most famous women in the world. She won the Nobel Peace Prize in 1931.

The Seminary became co-ed and its name was changed to Rockford College. In 1964, Rockford College moved to its current location on East State Street.

- Written by Jaye Baer, ORCHiD member and former ORCHiD Historian



2008

Redevelopment of the Jane Addams site begins in the ORCHiD neighborhood



2011

RHA launches the Ellis Heights Choice Neighborhoods planning process



2013

Phase 1 Jane's Nobel Village is complete

2014

RHA is nationally recognized as both a pioneer and innovator in housing and housing programs

PUBLIC HOUSING

Public Housing in Rockford was authorized under a certificate of need in 1951.

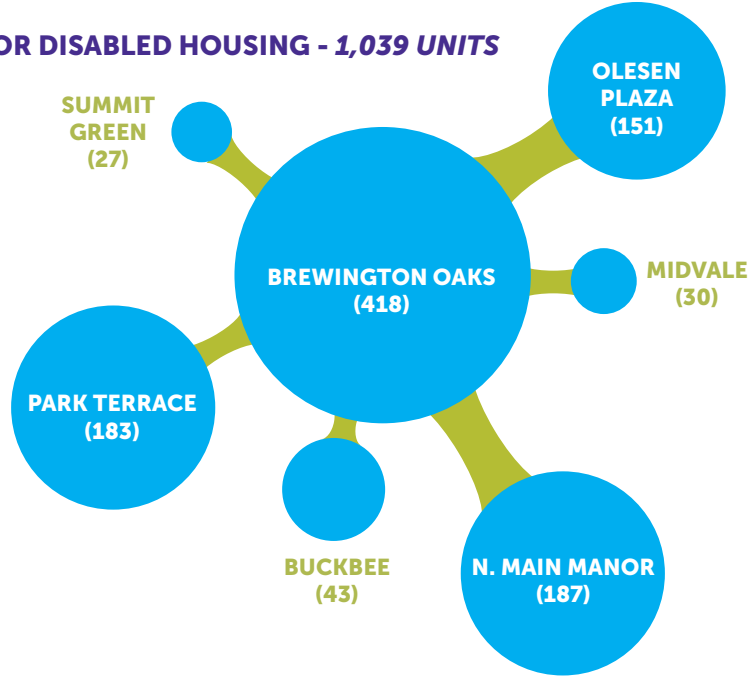
The U.S. Department of Housing and Urban Development (HUD) administers Federal aid to local housing agencies (HAs) that manage the housing for low-income residents at rents they can afford. There are approximately 1.2 million households living in public housing units, managed by some 3,300 HAs.

Public housing was established to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities. Public housing comes in all sizes and types, from scattered single family houses to high rise apartments for elderly families.

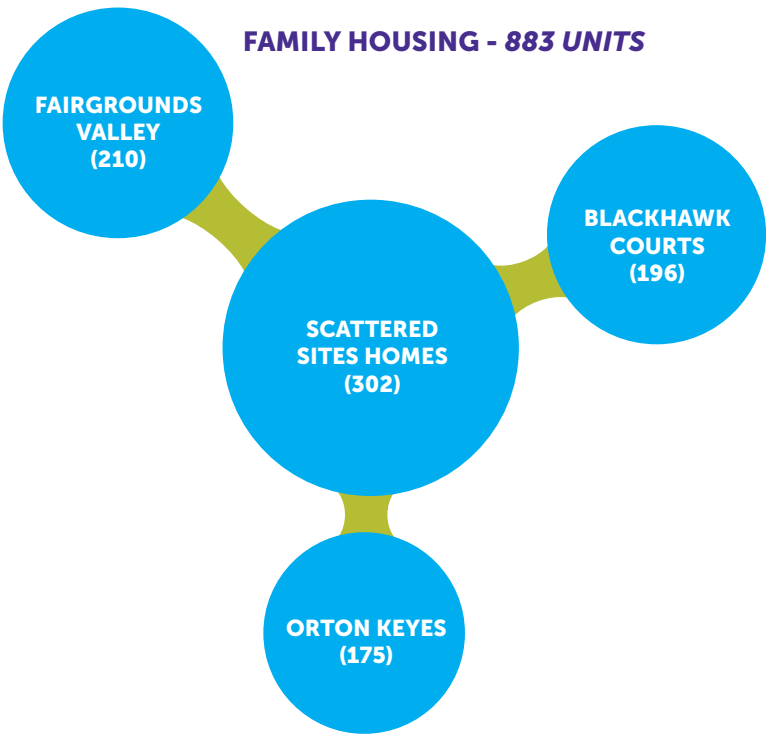
For RHA, public housing includes 1922 units of family and disabled supportive housing. Our housing products include single family units scattered through our community, three large multi-family sites, three small low rise facilities and 4 high rise towers.

Of the 3539 public housing residents in RHA properties, 212 are elderly (> 62) and 1557 are children (<=18). Our sites house 439 working families. Our residents earn more than \$3.1 million in annual employment income. Median annual employment income is \$10,000. Monthly, more than 400 families participate in housing programs to become financially self-sufficient.

SENIOR DISABLED HOUSING - 1,039 UNITS



FAMILY HOUSING - 883 UNITS



TOTAL MANAGED RESIDENTIAL UNITS - 1,922
TOTAL MANAGED VOUCHERS (SECTION 8) - 2,074

GOALS ILLUSTRATED:

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- 3
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- 5
- 6
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- 11

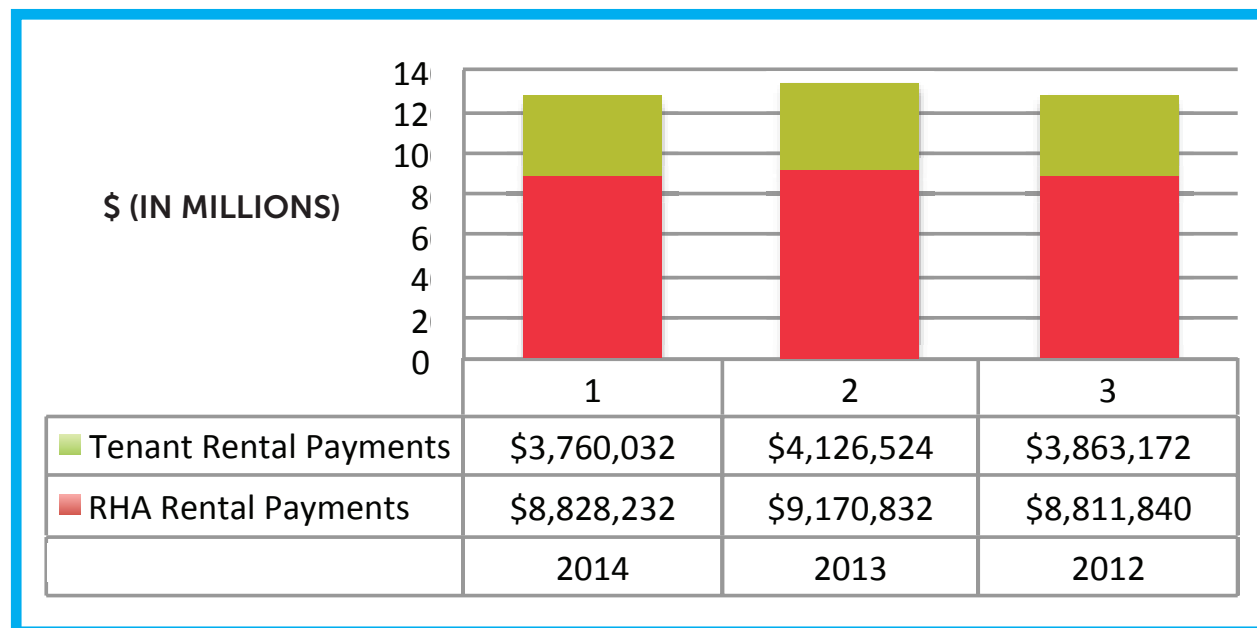
HCV (Housing Choice Vouchers) aka Section 8 - The Housing and Community Development Act of 1974 created the Section 8 Housing Program to encourage the private sector to construct affordable homes. Rockford Housing Authority participates in the program providing privately owned, safe and sanitary housing to low-income families. The Section 8 program provides rental assistance, on behalf of RHA clients, to private owners.

RHA currently assists about 2,000 families. Over 800 units are families with children. Of the remaining units, most are elderly or disabled families. Sixty vouchers are designated for veterans and veteran families. Over 75% of our non-disabled, non-elderly families work and have employment income of over \$7 million annually.

As we strive to improve the lives of our clients, RHA's goal for 2015 is to decrease the concentration of Section 8 units in the lowest income neighborhoods of Rockford. Housing mobility counseling will be employed to assist residents who wish to move to opportunity areas. Opportunity areas are census tracts with low concentrations of poverty. These areas provide better access to schools, transportation, and jobs for our families.



ANNUAL PAYMENTS MADE TO PRIVATE LANDLORDS



GOALS ILLUSTRATED:

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RESIDENT PROGRAMS and FAMILY SELF-SUFFICIENCY

RESIDENT PROGRAMS

RHA has coordinated, developed and delivered many high-quality self-sufficiency initiatives. These initiatives include: HUD’s HCV Family Self-Sufficiency program, ROSS Public Housing Family Self-Sufficiency program, ROSS Service Coordinator program, ReBuild, and Service Coordination programs at high and low-rise properties. The Resident Programs Division has also partnered with over forty (40) community partners to provide services and resources in areas such as: youth programming, summer food programs, onsite GED & ESL classes, literacy assessment and tutoring, and resident leadership & community engagement. The success and strength of the department comes from professional and effective staff, service provider partnerships and the support of our agency.

FAMILY SELF-SUFFICIENCY

Our HCV and Public Housing Family Self-Sufficiency Programs serve our public housing and HCV tenants. The program is a 5-year employment based program assisting residents through service coordination and case management in obtaining economic self-sufficiency. Specialists assist with identifying needs and barriers, coordination of referrals, and developing their 5-year work plan toward goals of employment, education and financial readiness. Residents are able to establish an escrow through the program once their income increases due to earned wages. These escrows act as “saving accounts” for the tenants as they progress through the program and toward economic self-sufficiency. Upon successful completion of the program, residents are able to obtain the money they have accrued to use for future plans and goals.

RESIDENT PROGRAM OUTCOMES & SUCCESSES

PROGRAM	PARTICIPANTS & OUTCOMES
# Of FSS Graduates (Cumulative)	188
# Of FSS Graduate Home Owners	103
# Of FSS Graduates that Moved Off of Housing Subsidy	131
Total Amount of Escrow Paid Out–Graduates (Cumulative)	\$2.2 Million
ROSS Service Coordination	223
Resident Support Specialists–Case Management	Monthly Average 192 High Rise 100 Low Rise
ReBuild- # of Graduates	37
# of ReBuild Graduates with HSD/GED	33
# of ReBuild Graduates Employed –Full-Time	11
# of ReBuild Graduates Enrolled-College & Post Secondary Training	15
Summer Food Program	3,600 Children Served
Angelic Organics Garden Program	2 tons of Produce
Community Gardens–Youth Gardens	163 lbs of Produce

GOALS ILLUSTRATED:

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- 7
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CLIENT DEVELOPMENT

Much like other human serving agencies, RHA operates in an area where federal funding continues to decline. RHA must refine its operations to focus on serving the needs of our clients in a current and efficient capacity.

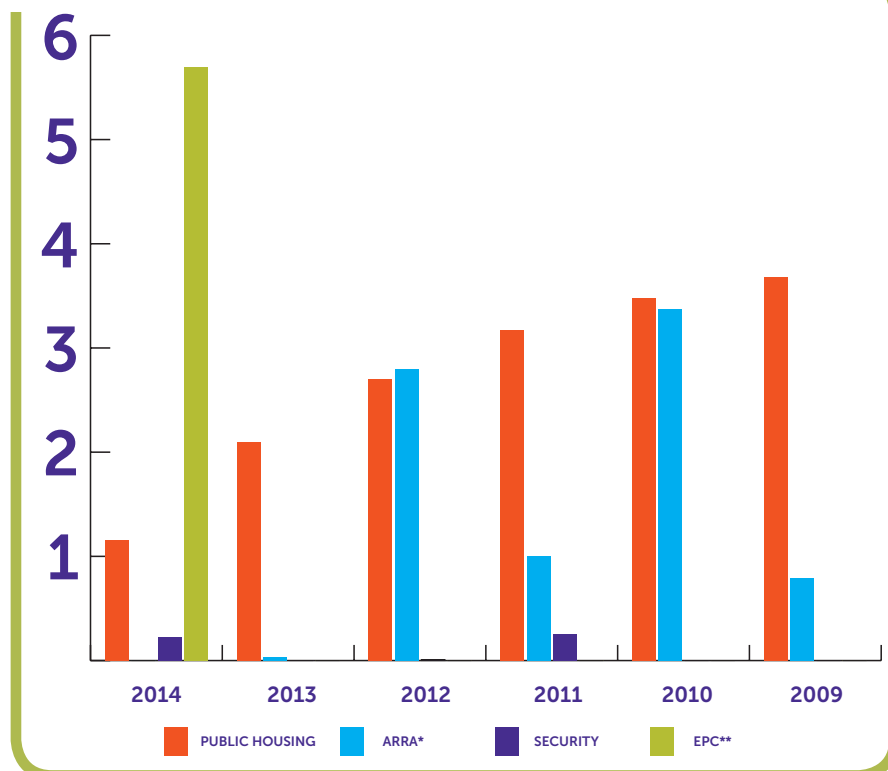
Tia came to the MakeMovingPictures program at the beginning of the year, accompanied by a friend. She is a current resident at Blackhawk. Tia has tremendous dedication to the craft of both photography & video, with a passion for excellence in creating - teaching herself outside the classroom. Tia is a prime example of seizing opportunity. The classes didn't invent her creativity - they nurtured it.



COMMUNITY DEVELOPMENT

RHA must generate new sources of revenue in order to meet the needs of aging real estate developments so that all of our properties contribute to the quality of our community and our residents' lives. RHA continues to find new ways to increase its investment in our existing housing stock.

CAPITAL EXPENDED BY YEAR (MILLIONS)



ARRA* - AMERICAN RECOVERY & REINVESTMENT ACT
EPC** - ENERGY PERFORMANCE CONTRACT

RHA has not produced new/renovated replacement housing in the past 20 years. Actual investments in new or replacement housing over the past 3 years:



"RHA continues to drive efficiency to improve the quality of our developments and programs."
Redevelopment Director,
Jodi Stromberg

GOALS ILLUSTRATED:

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FINANCIAL STATEMENTS

Statement of Net Assets *(In thousands)*

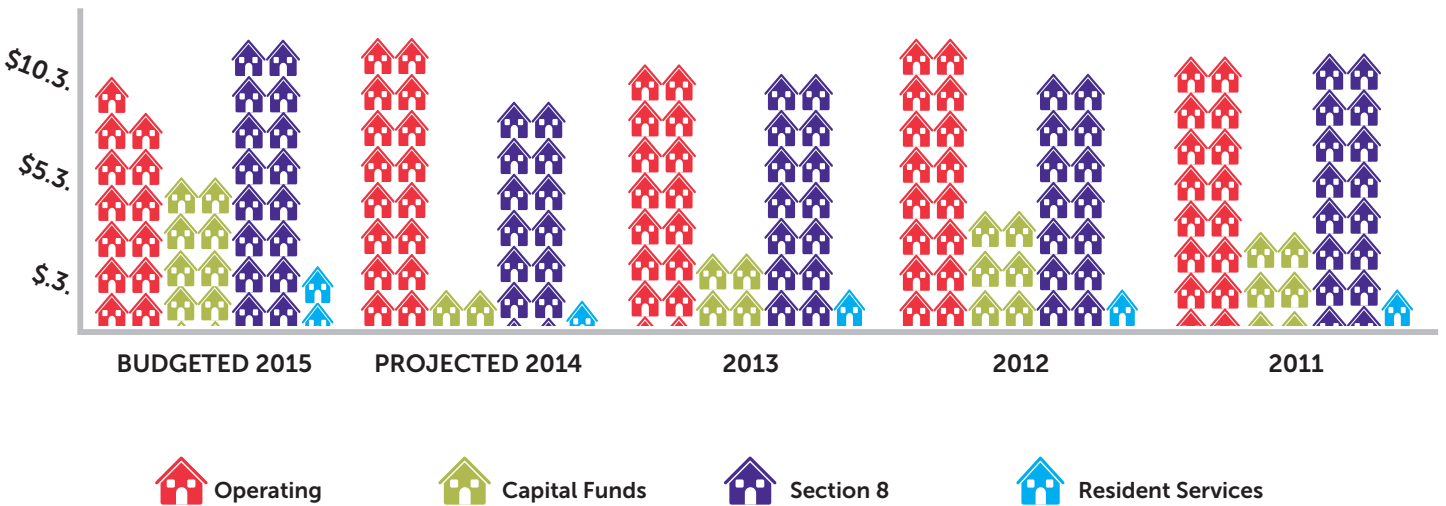
	2013	2012	2011
Current Assets	\$ 6,425	\$ 8,973	\$ 9,289
Non-Current Assets	<u>34,925</u>	<u>34,990</u>	<u>32,547</u>
Total Assets	<u>\$ 41,350</u>	<u>\$ 43,963</u>	<u>\$ 41,836</u>
Current Liabilities	\$ 1,734	\$ 2,909	\$ 1,887
Non-Current Liabilities	<u>1,663</u>	<u>607</u>	<u>720</u>
Total Liabilities	<u>3,397</u>	<u>3,516</u>	<u>2,607</u>
Net Investment in Capital Assets	32,977	34,071	32,116
Restricted Net Position	279	1,342	1,612
Unrestricted Net Position	<u>4,697</u>	<u>5,034</u>	<u>5,501</u>
Total Net Position	<u>37,953</u>	<u>40,447</u>	<u>39,229</u>
Total Net Position & Liabilities	<u>\$ 41,350</u>	<u>\$ 43,963</u>	<u>\$ 41,836</u>

Statement of Revenues and Expenses *(In thousands)*

	2013	2012	2011
Operating Revenue	\$ 21,122	\$ 22,228	\$ 24,752
Non-Operating Revenue	<u>1,022</u>	<u>4,185</u>	<u>3,516</u>
Total Revenue	<u>22,144</u>	<u>26,413</u>	<u>28,268</u>
Operating Expenses	21,947	22,382	22,449
Depreciation	<u>2,691</u>	<u>2,813</u>	<u>2,842</u>
	<u>156</u>	<u>30</u>	<u>95</u>
Total Expenses	<u>24,794</u>	<u>25,225</u>	<u>25,386</u>
Change in Net Position	(2,494)	1,218	2,882
Total Net Position, Beginning	<u>40,447</u>	<u>39,229</u>	<u>36,347</u>
Total Net Position, Ending	<u>\$ 37,953</u>	<u>\$ 40,447</u>	<u>\$ 39,229</u>

FINANCIAL STATEMENTS

The Agency’s total revenue decreased by 16% (\$4.3 million) in FY2013, making innovation a primary objective in generating new revenue and driving efficiency,” - Shelly Cassaro, CFO



RHA Total Expenditures by Category (In millions)

