



Five Year Consolidated Plan for Program Years 2015-2019

Proposed Priorities

Development Customer Services Department
Neighborhood Services Division
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Village of Oak Park 2015-2019 Consolidated Plan Proposed Priorities

Introduction

Purpose of the Village's 2015-2019 Consolidated Plan

The Village of Oak Park is in the process of writing the 2015-2019 Consolidated Plan for Housing and Community Development (Consolidated Plan), which will officially begin on October 1, 2015. The purpose of the Consolidated Plan is to guide funding decisions over the next five years for specific federal funds that Oak Park will receive from the U.S. Department of Housing and Urban Development (HUD). The two primary federal funding resources that will be utilized for the 2015-2019 period of the Village's Consolidated Plan are the following:

□ **Community Development Block Grant (CDBG):** The primary objective of this program is to develop viable urban communities by providing decent housing, a suitable living environment and economic opportunities, principally for persons of low and moderate income levels. Funds can be used for a wide array of activities, including fair housing, housing rehabilitation, lead-based paint hazard reduction, infrastructure, removal of architectural barriers, public services, and loans or grants to businesses. HUD has indicated that the Village will receive \$1,505,367 in CDBG funds for the 2015 program year, which begins October 1, 2015. To expand on the primary objective mentioned above, the three overarching national goals of the CDBG Program are:

- To provide decent housing by preserving the affordable housing stock, increasing the availability of affordable housing, reducing discriminatory barriers, providing shelter, and transitioning homeless persons and families into permanent housing.
- To provide a suitable living environment through the creation of safer, more livable neighborhoods, greater integration of low and moderate income residents throughout the Village, increased housing opportunities, the provision of services, and reinvestment in deteriorating neighborhoods.
- To expand economic opportunities through the creation and retention of more jobs paying self-sufficient wages, development activities that promote long-term community viability, and the empowerment of low and moderate income persons to achieve self-sufficiency.

CDBG is a valuable program, contributing to Oak Park's economy, serving households in need, maintaining and stabilizing neighborhoods, and providing the flexibility to develop partnerships and projects that are vital to the well-being of Village residents. In the past, Oak Park has used CDBG to:

- Respond to current and emerging community development needs,
- Create and preserve affordable housing,
- Improve the existing housing stock,
- Promote fair housing,

- Deliver vital services, and
- Restore aging infrastructure.

□ **Emergency Solutions Grant (ESG):** ESG is a federal grant program designed to assist persons experiencing homelessness and those at risk of homelessness. In 2012, this program replaced the original Emergency Shelter Grants program, which – in Oak Park – had an historical objective to fund emergency shelter and homelessness prevention activities. The reinvented ESG program covers those activities while also emphasizing Rapid Re-housing, an ESG component that helps persons experiencing homelessness (or those fleeing violence) to quickly regain permanent housing. The newer ESG also features the Street Outreach category in which non-profit agency staff persons engage and assist persons experiencing homelessness, especially those who are living in areas not meant for human habitation. It is not guaranteed that the Village of Oak Park will receive ESG funds each program year, but HUD has indicated that the Village will receive \$137,514 in ESG funds for PY 2015, which begins October 1, 2015.

Lead Agency for Draft Village 2015-2019 Strategic Plan

The Village Development Customer Services Department, Neighborhood Services Division, is the lead agency for administering Oak Park's CDBG and ESG programs. These grant funds are allocated to Village departments and units, and to local non-profit agencies. During a typical program year, the Village and these agencies assist approximately 55,000 persons using CDBG, ESG and other grant funds. Starting in PY 2015, the Village will officially be a member of the Cook County HOME Consortium.

Village of Oak Park, Proposed Consolidated Plan Priorities

Focus of Con Plan Priorities

As required by the federal government, the identification of needs and the adoption of priorities to address those needs must focus primarily on low and moderate income (LMI) individuals and households. The Village must also address the needs of persons with "special needs" such as the elderly, persons with disabilities, large families, single parents, homeless individuals and families, and public housing residents. Proposed Con Plan priorities can be viewed as the blueprint for meeting these needs, though it must be pointed out that they do not comprise the entire Draft 2015-2019 Consolidated Plan, which will be released for public comment along with the Draft PY 2015 Action Plan later this year.

Proposed Priorities

Since early-October 2014, the Village has reached out to and involved as many agencies, government entities and residents as possible in the development of the 2015-2019 Consolidated Plan. By providing surveys in both electronic and paper formats, hosting two public hearings and four roundtable meetings for stakeholders, as well as one-on-one interviews and conversations with public and private agencies serving the under-resourced, Oak Park is ensuring that the proposed Con Plan priorities reflect the opinions of the individuals who have participated in the process thus far.

I. **Consultation and Citizen Participation**

a. Stakeholder and Public Meetings

The Village of Oak Park facilitated four stakeholder meetings with more than 26 agencies, held one meeting with members of the Village Board, held two public meetings for residents, and conducted interviews with another seven stakeholders to discuss the needs and priorities in the community. Specific categories consulted include leaders in public and assisted housing, social and fair housing, homeless/continuum of care, business and civic, and health. In the stakeholder and public meetings, participants were given background information on CDBG and ESG funding, data on the relevant priority areas, and then given the opportunity to select their top priorities for LMI persons living in the Village. A discussion was then held to determine how those needs could be addressed, how the Village should prioritize those needs, and what specific services are needed to ensure the most effective use of funds.

Through these meetings, three priorities emerged as the highest need. Those are Housing, Public Services and Economic Development. Under the Housing category, affordable housing, aging in place, and repair assistance for both renter and owner occupied units were identified as the top needs, and this fits with the Cook County Con Plan housing priority of the preservation of existing affordable housing units (the Village's housing priorities must be in agreement with the Cook County Con Plan per HUD rules for HOME Consortia). The top needs for Economic Development included job creation, job training, business incubators, marketing assistance, small businesses financial and technical assistance, and updating older buildings to meet the need of businesses. Under Public Services, the highest needs included childcare, early childhood education, better coordination of services, youth programs, and mental health services.

In addition, executive and legislative leaders elevated Public Infrastructure and Code Enforcement to high priorities and agreed to further investigate the creation of a business loan program utilizing HUD Section 108 Guaranteed Loan Program funds, supported by or backed by CDBG funding.

These identified needs and priorities are being incorporated into the overall consultation and citizen participation process to develop the ultimate priorities, goals, objectives and strategies for the upcoming Draft Consolidated Plan. The proposed Con Plan priorities are now being released for public comment so that Village citizens can provide input before the PY 2015 Action Plan funding application process begins.

b. Survey

During this planning process, the surveys that were provided online and in hard-copy were an important vehicle used for broadening citizen participation and obtaining public opinion. The results of the Likert scale ratings of each HUD-eligible activity/priority need were used to develop the priorities. The survey was available from October 22 through November 16, 2014, a period of nearly 3.5 weeks, and more than 380 responses were received. The survey was publicized on the Village website and social media channels, as well as through the library's social media channels and two ads were run in the local paper, the *Wednesday Journal*. In addition, posters advertising the survey were placed all around Oak Park, being targeted to reach Oak Park's LMI populations.

The results from the survey identify three needs as highest priority. Housing, Public Services and Economic Development emerged as the highest priority, with Public Infrastructure and Homelessness identified as medium priorities. Respondents then had the ability to select the highest priority within each category. Under Housing, energy efficiency assistance, affordable housing for seniors, and repair assistance for rental units were identified as the highest need. For Public Services, programs for persons with disabilities, domestic violence programs, mental health programs, and health and medical programs for children emerged as highest priorities. The highest priority for Economic Development was the development of a business incubator, though there were two other needs that ranked within a few percentage points (assistance to start or expand businesses; support capital investments and rehabs) which were considered higher priorities, as well.

II. Priorities

Through the consultation and citizen participation process, needs assessment and market analysis, the Village of Oak Park's proposed priorities for 2015-2019 can be introduced. The eligible CDBG categories and activities have been ranked as high, medium or low priorities, though – for the purposes of this document and the chart below – they will be categorized as either high or low, as the HUD eCon Planning Suite system allows only the two choices. Funding will be allocated in accordance with these priorities and continuously evaluated to ensure needs are being met.

To meet the priority needs of the community, the Village must work in partnership with other entities and will continue to identify and incorporate more partners, while also assisting all of its partners in enhancing their service delivery systems. This will be accomplished through program monitoring, technical assistance, workshops and information sharing – particularly through the various coalitions and committees on which the Village serves.

The proposed Con Plan funding priorities for Program Years 2015-2019 are:

- Housing (High Priority)
 - Preservation of existing affordable housing units (aligned with Cook County Con Plan per HUD rules for HOME Consortia)
- Public Services (High Priority)
 - Domestic violence programs
 - Mental health programs
 - Programs for persons with disabilities
 - Programs for youth/children
 - (Annual Public Services funding applications will be open; not limited to the above categories)
- Economic Development (High Priority)
 - Job creation
 - Business loans to address antiquated building stock and provide start-up financing
 - (Also, upcoming Board study session will be held about a future action to approve the creation of a HUD Section 108 Loan Guarantee Program for Oak Park.)
- Public Infrastructure (Medium Priority elevated to High Priority)

- o Streets
- o Sidewalks
- o Alleys
- o Water/Sewer Improvements
- Homeless Needs (Medium Priority elevated to High Priority; involving ESG and CDBG funds)
 - o Emergency, transitional and permanent supportive housing & services (ESG and CDBG)
 - o Homelessness prevention and services (ESG)
 - o Self-sufficiency programs (CDBG)
- Overall Neighborhood Needs (Medium Priority elevated to High Priority)
 - o Code enforcement
- Public Facilities Improvements (Low Priority, to be addressed as funding allows over the next five years)

Below, each priority ranked as high is discussed in further detail:

a. Housing

The housing and homeless needs in Oak Park center on the lack of affordable units. According to the 2007-2011 Comprehensive Housing Affordability Strategy (CHAS) data, 73% of all low/mod persons living in Oak Park are experiencing at least one of the four housing problems (lacks complete kitchen facilities, lacks complete plumbing facilities, more than one person per room, cost burden greater than 30%). A total of 34.9% of Oak Park residents are cost burdened, of which 13.9% are severely cost burdened (spending more than 50% income on housing). According to the National Alliance to End Homelessness, when housing accounts for 50 percent or more of a household's resources, any unexpected financial crisis could jeopardize housing stability and lead to an increased risk of homelessness.

For recipients of Rapid Re-housing ESG funds, West Suburban PADS (current and likely future ESG subrecipient receiving Oak Park Rapid Re-housing funding) reports that they often have trouble finding housing for Oak Park residents needing Rapid Re-housing assistance, which cause the Village to obtain HUD and Village Board approval for PADS to re-house persons in other communities. There is an overall lack of affordable housing to allow persons who are currently housed to remain in their homes, and allow persons experiencing homelessness to find housing in Oak Park, even with Rapid Re-housing financial assistance.

The Village is committed to providing affordable housing through fair housing outreach and education, by providing single-family and small rental housing rehab loan programs, by reducing lead hazards in homes, and by increasing and preserving affordable housing. Oak Park will also work closely with the County to determine how to best utilize HOME funds to address housing priorities.

The consultation and citizen participation process, in conjunction with feedback from Village of Oak Park leadership and analysis of the data, determined three primary priorities within housing. Those are affordable housing, aging in place, and repair assistance for both renter- and owner-occupied units. This fits well with the Cook County Con Plan housing priority of

the preservation of existing affordable housing units (the Village's housing priorities must be in agreement with the Cook County Con Plan per HUD rules for HOME Consortia).

b. Public Infrastructure

While the Village is constantly upgrading and maintaining infrastructure, CDBG funding will focus primarily on Infrastructure improvements within CDBG Target Areas for improving streets, alleys and water/sewer mains. With regard to sidewalks, locations throughout the entire Village will be improved to allow for safer and more accessible mobility, particularly pedestrian mobility.

Public Infrastructure needs were determined utilizing the following criteria: meeting the statutory requirements of the CDBG program; meeting the needs of LMI residents; responding to expressed needs; being sustainable and/or having a long-term impact; having the ability to demonstrate measurable progress and success; and obtaining a combination of input from Village leadership, subrecipient agencies and other non-profit service providers, community stakeholders, and Village residents.

Public infrastructure was ranked as a medium priority through the consultation and citizen participation process but was moved to a high priority by Village leadership due to the poor condition of infrastructure and to align with the Village's recently completed Comprehensive Plan.

c. Public Services

There is a wide range of need for Public Services in Oak Park and many of the eligible services received a high priority need rating from the public and the stakeholders. The top four Public Services priorities that emerged during the planning process include domestic violence programs, mental health programs, programs for persons with disabilities, and programs for youth/children. While these were rated as the top priorities, it was noted that having a wide range of public services is also a high priority and not narrowing the range of funded activities is important to the community.

Each program year, the Village strives to improve services provided to LMI residents through the Public Services component of CDBG, although this category is capped at 15% of the Village's annual entitlement allocation, thereby limiting the amount of funds available to each funded non-profit (called "subrecipients"). However, the Consolidated Planning process encourages the Village to work towards a more coordinated and collaborative system of funding and service delivery within Oak Park, thereby enabling the Village to distribute these funds strategically, as will be done in PY 2015.

Public Service needs were determined through a combination of the following criteria: meeting the statutory requirements of the CDBG program; meeting the needs of LMI residents; coordinating and leveraging resources; responding to expressed needs; considering subrecipients' past history of demonstrating measurable progress and success; and using input from Village leadership, non-profit service providers, community stakeholders, and the residents of Oak Park.

d. Economic Development

An area that repeatedly emerged as a high priority is Economic Development, particularly job creation for LMI residents. Through consultation with the Oak Park Economic Development Corporation, advantages and barriers in the Village were analyzed to determine specifically what economic development strategy would help businesses open or expand and thus create jobs for LMI persons. Due to aging infrastructure being identified as a major barrier for businesses wanting to locate in the Village, there exists the opportunity for the Village to create a business loan program utilizing HUD funds, which would allow low interest financing to be made available to overcome this barrier.

Encouraging new businesses to locate in Oak Park through lowering barriers to entry, such as aging infrastructure and cost of building rehabilitation, will help to create jobs for low and moderate income residents and revitalize underutilized areas of the community.

Discussions with the Oak Park Economic Development Corporation, resident surveys and stakeholder meetings indicate that the community places a high priority on assisting businesses in the area to thrive and grow when job creation is the goal of CDBG assistance.

e. Code Enforcement

Existing as a separate CDBG category under "Other Neighborhood Needs," Code Enforcement is a critical need for Oak Park to ensure that the properties – especially those within the Target Areas – are safe and well-maintained. While Other Neighborhood Needs was identified as a low priority through much of the planning process, this category was elevated due to the fact that it is connected with housing (a high priority) and addresses a great need in the community according to Oak Park leaders, who felt that it was a medium to high priority.