

Jan 1, 2010 thru Mar 31, 2010 Performance Report

Grant Number:
B-08-DF-17-0001

Obligation Date:

Grantee Name:
State of Illinois

Award Date:

Grant Amount:
\$17,341,434.00

Contract End Date:

Grant Status:
Active

Reviewed By HUD:
Reviewed and Approved

QPR Contact:
No QPR Contact Found

Disasters:

Declaration Number

FEMA-1771-DR-IL

Disaster Damage:

Effect of Recent Flood-Related Disaster and Illinois' Recovery Needs

Heavy rains that fell across the Upper Mississippi River Basin in the summer of 2007 were responsible for the Federal Emergency Management Agency (FEMA) 1771-DR-IL disaster declaration. These same rains caused significant flooding in southeastern Minnesota, eastern Iowa, southern Wisconsin and northern Illinois. Large portions of northern Illinois received between 125 and 175 inches of rain during this period, and this, combined with the above-normal precipitation in the winter of 2007-2008, created a condition of almost permanent soil saturation through the spring of 2008. From March 1 to May 31, 2008, an additional 150-175 inches of precipitation fell across the Mississippi River Basin, adding to the already hazardous situation. With the permanent soil saturation from the previous periods of heavy precipitation the state was set for a major flooding event. The rains that were most immediately responsible for the major flooding seen in river systems across Illinois came in the first half of June 2008

On June 1, 2008, with heavy rains still falling, rivers and streams in the eastern, northern and western sections of the state began to rise. On June 2nd, the Wabash River at Hutsonville, IL, reached flood stage at 16 feet. On June 3, 2008, the Mississippi River reached flood state in several communities (Burlington, Hannibal, Saverton, Louisiana, and Clarksville) along its course. On June 4, 2008, four more communities along the Mississippi River (Gladstone, Gregory Landing, Canton, and Quincy) reached flood stage. In response to the rising waters, first responders in the affected areas immediately began life safety operations and on June 4th, the American Red Cross opened the first of seven shelters to provide temporary shelter to those who had been displaced by the flooding. On June 5, 2008, the Mississippi River at Alton reached flood stage at 21 feet. By June 7, 2008, the Embarras River at Ste. Marie and Lawrenceville as well as the Mississippi River at Keithsburg had reached flood stage. On June 8th and 9th, the Mississippi River at New Boston, the Wabash River at Mount Carmel, the Des Plaines River at Russell and the Rock River at Shirland all reached flood stage. On June 10, 2008, with the Mississippi,

Embarras, Wabash, Des Plaines, and Rock rivers continuing to rise, the Governor of the State of Illinois Rod R. Blagojevich authorized the activation of the State of Illinois Emergency Operations plan. By that point, assets of various state agencies, including: Illinois State Police (ISP), Illinois Department of Transportation (IDOT), Illinois Department of Natural Resources (IDNR), Illinois Emergency Management Agency (IEMA) and the Illinois Department of Public Health (IDPH) were providing assistance in the affected areas.

During the period of June 10 through June 14, 2008, the Des Plaines River at Gurnee, the Rock River at Latham Park and Rockton, and the Mississippi River at various locations north of New Boston reached flood stage. On June 13, 2008, the Governor made a request for expedited a Federal Disaster Declaration for the affected counties in all regions of the state. From the middle to the end of June the waters continued to rise on the Embarras, Wabash, Des Plaines, Rock and Mississippi Rivers inundating homes, businesses and transportation corridors. As of June 27, 2008, heavy rains were continuing to inundate river basins that feed major waterways across the state of Illinois.

Recovery Needs:

Floods occur in very specific geographic spaces that most often cut across jurisdictional boundaries, state lines, and other human-generated subdivisions of reality. While river basins are recognized as important features in hydrographic and environmental research, they are rarely embraced as meaningful economic units. Accordingly, socio-economic data often have to be manipulated to "fit" the geographic "contours" of flooded areas, or a compromise adopted whereby aggregations of counties are considered. The issue becomes more difficult when the percentage of a county that is impacted by a flood is much larger or smaller than adjacent counties. Thus, aggregating counties into a "flooded region" for assessment can overlook important spatial variations within these regions. The issue, unfortunately, is endemic in any spatial analysis. At the state level, the problem is even more severe, and analysis conducted at this level may significantly overstate or understate the impacts that occur in specific counties.

As a result, it was difficult to integrate the precise physical demarcations of the flooded region presented in the WIU Reference Materials (Appendix A) with the analysis presented here.

Economic regions rarely map into physical regions. This is especially the case in rural counties where home-to-work trips are often extensive given the limited employment opportunities present in any one county. Hence, the economic analysis is presented at the level of the county, embracing the whole of the county for each of the counties that were affected by flooding.

While the state-wide impacts are presented in this report, they should be viewed as merely macroeconomic indicators of the magnitude of the problem generated by the 2008 flood. These results are not an attempt to minimize the magnitude of the impacts by moving to a very highly aggregated definition of space.

A second issue is that floods occur during different stages in the development of an economy and at different points in the business cycle. Further, long-term structural changes can exacerbate or mitigate the impacts of floods. In the last three decades, the state of Illinois, along with most of the Midwest, has experienced a dramatic structural change in the composition of the economy.

At the same time, the State's economic structure has changed to a point where the State's economy now looks much more like that for the United States as a whole than for many of its

Midwestern neighbors. However, the State has not behaved like the Nation as a whole in an economic sense. For example, both Illinois and the United States recorded employment peaks in

November 2000 prior to entering the 2000-2001 recession. While the United States recovered its prior peak by February 2005, Illinois was still more than two to three years away (at then current growth rates) from recovering its peak in June 2008. Employment was over 100,000 lower than in November 2000; further, when consideration is given to decreases in labor force participation rates (the percentage of the population over 16 in the labor force) and increases in the population of the state, a more realistic target to achieve the same population levels as November 2000 would be 150,000.

However, June 2008 marked the first of 12 consecutive months (and counting) of employment declines in Illinois. Since the beginning of the recession in December 2007, Illinois has posted negative job changes 17 times, and the state has lost 293,300 jobs in this recession. Of these losses, 254,100 jobs (86.6%) have been lost since September 2008. Hence, the June 2008 floods occurred during what has now been determined to be the most serious business cycle downturn since the 1930s, with Illinois now recording unemployment rates not seen in over a quarter of a century. Further, much of the stimulus from recovery is often directed to residential housing reconstruction, a sector of the economy that has disproportionately suffered in the current recession.

This economic context is important since any estimated job losses associated with the 2008 flood are likely to be dwarfed by the magnitude of the economic declines. To date, the economic recession has resulted in the loss of close to 307,600 jobs, of which 272,600 have occurred in the last 12 months. That said, it is still important to assess the economic impacts of the flood since while unexpected — in terms of time and less so in terms of space — the probability of another flood event in many of the same locations is very high. This probability is likely to increase if forecasted patterns of long-term climate change increase the incidence of major summer storms in the Midwest over the coming decades.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	1,871,746
Total CDBG Program Funds Budgeted	N/A	1,871,746
Program Funds Drawdown	20,925.2	20,925.2
Obligated CDBG DR Funds	846,145.8	846,145.8
Expended CDBG DR Funds	0	0
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected):		100%
Overall Benefit Percentage (Actual):		0%
Minimum Non-Federal Match	0	0
Limit on Public Services	2,601,215.1	0

Limit on Admin/Planning	867,071.7	0
Limit on State Admin	0	0

Progress Toward Activity Type Targets

Activity Type	Target	Actual
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Progress Toward National Objective Targets

National Objective	Target	Actual
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Overall Progress Narrative:

DCEO received official HUD notice, on behalf of Illinois, of the Midwest Disaster Recovery program allocation in February 2010. DCEO received from the IL Emergency Management Agency (IEMA) a list of projects under the FEMA HMGP housing assistance and public assistance programs, for possible CDBG Midwest match funding. DCEO has begun to assess these projects lists for possible match funding consideration.

Project Summary

Project#, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	0	0	0
MidWest Flood 0002, Housing Buy-Out	0	4,000,000	0
MidWestFlood 0001, State Administration Fund	20,925.2	867,071	20,925.2
MidWestFlood 0003, Public Infrastructure	0	12,474,363	0

Project/Activity Index:

Project #	Project Title	Grantee Activity #	Activity Title
MidWestFlood 0001	State Administration Fund	State admin 0001	State admin activity
MidWest Flood 0002	Housing Buy-Out	17710002	Rockford Buyout
		17710003	Rockford Demolition
		17710004	Rockford Admin fund
MidWestFlood 0003	Public Infrastructure	<i>No activities in this project</i>	
9999	Restricted Balance	<i>No activities in this project</i>	

Activities

Grantee Activity Number:

17710002

Activity Title:

Rockford Buyout

Activity Category:

Acquisition - buyout of residential properties

Activity Status:

Under Way

Project Number:

MidWest Flood 0002

Project Title:

Housing Buy-Out

Projected Start Date:

06/15/2010

Projected End Date:

05/31/2011

National Objective:

Low/Mod

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

City of Rockford

	Jan 1 thru Mar 31, 2010	To Date
Total Projected Budget from All Sources	N/A	325,975
Total CDBG Program Funds Budgeted	N/A	325,975
Program Funds Drawdown	0	0
Obligated CDBG DR Funds	0	0
Expended CDBG DR Funds	0	0
City of Rockford	0	0
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Properties	0	0/36

Activity Description:

buy out propreties

Location Description:

Rockford city near the river

Activity Progress Narrative:

The grant agreement for this activity was not signed by the end of this quarter so not performance data is available.

Activity Location:

Address	City	State	Zip
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No Activity Locations Found

Other Funding Sources Budgeted - Detail

Match Sources	Amount
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No Other Match Funding Sources Found

Other Funding Sources	Amount
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No Other Funding Sources Found

Grantee Activity Number:

17710003

Activity Title:

Rockford Demolition

Activity Category:

Clearance and Demolition

Activity Status:

Under Way

Project Number:

MidWest Flood 0002

Project Title:

Housing Buy-Out

Projected Start Date:

07/01/2010

Projected End Date:

06/30/2011

National Objective:

Low/Mod

Completed Activity Actual End Date:

Responsible Organization:

City of Rockford

	Jan 1 thru Mar 31, 2010	To Date
Total Projected Budget from All Sources	N/A	645,000
Total CDBG Program Funds Budgeted	N/A	645,000
Program Funds Drawdown	0	0
Obligated CDBG DR Funds	0	0
Expended CDBG DR Funds	0	0
City of Rockford	0	0

Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total /
	Total	Expected
# of Properties		Total
	0	0/36

Activity Description:

demolition of homes purchased as a result of flooding

Location Description:

Rockford city limits

Activity Progress Narrative:

grant award document not signed until 6/30 no activity has occurred in this quarter

Activity Location:

Address	City	State	Zip
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No Activity Locations Found

Other Funding Sources Budgeted - Detail

Match Sources	Amount
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No Other Match Funding Sources Found

Other Funding Sources	Amount
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No Other Funding Sources Found

Grantee Activity Number:
17710004

Activity Title:
Rockford Admin fund

Activity Category:

Activity Status:

Administration

Under Way

Project Number:
MidWest Flood 0002

Project Title:
Housing Buy-Out

Projected Start Date:
07/01/2010

Projected End Date:
06/30/2011

National Objective:
N/A

Completed Activity Actual End Date:

Responsible Organization:
City of Rockford

	Jan 1 thru Mar 31, 2010	To Date
Total Projected Budget from All Sources	N/A	33,700
Total CDBG Program Funds Budgeted	N/A	33,700
Program Funds Drawdown	0	0
Obligated CDBG DR Funds	0	0
Expended CDBG DR Funds	0	0
City of Rockford	0	0
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Activity Description:

Administrative costs of the project

Location Description:

Activity Progress Narrative:

grant agreement was not signed until 6/30 no activity has occurred

Activity Location:

Address	City	State	Zip
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No Activity Locations Found

Other Funding Sources Budgeted - Detail

Match Sources	Amount
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No Other Match Funding Sources Found

Other Funding Sources **Amount**

No Other Funding Sources Found

Grantee Activity Number:
State admin 0001

Activity Title:
State admin activity

Activity Category:
Administration

Activity Status:
Under Way

Project Number:
MidWestFlood 0001

Project Title:
State Administration Fund

Projected Start Date:
09/01/2009

Projected End Date:
08/31/2011

National Objective:
N/A

Completed Activity Actual End Date:

Responsible Organization:
State of Illinois Depratment od Commerce and Economic Opportunity

	Jan 1 thru Mar 31, 2010	To Date
Total Projected Budget from All Sources	N/A	867,071
Total CDBG Program Funds Budgeted	N/A	867,071
Program Funds Drawdown	20,925.2	20,925.2
Obligated CDBG DR Funds	846,145.8	846,145.8
Expended CDBG DR Funds	0	0
State of Illinois Depratment od Commerce and Economic Opportunity	0	0
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Activity Description:
This activity is for administrative cost incurred by the State

Location Description:
This activity is for administrative cost incurred by the State

Activity Progress Narrative:

funds drawn for the quarter are related to cost incurred by program staff and contractors. travel to HUD training in February was also included in this quarter.

Activity Location:

Address	City	State	Zip
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No Activity Locations Found

Other Funding Sources Budgeted - Detail

Match Sources	Amount
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No Other Match Funding Sources Found

Other Funding Sources	Amount
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No Other Funding Sources Found