

Innovation in Housing Investments:

*Learning from Illinois' \$100 Million National Foreclosure
Settlement Remediation Work,
and Exploring Opportunity Zones and other Opportunities*

April 5, 2019

Presented by Forefront and BRick Partners, LLC



Community Revitalization and Housing Counseling Program

Key criteria for the awards:

- Statewide areas of greatest need and potential;
- Leveraging the settlement funds with other private or public resources;
- Encouraging the capacity building and long-term sustainability of teams and programs funded;
- Innovative yet sound proposals.

The following Illinois Attorney General Advisory Council members* made recommendations for the housing awards:

- Bennett P. Applegate, Applegate & Thorne-Thomsen
- Allison Clark, MacArthur Foundation
- Pam Daniels-Halisi, BMO Harris Bank
- Robert Grossinger, Enterprise Community Partners
- King Harris, Harris Holdings
- Sharon Hess, Southern IL Coalition for the Homeless
- Juanita Irizarry, Chicago Community Trust
- Roberto Requejo, Federal Reserve Bank of Chicago
- Antonio Riley, HUD
- Dawn Stockmo, National Community Stabilization Trust

* Positions as of 2012



Responsible for implementation:

Deb Hagan, Consumer Protection Division Chief, Office of the Attorney General

Karen Muchin, Robin Snyderman and Chris Rintz (Housing Awards)

Leslie Corbett of Illinois Equal Justice Foundation (Legal Assistance and Court Mediation Awards)

Illinois and the 2012 National Mortgage Settlement

- Illinois received approximately \$2 billion consumer benefits in the form of loan modifications, refinancing, and foreclosure payments to those who had lost their homes.
- \$100 million was received by the Illinois Attorney General to remediate the effects of the mortgage crisis in Illinois. The Attorney General awarded funds in the following areas:
 - **Legal assistance** – \$20 million was awarded to 14 different legal assistance entities to help homeowners and renters in distress between 2012 and 2016. More than 55,770 homeowners and renters were served with 2,200 homes saved. Services ranged from housing information provided to homeowners to representation in foreclosure mediation and litigation.
 - **Foreclosure court mediation** - \$5 million was awarded to develop and administer foreclosure court mediation programs throughout the state. Currently 7 programs exist in 6 circuits: 6th, 16th, 17th, 19th, 20th, 21st. More than 1 in 5 homeowners who participated were able to save their homes for a total of 1,000 homes saved.
 - **Revitalization & Housing Counseling** - \$70 million was awarded for revitalization and housing counseling as follows:
 - Community revitalization (29 awards)
 - Housing counseling (11 awards)
 - Expert assistance providers (13 awards)



Family in front of Justine Petersen home in Cahokia



Individuals who received counseling from Access Living



IFF home in Bellwood

Rebuilding Communities, Building Capacity

“Being a recipient of this award has been truly transformational to this organization. As a direct result of this grant, community blight has been reduced as Habitat for Humanity McHenry purchased and rehabbed previously vacant, derelict properties. Neighborhoods thrived as these properties were returned to the property tax rolls and property values for entire neighborhoods have risen as a result. All these positive outcomes have led to Habitat McHenry being recognized as a leader in local affordable housing.”

Jerry Monica

*Executive Director, Habitat for Humanity of
McHenry County*



Renovated home in McHenry

NFS Award Recipients – Community Revitalization

- Affordable Housing Corporation of Lake County
- Chicago Neighborhood Initiatives
- Community Foundation of the Fox River Valley
- Community Investment Corporation
- Community Service Council of Northern Will County
- Cook County Land Bank Authority
- Decatur Housing Authority
- Evanston Community Revitalization Partnership
- Genesis Housing Development Corp.
- Habitat for Humanity of Champaign County
- Habitat for Humanity Chicago
- Habitat for Humanity of McHenry County
- Hispanic Housing Development Corp.
- IFF
- Justine Petersen Housing and Reinvestment Corp.
- Lake County Residential Development Corp.
- Local Initiatives Support Corporation, Chicago
- Local Initiatives Support Corporation, Greater Peoria
- Metropolitan Mayors Caucus
- Mid Central Community Action, Inc.
- Neighborhood Housing Services of Chicago, Inc.
- NW Homestart
- Preservation of Affordable Housing
- Rock Island Economic Growth Corporation
- South Suburban Land Bank and Development Authority
- Southwest Organizing Project
- The Resurrection Project
- Westside Health Authority
- Will County Center for Community Concerns

NFS Award Recipients - Counseling

- Chicago Urban League
- Chinese American Service League
- DuPage Home Ownership Center
- Institute for Consumer Credit Education
- Latino Policy Forum,
- Metropolitan Tenants Organization
- Northwest HomeStart
- Northwest Side Housing Center
- Rogers Park Community Development Corporation
- Spanish Coalition for Housing
- Urban League of Metropolitan St. Louis



Recipient of downpayment assistance grant
from Chinese American Service League

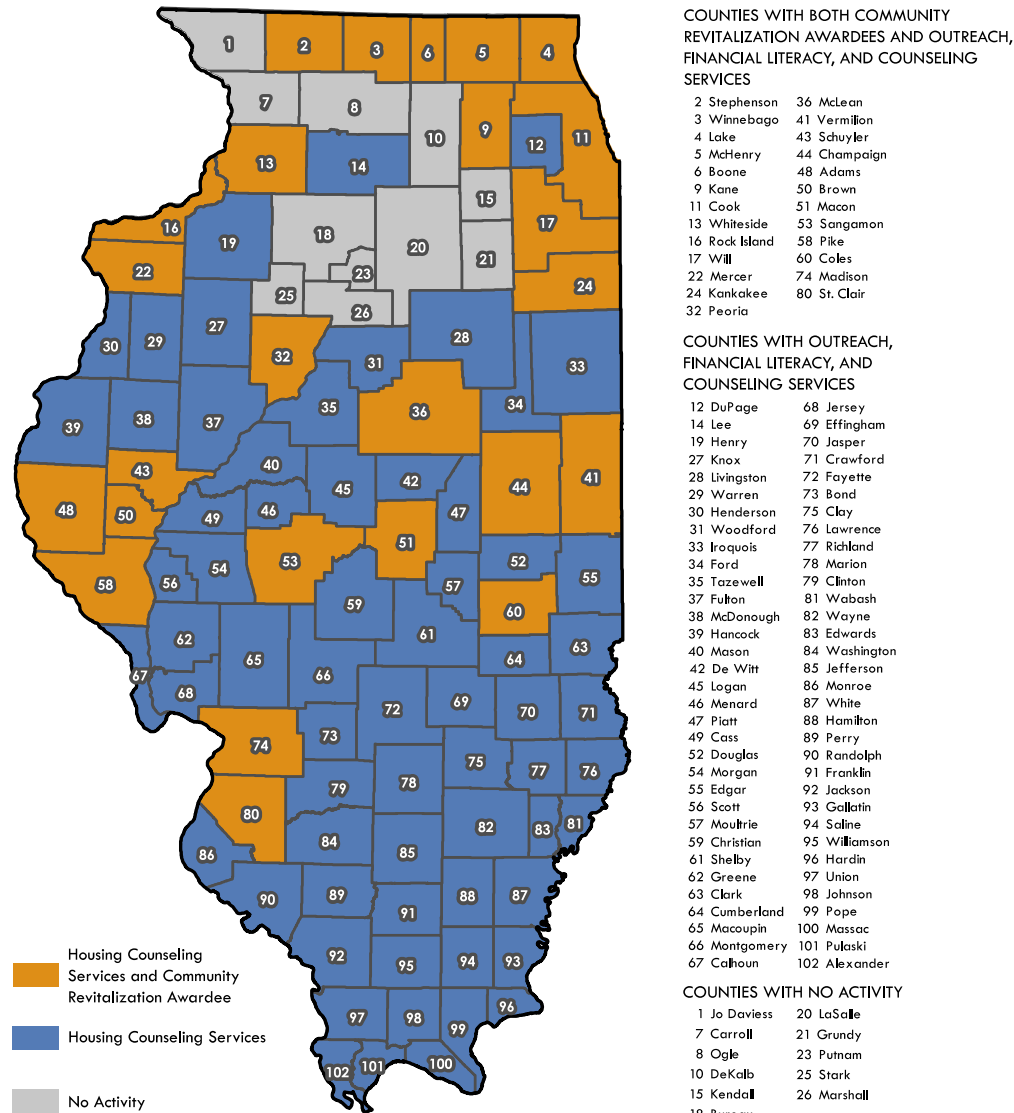


Spanish Coalition for Housing
counseling session

NFS Award Recipients - Experts/Technical Assistance Providers

- Access Living of Metropolitan Chicago
- Chicago Area Fair Housing Alliance
- Chicago Metropolitan Agency for Planning
- Corporation for Supportive Housing
- DePaul University Institute for Housing Studies
- Housing Action Illinois/NeighborWorks America
- Housing Action Illinois/Neighborhood Housing Services of Chicago
- Illinois Association of Community Action Agencies Illinois Housing Development Authority
- Mission Plus Strategy Consulting
- National Consumer Law Center
- Teska Associates
- Woodstock Institute

Counties Served by Illinois Attorney General Community Revitalization and Housing Counseling Program



SOURCE: Illinois Attorney General

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Housing Counseling and Revitalization Awards: Outcomes

Through Fall 2018, the Awardees have:

- Stabilized more than 3,200 homes via acquisition and rehab, demolition and new construction
- Counseled/Educated more than 54,000 households, including those buying or renting the 3,200 stabilized homes
- Assisted families with close to 5,000 “foreclosure saves”
- Served urban, suburban and rural homeowners, renters, and special needs populations

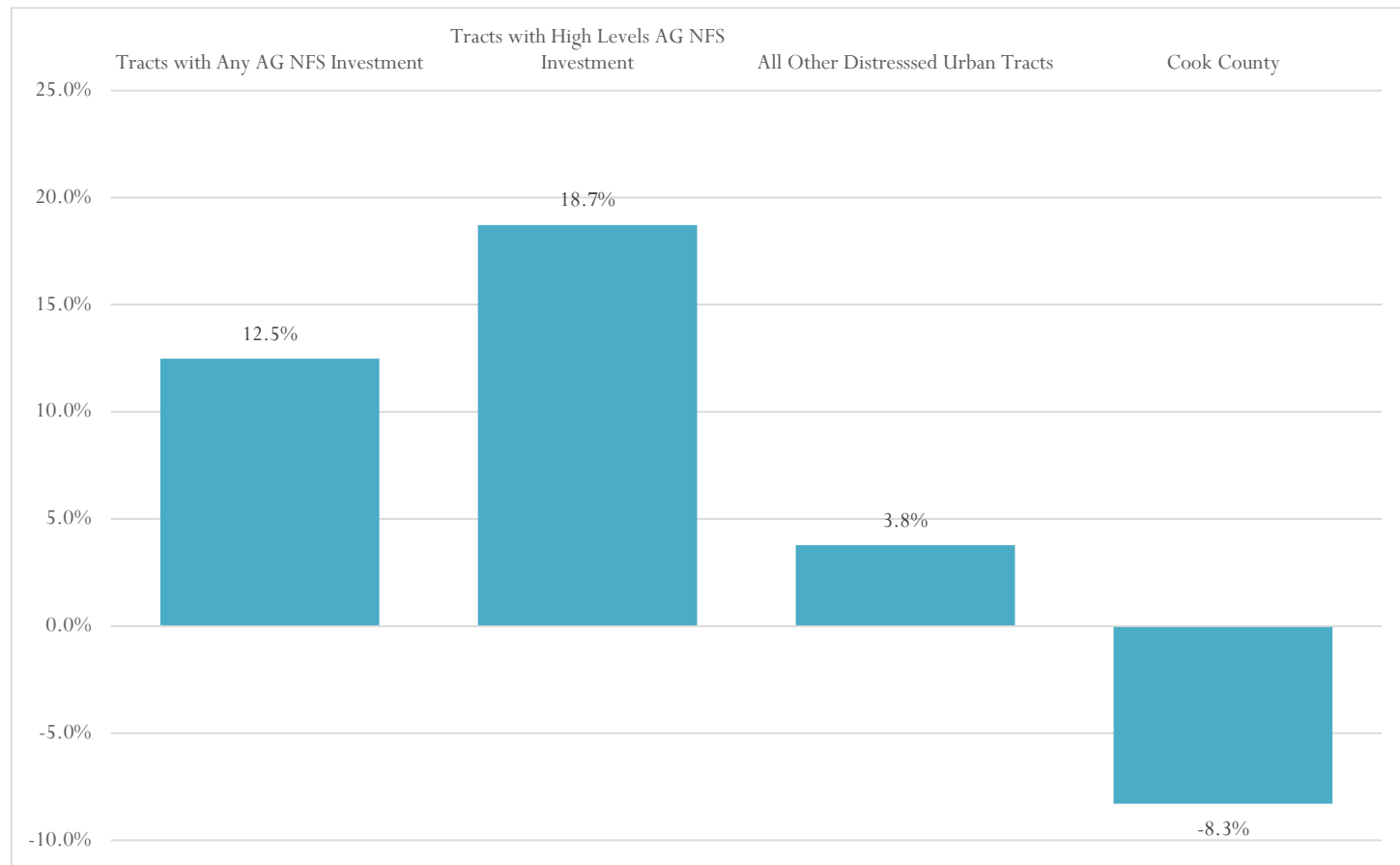


Rogers Park Community
Development Corporation
financial education class



Interior of a Community Service Council
of Northern Will home in Romeoville

Housing Counseling and Revitalization Awards: Impact



Community Foundation of Fox River Valley

- **Target Area:** Aurora, Batavia, Carpentersville, Elgin, North Aurora, South Elgin, St. Charles, and West Dundee.
- **Partners:** The Community Foundation of the Fox River Valley, Kane County Office of Community Reinvestment, Fox Valley Habitat for Humanity, Habitat for Humanity of Northern Fox Valley, and Joseph Corporation
- Budget: \$3,000,000
- **Outcomes:** 42 homes renovated and sold. Housing counseling provided to almost 3,000 households. Over 300 foreclosures avoided (via partnership with Circuit Court Mediation Program).
- **Broader goals/history:**
 - To strengthen and organize partnerships to prioritize resources to implement new regional housing plan created with assistance from CMAP.
- **Innovations and Sustainability updates:**
 - Example of team approach: Teams of developers, counseling agencies and local leaders forged or strengthened sustainable partnerships that increased capacity in regions and neighborhoods.
 - Partners utilized more than \$1 million in sales proceeds to enhance their work.



South Suburban Land Bank and Development Authority

- **Target Area:** 25 communities in South Suburban Cook and Will Counties
- **Partners:** South Suburban Mayors and Managers Association, South Suburban Housing Center, NHS, Chicago Southland Economic Development Corporation
- **Budget:** \$2,500,000
- **Outcomes:**
 - More than 250 residential properties acquired. Nearly 100 resold.
 - 32 commercial properties acquired. 19 resold.
- **Broader goals/history:**
 - Form an efficient vehicle to stabilize some of the hardest-hit communities — many of which also lacked the infrastructure to take on this challenge.
- **Innovations and Sustainability updates:**
 - The SSLBDA leveraged more than \$14 million in public and private sector dollars.
 - Seeded with NFS resources, the SSLBDA is now a sustainable initiative which has already created more than 150 jobs.



LISC Peoria

- **Target Area:** East Bluff neighborhood in Peoria
- **Partners:** City of Peoria, IFF, Peoria Citizens Committee for Economic Opportunity Inc. (PCCEO), Navicore, METEC Housing Counseling Resource Center, East Bluff Neighborhood Services, Jim Maloof Realty, Keller Williams Realty, and local lenders.
- **Budget:** \$3,000,000
- **Outcomes:** 26 units developed: 16 rental units and 10 for-sale single-family units, of which 9 were sold and 1 soon to be placed on the market. Counseling to over 750 households. Over 35 pre-purchase workshops. Leveraged over \$4,000,000.
- **Broader goals/history:**
 - This collaborative formed to revitalize Peoria's East Bluff neighborhood
 - Focus on both supportive housing rental development as well as for-sale options, both new construction and renovations.
- **Innovations and Sustainability updates:**
 - New LISC office in Peoria, focus on Central IL



Looking Forward

In a State as diverse as Illinois, with so many local jurisdictions, scalable housing solutions are few and far between.

Success is largely determined by the capacity of local partners, their ability to collaborate, and the sustainability of their programs.

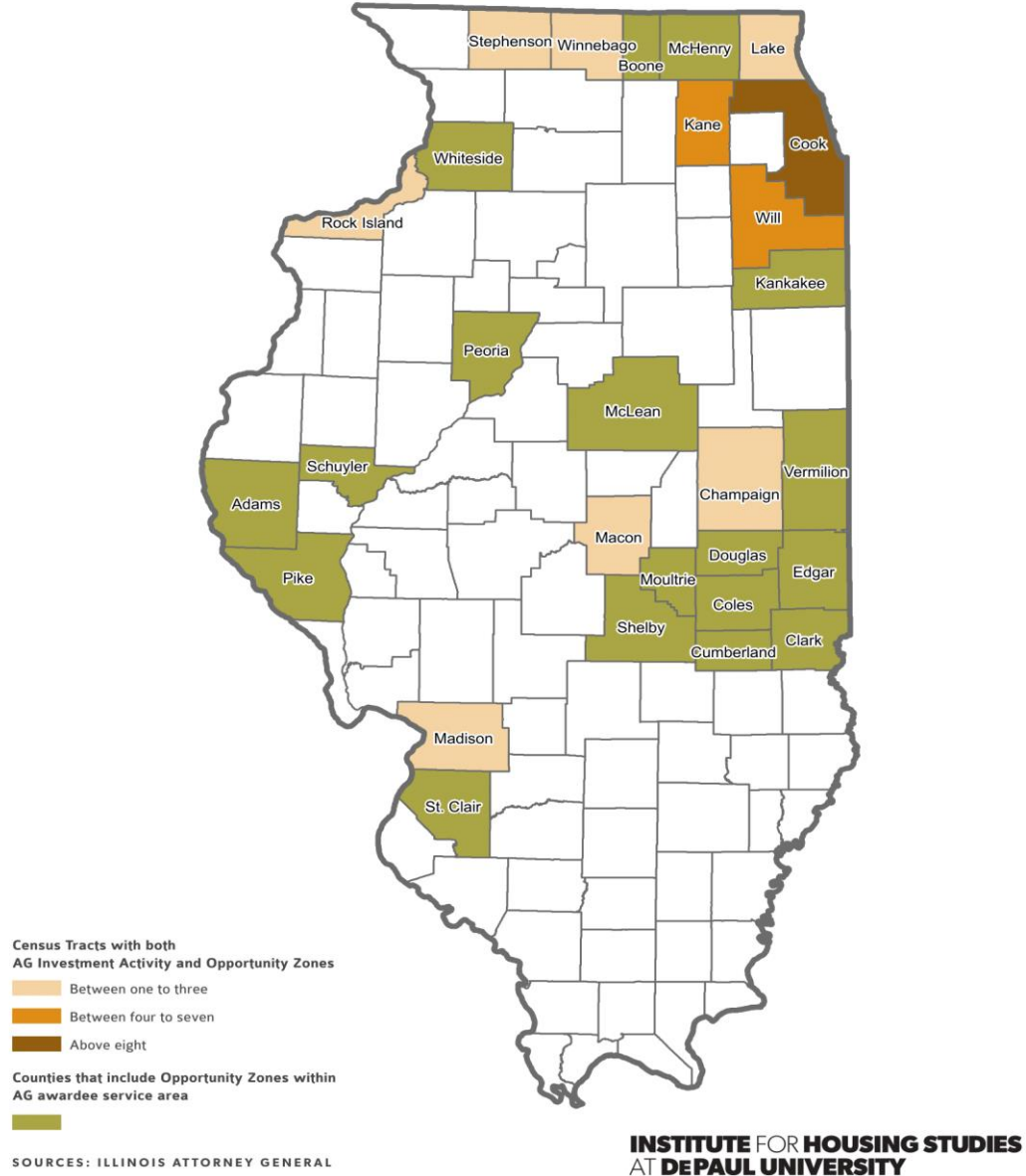
Flexible funding, tied to measurable accountability mechanisms and technical assistance is critical.

Connections and overlap with Opportunity Zones.



New homeowners from the Affordable Housing Corporation of Lake County

Counties with Attorney General Investment Activity and Opportunity Zones in Illinois



Attorney General Investment Activity and Opportunity Zones in Cook County Census Tracts

CHICAGO COMMUNITY AREA

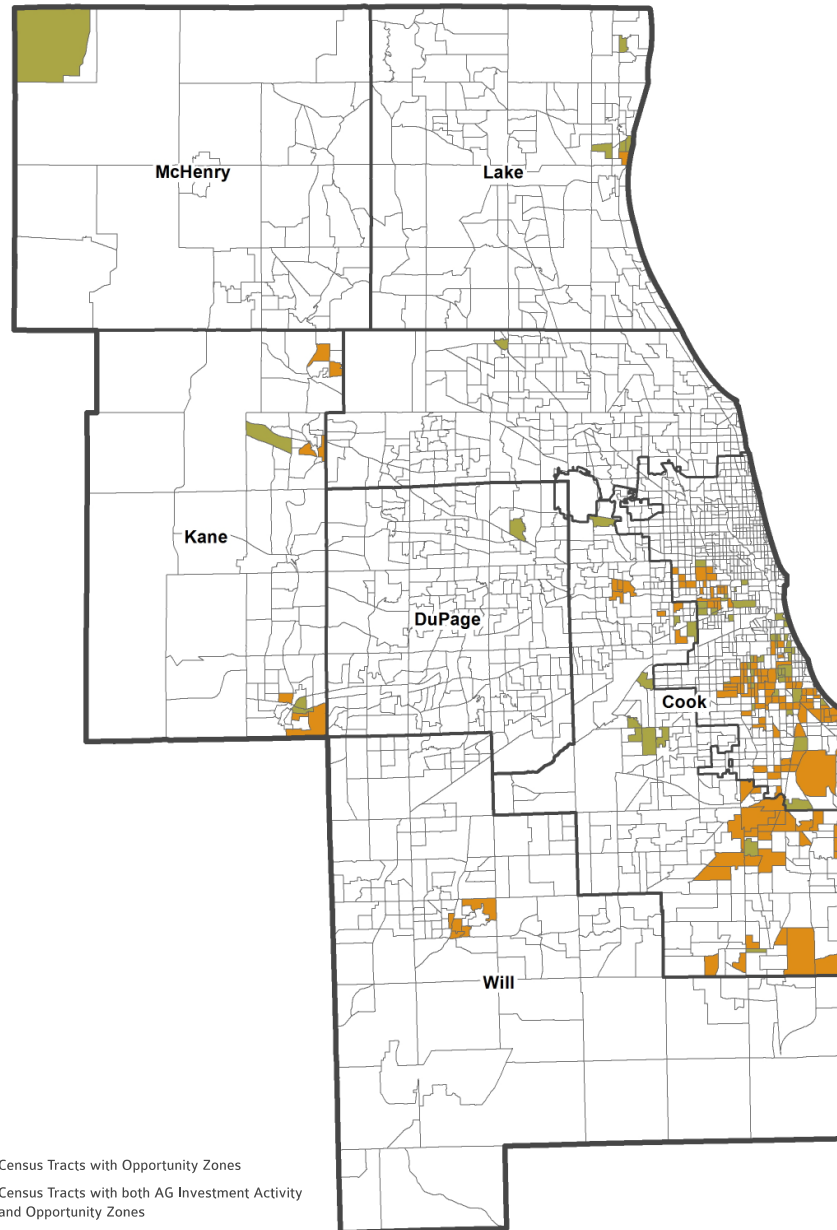
- | | |
|-----------------------|---------------------------|
| 1 Rogers Park | 40 Washington Park |
| 2 West Ridge | 41 Hyde Park |
| 3 Uptown | 42 Woodlawn |
| 4 Lincoln Square | 43 South Shore |
| 5 North Center | 44 Chatham |
| 6 Lake View | 45 Avalon Park |
| 7 Lincoln Park | 46 South Chicago |
| 8 Near North Side | 47 Burnside |
| 9 Edison Park | 48 Calumet Heights |
| 10 Norwood Park | 49 Roseland |
| 11 Jefferson Park | 50 Pullman |
| 12 Forest Glen | 51 South Deering |
| 13 North Park | 52 East Side |
| 14 Albany Park | 53 West Pullman |
| 15 Portage Park | 54 Riverdale |
| 16 Irving Park | 55 Hegewisch |
| 17 Dunning | 56 Garfield Ridge |
| 18 Montclare | 57 Archer Heights |
| 19 Belmont Cragin | 58 Brighton Park |
| 20 Hermosa | 59 McKinley Park |
| 21 Avondale | 60 Bridgeport |
| 22 Logan Square | 61 New City |
| 23 Humboldt Park | 62 West Elsdon |
| 24 West Town | 63 Gage Park |
| 25 Austin | 64 Clearing |
| 26 West Garfield Park | 65 West Lawn |
| 27 East Garfield Park | 66 Chicago Lawn |
| 28 Near West Side | 67 West Englewood |
| 29 North Lawndale | 68 Englewood |
| 30 South Lawndale | 69 Greater Grand Crossing |
| 31 Lower West Side | 70 Ashburn |
| 32 Loop | 71 Auburn Gresham |
| 33 Near South Side | 72 Beverly |
| 34 Armour Square | 73 Washington Heights |
| 35 Douglas | 74 Mount Greenwood |
| 36 Oakland | 75 Morgan Park |
| 37 Fuller Park | 76 O'Hare |
| 38 Grand Boulevard | 77 Edgewater |
| 39 Kenwood | |

- Census Tracts with Opportunity Zones
- Census Tracts with both AG Investment Activity and Opportunity Zones

SOURCES: ILLINOIS ATTORNEY GENERAL

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Attorney General Investment Activity and Opportunity Zones in the Chicago Metropolitan Area Census Tracts



Innovations in Housing Investments

- Closing Remarks / Adjourn
- Thank you for your participation!

