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## News from the Chicago Rehab Network

30 years of Community Empowerment and Development without Displacement

February 2009

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### Five Year Housing Plan Released; NSP Moving Forward

The Chicago City Council voted unanimously this past Wednesday, February 11th, for passage of ***Accepting the Challenge***, the new 2009-2013 affordable housing plan for the city. The plan commits \$ 2.1 billion to create, preserve or improve over 50,000 units, and as always, the plan indicates targeted income levels to be served. Also new to the plan is a set of guiding principles.

[CRN's testimony](#) to the Committee on Housing and Real Estate reported that the multifamily dollar commitments would be approximately 28% less than the actual expenditures at the end of the previous five year plan. The Plan commits one- third of its resources for Single Family development to households earning over 100% AMI (more than \$75,400 for a family of four) despite the fact that [nearly three-quarters of all Chicago households earn less than 100% of the AMI](#).

The next five years will indeed be a challenge for the housing market and economy. However, building affordable housing in challenging markets is the legacy and history of the non-profit community development field and there is no shortage of capacity among Chicago's competent network of community development practitioners.

#### More information:

- [Accepting the Challenge: The](#)

### • HOUSING IS FOUNDATIONAL: CRN Organizes Housing 2016 Forum



**Housing is key to economic recovery.** That is the message that CRN and over 200 participants of the forum, ***Housing 2016: What Can Be Accomplished in the Next Eight Years*** hoped to bring to Washington as the country prepares to bring unprecedented billions of dollars to stimulate the nation's struggling economy.

On January 12th, **Congresswoman Jan Schakowsky** and Chicago's [leading housing practitioners](#) gathered to share experiences and to discuss ways to bring affordable housing at the forefront on the road to recovery. With more than 1,000 foreclosures filed each month in Chicago alone, President Obama's stimulus package being assembled and NSP funding in the works, the forum focused on including housing as a critical part of the nation's economic stimulus plan.

We thank our sponsors, **The Boeing Company** and the **Federal Home Loan Bank of Chicago** for supporting this forum. Nora Moreno Cargie from The Boeing Company and Eldridge Edgcombe from the Federal Home Loan Bank opened the panel discussions by emphasizing the importance of community knowledge and partnerships-a tone that was held throughout the event. There was a wealth of support for affordable housing, in particular, rental housing, as a key component of stimulus and recovery plans. **Jack Markowski** of the [Community Investment Corporation](#) sought to link affordable housing concretely to the Capitol Hill deliberations concerning the economic stimulus plan. "**Housing is infrastructure**," he asserted. "It employs people. It provides the foundation to allow people to become part of the workforce."

**Andy Geer**, CRN Board President and Executive Director of [Heartland Housing](#), adds that an economic stimulus package should include programs that encourage housing production, a key component in reinvigorating the flow of capital in the markets. But most essential is to change the way Washington addresses the nation's housing needs through the Department of Housing and Urban Development. "We need a HUD that actually does housing," Geer said. "Our largest program to develop housing is run by the IRS. We need a proactive HUD that is going to provide resources to create production programs that will have a significant impact on the amount of rental housing."

**Joy Aruguete** of [Bickerdike Redevelopment Corporation](#), **Ted Wysocki** of [LEED Council](#) and others also underscored the connections that can be made between affordable housing and a green jobs program, another key component of the proposed stimulus plan.

Keynote speaker [Congresswoman Schakowsky](#) praised the work of those present in the room and offered a "view from the hill" to help shed light on NSP funds as well as other new developments in Washington. Schakowsky was optimistic about the future of housing under the new administration and told developers to be aware of the next round of stimulus money that would be coming out of

[2009-2013 Affordable Housing Plan for the City of Chicago](#)

- [CRN's Testimony to the Committee on Housing and Real Estate](#)

Launch of Neighborhood Stabilization Program

The City of Chicago expects to receive the \$55 million grant from the [Neighborhood Stabilization Program](#) by the beginning of March to help recover foreclosed properties and return them back to use. Estimates have ranged between 1,400 to 2,500 housing units to be recovered over the next 3 to 5 years. The city released its draft back in November and has made the final plan available on the Department of Housing's [website](#).

The NSP is a step forward towards the economic recovery of many distressed communities. The plan is only applicable to bank-owned properties in targeted communities (Areas of Greatest Need) identified based on certain factors such as the rate of foreclosure, subprime mortgages, and rate of delinquency or default. The city has also identified Mercy Portfolio Services as the lead agency in this effort.

**More information about the City's NSP Plan can be obtained below:**

- [City of Chicago NSP Final Plan](#)
- [Handout from Dept. of Housing NSP Developer Information Session](#) - 12/17/2008
- [CRN's Comments on the NSP Draft](#)

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- [Comments of the NSP Draft](#)

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## Tools and Resources

- [Our Website](#)
- [2008 Policy Platform: Policies for An Affordable City](#)
- [City Policy Reports and Fact Sheets](#)
- [E-Newsletter Archive](#)
- [Network News Print Newsletter Archive](#)

Washington shortly. She also commented that future packages would include more accountability than the original TARP bill.

Participants and panel members expressed hopefulness about the new administration-but were also very clear about potential challenges. **Jeff Bartow** of [Southwest Organizing Project](#) brings the work of those in the room into perspective. "This is about human lives. This is about pain. This is about shame. This is about anger. We have to leave here with a sense that we have work to do."

Chicago Rehab Network will continue this work in order to provide all stakeholders with the tools, support and knowledge to combine efforts for economic recovery with the reality of affordability. CRN has already held one of several follow-up workshops geared towards finding solutions to rise from this economic recession and ways in which Chicago's network of non-profit community organizations and community developers can make an impact on this crisis. (See below for details on the Federal Stimulus Workshop.)

Please visit [www.chicagorehab.org](http://www.chicagorehab.org) for more information.

## • Preparing for the Federal Stimulus

The **Chicago Rehab Network** hosted a **Workshop to Prepare for Federal Stimulus Dollars** to prepare and inform CDCs and CBOs for the impact the funds could have on our communities. Nearly fifty participants representing a wide range of CDCs and CBOs added their voices to this important discussion. **Thank you to The Renaissance Collaborative for sharing its space within the historic Wabash YMCA.** The workshop speakers shared the highlights of the Stimulus Bill. We urge you to use the [information](#) generated in today's workshop, summarized below, to get in contact once again with your Congressional Representatives and to prepare your own "shovel ready" projects.

- Barbara Holt, district director for Congressman Bobby Rush, opened the meeting with a summary of the upcoming stimulus bill.
- Teresa Prim from Prim Lawrence & Associates outlined the importance of having truly "shovel ready" projects and shared Bickerdike's example projects.
- The question and answer session allowed attendees to share their concerns with the Congressman's staff as well as the other participants who were present.

### Key points of understanding

**Stimulus vs. Recovery.** The intention of this bill is to stimulate the economy and that's why the money is being funneled to projects that can create jobs.

**Shovel-ready** implies that a project would be ready to get started immediately after funds are distributed. These types of programs will receive funding priority.

**CRN is inviting developers to share information on existing shovel-ready projects.** This information will help CRN present an accurate picture of Chicago's potential affordable housing developments and to better advocate for our communities. A compromise has been reached between the House and Senate over the stimulus bill. Once the bill is signed, projects will be decided on within 120 days of the bill's passage, it is important to begin concretely thinking about your projects in order to compete for these funds through the city, county, and state more efficiently.

Please review the [shovel ready checklist](#) to see if your projects are shovel ready. Contact Rachel Johnston at [Rachel@chicagorehab.org](mailto:Rachel@chicagorehab.org) to submit your responses or for any questions. You may also fax your responses to 312-663-3562.

## • For Your Information: REO Resources



**REOs - or Real Estate Owned** - are foreclosed properties that were unable to sell at auction and whose ownership has been returned to the mortgage servicer or bank. The new [Neighborhood Stabilization Program](#) that is

set to recover foreclosed properties only apply to REOs.

Rachel Johnston [rachel@chicagorehab.org](mailto:rachel@chicagorehab.org)  
Chicago Rehab Network  
<http://www.chicagorehab.org>

Efforts to create a centralized database are being undertaken by the [Housing Partnership Network](#), a national alliance of non-profit developers, who recently [launched an initiative](#) to finance bulk acquisitions of REO properties by nonprofit developers.

REO property listings are maintained by individual banks and several are available online.

- **JP Morgan Chase REO:**  
[http://mortgage.chase.com/pages/other/co\\_properties\\_landing.jsp](http://mortgage.chase.com/pages/other/co_properties_landing.jsp)
- **WaMu-owned properties:**  
[http://www.wa\\_muproperties.com](http://www.wa_muproperties.com)
- **National City REO:**  
<http://www.ncmcreo.com/>
- **EMC-owned properties** (registration required):  
<http://www.emcmortgagecorp.com/EMCMORTGAGE/MainContent/other.jsp>
- **Countrywide REO:**  
[http://www.countrywide.com/purchase/f\\_reo.asp](http://www.countrywide.com/purchase/f_reo.asp)
- **Bank of America REO:**  
<http://bankofamerica.reo.com/search/>
- **Citibank REO**  
<http://www.citimortgage.com/Mortgage/REO/SearchListing.do>
- **HSBC REO:**  
<http://www.banking.us.hsbc.com/>
- **IndyMac Bank REO:**  
<http://apps.indymacbank.com/individuals/realestate/search.asp>
- **Wells Fargo REO:**  
<https://www.wellsfargo.com/reo/>
- **Wachovia REO:**  
<http://reo.wachovia.com/>
- **Fannie Mae REO:**  
<http://www.mortgagecontent.net/reo/SearchApplication/fanniemaef/>
- **Freddie Mac REO:**  
[http://www.homesteps.com/hm01\\_1featuresearch.htm](http://www.homesteps.com/hm01_1featuresearch.htm)
- **HUD REO:**  
<http://www.hud.gov/homes/index.cfm>

*Photo: Jeff Bartow of Southwest Organizing Project holds up maps of foreclosed properties in the southwest side at CRN's Housing 2016 forum.*

## • Olympic Update

Though [Chicago 2016](#) has submitted its final bid proposal to the International Olympic Committee, the bid process is far from over. The IOC will now review the bids of Chicago, Madrid, Tokyo, and Rio De Janeiro and will visit each city to inspect plans and future Olympic sites. They will visit Chicago this spring from April 2 to April 8, and will make a final decision on October 2, 2009.

Chicago 2016 continues its push for the bid, recently adding former mayoral chief of staff Lori Healy and former Development of Planning commissioner Arnold Randall to the staff. They have also expanded the community outreach committees to include 40 new representatives, including the Chicago Rehab Network's Kevin Jackson with the Affordable Housing advisory subcommittee.

### More information:

- [Download CRN's Recommendations to the Affordable Housing Committee](#)
- [CRN Olympics page](#)

## • New State Government Provides Opportunity for Housing Changes



Controversy surrounding activities of former Governor Rod Blagojevich culminated last month as the Illinois Senate voted unanimously (59-0) on January 29 for the impeachment of the twice-elected governor. As the state reels from another reminder of a lack of transparency within politics, Lieutenant Governor Pat Quinn stepped in to fill the

recently vacated position until elections in 2010. With an economic deficit upwards of 9 billion dollars and unemployment reaching 7.6% in January, a plethora of issues face Illinois' current Governor. Not least of these is the current housing crisis, and the looming need to push programs and agendas that help preserve and create safe,

decent, and affordable housing within Illinois.

Last month, CRN encouraged Governor Quinn to reinstate funding of the **Illinois Affordable Housing Trust Fund** through the Real Estate Transfer tax, effectively ending the sweep of Trust Fund monies, a practice that had become common during Blagojevich's tenure and staunchly opposed by CRN. The Trust Fund was created in 1989 to provide affordable housing through funds from Real Estate Transfer tax revenue, an amount of approximately \$20-\$22 million annually.

Under the administration of Governor Blagojevich, nearly \$22 million Trust Fund dollars were redistributed from their intended use and was never replaced. Protecting these Trust Fund dollars and reinstating the intended purpose of the Real Estate Transfer Tax continues to be a priority of the Rehab Network. While the city faces unprecedented challenges, with a new governor in place, such change may be possible.

**More information:**

- [CRN's Letter to Gov. Pat Quinn urging the safeguard of funding for the Illinois Affordable Housing Trust Fund](#)

## • Community Development and Empowerment Series

CRN's Empowerment Series workshops is a four-month program led by a diverse team of senior community development practitioners. Workshops cover the nuts and bolts of project planning, financing, developments, and property management and tenant services.

The 2009 Series will begin on April 2nd. Priority registration will be given to CRN members and CHDOs. More information will be posted on our website in coming weeks.

## • Preservation Update: Evergreen Terrace preserved for 30-plus years



Working with owners and residents with a focus on leadership development, Evergreen Terrace in Joliet is undergoing rehabilitation. Improvements to security, open space and recreation, and the individual units are underway. Good things are happening due to strong

resident involvement and collaboration. In this situation, the property is being improved, the residents' quality of life is being enhanced, and the community benefit of the affordable housing is preserved for future generations.

### Tuesdays with Teresa

Residents of Evergreen Terrace (ET) in Joliet, gather every Tuesday morning over coffee and donuts to chat about what's going on in their apartment complex. **Teresa Davis**, a CRN AmeriCorps\*VISTA and ET resident, is the lead organizer of the ET Tenant Council (ETTC) since 2007. So far her Tuesday Tea initiative has been a success. Every week as many as a dozen residents stop by to say hello and catch up on the latest committee meeting, trade stories about apartment repairs, or learn about the ETTC for the first time. "Tuesday Teas are a good way to keep residents informed and let them know that there are always opportunities to get involved," says Teresa.

## • CRN Welcomes New VISTAs

CRN welcomes **Erin Potter** and **Jessica Friesen** as new AmeriCorps VISTAs.

Erin hails from the great white north of almost Wisconsin but most recently returned from living in China. Having done social justice work from a few different angles, she sought out working with CRN in order to engage more concretely in the conversation and action around neighborhood and community development. She is hoping to aid the CRN in membership communication and work with new media strategies.

Not native to Chicago, Jessica grew up in Southeast Asia, and last year spent six months in Malawi interning with World Relief, a non-governmental organization focused on

holistic rural development. She comes to CRN with interest in Chicago history, neighborhoods, and community-based development. Thus far as a VISTA, Jessica has spent her time on a range of activities including database work, letter writing, event preparation, and getting caught up on the complexities of Chicago politics. She is beginning to work mainly with housing preservation.

CRN bids farewell to **Kathleen Day** who has just completed her one year VISTA term. Kathleen has been instrumental in organizing the communities at Germano-Millgate in South Chicago and Evergreen Terrace in Joliet. Her contribution to strengthen tenant leadership in these communities is vital to CRN's preservation work.

## • Network NewsMakers and Upcoming Events

- The **City of Chicago Department of Procurement Services** will hold a **Federal Stimulus Workshop on Feb. 28th from 8:00 am - 3:00 pm**. The workshop is geared towards the business community seeking contracting opportunities and information on the rules and regulations involved in the Federal stimulus plan. More information is forthcoming. Download the [Save The Date](#).
- The [Chicago Federation of Labor](#) will hold a **Rally to Support the Employee Free Choice Act** on Tuesday, February 17 at Plumber's Hall, 1340 W. Washington Blvd.
- Congratulations to all winners of the **Chicago Neighborhood Development Awards** held on February 9th. We especially recognize CRN member [Access Living](#) for garnering Second Place for The Richard H. Driehaus Foundation Award for Architectural Excellence in Community Design for their headquarters. The new Access Living facility features universal design principles and green design. Visit their [website](#) for more information.
- CRN will hold a Membership Meeting on February 25th. More details to follow.

## • UPDATE: The House and Senate Reaches Compromise on Stimulus bill

**Thank you for all of your calls and advocacy efforts!** As of this minute here is what we believe is included for housing: \$2.25 billion through HOME and the Low Income Housing Tax Credit program to fill financing gaps caused by the credit freeze and get stalled housing development projects moving. \$1 billion for the Community Development Block Grant program for community and economic development projects including housing and services for those hit hard by tough economic times. \$4 billion to the public housing capital fund to enable local public housing agencies to address a \$32 billion backlog in capital needs -- especially those improving energy efficiency in aging buildings. \$2 billion for full-year payments to owners receiving Section 8 project-based rental assistance. \$2 billion for the redevelopment of abandoned and foreclosed homes. \$1.5 billion for homeless prevention activities, which will be sent out to states, cities and local governments through the emergency shelter grant formula. \$250 million is included for energy retrofitting and green investments in HUD-assisted housing projects.

We encourage you to keep contacting your representatives to let them know that affordable housing is a true economic stimulus--it is foundational for healthy and stable neighborhoods. See [CRN's Letter](#) urging Congress to use stimulus funds to create new or improve existing affordable housing. We will continue to send you updates on the status and implementation of the stimulus package and we ask that you continue your advocacy on this critical legislation. Again, we thank you for your efforts.

[Find your representatives here.](#)

## • TARP, TARP, and more TARP

- **Help Build The Network!**  
[Read our latest February 2009](#) recommendations about how the Chicago Rehab Network is the oldest and largest coalition of non-profit community developers and practitioners in the Midwest. The Emergency Economic Stabilization Act has its own section of the US Treasury's website. The TARP commitment reports can be reviewed [here](#). CRN works to provide a foundation for new strategies for effective policy, communications, training and technical

assistance to support the development and preservation of affordable housing across Chicago.

You can support our work by [sp reading the word about CRN](#) or by making a donation.

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