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Greaterchathaminitiative.org

**Greater Chatham Initiative, Inc.  
Housing Committee Meeting on  
Tuesday, February 21 at 10-11:30am  
Located in the Urban Partnership Bank  
7801 S. State Street 2<sup>nd</sup> FL, Chicago, IL 60620**

The following persons attended or joined the meeting by conference call:

<b>Name</b>	<b>Affiliation</b>
1. Deborah Moore	NHS
2. Eiran Feldman	SSCIA
3. Tijwana Bush	Resident
4. Janece Simmons	NHS
5. Sarah Duda	DePaul Institute of Housing Studies
6. Gregory Davison	GCA
7. Britt Savage	CAPCC
8. Angela Patterson	Baird& Warner/ CAPCC
9. Teresa Prim	Prim Lawrence Group
10. Ananka Shony	CAEC
11. Pamela Daniels	BMO Harris
12. Jonah Hess	Community Investment (Conference Call)
13. Ora Jackson	GCA/GPCC (Conference Call)
14. Nedra Fears	GCI
15. Nicole Bridges	GCI

## **Call to Order, Introductions, Executive Director Comments, Previous Minutes.**

The meeting was called to order at 10:15 a.m. by Executive Director Nedra Fears. Minutes from the Tuesday, January 17, 2017 minutes were accepted.

## **Micro Market Recovery Program.**

Fears described the Micro Market Recovery Program (see attachments). Jonah Hess from Community Investment and Janece Simmons from NHS explained what the program is and their outcomes during the last two years.

### **Micro Market Recovery NHS & Greater Auburn Gresham**

Janece Simmons (NHS) managed the MMRP in the Auburn Gresham neighborhood. NHS helps stabilize an existing discrete geographic area that is in Auburn Gresham. The targeted blocks have vacant homes. NHS tracks the number of vacant single-family (1-4-units) buildings that are located on the blocks. NHS works to turn the vacant homes into owner-occupied properties. They accomplish this in a few ways. They inform residents about programs that are available to them such as energy improvement grant programs that allow homeowners to reduce their energy costs. NHS helps home owners who maybe foreclosed upon. They mail out foreclosure prevention literature, knocked on doors and call residents to educate them on how to keep their homes. They find purchasers who want to buy and renovate the vacant property. They provide financing to those purchasers and rehabilitation technical assistance.

### **Micro Market Recovery Community Investment**

Jonah Hess (Community Investment Corporation) works in East Chatham with building owners and tenants. He too addresses how to transform vacant multi-family (>5 units) buildings into occupied buildings. CIC works with NHS's foreclosure outreach program for owner-occupants of 2-4 unit buildings. CIC and Chatham DevCorp co-sponsored local events such as BBQ Clean Up Days, and Pop Up services that are located near 79<sup>th</sup> street and Cottage Grove. The intent of the work is to pull together the property owners. CIC could significantly reduce the vacancy rate in East Chatham. They offered events that have been repeated annually a few times. The community looks forward to these events. Additionally, Hess notes that CIC had a vast number of apartment building loans in the area. CIC is a stakeholder in the community and will continue to retain its existing mortgage loan investment portfolio and make loans in East Chatham and Greater Chatham.

### **Micro Market Recovery Program- GCI**

CIC is the lead MMRP agency for Greater Chatham and Woodlawn. Through its multi-family Troubled Buildings CIC provides services to all MMRP place-based multi-family programs throughout the City of Chicago. CIC MMRP's goal is to reduce the number of vacant apartment buildings. The City of Chicago and CIC determined that GCI should manage the 2017 MMRP program. Even though CIC is no longer the lead agency for Greater Chatham CIC will continue to carry out the MMRP program goals in East Chatham.

CIC uses its financial and litigation tools to reduce the number of vacant apartment buildings. MMRP Is a great program for the community. It opens channels of communication among residents and property owners. At the MMRP meetings everyone is invited to the table. This open forum allows community members to resolve problem properties faster (than going to the Alderman office). The MMRP strengthens the community. This is due in part because CIC vets who gets the property. This helps make sure the area has responsible and knowledgeable investors. This in turn reduces the number of vacant properties and local crime. The City of Chicago is offering the program for two more years—2017 and 2018. GCI will manage it during this time and is responsible for the neighborhood planning.

### **Micro Market Recovery NHS (Single Family Owner Occupied Homes)**

NHS works on targeted MMRP blocks. NHS staff assists property owners with monies and technical assistance so that they can maintain their homes. Property owners could receive grants totaling ≤\$25,000 for two flats. Most of the funds had to be spent on exterior maintenance. A small portion of the grant could be spent on interior items. A NHS Construction Specialist inspects the building. He or she makes sure there are no housing safety issues. Eligible owners and properties could also receive Weatherization program grants. When used owners could realize significant energy savings and lower their energy bills.

There is also a subsidy for people who are purchase homes. Buyers who have median area family incomes of 80-120% are eligible to receive \$15,000 forgivable housing loans if they live in the home for five years. This program should continue to be available to home owners through June 2017. If the money for the program has not been used then it will rollover and will be made available to purchasers. If the money is exhausted then hopefully the City of Chicago will replenish it. The target block grants will not be the same.

Home owners and purchasers can take advantage of \$5000 to \$7000 energy conservation grants offered by Elevate Energy. This grant will start in the Spring 2017. The MMRP program administrators phased out the door to door knocking, foreclosure prevention work, community stabilization, block club parties, and neighborhood clean ups. In the 2017-2018 program the primary goals is to reclaim vacant buildings.

### **Retail Thrive GCI**

Retail thrive is a new commercial program, it will be officially announced on Tuesday February 28, 2017. The retail thrive program will serve property owners and merchants that are located on 75<sup>th</sup> and 79<sup>th</sup> street. The purpose of the program is to help kick start the improvement and occupancy of commercial storefronts. Most tenants who rent the space don't have the money to build out the space. The City knows that this is a City-wide problem. They want local retail strips to become vibrant community shopping areas. There are two Retail Thrive strips in Greater Chatham. One is on 75<sup>th</sup> street. It starts on the west at 75<sup>th</sup> Street and Michigan Avenue and ends at 75<sup>th</sup> Street and Eberhart Avenue. The second retail corridor is located on 79<sup>th</sup> Street. Its western boundary begins at 79<sup>th</sup> Street and Vernon Avenue and its eastern boundary is 79<sup>th</sup> Street and Maryland Avenue. There are two community sponsors for each strip. 75<sup>th</sup> street is being managed by the Chatham Business Association, and 79<sup>th</sup> street is operated by GCI. Once the City announces the program, owners will have six weeks to apply. The maximum grant is \$250,000 for each approved building.

The application can be made by the owner or merchant. The programs that have operated before average \$40,000 dollars. The grant can be used for both façade improvements and interior improvements, but the improvements must be generic. Each retail strip will get one million, one hundred and twenty-five thousand dollars in grant funds will be available for each strip. It will be two and a quarter million dollars combine for 75<sup>th</sup> and 79<sup>th</sup>. The City will determine which of those commercial properties make sense. They are looking for; for profit businesses to occupy that space. Retail thrive is similar to the SBIF program. Owners and merchants must have advance money. The City now have lenders on board and private banks. They have joined partnership with Women Business Development investors to help with lending for the thrive zone.

Retail thrive is a reimbursement grant that does not require matching funds. The problem with the SBIF program is that it will be over subscribed. The City wants to have more Robust retail stores. Beauty shops, nail shops, and jerk chicken restaurants will go at the bottom of the list for the retail thrive grant. Merchants must get permission from the owner to apply for the SBIF. They can use the grant for plumbing, up grade heating system, new windows or roofing. The grant is for infrastructure only. The impact for Retail thrive is that they have very tight boundaries. Just eight blocks to make an impact, it's up to GCI to manage the retail thrive on 79<sup>th</sup> and pick which businesses are priority.

GCI will invite all the properties owners in the target area to a Retail Thrive meeting. GCI wants to focus on a sub area around the Whitney Young Library. GCI would like to have an interim library when Whitney Young Library close for the Summer for 18 months. Using the interim Library as a jump off for retail thrive and more vibrant strip for 79<sup>th</sup> street and create a kid zone. During the school year, Whitney Young has 75 school age kids, and 275

during the Summer. Members feel that we should create a survey to see what the residents want in the community.

*Next meeting is Tuesday, April 18, 2017 at the Urban Partnership Bank.*

*Meeting adjourned at 11:36 am*

## **Attachment**

### *MMRP-Chatham Micro Market Recovery Program 2017-2018*

Community Investment Corporations has:

- Financed the improvements of 49 multi-family buildings that have 292 units
- Provide 96 multi-family loans
- Made 10 Energy Savers loans
- Acquired 17 1-4-unit non-owner occupied buildings that had 23 units
- Sold 10 of 17 buildings.

*CIC's work has done much to*

- Stabilize and improve East Chatham
- Create a South Side Real Estate Investor Association and
- Chatham DevCorp, a nonprofit that promotes Chatham and hosts events for Millennials.