

# CHICAGO COMMUNITY LOAN FUND

*Helping create communities where people thrive*

## **COMMUNITY BLUEPRINT:**

CCLF'S NEWSLETTER OF COMMUNITY DEVELOPMENT PROJECTS, ISSUES & FEATURES

2nd Quarter/2015

### **Federal Home Loan Bank of Chicago Names Chicago Community Loan Fund A Community First® Fund Partner**



**Community First® Fund**  
Chicago Community Loan Fund  
Named Fund Partner: Recipient of a  
\$5 Million, 10-Year loan.

The Federal Home Loan Bank of Chicago (Bank) announced that Chicago Community Loan Fund (CCLF), a certified community development financial institution (CDFI) has been named a partner of the Community First® Fund and is the recipient of a \$5 million, 10-year loan.

The Community First Fund is a \$50 million revolving loan fund that provides direct support to CDFIs, community development loan funds, and state housing finance agencies serving Illinois and Wisconsin. "We continue to seek

high-impact opportunities for the Community First Fund to meet the affordable housing and economic development lending needs in our District and are pleased to have CCLF as a partner," said Suzi Thackston, Community Investment Officer, Federal Home Loan Bank of Chicago. "Our expectation is that the Community First Fund will help to expand CCLF's role as a community quarterback providing critical financial and technical assistance for comprehensive neighborhood revitalization in the Chicagoland region."

The capital will be leveraged along with other private and public funds and projects in the first year of the partnership to create or retain at least 230 affordable housing units and 380 jobs, as well as to develop 400,000 square feet of commercial retail and/or community facilities space.

"Low-to-moderate income communities will benefit from the funding of commercial real estate, community facilities and affordable housing loans," added Jane Ames, CCLF's Vice President of Finance. "Due to the sales-output multiplier, employment and income multipliers, and the value-added multiplier in income and property taxes, the effect of this investment is much larger than the initial \$5 million. Partnerships such as this are improving communities across Chicagoland."

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## CCLF Annual Stakeholders Meeting Emphasizes Partnerships



In early June, CCLF held its annual Stakeholders Meeting for funders, investors and community partners. The meeting provided an opportunity for partners to learn how CCLF's portfolio performed in 2014 and through the first quarter of 2015, as well as: 1) gain greater transparency on the work CCLF is doing with customers and updates on the social impact of our programming and priorities; 2) reinforce CCLF's programs and products so stakeholders can more readily determine how and when to partner with us; and 3) better appreciate CCLF's operational strengths and risk management practices.

Most importantly, the meeting allowed CCLF to thank our funders, investors and partners for working in tandem to alleviate poverty and create economic opportunity in lower wealth neighborhoods. The meeting opened with a welcome from Jeremiah Boyle of the Federal Reserve Bank of Chicago who served as host for the meeting. Boyle emphasized the importance of hosting CCLF at its facilities as the Federal Reserve cannot work independently of the communities in which it serves. The Federal Reserve needs partnerships to extend their reach to get capital flowing in LMI communities.

Three investors concluded the meeting highlighting the importance of their partnership with CCLF. George Wright of Citi stated Citi is committed to working together because the strength lies in the process for building the partnership. Lyndsay Durr of Northern Trust described how Northern Trust is working with CCLF and Genesis Housing Development Corporation to develop 25 units of affordable housing in the communities of Chatham, Auburn Gresham, Greater Grand Crossing and Englewood. Dan Sprehe concluded by sharing how JPMorgan Chase's CDFI Collaborative Program works. CCLF is participating in the collaborative to develop 1-4 unit properties within the targeted Micro Market Recovery Areas designated by the City of Chicago. Through the program, CCLF is able to leverage public and private investment in these areas to multiply the impact of its own financing.



*Lindsay Durr of Northern Trust (top), George Wright of Citi (right) and Dan Sprehe of JPMorgan Chase (bottom left)*

## 9th Annual Housing Cooperatives and Communities Gathering



Over 25 cooperative-minded individuals joined CCLF and North American Students of Cooperation for the 9th Annual Cooperatives and Communities Gathering on June 27th. Participants attended workshops on Understanding Financial Statements, Fair Housing Law and Interest-Based Bargaining. Special thanks go to the event's host, Stone Soup Cooperative - Ashland House. CCLF has been a long time believer in housing and worker-owned cooperatives (as well as social enterprises) providing needed capital to help individuals and families build personal wealth through shared ownership.

Dan also highlighted how CCLF was instrumental in sharing its model for partnership with community development professionals during a session Chase hosted in Detroit earlier this year.

At the conclusion of the Annual Stakeholders Meeting, investors and funders were able to join a bus tour of three community sites, Bethel New Life (Bethel), West Humboldt Park Family and Community Development Council (WHPFCDC) and the National Museum of Puerto Rican Arts and Culture (NMPRAC). The tour was in partnership with The Law Project which has identified law firms to provide volunteer attorneys for CCLF's loan closings. The Law Project is a program of the Chicago Lawyers' Committee for Civil Rights Under Law which has a mission to protect and promote civil rights by bringing the strength and prestige of the private bar to bear on the problems of poverty and discrimination. The tour gave the investors and funders an opportunity to see first-hand the impact of CCLF's financing in local neighborhoods.



## CCLF Received the Dearborn Realtist's Marion Maner Award

Chicago Community Loan Fund was selected to receive the "Marion Maner Special Recognition Award" by the President and Board of Directors of the Dearborn Realtist Board. This award is presented to a person, corporation, business, or government official who promotes fair practices and policies within the real estate industry to assist and support minority real estate firms, brokers, sales persons and their clients. CCLF was recognized for its lending and development support to community developers, affordable housing cooperatives and social enterprises to help sustain quality housing and economic opportunities for minority enterprises that would not otherwise have such opportunities.



*Gerald Williams, President of Dearborn Realtist Board congratulating Calvin L. Holmes on the work being done by Chicago Community Loan Fund*

## U.S. Treasury Awards CCLF \$15 Million in New Market Tax Credits

Chicago Community Loan Fund is a first time recipient of a CDFI Fund New Markets Tax Credit (NMTC) allocation in the amount of \$15,000,000. The New Markets Tax Credit Program helps economically distressed communities attract private investment capital. This federal tax credit helps to fill project financing gaps by incentivizing larger investments that would otherwise not be possible.

Communities benefit from the jobs associated with these investments as well as retail and community facilities that offer goods and services such as childcare, healthy foods, better health care, higher quality clothing and housewares among many others.

CCLF will use its 2014 NMTC allocation to make investments in mixed-use commercial real estate and community facilities projects that bring goods (including healthy foods), services and jobs to low-income communities in distressed Chicagoland neighborhoods. For the past 24 years, CCLF has played a strong role as one of the leading predevelopment lenders in Chicagoland. However, given our recent growth in loan pool assets driven by the demand for longer-term financing, this NMTC allocation will allow us to better serve our clients with larger, longer-term financing products.

## Geneva Foundation Providing a New Start for Young Adult Males

In 2000, CCLF approved a \$281,000 seven-year loan to the Geneva Foundation for the purchase and rehabilitation of a building in the Humboldt Park community to function as a group home for male wards of the state. A \$206,000 loan was also issued by the founder herself to cover startup expenses, making the consolidated start-up debt \$487,000.

The Geneva Foundation has since become one of CCLF's most celebrated customers due to their inspiring work with youth and the perseverance of their Founder and Executive Director, Lisa Boone. The organization is a transitional living program for 16-19 year-old males in the Illinois child welfare system. The primary mission of the Foundation is to provide a home setting that encourages leadership and confidence among the residing youth, while also teaching them invaluable life skills. Ultimately, the goal is to facilitate the participants' transition from foster care into an independent lifestyle. In the end, the young men are provided with a strong foundation that allows them to engage in their individual pursuits.

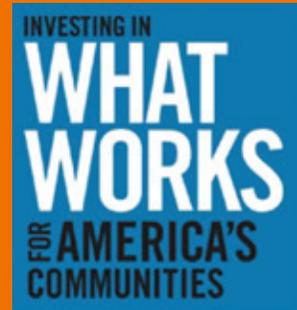
The youth in the program are typically from impoverished Chicago neighborhoods and are often orphaned or unable to reside in their birth homes due to unsafe living conditions. Geneva Foundation offers these individuals a healthier home in addition to a large variety of program services. In 2014, seven youth graduated and four are attending college while another eight are working.



*James, Geneva Foundation youth, celebrating his high school graduation along with Geneva Foundation Program Director, Lori Darugar*

Since the Geneva Foundation received the loan from CCLF, the institution has strengthened considerably. Lisa Boone has noted that all of the foundation's accomplishments and success would not have been made possible without the collaboration with CCLF. "Geneva would not exist if it were not for CCLF. CCLF has been so supportive, not only in the initial startup, but also acting as an ongoing partner who continues to work with us. I'm true to CCLF because, unlike many other larger institutions, they are flexible with due dates and are actually interested in a relationship with our organization."

### Investing in What Works Panel Discussion



*Investing in What Works for America's Communities* is a joint project of the Federal Reserve Bank of San Francisco and the Low Income Investment Fund to collect ideas that address poverty in distressed neighborhoods across the country. This collection of essays examines what can be learned from the history of community development and provides dozens of innovative ideas for working with new partners, creating new financing tools, and leveraging new technologies to bring opportunities to America's struggling communities.

To celebrate the 50,000th printed copy of the book, the Federal Reserve Bank of San Francisco and the Low Income Investment Fund hosted a conference on June 10 to reflect on the themes of *What Works* and hear policy makers, practitioners, investors, and others discuss what's working in their communities and how their efforts are shaping the future of anti-poverty work in the United States.

Calvin L. Holmes joined a panel of experts to share how Chicago Community Loan Fund was implementing the "quarterback model" described in the book in the West Humboldt Park community in Chicago. He encouraged today's leaders to put aside their discomfort and be willing to take risk and work with other CDFIs, banks and community agencies.

## Uncle Remus is Open for Business on Chicago's South Side

If you live on Chicago's West Side the mention of Uncle Remus' crispy fried chicken conjures an immediate longing for their special sauce. This small family owned business has a reputation for making a sauce that makes their chicken and fish meals high in demand. With three restaurants on Chicago's West Side, the company has developed a loyal customer base. Many West Side residents that have relocated always travel back to the West Side of Chicago to indulge in Uncle Remus' chicken from time-to-time. Now those living in Chicago's South Side can finally taste what the buzz is all about. On June 12, 2015, Uncle Remus opened its fourth location on 47th and Cottage Grove to a crowd that was lined up outside the restaurant waiting to order some chicken with that special sauce. The journey to the South Side of Chicago was not easy for Mrs. Charmaine A. Rickette, owner of Uncle Remus Inc.

Mrs. Rickette has big dreams for her company which include providing the highest quality product, growing the business, creating jobs for local residents and franchising in the future. It takes the basics to be a successful restaurateur like strong management, branding, financing and leadership. But Mrs. Rickette needed what every neighborhood should have and that is a champion in her corner by the name of Bernita Johnson-Gabriel and the Quad Communities Development Corporation (QCDC).

QCDC's mission is to improve the quality of life and economic strength of its neighborhoods. It was working closely with the development of the Shops and Lofts at 47th and Cottage Grove in Chicago as a catalytic economic development project that has accelerated the ongoing revitalization of the South Cottage Grove Commercial Corridor. This new mixed development provided 96 units of housing and a 41,000-square-foot Walmart onsite.

The retail portion of the complex had an empty storefront that was perfect for Uncle Remus, but it took the conviction of Ms. Johnson-Gabriel to convince Mrs. Rickette she was ready to add a fourth restaurant to her portfolio. Financing became a challenge for Ms. Rickette so Ms. Johnson-Gabriel made the introduction to CCLF, as well as provided technical assistance to make sure Uncle Remus would open a location on Chicago's South Side.



*Top left: Ms. Bernita Johnson-Gabriel from Quad Communities Development Corporation and Mrs. Charmaine Rickette owner of Uncle Remus Inc., Bottom left: 4th Ward Alderman Will Burns and CCLF's Director of Lending Operations Wendell Harris, Top right: Mrs. Rickette, Alderman Burns, Vance Henry and other leaders cut the ribbon and Bottom right customer's welcome Uncle Remus to Chicago's South Side.*

### CCLF Customer, The Resurrection Project, Wins Woodstock Award



Raul Raymundo, CEO for **The Resurrection Project (TRP)**, accepted the **Woodstock Institute's 2015 Community Investment Award** for their outstanding work and leadership in consumer empowerment and protection and community development. TRP was instrumental in saving the failed Second Federal Savings and Loan Association by pulling together a new consortium which included Self Help Federal Credit Union. This ensured that the Pilsen community continued to have a financial institution that would provide home loans to undocumented immigrants who possessed taxpayer-identification cards. Their efforts saved over 1,100 families and their loans from leaving the community.

### CCLF's Energy Efficiency Loan Option

CCLF's Neighborhood Investor Lending Program now offers customers an Energy Efficiency Loan Option with lower interest rates on construction and mini-permanent loans, along with more flexibility in loan-to-value and loan-to-cost financing.

To learn more visit:  
[cclfchicago.org](http://cclfchicago.org)

CCLF provided Uncle Remus with a \$564,000 loan as part of its commercial retail initiative to create jobs for local residents. This development is going to provide a total of 19 jobs as reported by Ms. Rickette during the grand opening. "At Uncle Remus we don't have workers, we have youth leaders that get extensive training and all right here from the Bronzeville community," stated Ms. Rickette.

CCLF's Director of Lending Operations, Wendell Harris, stated, "Capital in this community is not easy to obtain, but CCLF is here to make it happen. CCLF is grateful to Ms. Johnson-Gabriel and QCDC for bringing us into the deal and is very excited about the explosion of commercial activity taking place along the corridor."

## Technical Assistance Provided to Landlords through JPMorgan Chase CDFI Collaborative Program



*Professor Lewis Powell presenting during a Landlord Training workshop sponsored by Community Investment Corporation and Chicago Community Loan Fund*

Lewis Powell, Adjunct Professor with the John Marshall Law School Fair Housing Clinic, featured an informational presentation during a landlord training offered by Community Investment Corporation (CIC) and hosted by Chicago Community Loan Fund. Professor Powell focused on the Fair Housing Act, enacted by Congress in 1968 and amended in 1988. He gave a summary of the Fair Housing Laws that relate to the Chicago area real estate market. He also discussed several prohibited practices such as: refusing to make reasonable accommodations and reasonable modifications for persons with disabilities.

The main take away of Mr. Powell's presentation was that landlords, property management companies, and the housing industry need to be aware of the terms within the Fair Housing Act to better serve their tenants. CIC and CCLF are working together to provide affordable housing and technical assistance in areas of most need throughout Chicago. This partnership, which includes Neighborhood Lending Services - a division of Neighborhood Housing Services of Chicago, is one of the JPMorgan Chase CDFI Collaborative Programs which brings together Community Development Financial Institutions to share resources to multiply their impact in low wealth neighborhoods.

## The John D. and Catherine T. MacArthur Foundation Visits with CCLF Customer Growing Home

CCLF President, Calvin L. Holmes, provides a tour of CCLF customer Growing Home to a group of MacArthur Foundation Program Officers from around the world seeking to explore the Foundation's program related investments and grant programs in the U.S.

Growing Home is an urban farm based in the Englewood neighborhood in Chicago which provides the hard-to-employ with job training and a career path in healthy food production, marketing and sales. Growing Home is Chicago's leading expert in farm-based training for people with employment barriers. They provide their produce to neighborhood residents at reduced costs and at local farmers' markets.



## CCLF Noteworthy

### Thank You to Funders and Investors

For their recent grants, CCLF thanks: Citi Foundation, JPMorgan Chase Foundation and The Searle Fund at The Chicago Community Trust.

For their recent investment, CCLF thanks: The Federal Home Loan Bank of Chicago and Jonathan and Connie Heller.

### CCLF Staff & Board News



CCLF welcomes Bob Tucker as the Chief Operating Officer and Executive Vice President of Programs. Prior to joining CCLF, Bob was the Corporate General Counsel and Chief Risk Officer for Neighborhood Housing Services of Chicago (NHS). Before NHS, he was a Partner at the law firm Chapman and Cutler LLP and a Freelance Writer for the Chicago Sun-Times and Pioneer Press. Bob is a Village Trustee on the Village Board of Oak Park, Illinois where he serves on the Finance Committee and as a Trustee Liaison to the Oak Park Economic Development Commission.

Calvin L. Holmes was appointed by President Barack Obama as a member of the Community Development Advisory Board (CDAB). The CDAB offers strategic direction on matters important to the Community Development Financial Institution (CDFI) industry and the CDFI Fund's programs. Holmes was nominated and elected as Chairman by the Board.

*Secretary of the Treasury, Jacob J. Lew, swears in new Advisory Board members Calvin L. Holmes, President of the Chicago Community Loan Fund and Brian E. Argrett, President and CEO of City First Bank of DC.*  
(Photo from CDFI Fund)



On April 3, 2015, Calvin L. Holmes celebrated twenty years of employment at Chicago Community Loan Fund and 17 years as President. Under his leadership, CCLF's lending has leveraged \$1.1 billion in additional public- and private-sector capital in over 66 lower wealth Chicagoland communities, in turn supporting over 7,300 units of affordable housing, more than 3.1 million square feet of community facility and commercial/retail space, as well as 2,500 jobs.



CCLF staff congratulate Calvin L. Holmes for 20 years of service to the agency

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## Credit Memos: CCLF Lends \$4.87 Million in 2nd Quarter

**8011 Ellis, LLC** received a \$1,638,000 construction loan to rehab six units of affordable housing in Chatham. This loan is part of the **City of Chicago's Neighborhood Stabilization Program**.

**Hope Holdings, LLC** received a \$666,400 mini-permanent loan to finance 15 units of affordable housing in the South and West sides of Chicago and the South Suburbs. This loan is part of **CCLF's Neighborhood Investor Lending Program**. Thanks to **Jeff Gray of Barnes & Thornburg LLP** for serving as CCLF's counsel on this transaction.

**NHS Redevelopment Corporation** received a \$241,000 construction loan to rehab one unit of affordable housing in Englewood. This loan is part of the **City of Chicago's Neighborhood Stabilization Program**.

**Project Simeon 2000** received a \$99,000 mini-permanent loan to preserve two units of affordable housing in Auburn Gresham. This financing will help Project Simeon 2000 continue to provide support to Simeon High School's (SHS) various vocational programs which include the areas of carpentry, electrical, welding, culinary arts, automotive and architectural design. This loan is part of **CCLF's Neighborhood Investor Lending Program and Genesis Housing Development Corporation's Legacy Project**. Thanks to **Jessica Simons of Paul Hastings LLP** for serving as CCLF's counsel on this transaction.

**South Suburban Community Development Corporation** received a \$375,000 construction/mini-permanent loan to rehab and stabilize nine units of affordable housing in Chicago Heights, IL. Thanks to **Kristine Osentoski of Chapman and Cutler LLP** for serving as CCLF's counsel on this transaction.

**Stone Fox Capital, LLC** received a \$1,000,000 construction/mini-permanent loan to rehab and stabilize ten units of affordable housing on the South and West sides of Chicago. This loan is part of **CCLF's Neighborhood Investor Lending Program**. Thanks to **Katie Bolanowski of Kirkland & Ellis LLP** for serving as CCLF's counsel on this transaction.

**Uncle Remus Saucy Fried Chicken, Inc.** received a \$564,000 construction/mini-permanent loan for the build out of a new restaurant in Grand Boulevard. This loan is part of **CCLF's Commercial retail Initiative** and the **City of Chicago Treasurer's Small Business Development Fund**. Thanks to **Jessica Simon of Paul Hastings LLP** for serving as CCLF's counsel on this transaction.

**West Pullman Redevelopment, LLC** received a \$287,000 construction loan to rehab one unit of affordable housing in West Pullman. This loan is part of the **City of Chicago's Neighborhood Stabilization Program**.



*Helping create communities where people thrive*

The mission of the Chicago Community Loan Fund is to provide flexible, affordable and responsible financing and technical assistance for community stabilization and development efforts and initiatives that benefit low- to moderate-income neighborhoods, families and individuals throughout metropolitan Chicago.

A member of the **OPPORTUNITY FINANCE NETWORK**



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