IF THE CHICAGO REGION IS TO CONTINUE TO PROSPER, THEN EVERY COMMUNITY WITHIN IT MUST OPERATE TO ITS FULLEST POTENTIAL.

SNAPISM | Opportunities to build healthy communities are everywhere, especially when you are willing to unite with many other stakeholders in collective action.
Dear Friends,

As the Chicago Community Loan Fund (CCLF) celebrates our 25th Anniversary, we are excited to look back on our journey and the wonderful work that has been accomplished. As we celebrate, we are proud of all of the dedicated people who have contributed to the success of CCLF.

Since 1991, CCLF has been dedicated to improving the lives of the people in our community. We have worked with some of the most innovative and forward-thinking partners to create positive change in the areas of affordable housing, economic development, and community development. Through our work, we have helped to create new opportunities for people to live, work, and play in vibrant and diverse neighborhoods.

CCLF was founded by a group of visionary leaders who recognized the need for new sources of capital to support community development. In 1991, we launched CCLF with the vision of creating a new model for community development finance, with a focus on supporting mission-driven, for-profit community developers. Over the past 25 years, we have worked with more than 200 visionary non-profit and for-profit partners to help strengthen communities and create economic opportunities.

Looking back at where we’ve been, and being optimistic about where we are headed, we know that our work is far from over. We continue to work with our partners to identify new opportunities to make a positive impact in the communities we serve. We are committed to supporting innovative ideas and strategies that can help to solve some of the most pressing challenges facing our region.

In this retrospective, you’ll read about five of our partners who have helped to create positive change in our community. These partners’ success stories are among hundreds of stories from CCLF that have led to innovation, community development, job creation, affordable housing, and more. From CCLF we can tell from the past 25 years.

We are excited to continue to work with our partners to help create a better future for all of Chicagoland. Together, we can make a difference and help to build a stronger community for all.

Thank you!

Calvin L. Holmes
President

Matthew R. Reilein
Chair
ASSET CLASS: SINGLE FAMILY HOUSING
KARRY L. YOUNG DEVELOPMENT LLC

Karry L. Young has been a go-getter for a long time. Today, he is regarded as one of Chicago’s elite developers. Young has a vision for real estate that goes beyond the basic basics of buying, selling, and renting.

Young’s journey began in 1972 when he graduated from Jackson State University in Mississippi. He packed up and moved to Chicago, where he landed a job as an industrial engineer. He moved up the ladder from one corporation to the next, increasing his salary and diversifying his resume. Then, one day he was laid off. It was time to go and start something new. His mind was set on real estate, an option that clicked for him while playing a board game with his teenaged niece.

“You were playing Monopoly™ and she would say ‘equity, equity’ as she moved her piece around the board,” Young says. “She planted the seed with me.”

Turning down offers to return to corporate America, Young dived into real estate in 1982, and soon after, he formed a general contracting company that handled home renovations.

By 2005, the contracting business was growing so well that Young started developing homes and formed a new company, Karry L. Young Development, LLC. With this business, he contributed to neighborhood revitalization efforts in west suburban Bellwood and in Chicago’s south side Englewood community.

Pushing through the Great Recession, the company’s reputation grew and so did its project roster. Eventually, it was tapped to handle big, federally funded projects through the Neighborhood Stabilization Program, a stimulus program that set out to stabilize 29 Chicago neighborhoods most affected by the nation’s foreclosure crisis.

The City of Chicago challenged Young and other developers to bring vacant, foreclosed homes up to code and occupied as quickly as possible in targeted areas. The Chicago Community Loan Fund (CCLF) was a financial agent for the program.

Young worked with CCLF to access program funding, first for a dozen single-family and four-unit homes. Then, another dozen, and then even more in other parts of Cook County.

“Our crew was good,” Young says, “Our work was quality, and our working relationship with CCLF was great. They made the process of securing financing a lot easier for us, and we made it easy for them to work by doing good work.”

As the City program came to a close, Young continued working with CCLF through its NILP program to rehabilitate properties for families looking for affordability.

“It took a combination of all of us working together to make a quality product to sell to the end buyer.”

Years Working Together: 7
Total Financing from CCLF: $5,764,500
Number of Homes Developed: 14
Number of Affordable Units Financed by CCLF: 27

CCLF’s Loan Product
The Neighborhood Investor Lending Program provides smaller scale for-profit and nonprofit developers with the support and capital needed to acquire and rehabilitate 1-4 unit buildings.

This product offers capital and flexible loan terms to assist neighborhood developers strengthen their communities. In addition, CCLF provides technical assistance and an Energy Efficiency Loan Option for developers seeking to lower the building’s utility costs.

Once a place started to look like a home, people would come in and they’d be so excited. We’d have three or four generations of families in Englewood buying homes that we rehabbed. It was like a dream come true to them. The homes were affordable, the families were able to move back into the community and, with CCLF’s help, we put property back on the tax roll.” – Karry L. Young, Founder & CEO, Karry L. Young Development, LLC
ASSET CLASS: SOCIAL ENTERPRISES
“Trying to get a loan for equipment no one has ever heard of was difficult but CCLF believed in us and in our goal to live sustainably. CCLF recognized there’s a lot of energy in the waste that can be captured.” – John Edel, Owner, Bubbly Dynamics, LLC

Bubbly Dynamics LLC deals – quite adeptly – with the stuff most people would rather avoid: Tired, old buildings, chipped drywall, slightly rusted screws and other things you might prefer to avoid if you were walking through a tough neighborhood.

But where others see waste, John Edel sees potential; when he launched Bubbly Dynamics in 2002, he found the perfect old building to use in a new way, and created the Chicago Sustainable Manufacturing Center in Chicago’s Bridgeport neighborhood. Today, the Center is a neat, thriving place where nearly two dozen tenants make bike frames, furniture, custom hats and more.

If Edel could successfully re-purpose one building, then he could do it again: The Plant, another Bubbly Dynamics project, is a food manufacturing center located in what was once an old abandoned meat packing warehouse in The Back of the Yards community. The Plant is where lettuce, fish, wine, cheese, beer, honey and other consumables are produced entirely indoors.

In 2017, Edel will welcome tons of food waste from local companies – putting to use moldy avocados and the prickly skins of pineapples to create renewable energy with something called an anaerobic digester. A mechanical wonder, the anaerobic digester is massive and expensive, made of concrete, steel and hydraulics, and measuring some 250-feet long with tanks as deep as 14 feet. It's designed to consume about 30 tons of food waste per day, largely from grocery stores, brewers and food manufacturers.

The anaerobic digester converts biomass (food, wood, yard waste) into renewable energy (biogas) that will run The Plant’s electricity, heating and cooling and yield a byproduct (liquid and solid digestate) that can be sold to generate revenue.

“This is a demonstration that we can take a century-old, big, industrial building all the way to net zero on energy use, while doing energy-intensive activities like manufacturing food, and do it using other people’s food waste,” says Edel. Only a handful of anaerobic digesters exist in Illinois, and none in Chicago. “It’s a capital-intensive thing but once it’s built, it makes a good amount of money,” he says of the unit.

The Chicago Community Loan Fund (CCLF) is Edel’s partner in financing the purchase and installation of the anaerobic digester. CCLF’s investment in the digester puts the Loan Fund on the cutting edge, Edel says, “since we know that we’re filling up our landfills and we’re going to run out of space. We have to find other things to do with all of that waste.”

The anaerobic digester is expected to generate an estimated $150,000 annually from its energy output, $100,000 annually in revenue from the sale of digestate, and $50,000 annually from the sale of biogas.

The Plant’s Anaerobic Digester:
- 30 tons of food waste per day
- Total Financing from CCLF: $540,000
- Job Creation: Bubbly Dynamics’ tenants have created 60 full-time, food manufacturing jobs, a number projected to grow to 140 full-time equivalent jobs in 2017

CCLF’s Loan Product
A social enterprise is a business focused on profit just as much as it is on the social impact of the products and services. The Chicago Community Loan Fund offers financing for working capital and inventory needs, empowering nonprofits, worker-owned cooperatives, and social enterprises to buy the fixture, furniture and equipment they need, and to have working capital on hand, to establish or expand their enterprises.

Job Creation: Bubbly Dynamics’

Social Enterprise: Bubbly Dynamics' tenants have created 60 full-time, food manufacturing jobs, a number projected to grow to 140 full-time equivalent jobs in 2017.
ASSET CLASS: HOUSING COOPERATIVES
When someone is fully committed to something, it’s often said that they “live and breathe” it. For seven adults on Chicago’s north side, they do even more – they live in it. They are residents of Hoyne House, a cooperative living space that brings together people who are interested in social justice.

Located in Chicago’s McKinley Park community, Hoyne House is one of three properties owned by the Stone Soup Cooperative. Stone Soup received financing to purchase the Hoyne and Leland houses from the Chicago Community Loan Fund through its Cooperative Housing Lending program.

With cooperative housing, residents are the owners, and no one person is “in charge.” Instead, cooperative living is intentional; each resident has specific house responsibilities and everyone collaborates on and agrees to a way of running the house. The board of directors – represented by a couple of people from each house – makes decisions about the entire community when needed.

“Cooperative housing is more affordable than a lot of other housing options,” says Anne Watanabe, a social worker who serves as her house’s treasurer. It is a supportive community that allows people a way to pursue their career choices while living comfortably among those who tend to share similar beliefs, she adds.

The house itself is a roomy duplex with seven bedrooms and two sets of kitchens and bathrooms. Each resident has a private room, while common areas – such as the living and dining rooms and the backyard – are shared. Expenses are shared as well, whether it be utility bills or grocery receipts.

“IT’s like general bookkeeping with a lot of details,” Watanabe says. “I collect seven people’s rent, and then pay the utilities. We also pay for an annual audit, a CPA, renter’s insurance and that kind of stuff. And we buy food and house stuff collectively, including supplies and repairs on equipment, so we have to keep track of everything that we spend and share the cost.”

Residents’ monthly contribution, which covers rent, food, supplies and utilities, is less than half the rent of one-bedroom units in the neighborhood.

“I like the way that living collectively stretches you. Humans are social animals, but these days, we live in a pretty isolated world. In this co-op, there are always people flowing through the house, on the porch and in the backyard garden. This is such a strong community because we get to meet a lot of cool people and live where people are supportive of each other. CCLF understands cooperatives provide a quality of life that we all appreciate.”

– Anne Watanabe, Treasurer, Stone Soup Cooperative’s Hoyne House
ASSET CLASS: MULTIFAMILY HOUSING
“A project starts when we want to buy a piece of land to develop it. We don’t know if we’re going to get the funding or if we’ll get the zoning. There are a lot of ifs. CCLF takes risk with us. They are mission driven in that they’re trying to do what the private marketplace finds way too risky.”

– Perry Vietti, President, Interfaith Housing Development Corp

INTERFAITH HOUSING DEVELOPMENT CORP.

“Nimby” may sound like word play, and “banana” is a popular fruit. But to affordable housing developer Perry Vietti, those are words that challenge his core belief that everyone is entitled to a place to call home.

“Nimby means ‘not in my backyard,’ and ‘banana’ means ‘build absolutely nothing anywhere near anything’ – these summarize what people sometimes feel when it comes to affordable housing being in their neighborhoods,” Vietti says. “But affordable housing is about connecting people. It’s many, many people having to work together to make it happen, and some people you have to bring along kicking and screaming.”

Vietti is up for the challenge. An executive with Interfaith Housing Development Corporation since 2002 and current President, Vietti knows his work requires patience. To develop the Grove Apartments in Oak Park, he and his then boss Gladys Jordan spent five years working with several community-based organizations as allies. The Chicago Community Loan Fund (CCLF) financed part of the predevelopment for building and land acquisition for this project. But the project faced tremendous opposition. Neighbors were concerned about the types of people who would move in, the city’s zoning process was lengthy, and the physical conversion of the 1927 building from a car dealership to a four-story apartment building was daunting. Still, Interfaith persevered and today, 51 units of affordable housing are available for low-income people, some of who have mobility challenges.

“I’m particularly proud of Grove Apartments because it was, by far, one of the toughest deals I’ve had,” he recalls. “The local process was extremely long, committee meetings would go until 1 or 2 in the morning, and it became very personal for me. But we created a four-story apartment building that’s absolutely gorgeous and reflects the character of the original building.” The first floor tenant is Sugar Beet, a healthy foods cooperative grocery store, which CCLF also financed.

Now in its 24th year, Interfaith has worked with CCLF on a number of projects. “CCLF provides seed money – the money that most institutions don’t want to give you because the project is risky,” Vietti says. “They believe in affordable housing and have developed an affordable housing building with the Illinois Housing Development Authority. I think that’s very important, because one of the biggest challenges we face is getting people to buy into affordable housing, and it becomes a very personal thing for us. We need money from many sources. We’re connecting the community, but we also need to help people in other ways. We’re trying to get everyone to buy into housing and connect with the community in other ways. We think it’s important to be connected, and we try to connect at every level with every community, every resident, every auditor.”

Reflecting on the Grove Apartments, Vietti says, “After five years of hard work, you finally see a building standing on the corner and that’s extremely satisfying. The impact on the people in the buildings and the impact on reinvigorating communities is both very positive. It’s an asset for the community.”

INTERFAITH HOUSING DEVELOPMENT CORP.

Number of Affordable Housing Units: 259

Total Financing from CCLF for all projects: $2,670,000

CCLF’s Loan Product

Multifamily, affordable housing developments are financed by the Chicago Community Loan Fund as part of its commitment to creating and preserving affordable housing in metropolitan Chicago. Loans are available for multi-family housing aimed at populations below 80% area median income, and often fill gaps for low-income housing tax credit deals or bridge a loan when developers do not have enough equity on hand.

Building the community

The Chicago Community Loan Fund (CCLF) is a nonprofit financial institution that provides seed money to affordable housing developers. CCLF focuses on projects that are too risky for most institutions to consider.
ASSET CLASS: COMMERCIAL REAL ESTATE
Chicago’s Englewood community was bustling with people, TV cameras and movers-and-shakers on an early November day in 1999. Then-President Bill Clinton was visiting 63rd & Halsted to announce the creation of New Market Tax Credits (NMTC), a federal program intended to spur economic development and job growth in long-suffering communities. Unemployment there was nearly triple that of the rest of Chicago and major retailers had pulled up stakes. Even so, new partnerships between community leaders and the private sector were emerging, and private investors were taking notice.

Twelve years later, Chicago native and real-estate developer Leon Walker would recall Clinton’s visit as he stood with political and business leaders to break ground on Englewood Square, a five-acre retail development he believed would lead the community’s economic renaissance. Walker, the managing partner of DL3 Realty, LLP, worked in partnership with the City of Chicago, community leaders and Whole Foods Market to bring fresh, organic grocer Whole Foods Market to Englewood Square with support from CCLF’s Healthy Food Financing Initiative, a federally funded program for projects that increase access to healthy, affordable food in underserved communities.

Walker, an experienced real-estate attorney, says CCLF helped by financing about 50% of their predevelopment costs through a line of credit. “It has been a great partnership.”

With the tenacity and tenor for lengthy, complicated projects, Walker concentrates on projects that rebuild and strengthen the resilience of communities. “My mother grew up in Englewood and attended Englewood High School. My mom and I both worked in Englewood, and I lived in a vibrant community. I firmly believed that a new, high-quality, grocery-anchored shopping center would be successful and create a ripple effect in the community.” Englewood Square has captured national attention, and Whole Foods’ suppliers include 35 local makers of such products as vegan cookies, organic popcorn and natural skin cream. According to Walker, this boost to small businesses is the heart of economic revitalization. “Supporting small businesses creates jobs, encourages nascent entrepreneurs and attracts complimentary retail to build on our efforts.”

Total Financing from CCLF: $500,000

Number of Permanent Jobs: 200

New Commercial Retail Space: 48,000 sq. ft.

CCLF’s Loan Product

Chicago Community Loan Fund’s commercial real estate product provides financing to drive neighborhood transformation through commercial retail across metropolitan Chicago. This lending successfully fills the role of job creator and often spurs public investments such as better lighting and sidewalks. CCLF’s commercial real estate efforts work with local partners to match the right retailers to low- and moderate-income neighborhoods in need of quality goods and services.

“Our communities have been disconnected and without relationships. We have to restore those connections to the business community, to those who can provide jobs and services, and to those who can grow our local businesses. DL3 Realty, along with CCLF, does not see neighborhoods as places that are to be ignored, disregarded or disinvested, but as opportunities to serve and create value, to grow businesses and to restore communities.”

– Leon Walker, Esq., Managing Partner, DL3 Realty, L.P.
SNAPISM | We believe in hope and know that a community’s strength comes from the vision of what it can become, as seen through the eyes of its residents.
LOAN TYPE & USD $ | Social Enterprise: 23 loans | Commercial Real Estate: 25 loans | Community Facility: 60 loans | Housing: 283 loans
--- | --- | --- | --- | ---
Social Enterprise: 23 loans | $2,875,193 | $16,198,900 | $23,503,386 | $107,484,241
Commercial Real Estate: 25 loans | $23,503,386 | $218,051,390 | $16,198,900 | $17,500,000
Community Facility: 60 loans | $30,000,000 | $23,503,386 | $23,503,386 | $35,000,000
Housing: 283 loans | $120,000,000 | $90,000,000 | $52,500,000 | $70,000,000

**OUR SOCIAL IMPACT | 1991-2016**

CCLF’s housing for single- and multi-family housing has consistently been the largest share (72%) of our portfolio, as we finance smaller developers making 1-4 units affordable for families and housing cooperatives, both big and small.

CCLF’s housing lending includes predevelopment lending for multifamily rental apartment buildings. Our holistic community development approach includes financing community facilities, and retail and office spaces that bring higher-quality goods and services to an area, and that support the expansion of community-based businesses.

Social enterprises require a higher risk and CCLF stands ready to listen and support board ideas that supply healthy foods, provide training for the hard-to-employ and/or has a sustainable mission.

**FINANCIAL HISTORY | 1991-2016 Summary**

This chart illustrates the tremendous financial growth of CCLF over the past twenty years. While the organization’s这部分 was initially $260,000 in 1991, assets grew to $7 million as of June 30, 2016. As the change is cumulative, the growth was partially paid for by increased program-related investments of $10 million, including nearly $9 million of subordinate debt secured by widening the organization’s balance sheet with increasing Net Assets to $52 million, representing 33% of Total Assets. While growing our asset base, CCLF maintained low cumulative charge-off ratios (less than 2%), indicating CCLF’s success in stabilizing loans and reducing net cumulative charge-off ratios to less than 1%.

In these years, we have provided $35 million of total debt, partially spurred by increased rate of return on surplus funds, on which we have invested $9 million of subordinate debt. The chart illustrates the tremendous financial growth of CCLF over the past twenty years. While the organization’s这部分 was initially $260,000 in 1991, assets grew to $7 million as of June 30, 2016. As the change is cumulative, the growth was partially paid for by increased program-related investments of $10 million, including nearly $9 million of subordinate debt, securing 33% of Total Assets. While growing our asset base, CCLF maintained low cumulative charge-off ratios (less than 2%), indicating CCLF’s success in stabilizing loans and reducing net cumulative charge-off ratios to less than 1%.

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IMPACT BY COMMUNITY | 1991-2016

CCLF works in micro markets to strengthen the community at large. Below are community areas with the largest concentration of CCLF’s financing over our 25-year history and the 2014 Per Capita Income for the area.

**PER CAPITA INCOME:**

- Humboldt Park: $13,781
- Auburn Gresham: $15,528
- Woodlawn: $18,672
- North Lawndale: $12,034
- Greater Grand Crossing: $17,285
- Logan Square: $31,908
- Austin: $15,957
- Pullman: $20,588
- Grand Boulevard: $23,472
- Oakland: $19,252

**COMMUNITY AREAS NUMBER OF LOANS**

- Humboldt Park: 29
- Auburn Gresham: 27
- Woodlawn: 23
- North Lawndale: 22
- Greater Grand Crossing: 17
- Logan Square: 17
- Austin: 15
- Pullman: 15
- Grand Boulevard: 11
- Oakland: 11

(Source: City of Chicago)

SNAPISM | We work left of center with a passion for our customers and their projects. This is how, together, we change neighborhoods.
Launched in 1991 with an initial investment of $200,000, the Chicago Community Loan Fund (CCLF) has grown to $70 million in assets. A quarter-century of growth, influenced by outstanding leadership and collaborations, has led CCLF to close 391 loans in 70 communities, totaling more than $150 million in financing for community development initiatives. In turn, this financing has leveraged (or will leverage) an additional $1.1 billion in public and private sector capital for community revitalization. Our work has created or retained 7,689 units of affordable housing and 2,813 jobs. We have advanced access to goods and services that have or will bring new merchants, healthy foods and social services to long-ignored communities with over 3.2 million sq. ft. of community facility or commercial retail space which has been created or preserved.

Each year of our work was marked by achievements that, like a link added to a chain, made us stronger and more capable of working creatively with our clients to help them develop creative, innovative solutions to help low-wealth individuals and families. AHEAD OF THEIR TIME | Local Impact Capitalists in The Late '80s

In the late 1980s, the Woodstock Institute and the Crossroads Fund convened a group of social investment professionals, individual investors, and community development practitioners and advocates and formed the “Social Investment Vehicle Working Group.” Through their collective efforts, they built and launched the Chicago Community Loan Fund (CCLF) in 1991, an innovative intermediary that provided new sources of capital to Chicago’s neighborhood development through lending organizations such as the United Way, Woodstock Foundation, Robin Hood, the Community Renewal Society, South Shore Bank and Greater North Pulaski Development Corporation.

In the midst of a growth in socially responsible investing and the work of community development organizations, they established CCLF to work creatively with our clients to help them develop creative, innovative solutions to help low-wealth individuals and families. CCLF provides total or gap financing for grassroots efforts such as social enterprises; community land trusts; limited equity housing cooperatives; and projects sponsored by new and emerging organizations. The working group also defined CCLF as being more community trailblazers into the local development through technical assistance activities.

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SNAPISM | We began as an idea from rabble-rousers and are now a go-to lender for community development.
“Our commitment is to communities and people who have been left behind; our intention is to make them stronger. We are not intimidated by the heavy load.” – Calvin Holmes, President, Chicago Community Loan Fund
THE MISSION OF 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.