



Helping create communities where people thrive

1st Quarter 2024

COMMUNITY BLUEPRINT

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

REFLECTING ON 2023 AND LOOKING AHEAD



CCLF had an incredibly fast start to 2024, originating and closing millions of dollars in loans in the first quarter and advancing important new developments in the communities we serve. Although the work is fast paced, constantly evolving, and always exciting, pausing for a moment and reflecting on CCLF's past year of work is important.

2023 was CCLF's best year in its 33-year history, closing over \$42 million in loans – our largest year-end closing total ever. Just as important, we reached this milestone while maintaining a very low delinquency ratio, managing strong net income, and improving our overall Aeris rating.

Our incredible success was due to the entire CCLF team stepping up – with hard work, dedication, and adaptability – to meet the increased demand for our capital and services. The result was a level of investment that promises to bring lasting impact to the communities we serve. As Interim President, I am inspired by CCLF staff every day.

As we look ahead, 2024 promises to be a year of growth and new opportunities for CCLF. We plan to exceed our customers' expectations, meet our commitments, and continue to deliver excellence in our work to help communities thrive. We recognize the importance of the investments and programs entrusted to us by all of our partners and funders. With their support, CCLF continues to make a difference.

Throughout the year, CCLF also will be working on its new strategic plan for the years ahead. We look forward to engaging our staff, Board of Directors, borrowers, investors, funders, and other partners to improve our work and find new ways to best deliver our services, while always remaining steadfast in our vision to do even more for our communities.

Thank you for being a partner in delivering this vision.

Bob Tucker
Interim President

IN THIS ISSUE

Page 1

Message from Robert Tucker,
Interim President

Page 2

Affordable Home Buying Through
Community Land Trust

Page 4

Public Policy in Action

Page 6

Chicagoland Opportunity Zones
Consortium Hosts Investment
Showcase

CCLF Borrowers Receive the
MacKenzie Scott
Yield Giving Grant

Page 7

CCLF borrowers honored at the
Landmark Preservation Gala

Connect with CCLF

Page 8

CCLF Board List

Page 9

Credit Memos

CCLF Staff List

Page 10

Staff and Board News

AFFORDABLE HOME BUYING THROUGH COMMUNITY LAND TRUST

Home ownership is a dream of countless Americans, but for so many, the dream is out of reach.

According to the National Association of Realtors, “While the U.S. homeownership rate increased to 65.5% in 2021, the rate among Black Americans lags significantly (44%) and has only increased 0.4% in the last 10 years and is nearly 29 percentage points less than White Americans (72.7%), representing the largest Black-White homeownership rate gap in a decade.” The Asian homeownership rate (63%) and Hispanic rate (51.1%) also show wide gaps and further demonstrate that communities of color are more cost-burdened than any other racial group.

A March 2024 report from the department of Housing and Urban Development (HUD) noted, “The median sales price of new houses sold in February 2024 was \$400,500. The average sales price was \$485,000.”

This cost is out of reach for the average worker, especially when in the Chicago area, the average median income is \$65,781 according to the U.S. Census.

One way to combat rising home prices and allow those who dream of homeownership to fulfill their dream is through a Community Land Trust (CLT).

In communities across the country, urban and rural, people are breaking away from the traditional home buying model by creating CLTs.

A CLT is created by a nonprofit or government entity that owns, develops and is custodian of the land and assets for the benefit of the community long-term. Having homes in a CLT will ensure that there will be affordable homes

for residents in that area for years to come and not get priced out of a community they love. A purchaser of property owned by a CLT agrees to purchase the structure while leasing the land from the land trust.

Homeowners can build equity on their property and pay lower property taxes, but still agree to sell the house at an affordable price in the future.

The benefits of CLTs for homeowners include reducing the purchase price for qualified buyers, preserving permanent affordability for future buyers, offering tax benefits to homeowners, and protecting neighborhood diversity.

CLTs have been created for other community benefits besides homeownership such as community gardens, wildlife, agriculture, businesses and more.

The first CLT in the U.S. was New Communities, established in 1969 in support of Black farmers. This was a collaboration between farmers and civil rights activists such as the Student Nonviolent Coordinating Committee (SNCC) in Georgia.

CCLF’s foray into community land trusts started in 2015 while working with affordable housing community leaders to create community land trusts in the neighborhoods of Chicago Lawn and Woodlawn. In 2021, the Chicagoland Owners Land Trust (COLT) Federation was formed with nine-partner organizations led by Chicago Community Loan Fund (CCLF). The COLT Federation is a consortium of several land trusts across Chicagoland working together to share resources and strategies to advance CLTs as an affordable solution to homeownership.

AFFORDABLE HOME BUYING THROUGH COMMUNITY LAND TRUST *(continued)*

Here to Stay (HTS), one of the COLT Federation partners, has CLT properties in the Chicago neighborhoods of Humboldt Park, Logan Square, Avondale and Hermosa. On the Northwest Side where HTS operates, the average home sells for over \$1million. HTS sold its first property in 2022 for \$275,000, after being appraised for \$435,000. Because of the CLT structure, a new home buyer was able to purchase the property in an otherwise unaffordable neighborhood. This is the beauty of CLT.

Recently, a ribbon cutting was held at a renovated home in the Logan Square neighborhood that was donated to HTS. The previous owners were community activists and fought throughout the years to keep home purchasing affordable.

Other COLT Federation partners who have developed properties for their land trusts are First Community Land Trust, Dovie Thurman Affordable Housing Trust and Englewood CLT (urban agriculture).

According to Policy Link, “there are an estimated 225 community land trusts in the United States that provide between 10,000 and 15,000 homeownership units and close to 20,000 rental units.” While CLTs are increasing in popularity across the country, more and more people are realizing that developing the land for the community good, preserving and controlling land for affordable housing and making spaces that benefits the entire community is the future.



*Ribbon cutting of home at 2430 N. Artesian
donated to Here to Stay*



Home at 2430 N. Artesian donated to Here to Stay



By DeMario Greene, Director of Policy and Government Relations

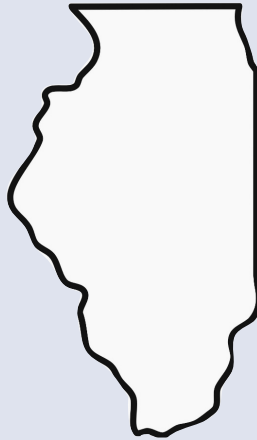
For over the thirty-three-years, CCLF has been able to distinguish itself as an agent of community revitalization – not only through its innovative lending products but also through its work to support positive public policy proposals on the local, state, and federal levels. CCLF is currently working to educate key stakeholders about two very important opportunities to potentially transform Illinois and have some impact nationally, the Illinois state Community Reinvestment Act (IL CRA) and the creation of an Illinois state CDFI Fund.

Illinois CRA

The Illinois General Assembly (ILGA) passed the IL CRA which was signed into law by Governor Pritzker on March 23, 2021. This law, modeled after the federal Community Reinvestment Act (CRA), codified a mandate for state-chartered banks and financial institutions to equitably serve historically overlooked populations and ensure that they are meeting the needs of the communities in which they operate. CCLF, in tandem with several other community development-focused organizations led by Housing Action Illinois and the Woodstock Institute, formed the IL CRA Coalition (the Coalition) in order to lend our technical expertise to the conversation and real world

understanding of how this law could impact low- and moderate-income populations, particularly given our deep experience with the federal CRA and the challenges it has had in addressing racial discrimination comprehensively.

Since its passage, the law has faced numerous challenges and is nearing the end of an extensive rulemaking process. Most recently, the rules for this legislation were approved by the ILGA Joint Committee on Administrative Rulemaking and are under review by the Illinois Department of Financial and Professional Regulation. A key provision calling for the IL CRA to be paired with a disparity study fell out of the current iteration of the proposed rules. This provision called for regulators to periodically conduct studies to assess whether those who fall under protected characteristics under the Illinois Human Rights Act which prohibits discrimination along the lines of race, national origin, gender, sexual orientation, marital status, and many other categories had equitable access to financial products and services. To protect this accountability measure, legislators introduced SB 3235, amending the IL CRA to include a disparity study in the financial institution examination process. This aligns with the Illinois Legislative Black Caucus' intent in creating the IL CRA which was to set a national example on bias-conscious regulations that root out the institutionalized discrimination that prevent marginalized communities from thriving.



Illinois CDFI Fund

Over twenty years ago, Illinois-based CDFIs successfully worked with the ILGA to create the Illinois Investment and Development Authority (IIDA). This law, supported by then State Senator Barack Obama, was intended to create a state based CDFI Fund (IL CDFI Fund), modeled after the federal program which undergirds the vital work CDFIs do. This Authority went unfunded due to state financial constraints with the promise that it would be fully operationalized once the economy rebounded. With additional federal resources being brought to the state and multiple consecutive budget surpluses, it's time for Illinois to make good on that promise. In the time sense the IIDA was authorized, several states have been able to operationalize state-based CDFI Funds that have bolstered the impact that CDFIs are able to make in chronically underinvested communities.

Thinking big, with our ability to leverage \$8 dollars in private investment for every \$1 dollar received in public funds, a hypothetical public investment of \$100 million annually, for example, over the past two decades could have yielded a total investment of \$18 billion for low- and moderate-income neighborhoods across the state. This support could have prevented Illinois from being rated the Least Racial Equality in the country, according to a study (<https://wallethub.com/edu/state-economies-with-most-racial-equality/75810>) by WalletHub. A separate

study (<https://us-inequality.sdgindex.org/>) by the Sustainable Development Solutions Network ranked Illinois 47th in overall Racial Equality. A 2020 study (<https://www.stlouisfed.org/publications/bridges/volume-3-2020/examining-us-economic-racial-inequality-by-state>) by the St. Louis Federal Reserve showed that, in Illinois, Black households earned \$0.55 for every \$1 that White households made, further exacerbating gaps in homeownership, entrepreneurship, and wealth-building. CDFIs have an extensive track record of expanding opportunities for marginalized communities to excel on all these fronts, but, with a need this great, it will take more to do more.

Change starts today, and it requires meaningful investment and thoughtful policy. By creating a regulatory system that forces banks to directly examine where they are falling short in terms of ensuring equitable access to financial product and services, it also shines a light on the neighborhoods, communities, and households that CDFIs are most adept at supporting and where efforts are should most deeply be embedded. With robust support from key stakeholders, Illinois could create a rare win-win scenario that benefits both communities and corporations, doing the right thing not just morally but for everyone's long-term economic growth.

CHICAGOLAND OPPORTUNITY ZONES CONSORTIUM HOSTS INVESTMENT SHOWCASE



*Robin Schabes, Director of the
Chicagoland Opportunity Zone Consortium*

On February 21, the Chicagoland Opportunity Zones Consortium (COZC) hosted an Investment Showcase to spotlight the work of early-stage business entrepreneurs advancing original and impactful ventures on the south and west sides of Chicago. The COZC partnered with Taft, Stettinius & Hollister LLP who fully supported the event including the use of their state-of-the-art conference center and related resources.

With innovative business models focused on financial inclusion, climate change curbing technologies, and affordable microgravity manufacturing, six local startups had an opportunity to pitch their ideas to Opportunity Zones (OZ) experts, fund managers, and other impact-oriented investors. In return, the startups made important connections, and gained insights and recommendations on seeking OZ equity capital.

The panelists included:

- Ben Bornstein, Arctaris Impact Investors
- Daniel Galindo, Allivate Impact Capital (a subsidiary of Woodforest Financial Group)
- Catherine Lyons, Economic Innovation Group
- Len Mills, Verte OZ Fund
- Anthony Williams, Equity Squared

CCLF borrower, Lisa Lee, Executive Director of the National Public Housing, was the recipient of the 2024 Illinois Landmarks Influencer Preservation Award. The awards honors individuals, organizations, projects and programs whose work demonstrates a commitment to historic preservation.



CHICAGOLAND OPPORTUNITY ZONES CONSORTIUM HOSTS INVESTMENT SHOWCASE *(continued)*

The event received positive feedback, and garnered significant traction on social media including repostings and panelist participant postings. Daniel Galindo stated that the “The spirit of entrepreneurship is alive in Chicago . . .” and thanked the COZC for its work, and for hosting the event noting that “Investing in operating businesses located in Opportunity Zones is critical.” COZC member and World Business Chicago’s Senior Vice President, Lisa Dziekan, congratulated the Consortium “...for the strong pitch event...” and suggested more such events in the future.

The Investment Showcase was the culmination of a COZC technical assistance initiative focused on start-ups growing in business incubators and accelerators located on Chicago’s south and west sides. Launched by the COZC with the support of philanthropic partners (Chicago Community Trust, JP Morgan Chase Foundation, MacArthur Foundation), this initiative was designed to expand the understanding of this community development tool related to business financing via the OZ incentive and ensure that this information is accessible to local entrepreneurs in all communities.

One of the most significant federal incentives for community development created in decades, the OZ tax incentive was designed to propel private capital to long-term equity investments in real estate projects and operating businesses in under-resourced communities throughout the nation.

For the OZ incentive to work most effectively, strategic collaboration across local stakeholders is key. The COZC offers just that, serving as a unique national model by bringing together OZ investors with local developers, businesses, entrepreneurs, government, philanthropy and community.

This spirit of collaboration is why the COZC took an ecosystem approach to celebrating start-ups and ensuring they have access to information about OZ financing. Through a competitive process, the COZC selected Polsky Exchange and Duality Quantum Accelerator, both part of the Polsky Center for Entrepreneurship and Innovation at the University of Chicago, and mHUB Chicago to serve as programmatic partners for the initiative.

Holsten Real Estate was another CCLF borrower who was honored by Landmarks Illinois at the Preservation Forward Award as the Corporate Influencer. The award was presented to SVP & General Counsel, Jackie Holsten, and President, Peter Holsten.



CONNECT WITH CCLF



You can stay up-to-date on CCLF and other industry news by following our Twitter, Facebook page, LinkedIn and Instagram.

You can make a donation on our website at:
www.cclfchicago.org/donate

CHICAGOLAND OPPORTUNITY ZONES CONSORTIUM HOSTS INVESTMENT SHOWCASE *(continued)*



Tayyaba Ali, CEO and Co-Founder of Tikal Industries

Information regarding OZs was incorporated into mHub's and Polsky Center's existing incubator and accelerator curriculums in a way that educated start-ups about the OZ incentive, shared strategies to engage OZ investors, and provided information on steps the businesses could take to position themselves to receive OZ investments.

Many articles have been written about the importance of investing in Chicago's south and west side communities, strengthening our region's economy and the quality of life. Finding creative ways to highlight the capital needs of local entrepreneurs in overlooked communities is a hallmark of the COZC. By expanding the understanding of tools and incentives available to local entrepreneurs, we can build greater pathways to harnessing private capital for the benefit of local communities. As the Economic Innovation Group points out, the OZ initiative is "breaking new ground and challenging us to reimagine what federal tax policy can achieve."

BOARD OF DIRECTORS

Erik L. Hall, *Chair*
Crescent Capital Group L.P.

Sonya Malunda, *Vice Chair*
*The Associated Colleges
of the Midwest*

Charles S. Walls, *Treasurer*
ComEd (retired)

Ailisa "Lisa" Herrera, *Secretary*
3 Diamond Development LLC

Kevin R. Goldsmith,
Assistant Secretary
JPMorgan Chase

Patricia Y. McCreary Cannon,
Assistant Secretary
*Chief Judge's Office of
Cook County*

Jody Adler
Community Law Project (retired)

Jeffrey Allen
BMO Commerical Bank

Mohammed M. Elahi
*Cook County Department of
Planning and Development*

Dr. Amara C. Enya
ACE Municipal Partners, LLC

Thomas P. FitzGibbon, Jr.
Evergreen Bank

Stephanie S. Green
Pro Creative Law, LLC

Jennifer Guzman
Bestola Consulting

Richard "Rick" Guzman
The Neighborhood Project

Edward J. Hoynes, CPA
Community Accounting Service LLC

Angela Hurlock
Claretian Associates

Andrew W. Hugger
The Huntington National Bank

Eric S. Phillips
Wintrust Financial Corporation

Mark C. Spears
CIBC

CREDIT MEMOS

CCLF closed 6 loans in 1st Quarter 2024 totaling over \$2.5 million

Ana Sells Chicago, LLC received a \$1,000,000 construction loan for a revolving line of credit for acquisition/rehab for single-family, residential properties in various low- to moderate-income communities. This project was sourced through the Chicago Neighborhood Rebuild Program (CNRP) and is part of the Neighborhood Investment Lending Program (NILP). Thank you to **Spenser T. Sotolongo** of **Nixon Peabody LLP** for serving as legal counsel on this transaction.

Bill Welding & Fabrication LLC received a \$500,000 construction loan for a revolving line of credit for acquisition/rehab for single and multi-family, residential properties in various low- to moderate-income communities. This project was sourced through the Chicago Neighborhood Rebuild Program (CNRP) and is part of the Neighborhood Investment Lending Program (NILP). Thank you to **Robert T. Buday** of **Latham & Watkins LLP** for serving as legal counsel on this transaction.

Property Rehab Innovators Development, LLC (PRID) received a \$135,000 mini-permanent loan for single family housing in Riverdale, a south suburb of Chicago. This loan was sourced through the Communities of Color Fund and the Neighborhood Investment Lending Program (NILP). Thank you to **Mark C. Simon** of **Katten Muchin Rosenman LLP** for serving as legal counsel on this transaction.

The Woodlawn 1, LLC received two construction loans totaling \$646,000 for mixed-use properties to provide renovations and upgrades located in the Greater Grand Crossing community area. These facility acquisitions were sourced through the Communities of Color Fund. Thank you to **Sam Gilbert** of **Dechert LLP** for serving as legal counsel on these transactions.

Rosie Investment Corporation received a \$230,000 mini permanent loan for a single-family residence in the West Pullman community area. This line of credit was sourced through the Communities of Color Fund and the Chicago Neighborhood Rebuild Program (CNRP). Thank you to **Mark O'Meara** of **Chapman and Cutler LLP** for serving as legal counsel on this transaction.

For their recent investment, CCLF thanks:

Sheila A. Brady, Marquette Bank, Suzanne Lynne Lafetra, Sarah Pick, Emily and Ryan Stoner

For their recent grants, CCLF thanks:

BMO Financial Group, John D. and Catherine T. MacArthur Foundation

BOARD OF DIRECTORS

(continued)

Matthew R. Reilein
National Equity Fund

Kathryn Tholin
*Center for Neighborhood
Technology (retired)*

John L. Tuohy
Chapman and Cutler, LLP (retired)

Calvin L. Holmes
President, CCLF (Non-Voting)

CCLF STAFF

Calvin L. Holmes
President

Bob Tucker
Interim President

Angela Dowell
Chief Financial Officer

Lycrecia Parks
*Chief Risk Officer and Vice
President of Portfolio Management*

Juan Calixto
*Vice President of External
Relations*

Maurice Williams
*Vice President of Economic
Development*

Wendell Harris
*Vice President of Lending
Operations*

Deborah Sabol
Director of Operations

Robin Schabes
*Chicagoland Opportunity Zones
Consortium Director*

David Feinberg
*Director of Coaching and
Knowledge Transfer*

DeMario Greene
*Policy and Government Relations
Director*

Aaron Akers
Senior Asset Manager

C. Gregory
Accounting Director

STAFF AND BOARD NEWS



C. Gregory is the Director of Accounting. She will oversee the day-to-day operations of the organization, provide guidance and support to the accounting staff and interns and support capitalization efforts. She will also produce financial and operational reports, manage investor compliance reporting and maintain and improve operational controls and procedures.

She joined CCLF in January 2017 and was previously a Senior Accountant and Accounting Manager.

She earned a Bachelor of Science degree in Accounting and a Master of Science degree in Accounting Forensics from Roosevelt University.



James Norris was recently promoted to the Director of Lending Operations and collaborates with the Vice President of Lending Operations, Wendell Harris, to manage CCLF's lending platform. As Director, James assists the Vice President of Lending to develop and maintain visibility and relationships with for profit, nonprofits, relevant government, association networks, and others to promote CCLF. James leads loan business development efforts throughout Chicagoland to build and maintain a strong loan

pipeline. Previously, Norris served CCLF as a Senior Loan / Program Officer II for four and a half years. In addition to assisting with managing the business, James is responsible for sourcing and underwriting commercial credits while marketing to new borrowers and maintaining existing relationships with key borrowers.

James joined CCLF in October 2019. He holds a Master of Business Administration with a concentration in Finance from the University of Chicago Booth School of Business. He also holds a Bachelor of Science degree in Finance from the University of Illinois at Chicago.



Darryl Flenoy has been promoted to CCLF Senior Technical Assistance Coordinator. He provides technical assistance to CCLF clients and external contracts, acquires property, economic forecasting and manages the inventory for the Chicago Neighborhood ReBuild Program. He oversees Workforce Development partnerships. He is also

the project manager of over 70 active rehabilitation projects throughout Chicago.

Darryl joined CCLF in June 2021 and was previously a Technical Assistance Coordinator.

Darryl has completed the Philadelphia Doctorate Course, obtained a master's degree in public administration from Illinois Institute of Technology and earned a Bachelor of Arts degree from Bradley University.

CCLF STAFF *(continued)*

Kelly Shelton
Asset Manager

Holly Kavis
Asset Manager

Moleska Smith
Marketing and Communications Manager

Leanne Gehrig
Development Manager

James Norris, Sr.
Director of Lending Operations

Oliver Brown
Loan/Program Officer

Eliana Mitropoulos
Loan Program Officer

LaToya Gray
Loan Associate II

Allison Butts
Loan Closing Officer

Valerie Thomas
Loan Closing Officer

Darryl Flenoy
Senior Technical Assistance Coordinator

Deandre Tanner
Staff Accountant

Lorrena Diaz
Staff Accountant

Amorita Falcon
Portfolio Management Associate

Yelena Parks
Executive Management and Administrative Coordinator

CONSULTANTS

Jeanne Peck
Lenders

Sean Harden
Technical Assistance and Special Initiatives

NEWSLETTER CREDITS

Compiled by:
Moleska Smith
Juan Calixto
Calvin L. Holmes
Bob Tucker

STAFF AND BOARD NEWS *(continued)*



DeMario Greene, in concert with the Illinois Housing Council, met with members of the Illinois General Assembly in Springfield to help inform decision

makers about the state of Illinois' affordable housing crisis. Coming out of the pandemic, CCLF has seen the need for reliable ongoing basis of support for affordable housing development in historically marginalized communities increase significantly with limited long-term solutions to reverse this trend. As emergency resources, like the American Rescue Plan Act (ARPA) funds directed toward affordable housing creation, are dissipating, Illinois needs to take innovative action to both supplement those lost dollars and expand the resources put toward closing our affordable housing gap, which is already the 9th highest in the nation.



In early March, **Wendell Harris**, CCLF's VP Lending was a panelist at the Chatham Business Association "Small Business Finance Summit" at the Discover Shine Bright Community Center in Chatham.



David Feinberg (far left) was a moderator and panelist on Community Land Trust at the Illinois Affordable Housing Forum at Navy Pier February 2024



CCLF Team at Illinois Housing Forum at Chicago's Navy Pier February 2024



CCLF team along with members from National Housing Services, Woodstock Institute, Resurrection Project at the NCRC conference in Washington D.C. April 2024



CCLF team on an Obama Presidential Center tour March 2024



CCLF ReBuild team at the Chicago Rebuild Apprentice Appreciation Luncheon April 2024

STAFF AND BOARD NEWS *(continued)*

This year's recipients of \$2 million grants from MacKenzie Scott's "Yield Giving" included two CCLF board members, **Angela Hurlock**, Executive Director of Claretian Associates and **Rick Guzman**, Executive Director of The Neighbor Project.



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.



powered by CARS®

CCLF is a Member of:



OPPORTUNITYFINANCE NETWORK



US|SIF
Member 2021

DISABILITY CDFI COALITION



FHLBank
Chicago



NATIONAL
ASSOCIATION FOR
LATINO
COMMUNITY
ASSET
BUILDERS

