

Rogers Park Community Development Corporation



fostering community development and creating and
preserving affordable and diverse housing opportunities in
Rogers Park and Chicago

Annual Status Report 2009

ROGERS PARK COMMUNITY DEVELOPMENT CORPORATION

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ROGERS PARK COMMUNITY DEVELOPMENT CORPORATION

I. BACKGROUND

Our Mission. Rogers Park Community Development Corporation (RPCDC) was founded in 1997 as the development arm of the Rogers Park Community Council. As a 501-C-3 non-profit corporation, our mission is to foster community development and create and preserve affordable and diverse housing opportunities in Rogers Park and Chicago through education, training, advocacy and development.

Our Work. Rogers Park Community Development Corporation focuses resources in the following areas in order to address our mission: Down Payment Assistance programming, Home Ownership Housing Counseling, and housing program Partnerships.

II. CREDENTIALS

HUD Certified. RPCDC is certified by the U.S. Department of Housing and Urban Development.

City of Chicago Delegate Agency. RPCDC is a delegate agency of the City of Chicago and a leader in providing home ownership housing counseling. We partner with the City of Chicago Department of Community Development to offer Homeownership Housing Counseling to residents across the City.

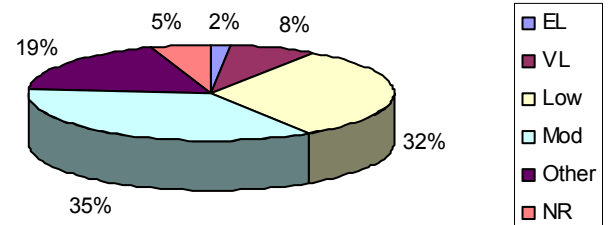
Professional Staff. RPCDC maintains a staff of seven professionals all certified in homeownership housing counseling by Neighborworks America. We continue to remain on the cutting edge of the housing education industry in order to provide our client base with clear and accurate information. Ongoing professional development is provided and encouraged for our staff.

Our Clients. RPCDC sees clients throughout Chicago – with clients living in all 50 wards and the surrounding suburbs. The diverse background of our client base is well representative of the Rogers Park community and Chicago as a whole. Last year we worked with 1,358 households. Our clients were 55% white, 30% black (African American, native African, Caribbean), 6% Asian, 6% reporting mixed race or other, and 3% not responding. 24% of our clients were Latino.

Income. RPCDC provided counseling to households of all income levels.

- 2% had Extremely Low incomes below 30% of the area median income
- 8% had Very Low incomes below 50% of the area median income
- 32% had Low incomes below 80% of the area median income
- 35% had Moderate incomes below 120% of the area median income
- 19% had Other incomes above 120% of the area median income.

RPCDC Clients by Income Category



III. 2009 ACCOMPLISHMENTS

During 2009, RPCDC worked with a total of **1358 households** through our homeownership counseling programs.

A total of **1075 households** participated in our Home Ownership Education Classes. RPCDC offered two different educational programs:

- First Time Homebuyer Training: 983 households
- Buying a Condominium: 143 households

A total of **334 households** participated in one-on-one counseling programs:

- Credit and Pre-Purchase Counseling: 51 households
- Loss Mitigation / Foreclosure Prevention: 283 households

2009 ACTIVITIES

- Conducted 54 pre-purchase home-ownership education classes
- Dramatically increased **Foreclosure Prevention** counseling services to serve Chicago's far north side
- Participated in the **Chicago Condominium Task Force**, and recommended policy changes for Chicago's Condominium ordinance
- Continue to lead Chicago's housing counseling agencies in **Employer Assisted Housing** counseling, closings, and IL affordable housing tax credit requests
- Organized and participated in **North Side Foreclosure Educational Forum**, collaborating with four north-side non-profit housing counseling agencies
- Participated in six City of Chicago **Borrower Outreach Days** to assist homeowners in foreclosure
- Expanded staff to **seven full time housing professionals**
- Partnered with Haus Financial Services to offer **Successful Condo Ownership Forum**
- Leveraged a total of **\$1.9 million in down-payment assistance** for first time homebuyers through various incentive programs



IV. HOMEBUYER DOWN PAYMENT ASSISTANCE

In 2009, we continued our work as a funding intermediary to provide down-payment assistance to our clients through a variety of innovative programs for low and moderate income first time homebuyers. We distributed a total of **\$1,978,000** in homebuyer down-payment and closing cost assistance through internal and external funding sources.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY – RPCDC AFFORDABLE HOUSING PROGRAM

Description. In 2009, RPCDC closed on its third round of funding from IHDA and the Illinois Low-Income Housing Trust Fund. Over the past year, we've used the program with other local affordable housing programs to effectively create affordable purchase opportunities for families with Very-Low incomes (incomes that fall below 50% of the Area Median Income). Families may qualify up to \$35,000 in funding toward the purchase of a home.

Program Highlights

- Assisted 16 low-income families with down-payment assistance
- Disbursed a total of \$398,000 in assistance

CHICAGO PUBLIC SCHOOLS – TEACHER HOMEBUYER ASSISTANCE PROGRAM

Description. 2009 was a record breaking year for Chicago Public Schools Teacher Homebuyer Assistance Program! RPCDC continues to provide teachers with quality instruction through the home purchase process and we work to process applications and fund closings through the program. As the fiscal agent for the program RPCDC provides \$3,000 for general property purchases and \$7,500 for purchases in target developments.

Program Highlights

- In 2009, RPCDC disbursed a total of \$957,000 through THAP
- 299 teachers closed with assistance
- Over 400 teachers attended housing counseling with RPCDC
- Grants are funded through a partnership with the Chicago Public Schools and the City of Chicago Department of Community Development.

CITY COLLEGES OF CHICAGO - EMPLOYER ASSISTED HOUSING PROGRAM

Description. RPCDC is the administrative agent City Colleges of Chicago (CCC) Employer Assisted Housing (EAH) Program. The CCC EAH program is modeled after the CPS program.

Program Highlights

- RPCDC disbursed a total of \$48,000 through the CCC EAH program.
- A total of 16 CCC employees used the program to buy homes in Chicago.

LOYOLA - UNIVERSITY ASSISTED HOUSING PROGRAM

Description. Throughout 2009, RPCDC continued to offer counseling and administrative services through Loyola's University Assisted Housing Program. The program offers financial assistance to Loyola's employees seeking to purchase a home in target community areas between Loyola's Lakeshore and Downtown campuses. Assistance amounts range from \$5,000 to \$10,000 per recipient depending on location and income.



Photo by Mark Beane, Loyola University Chicago

Program Highlights

- Provided homeownership counseling and down-payment assistance to 16 employees.
- Disbursed a total of \$120,000 in down-payment assistance.

PARTNERSHIP FOR NEW COMMUNITIES - PARTNERSHIP INCENTIVE

Description. RPCDC currently works with the Partnership for New Communities to offer down-payment assistance to home buyers in targeted CHA Plan for Transformation Developments. In 2009, RPCDC funded 38 closings with a total of \$455,000 in down-payment assistance for homebuyers through the program.



V. FORECLOSURE PREVENTION COUNSELING

Description. 2009 proved to be the busiest year yet for RPCDC's foreclosure prevention team. RPCDC saw three times as many clients for foreclosure prevention counseling as from the previous year and twice as many Spanish speaking clients. To keep up with the demand RPCDC hired two full time foreclosure prevention specialists, including one bilingual counselor. In addition, RPCDC secured funding to hire a full time foreclosure program support specialist to start in 2010.

Program Highlights

- Approximately 50 clients obtained trial modifications, permanent modifications, forbearance agreements, brought their mortgage current or otherwise avoided foreclosure.
- RPCDC co-organized a series of four (4) workshops on Chicago's North Side focused on the negative impact of foreclosures on communities. Each event featured a panel presentation, followed by a review of government and private sector efforts.
- RPCDC launched a direct mail campaign reaching 300 homeowners facing foreclosure in zip codes 60626 and 60645.
- RPCDC helped organize a group of homeowners facing foreclosure to challenge their servicers and draft a Homeowner Bill of Rights.
- RPCDC participated in various outreach events upon request.

VI. DESCRIPTION OF COUNSELING SERVICES

FORECLOSURE PREVENTION COUNSELING

Foreclosures have continued to threaten the stability of Chicago neighborhoods in 2009. For this reason that we expanded our staff to two full-time foreclosure prevention counselors last year. We work with clients to identify the cause of delinquency, create a strategy to avoid foreclosure, and work with the lender to modify the terms of the loan when appropriate. Our primary goal in foreclosure prevention counseling is to assist homeowners in achieving an outcome other than a foreclosure sale on the property. Many times our clients are able to retain ownership through a loan modification.

PRE-PURCHASE HOMEBUYER COUNSELING

First Time Homebuyer Training (3-hour session). RPCDC offers a course for first time buyers covering topics of budgeting, credit, shopping for a home, purchase contracts, mortgage comparison, role of real estate professionals, closing, property taxes, refinancing, and assistance programs available in the Chicago region. All participants are awarded a certificate of completion which is needed to qualify for Chicago's first time homebuyer programs as well as conventional mortgage products designed for first time buyers.

Condo Training (2-hour session). Due to affordability, first time homebuyers in Chicago are more likely to buy a condo than a single family home. RPCDC promotes affordable condo ownership as an opportunity for low and moderate income first time owners to build equity in high cost urban areas. Topics discussed include legal requirements of associations, turnover of books by the developer, duties of the board of directors, assessments, annual budget, and rights and responsibilities of owners.

Landlord Training (2-hour session). For many first time buyers, a 2-4 unit building purchase is a more affordable option than a single family home purchase. Landlord training is designed to prepare buyers with information necessary to be effective owner occupant landlords. Topics covered include Chicago's landlord/tenant ordinance, leases, tenant screening, property care, eviction process, and business tax advantages.

Counseling Services

INDIVIDUAL HOUSING COUNSELING

CHAC Choose to Own Counseling. RPCDC is a participant in one of Chicago's most innovative homeownership programs, Choose to Own. Through the program, low-income Section 8 voucher holders are encouraged to use their voucher to subsidize a mortgage payment instead of rent. We work with buyers individually to prepare them for homeownership and assist them through the market place.

One-on-One Mortgage Readiness Assessment. RPCDC counselors are available to meet with clients one-on-one to go over budgets, determine mortgage prequalification amount, pull credit, and offer individualized credit counseling. The mortgage readiness assessment is a recommended step to determine price range affordability and credit worthiness prior to shopping for a home.

Anti-Predatory Lending Database File Review. RPCDC is a participating counseling agency in the Anti-Predatory Lending Database Program (APLD). The program requires borrowers seeking mortgages with high risk characteristics to have their loan documentation reviewed by a HUD certified counseling agency.



VII. PARTNERSHIPS

Rogers Park Community Council: RPCC is the parent organization of RPCDC. We coordinate client services regularly and report activities to the Board of the parent organization.

City of Chicago - Department of Community Development: RPCDC is a delegate agency of the City of Chicago providing homeownership housing counseling to homeowners and buyers citywide. We specialize in preparing buyers to purchase units through **Chicago's Partnership for Affordable Neighborhoods (CPAN)**. Last year we assisted 9 buyers in purchasing CPAN units.

Illinois Housing Development Authority: RPCDC works with IHDA on a variety initiatives including RPCDC Affordable Housing Program, National Foreclosure Mitigation Counseling, Anti-Predatory Lending Database Program, and the REACH matching grant program.

U.S. Department of Housing and Urban Development: RPCDC maintains a Housing Counseling contract with HUD.

Chicago Board of Education: RPCDC continues to provide counseling and administrative services for the CPS Teacher Homebuyer Assistance Program, the largest EAH program in Illinois.

Loyola University: RPCDC works with Loyola to administer the University Assisted Housing Program.

City Colleges of Chicago: RPCDC works with CCC to administer the CCC EAH program.

Partnership for New Communities. RPCDC works with the Partnership to provide down-payment assistance to home buyers in the CHA Plan for Transformation developments.

Metropolitan Planning Council. We partner with MPC to stay informed of best practices with counseling and administrative services related to Employer Assisted Housing programs.

Chicago Community Land Trust. RPCDC partners with CCLT to coordinate counseling services for aspiring homebuyers of CCLT housing units.

Housing Action IL – Housing Counseling Committee. RPCDC Director participates as a committee member in Housing Action IL's Housing Counseling Committee. The committee determines housing counseling priorities across the state including decisions on what counselor trainings to bring to IL.

VIII. MANAGEMENT and FINANCES

GOVERNMENT GRANTS

Chicago Department of Community Development: CDBG – RPCDC continues to partner with the City of Chicago to offer counseling services as a Housing Counseling Services agency (HCS). The HCS contract is funded through the federal Community Development Block Grant (CDBG) in the amount of \$144,750.

IHDA – RPCDC received a total of \$47,445 from IHDA for services performed related to three program areas: National Foreclosure Mitigation Counseling program, RPCDC Down Payment Assistance Program, and REACH matching grant program.

EMPLOYER ASSISTED HOUSING CONTRACTS

Chicago Board of Education – RPCDC received \$90,000 from the Board for consulting services performed through the Teacher Homebuyer Assistance Program

City Colleges of Chicago – RPCDC received \$10,000 from the City Colleges of Chicago for services performed through the CCC EAH program.

Loyola University - RPCDC received a total of \$38,500 from Loyola for the administration of the UAH program.

CORPORATE AND FOUNDATION SUPPORT

Lender contributions supporting our homeownership counseling activities remain one of our largest sources of funding. We rely on the generous support of corporate foundations year after year. In 2008 we received a total of \$15,000 from the following corporate foundations.

- **Bank of America Charitable Foundation** – \$10,000
- **Harris Bank** - \$5,000

CHAC – RPCDC continues its relationship with CHAC for counseling services performed through the Choose to Own program. We received \$5,640 in 2009.

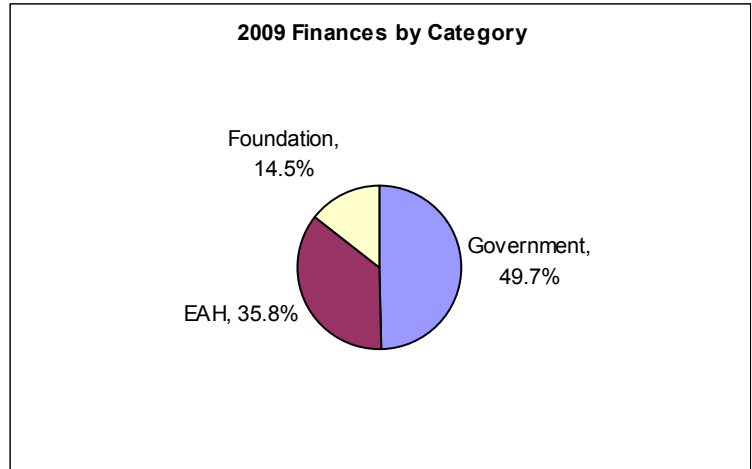
Partnership for New Communities – RPCDC received \$33,000 from the Partnership for New Communities for services provided through the Find Your Place in Chicago – Special Incentive program.

Anti-Predatory Lending Database – Through the APLD counseling program RPCDC receives payment from participating lenders on a fee for services basis. In 2009, we earned \$2,400 through the program.

VIII. MANAGEMENT and FINANCES

continued

Gain in 2009. RPCDC continues to operate with a budget surplus ensuring the long-term viability of all of our activities. Additional funds are kept in reserve and saved for potential investment in future projects.



IX. FUTURE PLANS

2009 was a challenging year for homeowners both in Rogers Park and Chicago as a whole. A record number of foreclosures were filed in Cook County, and Rogers Park saw a 45% increase in foreclosure filings in 2009 (*Chicago City and Regional Foreclosure Activity*. Woodstock Institute). Because of the destabilizing effects of foreclosures on the local community, we have worked hard to expand our counseling services to homeowners in foreclosure and prioritize families that can retain ownership through a loan modification. This has led to a 208% increase in foreclosure prevention intake volume for RPCDC in 2009. Unfortunately, we expect a continuation of demand for these services in 2010 and remain poised to meet the challenges presented by the lingering foreclosure crisis in our community.

Despite increasing challenges presented by looming foreclosures and falling home values, first time homebuyers welcome the increase in affordable homeownership opportunities available in a buyers market. In 2009, we saw a record number of purchases through our participating Employer Assisted Housing programs. Clearly these buyers sought to take advantage of bargain prices, record low interest rates, and the federal home purchase tax credit. Advantageous buyer market conditions are expected to continue in 2010, and RPCDC will strive to help first time homebuyers take advantage of programs and make smart overall decisions regarding purchasing a home.

2010 does not approach without its challenges. RPCDC is a growing agency with limitless opportunity to provide substantial benefit to our clients. As we move into 2010 we anticipate meeting new challenges posed by the changing and often-times turbulent real-estate market. RPCDC will continue to be recognized as a place of valuable support for clients struggling to realize and maintain the American dream of homeownership.



ROGERS PARK COMMUNITY DEVELOPMENT CORPORATION

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