

Reclaiming Chicago NFP



United Power
FOR ACTION AND JUSTICE

ANNUAL REPORT

Reclaiming Chicago NFP



On January 26, 1966, Martin Luther King, Jr. moved into a ramshackle apartment at the corner of 16th and Hamlin in the North Lawndale neighborhood. He worked with local leaders and institutions to create a new Chicago rooted in love and justice. 57 years later, much has changed. But injustice remains.

We still confront the rubble of racial and economic segregation—the vacant lots and vacant buildings, the rampant disinvestment on our south and west sides, and the horrifying violence that spreads across our city like a cancer. These are moral problems, but they also threaten the very viability of our city as they contribute to the loss of people and business investment, city budgetary challenges, a growing gap between rich and poor, and the disappearance of working-class neighborhoods.

Most of the solutions proposed for these problems do not emanate from people or institutions who live the everyday reality of vacancy, violence, and disinvestment. Most of the solutions proposed do not directly involve rebuilding west and south side neighborhoods.

Our solution is to rebuild the core neighborhoods on the south and west sides for everyday people. Replace the vacant lots and buildings with new affordable homes where working-class families can raise their families and create a new future. Do it with urgency and at scale – create new homeowners and taxpayers, give people opportunities to build wealth through homeownership, and reclaim entire blocks at a time.

United Power's Reclaiming Communities Campaign

2022 marked Reclaiming Chicago NFP's first full year in existence. It sits at the center of United Power's Reclaiming Communities campaign as a citizen and community-led initiative to...

- *build 1,000 homes on the South Side and 1,000 homes on the West Side of Chicago,*
- *strategically and at scale entire blocks at a time,*
- *and led by local leaders and proven local institutions and supported by allies from across the Chicago region.*

This is a strategy for creating communities of opportunity and re-populating the City's core neighborhoods on the South and west sides– to replace vacancy, violence, and decades of disinvestment with affordable homes, safe streets, and opportunities for families, especially families of color, to build wealth and equity. Local institutions with proven track records are leading this work.

Reclaiming Chicago NFP provides the capital needed to build and rehab homes at scale. Capital that is controlled by and accountable to the high-capacity, community-based organizations that are leading this effort. Capital that will be recycled and reused over and over again to build thousands of homes.

Rebuilding our neighborhoods requires scale and pace, driven by organized people, an engaged public sector, and organized money—both public and private.



The Reclaiming Communities approach is based on past and current efforts that produce results.



NEHEMIAH HOMES – NYC

East Brooklyn Congregations (EBC), an affiliated entity of United Power, has constructed 5,000 affordable homes in East Brooklyn for working class and working poor households—rebuilding areas that were once as vacant and disinvested as the south and west sides of Chicago. These efforts have created over \$2 billion in wealth and equity for first-time homebuyers (mostly people of color). And the foreclosure rate has been less than a fraction of 1%.¹

We have seen the results in East Brooklyn (click the blue box, right, to see a powerful and inspiring story about the Nehemiah Homes from Ted Koppel at *CBS Sunday Morning*). The story includes pictures of recently built homes in North Lawndale through Reclaiming Chicago NFP.

Nehemiah: Making the American Dream possible for first-time homeowners.

RECLAIMING SOUTHWEST CHICAGO

United Power member, The **Southwest Organizing Project (SWOP)** has led a strategic and concentrated effort to reclaim Chicago Lawn from 11,000 foreclosures and over 700 vacant properties. Since 2012, SWOP has helped over 650 families save their homes from foreclosure and has transformed dozens of vacant properties into over 100 homes and apartments. **As a result, crime is down by over 70%, vacant properties have been reduced by over 50%, and school quality has dramatically improved.** SWOP is now actively working to acquire and rehab another 100 homes and apartments to continue this effort to create affordable homes, safe streets, and good schools.²

RECLAIMING NORTH LAWDALE

A dozen United Power member institutions are leading the effort to rebuild North Lawndale, including Lawndale Christian Development Corporation (LCDC), North Lawndale Community Coordinating Council (NLCCC), and the North Lawndale Homeowners' Association (NLHOA). In 2005-06, United Power and Lawndale Christian led the effort **to build over 100 Ezra Homes** on city-owned vacant lots in North Lawndale. The Ezra Homes still stand today—owned by active community residents, helping families build wealth and equity, and serving as testaments to what can be. **The Ezra Homes are part of LCDC's track record, bringing \$100 million worth of commercial and residential development to the community.** LCDC and Chicago Neighborhood Initiatives (CNI) are leading the effort to build 250 affordable new homes on city-owned vacant lots in the first phase of Reclaiming North Lawndale.

¹ [https://www.npr.org/2018/10/04/654085265/the-american-dream-one-block-can-make-all-the-difference.](https://www.npr.org/2018/10/04/654085265/the-american-dream-one-block-can-make-all-the-difference;); <https://www.nytimes.com/2008/09/27/nyregion/27about.html>;

² <https://apnews.com/6ce6843283334bf1ad88e75b1153d4c7>; <https://www.chicagocatholic.com/chicagoland/-/article/2019/06/07/group-reclaims-neighborhood-around-st-rita-of-cascia-pari-1>



RECLAIMING BACK OF THE YARDS

United Power member, **The Resurrection Project (TRP)**, is working with Precious Blood Ministries of Reconciliation and other institutions in the Back of the Yards (BOTY) on a strategy to reclaim the community. **TRP successfully built and sold over 125 single-family homes on vacant lots in Pilsen— helping immigrant families and families of color to build wealth and equity, to send their children to college, and to save money for retirement.** These homes also stabilized property values and brought safer streets to the neighborhood. These homes are part of the **\$1 billion worth of affordable housing** and community development investment that TRP has brought to Pilsen and surrounding communities. TRP and allies plan to build 250 affordable homes on city-owned vacant lots in Back of the Yards in the first phase of Reclaiming Back of the Yards.

RECLAIMING ROSELAND

United Power members, **Chicago Neighborhood Initiatives (CNI)**, and **The Hope Center Foundation at Salem Baptist Church of Chicago** are leading the effort to reclaim Roseland. **CNI has created over 1,800 permanent jobs and coordinated over \$400 million of investment in the Pullman community and other West and South Side neighborhoods over the past decade.** CNI has also successfully rehabbed and sold dozens of historic Pullman rowhomes—creating affordable homeownership opportunities and stabilizing a neighborhood. CNI and the Hope Center plan to build hundreds of affordable homes on vacant lots in Roseland (just next door to Pullman).

Why Rebuild at Scale? We Can't Afford Not To.

By rebuilding entire communities, we can create home equity and a path to the middle class for working people, *especially people of color*. Past efforts by our country created a path to the middle class for many but families of color were excluded. Now, we can fulfill the true promise of our founding documents by creating opportunities *for all*.

- **Reversing Population Decline.** Our city and state continue to lose population. By rebuilding neighborhoods, we can make our city and state affordable for working people to raise a family.
- **Reducing Violence.** The Nehemiah Homes, Reclaiming SW Chicago, and TRP's homes in Pilsen all demonstrate that we can create safer streets by replacing vacant lots and buildings with homes and residents.
- **Path Out of Fiscal Insolvency.** Our city and state's ability to pay its bills and make investments in our future depends on more homeowners, more tax base and jobs, and more people calling Chicago and Illinois home.
- **Building Housing at Scale for Working People and Essential Workers.** Our country used to build homes at scale for working people. Today, we only build at scale for wealthy people, and then we try to shoe-horn in a small percentage of homes for working people. We can do better—for working people and those who served and saved us during this pandemic.
- **Strengthening our Economy and Tax Base.** Building 2000 homes will directly create over 5,000 permanent full-time jobs, over \$350 million in wages and salaries, and over \$250 million in additional taxes and fees for state and local government.³

³ <https://nahbnow.com/2020/04/building-1000-homes-packs-an-economic-punch>

The Purpose of Reclaiming Chicago NFP

Reclaiming Chicago NFP was formed last year by United Power (UPAJ) and its key member institutions (the Southwest Organizing Project (SWOP), The Resurrection Project (TRP), Chicago Neighborhood Initiatives (CNI), and Lawndale Christian Development Corporation (LCDC). UPAJ, SWOP, TRP, CNI and LCDC are the “Members” of Reclaiming Chicago NFP. These five Members appointed the 10-member Board of Directors.

Reclaiming Chicago NFP is a 501(c)3 non-profit corporation whose purpose is to operate at all times exclusively for the benefit of, to perform the functions of, and/or to carry out the charitable purposes of the Members—by receiving grants and using those funds to assist in building or rehabilitating affordable homes at scale for sale to low and moderate-income families in neighborhoods on the South and West Sides of Chicago to address issues of disinvestment, violence, and inequality, and to help working families build wealth and equity.

RECLAIMING CHICAGO NFP IS UNIQUE.

It crosses neighborhood and racial lines; it transcends the typical “turf battles” of the City of Chicago; and empowers high-capacity institutions based in Black and Latino neighborhoods to lead an effort to recreate their communities.

Chicago Neighborhood Initiatives (CNI) serves as the entity that provides “back office” and “staffing” to Reclaiming Chicago NFP. CNI files tax returns, manages and monitors bank accounts and financials, handles reporting and compliance obligations, and oversees the collection, monitoring, and disbursement of funds. Jen Bransfield (COO and General Counsel of CNI) is the lead CNI employee serving as staff for Reclaiming Chicago NFP. CNI serves in this role at the direction of the Board of Directors. Andrea Burke, Partner at Applegate & Thorne-Thomsen P.C., provides pro bono legal counsel to Reclaiming Chicago NFP.



RECLAIMING SOUTHWEST CHICAGO PITTMAN FAMILY

Carlil Pittman became a first-time homeowner when he purchased the formerly vacant 2-flat on South Campbell Avenue in the Chicago Lawn neighborhood. Carlil is a home-grown community leader who grew up in West Englewood. He purchased SWOP’s second 2-flat property. Carlil and his wife live in one of the units with their four children and have also found a family member to rent the second unit. He likes the block he lives on and has met many of his new neighbors despite the persistence of COVID-19. He feels strongly that the block has been transformed—it has become safer and more tight-knit since he bought his home.

Carlil is very active in his community as a member of his church and as a founder/leader with GoodKids MadCity. Carlil is organizing locally to help SWOP expand the Reclaiming efforts in the next phase.

Board Members for Reclaiming Chicago NFP

Our board, is a diverse and highly representative mix of leaders from United Power and the four communities on the South and West Sides where this effort is focused (Lawndale, Roseland, Back of the Yards, and Chicago Lawn). Please see below the list of current board members. This board membership ensures that the efforts of Reclaiming Chicago NFP are owned and driven by local leaders and local institutions who are accountable to the local community.

- **Nick Brunick, Board Chair** (Ascension Catholic Parish, Oak Park)
- **Shenita Muse, Board Vice-Chair** (Hope Center Foundation of Chicago, Roseland)
- **Shangwe Parker, Board Treasurer** (Board Chair, Lawndale Christian Development Corporation, Lawndale)
- **Vicky Arroyo, Board Secretary** (The Resurrection Project, Pilsen/Back of the Yards)
- **Annette Washington** (Chicago Neighborhood Initiatives, Pullman/Roseland)
- **Pastor James Brooks** (Harmony Community Church and Lawndale Christian Health Center, Lawndale)
- **Kevin Sutton** (IFF/Foundation for Homan Square, Lawndale)
- **Jeff Bartow** (Southwest Organizing Project, Chicago Lawn)
- **Imelda Salazar** (St. Rita's Parish and Southwest Organizing Project, Chicago Lawn)
- **Lizzette Carretero** (The Resurrection Project, Pilsen/Back of the Yards)



Back of the Yards Homes
at 4856 and 4858 S. Ada.

Funds Raised and New Funder/Partners

In 2022, Reclaiming Chicago NFP raised additional funds and was blessed with additional funding partners. The BMO Harris Bank Foundation agreed to donate \$2.5 million. The Community Focus Fund donated \$1 million. The Builders Initiative Foundation donated \$1 million. And a handful of private individuals also donated funds. Reclaiming Chicago NFP raised over \$4.5 million in grant funds in 2022. Reclaiming Chicago NFP has now raised over \$12.7 million in commitments and has received over \$8.7 million in funds to date.

RECLAIMING CHICAGO

FINANCIAL SUPPORT RECEIVED FROM INCEPTION THROUGH DECEMBER 31, 2022

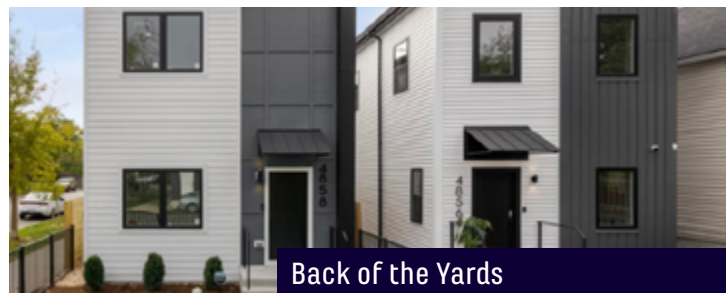
Type of Funds Received	Grantor/Organization	Amount Received	
Donation	Nicholas Brunick, Individual	5,000.00	
Donation	David Levinson & Kathy Kirn	5,000.00	
Donation	Mark & Debbie McCann, Individual	3,600.00	(A)
Donation	Stephanie Kissan, Individual	500.00	
Individual Donations Total		\$14,100.00	
Grant	Waterton DAF (Peter and Joan Vilim)	250,000.00	
Grant	JP Morgan Chase	2,500,000.00	
Grant	Community Focus Fund	500,000.00	
Grant	The Builders Initiative Foundation	1,000,000.00	
Grant	BMO Harris	2,500,000.00	(B)
Institutions Total		\$6,750,000.00	
Loan	Steans Family Foundation	2,500,000.00	(C)
Loan	Steans Family Foundation	2,500,000.00	
Loan	Owens Foundation	1,000,000.00	
Foundations Total		\$6,000,000.00	
Grand Total		\$12,764,100.00	
Funds Received to Date		\$8,762,300.00	

OUTSTANDING FUNDS

Type of Funds	Grantor/Organization	Amount	Receipt Schedule
Grant	Mark & Debbie McCann	1,800.00	(A) February 2023 (Annual Contribution)
Grant	BMO Harris	750,000.00	(B) 2nd Installment - August 2023
Grant	BMO Harris	750,000.00	(B) 3rd Installment - August 2024
Loan	Steans Family Foundation	2,500,000.00	(C) TBD
Total Outstanding Funds		\$ 4,001,800.00	
Grand Total of Funds		\$ 12,764,100.00	

Funds Put to Work in 2022

- Reclaiming Chicago NFP Reclaiming Chicago NFP provided a \$2.3 million, 0% loan to Chicago Neighborhood Initiatives, Inc. (CNI) to remediate eighteen (18) city-owned lots in North Lawndale to prepare them for the construction of single-family homes. CNI will repay this loan with City of Chicago TIF funds upon remediation and site prep work completion. CNI has already begun submitting for City reimbursements on these funds.
- Reclaiming Chicago NFP also provided a \$4 million, 0% loan to Reclaiming Lawndale, LLC, a joint venture of CNI and LCDC to build new construction homes on city-owned lots in North Lawndale. CNI and LCDC are utilizing these funds to build the first eighteen (18) new construction single-family homes on city-owned vacant lots.
- The Southwest Organizing Project (SWOP) plans to borrow Reclaiming Funds in 2023 to rehabilitate vacant properties that will become homeownership homes in their next development phase for Reclaiming Southwest Chicago.



BACK OF THE YARDS

DAVID MATA

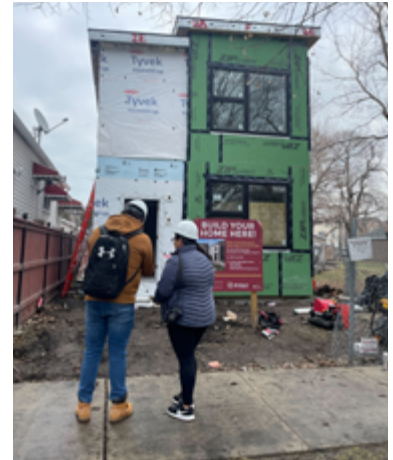
David Mata purchased TRP's first new construction home in Back of the Yards on South Ada Street. TRP has since built and sold another single-family home next door at 4858 S. Ada. David grew up in a Mexican immigrant family in Chicago. His parents were always working multiple jobs to make ends meet. For most of his childhood, he lived with extended family in crowded living conditions; he lost friends to violence in the community, and homeownership was a distant dream. David is a parent mentor, volunteering in the local schools, and **a homeowner who had equity in his home on day one!** David is working with TRP to help expand the Reclaiming efforts in Back of the Yards.

Development Pipeline and Construction Progress

Reclaiming Chicago NFP currently supports the reclaiming efforts in four separate communities on the South and West Sides in Chicago Lawn, North Lawndale, Back of the Yards, and Roseland.

NORTH LAWNDALE

- LCDC built and sold two (2) new construction single-family homes at 1619 and 1621 S. Avers to new homeowners. These homes are located just down the block from where Martin Luther King, Jr. lived in North Lawndale when he preached, prayed, and organized in Chicago fifty-seven (57) years ago.
- LCDC has almost completed two (2) additional new construction single-family homes on the same block adding to the momentum and local scale.
- A joint venture of LCDC and CNI (Reclaiming Lawndale, LLC) is now preparing eighteen (18) city-owned vacant lots to construct eighteen (18) new homes.
- Out of the first 100 city-owned lots provided, 70 in total are feasible for the development of new construction, single-family homes (e.g., some are actually not owned by the City, some are too small, and some have been claimed by adverse possession). Approximately 52 more homes will be built on these remaining city-owned lots in 2023 and early 2024. The City has committed a total of 250 vacant lots in North Lawndale for the first phase of this effort. LCDC and CNI plan to begin construction on the remaining 150 city-owned lots in 2024.



1904 S. Sawyer

Homes at
1621 and
1623 S. Avers
in North
Lawndale.



BACK OF THE YARDS

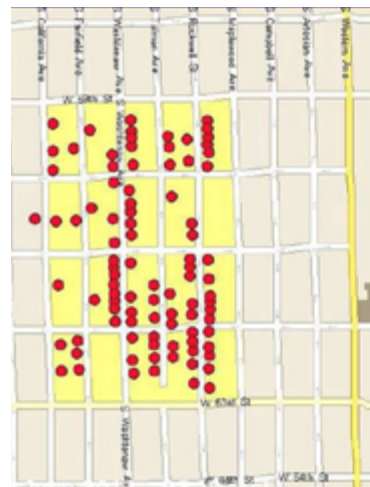
- The Resurrection Project (TRP) has built and sold two (2) new construction homes at 4856 S. Ada, and 4858 S. Ada in the Back of the Yards
- TRP is currently rehabbing five (5) homeownership properties for sale and is building six (6) new construction homes for sale. These eleven (11) homes will be delivered during the first seven months of this year. TRP plans to begin 6-8 more new construction homes on lots they own in Back of the Yards in 2023. In 2024, we hope to start building homes on 100 city-owned vacant lots in Back of the Yards.



Back of the Yards Homes.

CHICAGO LAWN

- SWOP has directly reclaimed over 75 homes and apartments as part of the Reclaiming Southwest Chicago initiative. In SWOP's initial 20 square block target area (Phase 1), crime has fallen by 73% since their work began in 2012, and the number of vacant buildings has decreased from a high of 93 properties to only eight today. In SWOP's Phase 2 area, crime is down by 61% over that same time period. In the broader community, thanks both to the redevelopment efforts and to SWOP's parent mentor program and organizing in the community, local schools have improved dramatically from Level 3 CPS status in most schools to Level 2, Level 1, or Level 1+ CPS status. Home values in SWOP's target have also stabilized and increased over time. In 2022, home values were up 7%.
- SWOP is in the process of acquiring and rehabbing six more vacant buildings now to create 45 additional affordable homes and apartments. SWOP's development pipeline for this next phase includes creating 100 more affordable homes in Chicago Lawn. Reclaiming Chicago NFP funds will be used to assist with the rehab of the ownership housing in this phase.



Map of SWOP Chicago Lawn target area.



Homes completed and sold by SWOP in Chicago Lawn (below).



ROSELAND

- The Roseland effort is just getting started. CNI and the Hope Center Foundation are working on their first model single-family home called the Hope House. CNI, The Hope Center Foundation, and Salem Baptist Church of Chicago are identifying the first 100 city-owned lots for development for new construction single-family homes in 2024.

Building a New Chicago

“THERE IS A PROPHET WITHIN EACH OF US,
FOREVER WHISPERING THAT BEHIND
THE SEEN LIES THE IMMEASURABLE UNSEEN.”

– FREDERICK DOUGLASS, 1861

When Frederick Douglass spoke these words in 1861, our nation was struggling to find a better way forward, to fulfill the promises of our founding documents and participate in God’s call to create a world of love and justice for all.

It is easy to see the problems confronting us—the vacant lots and buildings, the shootings and crime, the broken families, and the neighborhoods struggling to be reborn.

It is our calling to imagine together and work together to create the unseen...

- *vacant lots and vacant buildings transformed into homes;*
- *neighborhoods reborn with new homeowners and new neighbors,*
- *with jobs and stores and peaceful streets, good schools, and places for children to learn and play.*

This is the unseen. But, it is not the impossible.

We have seen the results in Chicago Lawn with SWOP, in Pilsen, in Pullman, and with the Ezra Homes. And we have seen the results in East Brooklyn with United Power’s affiliated organizations.

Join Us in Reclaiming Chicago

Through United Power, creating the immeasurable unseen is the work of Reclaiming Chicago NFP. We have much to do. Please join us in this work.

united-power.org



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