

LISC
Chicago

Report to Donors 2004



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Dear Friends,

2004 was another very productive year for LISC, both in our traditional loan and grant making and as a result of our work in several important programs, including the New Communities Program, the Centers for Working Families, and the Donations Tax Credit.



In total, LISC provided more than \$8 million in loans and grants to 48 organizations last year, in nearly as many local communities. Thanks to LISC's relationships with government agencies, lenders and community partners, those investments leveraged an additional \$218 million in development funds.



To keep this level of activity flowing into the future, LISC launched the "Smart Money...Great Neighborhoods" campaign. Funds raised through this effort will be invested over the next five years as seed capital to jumpstart various community development projects – housing, commercial development, day care centers, health care clinics, employment placement programs, and other programs that serve to spark or continue the neighborhood renewal process. These funds, in turn, are expected to leverage nearly \$1 billion in total investments during this period.



The depth and breadth of our projects in the past year could not have been approached without the support of you, our donors. As you will see in the following pages, your smart investments are creating stronger, healthier communities and changing lives.



Perry Pero
Chair, LISC/Chicago Board of Advisors
Vice Chairman, The Northern Trust Company

Andrew Mooney
Senior Program Director,
LISC/Chicago

2004 YEAR END SUMMARY

ACTIVITY	PRODUCTION
Community based organizations supported	48 organizations
Housing financed	1,638 units
Retail/commercial projects financed	515,000 sf
Community facilities financed	19,000 sf
Training & technical support to community based organizations (including NCP)	\$1,818,818
Individuals served through LISC-supported employment centers	15,000
Comprehensive community plans in development	10
Total loan commitments	\$6,169,667
Total grant commitments	\$2,434,431
Total equity (National Equity Fund)*	\$29,027,287
Total development funds leveraged	\$254 million

*A LISC affiliate

Local Initiatives Support Corporation/Chicago

FUNDS

LISC/Chicago organizes its community investment activity into five distinct funds, including its New Communities Program. In 2004, through these funds, LISC/Chicago made a total of \$6.2 million in loans and \$2.4 million in grants. Also, the National Equity Fund, an affiliate of LISC, invested \$29 million in affordable rental housing in Chicago. The LISC/Chicago funds are:

- THE HOMESTEAD FUND
- THE MAIN STREET FUND
- THE CIVIC LIFE FUND
- THE LEADERSHIP FUND
- THE NEW COMMUNITIES PROGRAM

THE HOMESTEAD FUND

LISC/Chicago created the Homestead Fund to enhance our core commitment to providing affordable housing to neighborhood residents through the development of home-ownership, rental, assisted living, and alternative housing opportunities. Grant funds are used for planning, predevelopment, acquisition, and construction in targeted communities, and are complemented by LISC/Chicago loan funds.

Grants: \$89,000

Loans: \$4,419,667

NEF Equity: \$29,027,285

2004 Total: \$33,535,952



The Fund at Work - Maintaining the Multi-Generational Texture of a Neighborhood

The Churchview Supportive Living Facility, developed by the Greater Southwest Development Corporation, provides housing and supportive services to low income seniors on the city's Southwest Side, allowing residents to remain in their community when they can no longer live at home but don't require more extensive care.

LISC/Chicago provided a \$650,000 pre-development loan to get the project off the ground, helping to leverage more than \$11.5 million in loans and equity from the City of Chicago Department of Housing, Chicago Equity Fund, Marquette Bank, and Park Federal Savings Bank. The facility will result in public savings, as well. Since supportive living facilities save 40% of the cost of nursing home care, Churchview is expected to save Illinois \$1.3 million per year.

This project was undertaken through the Illinois Affordable Assisted Living Initiative, a program founded by LISC/Chicago, National Equity Fund and NCB Development Corporation, and supported in part by the Chicago Community Trust, Community Memorial Foundation and the Retirement Research Foundation.

"This facility has had a transformative effect on the lives of our senior residents, and it helps maintain the multi-generational character of our neighborhood," said James Capraro, Executive Director, Greater Southwest Development Corporation.

THE HC

Grants Loans Equity*

Bickerdike Redevelopment Corporation (Humboldt Park)		\$1,000,000	
Bonheur Development - Liberty Square (North Lawndale)			\$9,727,710
Chicago Christian Industrial League (South Loop)			\$8,224,096
Chicago Rehab Network (City-wide)	\$18,000		
Eyes on Austin (Austin)	\$10,000		
Granite Development Corporation (Douglas)		\$750,000	
Heartland Housing (Kenwood)	\$39,000	\$300,000	
Heartland Housing (Uptown)			\$5,487,668
Hispanic Housing Development Corporation (Woodstock, IL)		\$1,141,667	
Interfaith Organizing Project (Near West Side)	\$6,000		
Lakefront Supportive Housing (Near North)		\$250,000	
Lawndale Christian Development Corporation (North Lawndale)		\$178,000	
Neighborhood Housing Services (Austin)			\$2,768,433
RRG Development - Renaissance St. Luke (Lakeview)			\$2,819,378
Springfield Housing Authority (Springfield, IL)	\$11,000		
Steans Family Foundation/Lawndale Gateway (North Lawndale)		\$600,000	
The Community Builders (Douglas)		\$200,000	
Three Arts Club of Chicago (Near North)	\$5,000		
	\$89,000	\$4,419,667	\$29,027,285

*Equity made available through the National Equity Fund, a LISC affiliate.

DOMESTEAD FUND

THE MAIN STREET FUND

The Main Street Fund supports commercial and industrial development in Chicago's neighborhoods. It's also focused on helping individuals gain employment and on families building their economic assets.

Grants: \$438,588

Loans: \$1,750,000

2004 Total: \$2,188,588



The Fund at Work - Breaking Down the Barriers to Employment

Chicago's North Lawndale community confronts one of the steepest ex-offender release rates in the state and disproportionately high unemployment, but it also lays claim to the North Lawndale Employment Network (NLEN). With technical assistance from Project Match, NLEN offers residents proven job preparation, placement and follow-up programs.

In 2004, NLEN became the first operational Center for Working Families (CWF) site in Chicago. CWF is aimed at helping families build their household financial strength by offering a broad spectrum of services, such as access to free tax preparation assistance, one-on-one financial counseling, fairly priced banking products, and screening for public benefits such as food stamps and childcare assistance.

"As our clients gain employment and advance in the labor market, this program will instruct them in preserving and leveraging their earnings – the next logical step in a transition to a healthy, productive life." Brenda Palms Barber, NLEN Executive Director.

LISC has Centers for Working Families in development in seven Chicago neighborhoods, thanks in large part to support from the Partnership for New Communities, Bank One, and the Annie E. Casey Foundation.

THE MA

	Grants	Loans
Bethel New Life (West Garfield Park)	\$42,050	
Center for Economic Progress (Citywide)	\$70,548	
Greater North Pulaski Development Corporation (Humboldt Park)	\$16,500	
Holsten Real Estate Development Corporation (Uptown)		\$750,000
Living Word/Forest Park Plaza (Forest Park, IL)		\$1,000,000
Near West Side Community Development Corporation (Near West Side)	\$42,790	
North Lawndale Employment Network (North Lawndale)	\$80,000	
Project Match (Citywide)	\$50,119	
Southeast Chicago Development Commission (South Chicago)	\$52,321	
Woodlawn Preservation Investment Corporation (Woodlawn)	\$84,260	
	\$438,588	\$1,750,000

MAIN STREET FUND

THE CIVIC LIFE FUND

Transforming distressed communities and neighborhoods into healthy ones requires a wholistic approach that concurrently addresses residents' physical, economic and social needs. The Civic Life Fund supports the revitalization of communities through the development of essential community facilities such as day care centers, health care facilities, open space and other community services that underpin all healthy neighborhoods.

Grants: \$88,025

2004 Total: \$88,025



The Fund at Work - Responding to a Community's Most Critical Needs

More than a decade after the closing of St. Anne's Hospital, the 114,000 residents of Chicago's West Side have a place to go again for dependable quality healthcare and new opportunities for skilled jobs – the new Austin Wellness Center – developed with support from LISC/Chicago's Civic Life Fund.

The Austin Wellness Center addresses wholistic community health issues by providing residents with access to one-stop primary healthcare, including a clinic operated by Cook County Health Services, health-related employment and economic development opportunities. Indeed, construction of the center generated 100 permanent positions and 52 temporary construction jobs, while thirty-seven percent of the project's subcontractors were from Chicago's West Side and 55% of the subcontractors were African-American.

Throughout the development period, LISC/Chicago provided \$283,000 in loans and recoverable grants for the project, which in turn helped to leverage \$7.5 million from other sources.

"Austin residents knew better than anyone else what they needed most – jobs and healthcare, and I am proud to say the center provides both," said Jacqueline Reed, Executive Director of the Westside Health Authority, the non-profit organization that developed the center.

THE C

Grants

Grand Boulevard Federation (Grand Boulevard) \$15,000

Illinois Facilities Fund (Citywide) \$13,025

Trust for Public Land (Logan Square) \$60,000

\$88,025

CIVIC LIFE FUND

THE LEADERSHIP FUND

LISC/Chicago's training and technical assistance program works to develop a talent pipeline to infuse the community development industry with dedicated volunteers and professionals. Through the Leadership Fund, community organizations and leaders receive training in fundraising, organizational development, real estate development and property management.

Grants: \$41,000

2004 Total: \$41,000



The Fund at Work - Building Future Community Leaders

In 2004, LISC's Leadership Fund supported the work of twelve AmeriCorps members in their service to local community groups. The AmeriCorps program, a domestic version of the Peace Corps, pays members an annual stipend and allows them to earn money for college, while they work on community and economic development initiatives.

Cedric Nesbitt is a second year member whose work with Lakefront Supportive Housing, a provider of housing and supportive services for people at risk of homelessness, has exceeded all expectations. Cedric has been promoting financial literacy among residents of Lakefront's properties, including helping with tax preparation services. During the 2004 tax season, Cedric's efforts helped return \$21,615 to 82 tenants and community members.

"Cedric has taken ownership of financial literacy programs at Lakefront and is bringing information and resources to the buildings where they are least available," said Shashi Menon, Nesbitt's Supervisor.

"This is a win-win - both the agencies and the participants are seeing results from the program," said Sandra Womack, LISC Program Officer. "Three of our current members have received full-time job offers, many others are returning for a second year, and each has forged a head with a program that is becoming an asset for their host agency."

THE LEA

Grants

Alliance for Community Peace (Near North)	\$6,500
Bethel New Life (West Garfield Park)	\$2,500
Heartland Housing (Citywide)	\$2,500
Hispanic Housing Development Corporation (Citywide)	\$7,000
Kinzie Industrial Development Corporation (Near West Side)	\$2,500
Lakefront Supportive Housing (Citywide)	\$10,000
Sinai Community Institute (North Lawndale)	\$5,000
The LEED Council (Near North)	\$5,000

\$41,000

ADERSHIP FUND

NEW COMMUNITIES PROGRAM

The New Communities Program is an ambitious effort led by 14 agencies to stimulate comprehensive development in 16 neighborhoods. Participating communities are currently developing "quality of life plans" and initiating early-action projects to address priority community concerns while the planning process is underway.

Grants: \$1,777,818
2004 Total: \$1,777,818



The New Communities Program at Work -

The Comprehensive Planning Stage Nears Completion

Throughout 2004, LISC/Chicago and its partner agencies conducted one of the largest grassroots planning efforts ever undertaken in Chicago, or, for that matter, any city, through the New Communities Program (NCP), a long-term comprehensive approach to urban development that uses neighborhood planning as a central tool for improving the quality of life for community residents.

The quality of life plans lay out strong project and program responses to neighborhood-specific and citywide issues and make a compelling case for investment in these areas. Lead agencies in each of the neighborhoods will undertake a wide variety of neighborhood improvement projects identified in the plans over the ten-year span of the program, running the gamut in community-building, from housing and economic development, to employment and training, health care, child care, open space, arts and culture, and so on. NCP is supported in part by a major grant from the John D. and Catherine T. MacArthur Foundation, with additional support from the Annie E. Casey Foundation, the Living Cities National Community Development Initiative, the Mayor's Office of Workforce Development, and the Polk Bros. Foundation.

NEW COM

Grants

Lead Agencies

Bickerdike Redevelopment Corporation (Humboldt Park)	\$150,962
Other Funding for Humboldt Park	\$105,240
Garfield Park Conservatory Alliance (East Garfield Park)	\$131,371
Greater Auburn Gresham Development Corporation (Auburn Gresham)	\$136,985
Greater Southwest Development Corporation (Chicago Lawn)	\$138,975
Lawndale Christian Development Corporation (North Lawndale)	\$150,334
Other Funding for North Lawndale	\$30,000
Little Village Community Development Corporation (Little Village)	\$211,988
Logan Square Neighborhood Association (Logan Square)	\$72,745
Near West Side Community Development Corporation (Near West Side)	\$75,185
Other Funding for West Haven	\$95,000
Quad Community Development Corporation (North Kenwood)	\$192,928
Other Funding for North Kenwood	\$6,500
St. Edmund's Redevelopment Corporation (Washington Park)	\$14,288
Southeast Chicago Development Commission (South Chicago)	\$116,250
Other Funding for South Chicago	\$10,300
Teamwork Englewood (Englewood)	\$56,250
The Resurrection Project (Pilsen)	\$46,017
Other Funding for Pilsen	\$20,000
Woodlawn Preservation and Investment Corporation (Woodlawn)	\$16,500

\$1,777,818

COMMUNITIES PROGRAM

2004 CHICAGO NEIGHBORHOOD DEVELOPMENT AWARDS

More than 1300 leaders in the fields of finance, government, real estate, architecture and community development, including Mayor Richard M. Daley and President and CEO of Bank One Jamie Dimon (event chair) participated in the 10th Annual Chicago Neighborhood Development Awards held February 3rd at the Chicago Sheraton. The event, which is considered the "Oscars" of community development, honors the developers, architects and designers responsible for the most outstanding work in Chicago's neighborhoods.

Award recipients included: Bethel New Life; St. Bernard Housing Development Corporation; Holsten Real Estate Development Corp. and Kenard Corp. for North Town Village; North Side Community Federal Credit Union; McCollum Architects for Children's Place at Vision House; Booth Hansen Architects for Homan Square Community Center; and Chicago Park District Architects for Garfield Market.



Andrew Mooney, Senior Program Director,
LISC/Chicago, Mayor Richard M. Daley (who won
the 2004 Friend of the Neighborhoods Award)
and Jamie Dimon, President and CEO, Bank One

LOOKING AHEAD

LISC Launches “Smart Money...Great Neighborhoods” Campaign

LISC/Chicago's campaign to raise funds to support five years of investment in Chicago's neighborhoods launched November 16th at the James Jordan Boys & Girls Club on the Near West Side. Seventy-five political, business, philanthropic and community leaders were on hand to pledge their dollars and support.

With campaign co-chairs Marjorie Benton, Bill Daley, Ruth Rothstein, David Vitale, and honorary co-chairs Mayor Richard M. Daley and Robert Rubin ably leading the charge, more than \$25,000,000 has been raised so far. But the buck doesn't stop there. For every dollar donated, LISC will leverage up to \$32 more in community development investment to catalyze housing, commercial and comprehensive community development in more than 40 neighborhoods throughout Chicago.

Going forward, LISC/Chicago will continue to provide comprehensive technical and financial assistance to its partner agencies. In 2005, we will invest close to \$4.5 million in grants and \$4 million in loans to community-based organizations working to revitalize Chicago's neighborhoods. We will measure our progress by the number of housing units and commercial space developed; total development funds leveraged; and by working closely with our clients to ascertain the effectiveness of our financial and technical support.



Campaign Co-Chairs: William Daley,
Marjorie Benton, Ruth Rothstein
and Mayor Richard M. Daley
(Not Pictured: David Vitale & Robert Rubin)

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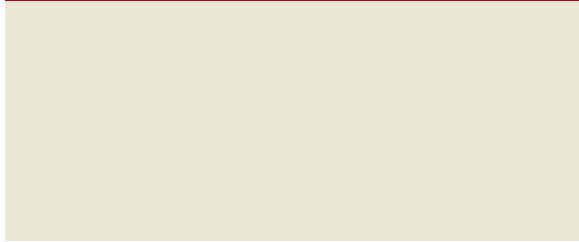
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(Includes sponsors of Chicago Neighborhood Development Awards)

THE MISSION

of LISC/Chicago is to organize capital and other resources to support initiatives that will stimulate the comprehensive development of healthy, stable neighborhoods and foster their connection to the socioeconomic mainstream of the metropolitan region.



LISC/CHICAGO
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