

WORKING CAPITAL

The Newsletter of the Chicago Program of Local Initiatives Support Corporation

— MacArthur Grants \$26 Million for Community Development in Chicago

Jonathan Fanton, President of The John D. and Catherine T. MacArthur Foundation, announced May 22nd that the Foundation has awarded \$26 million to LISC/Chicago for the second five-year phase of its New Communities Program (NCP) and another \$4 million to national LISC for an expansion of the NCP model across the US.

NCP is a long-term initiative to support comprehensive community development in 16 Chicago neighborhoods. It seeks to rejuvenate challenged communities, bolster those in danger of losing ground and preserve the diversity of areas in the path of gentrification. Each effort is led by a neighborhood-based lead agency that coordinates programs among other local organizations and citywide support groups.



Andrew Mooney, Senior Program Director of LISC/Chicago, thanks Jonathan Fanton, President of The John D. and Catherine T. MacArthur Foundation for the Foundation's commitment to the New Communities Program. Mayor Richard M. Daley, several Aldermen and more than 170 community representatives attended the announcement in Auburn Gresham.

"Chicago's neighborhoods are significant social assets, holding tremendous untapped human and economic potential," said Fanton. "The work of many dedicated community groups and individuals to turn around these neighborhoods is already showing early signs of success, and MacArthur is reaffirming our support for comprehensive community revitalization and improved quality of life for residents." MacArthur's grant is expected to help generate \$500 million in new investment in the 16 NCP neighborhoods over the next five years.

This is the largest grant ever received by the Local Initiatives Support Corporation and the second largest grant made by The MacArthur Foundation in the United States.

"We could not be more grateful to MacArthur for supporting the revitalization of Chicago's neighborhoods and providing the long-term support necessary for success in comprehensive community development," said Perry Pero, Chairman of LISC/Chicago's Board of Advisors.

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Preserving Affordable Housing

As communities across the country face the challenge of expiring federal subsidies threatening the ongoing affordability of rental properties, the Logan Square Neighborhood Association (LSNA) provides a model of how community organizations and tenants can work together to address this issue.

Two years ago with a Section 8 contract expiring, the owner of the Lorington Apartments near historic Palmer Square planned to convert the building to condominiums. A new Illinois law gave tenants a chance to find an alternative owner that would maintain the subsidy. To qualify under the law, however, tenants need to have a Tenants Association. The Lorington tenants turned to LSNA for help.

LSNA, lead organization for the New Communities Program (NCP) in Logan Square, assisted in the development of a Tenants Association and in the search for a new owner for the Lorington Apartments. With assistance from LISC/Chicago, another not-for-profit, The Community Builders, Inc. (TCB), agreed to purchase the building.

LISC/Chicago also aided the process by providing funding for pre-development and other early costs. Today, TCB owns the building and the renovation is underway, saving 54 units of affordable one-to-four bedroom rental housing in Logan Square.



The Lorington Apartments

"This means that a lot of people in Logan Square will have a better future," says Lorington Tenant Association president Mayra Casasola. "I think we're an inspiration to other groups that are in the same situation—we can save people's homes instead of forcing them out."

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Harris Committed to Community Investment:

Interview with Yasmin Bates, Executive Vice-President for Community Affairs & Economic Development at Harris

Headquartered in Chicago, Harris Bank has expanded over its 125 year history into a nationwide financial institution with affiliates in nine states, over 200 local branches and more than \$400 billion in assets. A 31-year employee and the originator of the bank's neighborhood lending program in the mid-1980s, Executive Vice-President for Community Affairs & Economic Development Yasmin Bates spoke to LISC about the bank's commitment to community investment.

With an active community investment program since 1984, how would you describe the evolution of Harris' community investment strategy?

In the mid-80s, when Harris, as well as other banks, began to focus on community reinvestment, we were working primarily with non-profit groups on single family rehab projects, mixed-use properties, and some small business deals. In addition, we came to notice that a neighborhood block would be solid, but the corner building would be in need of repair so we began to focus attention on multi-family rental affordable housing. As we built relationships, we began to expand the scope of our work and recently we have funded the construction of a new school building, the LEARN Charter School in North Lawndale, and also helped to fund the future construction of the Black Ensemble Theatre in Uptown.

Is Harris focusing its work on any particular neighborhoods, and if so, why?

The Harris Foundation over the last four to five years has

focused on the city's North Lawndale neighborhood. We looked at our philanthropic resources and decided that if we concentrated our efforts geographically, we could make a greater impact on one community. In addition to helping to finance the construction of the LEARN Charter School, we have a volunteer tutoring program at North Lawndale's Henson Elementary and we have co-sponsored an awards program with the Steans Family Foundation to honor community members who've made a difference in the lives of neighborhood youth. We are already seeing the benefits of our concentrated effort in North Lawndale, including attracting other lenders and partners who are coming to help, to build and to make a difference in the neighborhood.



Yasmin Bates, Executive Vice-President for Community Affairs & Economic Development, Harris

Harris has a long relationship with LISC. Can you provide examples of this partnership and explain why it is important?

From very early on, LISC has assisted local organizations with training and support, putting the organizations and the bank in a better position to execute our community development strategies. Harris has been a LISC/Chicago board member for many years and has partnered with LISC on a number of deals such as the Churchview Supportive Living facility in Chicago Lawn and the second phase of Roosevelt Square on the Near West Side. LISC has also played a role in linking us with local, state, and federal government resources. Knowing LISC is involved in a deal gives us confidence.

First Quarter LISC Grant & Loan Activity

Having already committed \$1,000,000 in credit and more than \$230,000 in grants in the first quarter of 2007, LISC is again on the way to a robust year of support for local community development programs.

LISC provided grant support totaling \$178,177 to seven of the fourteen **New Communities Program (NCP)** lead agencies. These funds went toward efforts such as the expansion of non-profit legal services in Little Village through the Little Village Community Development Corporation and matching funds on behalf of Bickerdike Redevelopment Corporation to the Chicago Commons Association for the implementation of a social development program for fathers and their children.

In addition, through its **Homestead Fund**, LISC approved a \$1 million line of credit for the Hispanic Housing Development Corporation to provide the predevelopment financing for multiple projects over the next three years. Two of those projects are a 60-unit senior facility to be built at the intersection of Cicero Avenue and George Street in the Belmont Cragin neighborhood and Innsbruck Apartments, a 475-unit mixed-income preservation project to be built in Bolingbrook, IL. The Main Street Fund provided \$25,000 to the Woodlawn Preservation and Investment Corporation for the use of Project Match case management protocols in its Woodlawn Employment Center.

The Civic Life Fund continued its support of the arts and community spaces with a \$20,000 grant to the North River Commission (NRC) to construct the first phase of a healing garden as a part of the organization's "Building Community through the Arts" initiative.

Finally, **the Leadership Fund** granted \$7,500 to the Alliance for Community Peace to support a youth development intern to work in the Cabrini Green area.



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13th Annual Chicago Neighborhood Development Awards

More than 1,300 members of Chicago's corporate, philanthropic, and non-profit community joined Chicago Mayor Richard M. Daley and event Chairman Perry Pero at the Hyatt Regency Hotel to celebrate the winners of the 13th Annual Chicago Neighborhood Development Awards this February.

"Chicago is a city of neighborhoods, and the quality and character of our neighborhoods have a profound impact on the strength of our city," said Mayor Richard M. Daley. "I congratulate the winners of the Chicago Neighborhood Development Awards for setting the standard for community development projects and laying the foundation for vibrant, healthy communities."

Two of the eight awards were new this year. The first-time Special Recognition award honored St. Leonard's Ministries for its work with formerly incarcerated persons and The Chicago Community Trust Outstanding Community Initiative of the Year Award went to Claretian Associates, Inc. for their collaborative planning work in Southeast Chicago.

The Richard H. Driehaus Outstanding Non-Profit Neighborhood Real Estate Project went to the Salvation Army for the Adele and Robert Stern Red Shield Center, the Outstanding For-Profit Neighborhood Real Estate Project Award to Related Midwest for Phase I of the Roosevelt Square Development, the Friend of the Neighborhoods Award to Cook County Assessor James M. Houlihan. The first, second and third place Richard H. Driehaus Awards for Architectural Excellence in Community Design were won respectively, by John Ronan Architect for the Gary Comer Youth Center, Garofalo Architects for the Hyde Park Art Center, and Harley Ellis Devereaux for Wentworth Commons.



TOP: Mayor Richard M. Daley
 MIDDLE: Mayor Richard M. Daley, Cook County Assessor James M. Houlihan and Andrew Mooney, Senior Program Director of LISC/Chicago talk after the ceremony
 BOTTOM: Attendees enjoying the reception

LISC invites commentaries from neighborhood partners for publication in the newsletter. This issue's column is by Joy Aruguete, Executive Director of Bickerdike Redevelopment Corporation.

Bickerdike at 40 Years - Lessons Learned

In 2007, Bickerdike celebrates its 40th anniversary and I am pleased to report that the state of the organization is strong! In that time we've developed 1,063 units of housing and served thousands of residents annually through technical assistance, housing, job opportunities and leadership development. Such a benchmark provides an excellent opportunity for reflection. In forty years, here's what we've learned:

1. Mission and Core Competencies: Know what yours are and keep to them.

Understanding what your core competencies are and allowing them to guide all programmatic and funding decisions strengthens our impact and keeps us on track. Clarity about mission and competence keeps us strong and focused in growth periods, so that we are strengthened by expansion, not weakened by it.

2. Communities have multiple needs and require a multifaceted approach: Plan together and maximize community resources through collaboration.

To really thrive, communities need a diverse range of options from affordable housing to well-paying jobs, culturally relevant commercial opportunities, quality youth activities, good educational opportunities and open spaces to name a few. Collaboration with other community partners builds on community strengths, maximizes resources and avoids unnecessary duplication of services.

3. Healthy communities need a diverse range of housing options.

Rental housing, cooperatives and affordable homeownership are all important strategies in providing a quality, stable place for residents to call home.

4. Commercial gentrification occurs rapidly on the heels of residential gentrification and should be planned for.

Though most of us are familiar with the dynamics of residential gentrification, commercial gentrification is a less articulated but serious issue. Efforts must be made to sustain or create economically and culturally relevant commercial opportunities to ensure that neighborhood revitalization benefits long-time residents as well.

5. Local hiring is a powerful economic revitalization tool: Organizations can create their own talent pipeline offering quality job opportunities to underserved communities.

Hiring from within the community translates into a substantial impact as an organization grows and its initiatives multiply. Through Bickerdike's own hiring and that of our subsidiaries, we create nearly 100 jobs annually for local residents.

6. No matter how large you grow, staying connected to your constituent base and community is critical.

As budgets increase in size, staffing rosters grow, programs are added and fundraising intensifies, it may be tempting for an organization to shift its primary accountability to external entities like funders, auditors and regulatory agencies. Mission, core competencies, strong collaborative partnerships and keeping the community front and center ensures that your work remains relevant and successful. Bickerdike's membership and community-based Board keep us accountable and grounded.

7. Be strategic, negotiate whenever possible, know when it's time to fight.

Community development requires sound strategies and good negotiation skills. However, great things are often borne of struggle and working to make positive change sometimes requires a good fight. Having said this, it helps to remember that we're all in it together and today's adversary may be tomorrow's partner.

Bickerdike prides itself on our many accomplishments as well as the challenges we have faced and overcome throughout our history. What we've learned in terms of best practices we follow every day and share with others in our collective struggle. Here's to looking ahead to the next 40 years!



Joy Aruguete, Executive Director, Bickerdike Redevelopment Corporation

"MACARTHUR" (Continued from cover)

In fact, NCP may have never taken root if it weren't for the MacArthur Foundation's early and significant involvement, contributing \$21 million to expand the program in 2001. Since then, NCP has leveraged more than \$255 million in overall investment in Chicago neighborhoods.

In Chicago, NCP communities have turned this support into results — preserving affordable housing, creating a community health center and revitalizing a formerly vibrant retail strip, among other projects. NCP is already being replicated by national LISC in ten U.S. locations and attracting international attention, drawing city administrators from across the globe to Chicago for tours and garnering tens of thousands of hits on the NCP website www.newcommunities.org.



Mayor Richard M. Daley tours development along 79th Street with Jonathan Fanton, President of The John D. and Catherine T. MacArthur Foundation and Carlos Nelson, Executive Director of the Greater Auburn-Gresham Development Corporation

Bickerdike Redevelopment Corporation, lead agency for LISC/Chicago's New Communities Program in Humboldt Park, serves the communities of West Town, Humboldt Park, Logan Square and Hermosa.

Bears, LISC Team Up to Ready Field for Fall Season

With more than 60 football games scheduled next year at Lane Tech stadium on the City's North Side, its brand-new playing field will be immediately put to the test. Work is set to begin at the 65 year old, 5,000 seat stadium in June and by the start of the season, the field's aging grass will be replaced with a more durable synthetic playing surface, plus stadium lighting and a new running track will be added.



Part of a stadium renovation project funded by the Chicago Public Schools (CPS) and partner groups, the new field comes through a \$200,000 grant provided by the NFL Grassroots Fund, the Chicago Bears, and LISC/Chicago, with matching funds from CPS and its partners.

The Lane Tech field grant is the latest result of a growing partnership between LISC and the NFL, which have worked together to bring sporting opportunities and revitalization to communities across the country. In Chicago, the LISC/Chicago Bears partnership has provided funding to the New City YMCA, the North River Commission, and the Woodlawn Preservation and Investment Corporation to bring sports facilities to their neighborhoods. In addition, funds have gone to the Parkways Foundation and the Chicago Park District to help upgrade Jesse Owens Park in South Chicago.

"The Chicago Bears are proud to continue to support local projects that improve fields, football development and bring families and communities together through football," said Caroline Guip, Chicago Bears Director of Community Relations.

"These fields are a critical part of our efforts to create sustainable communities – places where people want to live, work and raise families," said Andrew Mooney, LISC/Chicago Senior Program Director. "Through their contributions, the NFL and the NFL Players Association (NFLPA) are not only creating places for young people to compete in football and other sports, they're also making countless neighborhoods better and stronger."

The NFL Grassroots Fund is financed by the NFL Youth Football Fund, a program established by the NFL and the NFLPA to support youth football.



The Lane Tech Stadium field will undergo renovation this summer



Pilsen Unveils NCP Plan

Education, economy, housing, culture and family-friendliness are the five focal points of Pilsen's new Quality-of-Life Plan, unveiled February 20th in front a broad coalition of neighborhood groups, city and foundation partners.

"For many years our organizations were not working in concert with one another," said Raul Raymundo, Executive Director of The Resurrection Project, the New Communities Program lead agency in Pilsen. "But now we understand that only by working together are we going to make this happen."

The plan comes after a year-long collaboration between longstanding community organizations as part of a New Communities Program planning process, funded by LISC with significant support from the John D. and Catherine T. MacArthur Foundation.

More than just a document the Pilsen plan is a detailed outline of steps needed to strengthen the neighborhood so that it remains a viable and cohesive Mexican-American community for years to come.

Read the full plan at www.newcommunities.org.



Pilsen Planning Committee members and supporters celebrate during the unveiling of their Quality-of-Life Plan

Congrats to...

Logan Square Neighborhood Association, which received a \$50,000 two-year grant from the Emerging Leaders Program to support its service-learning partnership at Kelvyn Park High School. With the grant, LSNA will have staff support and access to professional development services to enhance its already strong work with the school.

A joint project of the Kellogg Foundation and the National Service-Learning Partnership, the Emerging Leaders Program recognizes innovators in service learning.

With funds from State Farm, LISC/Chicago funded LSNA's work at Kelvyn Park, and congratulates them on this national recognition.

Jahn-Designed Near North Apartments Open

On March 10th, Mayor Daley joined Ald. Walter Burnett (27th), Mercy Housing Lakefront, neighbors and new residents to celebrate the long-awaited opening of the Near North Apartments.

The 96-unit Near North Apartments at 1244 N. Clybourn are adjacent to what was once the Cabrini-Green CHA development. The single-room occupancy (SRO) building was designed by world-renowned architect Helmut Jahn, incorporating energy efficient features, aesthetic fluidity, and tenant-friendly facilities into a dynamic structure.

The Near North Apartments provide supportive housing for formerly homeless, disabled, and other low-income individuals. Far from what might come to mind when one thinks of an SRO, the bright and airy rooms with skyline views provide dignity and optimism for residents.

Also significant to the building design are cutting-edge environmental features. Specially-designed wind turbines and solar panels on the roof generate the building's heat and a good portion of its electricity, and large cisterns collect rainwater for landscape irrigation. The building is also equipped with a "gray water" system that reuses filtered water from showers for toilets.

LISC/Chicago provided a \$250,000 loan to Mercy Housing Lakefront to assist with the predevelopment expenses while LISC's affiliate the National Equity Fund (NEF) made a \$6.5 equity investment in the building.

Today, the Near North Apartments stand as a neighborhood attraction and a definitive statement about the design possibilities of affordable housing.



Near North Apartments
1244 North Clybourn Avenue
Photos taken by Doug Snower Photography

— ISES Hopes to Strengthen Schools and Communities - Together

Known nationally for its innovative comprehensive community development work, LISC/Chicago has been chosen to convene an unprecedented partnership of CDCs, local school leaders and city government to work together to create an integrated program of services, educational programming and health care, in five Chicago schools.

Funded by The Atlantic Philanthropies, with additional support from the John D. and Catherine T. MacArthur Foundation, The Chicago Community Trust and the Polk Bros. Foundation, the Integrated Services in Extended-day Schools (ISES) project supports a process through which communities and their public schools are collaborating to design model schools that offer integrated, high-quality education, health, and community support services for middle-school youth (grades 6th through 8th). Similar efforts are in development in Oakland, Baltimore and the state of New Mexico under the sponsorship of The Atlantic Philanthropies.

In Chicago, LISC launched the ISES planning process in five New Communities Program neighborhoods where lead agencies have teamed up with local school partners:

- Auburn Gresham – Greater Auburn-Gresham Development Corporation and Perspectives Charter School
- Chicago Lawn – Southwest Organizing Project and Marquette Elementary School
- Logan Square – Logan Square Neighborhood Association and Ames Middle School
- North Kenwood – Quad Communities Development Corporation and Reavis Elementary School
- Pilsen - The Resurrection Project and Orozco Middle School

Providing guidance and support to the initiative, "The Chicago Committee" of ISES includes the City of Chicago Department of Children and Youth Services, Chicago Public Schools, John D. and Catherine T. MacArthur Foundation, JPMorgan Chase Foundation, Michael Reese Health Trust, Polk Bros. Foundation, and The Chicago Community Trust.

"This is a unique opportunity to combine the best practices known to create successful schools with the community plans and long-term vision of the New Communities Program," said Joel Bookman, Chicago Program Director.