

NCSHA 2015 Annual Awards Entry Form

(Complete one form for each entry)

Deadline: Wednesday, June 10, 2015

Visit ncsha.org/awards to view the Annual Awards Call for Entries.

Instructions: Type entry information into the form and save it as a PDF. Do not write on or scan the form. If you have any questions contact Matt Cunningham at mcunningham@ncsha.org or 202-624-5424.

Fill out the entry name *exactly* as you want it listed in the program.

Entry Name: _____

HFA: _____

Submission Contact: (Must be HFA Staff Member) _____ **Email:** _____

Please provide a 15-word (maximum) description of your nomination to appear on the NCSHA website.

Use this header on the upper right corner of each page:

HFA: _____

Entry Name: _____

Select the appropriate subcategory of your entry and indicate if you are providing visual aids.

Communications	Homeownership	Legislative Advocacy	Management Innovation
Annual Report	Empowering New Buyers	Federal Advocacy	Financial
Creative Media	Encouraging New Production	State Advocacy	Human Resources
Promotional Materials and Newsletters	Home Improvement and Rehabilitation		Operations
			Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
Encouraging New Production	Combating Homelessness	Special Achievement	Yes
Multifamily Management	Housing for Persons with Special Needs		No
Preservation and Rehabilitation			

Introduction/Program Need

Strategic demolition, securing, and rehabilitating abandoned properties can play a vital role in improving neighborhood conditions and be the tipping point in community stabilization and revitalization. When the recession hit the United States, Illinois suffered especially hard. As Illinoisans rebuild their communities after the mortgage crisis, abandoned properties still negatively affect many areas throughout the state. These properties impact the vitality of a community by putting a drain on municipal resources, creating safety issues and reducing property values of neighboring homes.

RealtyTrac.com reports Illinois ranked fourth of states with the highest foreclosure rates in 2014 with 1.38 percent (of all housing units with a foreclosure filing) behind Florida (2.30 percent), New Jersey (1.87 percent), and Maryland (1.69 percent). CoreLogic reports Illinois completed 15,658 foreclosures in the 12 months ending March 2015. Illinois foreclosure inventory is at 1.8 percent. Statewide 4.8 percent, and in the Chicago-Naperville-Arlington Heights MSA 5.5 percent of housing stock is seriously delinquent. In Chicago alone, in the second quarter of 2014, over 33,000 homes were vacant over two years. There is a direct correlation between foreclosures and abandoned properties.

To address these issues, legislation was passed and signed into law in Illinois in 2013 creating the Abandoned Property Program (“APP”).

Program Description

Under this program, the Illinois Housing Development Authority (“IHDA”) makes grants to municipalities and counties for the demolition and maintenance of abandoned residential properties. Funding is derived from foreclosure filing fees paid by banks and lending institutions and funds are distributed throughout the state, as determined by enabling legislation. The tiered fee structure of this legislation ensures that financial institutions pay foreclosure fees based on the total number of foreclosure complaints filed in the previous year, protecting smaller community banks and credit unions. Effective June 1, 2013, banks and lending institutions pay the clerk of the county court a \$500, \$250, or \$50 filing fee for each residential foreclosure, which is then deposited into the Abandoned Residential Property Fund. As determined by legislation, funds are allocated as follows: 1) 25 percent to the City of Chicago; 2) 30 percent to Cook County and municipalities in Cook County other than the City of Chicago; 3) 30 percent to the collar counties of DuPage, Lake, McHenry, and Will, as well as municipalities inside those counties; and 4) 15 percent to the balance of counties in the state.

Eligible uses under the program include demolition, board up, rehabilitation (limited to exterior safety) and property maintenance. Activities apply to residential buildings of 1-6 units. Fees are collected until December 31, 2017, but the Program will continue until funds are fully expended.

To make the greatest impact, a maximum grant amount was established at \$75,000. Award amounts are dependent on the capacity of the, as well as other applicants in the same geographic area. An applicant may request a waiver of the maximum grant amount up to \$250,000 by demonstrating exemplary capacity, need and impact, and providing dollar-for-dollar matching funds on the amount above \$75,000. All expenses are reported to IHDA and funds are reimbursed after they are expended. Either municipal staff or third-party service providers may perform all eligible activities. Grantees must comply with all applicable environmental laws and historic preservation requirements and certify to these and other standard certifications in the grant application.

Implementation

IHDA created the grant application with input from various departments. Representatives from the legislative, community affairs, legal, and policy/programs teams created an application with five categories: Need, Capacity, Impact, Budget and Cost Reasonableness, and Readiness to Proceed. In

October 2013, IHDA released the application for Round 1.

To reach as much of the state as possible, IHDA conducted outreach through the Illinois Municipal League, the Metropolitan Mayors Caucus, the South Suburban Mayors and Managers Association, and the Illinois General Assembly. IHDA hosted three application workshops – in south suburban Cook County, in the far west suburb of Elgin, and downstate in Springfield. Two webinars were held for statewide access. Once applications were received in December 2013, a review team spent three months reviewing and scoring 93 applications (representing 40 of Illinois' 102 counties) from counties, municipalities, and land banks around the state.

The IHDA board authorized APP Round 1 funding in April 2014 totaling \$7,213,635.50 providing funding for 53 grantees. Over \$6.3 million, representing approximately 70 percent of grant funds were requested for demolition, removing an estimated 750 abandoned properties. IHDA is tracking receipts statewide in anticipation of Round 2 funding.

Ensuring accessibility to program information, IHDA created a dedicated APP page on the IHDA website with information including Program Rules, a FAQ, the Program Application, and webinar presentations. IHDA also created a dedicated email address APPinfo@ihda.org to receive questions and applications.

Lastly, IHDA worked with The Center for Community Progress, a national leader providing best practices that address the full cycle of property revitalization. Together we jointly-sponsored a peer-to-peer webinar for applicants, grantees, and potential grantees focusing on "Strategic Demolition" to share best practices and further assist communities in their revitalization efforts.

Results

One of our early goals when starting this program was to impact the entire state by distributing funds as evenly as possible given the legislative limits. We feel we have achieved this initial goal. In Round 1, 53 applicants received grants totaling \$7.2 million. Funds are being used to assist communities, reducing the drain on municipal resources, including police and fire, and helping to create community vitality and pride. These vacant homes are now the cause of what experts call "negative spillover effect". According to a Cleveland study, for every \$1 spent on demolition there was a return of over \$13 in value for nearby properties in high functioning markets and a decline in mortgage foreclosure of nearly 3 percent. The Federal Reserve Bank of Cleveland stated "a single foreclosed, tax delinquent, and vacant home can lower the value of the neighboring homes by as much as 10 percent.

Communities are seeing positive changes from their awards. One community started with six blight inspectors. As a result of these funds they have now hired seven additional part time seasonal blight inspectors. Another community has used a portion of their funds to demolish three properties that were neighborhood eyesores in key locations. One was on a route near an elementary school where several parents expressed concerns of their children walking past a particular abandoned home that had become a magnet for squatters. According to the City Director of Neighborhood Services, "If it wasn't for the Abandoned Properties Program, we wouldn't have been able to take down these properties and revitalize the area and improve the safety of these otherwise stable neighborhoods". The Director of Community Development of another city shared with us, "two adjacent dilapidated structures were demolished and the people in the neighborhood were so happy, they created a community park on the vacant parcels for the neighborhood to enjoy".

To keep program participants engaged, we offer regular technical assistance training to grantees. To date, \$4.1 million has been disbursed for eligible uses on 1,350 properties. Another key benefit of the Abandoned Property Program was the ability to apply lessons learned to another IHDA revitalization

Illinois Housing Development Authority
Abandoned Property Program

program, the Blight Reduction Program (“BRP”). BRP is funded by the U.S. Treasury from Hardest Hit Funds. Through an expansion of the Toxic Asset Relief Program (TARP), the Housing Finance Agency Innovation Fund for the Hardest Hit Housing Market was created. The U.S. Treasury established the Hardest Hit Fund Program in February 2010 to provide targeted aid to families in states hit hard by the economic and housing market downturn. Illinois was allocated \$445,603,557 to develop a foreclosure prevention program to assist at-risk homeowners and subsequently created four unique Hardest Hit Funds (HHF) programs. One of these is the HHF Blight Reduction Program (BRP) that aims to decrease preventable foreclosures and stabilize neighborhoods, and provide funding for demolition, greening, and eventual reuse, repurpose and/or revitalization. The objectives of BRP dovetail well with APP.

The synergies between BRP and APP create program efficiencies as the BRP benefits from APP program design features, such as having a well-thought-out scoring template to work from for application submissions, a dedicated IHDA website page to house program information and resources, a dedicated IHDA email address and IHDA staff available to address program partner inquiries. Over one half (53 percent) of the awardees under Round 1 of BRP are also program partners in APP. BRP Round 1 will fund 15 communities in an aggregate amount of \$5.39 million. Although funds for Round 1 BRP have not been disbursed to date, we already see these established relationships helping streamline communication and program processes. We look forward to realizing further positive outcomes through the leveraging of these state and federal resources. Future funding rounds are expected under BRP through the program end date of December 31, 2017.

Conclusion

Focusing on community revitalization and addressing abandoned and vacant properties is an essential step that must be taken to keep our economic recovery moving forward. For the past seven years, this country has struggled during a recession and mortgage crisis leaving homes nationwide neglected. The Abandoned Property Program provides much needed relief so that Illinois families and communities in need can begin to thrive again.

In the application, we asked each community to describe the positive effects of their current efforts and how the Abandoned Property Program would help leverage any existing efforts. As one grantee noted in their application:

“The city acquired an abandoned home in a state of disrepair. While the home was being rehabilitated by the contractor, the city’s neighborhood improvement officer noticed that surrounding property owners seemed to be taking better care of their own lots. One neighbor was putting siding on their home, another neighbor across the street bought a small vacant lot adjacent to his and has been mowing and maintaining it. There is a renewed sense of pride. To add to the positive impacts, when the longtime leader of the neighborhood association stepped down, it appeared no one wanted to take over leadership. However, one of the individuals who bought a home from the city stepped up. He told the neighborhood improvement officer that the city had done so much for him and his family, he felt he should give something back. This neighborhood is showing the positive impacts.”

It is stories just like this one that the Abandoned Property Program endeavors to replicate – providing an extra boost to help reach that tipping point to ultimately bring vitality to our communities, restore neighborhoods, increase local property values, generate additional operating revenue for cities, and give community members a renewed sense of pride in their neighborhoods.

VISUAL AID

- Gamino, John. "Vacant and Abandoned: The Housing Crisis Lives on in the Homes It Has Emptied - and Banks Aren't Taking Responsibility." *South Side Weekly* 14 Apr. 2015

SOUTH SIDE WEEKLY

ARTS, CULTURE, & POLITICS ★ SOUTHSIDeweekly.com

Vacant and Abandoned

The housing crisis lives on in the homes it has emptied—and banks aren't taking responsibility

BY JOHN GAMINO | APRIL 14, 2015

7322 South Laflin is a brick, two-story apartment building with broken windows and an unlocked front door. It wouldn't look inhabited save for a few bottles of shampoo visible in one of the windows of the upper floor. It completed foreclosure in June of last year, when, like most foreclosures, it was sold back to the mortgage lender, Selene Finance LP.

A woman who lives nearby says that people still live there ("squatters' rights"). After the housing crisis, says the woman (she declined to give her name), "people had no place to go so they moved in wherever they could get." She points to a bullet hole in the basement window just left of the front door.

"Poor people had nothing and they took all their shit."

"They"—in this case, Selene Finance LP—still haven't claimed official ownership of the property. That's because after the auction that completes the foreclosure process, it is incumbent on the new owner of the property to file the deed with the Cook County Recorder of Deeds. At the vast majority of foreclosure auctions in Cook County there are no buyers, and the properties go back into the hands of the mortgage lender. But it is not in the lender's interest to claim ownership of the property until it wants to make a sale. As long as the deed goes unrecorded, the lender that owns the building can avoid property taxes, vacant building regulations and fees, utilities bills, and essentially all accountability for the property.



A months-long review of city records by the South Side Weekly uncovered numerous properties that are deteriorating and impairing the housing recovery in neighborhoods because lenders fail to update deeds and take responsibility for all the properties they now own.

“People left their homes and were forced out, and the city came in and boarded them up, but the banks don’t take ownership of the property,” says Mattie Butler, the director of Woodlawn East Community and Neighbors (WECAN) and an activist with decades of experience fighting for affordable housing.

“You can’t even negotiate to get that property because they haven’t completed their filings for it,” Butler continues. “The only way you can go and trace the property is through the courts. You can’t go to the Cook County Deeds because the property is still registered [in the previous owner’s] name.”

“It’s one of the greatest crimes that’s been committed,” says J.R. Fleming of the Chicago Anti-Eviction Campaign.

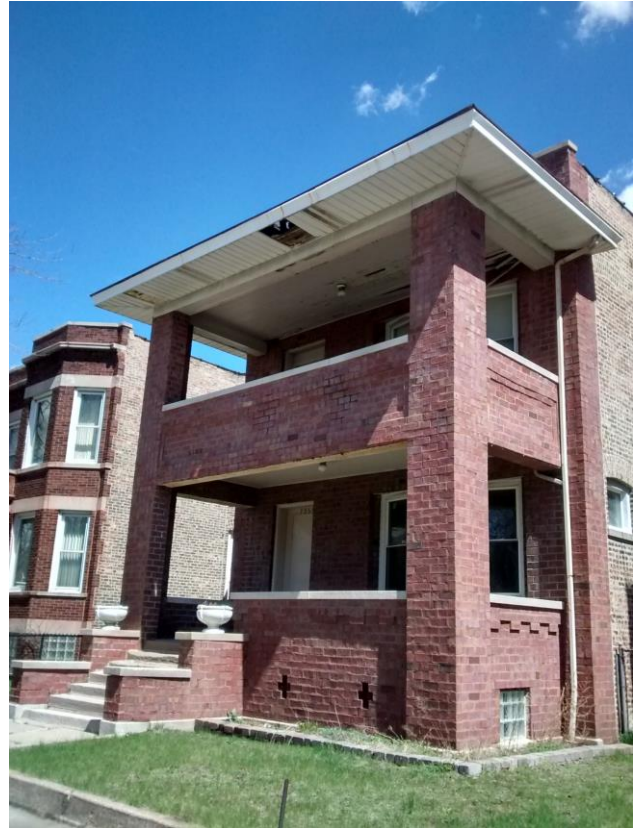
Fleming says foreclosed, bank-owned homes with unrecorded property deeds are another way buildings become “zombie properties,” typically a term for properties that banks walk away from without ever completing the foreclosure process. The same banks that pushed people out of their homes can step in to claim these homes as soon as it becomes convenient (or profitable)—leaving them vacant and abandoned for as long as that day takes to arrive. “There are years between eviction and the bank putting things up for sale,” Fleming says.

Around the corner from 7322 South Laflin, at 1474 West 73rd, is another bank-owned property in Englewood with an unrecorded deed. 1474 was sold back to CitiMortgage almost a year ago, in April, but is still in the name of its previous owners before foreclosure. Although from the outside it looks secure, its interior is filled with debris, and would likely need extensive rehab before it could be sold to a new homeowner.

Nearby, 1474 West 74th is also vacant and through foreclosure with an unrecorded deed. Although both 1474s are boarded up and appear maintained, 5915 South Ada, 658 West 62nd, 6422 South Green, and 7355 South Lowe, to name just a few other vacant properties with unrecorded deeds in Englewood, do not. 5937 South Racine, 5734 South May, 5749 South Aberdeen, and 5931 South Marshfield were also vacant and unmaintained until city inspections within the last few months. The banks haven’t been by since the city “temporarily” secured the properties. 6155 South Loomis was secured by a city inspector in February; the notice is pasted over a red and white “For Sale—Financing” sign.



While there were fewer foreclosures in Chicago in the first half of 2014 than the first half of 2013, that has not signaled a recovery citywide. The homes made vacant by the housing crisis, like 1474 West 73rd, are now themselves the cause of what experts call “negative spillover effects,” and the people who live in the most affected neighborhoods continue to suffer from them. A single foreclosed, tax delinquent, and vacant home can lower the value of neighboring homes by as much as ten percent, according to a working paper from the Federal Reserve Bank of Cleveland. Many blocks in neighborhoods on the South Side have more than one such home.



In Englewood, 11.1% of residences had been vacant for more than two years as of the first quarter of 2014—up from 8.1% in 2010—according to data from the Institute of Housing Studies (IHS) at DePaul. This was the second highest among community areas in the city, after Riverdale. 8.3% had been vacant for more than two years in West Englewood (up from 5.4% in 2010), and 7.6% had been vacant for the same period in nearby Woodlawn (up from 4.6% in 2010). Homes that have been vacant for more than two years are often unmaintained and have the worst effects on surrounding property values, although other vacancies, which the IHS does not collect data for, are harmful as well.

“Most of the vacancies [in Woodlawn] are because of the predatory lending stuff and people losing their homes through foreclosure,” says Butler.

The housing crisis first hit homeowners directly through subprime loans. Around the country, subprime loans with high interest rates were disproportionately sold to people in poor, minority communities. At the peak of the housing crisis, almost half of all loans sold to African-Americans were subprime, the Center for Responsible Lending, a research nonprofit, found. Court affidavits reveal that Wells Fargo loan officers called their black customers “mud people,” and the subprime loans they sold them “ghetto loans.” In 2007, Wells Fargo sold black homeowners in the Chicago area the highest-priced loans of any of the nation’s top ten lenders, according to the Chicago Reporter. (Many of the vacancies the Weekly found with unrecorded deeds also belonged to Wells Fargo.)

But even those residents who managed to stay afloat on their loans continue to struggle with a problem they didn’t create—the vacant properties around them. And as banks take over homes in foreclosure, but don’t file the deeds and don’t maintain the properties, they continue to exacerbate this problem.



In July 2011, the city passed updated regulations for vacant buildings, instituting the requirement that all vacant residential buildings be registered with the Department of Buildings and tasking mortgage holders with maintenance of properties within thirty days of their owners having vacated them. The ordinance extended the definition of property ownership in Chicago to include mortgage lenders, and required them to take responsibility for the buildings abandoned by those whose mortgages they'd serviced. This was in part an effort to cut down on the number of zombie properties, cracking down on those who would let vacant properties sit in limbo.



The ordinance passed unanimously in City Council and earned praise from Mayor Rahm Emanuel. But questions surrounded the legality of making the mortgage holders the owners of the homes.

“You can’t just make a secured lender an owner because there’s a word changed in the law,” Linda Koch, president and CEO of the Illinois Bankers Association, a lobbying group, told the Huffington Post after the bill’s passage. “The only way that we are and should be responsible is if we are the actual owner and have the title to the property.”

So the law was amended that December—after negotiations with Bank of America, Wells Fargo, JPMorgan Chase, and PNC Bank—to make mortgage holders responsible for maintenance without legally considering them the owners until the foreclosure was completed.

But despite the law, the city has been overwhelmed in its enforcement efforts. City officials openly admit that there are vastly more vacancies than can be kept track of, which has made it very easy to hide abandonment. The ordinance is almost impossible to enforce, and while that would still be the case even if the July version hadn’t been changed, the amended version has allowed the banks to avoid the responsibilities of ownership yet again.

“The challenge with the enforcement [of the ordinance] is that there are only a limited number of inspectors who can look at properties,” says David McDowell, a senior organizer with the Southwest Organizing Project, one of the groups that pushed for the ordinance in 2011.

“We stopped paying attention to the enforcement process. We thought that this would be a way to address what was happening in the neighborhood,” he says. “We found that wasn’t effective.”

In the second quarter of 2014, there were 33,073 homes in Chicago that had been vacant for over two years, according to an analysis of USPS/HUD vacancy data by the Institute for Housing Studies at DePaul. Only 18,718 vacant homes were registered with the city as of March.

“Until the neighbors start complaining they don’t get attention,” Butler says of the vacancies in Woodlawn. “It’s not automatic.”

Even among those properties that are registered as vacant with the city, many, if not most, have unpaid fines. 5915 South Ada, 658 West 62nd, and 6422 South Green are among them. Then there are even stranger cases, like that of 5734 South May. Though the house has been registered with the Buildings Department since last June under Wells Fargo (Wells Fargo still isn't on the deed) and has no unpaid fines, its windows are no longer boarded and secure—although they were when photos were taken for the city's registry—and it was slapped with a "First Time Vacant" notice on March 2.

"Most of the vacant buildings aren't registered [in accordance with the ordinance] and paying, and they're not properly secured," says Cathy Gerlach, who directs the city's Micro-Market Recovery Program (MMRP), a program working to revitalize thirteen small, distressed areas of the city. The MMRP partners with community organizations in neighborhoods like Woodlawn and Englewood to reoccupy vacant buildings and keep people in their homes..

"Not only do we have a situation where no one can buy it, but the new owner, which is the bank, isn't doing what they're supposed to," Gerlach says.

"It's not registered, it's not secured, they're not picking up the trash, they're not mowing the grass, they're not shoveling snow. You the city are doing your best, because you're out there writing tickets and sending people to administrative hearings, but you're sending the wrong person because you're sending the old owner," she says.

Working on the MMRP in Woodlawn, Gerlach has seen cases where banks take back properties that complete the foreclosure process but record the deeds "sometimes never, sometimes not for months or years."



Housing experts call vacant properties that never complete the foreclosure process "zombie properties" because, with neither homeowner nor bank to account for them, they sit in complete abandonment and disarray. These are the homes with broken windows and rotting boards, the ones in the most severe disrepair. They are the strongest deterrents to neighborhood recovery. Those homes that complete foreclosure but don't have their deeds recorded by the bank can sit in a similar limbo situation, which some have called "zombie title."

“It was recognized [by the city] as a significant problem last year, because it started to reach epic proportions,” Gerlach says.

Spencer Cowan, head of research at the Woodstock Institute, a nonprofit housing research organization, says he started to notice the problem when preparing a recent report on zombie properties.

“[The banks] had the title for a considerable amount of time before they took the deed to record,” Cowan says. “It was obvious from that that there were instances where the bank got title but didn’t report it promptly.” Cowan found that some banks were waiting to record the deeds until right before they could sell the properties off.

The Woodstock report on zombie properties, which focused only on those that never finished foreclosure or were still in foreclosure, was released in January 2014. Cowan doesn’t consider properties that go through foreclosure with unrecorded deeds “zombies.”



“You’ve got a property that’s effectively unmarketable,” he says, “but [the bank] knows at some point the value of that property is going to matter to it, so it has an interest in keeping the property up.”

Yet the line between zombies and other vacant homes can run thin. The average foreclosure in the Chicago metro area, which, as of 2014, took an average of 903 days from the initial filing to auction, is a little less than two hundred days short of a zombie by Woodstock’s definition. What’s more, many homes that finish foreclosure finish it in bad shape, with little value beyond their lot and their potential for often prohibitively expensive rehab.

“A lot of the vacant properties that are for sale are not inhabitable,” Gerlach says. “They don’t have any plumbing, they don’t have any electricity. You’re going to need to have a contractor do a lot of work before anyone can move in.” Given this fact, there’s often not much reason for the banks to be interested in keeping the properties maintained.

5th Ward Alderman Leslie Hairston says zombie titles are “a very large problem.”

“The fact is that the bank has not taken care of the property,” she says. “They don’t want to spend the money, they figure they’ve already lost money.”

Hairston, who is licensed to practice law in Illinois, is on a committee of the Illinois State Bar Association that was established to look into what can be done about bank-owned properties with unrecorded deeds.

“The banks don’t want to take responsibility for weeds, or keeping the city from fining them, or if there are any costs for demolition [around \$15,000 to \$20,000], so they keep the homeowner in title,” says Erica Minchella, founder and president of the Association of Foreclosure Defense Attorneys, and one of the other lawyers on the committee.

“It ruins communities,” Minchella says.

Hairston said there were “a very significant number” of such properties, but when asked about Chicago and areas on the South Side specifically, she said the committee was looking into the issue statewide and that she could not give a sense of its impact locally.

“Banks that have not properly filed the recording of deeds on foreclosed properties occasionally present obstacles to the City’s Law Department for code enforcement matters as well as for rehabbers,” said John Holden, speaking on behalf of the City and the Law Department.

“These issues are governed by state law and resolving them can add up to several months of processing time to achieve legal title on properties. These situations occur in a very small number of cases.”

Calls to Wells Fargo and servicers maintaining Wells Fargo-owned homes were not returned.

The only way to get a count of how many properties in the city have gone through foreclosure and have outstanding deeds would be to tabulate every case in which a bank has confirmed the sale but the previous homeowner has the latest deed, which would mean manually searching the pin numbers of each bank-owned property in the Cook Recorder of Deeds.

J.R. Fleming, of the Anti-Eviction Campaign, says he first heard of zombie titles when a former property owner kept getting her water bill. These fines and bills can be dismissed if proof of the sale is brought to court, but that’s assuming they’ve reached a responsive, previous owner in the first place. The bigger problem lies with the vacant homes themselves, and their effects on the people who live around them.



5941 South May was sold back to its mortgage holder, Fifth Third Bank, in September 2013, but the deed is still in the name of the previous owner, Michael Cornell Ridley. The lots on either side of 5941 are both vacant, although if you look up photos of it on real estate websites, you can still see 5943 South May standing next to it. There are blue and white curtains in the upstairs windows of 5941, and three names taped onto one of the two black mail slots (not Ridley’s).

Jimmy Blake lives just across the street at 5940 South May, in a one-story brick house. He says the previous owner passed away sometime ago, and that he doesn’t know the people who live there now, although there are some people who do. (Residents are not always evicted right away after foreclosure, although the bank doesn’t have to record the deed for eviction to occur—6421 South May, just down the street, was sold back to Wells Fargo in September 2013 and hasn’t had a deed recorded since 2011. An eviction notice from September 2014 is still posted on the door.)

“When I first moved here this was a vacant lot,” Blake says, referring to his own house, which he built. “That was in sixty-eight.”

“There were only two vacant lots on this block then,” he says, “here and here,” pointing to his own porch, where he’s sitting, and then to the northeast corner of 60th and May.

Now, he notes, there are a number of vacant homes and lots on his block, including a large swath of land above 60th and between May and Racine to the west, where a large tree is lying uprooted on the ground. “There are a lot of vacant homes,” he says, “but I don’t know who owns them.”

Unsurprisingly, most residents aren’t very concerned with who actually owns and should be responsible for vacant properties. There are far too many of them to worry about specific instances of abandonment and unaccountability.

When I go to check out 7322 South Peoria, which was sold back to Chase in July 2013 but is still in the name of its previous owner, a group of young men sitting nearby say they were just talking about the banks’ eventual plans for vacant homes, although they don’t know anything about 7322 South Peoria in particular.

“They want to kick all of us out,” says one of the men, who, like the others, did not want to be identified.

“This is happening all across urban America,” he says. “Look at New Orleans.” He then mentions the area south of Garfield and around Normal, where land has been purchased to expand the Norfolk Southern Railway. He says there will be other local developments that displace African-American people before transitioning to talk about how there’s now a New Balance store on 55th Street in Hyde Park.

The open fields along Normal are just north of the area of Englewood covered by the MMRP. Most MMRP areas only span a few blocks, but the one in Englewood stretches from the Dan Ryan all the way west to Sangamon, and from 61st Street south to Marquette. It’s easily the largest area of the MMRP program, although it doesn’t extend to most parts of Englewood and West Englewood. The city is hoping this area will recover if it can leverage the private market—the MMRP boundaries include Kennedy-King College and the planned Whole Foods—but the MMRP doesn’t include the parts of Englewood and West Englewood where the market is not as strong.

Paula Grantt, who grew up in Englewood on Sangamon and runs the neighborhood’s MMRP area, says she’s familiar with the zombie title issue but that there are too many more urgent problems to address first before a concerted effort into finding the zombies can be made. It takes a lot longer for a house to become reoccupied after it’s become vacant than it does for the next house to become vacant, so there’s a pressing need for current homeowners to get foreclosure prevention assistance. Then there are the zombie properties that never finished foreclosure and that don’t have anyone responsible for them—not even a bank sitting on the deed—and the spate of building code violations that they and other vacancies produce. It takes about a year for a building to get through housing court, where building code violations these and other vacancies create can be resolved.

In the first few years of the MMRP program, when the focus of the MMRP was primarily on stabilizing neighborhoods and preventing further foreclosures, a lot of homeowners in Englewood and Woodlawn got neighborhood improvement grants to fix up their properties. Although the MMRP offered grants to purchase and rehab properties, none were received in Woodlawn, although one homeowner received a \$50,000 home purchase grant in Englewood last year, at 64th and Harvard. Only two MMRP home purchase grants—totaling \$171,500—were given in 2014, according to the latest quarterly housing report from the Department of Planning and Development. Fifty-one units were granted \$536,580 in

MMRP home improvement grants, and 362 units across the city were granted \$6,928,424 in TIF grants and home purchase, home improvement, and foreclosure prevention loans.

The Housing Department's most recent Five-Year Plan, for 2014-18, said "the city will expand the MMRP." But the MMRP was budgeted just \$772,700 in 2015, the same as the year before, and that gets split between thirteen areas that are each much smaller than their neighborhoods.

Meanwhile, vacancies continue to impair the housing recovery across much of the South Side. The Woodstock Institute estimated that there were 5,800 zombie properties in Chicago by the end of 2013, based on foreclosures from 2008 to 2010, and predicted an additional 3,200 zombies by the end of this year. But that doesn't include the unknown number of vacancies for which banks haven't come forward with the deed.

Many long-vacant homes are, of course, demolished. But activists like Mattie Butler are critical of demolition as a strategy for neighborhood recovery.

"Historically, it's been a way to clear land," she says. "And that's the nonprofit and the for-profit system working here."

In the spring of 2014 the Illinois Housing Development Authority (IHDA) launched the Abandoned Property Program (APP), which used state funds to provide municipalities and counties in Illinois with grants for "securing, maintaining, demolishing, or rehabilitating abandoned homes." The City of Chicago was awarded \$2,045,354 through the program, and the Cook County Land Bank, which was formed by a county ordinance in 2013 to acquire vacant and tax-burdened properties and release them back into the market, \$250,000.

That same spring, the IHDA also created the Blight Reduction Program (BRP) to "target blighted, vacant residential properties in specific communities for demolition, greening, and eventual reuse or redevelopment." The BRP, which is funded by the federal government, requires local governments to partner with nonprofits. It announced its first round of funding on March 20 of this year. The Cook County Land Bank was awarded \$280,000 to use in Englewood in partnership with the Greater Englewood Community Development Corporation, and another \$280,000 in Woodlawn in partnership with Sunshine Gospel Ministries.

In January, the Land Bank announced plans to acquire 712 parcels of land, more than 500 of them former residential lots, and put them to mostly nonresidential use as green space.

"I'm acting like a fool trying to keep stuff affordable," Butler says.



As the housing recovery begins in other areas of the city, some residents in Englewood and Woodlawn worry that their neighborhoods, the ones hit the hardest by the housing crisis, will never really get a chance to recover, and that the plans for land reuse won't include them.

"I see a lot of blacks moving out because they can't afford it," says Fred Starks, who lives at 63rd and Western, although he's sitting in a car on the 7100 block of South Parnell. He points across the street to 7139 South Parnell.

“That’s not a bad building, you know?” he says. It’s a brick two-flat, and of good stock, though the land to its left is completely vacant up to 71st. 7139 South Parnell was foreclosed upon and sold back to Wells Fargo in November 2013, but Wells Fargo still hasn’t filed the deed.

“Look around you and you see nothing but vacant homes,” he adds.

Many of those vacant homes are cases of bank abandonment, places where killer profits were made through subprime mortgages. But those vacant homes with unrecorded property deeds indicate another situation, one slightly more sinister: bank abandonment, but only until things become profitable again.