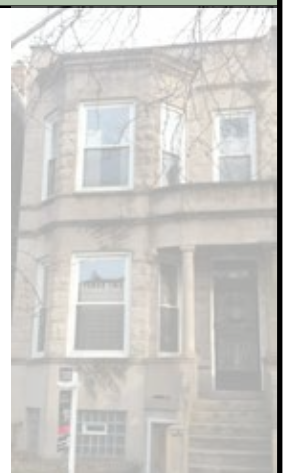
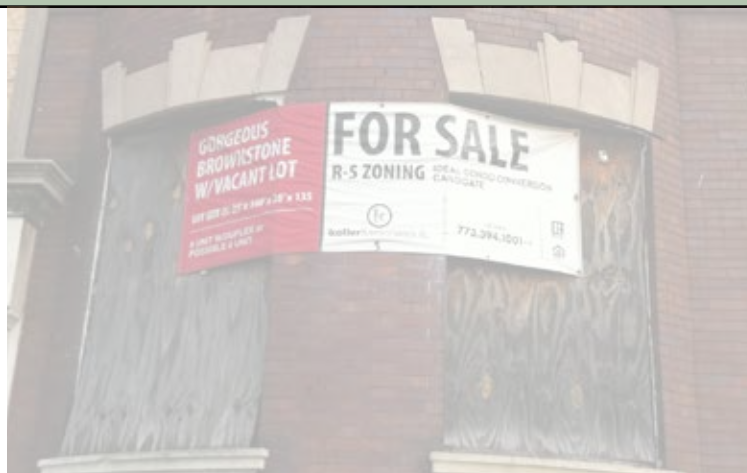


# The Social Ecosystem for Revitalizing Two- to Four-Unit Buildings in Woodlawn

A Case Study and Strategic Plan  
By: Rance Graham-Bailey

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## *Chapter 6 Strategy and Recommendations*



## **Chapter 6: Strategy and Recommendations**

### **Introduction**

Having presented the social ecosystem and discussed key findings, I now propose a series of recommendations linked to a set of strategic outcomes and objectives. These recommendations address the social ecosystem of two- to four-unit buildings in Woodlawn, barriers to their acquisition and renovation, and the need to improve property management and expand access to capital. The strategy also builds upon the strengths and opportunities that I have identified and speaks to the interests of local stakeholders.

### **Acquisition**

Despite the substantial number of vacant two- to four-unit buildings in Woodlawn, many languish and continue to physically deteriorate because of direct barriers to acquisition and indirect factors that discourage investment. Currently, properties whose owners have fallen behind on property taxes, municipal services and building code violations cannot be purchased and renovated without paying these debts. As a result, additional strategies for easier acquisition are needed.

### **Renovation**

Renovation strategies must be flexible in order to accommodate the unknown and varied building conditions. Controlling labor costs and providing reliable technical assistance are necessary to enable middle-income homeowners and smaller, entrepreneurial developers to take an active role in renovating two- to four-unit buildings. To ensure that properties are renovated sufficiently, a holistic approach must be taken to prevent landlords from milking properties and weakening the strength of the housing stock. Lastly, the economic activity generated by this labor-intensive process is a potential source of wealth for neighborhood residents.

### **Leasing, Sale and Property Management**

Many of the “soft” issues in real estate development remain important to consider in the development of the strategy. Homeownership is down nationally, and increased rental demand presents an opportunity that should only be ignored at the peril of housing planners. Property management, a task that concerns homeowners and investors alike with two- to four-unit properties, has specific challenges given the nature of smaller buildings in weak market neighborhoods with a concentration of voucher recipients. Care must be taken to avoid blaming the most vulnerable participants in the real estate process, i.e. low-income tenants, for environmental conditions over which they have no control. More support for the landlords pursuing “high-road” property management would upgrade the residential options for all residents and reduce the viability of short-term cash flow driven investors. Attracting homeowners as well as tenants requires being more resolute and strategic about improving quality of life and public safety challenges in the neighborhood. A second approach for increasing homeownership is to rely more on tenants with an existing connection to the neighborhood.

### Capital Availability

Several general and more specific challenges in capital availability have significant ramifications for two- to four-unit properties in Woodlawn. Beyond the macroeconomic challenges that have reduced many families' earning capacity to purchase a home, homeownership is difficult because households cannot obtain financing in the same way they did prior to the recession. Because of the obstacles that would discourage many investors from renovating these properties, an important step is bolstering the ability of homeowners to obtain acquisition and rehabilitation financing. Much of the shortage in financing can be attributed to low property appraisals in the neighborhood, appraisals that are artificially low as a result of continued foreclosure, short sales and cash purchases. The community development institution in Woodlawn that historically filled this niche (ShoreBank) doesn't exist anymore, while the institutions that do target Woodlawn fill a different niche in their lending. Developers can follow a series of best practices for obtaining financing: they need track records and carefully cultivated relationships with lenders, they need scale in putting together portfolios, and they need either personal funds for down payment or investment capital. Ideally, this last condition would ensure that asset appreciation takes precedence over cash flow. As a consequence of the difficulty of obtaining traditional sources of capital, other business strategies that are less community-minded become less viable.

### S.A.L.A.D. Strategy to Improving the Two- to Four-Unit Market in Woodlawn

#### Theory of Change

In order to address issues in both the homeownership and investor markets for two- to four-unit buildings, the Small Building Initiative should resist the urge to focus entirely on homeownership or rental housing. In fact, this is a false choice because a newly renovated two- to four-unit building adds rental housing even when bought by homeowners. By working to promote homeownership, namely addressing the market-oriented challenges that work against it, and supporting stronger and more neighborhood-minded developers and landlords through financial and non-financial means, Woodlawn can anticipate some material improvements in the housing values and vacancy associated with the market for two- to four-unit buildings. Pursuing changes to the non-vacant housing stock will also make important strides in improving the market for vacant properties.

Planners in Woodlawn should seek to revitalize through market-means, making actions that are directly tied to a stronger market where purchases, investment and leasing are more prevalent in the two- to four-unit building market. This is not to detract from the importance of demand-side (or supply-side) subsidies that facilitate income transfer and social welfare, but it stresses the importance of conditions that allow additional market transactions to take place. The targeting of efforts on specific blocks and the anchoring of work on existing strong blocks can create stronger sub-markets in surrounding areas. Successful development in tax increment districts will create future flows that can be leveraged for investment today.

In addition, paying close attention to the relationship between general neighborhood health and the two- to four-unit building market is important. Making Woodlawn an area where people desire to live for several reasons will improve the two- to four-unit building market. These are not entirely economic factors, but they are just as important to reducing vacancy in the building stock. Enhanced public safety, higher quality of life and retail amenities will highlight the neighborhood's various

assets, overcome the challenges, and reverse the population loss that contributed to neighborhood's decline.

Building neighborhood consensus around better rental housing within two- to four-unit buildings and local economic development that builds wealth for existing residents will facilitate an equitable strand of revitalization. For example, rental housing with shallow subsidies and effective property management, and potentially housing that actively transforms tenants into homeowners, can tie the income diversification goals of homeowners with the goals of maintaining housing affordability. Expanding efforts to target construction work to local residents generates wealth and can lead to incumbent upgrading that will alleviate poverty and lead to other gains by existing residents rather than simply pushing poor people into other communities, a common consequence of unbalanced gentrification.

Lastly, a multi-faceted approach is best for addressing the multitude of issues present in the two- to four-unit market, one that acknowledges the importance of synergy. Destabilizing factors in the market that artificially lower property values create gaps that must be filled by capital, gaps that are increased by the absence of homeownership education and counseling that enable households to adequately save and otherwise prepare for ownership. Incentives created by public policies may favor patterns of development that prompt community concern and opposition, and policies meant to improve urban markets may succeed in addressing one segment of challenges at the risk of neglecting others. This includes demolishing buildings to stem the drug trade, only to introduce more vacant land in the market that weakens the property values of nearby residents.

### Strategic Framework

The thrust of the *S.A.L.A.D. Approach to Two- to Four-unit Building Revitalization* is combining disparate ingredients that come together in a healthy, mutually reinforcing and attractive neighborhood strategy. Those ingredients include the following: **S**tabilization, **A**dvocacy, **L**oan Fund and Financial Assistance, **A**ssistance and Counseling and **D**eveloping Responsibly. Removing the salad dressing makes the salad significantly less enjoyable, and less likely to be eaten. Similarly, there are five outcomes of the *S.A.L.A.D. Approach*, which, if met, can speak to the interests of a broad swath of stakeholders and accomplish revitalization through a mix of reinforcing objectives.

*Goal I—Stabilization: A stabilized, well-functioning property market for two- to four-unit properties.* This goal reflects the destabilizing influence of rampant speculation that can take hold in a high-vacancy neighborhood with under-realized potential, causing more harm than good when unaccompanied by a plan for actual improvements in quality of life. The goal goes beyond identifying the symptoms by seeking to treat the root causes of the unhealthy market of two- to four-unit properties.

Objectives:

- A. More stable property taxes
- B. Fewer short-sales
- C. Fewer lots and demolition for new construction
- D. Fewer multi-family housing units and new, spacious single family housing
- E. More ready-to-renovate two- to four-unit buildings

*Goal II—Advocacy: Policies and organizational infrastructures in alignment with the unique challenges of two- to four-unit properties.* This goal reflects the acknowledgement that changing policies and structures is important within and beyond the boundaries of Woodlawn. It envisions creative approaches to problems in the Housing Choice Voucher program, building organizational infrastructure, improving the factors that determine neighborhood appeal, and identifying supporting resources.

Objectives:

- A. More active organizations in Woodlawn that specialize in two- to four-unit buildings
- B. Fewer non-professionally managed two- to four-unit buildings that are 100% occupied by housing choice voucher recipients and/or that exhibit weak property management
- C. Higher quality of life and stronger market demand for housing in Woodlawn
- D. More sources of funding for the Small Building Initiative

*Goal III—Loan Fund and Financial Assistance: Adequate financial resources for investing in two- to four-unit properties for interested and current homeowners in Woodlawn.* This goal reflects the extent to which bank practices limit financing by homeowners and serve as a barrier to renovating two- to four-unit properties. It envisions the expanded use of acquisition and rehabilitation financing and more availability of down payment assistance and loans for exiting homeowners—not simply by providing additional money but by utilizing existing resources.

Objectives:

- A. More interest in and attainment of acquisition/rehab loans by for owner-occupant purchases
- B. More interest in, availability of, and attainment of down payment and subordinate loans for owner-occupant purchases of two- to four-unit buildings in Woodlawn
- C. Greater access to renovation loans for two- to four-unit buildings in Woodlawn

*Goal IV—Assistance and Counseling: Adequate technical assistance and counseling for investing in two- to four-unit properties for interested and current homeowners in Woodlawn* This goal reflects that prospective homeowners have personal, financial and technical barriers to homeownership. It envisions the expansion of this infrastructure within the boundaries of Woodlawn for the benefit of new and future owners of two- to four-unit properties.

Objectives:

- A. Greater access to pre-purchase and consumer credit counseling in Woodlawn
- B. Greater access to technical assistance in the design-and-build process for two- to four-unit buildings
- C. More participation of both owner-occupant and investor owners of two- to four-unit buildings in landlord management training and certification

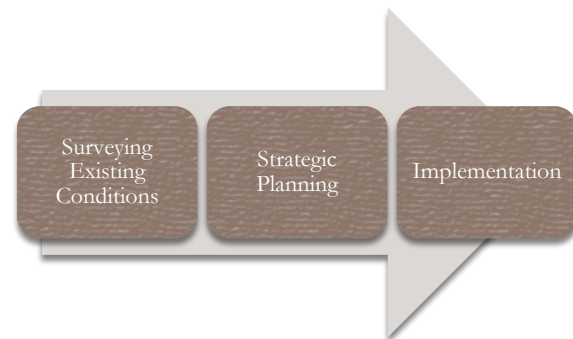
*Goal V—Responsible Development: Current residents have pathways to build wealth through local economic development and pathways to homeownership, while diverse rental products and necessary amenities attract newer (moderate income) residents.* This goal reflects, most directly, the importance of considering equity in planning for the neighborhood. Balance must be sought in attempting to compete for external residents as well as cultivating homeownership within the neighborhood.

Objectives:

- A. More steering of development jobs to residents and tenants
- B. More rental housing for low-income households (60-80% AMI) that incorporate pathways to homeownership
- C. More financial capital for strong developers of rental two- to four-unit buildings
- D. More retail amenities

**The Small Building Initiative**

Potentially the most important topic that has been largely unaddressed is who will be responsible for managing the temporary initiative that has been described, in this publication as well in official Choice Neighborhoods grant applications, as the Small Building Initiative. While the proposed strategic plan will rely on several partners to pursue initiatives that will positively impact the 2 to 4-unit market in Woodlawn, several initiatives must and will be undertaken by dedicated staff with programmatic resources. While the question of who should compose this entity is no less important, this thesis has instead focused on creating the road map that the organization, when chosen, may adopt. Taken as a whole, the recommendations illustrate what may be asked of potential partners and the content of a request for proposals to competitively select the Small Building Initiative administrator that is most capable and willing of fulfilling the role. In the typical framework of planning, this thesis could address the initial existing conditions and strategic planning in order to provide the foundation for actual implementation.



**Implementation Considerations**

The first implementation consideration is the basis for which political capital can be expected to enable the strategy’s breadth and ambition. Among other recommendations, the strategic plan calls for changes to the Chicago Housing Authority’s implementation of the Housing Choice Voucher program. This may, in turn, require changes to HUD rules governing the program, placing pressure on departments that provide core city services. It seeks the attention of the Land Bank Authority that has just created its governing board in January 2013. However, there is at least one reason why I believe that Woodlawn, one of 77 Community Areas in Chicago, should be able to attract a high level of political support: the Choice Neighborhoods Initiative. The City has committed to making a not insignificant financial investment and to transforming the neighborhood. Indeed the DHED is a co-implementation partner in the endeavor and reportedly the entity that pushed for the Small Building Initiative in the Choice Neighborhood’s application. Moreover, given the City’s well-documented reliance on HOPE VI funds, they are invested in ensuring success for the program’s replacement and should support its component strategies that include a focus on two- to four-unit buildings. For these reasons, there is ample political support available for the various recommendations in the strategy.

Secondly, while this chapter serves to illustrate both existing ideas and new proposals to address the problems identified, Appendix I organizes the recommendations into primary and secondary sets of priorities. The primary category consists of recommendations from stakeholders and newly generated recommendations anticipated to have a high impact using relatively few resources.

Secondary priority recommendations may be more creative approaches, particularly difficult to implement or simply less promising for the respective objective. Next, the first priority recommendations are organized into low and high-effort, identifying those that are low-effort as “easy wins” which should precede tackling those deemed high-effort.

### **Strategic Plan**

This section lays out a detailed set of actionable recommendations that advance the objectives that will bring about the five outcomes of the *S.A.L.A.D. Approach* and revitalize Woodlawn’s two- to four-unit building market.

#### **Goal I: Stabilization**

This component of the strategy involves taking directed action through new neighborhood programs and Land Banking to neutralize existing problems in the two- to four-unit building market and to prevent the negative side effects of speculation from misleading the market in Woodlawn.

##### *Objective A. More Stable Property Taxes*

Because of past speculative increases in property values that led to additional vacancies and tax delinquencies, anticipating the effects of a stronger market and create mechanisms that will work against its harmful consequences is a priority. This translates to creative approaches that allow fixed-income households (for example seniors) to cope with increasing property values, recognizing they may not simply be able to sell their home and move when property values increase.

One approach would build on existing Homeowner Association efforts to inform seniors of their ability to request both an exemption from increased valuation and a freeze on previous assessed values (Cook County Assessor, 2013). This effort requires more expansive community outreach, and because the two exemptions require re-applying each year, it should start immediately to build habits before property values increase. As an existing program of Metropolitan Family Services, the resident services provider under the Woodlawn Choice Neighborhoods Initiative, senior home counseling could be a collaborative effort of MFS in Woodlawn, the Cook County Tax Assessor and the local Alderman.

A second more creative approach would convert the incremental property taxes into a lien on the property that would be deferred each year the homeowner continues to occupy the residence, but paid in full upon the sale of the home or discontinued use as a primary residence. The lien would be assessed by Cook County and found in a basic title search. This would enable occupancy of an owner-occupied two- to four-unit home by the same owner-occupants and tenants despite increases in neighborhood’s property values. The deferred lien, by design, also serves as a hedge against purely speculative rises in property values. If a household benefits from the inflated prices in selling their home, they pay the associated property taxes. If the values are not sustainable, as they were prior to the housing bubble, a household that does not move will face a predictable amount of property taxes that will prevent speculation from fueling vacancy.

A final approach follows the approach associated with many land trusts. Homeowners could permanently sell the land associated with their property to a county-controlled land trust (perhaps the County Land Bank) in exchange for a long-term land lease and deed restrictions on the sale of their house. No longer owners of the land, they could continue to pay their property tax with a

nominal annual increase. Their house would be subjected to permanent affordability even under resale.

*Objective B. Fewer Short-Sales*

Stabilization efforts in the neighborhood, including NSP but also other DHED programs, lack the necessary tools to deal with the market disruptors that depress local property values. The newly established Cook County Land Bank is a promising opportunity to obtain properties through donations, tax delinquency, intergovernmental transfer and purchase. One important step is to actively seek the elimination of short sales that push down appraised values and make renovation harder. The Land Bank can accept these properties through donations or alternative arrangements to the short sale process.

*Objective C. Fewer Vacant Lots and Demolition for New Construction*

Because the presence of vacant land has harmful effects, the Land Bank should develop a next-door lot program that builds on the existing efforts of Block Clubs and the Homeowner Association. Building owners would be given long-term leases for property if they maintain them as yards or develop them into parking lots. This might even include an option to buy the lot at an agreed upon price after market conditions have improved significantly.

Another step, which is an explicit goal of the Land Bank, is to procure and hold land in Woodlawn and set clear signals to the market that the land will not be developed anytime soon. This prevents the threat of new construction from intimidating housing renovators. The Land Bank would serve as a much better manager of the land and buildings for the Building Department than when it undergoes demolition and city ownership, given that the Land Bank actively plans for how each vacant building or newly leveled lot will be used.

*Objective D. Fewer housing units and new, spacious single family housing*

By encouraging the conversion of two- to four-unit buildings back into fewer units, the neighborhood's housing stock would be "right-sized" (without demolition) to reflect the significant reduction in density that has resulted from population loss. This action reduces the total stock of housing units, reduces vacancy, all the while providing more spacious homes that are rare commodities in a dense city. As a result, this stabilizes the market through reduction of housing unit supply, but also creates a market-oriented commodity along with the potential of obtaining a next-door lot for long-term management. This action helps restore a sense of flexibility in the housing stock. If the neighborhood experiences significant growth in the future, not unlike it did post-WWII, and vacant land proves insufficient to meet the demand for housing, these homes may be converted back to two- to four-unit buildings.

**Goal II: Advocacy**

This component of the strategy involves pushing for policies that reform external policies that that allow sub-market conditions to exist in Woodlawn and also to improve the neighborhood's organizational infrastructure.

*Objective A. More active organizations in Woodlawn that specialize in two- to four-unit buildings*

This recommendation involves the positioning of the Network of Woodlawn and its affiliates as the neighborhood's leading community organizations, making sure they are seen as representative of all

residents. This would require seeking stakeholders who may be less enthusiastic in their support for the organization and its base of support and directly speaking to their concerns. The most pressing complaint is the level of independence from Dr. Byron Brazier’s leadership. A board that was sufficiently representative of the entire neighborhood and an organization that was guided by true consensus should provide an enhanced sense of legitimacy. In addition, the organization needs to be sufficiently staffed and resourced, including the hiring of a coordinator of Economic Development whose portfolio will include housing revitalization.

This recommendation also calls for the invitation and support of Neighborhood Housing Services of Chicago to develop a field presence in Woodlawn. As was discussed in Chapter 5, much of the missing home-ownership infrastructure stems from the fact that (in the void created by Shore Bank’s demise) NHS only has a field presence in a subset of Chicago neighborhoods that does not include Woodlawn. Whether it is home-ownership counseling, marketing of home purchase and acquisition & rehabilitation loans, technical assistance for home renovation or housing preservation, NHS has a successful track record of providing these services for two- to four-unit buildings in other neighborhoods. The Small Building Initiative could enter a partnership with NHS whereby a NHS employee is subsidized by the Small Building Fund and spends 50% of their time working out of Woodlawn in space provided by POAH and eventually the Woodlawn Resource Center.

The last recommendation calls for a clear shift in the redevelopment strategy of demolition and new construction (embodied by the both of the Columbia Point phases) to renovating vacant buildings. With the removal of tax delinquencies and municipal liens, not only would it be environmentally more sustainable to renovate, but it would also be less expensive and keep housing costs lower and minimize displacement through the continued provision of modest housing.

*Objective B. Fewer non-professionally managed two- to four-unit buildings that are 100% occupied by housing choice voucher recipients and/or exhibit weak property management*  
 Advocacy around the apparent sub-market of landlords targeting Housing Choice Voucher recipients should affect the behavior of these landlords without restricting the residential mobility of households. There are three approaches to this that can be used in tandem or pursued separately.

Approach	Summary	Feasibility
<b>#1: Argue for a lower “Reasonable Rent”</b>	Argue that landlords must charge less rent to voucher-holders in order to abide by “Rent Reasonableness” requirements.	It is fully within the existing legal framework of HUD’s Rules & Regulations, but relies on documenting that rents are charged are higher than market rents and protesting rents on a case-by-case basis.
<b>#2: Small Area Demonstration Project</b>	Systematically reform all HUD programs such that Fair Market Values vary by smaller areas.	Currently a promising demonstration project would need to be demonstrated as successful and implemented into HUD rules & regulations.
<b>#3: One Market-Rent Unit Minimum</b>	Add to the Housing Quality Standards that one unit of a two- to four-unit building must be maintained for owner-occupancy or market-rate	Requires change in CHA Rules & Regulations and likely enabling regulatory changes by HUD.

tenancy. Could include a waiver when a supportive services plan is filed with the CHA.

The **first approach** to reform responds to the documented observation that market rents in Woodlawn are, on average, lower than the rent received by Housing Choice Voucher landlords. The over-payment of subsidy creates an advantage for accepting vouchers in low-rent neighborhoods like Woodlawn over other neighborhoods. By reducing the rent that a landlord would receive, it would also reduce the profits of landlords providing lower-quality management in Woodlawn and assist more households. As discussed in Chapter 5, HUD has a requirement of “rent reasonableness” that is intended to prevent a landlord from charging a Housing Choice Voucher recipient more than they charge for un-assisted units in the same building (assuming they have unassisted units) and what identical unassisted units would receive on average in the market place.

Because of anecdotal evidence that tenant and CHA payments are more for units located in the same building, statistical evidence that assistance payments are higher than the market rate and the presence of clear regulations that forbid this, the natural solution would be better enforcement. This could include conducting a detailed study/inventory of current apartments rented by HCV residents along with non-assisted apartments that would provide clear evidence of unreasonable rents. It could be argued that this approach reduces the rent that “good” landlords receive in Woodlawn, which would have a depressing effect on housing options. However, these landlords provide a better service and have a credible case for charging more to Housing Choice Voucher recipients. Indeed, helping the market to better distinguish landlords on the basis of management quality would certainly be a positive side effect.

The **second approach** revolves around the Small Area Fair Market Rent demonstration discussed in Chapter 4. If adopted, this program would reduce the maximum rent any landlord could charge a Housing Choice Voucher recipient in Woodlawn. It would also increase the rent a landlord could charge in a higher-rent area within the region, creating more rental opportunities for assisted households. If successful, this program would work towards the same objective as the first approach. Unlike the first approach, however, it would not as effectively allow apartment and management quality to be a source of differences in rent, since the maximum rent will be reduced for all landlords regardless of quality. Less discretion would give way to a more uniform approach to reducing the incentives for targeting voucher holders.

The **third approach** to effecting change in the Housing Choice Voucher program disallows the business strategy of targeting voucher holders through administrative rules. It targets only the landlord that exclusively leases to voucher holder and by forcing the landlord to market at least one unit in a building to a non-subsidized tenant (or sustain the vacancy), it would reduce the profits associated with the business strategy. The rule could be added to the Housing Quality Standards enforced at the time of application through inclusion in the Request for Tenancy Approval form that each landlord must complete before a HCV contract is created (CHA, 2013d). The addition of a question about the number of units in a building would allow a queries of data to show the number of active housing assistance payment contracts at a particular address alongside the number of inhabitable units. Verifying the housing units in a two- to four-unit property could be an easily added inspection item.

The requirement could be narrowly tailored to address the particular problem-causing landlords. Landlords who develop and implement a supportive services plan could receive a waiver, releasing them from the marketing requirement since they should have already developed such a plan to qualify for CHA project-based housing vouchers. A unit that is owner-occupied would satisfy the one-unit minimum, further limiting the policy to investor-owned two- to four-unit buildings. Still, the policy would likely require changes in federal rules and regulations for the Housing Choice Voucher.

Another means for improving the entire rental market, including two- to four-unit buildings, is the adoption of a rental-licensing program. The program would require annual inspection and payment of \$40-\$140 per rental unit per year. It would convert the complaint-driven process typical of code enforcement to a compliance-driven process that has wider coverage.

*Objective C. Higher quality of life and stronger market demand for housing in Woodlawn*  
One recommendation, not specific to two- to four-unit buildings, involves continuing broad-based neighborhood efforts around improving public safety. These include the use of Interrupters to prevent escalation of interpersonal conflict into violence, prayer vigils to encourage neighborhood healing and discourage retaliatory violence, and training landlords about their role in preventing crime with the support of law enforcement. Improvements in public safety are critically important for improving the neighborhood's perception issues.

A second series of recommendations improves the quality of life by putting pressure on public agencies for better service, notably the Police Department, the Department of Streets and Sanitation, and the Department of Buildings.

The first recommendation involves continuing education for residents on Chicago's existing 3-1-1 infrastructures teaching how to make a host of non-emergency requests, namely filing a police report after a crime has occurred and the offender has gone, i.e. property theft, noise disturbances, and property/automobile damage (Chicago CAPS, 2013).

The second recommendation for improving public services involves tracking the requests and the performance metrics, which are open to the public on Chicago's Data Portal and likely available to the Alderman's office in more detail. The type and total number of requests to different departments can be analyzed across community areas, as well the percentage of service requests that have been completed, average number of days to complete and spatial clustering. This analysis can serve as important evidence for disparities that surface across neighborhoods, inspiring practices for creative improvement by agencies using a clear set of performance indicators (Behn, 2006). As an example, the Data Portal provides daily requests to the Sanitation department, included in the screen shot below, listing opening date of the request and the completion date (if applicable), which can be transformed into a new variable: "Days to Complete." This new variable can be analyzed across the community area with standard spreadsheet software.

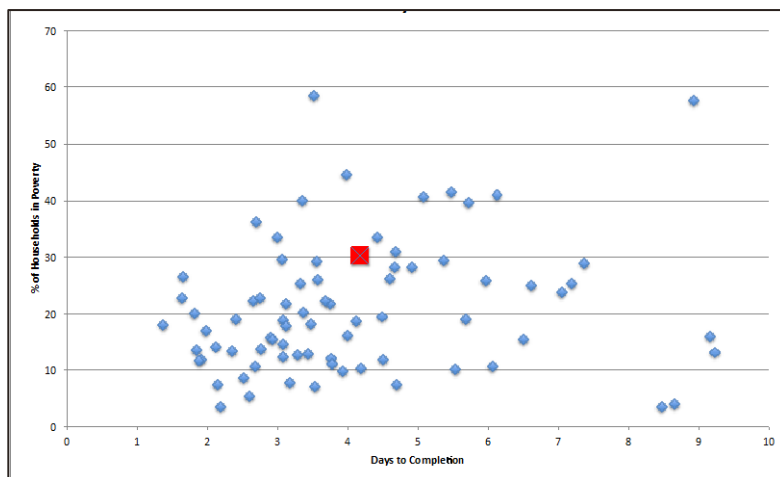
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 Chicago Service Requests for Sanitation Complaints

	Creation Date	Status	Completion Date	Service Request Number	Type of Service Request	What is the Nature of this Code Violation?	Street Address
3	06/08/2013	Open		13-00719953	Sanitation Code Violation	Other	5408 S KEELER AVE
4	06/08/2013	Open		13-00719153	Sanitation Code Violation	Garbage in alley	2715 W MADISON ST
5	06/08/2013	Open		13-00720598	Sanitation Code Violation	Dumpster not being emptied	5500 S STATE ST
6	06/08/2013	Open		13-00719137	Sanitation Code Violation	Garbage in yard	10299 S YALE AVE
7	06/08/2013	Open		13-00720147	Sanitation Code Violation	Garbage in alley	6211 N MILWAUKEE AVE
8	06/08/2013	Open		13-00719302	Sanitation Code Violation	Garbage in yard	1055 N MONTICELLO AVE
9	06/08/2013	Open		13-00719247	Sanitation Code Violation	Other	8023 S KINGSTON AVE
10	06/08/2013	Open		13-00719196	Sanitation Code Violation	Overflowing carts	8025 S JUSTINE ST
11	06/08/2013	Open		13-00719337	Sanitation Code Violation	Other	6318 S PULASKI RD
12	06/08/2013	Open		13-00719908	Sanitation Code Violation	Sanitation Code Violation	9901 S HALSTED ST
13	06/08/2013	Open		13-00719850	Sanitation Code Violation	Overflowing carts	11535 S VINCENNES AVE
14	06/08/2013	Open		13-00719840	Sanitation Code Violation	Other	1701 W LAWRENCE AVE
15	06/08/2013	Open		13-00719836	Sanitation Code Violation	Garbage in yard	6748 S HOUSTON AVE
16	06/08/2013	Open		13-00719799	Sanitation Code Violation	Other	1248 W 89TH ST
17	06/08/2013	Open		13-00719866	Sanitation Code Violation	Other	8041 S MASON AVE
18	06/08/2013	Open		13-00719872	Sanitation Code Violation	Other	7700 S KEDZIE AVE

Source: City of Chicago, 2013

Comparing average days to complete a request and the level of poverty across community areas reveals there is no a clear relationship between the two factors. Woodlawn’s average length of completed requests is longer than many other communities, but not much longer than communities with a comparable socioeconomic condition. This sample analysis could, for other factors, substantiate the anecdotal evidence of quality of municipal services. It may also support other explanations for the lack of satisfaction, such as the amount of service requests made per capita.

Average Days to Close 3-1-1 Sanitation Complaints (by Community Area and Poverty Rate)



Source: City of Chicago, 2013

The final part of improving public services concerns itself with cultural and behavioral concerns, which are generally beyond the scope of service requests and analyzing standard performance

metrics. These concerns are often best highlighted by anecdotes that highlight cultural practices that need to be changed and other examples of the ideal behavior (Behn, 2006). As such, identifying formal and informal channels for documenting “customer service”-oriented complaints and bringing them to the attention of decision makers capable of taking action (either disciplining employees or pursuing other efforts of redress) are extremely important. Each documented issue creates more momentum for change. Neighborhood actors who were more willing to pursue these alternative avenues were more successful in making their concerns held.

#### Informal and Formal Channels for “Customer Service” Complaints

<b>Channel</b>	<b>Contact Information</b>
<b>Chicago Elected Officials</b>	Alderman Willie Cochran Office: 6357 S. Cottage Grove, Chicago, IL 60637 P: 773-955-5610; F: 773-955-5612 Email: ward20@cityofchicago.org
	Office of the Mayor 121 N LaSalle Street Chicago City Hall 4 <sup>th</sup> Floor Chicago, IL 60602
<b>State Elected Officials</b>	State Senator Kwame Raoul 1509 East 53 <sup>rd</sup> Street, 2 <sup>nd</sup> Floor Chicago, IL 60615 P: 773-363-1996; F: 773-681-7166
	State Representative Barbara Flynn Currie 1303 E. 53 <sup>rd</sup> Street Chicago, IL 60615 P: 773-667-0550; F: 773-667-3010
	State Representative Christian L. Mitchell 449 E. 35 <sup>th</sup> Street Chicago, IL 60616 P: 773-924-1755; Fax: 773-924-1775 Email: MitchellDistrict26@att.net
<b>Police Department</b>	Independent Police Review Authority <a href="http://ipraportal.iprachicago.org/pls/htmldb/f?p=1503:12:2759055067321044">http://ipraportal.iprachicago.org/pls/htmldb/f?p=1503:12:2759055067321044</a>
<b>Department of Streets &amp; Sanitation, Bureau of Sanitation</b>	Bureau of Sanitation Ward 20 Office 6401 S. Evans, Chicago, IL 60637 Phone: 312-747-6017 Fax: 312-742-1318
<b>Department of Buildings</b>	General Email: <a href="mailto:buildings@cityofchicago.org">buildings@cityofchicago.org</a> Commissioner Phone: 312-743-9021
<b>Chicago Housing</b>	Problem Property Report Form <a href="http://www.thecha.org/filebin/hcv/Problem_Property_Report_Form.pdf">http://www.thecha.org/filebin/hcv/Problem_Property_Report_Form.pdf</a>

*Objective D. More sources of funding for the Small Building Initiative*

In order to align the financing mechanisms with community interests in connecting the areas west and east of Cottage Grove, the two Tax Increment Districts should be merged into one. Continued (or past) gentrification of East Woodlawn would generate a source of funds for both financing affordable housing in the stronger eastern part and also for stabilizing investments West of Cottage Grove.

**Goal III: Loan Fund and Financial Assistance for Homeowners**

Since the inclusion of the Small Building Initiative in the Choice Neighborhoods Initiative, various types of financial assistance for homeowners have been considered. This part of the strategy seeks to provide financing and grants to support owners looking to renovate or otherwise improve two- to four-unit buildings.

*Objective A. More interest in and attainment of acquisition/rehabilitation loans for two- to four-unit buildings by owner-occupants*

The Small Building Initiative should build on the stabilization efforts and perform preliminary building inspections on vacant two- to four-unit buildings held by the Cook County Land Bank or buildings held by the City of Chicago that have already had their title and municipal liens cleared. In the interest of reducing further information costs for homeowners, a preliminary home inspection would identify the required renovations and any other major capital improvements in order to approximate the total renovation cost. This is consistent with the service that 203(k) consultants and MMRP coordinators provide for properties, and when done en masse it would reduce a key uncertainty in marketing properties. The cost of inspection (roughly \$5,000 for an individual property) would ideally be lower for an entire portfolio.

In addition, as part of the marketing of the Small Building Initiative, the marketing agent should establish relationships with Chicago lenders that provide acquisition and rehabilitation loans, as well as 203(k) lenders, to understand how to appropriately broker or otherwise prepare prospective buyers to successfully qualify for loans. Understanding and researching each individual lender requires consideration of the following elements:

- Is the lender a reliable entity and are their rates reasonable?
- How do they use the 203(k) program and other loans for two- to four-unit buildings?
- Do they exercise the 10% bonus on appraised property values?
- What protocols exist for how they count rental income in approving mortgages?
- Are there different reserve or down payment requirements specific to two- to four-unit buildings?
- How best can an intermediary support the rehabilitation/acquisition process?
- Do they loan to non-profits using the 203(k) program to create affordable rental housing?

Active 203(k) Lenders in Chicago

Lender	Address	Email	Phone
BANK OF AMERICA NA CHARLOTTE	4747 W IRVING PARK RD, CHICAGO, IL 60641	robert.black@bankofamerica.com	(773) 628-0331
	135 S LASALLE ST STE 140 CHICAGO, IL 60603	robert.black@bankofamerica.com	(312) 537-6886
EVERETT FINANCIAL INC	2551 N CLARK ST STE 300 CHICAGO, IL 60614	VICKY.GARDNER@supremelending.com	(312) 212-0903
GUARANTEED RATE INC	3940 N RAVENSWOOD AVE CHICAGO, IL 60613	victor@guaranteedrate.com	(773) 435-0638
	4621 N RAVENSWOOD AVE CHICAGO, IL 60640	raven@guaranteedrate.com	(773) 435-0900
	3317 W IRVING PARK RD CHICAGO, IL 60618	raven@guaranteedrate.com	(773) 539-5429
	320 W OHIO ST # 410 CHICAGO, IL 60654	raven@guaranteedrate.com	(773) 290-0505
PROSPECT MORTGAGE LLC	230 W SUPERIOR ST STE 300 CHICAGO, IL 60654	Jeremy.Rose@prospectmtg.com	(312) 577-5202
WELLS FARGO BANK NA	511 W NORTH AVE CHICAGO, IL 60610	rick.lapins@wellsfargo.com	(312) 274-4133

Source: HUD, 2013

There are several subordinate acquisition and rehab loans that are also available for consideration. These could be used in conjunction with a traditional mortgage, funding the renovation work that will be completed and some portion of the original acquisition.

Loan	Restrictions	Loan Amount
<b>IHDA HOME Acquisition/Rehab Subordinate Loan</b>	80% AMI. Must contribute \$1,000 to purchase. Forgivable over 5-10 years.	Up to \$40,000 (up to \$2,000 for closing costs)
<b>NSP Acquisition/Rehab Subordinate Loan</b>	Only west of Cottage Grove. 120% AMI. Not for closing costs. Must contribute 1% to purchase. Forgivable over 5-15 years.	Up to \$70,000

*Objective B. More interest in, availability of and attainment of down payment and subordinate loans for owner-occupant purchases*

The Small Building Initiative should leverage existing down payment assistance programs. A complex web of existing, temporary and restricted programs exist that would assist the purchase of two- to four-unit buildings. These represent strategic financial sources to be accessed by the efforts in Woodlawn. I propose that the Small Building Initiative provide down-payment assistance to two- to four-unit buildings that are moderately renovated and that are formerly vacant, in the form a 5 year forgivable loan for which households up to 120% AMI are eligible. This particular down-payment assistance is intended to fill the gap for households at 80-120% AMI, prioritize projects that renovate properties, and require continued residence consistent with existing programs. The focus of lending to two- to four-unit buildings (and not homes converted to single family homes) means that this effort will create additional rental housing as well.

Eligibility of Assistance by % of Area Median Income<sup>1</sup>

Area Median Income	0-30%	31-50%	51-80%	80-120%	120%+
Permanent	AHTF Grant	n/a	n/a	n/a	n/a
	AHTF Subordinate	AHTF Subordinate	AHTF Subordinate	AHTF Subordinate	n/a
	FHLB DPP	FHLB DPP	FHLB DPP	n/a	n/a
Temporary or Significantly Limited	City Lift	City Lift	City Lift	City Lift	n/a
	Univ. of Chicago	Univ. of Chicago	Univ. of Chicago	Univ. of Chicago	n/a
	NSP	NSP	NSP	NSP	n/a

## List of Down-Payment Assistance Programs

Loans	Restrictions	Amount
<b>FHLB Down Payment Plus CityLift</b>	First-Time Home Buyers. Issued by FLHB Member Banks. 80% AMI. Based on availability of funds from foreclosure settlement. 120% Area Median Income. Homeowner must stay in home for 5 years.	Up to \$6,000 \$15,000
<b>University of Chicago Down payment Assistance</b>	Only for U of Chicago Employees. 120% AMI.	Up to \$8,000
<b>NSP Purchase Assistance Subordinate Loan</b>	Only west of Cottage Grove. 120% AMI. Not for closing costs. Must contribute 1% to purchase. Forgiven over 5-15 years.	Up to \$70,000
<b>IHDA/Affordable Housing Trust Fund Down payment Grant</b>	Forgiven over 5 years. 0-30% AMI. Must contribute \$1,000 to purchase.	Up to \$3,000
<b>IHDA/Affordable housing Trust Fund Subordinate Loan</b>	Below 80% AMI. Must contribute \$1000 to the purchase. Must contribute \$1,000 to purchase.	Up to \$30,000 for 50% AMI; Up to \$20,000 for 51-80% AMI
<b>Proposed Small Building Initiative Assistance</b>	120% AMI. Only for two- to four-unit homes that were formerly vacant. Must contribute 2% to purchase. Forgiven over 5 years. Minimum of \$10,000 in construction	Up to \$8,000

<sup>1</sup> Programs represented: Affordable Housing Trust Fund Grant and Subordinate Loans (AHTF); NHS-administered City Lift program, University of Chicago down payment assistance; and Neighborhood Stabilization Program (NSP).

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must be performed.

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*Objective C. Greater access to renovation loans for two- to four-unit buildings in Woodlawn*

While supporting new homeowners is one focus, another focus must be allowing current owners to upgrade their homes. Supporting their ability to refinance allows them to invest in their buildings as well, further upgrading the neighborhood. Several options exist. First, homes can be refinanced through the 203(k) loan program. Second, the TIF-Neighborhood Improvement Program has begun or will soon begin to provide renovations for existing homeowners covered by the West Woodlawn TIF, up to \$22,500 for a 4-unit building, with up to 30% available for interior repairs that are health and safety related. Finally, NHS of Chicago also provides renovation loans. Facilitating greater access requires publicizing these existing opportunities, and possibly leveraging the TIF-NIP program with additional funds.

**Goal IV: Assistance and Counseling**

The Small Building Initiative should provide both homebuyer counseling, general credit counseling as well as design and build assistance for renovation work. These forms of technical assistance will enable households to repair their credit and qualify for loans for two- to four-unit buildings, as well as prepare them to partner in the renovation of two- to four-unit buildings and overall improvement of the community.

*Objective A. Greater access to pre-purchase and consumer credit counseling in Woodlawn*

The most basic assistance that prospective homeowners need is pre-purchase counseling, a requirement of the more effective first-time homeownership programs and an important method of reducing the incidence of foreclosure. A network of providers associated with NSP serves as a resource for this work, including Agora Community Services, Genesis Housing Development, Greater Southwest Development Corporation, and the downtown-based Neighborhood Housing Services of Chicago.

Because foreclosure and other financial obstacles have damaged consumer credit, pre-purchase counseling may not be sufficient. Many post-foreclosure households are renting in Woodlawn with the intention of purchasing in the future. Others have been unable to purchase homes in Woodlawn, similarly because of impairments to their credit. Both groups require long-term credit repair in order to (re)join the ranks of homeownership. The people-based approach of credit repair, combined with place-based efforts such as rent-to-own strategies discussed later in this chapter, will also be valuable local wealth-building efforts.

Consumer Credit Counseling

Source	Resource
<b>US Department of Justice</b>	Approved Credit Counseling Agencies for Northern District of Illinois <a href="http://www.justice.gov/ust/eo/bapcpa/ccde/CC_Files/CC_Approved_Agencies_HTML/cc_illinois/cc_illinois.htm">http://www.justice.gov/ust/eo/bapcpa/ccde/CC_Files/CC_Approved_Agencies_HTML/cc_illinois/cc_illinois.htm</a>
<b>City of Chicago</b>	10 Things Every Consumer Should Know About Credit <a href="http://www.cityofchicago.org/content/dam/city/depts/bacp/Consumer%20Information/10thingstoknowaboutcredit12611.pdf">http://www.cityofchicago.org/content/dam/city/depts/bacp/Consumer%20Information/10thingstoknowaboutcredit12611.pdf</a>
<b>Money Management</b>	City of Chicago-Recommended Resource <a href="http://www.moneymanagement.org/">http://www.moneymanagement.org/</a>

**International**

<b>US Federal Trade Commission</b>	Consumer Information – Credits and Loans <a href="http://www.consumer.ftc.gov/topics/credit-and-loans">http://www.consumer.ftc.gov/topics/credit-and-loans</a>
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*Objective B. Greater access to technical assistance in the design-an- build process for two- to four-unit buildings*

Another critical form of technical assistance would help prospective homebuyers, who are not construction experts, but who are open to acquisition and renovation of two- to four-unit buildings. Low-cost finished homes in the market are in large supply, so acquisition and rehabilitation must provide value that cannot be found elsewhere with as little burden as possible. Hopefully, these homes are less costly than finished homes and provide a homebuyer the added value of being able to design a home to suit one's particular needs. This process, however, hinges on competent and trustworthy general contracting. There are three approaches considered that could provide this form of technical assistance to potential homeowners in Woodlawn.

- **Make.** The Small Building Initiative could hire a part- or full-time construction manager to provide in-housing consulting services to homeowners. This staff member should either already be a certified 203(k) consultant, or would do so upon hiring, which would allow him earn compensation for the Small Building Initiative in the form of the 203(k) consulting fee.
- **Buy.** As an alternative, The Small Building Initiative could retain a series of existing 203(k) consultants to perform services for homeowners under the program on behalf of the Initiative, with payments passing through to the Initiative. This could introduce more competition for the work, reduce the overhead of the Initiative and also spread the work among a series of consultants (not one salaried employee) in a manner that is more conducive to how they already operate, taking the amount of business they can handle at any time. This may also take the form of a revenue-sharing agreement whereby 203(k) consultants provide a portion of their fee to the Small Building Initiative for brokering the relationship.
- **Sponsor.** Finally, the Small Building Initiative could take on the role of passive intermediary (and perhaps incubator), taking no direct business interest in the 203(k) consulting process. The Initiative could host workshops for successful contractors to become 203(k) consultants and establish a list of “preferred consultants” based on quality control that it would use for directing homebuyers. This strategy does not involve a source of revenues for the Initiative, but it also involves very little financial expense and risk beyond administrative overhead.

Based on the expressed preferences for supporting local developers and the need for flexibility, it is advised that a construction manager be hired than can serve as a 203(k) consultant to assist several homes through the construction process during start-up phase. This manager will also perform general administrative functions and transition the Initiative to serving as a more indirect intermediary “sponsor” of local 203(k) consultants.

*Objective C. More participation of both owner-occupant and investor owners of two- to four-unit buildings in landlord management training and certification*

A third form of technical assistance is landlord education and training for landlords of two- to four-unit buildings in Woodlawn. This training is important because margins can be very tight with this

type of housing. Community Investment Corporation provides such landlord education and certification, which applies to landlords of both multifamily and two- to four-unit buildings. Certification for completing this program is required by the Neighborhood Housing Services of Chicago for their CityLIFT program to assist homeowners in purchasing two- to four-unit buildings (NHS of Chicago, 2013c). In line with this practice, the Initiative should have the blanket requirement that any homebuyer or landlord that is assisted with funds from the Small Building Initiative must successfully obtain a certificate of completion from CIC's landlord training.

Many other landlords will not be covered under these requirements and should be encouraged through other means. Free courses in Woodlawn with a proof of membership in the Homeowner Association or Block Club can be offered to those landlords who sign a code of conduct and/or participate in no-fee rental registration program with the Small Building Initiative. Despite the lack of explicit enforcement, this will create public information about available rental housing and provide standards for enforcing community norms.

#### *Note on Implementation of Counseling and Training Activities*

A host of providers for housing counseling, credit counseling and landlord training exist in Chicago, if not close to Woodlawn. As a result, the challenge of implementation rests on developing partnerships to bring the existing opportunities to beneficiaries in Woodlawn and those who may look to relocate Woodlawn. This can be done by advertising the counseling opportunities on Choice Neighborhoods materials and in those of supportive services coordinator Metropolitan Family Services. The Small Building Initiative could also develop an online presence or a regular distribution list of non-profit staff members, residents and officials. The message can be successfully distributed through existing organizational networks. Lastly, the Initiative could sponsor a series of "teaser" workshops with the Network of Woodlawn, Homeowners Association or the Metropolitan Planning Council that educate the community on issues such as repairing credit and landlord practices, but also introduce existing service providers to the community.

#### **Goal V: Responsible Development**

The final component of the *SALAD Approach* consists of supporting development in the neighborhood that does more than attract new residents and commits to building wealth among existing residents. It also intends to use partnerships and investments to support new models of rental housing and homeownership that would have a positive impact on the community.

#### *Objective A. More steering of development jobs to residents and tenants*

Local economic development initiatives are important mechanisms for channeling neighborhood improvements into enhanced opportunity for residents. As Woodlawn revitalizes, existing residents are more likely to create multiplier effects in spending and also to continue to live and invest in the neighborhood.

The first local economic development initiative calls on POAH to partner with a workforce development intermediary to successfully develop HUD Section 3 business concern in Woodlawn for performing work on all Choice Neighborhoods construction projects, including the redevelopment of Grove Parc Plaza, development of off-site replacement housing, planned commercial developments, and any development associated with the Small Building Initiative. This is, of course, already an interest of POAH, but the formation of a partnership with an intermediary or a firm would improve the effort. One such organization is 180 Properties, a joint venture between

the workforce intermediary Cara Program and Mercy Housing that provides intensive job training to hard-to-employ workers for inspecting and maintaining vacant properties. The Chicago Housing Authority also maintains a regularly updated list of businesses with contact information that claim to be Section 3 business concerns that are potential partners as well (CHA, 2013e). A Request for Qualifications and/or Request for Proposal could identify businesses and organizations that actively hire in Woodlawn and would be interested in the potential partnership.

A second more expansive local economic development initiative would develop for-sale housing with New Market Tax Credits that has been demonstrated in Ohio. Examples include the Columbus Housing Partnership that weathered the recession in 2008, and previous projects by Vintage Development Group and Zaremba, Inc., in Cleveland. By providing a construction loan to a business located in a qualifying low-income census tract, tax credits can be used to finance the development of for-sale housing (Anderson, 2008). Because of the necessity of having a large project to raise capital using tax credits, the focus would need to expand beyond the approximately 200 two- to four-unit homes in Woodlawn to include homes in additional communities. There would also need to be a qualifying developer located in Woodlawn with sufficient capacity to take on the construction loan, which presents an easy tie in with the expansion of local Section 3 business concerns. This would present a systematic way to leverage large amounts of capital at discounted rates and capture the economic development impacts for the benefit of residents.

*Objective B. More rental housing for low-income households (60-80% AMI) that incorporates a pathway to homeownership*

The first recommendation is to develop two- to four-unit buildings into scattered site affordable housing with shallow LIHTC subsidies, and offer up all for deed-restricted purchase after 15 years. Case studies show that the LIHTC subsidy is often very successful in renovating scattered site housing in weaker markets, partially because the shallow subsidy of LIHTC developments (50%-60% AMI) are received more positively than the deeper subsidy of Section 8 vouchers (Thomas & Dewar, 2013). Viewed not as a substitute but a complementary development strategy, LIHTC development could add income diversity to the neighborhood that hopefully would counteract the negative connotation that affordable housing has. Affordability would be viewed in relation to the resident. The opportunity to purchase houses (or individual units) through a limited-equity co-op would encourage greater resident stability and provide an opportunity for building wealth

The second recommendation is to develop two- to four-unit buildings into scattered site affordable housing through the 203(k) loan program, and making them available for purchase. These units would be restricted to households at or below 80% AMI, and like the LIHTC program, would provide a more shallow (supply-side) subsidy that should be positioned as complementing existing affordable housing options. If the program allows, the units could also be sold as limited-equity co-ops. Use of the 203(k) program for rental housing is only available, however, to a non-profit developer.

*Objective V. More financial capital for strong developers of rental two- to four-unit buildings*

To address the gap in financing that exists for rental housing developers of two- to four-unit buildings, the Small Building Initiative should jointly participate in providing loans to non-profit developers, for-profit developers and joint ventures of the two. Identifying an experienced non-profit to develop homes under the 203(k) loan program would be difficult, potentially even more so

with the requirement that all homes are limited to 80% AMI. Rent-to-own strategies for 80% to 120% AMI would be eligible for these additional loans. Support of for-profit developers would be accompanied by safeguards that require effective property management and Fair Housing for Housing Choice Voucher recipients. The inclusion of joint ventures can allow non-profits to gain development experience in partnership with for-profit partners, a practice that was effective in Philadelphia (Kromer, 2000). Providing developers better access to financing will encourage the participation of more financial intermediaries, who are useful for shifting investment strategies from generating cash flow to creating long-term asset growth.

#### *Objective D. More retail amenities*

Beyond the scope of housing, retail amenities are an important determinant of quality of life for residents of all income levels. Investing in commercial retail at 63rd and Cottage Grove, including a grocery store, coffee shop, dry cleaners, bakery and restaurants, would appeal to current and prospective residents alike. These investments should be considered priorities in order to ensure that the “brand” of the revitalization efforts in Woodlawn represents the whole set of planned initiatives.

#### **Conclusion**

In closing, I reiterate the significance of each component of the *SALAD Approach*. Without stabilizing the market, planners in Woodlawn and similar communities risk using resources in ways that do not reflect best practices of reducing capital imperfections (not displacing private capital and making only the amount of investment necessary to create the desired impact). Without advocating for market-correcting reforms outside of neighborhoods and pushing for local institutions aligned with neighborhood goals, the neighborhood may remain stymied by policies dictated by actors uninterested or uninformed about their impact in a localized setting, by the advocacy of vocal but non-representative actors, and by crippling gaps in capacity. By not making loans and other financial assistance easily accessible and adequate, scarce resources are left on the table and gaps in capital availability continue the trend of disinvestment. Without assistance and counseling, homeowners will not be able to overcome financial and market-dictated challenges to homeownership, preventing them from becoming active partners in investing in the community, overseeing renovations and creating more quality housing. Lastly, without responsible development that both builds wealth and diversifies the type of housing tenure and tenants, revitalization will not translate to improvements in economic opportunity for all of the residents. In short, the divide between low-income tenants and middle-class residents and homeowners will continue and the victor will most surely not be Woodlawn.

I have sought to link a comprehensive set of actions and a broader strategy directly to my assessment of the two- to four-unit market’s strengths and opportunities in Woodlawn, based on informant interviews, field observations and professional exposure. Though this study speaks to the direct experience in the neighborhood of Woodlawn and provides a set of context-specific recommendations, many of the lessons are indeed applicable outside of Woodlawn. Housing markets must be addressed through market-means, but with appropriate attention for the role of effective and aligned institutions, evaluation of public policy and the consideration of equitable outcomes. Such approaches, I firmly believe, are more likely to bring broad community stakeholders together, to attract the assistance of necessary partners and to bring about positive neighborhood improvements that all can appreciate.