Illinois Housing Development Authority

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Who is the Illinois Housing Development Authority (IHDA)?

• The Illinois Housing Development Authority (IHDA) was created as a self-supporting authority by the state legislature to finance quality affordable housing across Illinois.

• We connect qualified Illinois residents and communities with state and federal financing tools to stimulate affordable housing opportunities.

• Since its creation in 1967, IHDA has allocated more than $12.4 billion and financed more than 240,000 affordable units across the state.
Who is Community Affairs?

• The Community Affairs Department at IHDA:
  – manages several programs from federal, state, and county sources
  – coordinates outreach efforts with for-profits, not-for-profits, and
government agencies on foreclosure prevention, revitalization, green
initiatives, and other IHDA programs and resources

• Programs managed include:
  – National Foreclosure Mitigation Counseling Program
  – Cook County Mortgage Foreclosure Mediation Program
  – Foreclosure Prevention Program
  – Foreclosure Prevention Program Graduated (coming soon)
  – Abandoned Property Program
  – Blight Reduction Program
Housing Action Illinois and IHDA

• Housing Action Illinois has worked closely with IHDA for decades

• Offer TA to agencies funded by IHDA

• Brings training to Illinois for housing counseling agencies

• Offers direct assistance to housing counseling agencies under Round 3 of the Foreclosure Prevention Program
  – HUD certification
  – Reporting
  – Staffing concerns
  – Day-to-day functions
  – Training
NATIONAL FORECLOSURE MITIGATION COUNSELING PROGRAM
National Foreclosure Mitigation Counseling Program

- Started in 2008 with Congressional Appropriation to NeighborWorks America

- Provides funds to Housing Finance Agencies and other HUD approved housing counseling intermediaries on a fee-for-service basis to offer free foreclosure intervention and loss mitigation counseling to homeowners

- More than 1.8 million homeowners nationwide have been assisted by NFMC

- Illinois has served over 5% of all clients nationwide
## National Foreclosure Mitigation Counseling Program History

<table>
<thead>
<tr>
<th>Funding Round</th>
<th>Money Awarded</th>
<th>Number of Agencies</th>
<th>Individuals Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>Round 1</td>
<td>$1.57M</td>
<td>15</td>
<td>3,858</td>
</tr>
<tr>
<td>Round 2</td>
<td>$3.09M</td>
<td>26</td>
<td>6,190</td>
</tr>
<tr>
<td>Round 3</td>
<td>$1.39M</td>
<td>39</td>
<td>3,300</td>
</tr>
<tr>
<td>Round 4</td>
<td>$1.45M</td>
<td>40</td>
<td>3,912</td>
</tr>
<tr>
<td>Round 5</td>
<td>$2.27M</td>
<td>35</td>
<td>6,065</td>
</tr>
<tr>
<td>Round 6</td>
<td>$1.73M</td>
<td>30</td>
<td>4,406</td>
</tr>
<tr>
<td>Round 7</td>
<td>$2.68M</td>
<td>30</td>
<td>6,775</td>
</tr>
<tr>
<td>Round 8</td>
<td>$1.97M</td>
<td>27</td>
<td>7,500 (estimated)</td>
</tr>
<tr>
<td><strong>TOTAL AWARDED</strong></td>
<td><strong>$16.15M</strong></td>
<td></td>
<td><strong>TOTAL SERVED 42,006</strong></td>
</tr>
</tbody>
</table>
National Foreclosure Mitigation Counseling Program

• Currently in Round 8 – ends December 30, 2014 (possible extension)

• Information regarding applications for Round 9 will be released by NeighborWorks America in October

• IHDA application to sub-grantees will be released shortly thereafter

• To receive additional information, please email NFMCinfo@ihda.org
COOK COUNTY MORTGAGE FORECLOSURE MEDIATION PROGRAM
Cook County Mortgage Foreclosure Mediation Program

1. Homeowner enters foreclosure and receives a summons
   - Calls Helpline to receive an appointment with a Housing Counseling Agency
   - Attends a community workshop for overview of options
   - Meets with a Program Attorney to prepare court documents

2. If assigned mediation, homeowner works with a Volunteer Attorney
   - Continue working with Housing Counselor on agreed options
   - Attend court – visit Case Manager - judge may assign mediation
   - Meets with a Volunteer Attorney to prepare court documents

3. Attend mediation – come to an agreement or receive a continuance
   - If no agreement reached, foreclosure may resume

4. If assigned mediation, homeowner works with a Volunteer Attorney
   - Continue working with Housing Counselor on agreed options
   - Attend court – visit Case Manager - judge may assign mediation
   - Meets with a Volunteer Attorney to prepare court documents

5. If no agreement reached, foreclosure may resume
Cook County Mortgage Foreclosure Mediation Program

• The Program began on April 19, 2010 and is the most comprehensive in the nation
  – more than 71,000 housing counseling sessions have been completed
  – nearly 100,000 people have received free legal advice
  – nearly 6,000 households have entered the mediation process by court order

• More than one (1) out of every two (2) households that enter the Program reach an agreement with their lender
  – Of those agreements, 68% are agreements to save the home through a loan modification - the remaining agreements are for dignified exits
Cook County Mortgage Foreclosure Mediation Program

• Website: http://cookcountyforeclosurehelp.org/

• Phone Number: 877.895.2444

• Applications for housing counseling agencies in Fall 2015

• All questions directed to CCMFMPinfo@ihda.org
FORECLOSURE PREVENTION PROGRAM
The Foreclosure Prevention Program authorizes a $50 filing fee for every foreclosure complaint to be deposited into the Foreclosure Prevention Fund.

Distributed throughout state:
- 25% to *City of Chicago* for Housing Counseling Agencies within the City
- 25% to Housing Counseling Agencies outside Chicago
- 25% to Community Based Organizations outside Chicago
- 25% to Community Based Organizations inside Chicago
Foreclosure Prevention Program

- Provides grants to HUD Approved Counseling Agencies and Community Based Organizations (CBOs)
  - Support current activities
  - Pre-purchase counseling
  - Post-purchase counseling
  - Foreclosure education
  - Counselor training
  - Foreclosure prevention outreach
  - Counseling capacity building
  - General operational expenses
Foreclosure Prevention Program

- Funding rounds are determined by funds available
- Typically one funding round per year
- Applications released in the spring
- For more information, email FPPinfo@ihda.org
- As part of this fund, the Authority started the Illinois Foreclosure Prevention Network
Illinois Foreclosure Prevention Network

- Network launched in Feb 2012
- Website: [www.keepyourhomeillinois.org](http://www.keepyourhomeillinois.org)
- Helpline: 855-KEEP-411
- Events continue to be attended around the state promoting the network and the resources it provides
- Over 1.1 million homeowners connected to services statewide
Foreclosure Prevention Program Graduated

• Public Act 098-0020 gives IHDA authority to make grants to HUD approved counseling agencies to support counseling activities

• Effective June 1, 2013, the plaintiff shall pay the Clerk of the County Court a $500, $250, or $50 filing fee to file a residential foreclosure complaint
  – Filing fees are dependent upon the total number of foreclosure complaints the plaintiff has filed in the previous year

• Fees collected are deposited into the Foreclosure Prevention Program Graduated fund
Foreclosure Prevention Program Graduated

• **Disclaimer:** This program is currently in the rule-making process and therefore these guidelines are not yet official.

• **Eligible uses:**
  - **ALL** types of counseling
  - Computer and Equipment Expenses
  - General Operational Expenses
  - training of a Counseling Agency’s employees
  - capacity building that increases a Counseling Agency’s capacity to provide Housing Counseling
  - Technical Assistance
  - advertising and marketing of the Program
Foreclosure Prevention Program Graduated

- Statutory Distribution
  - 25% to Housing Counseling Agencies in the City of Chicago
  - 30% to Housing Counseling Agencies in Cook County, other than the City of Chicago
  - 30% to Housing Counseling Agencies in DuPage, Lake, Kane, McHenry, and Will Counties
  - 15% to Housing Counseling Agencies outside of Cook, DuPage, Lake, Kane, McHenry, and Will Counties
### Foreclosure Prevention Program

- HUD Certified Agencies and Community Based Organizations
- Pre/Post Purchase and Foreclosure Counseling
- 25% to *City of Chicago* for Housing Counseling Agencies within the City
- 25% to Housing Counseling Agencies outside Chicago
- 25% to Community Based Organizations outside Chicago
- 25% to Community Based Organizations inside Chicago

### Foreclosure Prevention Program Graduated

- Only HUD Certified Counseling Agencies
- ALL types of counseling including debt/credit/reverse, etc.
- 25% to Housing Counseling Agencies in the City of Chicago
- 30% to Housing Counseling Agencies in Cook County, other than the City of Chicago
- 30% to Housing Counseling Agencies in DuPage, Lake, Kane, McHenry, and Will Counties
- 15% to Housing Counseling Agencies outside of Cook, DuPage, Lake, Kane, McHenry, and Will Counties
Foreclosure Prevention Program Graduated

- Funds are currently accumulating
- Application round in 2015
- For more information, please email FPPGinfo@ihda.org
NEIGHBORHOOD REVITALIZATION
Neighborhood Revitalization Programs

• Abandoned Property Program
  – Grants to municipalities and counties statewide for maintenance, securing, demolition, and rehabilitation of abandoned residential properties

• Blight Reduction Program
  – Funds municipalities/counties and their Not-for-Profit partner(s) statewide, through a forgivable loan, for demolition and greening of abandoned residential properties
<table>
<thead>
<tr>
<th>What are the program goals?</th>
<th>Administered by the Illinois Housing Development Authority, the program provides financial resources to address the impact of the foreclosure crisis and assists communities with neighborhood improvement, greening, and redevelopment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is the funding source?</td>
<td>Funded by the U.S. Treasury Hardest Hit Fund / State funded through foreclosure filing fees, established by 20 ILCS 3805/7.31</td>
</tr>
<tr>
<td>Who are eligible applicants?</td>
<td>Applicants are Illinois units of local government and must partner with a not-for-profit developer or agency / Applicants must be an Illinois municipality or a county</td>
</tr>
<tr>
<td>What are eligible uses of the program funds?</td>
<td>Funds may be used for acquisition, demolition, greening, closing costs, maintenance, and administration / Funds may be used for securing, maintaining, demolishing, or rehabilitating abandoned homes</td>
</tr>
<tr>
<td>Who should be the owner of the abandoned property?</td>
<td>Not-For-Profit Partner must take ownership (title) of the properties identified for BRP assistance prior to any demolition work / Applicant must have the legal authority to undertake activities under the program</td>
</tr>
<tr>
<td>Is this a grant or a loan?</td>
<td>Structured as a zero percent (0%), non-amortizing loan, secured by a recorded lien / Grant funds</td>
</tr>
<tr>
<td>What properties are eligible?</td>
<td>Must be 1-4 unit residential properties / Must be 1-6 unit residential properties</td>
</tr>
<tr>
<td>When are the program rounds?</td>
<td>Application for the first Round is due December 8, 2014 / Currently in Round 1, information on Round 2 is forthcoming</td>
</tr>
<tr>
<td>Where can I find more information?</td>
<td>For more information, please visit: <a href="http://www.ihda.org/government/BRP.htm">http://www.ihda.org/government/BRP.htm</a> / For more information, please visit: <a href="http://www.ihda.org/government/AbandonedPropertyProgram.htm">http://www.ihda.org/government/AbandonedPropertyProgram.htm</a></td>
</tr>
<tr>
<td>What should I do if I have more questions?</td>
<td>For questions, please contact <a href="mailto:HHFBRPinfo@ihda.org">HHFBRPinfo@ihda.org</a> / For questions, please contact <a href="mailto:APPinfo@ihda.org">APPinfo@ihda.org</a></td>
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QUESTIONS?