



# INVESTING IN INCLUSIVE COMMUNITIES

How Fair Housing Organizations Foster Diverse and Stable Neighborhoods Using the Federal Fair Housing Act







# About the National Fair Housing Alliance

Founded in 1988 and headquartered in Washington, DC, the National Fair Housing Alliance (NFHA) is the only national organization dedicated solely to ending discrimination in housing. NFHA is the voice of fair housing and works to eliminate housing discrimination and to ensure equal housing opportunity for all people through leadership, education and outreach, membership services, public policy initiatives, community development initiatives, advocacy, and enforcement.

NFHA is a consortium of more than 220 private, non-profit fair housing organizations, state and local civil rights agencies, and individuals from throughout the United States. NFHA recognizes the importance of home as a component of the American Dream and aids in the creation of diverse, barrier-free communities throughout the nation.

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## Introduction

Since the advent of the housing crisis in 2008, approximately 5.8 million homes across the country have been lost to foreclosure. Although many housing markets have since recovered from the collapse of U.S. home prices, the recovery has been uneven, and many communities throughout the nation have been stripped of wealth and equity. Many communities still struggle with vast numbers of mortgages that are underwater, and neighborhoods that were once vibrant and largely owner-occupied are now blighted with foreclosed properties that were sold to investors, converted to rental housing, or remain vacant.

Although these conditions exist in communities throughout the U.S., they are felt most acutely in communities of color. A large body of research shows that during the lending boom that preceded the foreclosure crisis, communities of color were deliberately targeted for predatory and subprime loans and thus suffered from a disproportionate share of foreclosures and short sales. As a result, communities of color are riddled with large numbers of vacant properties that were left neglected and poorly maintained upon repossession by financial institutions or investors.

In 2009, the National Fair Housing Alliance (NFHA) and several of its local member organizations (the partners) embarked on a wide-scale investigation into the marketing and maintenance of bank- and GSE-owned properties. These foreclosed properties, also known as Real Estate Owned (REO) properties, were found to be well-maintained and professionally-marketed in communities where residents were predominantly white. However, REO homes in communities where residents were largely African American or Latino were likely to be unsecured, with boarded windows and overgrown grass and weeds, and usually

*Since the advent of the housing crisis in 2008, approximately 5.8 million homes across the country have been lost to foreclosure.*



without signage indicating that they were for sale.<sup>1</sup>

This investigation culminated in a number of housing discrimination complaints against nearly all of the largest owners of REO inventory. In 2012, NFHA and the partnership of fair housing groups filed a HUD administrative complaint against Wells Fargo Bank for its disparate treatment of REO properties. Shortly thereafter, Wells Fargo took a leadership role and entered into an agreement with NFHA and HUD to provide \$30 million to NFHA and the fair housing organization partners. NFHA's agreement called for \$27 million to be distributed equally between 19 cities and invested in communities that were harmed. Since then, NFHA and its partners have filed seven complaints with HUD against others in the industry on this issue.

The need for investment in neighborhoods that were deliberately stripped of wealth and equity is clear. The disparate treatment of REO properties in communities of color contributed to the uneven recovery of neighborhoods, and this uneven recovery has resulted in an even wider racial wealth gap. As the American Civil Liberties Union (ACLU) reported in 2015, wealth in both black and white communities took a large hit between 2007 and 2009, but “during the 2009–2011 period, however, the typical white

family's losses slowed to zero, while the typical black family lost an additional 13 percent of its wealth.”<sup>2</sup> The ACLU report indicates that these effects will linger and impact the next generation of families of color. It projects that the median wealth of the typical black family in 2031 will be approximately 31 percent, or \$98,000, lower than it would have been without the great recession.

This report highlights the ways in which NFHA and its partners have invested the \$27 million in community support funds in neighborhoods that were harmed by the discriminatory treatment during and after the foreclosure crisis. Section I offers background on NFHA's investigation of REO properties and the details of the resulting conciliation agreement with Wells Fargo. Section II describes the major strategies that the 14 fair housing partners used to invest community support funds in disinvested neighborhoods that were hit hard by the REO crisis, including examples of actual families and communities that benefited from these funds. Finally, Section III lifts up a number of key takeaways and lessons learned throughout this neighborhood investment process.

The report documents how fair housing organizations have partnered with community development agencies, academics, city governments, schools, and a range of community groups to work toward re-establishing stability in neighborhoods hit hard by the foreclosure crisis. It also outlines how, in many cities, grants were tailored to meet the needs of middle-income households.

*Driven by the principle that everyone deserves a home in a healthy, diverse, stable, and safe neighborhood, these community support grants have addressed a broad spectrum of needs.*

Although these households were acutely harmed by discriminatory treatment after the foreclosure crisis, they rarely qualify for existing community development programs and services which are designed mostly for low- and very low-income residents.

Driven by the principle that everyone deserves a home in a healthy, diverse, stable, and safe neighborhood, fair housing organizations have used these community support grants to address a broad spectrum of needs. These programs have tackled everything from foreclosure prevention to neighborhood branding. They have addressed community health issues and supported education initiatives. By taking a holistic approach to serving distressed communities using fair housing conciliation agreement funds, these fair housing centers have been instrumental in setting the foundation for recovery.

<sup>1</sup> The findings from these investigations are documented in three reports from 2011, 2012 and 2014 which can be found here: <http://www.nationalfairhousing.org/FairHousingResourceCenter/ReportsandResearch/tabid/3917/Default.aspx>. Related complaints against Bank of America, U.S. Bank, Deutsche Bank, Fannie Mae, and three major preservation management vendors can be found here: <http://www.nationalfairhousing.org/REO/tabid/4265/Default.aspx>

<sup>2</sup> [https://www.aclu.org/files/field\\_document/discrimlend\\_final.pdf](https://www.aclu.org/files/field_document/discrimlend_final.pdf)



# National Impact to Date



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10,001

individuals completed financial literacy or homeownership  
training workshops

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700

families accessed homeownership for the first time

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790

homeowners were able to remain in their homes because of  
foreclosure prevention or home repair grants

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\$17.3 mil

leveraged nationwide

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685

abandoned and blighted homes or lots were rehabbed

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182

housing units were made accessible for persons with  
disabilities to remain in their homes

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## Section I: Background

In recognition of the importance of restoring REO properties to homeownership for community stabilization and recovery, the National Fair Housing Alliance (NFHA) has led a nationwide examination of REO maintenance and marketing practices of major lending institutions and property maintenance vendors since 2009. NFHA and its partner organizations<sup>3</sup> have investigated more than 6,700 REO properties in 37 metropolitan areas. The evaluations took into account over 30 different aspects of the maintenance and marketing of each property, including curb appeal, structure, signage, indications of water damage, and the condition of windows, doors, gutters and downspouts. Most of the work was conducted in working- and middle-class neighborhoods where homeownership rates were high prior to the advent of the foreclosure crisis in 2007.

The investigation revealed a consistent and ongoing pattern of troubling disparities in maintenance and marketing practices along racial lines. REO homes in white neighborhoods were cared for in a far superior manner than those in African American and Latino neighborhoods. While REO properties in predominantly white neighborhoods were more likely to have neatly manicured lawns, securely locked doors, and professional “For Sale” signs, REOs in communities of color were more likely to have overgrown yards, trash, unsecured doors, and broken or boarded windows. REO properties in communities of color were not maintained to the standards of nearby

homes and generally appeared abandoned, disinvested, and unappealing to potential homebuyers, even though they were located in stable neighborhoods with well-maintained neighboring homes. On the other hand, REOs in white communities were maintained to the standards of other houses in the neighborhood and would have been attractive to real estate agents and potential homebuyers.

The REO practices documented since 2009 continue into the present. NFHA examined REOs in several additional metropolitan areas in 2015 and uncovered continued differences in the maintenance and marketing of REO properties, including the following:

- In Newark, NJ, REOs in communities of color were 6.9 times more likely to have significant amounts of trash and debris littered throughout the property than REOs in white communities.
- In Albuquerque, NM, REOs in communities of color were 6.4 times more likely to have overgrown or dead shrubbery on the property than REOs in white communities.
- In Minneapolis, MN, REOs in communities of color were 4.0 times more likely to have damaged, broken, or boarded windows than REOs in white communities.
- In Cleveland, OH, REOs in communities of color were 3.8 times more likely to have unsecured holes in the structure of the home than REOs in white communities.

As NFHA has documented in previous reports, vacant, poorly-maintained REO properties have a number of detrimental outcomes for the neighborhoods and jurisdictions in which they are located:

- Poorly-maintained REO properties strip neighboring families of wealth. Research shows that living on the same block as a foreclosed property

<sup>3</sup> NFHA's partners in the Wells Fargo investigation included Denver Metro Fair Housing Center in Denver, Colorado; Fair Housing Center of Central Indiana in Indianapolis, Indiana; Fair Housing Center of West Michigan in Grand Rapids, Michigan; Greater New Orleans Fair Housing Action Center in New Orleans, Louisiana; HOPE Fair Housing Center in West Chicago, Illinois; Housing Opportunities Project for Excellence (HOPE) in Miami-Dade and Broward Counties, Florida; Metro Fair Housing Services in Atlanta, Georgia; Metropolitan Milwaukee Fair Housing Council in Milwaukee, Wisconsin; Miami Valley Fair Housing Center in Dayton, Ohio; North Texas Fair Housing Center in Dallas, Texas; South Suburban Housing Center in Homewood, Illinois; The Fair Housing Continuum in Melbourne, Florida; and Toledo Fair Housing Center in Toledo, Ohio.



or a blighted property can result in significant decreases in one's home value and equity. This problem is particularly acute in neighborhoods of color due to the concentration of predatory lending and unsustainable loans made in such communities. From 2005 to 2009, white households lost 16 percent of their net worth, while African American households lost 53 percent and Latino households lost 66 percent.

- Local municipalities are forced to shoulder heavy costs for each vacant, poorly-maintained property within their jurisdiction, and these costs can increase exponentially when the particular local jurisdiction has a high rate of foreclosure. When banks neglect their assets, many of the related expenses become the burden of the local government.
- Vacant REO properties that are poorly-maintained also have significant, negative outcomes affecting the health and safety of neighborhoods. The stress related to living near a foreclosed, vacant property has been documented to increase blood pressure rates for neighboring homeowners. Properties that are vacant and boarded up increase a sense of social isolation and anxiety for the residents living in those neighborhoods. High foreclosure rates are associated with increased criminal activity and arson. Accidental injuries from fires and injuries related to unsecure and unstable structures are more likely to occur in neighborhoods with vacant and neglected REOs.
- NFHA's review of a sample of properties in Prince George's County, MD, showed that poorly-maintained properties were much more likely to be purchased by an investor as opposed to an owner-occupant. Because poorly-maintained properties are more heavily concentrated in Latino and African American communities, neighborhoods of color that formerly thrived with high owner-occupancy rates are increasingly becoming investor-owned rental communities.

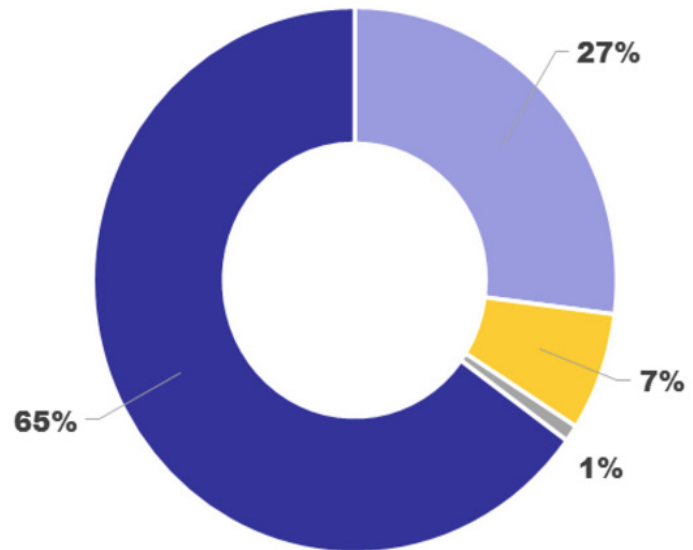
The federal Fair Housing Act requires banks, trustees, investors, servicers, and other responsible parties to maintain and market properties that

are for sale or rent without regard to the race or national origin of the residents of a neighborhood. It is illegal to treat a neighborhood differently because of the race or national origin of the residents. Moreover, these laws obligate banks, trustees, investors, and servicers to monitor the actions of vendors engaged in performing housing-related transactions to ensure that those third party entities are complying with fair housing laws and regulations. Since many institutions have failed to maintain properties appropriately in neighborhoods of color, NFHA and its partners filed Fair Housing Act complaints against banks, lenders, and preservation managers.

### **Background on the Community Relief Funds**

Wells Fargo quickly stepped into a leadership role in the industry. Wells Fargo and its REO division met with NFHA and HUD over the course of a year which resulted in a HUD conciliation agreement in June 2013. The agreement, totaling \$42.005 million, included \$3 million that went to the fair housing partners for attorneys fees, costs, and diversion of resources. The remaining \$39.05 million was set aside as funds to conduct education and outreach around REO best practices and to foster homeownership, assist with rebuilding neighborhoods of color impacted by the foreclosure crisis, and to promote diverse, inclusive communities. Of this, \$505,000 was allocated to education and outreach, and \$27 million was provided to NFHA and the 13 local non-profit partners who were part of the investigation of Wells Fargo REO properties. The remaining \$11.5 million was provided to HUD to support an additional 25 cities through direct neighborhood grant programs.

## Breakdown of \$42.005 Million Conciliation Agreement



- Community Support Grants (Administered through HUD)
- Costs, Damages, Attorneys
- Education and Outreach
- Community Support Grants (Administered through FHOs)

*Ninety-two percent of the funds received from Wells Fargo went toward investment in communities of color.*





## Section II: Strategies for Community Investment

The 14 fair housing organizations (FHOs) divided the \$27 million among 19 cities, so that each city received approximately \$1.4 million for community investments. These investments were made through grants for items such as down payment assistance to owner-occupants seeking to purchase homes in targeted neighborhoods and for creative programs designed to increase homeownership and promote neighborhood stabilization.

Three years later, the majority of these funds has been administered to neighborhoods in dire need of support as they move towards recovery. Each fair housing center developed a community development plan that was tailored to the unique needs of the neighborhoods they serve. Several elected to focus on one or two zip codes that were most adversely affected by foreclosures in order to maximize impact on one neighborhood, while others elected to disperse the funds across multiple areas that were affected. The fair housing organizations implemented a variety of strategies to achieve neighborhood stabilization, including:

**1. Promoting new homeownership opportunities** by providing eligible purchasers in communities of color with down payment and closing cost assistance grants. Through these programs, 700 families have been able to achieve homeownership for the first time. Additionally, these programs were often paired with financial education and homeownership workshops for grantees as well as for other members of distressed communities. These

efforts resulted in 10,001 residents now more equipped to achieve and sustain homeownership.

**2. Investing through grants to homeowners who needed emergency repairs or emergency assistance to prevent foreclosure** as well as through grants to long-time **renters who were facing displacement** because of rising rents. Across the country, 790 homeowners or renters were able to remain in their homes because of these efforts.

**3. Implementing housing rehabilitation grants and other blight-reducing activities as well as creating new affordable housing options.** Fair housing centers partnered with community development groups to repurpose vacant lots for affordable housing and to undertake beautification projects to clean up and invest in targeted blocks. Between the 14 fair housing organizations and their partners, 685 vacant, blighted, and abandoned homes or lots were rehabilitated or repurposed.

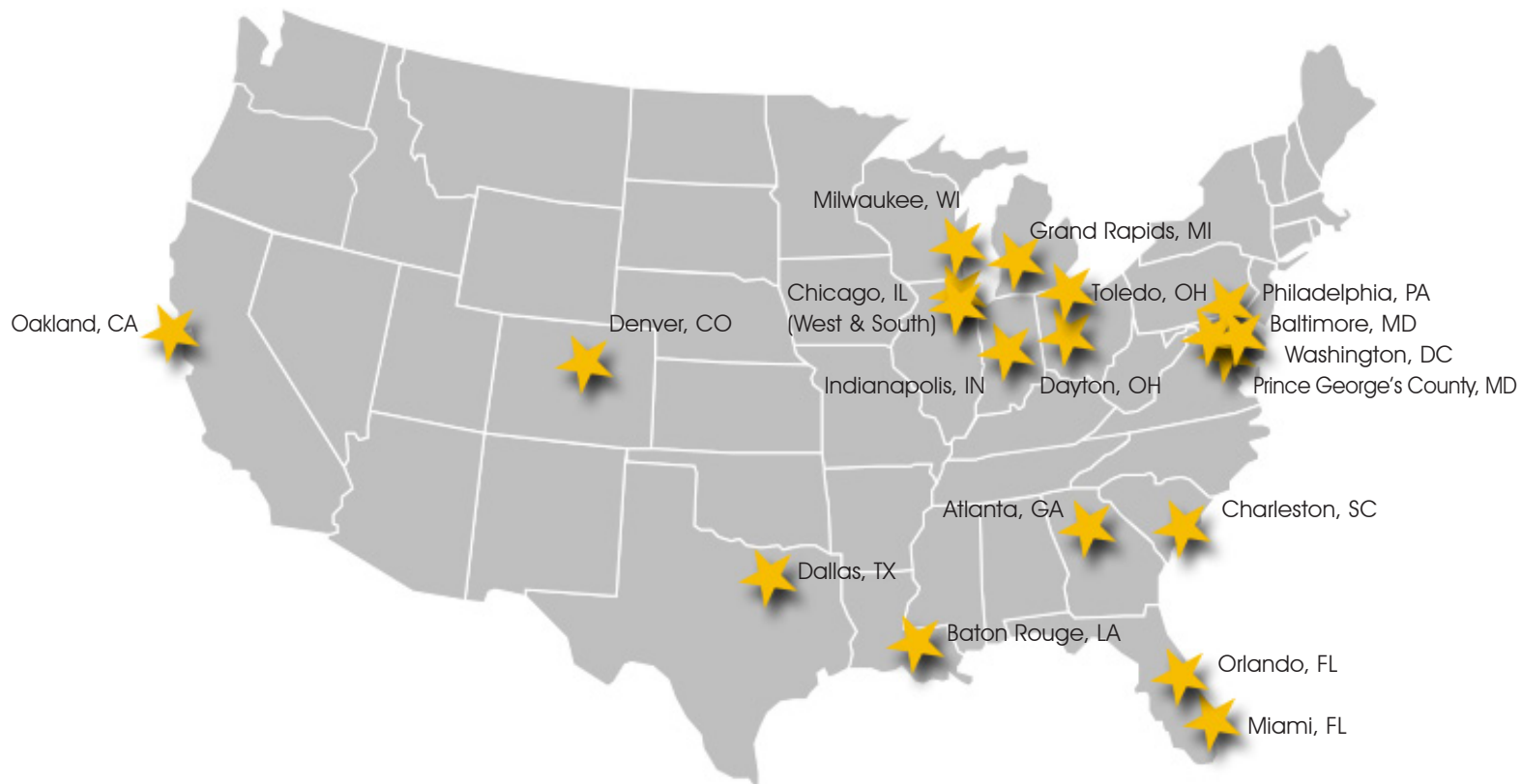
**4. Investing in the development of accessible housing units,** making 182 housing units entirely accessible to persons with disabilities.

**5. Establishing grants to facilitate general quality of life improvements in target neighborhoods.** These activities ranged from making grants for local artists to create public art projects to providing neighborhood youth with access to a community center and summer camp.

These key strategies, along with a number of other creative and unique programs designed to stabilize communi-

ties, have been implemented successfully alongside valuable community partners. The sections below provide examples of each of the strategies listed

above, focusing on real families and real communities that have benefited from the fair housing community support funds.



## The 19 cities:

- Atlanta, GA
- Baltimore, MD
- Baton Rouge, LA
- Charleston, SC
- Chicago, IL Metro Area (Western Suburbs)
- Chicago, IL Metro Area (Southern Suburbs)
- Dallas, TX
- Dayton, OH
- Denver, CO
- Grand Rapids, MI
- Indianapolis, IN
- Miami, FL
- Milwaukee, WI
- Oakland, CA
- Orlando, FL
- Prince George's County, MD
- Philadelphia, PA
- Toledo, OH
- Washington, DC



### **Strategy 1: Promoting New Homeownership through Down Payment and Closing Cost Assistance Grants**

All fair housing organizations understand that increasing the number of owner-occupied homes is an essential piece of neighborhood stabilization, particularly in neighborhoods where homeownership declined after the foreclosure crisis. Thus, the community investment efforts in all 19 cities included some form of down payment or closing cost assistance to support recovering neighborhoods of color. To date, NFHA and its partners have been able to assist 694 families in becoming new homeowners with these investment funds, and this number will grow as grant funds continue to be disbursed.

Each fair housing center partnered with different groups and employed different strategies to generate homeownership opportunities. In South Suburban Chicago, IL, for example, the **South Suburban Housing Center (SSHC)** selected 30 eligible hardest-hit communities and worked with 12 lenders to provide down payment assistance grants of up to \$15,000 per household. SSHC awarded 63 grants through this program and was able to leverage \$328,055 in other funds to generate new homeownership opportunities. Sixty-five percent of the families who received these grants were African American, 22 percent were Latino, and 13 percent were white, with an average household income of \$52,678.

In Prince George's County, MD, down payment assistance grants were distributed through a partnership between NFHA and the Housing Initiatives Partnership (HIP), a 25-year old non-profit organization dedicated to revitalizing neighborhoods and removing blight throughout the county. Prince George's County has long been the wealthiest majority-African American county in the country with thriving middle- and upper-income communities of color. However, because of rampant subprime lending that deliberately targeted African American residents, Prince George's County was by far the hardest-hit county during the foreclosure crisis in the State of Maryland and suffered extreme wealth loss. In fact, Zillow's data on negative equity shows that 36 percent of Prince George's County's homeowners owed more on their home than their

home was worth (were "underwater") at the end of 2014, with home values still down 28 percent from their peak. NFHA's investment in the county has focused on several hardest-hit communities, including Capitol Heights, District Heights, Landover, and Hillcrest, Maryland. Partnering with HIP to acquire blighted properties, many of which are or were REOs, NFHA has provided the funds to renovate a number of properties throughout the four target communities. They have also provided closing cost assistance to eligible families to purchase these homes. By pairing the acquisition and renovation of properties with homeownership promotion and assistance grants, HIP has transformed over a dozen properties from blighted eyesores to attractive properties owned by responsible new homeowners.

NFHA has also funded St. Ambrose Housing Aid Center to assist 17 first-time homeowners with closing cost grants. The grants are used to bridge the funding gap for buyers, making homeownership possible for the first time. St. Ambrose acquires foreclosed houses and renovates them to top market standards, adding elements such as new kitchens with granite countertops and stainless steel appliances, new bathrooms, new roofs, and new HVAC systems.

Many of the endeavors funded by these homeownership grants were paired with financial literacy and homeownership workshops. Across the country, 10,001 households have participated in financial literacy or homeownership workshops as a direct result of these community relief funds.

### **Grantee Spotlight: The Bell Family**



Teresa Jones-Bell and her family are one of the recipients of a down payment assistance grant administered through the South Suburban Housing Center's Inclusive Communities Fund. Their new home is pictured in the inset in the top left hand corner of the image above.

As a result, families in communities of color across the country are now better equipped to obtain or sustain homeownership.

### **Strategy 2: Preserving Communities through Emergency Repair, Foreclosure Prevention, and Anti-Displacement Grants**

The FHOs also wanted to use community support funds to ensure that further loss of homeownership was prevented. Homeownership preservation grants implemented across the country have allowed existing homeowners in communities of color to remain in their homes when they would otherwise have lost their homes to foreclosure, or been unable to remain in their homes due to costly repairs.

#### **2.1 Preventing Additional Foreclosures in Hard-Hit Communities**

Many of the FHOs provided grants to bring families up-to-date on their mortgage payments and to prevent further homeownership loss. For example, in Philadelphia, PA, NFHA partnered with Congreso de Latinos Unidos to provide mortgage assistance to over 30 clients, providing up to \$2,500 in grant funds per household to bring homeowners current. This was paired with appropriate housing counseling to ensure the sustainability of homeownership. Similarly, in the Denver, CO, metropolitan area, the **Denver Metro Fair Housing Center** gave grant funds to its partners to provide 1,954 individuals with housing counseling services, over 800 of whom were people of color.

#### **2.2 Helping Long-time Renters Stay in their Communities**

### **Grantee Spotlight: Del Norte Community**



One of the Denver Metro Fair Housing Center's partners, the Del Norte Neighborhood Development Corporation, provides monthly Homebuyer education workshops in Spanish.

Grants were also administered in some cities to help prevent evictions of long-time tenants in neighborhoods of color experiencing rapid gentrification. This type of grant was first initiated in Oakland, CA, through a partnership between NFHA and Catholic Charities of the East Bay to establish the "Pay it Forward Tenant Rescue Loan Fund." The cost of housing in Oakland has skyrocketed since the peak of the foreclosure crisis, and preventing the displacement of long-time tenants emerged as a priority to allow them to remain in their communities as they gentrify. The Pay It Forward Tenant Rescue Fund provided tenant households with a forgivable financial assistance loan accompanied by supportive services, such as financial education, referral to other services, and utility assistance. Each recipient "paid it forward" by participating in volunteer opportunities provided by the City of Oakland and Catholic Charities of the East Bay.

NFHA is also supporting anti-

displacement efforts through rental assistance in Philadelphia, Charleston, North Charleston, Prince George's County, and Washington, DC. These efforts are particularly unique in the Charleston metropolitan area. NFHA has granted funds to Metanoia Inc., a community development corporation serving the southern region of North Charleston, for the construction of four affordable single-family rental housing units. These homes will serve as homeownership incubators for long-time residents to attend homeownership workshops and save towards purchasing a home in the community.

#### **2.3 Helping Existing Homeowners Stay in their Homes**

Metanoia has been working to bring new homeowners into its service area. In doing so, it recognized a need to assist existing stable homeowners, many of whom are on fixed incomes, with emergency





## Grantee Spotlight: The Grant Family

Mrs. Phyllis Grant and her son, who has physical disabilities, were finding it difficult to enter and exit their home. The four steps leading up to the doorway presented at least a fifteen minute delay each time her son needed to be transported to dialysis. Through its partnership with NFHA, Metanoia was able to make the entrance wheelchair accessible and less hazardous.



Listen to Mrs. Grant talk about her home

home repairs to allow them to remain anchors of homeownership in the community. These residents, many of whom are elderly, have health issues, or are low-income workers, have seen their homes become unsafe liabilities because of water damage, bad insulation, wiring problems, or other expensive home repair issues. Metanoia has used NFHA's funding to provide emergency repairs for 24 households and has installed a wheelchair ramp in one

resident's home.

NFHA employed a similar strategy in Washington, DC, by partnering with Yachad, a non-profit housing and community development organization that repairs single-family homes for long-time homeowners and also completes accessibility modifications in the District of Columbia and surrounding areas. By providing modifications and renovations to DC residents in a few targeted

## Grantee Spotlight: The Jackson Family



Through the partnership between NFHA and Yachad, the Jackson Family received a ramp and porch renovation, first floor renovation, new bedroom, accessible bathroom, and a renovated kitchen to help matriarch Renee Jackson better navigate her home as she deals with her progressive multiple sclerosis.



neighborhoods, Yachad and NFHA are working to prevent the displacement of long-time residents and to allow African American families to build wealth through homeownership.

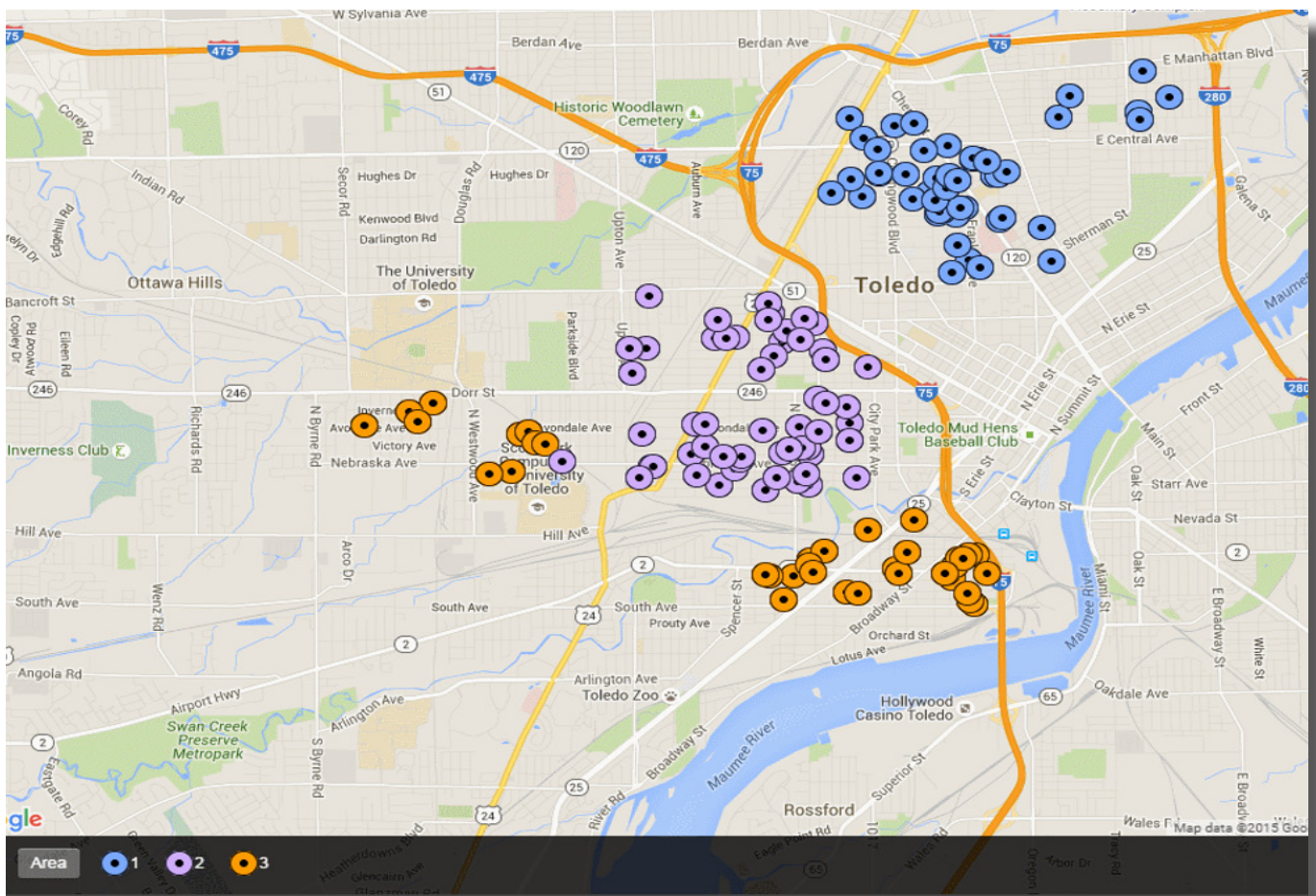
To date, Yachad has completed work on 28 homes and, by prioritizing multigenerational households, has improved the lives of 140 residents. It has also helped one long-time DC resident remain in her home by helping her become current on her mortgage payments. Additionally, Yachad has made two homes accessible to persons with disabilities and has completed financial literacy and homeownership workshops with 19 homeowners. Yachad has mobilized volunteers, obtained donations, and leveraged other

resources to generate \$2.90 in fair market value for every dollar of investment made with NFHA's grant funds.

Ms. Jackson, pictured with her family on page 14, recently told Yachad's director, Audrey Lyon: "When we first met, I told you I viewed myself as a nobody. I no longer see that about myself. I don't feel as a burden to my children and grandchildren anymore. I'm strong again. I'm still dealing with the effects of MS but life has gotten so much easier and I have no desire to leave my home. I am somebody and I will continue to raise my children and grandchildren."

The Toledo Fair Housing Center partnered with the Lucas County

Land Bank to provide 144 homeowners in targeted neighborhoods of color in Toledo, OH, with complete roof and gutter replacement. The partnership allowed for better property preservation and added considerable value to the housing stock in the three neighborhoods in which the partnership focused its activities. Homeowners were selected based on income and length of time in the home, and had to be current on all housing payments. They also had to agree to financial counseling and commit to remain in the home for five years following the renovation. The map below shows the volume and geographic focus of the roof repairs completed through this project.





## Foreclosure Prevention Outreach and Youth Civic Engagement Training in Oakland, CA



In Oakland, CA, part of NFHA's strategy was to provide robust outreach to Oakland households in communities of color, particularly those that had high numbers of foreclosures, to let families know about new foreclosure prevention, anti-displacement, and ownership assistance programs. To conduct this outreach, NFHA partnered with the Martin Luther King Jr. Freedom Center and the Oakland Citizens Committee for Urban Renewal to conduct outreach to approximately 3,000 residents.

In the summer of 2014, The Martin Luther King Jr. Freedom Center Summer Leadership Program organized 95 Bay Area students who were nominated by their schoolteachers as students with emergent leadership skills, but who have not had the opportunity to develop those skills. The curriculum had a component that organized students in various aspects of community service and civic engagement, which included going door-to-door in a foreclosure prevention campaign. Students who participated in the door-to-door work were offered training about the effects of foreclosure and City of Oakland resources. At the end of the four week program, students who had participated in the foreclosure work were offered paid positions for the duration of the summer and into the fall. The youth could do the work for \$10 per hour or for community service hours, which are required by some schools for student graduation.



**Pictured:** Rocio, a bilingual Summer Leadership Program graduate, at the door of an Oakland resident, discussing the foreclosure prevention resources and conducting the related survey.

### Strategy 3: Housing Rehabilitation, Blight Reduction, and New Affordable Housing Grants

Many of the fair housing organizations tackled the blight left in African American and Latino communities after the foreclosure crisis. In doing so, they improved community health and safety conditions and helped prevent further loss of wealth by stabilizing property values. Properties in poor condition were often concentrated on the same block because of the effects of predatory lending and the compounding negative impact of foreclosures and blight on property values.

In an effort to alleviate some of the damage that occurred through the neglect of properties in communities of color, the **Fair Housing Center of Central Indiana (FHCCI)** collaborated with several partners to rehabilitate blighted housing and simultaneously create new affordable housing options. For example, the FHCCI partnered with the Mapleton-Fall Creek Development Corporation to rehabilitate three vacant and/or abandoned homes for owner occupancy and to construct four new, accessible homes on vacant or soon-to-be vacant lots. The FHCCI also supported existing long-term homeowners on the same blocks as these projects by providing them with home repairs that ensured their ability to

remain in their homes. These 10 projects were concentrated in two blocks of North Park Avenue in Indianapolis so as to have high, visible impact on one distinct area.

The **Metropolitan Milwaukee Fair Housing Council (MMFHC)** invested its community relief funds in its “Reclaiming Our Neighborhood” initiative, which provided grants to several Milwaukee non-profit organizations to combat blight through housing rehabilitation projects that would also serve as much-needed new affordable housing options.

Reclaiming Our Neighborhood paired housing rehabilitation on targeted blocks with assistance to families in purchasing vacant, foreclosed homes for owner-occupancy; pre-purchase and post-purchase homebuyer education; and grants for repairs for homes that were previously foreclosures (including City of Milwaukee tax foreclosures). As in Indianapolis, these new homeownership opportunities were paired with matching grants for existing homeowners on the same blocks where their partners were renovating foreclosed homes. MMFHC also funded its partners to mobilize volunteers and compile a database of 160 boarded vacant properties in the Washington Park neighborhood, and facilitated connections for rehabilitation work and design assistance from students at the University of Wisconsin, Milwaukee. These rehabbed homes and supporting projects helped stabilize the real estate market by selling at prices at or above the neighborhood average, while still remaining affordable for homebuyers.

### Grantee Spotlight: Reclaiming Our Neighborhoods



A partnership between the Metropolitan Milwaukee Fair Housing Council, Layton Boulevard West Neighborhoods, and Select Milwaukee allowed for blighted properties that had once been REOs to be renovated and resold to homeowners in the community.



In Atlanta, GA, **Metro Fair Housing Services Inc.** partnered with Atlanta Neighborhood Development Partnership, Inc. (ANDP), a local non-profit developer of foreclosed properties. Together, they developed the “DeKalb County Scattered Site Project” to purchase, rehabilitate and sell 13 vacant, foreclosed homes in south DeKalb County, Georgia, to low- and moderate-income owner-occupants. South DeKalb County, previously home to stable middle-to-upper income communities, was seriously impacted by the foreclosure crisis. Approximately 28 percent of DeKalb’s homes are underwater, compared to 14 percent nationally, and some zip codes have as high as a 50 percent negative equity rate. The partnership allowed for the purchase of 13 homes ranging from \$78,000 – \$154,900 in value. All of the homes were sold to owner-occupants of households at or below 80 percent area median income, and 10 of the 13 met “visitability” stand-

ards (meaning that they had one no-step entry threshold, all door openings on the entry level with a minimum width of 32 inches, and a low entrance slope). The DeKalb County Scattered Site Project provided up to \$7,500 in closing costs and down payment assistance to each buyer, and buyers completed an 8-hour homebuyer certification class provided by a HUD-certified counseling agency.

One of the projects invested in by the **Greater New Orleans Fair Housing Action Center (GNOFHAC)** to serve Baton Rouge’s neighborhoods of color was a partnership with the Urban Restoration Enhancement Corporation (UREC). GNOFHAC and UREC partnered to support development of Urban Gardens, a subdivision of 21 affordable single-family homes on the vacant site of a former elementary school in North Baton Rouge. The subdivision includes three- and four-bedroom homes targeted toward first-time

homebuyers with incomes between 60 and 80 percent of the area median. At the time of this grant, UREC had already completed construction of 9 new homes. It then leveraged GNOFHAC grant funds to complete construction of three additional single-family homes in the development. UREC also used the funding to provide homebuyer education and pre-purchase counseling to 40 targeted households in order to prepare them for homeownership and to help those households purchase the new affordable homes. The GNOFHAC and UREC partnership also provided down payment assistance grants for eligible new homeowners in the community.

#### **Strategy 4: Investing in Accessible Housing**

An essential part of creating more inclusive communities is investing in redevelopment that expands housing opportunities for persons

### Grantee Spotlight: Ken Burch



Ken Burch received a donated home under the project in DeKalb County—a one bedroom, one bath condominium unit in Decatur, GA. He retired from the U. S. Marine Corps, honorably discharged, and was an MOS Combat Engineer. He was stationed for a year in Okinawa, Japan, and spent the remainder of his career at Camp Lejeune, NC. His path to homeownership was difficult, overcoming periods of unemployment and near homelessness. While working a part-time position with the VA Medical Center during the day, he took night classes toward a two-year certificate program in telecommunications at Georgia Perimeter Technical College. A year later he was moved to a full-time position with the VA, where he works today near his new home. The partners took a look at several military veterans applying for homes under ANDP’s Veterans Program and agreed to award one mortgage-free home to the most deserving applicant.



with disabilities. As the fair housing organizations developed their investment strategies, many realized that the disinvested communities they served needed increased housing stock that met the needs of persons with physical and developmental disabilities. Thus, many of the fair housing centers required that all new affordable housing construction funded through their community investment grants was built to accessible standards. Others made grants to improve the accessibility of homes that were already owned or lived in by persons with disabilities through the installation of ramps, chair lifts, or other means.

In Miami, FL, the **Housing Opportunities Project for Excellence (HOPE)** partnered with Housing and Assistive Technology Inc. to provide home rehabilitation services to persons with disabilities by improving both the accessibility aspects and general condition of their existing homes. One example of a client who benefited from this partnership is the family of 14-year old Pedrito, who cannot walk and has limited mobility due to his disability. Pedrito had lived in a sparsely-furnished, first floor room attached to his parents' home which was several feet above ground level. The only bathroom in the home was too small for bathing Pedrito, so his parents tended to his sanitary needs while he was seated on a bedside commode chair. The grant allowed his room to be enlarged and for him to have a roll-in shower installed in the space. They also installed a special power chair and ceiling lift to aid Pedrito's family with transporting him safely in and out of the shower.

The **Toledo Fair Housing Center's** partnership with the Ability Center of Toledo allowed for a number of modifications for long-time homeowners in their targeted neighborhoods. One recipient, Patricia M., a mother of five adult children who all live in her neighborhood, received a chair lift through the grant so that she can now better navigate her two-story home. Prior to the modification, Patricia would use the stairs sparingly or not at all. Once downstairs, she would stay there the entire day and often sleep on the couch to avoid the frightening climb back up. "I had a fear of falling every time I went up or down. On top of that, there was the pain that occurred just using the stairs. It was a slow process. Now, with the chair lift installed, the fear and pain has lessened tremendously. I can use the

### Grantee Spotlight: Patricia M.



*"I had a fear of falling every time I went up or down. On top of that, there was the pain that occurred just using the stairs. It was a slow process. Now, with the chair lift installed, the fear and pain has lessened tremendously. I can use the stairs whenever I need. It is a true Godsend."*

- TOLEDO RESIDENT PATRICIA M.

## Grantee Spotlight: Veteran Housing



These pictures show elements of the specially adaptive home of the paralyzed veteran in Hannibal Square.

specially adaptive home built to meet his needs. The Continuum also joined with HANDS of Central Florida as a partner in a project spearheaded by the Orlando Regional REALTOR® Association, called Heroes Commons, in the Parramore District of Orlando. The project is a holistic community of six single-family homes for veterans and active duty military with disabilities and/or first responders. Because the homeowners have disabilities and the homes will be in a distressed neighborhood, the Continuum provided grants of up to \$30,000 each. The City of Orlando donated the vacant lots, and the local Architects Association provided the plans and drawings for accessible homes free of charge. The local Builders Association has provided labor at cost plus 10 percent, and Home Depot provided some of the materials.

In Dallas, TX, the **North Texas Fair Housing Center** partnered with Storey Lane Chateau, which currently houses 12 residents who are all adults with disabilities and/or developmental delays. Storey Lane Chateau, operating for over 20 years, has been attempting to

stairs whenever I need. It is a true Godsend.”

In Orlando, FL, the **Fair Housing Continuum** engaged a number of partners to assist persons with disabilities. One partner, the Hannibal Square Community Land Trust, leveraged grant funds from the Fair Housing Continuum to provide a veteran paralyzed in combat with a

add an elevator to the residence for the past decade. With a grant from the North Texas Fair Housing Center, Storey Lane was able to add an elevator to

## Fair Housing and Accessibility

Fair Housing Organizations have a long history using funds from fair housing settlements and conciliations to support access to housing for persons with disabilities. When the builder, developer, or architect defendants in a case resolve issues regarding compliance with the Fair Housing Act and there are some apartment buildings or units that cannot be retrofitted to become accessible, the defendants have agreed to provide funds to fair housing groups to use as grants to help people make their current housing accessible. Over the past several years, NFHA has received more than \$6 million from various settlements to provide grants to people to make their apartments or homes accessible.



provide ease and added amenity for both residents and their visitors. “Not only are the residents getting older, so are their parents,” said Hazel Korol from Storey Lane’s Board of Directors. “I know of one resident who was not able to have his mother visit because he lives on the third floor.” The North Texas Fair Housing Center funded a grant for Storey Lane to install an elevator. “We have been blessed that we were given this grant; it means so much,” Korol said. “I was almost in tears. It has been a long struggle.” The elevator has increased accessibility as well as allowed residents to remain living independently as they grow older.

### **Strategy 5: Quality of Life, Environment, and Community Enhancement Grants**

Public health and safety, access to parks and recreation, and beautification projects are important components of neighborhood stabilization efforts. Many of the fair housing organizations committed a portion of their community support resources to achieving a better quality of life and fostering a sense of pride for neighborhood residents. These projects went beyond traditional housing development and included increasing access to green space by promoting farmers markets and funding community gardens, sponsoring “block clean ups,” and allowing increased access to recreational activities for all families.

The **Miami Valley Fair Housing Center** in Dayton, OH, set aside approximately \$50,000 for what it called the Inclusive Community Fund Quality of Life Grants. The program provided grants of up to \$5,000 to non-profit organizations, neighborhood associations, and social or fraternal organizations for special projects in the two zip codes in which the efforts were focused. Some of the funded projects included the Residence In Praise Fine Arts Center’s 2014 Summer Arts Camp; the Southwest Priority Board’s transformation of a vacant lot into a “Tot Lot” playground; the Schmelson Family’s North Broadway Park Enhancement project in Trotwood, OH, to install heavy-duty 40 gallon metal outdoor recycling containers throughout the park; and 239 summer recreation passes to youth in zip code 45417 to allow them 3-month access to the City of Dayton Recreation Center at Roosevelt Commons.

### **Grantee Spotlight: Storey Lane**



Storey Lane Chateau’s new elevator at the ribbon cutting ceremony. The elevator, made possible by a grant from the North Texas Fair Housing Center, has increased accessibility for the home’s 12 residents.



**Pictured:** Children playing in the new Weaver Street Tot Lot, one of the projects made possible through the Miami Valley Fair Housing Center’s Inclusive Community Fund Quality of Life Grants.



In recognition of the importance of access to healthy food and exercise, **The Fair Housing Center of Central Indiana** partnered with Marian University to create a Farmers Market, an Urban Teaching Garden, and a Summer Biking Camp targeting at-risk youth. All programs were also made accessible to persons with disabilities. Marian hosted the first Farmers Market in the neighborhood, a noted food desert, over the summer of 2014.

In Miami, FL, **Housing Opportunities Project for Excellence** sponsored the development of The Miami Youth Garden. This urban fruit and vegetable garden was created as an initiative by the Youth Ministry of the Miami-based Church of the Open Door and replaced a once-vacant lot with a vibrant green area. The grant from HOPE provided funding specifically for a much-needed irrigation system and wrought iron fence, and it paid for a gardener, a program supervisor, marketing, postage, and printing.

NFHA has undertaken a beautification partnership with Bel Air Edison Neighborhoods Inc. (BENI), a non-profit organization based in Baltimore, MD, to provide grants to 10 graduates of its resident leadership program who will facilitate the cleanup and

**Pictured:** The Miami Youth Garden, funded in part through a grant from HOPE, has replaced a once-vacant lot.



beautification of three neighborhood blocks/parks in Baltimore. The neighborhood group will create gardens and reading parks in communities harmed by foreclosure and disinvestment. This work complements several of the down payment assistance grants that another NFHA partner, St. Ambrose Housing Aid Center, has already been awarded to support homeownership in the same neighborhood.

## Grantee Spotlight: DOCK Garden

The Dorcas Outreach Center for Kids (DOCK) received a grant from the Fair Housing Continuum in Melbourne, FL, to maintain and expand its vegetable garden in 2015. An active group of neighborhood teens and volunteers keep the garden weeded and watered. Children and teens from the nearby school prepare and enjoy the food produced in the garden, and the DOCK Garden is used as a teaching tool about health, nutrition, cooking, art, and science.



## Other Innovative Strategies

Program flexibility allowed the fair housing organizations to administer community support funds directly to their service areas and to tailor their strategies for reinvestment to the unique needs of the communities that were harmed by discriminatory treatment in the wake of the foreclosure crisis. Creative and effective strategies were implemented to promote neighborhoods in new ways and to address cutting edge, emerging issues for fair housing and community development.

One such creative approach was undertaken by **HOPE Fair Housing Center** in West Chicago, IL. HOPE implemented a community branding strategy to go along with its down payment assistance grants to promote homeownership in Elgin, a suburb of Chicago. The tagline for this neighborhood branding was “ELGIN-STEAD of where you’re living now.” Partnering with The CauseWay Agency to create billboards, posters, radio commercials, online/social media, and the Elginstead website, the campaign promoted Elgin’s decently-priced housing stock and positioned the city as a diverse, inclusive community. The materials showcased the great features and amenities that living in Elgin can provide, including neighborhood strengths such as diversity, access to public transit, scenic natural location, high ranking high schools, proximity to a hospital, and affordable historic homes.

The National Fair Housing Alliance was also able to use community relief funds to address a key civil rights issue that is becoming an increasingly large and visible barrier to housing choice—the ability for persons with criminal backgrounds to access safe, affordable housing options. NFHA chose to partner with Ready, Willing and Able (RWA) in Philadelphia, PA, to begin to address the needs of this particular population. RWA is a program that breaks the cycle of homelessness, addiction, and criminal recidivism

# Grand old Victorians await grand new owners.

From grand old Victorians to modern single-family houses, townhouses and condos, Elgin gives you more room for less money. It has a real downtown you can walk around in, full of shops, restaurants and clubs, many in historic buildings. With museums, art galleries and the second-largest symphony orchestra in the state, and with artists moving into newly-renovated lofts, it has a vibrant cultural life – enhanced by the diversity of its people. *U.S. News & World Report* and *Newsweek* give Elgin’s high schools top marks. Winding through the center of the city, Fox River parkland invites walking, biking and canoeing. Three different railroad stations in Elgin put Chicago only 45 minutes away. Consider putting yourself here. Financial incentives may be available.



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by providing housing, wraparound services, and training for homeless men while they work towards self-sufficiency. NFHA and RWA have partnered to provide grants to the clients who successfully graduate from their programs, and these grants may be used for security deposits, utility assistance, or to support the clients’ transition to permanent housing. RWA will also administer a survey and provide small housing grants to its graduates, the majority of whom have criminal backgrounds, to better understand the obstacles they face as they search for stable housing. Their responses will provide advocates with information about barriers to housing and help the fair housing community develop educational programs for landlords and other housing providers so they will expand rental opportunities for program graduates.

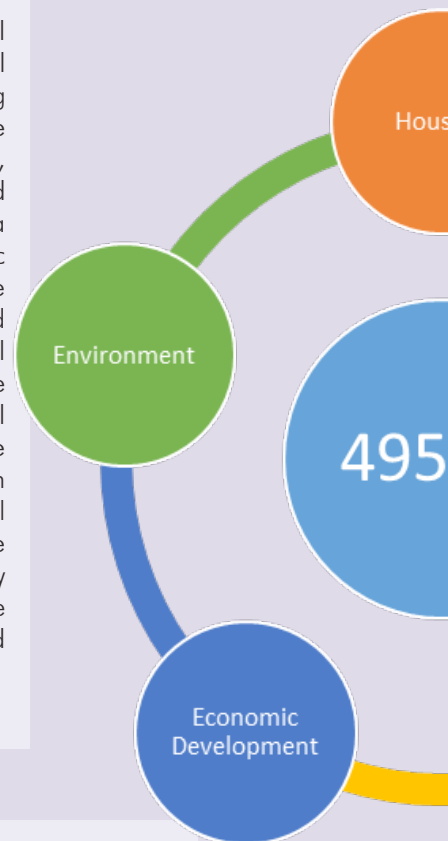


# 49507! Holistic Place-Based Investment in Grand Rapids

Upon receiving the \$1.42 million in community relief funds for Grand Rapids, MI, **The Fair Housing Center of West Michigan (FHCWM)** directed its attention to a small, densely populated area in the 49507 zip code on Grand Rapids' southeast side. The comprehensive effort, "49507!," was designed to address a maximum number of social determinants intersecting with housing and opportunity, through strong contract partnerships with existing neighborhood assets, leveraging modest investment to strengthen a community and highlight the potential for social, economic, and environmental progress. The 2-year project focused on addressing a range of needs around housing, health & safety, education, and economic & environmental development. It relied on a broad array of over 15 partners, nearly all rooted in the local neighborhood, and robust community engagement.



Environment: FHCWM and several partners focused on involving local families to promote interest in improving an underutilized park. Crews were funded to clean up trash and debris, paint railings, edge pathways and courts, plant 20 trees, and install a bench, grill, and bike rack for public use. New landscape plantings were designed and installed as well, and the park was the focus of an annual Arbor Day tree planting event. The 49507! Project was also successful in raising \$500,000 to purchase vacant land that was formerly a high school for return to public recreational use as green space. Ultimately, the owner declined to sell at a previously identified price, and funds raised were re-programmed by donors toward other neighborhood investment.



Economic Development: FHCWM funded two studies to identify the economic development opportunities for the 49507 neighborhood and to encourage additional outside investment.



Housing & Homeownership: FHCWM partnered with Next Step of West MI, LINC. Inc., MoHawk Real Estate, Inc., and the Kent County Land Bank to rehabilitate 14 single-family homes for owner-occupants. This was paired with five grants to households for \$3,000 in downpayment or principal write-down assistance.



#### Health & Safety

Health & Safety: The 49507! Project's focus on community well-being also meant tackling safety in the home and in public areas, as well as healthy housing opportunities. In partnership with the Healthy Homes Coalition in 49507, families with children were enrolled in the Healthy Homes for Kids program, Family-centered Action Plans were developed to resolve existing hazard issues, and families received intensive asthma-intervention and a "Get the Lead Out" treatment. An additional partner, LINC. Inc., also delivered the STOP IT! Youth Leadership curriculum designed to curb violence to middle school students at two schools. Finally, the FHCWM was able to partner with four local groups to develop and implement a Safe Routes to School initiative for the local elementary school to address concerns around public safety.



#### Education

Education: FHCWM partnered with the Seidman Boys & Girls Club, a program that serves hundreds of children in several summer and after-school activities, to provide facility improvement funds for paint, countertops, flooring, carpet, internet access, and communication systems along with support for summer arts programming, cameras, updated computers, and LEGO Story starter kits to develop language skills. Additionally, FHCWM staff taught more than 175 children from area families about fair housing in seven sessions for students aged 6-17 years old.







## Section III: Key Takeaways and Lessons Learned

As the Fair Housing Organizations complete their investments of community support funds in distressed communities all over the country, a number of key takeaways and lessons learned for future partnerships and conciliations have emerged.

### **1. Strong Partnerships and Robust Community Engagement Produce More Effective Investment**

Fair housing organizations across the country have their finger on the pulse of many community needs, and many have robust histories working in tandem with community development corporations, other civil rights groups, and city government (among many others) to achieve better outcomes for the communities they serve. However, the FHOs are not longstanding grant-making institutions, nor is their mission to administer robust community development programs. As the FHOs administered the community support funds, they developed a range

of partners to address some of the destructive effects of neighborhood-level discrimination and disinvestment in a comprehensive manner. Due to the nature of fair housing work, many FHOs already work in coalition with community groups in their service areas and were able to activate existing networks to implement community support grants. Others have built valuable new partnerships that will undoubtedly evolve moving forward into a more collective and holistic approach to meeting community housing needs. In Grand Rapids, for example, the Fair Housing Center of West Michigan relied on over 15 partners which each brought its own expertise and resources to the table to transform the 49507 zip code. Collectively, the partners were able to realize significant impact in



a relatively small geographic area by addressing the full spectrum of community development needs. This impact would have been impossible alone or with fewer partners at the table. The multi-pronged strategy also allowed for maximum strengthening of neighborhood assets because it was so rooted in the existing community development infrastructure.

In many of the other cities, the FHOs began collecting information for their community investment plans by holding community meetings and engaging a wide range of partners before making any grants. For example, in West Chicago, IL, HOPE convened several community meetings to ascertain the priorities of the residents for funding initiatives. Requests for Proposals solicited applications for activities covered under the residents' wish list to create and support the revitalization initiative called AustinWorks 2014.

## **2. Focusing Investment on One Small Geographic Area Can Deepen Impact and Allow for a Holistic Strategy**

Many of the strategies employed in cities ranging in size from Grand Rapids to Indianapolis were focused in hardest-hit geographies in an attempt to concentrate resources to have meaningful and noticeable impact. As outlined on the previous pages, the Fair Housing Center of West Michigan concentrated its investments in part of zip code 49507, an area that bore the brunt of the harmful effects of discriminatory

## Concentrating Investments in Indianapolis



By focusing a major grant on renovating blighted properties on only two blocks in Indianapolis, the Fair Housing Center of Central Indiana's investments were able to make a visible impact on an entire neighborhood. Pictured above, two once-dilapidated houses next door to one another were both renovated inside and out. The photograph below shows another house on the same block that was also rehabbed and sold to an owner-occupant.





REO treatment in Grand Rapids, MI. Similarly, in Dayton, OH, the Miami Valley Fair Housing Center selected two zip codes that were disproportionately affected by poor maintenance of REO properties. In Indianapolis, IN, much of the reinvestment effort was concentrated in an area of high need that spanned only two blocks—a strategy that yielded a highly-visible, positive change.

### **3. Leveraging is Critical to Expanding the Impact of Investment Funds**

With a limited amount of funds available for each city, it was imperative that each fair housing organization identify ways to leverage the funds to generate additional resources and to expand the impact of their investments. In some cases, leverage was obtained by allowing for the matching of funds by existing homeownership-promotion programs run by the city or county. In other cases, private grants and resources were leveraged to expand the scope of reinvestment. In North Charleston, SC, NFHA's \$100,000 investment in the construction of four new single-family homes for the building of a homeownership incubator was matched by a \$100,000 grant from corporate partner MWV Specialty Chemicals. That amount was then leveraged with HOME grant dollars from the State of South Carolina for a total project budget of \$677,800. In Orlando, the Fair Housing Continuum obtained matching funds for every dollar of its investment and even had supplies donated to one project

from Home Depot. Overall, the fair housing groups have estimated **\$17.3 million in actual leveraged dollars**, and this does not account for the ample leveraged support in the form of donated supplies and volunteer hours, as well as increased home values, wealth, and city taxes.

### **4. The Flexibility of Community Investment Funds Allowed a Diverse Range of Community Needs to be Addressed**

In future conciliation agreements, flexibility in the use of investment funds is imperative so the funds may truly address a broad range and diversity of needs in communities that simply cannot be met otherwise. During the foreclosure crisis, middle-income families bore the brunt of the wealth loss as homeownership rates plummeted in Latino and African American communities. However, many of the programs available for rental assistance, down payment assistance, and other housing-related support have strict income limits. Middle-income is defined generally as 80 – 120 percent of area median income (AMI); however, many affordable housing non-profits and city sponsored programs, for example, are restricted to persons with incomes below 50 percent of median income.

In the Charleston, SC, metropolitan region, for example, existing rental assistance grants are restricted to persons with incomes below 50 percent of the area

median income. "The SC Help guidelines have clearly defined hardship requirements and most recipients are below 50 percent AMI due to unemployment and/or a disability hardship," explained Caprice Atterbury, CFO of Origins Inc., one of NFHA's partners in South Carolina. "Roughly 80 percent of our clients facing foreclosure do not qualify for the SC Help program and there is no assistance for them. Even with a mortgage modification they often do not have the funds to pay taxes and [homeownership association] fees." NFHA was able to work with its partners in South Carolina to provide grants without such limited income restrictions, thus filling a gap in the existing resources available to help both tenants and homeowners who are increasingly struggling to maintain housing following the financial and housing crisis. Similarly, in Baltimore, NFHA worked with St. Ambrose to expand its income eligibility and service areas to provide grants to homeowners or potential homeowners in need of assistance.





**Pictured:** Three of the students from the Martin Luther King Jr. Freedom Center Summer Leadership Program who went door-to-door during a foreclosure prevention campaign in Oakland, CA.





**Pictured:** Students in the Dorcas Outreach Center for Kids (DOCK) program and Fair Housing Continuum staff during an educational field trip to the East End Market, a neighborhood food business incubator.

*“Many neighborhoods across the country have been seriously damaged by the foreclosure crisis, including the devastating impact of poorly maintained foreclosures on property values, curb appeal, and tax revenue for schools. Our joint efforts will help lay the foundation to get some of those neighborhoods back on their feet.”*

- NFHA PRESIDENT AND CEO SHANNA L. SMITH

# Conclusion

**Several years after the peak of the foreclosure crisis, the housing market in many communities across the U.S. has made a full recovery.**

However, communities with predominantly African American and Latino residents, those that were most heavily targeted with bad loans, still suffer from higher numbers of foreclosures, more homeowners with underwater mortgages, and many vacant and blighted homes. This unequal recovery has been due in part to continued discrimination and disinvestment, even as the national housing market bounces back.

The community support funds awarded to NFHA and its 13 partner fair housing organizations have

been imperative in changing the recovery narrative for these struggling communities. Many of these neighborhoods were stable prior the housing crisis but have been in dire need of investment to increase homeownership rates and mitigate other effects of the crisis, such as high vacancy rates and blight. Through partnerships with community groups, the fair housing organizations created and implemented effective community development strategies that translated into real results for real families and real neighborhoods.





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