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Title of proposal: Offering Restorative Housing Reparations

Restorative housing payments address past discriminatory policies/practices in housing by the City of Evanston between 1919 to 1969 towards Black residents of Evanston.

Restorative reparations may be layered with other City or external programs for which the recipient is eligible, including the CDBG Housing rehabilitation program, and down payment and closing cost assistance through the Illinois Housing Development Authority.

The Restorative Housing Reparations is budgeted for **\$400,000.00**.

Eligible uses for funds:

- **Home Purchase**

Funds may be used by eligible individuals to purchase real property located within Evanston city limits and occupied as their principal residence. The down payment/closing cost assistance is provided in the form of direct payment to the approved homeowner. Purchase assistance shall be up to \$25,000.00.

- **Home Improvement**

Funds may be used by eligible individuals to improve the quality of existing property. Home improvement encourages the revitalization, preservation, and stabilization of Black homes. The home improvement assistance shall be up to \$25,000.

- **Mortgage Assistance**

Funds may be used towards mortgage principal, interest and/or late penalties for a residential primary residence in Evanston. This can not go towards taxes, help them to build equity, The mortgage assistance shall be up to \$25,000.

Eligibility

Applicants must meet the following criteria:

- a. Be a Black resident; and
- b. suffered discrimination in housing as a result of City ordinance, policy or practice; or
- c. is a direct descendent of a Black Evanston resident who resided in Evanston between 1919 to 1969 who suffered discrimination in housing as a result of City ordinance, policy or practice.

Payment Process

Housing Grant vs. Forgivable Loan



Memorandum

Committee Objectives

As part of the Resolution 126-R-19, the City Council formed a subcommittee of its Council members to conduct a feasibility study to determine the viability of several recommendations:

- 1) Housing assistance and relief initiatives for Black residents in Evanston and;
- 2) Various Economic Development programs and opportunities for Black residents and entrepreneurs in Evanston.

Housing Programs

1. Home Buyer Assistance Benefit Program (new homeowners)
2. Home Preservation Benefit Program (existing homeowners)
3. Home Rehabilitation/ Renovation Program (new and existing homeowners)
4. Property Tax Distress Program (existing homeowners - senior emphasis)
5. Property in Foreclosure Counseling Program (existing homeowners)
6. Financial Literacy Program (new and existing homeowners/ renters)

Budget

Evanston's Local Reparations programs will be funded by the first \$10 million dollars of the City's Municipal Cannabis Retailers' Occupation Tax as outlined in Resolution 126-R-19.

The Home Buyer Assistance Benefit Program is budgeted for \$250,000.00.

Home Buyer Assistance Benefit Program

The program is open to first-time homebuyers purchasing real property located within Evanston city limits and occupied by the homebuyer as their principal residence. The down payment assistance is provided in the form of direct payment to the approved homeowner. The down payment assistance shall be in the amount of \$10,000.00.

Program Objectives

- To promote homeownership by Black Evanston residents to remedy past discriminatory practices in housing by the City.
- To preserve and encourage economic diversity in the City of Evanston
- To facilitate the purchase of market-rate housing affordable.
- To promote successful homeownership opportunities by providing homebuyer education and responsible mortgage financing for Program participants

General Rules and Terms of Eligibility

Loans will be funded from the Local Reparations Fund. The loan proceeds must be used solely for eligible costs. The general rules govern financial conditions that apply to the Program. Applicants who do not comply with or meet the criteria set forth in these General Rules will not be eligible for down payment assistance.

General Terms and Conditions

1. Borrowers must agree to own and occupy a condominium, single-family home, one or four-unit building in Evanston as their principal residence for the term of the benefit.
2. Eligible Property
 - a. The property must be located in Evanston city limits
 - b. The property must be a standard dwelling unit including a single family home, townhome or condominium. .
3. Must reside in the property 10 years

Eligibility

Applicants must meet the following criteria:

- a. Be a Black resident; and
- b. suffered discrimination in housing as a result of City ordinance, policy or practice; or
- c. is a direct relative to a Black Evanston resident who resided in Evanston between 1919 to 1969 who suffered discrimination in housing as a result of City ordinance, policy or practice.

Loan Forgiveness

Homebuyers are provided with zero percent interest loans and up to \$10,000 for down payment and closing costs assistance. The loan is forgiven monthly over 10 years. The balance of the loan must be repaid if the buyer sells the home before the 10 years are completed.