



Memorandum

To: Honorable Mayor and Members of the City Council
CC: Members of the Reparations Subcommittee
From: Kimberly Richardson, Interim Assistant City Manager
CC: Tasheik Kerr, CMO Management Analyst, Nicholas Cummings, Deputy City Attorney
Subject: Adoption of Resolution 37-R-27, Authorizing the Implementation of the Evanston Local Reparations Restorative Housing Program and Program Budget
Date: March 22, 2021

Recommended Action:

The Reparations Subcommittee recommends City Council adopt Resolution 37-R-21 to authorize the implementation of the Local Reparations Restorative Housing Program and the initial program budget of \$400,000.

Funding Source:

Funding will be provided from the Local Reparations Fund (Account 177.15.1595.62490).

Council Action:

For Action

Summary:

The Reparations Subcommittee of the City Council was established in August of 2019 to determine how the City should allocate ten million dollars (\$10,000,000.00) of the City's Municipal Cannabis Retailer's Occupation Tax for local reparations.

The Restorative Housing Program is the first initiative developed by the Reparations Subcommittee focused on preserving, stabilizing, and increasing homeownership, which builds intergenerational wealth among Black/African-American residents. A housing program was prioritized as the first program to be funded by the Local Reparations Fund after the initial community feedback reported by the Equity and Empowerment Commission in 2019.

The Subcommittee held fifteen (15) public meetings during the development of the Program. The Subcommittee also discussed the Program at the December 2020 City Council meeting for the purpose of soliciting feedback on the draft framework of the housing program. In the

process of developing and educating community members on the Restorative Housing Program, the Subcommittee received over 100 inquiries of interest to apply via the Subcommittee's feedback form and numerous letters of support.

The Reparations Subcommittee will dissolve at the end of April to be replaced with the Reparations Committee which was formally codified in 2021. Applications are currently being accepted for community members who are interested in serving on the Committee. The Reparations Committee will continue the work of the Reparations Subcommittee in identifying and recommending new benefits, programs, and initiatives to be funded by the Reparations Fund to City Council for approval.

For individuals interested in learning more about the newly formed Reparations Committee, additional information about the process in developing the Restorative Housing Program, or about Evanston Local Reparations, visit www.cityofevanston.org/reparations.

Restorative Housing Program Description and Benefits Highlights

The Restorative Housing Program ("the Program") acknowledges the historical harm caused to Black/African-American Evanston residents due to discriminatory housing policies and practices and inaction by the City.

Eligible individuals may receive up to \$25,000 for the following benefits:

A. Home Ownership Benefit

The Home Ownership benefit provides down payment/closing cost assistance to purchase real property located within the City.

B. Home Improvement Benefit

The Home Improvement benefit provides funds to repair, improve, or modernize real property located within the City.

C. Mortgage Assistance Benefit

Mortgage Assistance benefit provides funds to pay down mortgage principal, interest, and/or late penalties for real property located within the City.

Participant Eligibility

For the Program's purposes, African-American/Black is defined as having origins in any of the Black racial and ethnic groups of Africa. For a participant to qualify for the Program, one must fall under one of the following categories:

Ancestor - African American or Black resident of the City between 1919 and 1969 may have children, grandchildren, great-grandchildren, or other issues defined as a "Direct Descendant."

Direct Descendant - A blood relative in the direct line of descent of an African American or Black resident of the City between 1919 and 1969.

An Applicant does not qualify as an Ancestor or Direct Descendant but experienced housing discrimination due to the City's policies/practices after 1969. To determine an individual's eligibility to participate in the Program, the individual must meet the eligibility requirements outlined in the Program guidelines.

Program Application Process

Once the applicant completes the application, the newly formed Reparations Committee will determine the applicant's eligibility to participate in the programs as listed in the guidelines.

The Reparations Committee shall be responsible for creating a randomization process to identify approved applicants should there be more approved applicants than available funds. After the Reparations Committee's determination, the Program Administrator will notify the applicant in writing with approval or denial.

The applicant's participation or non-participation in the Program does not preclude future involvement in other City of Evanston Local Reparations Initiatives. Also, if awarded, an applicant may transfer Program funding to a Direct Descendant. The Direct Descendant recipient shall be bound by all rules and regulations governing the Program.

Program Budget

The Restorative Housing Program's initial budget is \$400,000. However, if funding does not keep pace with the demand of approved applicants, the Reparations Committee may return to City Council to recommend an increase in funding, if available.

As to date, the Reparations Fund has received \$21,343.50 in private donations in addition to revenue received from the three (3) percent Cannabis tax. By state law, all information received by the Illinois Department of Revenue (IDOR) from cannabis tax returns is confidential. The City cannot release information regarding individual taxpayer (i.e., retailer) reporting at this time. If in the future additional cannabis dispensaries open in Evanston and tax receipts are comingled, the City will be able to report fund balance and monthly earning. Until then, staff is limited to reporting that there is sufficient funding to cover the cost of this program in 2021.

Program Implementation

Once the Program is approved for implementation by the City Council, mid-summer 2021 will be the earliest the application will be released to the public. Initial applications will be accepted, reviewed, and funded in the following order:

1. Applicants applying as an Ancestor.
2. Applicants applying as a Direct Descendant.
3. Applicants that do not qualify as either an Ancestor or Direct Descendant, but experienced housing discrimination due to the City's policies/practices after 1969.

The City Manager's Office will have the primary responsibility for overseeing the administration of the Program. A program manager will be assigned to keep, at minimum,

applications and all required documents to verify eligibility with program requirements and would be responsible for application intake.

Once staff and the Reparations Committee reviewed applications, and upon final approval by City Council, funds will be disbursed electronically or via check to the closing agent for disbursement when Applicant closes on a home purchase; to the contractor upon receipt of an invoice; or to the lender for a mortgage payment.

Legislative History:

Resolution 126-R-19, "Establishing the City of Evanston Reparations Fund and the Reparations Subcommittee"

Ordinance 102-0-20, "Reparations Committee"

Attachments:

[37-R-21 Authorizing Local Reparations Restorative Housing Program](#)
[Reparations- Restorative Housing Program Guidelines-FINAL DRAFT v2](#)

37-R-21

A RESOLUTION

Authorizing the Local Reparations Restorative Housing Program

WHEREAS, In 2002, the City Council supported US House Resolution 40 (HR-40), calling for a Federal Commission to study slavery and its vestiges, and to make recommendations for reparations, with the adoption of Resolution 43-R-02, “Slave Reparations”; and

WHEREAS, In November 2019, the Evanston City Council adopted Resolution 126-R-19, “Establishing the City of Evanston Reparations Fund and the Reparations Subcommittee”; and

WHEREAS, City Council committed the first ten million dollars (\$10,000,000.00) of the City’s Municipal Cannabis Retailers’ Occupation Tax (3% on gross sales of cannabis) to fund local reparations for housing and economic development programs for Black Evanston residents; and

WHEREAS, In passing Resolution 58-R-19, “Commitment to End Structural Racism and Achieve Racial Equity”, the City of Evanston government recognizes that like most, if not all communities in the United States, the community and the government allowed and perpetuated racial disparities through the use of many regulatory and policy-oriented tools; and

WHEREAS, The Local Reparations Restorative Housing Program (“The Program”) acknowledges the harm caused to Black/African-American Evanston residents due to discriminatory housing policies and practices and inaction on the part of the City; and

WHEREAS, The Program is a step towards revitalizing, preserving, and stabilizing Black/African-American owner-occupied homes in Evanston, increasing homeownership and building the wealth of Black/African-American residents, building intergenerational equity amongst Black/African-American residents, and improving the retention rate of Black/African-American homeowners in the City of Evanston.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS THAT:

SECTION 1: The City Council hereby adopts the City of Evanston Local Reparations Restorative Housing Program attached as Exhibit A.

SECTION 2: The City Council hereby directs initial funding in the amount of \$400,000.00 from the Local Reparations Fund for the purpose of this program.

SECTION 3: Resolution 37-R-21 shall be in full force and effect from and after its passage and approval in the manner provided by law.

Stephen H. Hagerty, Mayor

Attest:

Approved as to form:

Devon Reid, City Clerk

Kelley A. Gandurski, Corporation Counsel

Adopted: _____, 2021

EXHIBIT A

The City of Evanston Donation Policy

City of Evanston
Local Reparations:
Restorative Housing Program



City of
Evanston[™]
Program Guidelines

2100 Ridge Avenue, Evanston, Illinois 60201

PHONE: 847-448-4311 | EMAIL: Reparations@Cityofevanston.org

RESTORATIVE HOUSING PROGRAM GUIDELINES

Table of Contents

Section 1	Program Purpose
Section 2	Definitions
Section 3	Program Eligibility
Section 4	Application Submission and Approval Procedures
Section 5	Program Descriptions
Section 6	General Rules and Terms of Eligibility
Section 7	Property and Occupancy
Section 8	Eligible Use/Disbursement of Funds
Section 9	Disbursement Process
Section 10	Policy Modifications
Section 11	File Maintenance

Section 1 - Program Purpose

In 2002, the City Council supported US House Resolution 40 (HR-40), calling for a Federal Commission to study slavery and its vestiges, and make recommendations for reparations, with the adoption of Resolution 43-R-02, "Slave Reparations."

In November 2019, the Evanston City Council adopted Resolution 126-R-19, "Establishing the City of Evanston Reparations Fund and the Reparations Subcommittee." The resolution committed the first ten million dollars (\$10,000,000.00) of the City's Municipal Cannabis Retailers' Occupation Tax (3% on gross sales of cannabis) to fund local reparations for housing and economic development programs for Black Evanston residents.

In passing Resolution 58-R-19, "Commitment to End Structural Racism and Achieve Racial Equity," the City of Evanston government recognizes the government allowed and perpetuated racial disparities through the use of many regulatory and policy-oriented tools.

The Restorative Housing Program ("The Program"), the first Program of the Evanston Local Reparations Fund, acknowledges the harm caused to Black/African-American Evanston residents due to discriminatory housing policies and practices and inaction on the City's part. The Program outlined in this document is a step towards:

- Revitalize, preserve, and stabilize Black/African-American owner-occupied homes in Evanston;
- Increase homeownership and build the wealth of Black/African-American residents;
- Build intergenerational equity amongst Black/African-American residents; and
- Improve the retention rate of Black/African-American homeowners in the City of Evanston.

Section 2 - Definitions

1. Ancestor: African American or Black resident of the City between 1919 and 1969 who may have children, grandchildren, great-grandchildren, or other issue defined as a "Direct Descendant."
2. Applicant: Black or African-American person seeking compensation based on the criteria outlined in this guideline.
3. Black or African-American: A person having origins in any of Africa's black racial and ethnic groups.
4. Co-Owners: Persons who own or intend to own real property as joint tenants or tenants in common. Co-owners must occupy the property as the principal residence.

5. Contractor: The party responsible for overseeing construction, improvement, or rehabilitation project(s) and entering into a contract with the property owner.
6. Direct Descendant: A blood relative in the direct line of descent of an African American or Black resident of the City between 1919 and 1969.
7. Principal Residence: Primary home where the Applicant lives and not the second home of the Applicant. The primary home may include a multi-unit structure.
8. Program Manager: An employee of the City who has the responsibility for overseeing the Program.
9. Resident or Residency: An individual with an ownership or rental interest in real property in the City or otherwise legally occupies real property in the City.
10. The City: City of Evanston, Illinois, within the municipal boundaries.

Section 3 - Program Eligibility

Eligibility for the Program, the Applicant must be able to provide sufficient proof of the following:

1. If the Applicant is an Ancestor as defined in Section 2, proof of:
 - a. Age
 - b. Race
 - c. Residency as defined in Section II
2. If the Applicant is a Direct Descendant as defined in Section 2, proof of:
 - a. Age
 - b. Race
 - c. Relationship to Ancestor
3. If the Applicant does not qualify as an Ancestor or Direct Descendant as defined in Section 2, but otherwise meets the eligibility criteria outlined in Section 4, proof of:
 - a. Age
 - b. Race
 - c. Residency as defined in Section II
 - d. Any City ordinance, policy, or procedure that served to discriminate against the Applicant in the area of housing.

Sample List of Documents Residency, Race or Age¹

<ul style="list-style-type: none"> ● Contract to purchase a home in Evanston ● Rental contract or lease ● Home Insurance Declaration ● Mortgage Agreement ● Property Closing Statement ● Voter's Registration Card ● Voter's History (online) ● Property Deed ● Enumeration record 	<ul style="list-style-type: none"> ● Paycheck stub ● Tax return ● W-2 ● Social Security Statement ● Vehicle Registration card ● Grade school/High School records or yearbook(s) ● Obituary ● U.S. Census 	<ul style="list-style-type: none"> ● Bills <ul style="list-style-type: none"> ○ Gas ○ Electric ○ Telephone ○ Water ● Installment Loan Document ● Library Card (must include name and address) ● Bank Statement
---	--	---

Sample List of Documents of Ancestry²

<ul style="list-style-type: none"> ● Birth certificate/announcement or other family genealogy records ● Adoption records ● Marriage record ● Hospital or physician's record of birth or death ● Baptismal record ● Family bible record ● School record/yearbook ● Government/ military records ● Obituary ● U.S. Census enumeration record ● Insurance documents ● Court records
--

¹ This list of documents is not complete, exclusive, or exhaustive. Other records, such as Evanston History Center and Shorefront Legacy documents, may be acceptable so long as they provide sufficient proof. There may be costs associated with certain documents and databases.

² This list of documents is not complete, exclusive, or exhaustive. Other records, such as Evanston History Center and Shorefront Legacy documents, may be acceptable so long as they provide sufficient proof. There may be costs associated with certain documents and databases.

Section 4 - Application Submission and Approval Procedures

The City Manager's Office has primary responsibility for overseeing the administration of the Program. The Program Manager will keep, at minimum, applications and all required documents to verify eligibility with program requirements and would be responsible for application intake.

The application process includes the following:

1. The Applicant submits the completed application form.
2. The Applicant submits documentation showing sufficient proof as discussed in Section 3.
3. Program Administrator verifies application and documentation for completeness.
4. The Reparations Committee determines eligibility for the Program based upon these guidelines.
5. The Reparations Committee shall be responsible for creating a randomization process to identify approved Applicants should there be more approved Applicants than available funds.
6. The Reparations Committee will then notify the Program Administrator of approved Applicants.
7. After the Reparations Committee's determination, the Program Administrator will notify the Applicant in writing of approval or denial. Approval letters shall include the amount of award and language indicating the availability of funding can assist Applicants in securing further funding if necessary.

Initial applications will be accepted, reviewed, and funded.³ in the following order:

1. An Applicant applying as an Ancestor.
2. An Applicant applying as a Direct Descendant.
3. An Applicant that does not qualify as either an Ancestor or Direct Descendant, however, experienced housing discrimination due to the City's policies/practices after 1969.

Applications thereafter will be accepted on a rolling basis.

³ Funding is subject to application approval and availability of funds.

Section 5 - Program Descriptions

1. Home Ownership Benefit
The Home Ownership benefit provides down payment/closing cost assistance to purchase real property located within the City.
2. Home Improvement Benefit
The Home Improvement benefit provides funds to repair, improve, or modernize real property located within the City.
3. Mortgage Assistance Benefit
Mortgage Assistance benefit provides funds to pay down mortgage principal, interest, and/or late penalties for real property located within the City.

Section 6 - General Rules and Terms of Eligibility

Applicants must meet the criteria outlined in these General Rules.

1. The Applicant must submit an application for eligibility as stated in Section 5.
2. The Applicant must be:
 - a. At least 18 years of age;
 - b. Of Black/African American ancestry;
 - c. An Ancestor that experienced housing discrimination due to the City's policies/practices; or
 - d. A Direct Descendant of an Ancestor (e.g., child, grandchild, great-grandchild, and so on);
 - e. An Applicant does not qualify as an Ancestor or Direct Descendant, however, experienced housing discrimination due to City ordinance, policy, or practice after 1969.
3. An approved Applicant may qualify for up to \$25,000 for any benefit described in Section 5, which may be used for a single benefit or multiple (e.g., \$15,000 for Home Improvement and \$10,000 for Mortgage Assistance).
4. An Applicant may transfer Program funding to a Direct Descendant. The Direct Descendant recipient shall be bound by all other rules and regulations governing the Program.

5. The maximum investment in any single property is \$50,000. This will require two eligible Applicants that are Co-Owners of the property.
6. An approved Applicant and any Co-Owners must occupy the subject property as their Principal Residence.
7. Funding may be layered with other City or external programs for which the Applicant is eligible (e.g., down payment and closing cost assistance through the State of Illinois or United States Department of Housing and Urban Development (HUD) and CDBG Housing rehabilitation program).
8. The City will record a Memorandum of Grant (along with any other documents recorded if any, or separately if none) to ensure notice of sale, refinance, or other transfer of the property associated with the benefit.
9. The Program is subject to the availability of funding. Approved funds must be utilized within one year after approval.
10. Applicant participation or non-participation in The Program does not preclude future participation in other City of Evanston Local Reparations benefits, initiatives, or programs.

Section 7 – Property and Occupancy

1. Geographic Boundaries
Properties are located within the current city limits of Evanston, Illinois.
2. Eligible Properties
The property must be a single-family residence, condominium, townhome, or multi-unit dwelling(s).
3. Occupancy Requirements
The property must be the principal residence of the Applicant or Co-Owner(s).

Section 8 - Eligible Use/Disbursement of Funds

1. Home Ownership Benefit
 - A. The Applicant must provide proof of ability to purchase subject property, including but not limited to mortgage approval with an FDIC insured lending institution.

- B. Funds will be disbursed at closing to the title company.
- C. The Applicant must occupy the subject property as their Principal Residence.

2. Home Improvement Benefit

- A. If requested, up to \$10,000 may be released for pre-construction costs and/or payment to a contractor to secure materials/deposit for the work.
- B. The payment schedule and required documentation will be developed and approved based on the scope of work with the Applicant and Program Manager.
- C. The Contractor must be licensed and insured.
- D. Funds disbursed directly to the Contractor.

Home Improvement Projects Examples⁴
<ul style="list-style-type: none"> ● Interior or exterior remodeling or beautification (e.g., landscaping and external amenities); ● Items that alleviate a physical hardship for disabled or elderly (e.g., egress ramps, grab bars, mobility modifications to kitchen and baths, etc.); ● Structural, electrical, mechanical, plumbing, and fire prevention improvements or corrections; ● Items that will lengthen the useful life of the structure (e.g., roof replacement, siding replacement); ● Items that conserve energy and resources (e.g., .upgrading of dwelling's thermal protection, installing water-saving fixtures, installing energy-efficient furnaces or other major mechanical equipment, and/ or window replacement; ● Creation of a new or additional habitable space.

3. Mortgage Assistance Benefit

All funds must be paid directly to the mortgage loan servicer, pending verification of any outstanding mortgage balance.

⁴ This list of documents is not complete, exclusive, or exhaustive. Other home improvement projects may be acceptable.

Section 9 - Disbursement Process

Upon approval by City Council, funds will be disbursed electronically or via check to the closing agent for disbursal when Applicant closes on a home purchase; to the Contractor upon receipt of an invoice; or the lender for a mortgage payment.

Section 10 - Policy Modifications

The Evanston City Council shall have the authority to modify this policy as necessary for the continued implementation of the Restorative Housing Reparations Program.

Section 11 - File Maintenance

Files are maintained to ensure eligibility and meet all compliance requirements. Files will be kept in accordance with Illinois Local Records Act, 50 ILCS 205 et seq. and the Freedom of Information Act, 5 ILCS 140/1 et seq.

DRAFT