



**BOARD OF COMMISSIONERS OF COOK COUNTY
BOARD OF COMMISSIONERS**

Virtual Meeting

New Items Agenda

Thursday, September 23, 2021, 10:00 AM

Fourth Set

[21-5447](#)

Sponsored by: BRIDGET GAINER, STANLEY MOORE, DEBORAH SIMS, SCOTT R. BRITTON, LARRY SUFFREDIN, PETER N. SILVESTRI, BRIDGET DEGNEN and FRANK J. AGUILAR, Cook County Board of Commissioners

PROPOSED RESOLUTION SUPPORTING MICRO LENDING AND MICRO MORTGAGES PRACTICES AT THE COOK COUNTY LAND BANK AUTHORITY TO INCREASE HOMEOWNERSHIP FOR LOW INCOME FAMILIES

WHEREAS, homeownership plays a vital role in helping to build strong, stable communities; and,

WHEREAS, in addition to bolstering a community's treasury through taxes, research shows the many social benefits homeownership provides, including improved health, less crime, and increased civic participation; and,

WHEREAS, homeownership has been proven to help stabilize neighborhoods and create stronger communities; and,

WHEREAS, homeownership has been the most effective way that Americans have created generational wealth over the past 100 years; and,

WHEREAS, the media net worth for homeowners in 2019 was \$255,0000, compared to \$6,300 for renters; and,

WHEREAS, nationally, homeownership is at 79.4 percent for households with family income greater than or equal to the median family income and 52.3 percent for households making less than the median family income; and,

WHEREAS, only 39 percent of low-income households own their own homes; and,

WHEREAS, the homeownership rate is 74.5 percent for white families, 49.1 percent for Hispanic families, and 44.1 percent for Black families; and,

WHEREAS, discriminatory housing and lending practices have challenged minority communities for decades; for example, redlining contributed to 98 percent of the mortgages insured by the federal government between 1934 and 1968 being awarded to white citizens; and,

WHEREAS, in 1998, usurious subprime mortgages accounted for 51 percent of home loans in predominantly Black neighborhoods, compared with only 95 percent in predominantly white areas; and,

WHEREAS, homeownership is an extraordinary tool to financially empower minorities and narrow the racial wealth gap; and,

WHEREAS, it has been historically challenging, if not impossible, for borrowers to obtain mortgage of under \$75,000, known as micro mortgages; and,

WHEREAS, as a result, a disproportionate number of homes in our most affordable communities are sold for cash to investors who offer them rent; and,

WHEREAS, lenders today have the ability to originate micro mortgages so that low-income families can buy homes that cost under \$75,000; and,

WHEREAS, as interest rates are at record lows, the mortgage payments will typically cost less than rent; and,

WHEREAS, this presents an extraordinary and urgent opportunity for first time homebuyers; and,

WHEREAS, lower value homes are disproportionately vacant and blocks with vacant properties face crime rates twice as high as blocks without them; and,

WHEREAS, selling these vacant homes to homeowners utilizing micro mortgages can help stabilize communities.

NOW, THEREFORE BE IT RESOLVED, that the Cook County Board of Commissioners urges the County of Cook to promote homeownership of homes under \$75,000 as a way to build stronger communities and help build generational wealth in communities that have been historically marginalized; and,

BE IT FURTHER RESOLVED, the Cook County Board of Commissioners urges the Cook County Land Bank Authority to use 2020 Census data to report what percentage of low income households own the homes they live in by December 31, 2021; and,

BE IT FURTHER RESOLVED, the Cook County Board of Commissioners urges the Cook County Land Bank Authority to create goals for increasing the homeownership rate each year for low income households; and,

BE IT FURTHER RESOLVED, that the Cook County Board of Commissioners urges the Cook County Land Bank Authority to establish a directory of lenders that originate micro mortgages.