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Trust Talks Episode #22: Reimagining Development Through Shared Ownership

Mariah Van Ermen: Welcome to *Trust Talks*. I'm your host, Mariah Van Ermen, program manager for neighborhood impact and shared ownership at The Chicago Community Trust. Today's podcast starts with an unusual question: what do the Bob's Red Mill company and New York City co-op apartments like Carrie Bradshaw's have in common? The employee-owned food company and the longtime housing ownership type, featured in the famous TV series, are familiar models of shared ownership that you may recognize and have been around for many years.

In Chicago, despite meaningful strides and increased community investment in neighborhoods that have long been under-invested, many Chicagoans do not directly benefit from new developments or face challenges, affording communities they have long inhabited. Alternative economic structures and opportunities, such as direct control and collective governance, are critical to community self-determination. It has the potential to repair systemic inequities, resulting in limited wealth, displacement, and a lack of decision-making ability on valuable physical assets.

New shared ownership approaches designed by residents who have been historically excluded offer a chance to chart a new path forward for community investment and stabilization. Shared ownership contributes to economic opportunity, but is not solely focused on building wealth, although that is important.

In this episode of *Trust Talks*, we explore shared ownership as community-specific tools aimed at transferring power and resources to residents, creating thriving neighborhoods across the city. Since 2021, the City of Chicago and key partners have invested more than \$30 million in shared ownership efforts, representing an emerging field that is demonstrating lessons learned and in need of continued support. The Trust's current approach focuses on advancing the field through specific innovative projects and the necessary infrastructure to support them.

In today's conversation, we will explore and hear from community and coalition leaders who are advancing residential and commercial models, including community land trusts, housing cooperatives, worker cooperatives, and community investment vehicles. To kick things off, let's start with introductions from our guests and have them share what kind of shared ownership they're each involved in. Linda, let's start with you.

Linda Lutton: Okay. I am Linda Lutton. I'm a co-founder and a project manager with the Pilsen Housing Cooperative (PIHCO). I'm also a journalist, and I worked as a reporter in Chicago for twenty-five years, including fourteen years right here in the studios where we're recording, WBEZ. Recently, I had a journalism fellowship where I got a year to look at community strategies for resisting displacement, and that year really combined my

journalism and my work with the Pilsen Housing Cooperative. So, I hope to keep working on co-ops in Chicago and write about all this in the future.

Mariah Van Ermen: And Kim?

Kimberly Britt: Yes, my name is Kimberly Britt. I'm a proud co-owner of ChiFresh Kitchen in Greater Grand Crossing, and that's a worker cooperative where we promote ownership for returning citizens back to their communities. I'm also co-founder, co-owner of JumpStart Housing co-op in Bronzeville, where we have nine first-time homeowners that we are very much proud of.

Mariah Van Ermen: David?

David Feinberg: Hi, I'm David Feinberg. I'm the director of coaching and knowledge Transfer with the Chicago Community Loan Fund, and I come to this work as a community developer and urban planner. The Chicago Community Loan Fund has been deeply involved in lending and providing grants to different shared equity ownership models pretty much since our inception in 1991. We are very proud to count Linda and Kim as part of our subgrantees in the Shared Equity Investment Program. At the Chicago Community Loan Fund, we provide technical assistance, capacity building, and coaching to the various shared equity projects and shared equity initiatives that come to our door and that we seek out.

Mariah Van Ermen: Thank you so much for being here. We'll dive into some more discussion on each of your work. Linda, tell us about PIHCO. What is it, how, and why did it start?

Linda Lutton: The Pilsen Housing Cooperative is fundamentally an anti-displacement effort. It was started by neighbors and residents, among them artists, lots of Latino artists, and immigrant families who wanted to stay in Pilsen. Basically, around 2017, it really didn't matter what block you went on in Pilsen, you saw those massive, sort of dumpsters that investors, once they bought the buildings, would put out in front. Some blocks would have two or three dumpsters at a time, and you just saw a massive displacement of people.

Buildings were selling. I had many neighbors ask me to read them thirty-day notices. They had thirty days to leave apartments that they had occupied for ten, twenty, or thirty years, and it inspired me and other community members to want to do something to secure our own future in our community.

We started the co-op in 2017, and it took a while. We got our first building in 2020. That was six units, so we converted six long-time renters basically into homeowners. At that time, we had so much demand that we vowed we were not going to stop at that first building. We got our second and third buildings in 2020, and just about six weeks ago, we bought our fourth building. We have eighteen owners right now. By the end of 2026, we think we'll have thirty-five owners of the Pilsen Housing Cooperative.

Mariah Van Ermen: Could you elaborate a little bit more on why a housing cooperative is important for helping people stay? How does it help their affordability?

Linda Lutton: Yeah, what you're doing is you're collectivizing ownership. All the pathways to ownership had really closed to lower and even moderate-income people. I mean, we had friends who, let's say it were two schoolteachers; those people were having trouble buying in Pilsen because all the home prices had shot up. People have credit challenges, people have student loans, and for all the reasons we know, homeownership is difficult to attain.

So, by having the cooperative purchase, it's the co-op that's purchasing. The co-op is getting the loan from groups like CCLF, where David's from, or other cooperative banks, and then the co-op is selling shares, and those shares can be very affordable. All our apartments have sold from between \$60,000 and \$160,000, which, right now in Pilsen, is frankly amazing. You can't find anything like that.

They're all-in-one monthlies, so they include everything. They include your mortgage, your property taxes, your property insurance, your water, accounting for the co-op, and essentially, you're paying that all-in-one payment. I think everybody in the co-op right now is somewhere between \$530 and \$1,500. We have studio apartments. We have one-bedroom, two, three, and four-bedroom apartments.

Mariah Van Ermen: It's exciting that you have those first units in 2020, but what does it look like over time, and what do you see on the horizon for sustaining it?

Linda Lutton: Well, I think for sustaining a housing co-op, I mean, one of the great things, and I think this is why it's such a promising model, is that once you have a building, it really is self-sustaining, and as you put budgets together for these cooperatives, you really are struck by how much profit there is in housing typically, and just to be able to operate your building at cost, we have really been able to keep prices affordable. That first building that we bought, I think everybody right now is paying somewhere between \$10 and \$30 of what they paid in 2020. That's the way we've been able to control costs. You're completely eliminating profit.

So, on the one hand, from an economic standpoint, I think this is a remarkably sustainable model. In the Pilsen Housing Cooperative, we budget very aggressively for building improvements. A lot of buildings in Pilsen need a lot of love, that's all over the South and West sides, frankly. I think the way to build a long-term, sustainable, economically sustainable co-op is to build in those very aggressive budgets from the get-go.

The goal is not necessarily to have the cheapest housing in your neighborhood; the goal is to have responsibly affordable housing. So, you build those budgets from the get-go. Then, from there, it's a lot of education, training, and information for members who are owners to make good decisions about their budgets.

This is a democratic form of homeownership, and for democracy to work, we need good information. It's like these co-ops are little, tiny democracies, and you need the same things that you need in a big democracy in tiny democracies. You need people willing to

participate. You need informed citizens who can make good decisions. You need thoughtful discussion and dialogue rather than polarization.

Mariah Van Ermen: Yes, and it is a beautiful way for Pilsen residents to come together and say what they need in Pilsen. And so, it's a really nice way, actually, to turn to you, Kimberly. In thinking about what ChiFresh Kitchen and JumpStart, and all of the corresponding projects can do for the communities that you work with and the members that are a part of your work, could you tell us about how a worker cooperative, housing cooperative, and a community investment vehicle are all coming together with your work?

Kimberly Britt: All of the work that I do is to build and create ownership as well as generational wealth, and to push back, it's hard to just say eliminate, but the systemic barriers that are before the audience. The audience I serve is formerly incarcerated individuals, and you walk right out the door and get to experience the barriers from day one.

So, at ChiFresh Kitchen, of course, everybody wants to have a dignified job. They want to have a democratic workspace. They want their voice to be heard after being in an oppressive situation for a long amount of time. So, I feel like that's what we give at ChiFresh Kitchen. We give you an opportunity to work and be back in the community again with similar-minded individuals. We give you the opportunity to be educated and trained just on basic skills like inventory, and just with it being done with love and care.

The most amazing thing that we offer in our cooperative is ownership. A lot of individuals who come from incarceration never thought, dreamed, or imagined that they would be an owner of an organization that's not just a dignified job, but also, it's a space where their voice can be heard, where they can make decisions together, and just be in community together.

That's what ChiFresh Kitchen was created for, and I would say that's what we are doing right now, today. But even within that, individuals still had the opportunity to experience other barriers like homelessness. I was a homeless individual in Chicago, and I didn't really understand why. It wasn't due to money. It wasn't due to anything besides the fact that I was formerly incarcerated.

And so, for that reason, if they try to stop us, we create the avenue to get over it, pass it, and through it. That's where JumpStart came in. Three individuals who were co-owners with me at ChiFresh Kitchen were experiencing homelessness on the verge of eviction, et cetera, and we had to figure out a way to overcome that, and JumpStart was that way. We knew that the cooperative model worked with food; it worked with a business, so we figured it had to be able to work with housing, too. And so, we were fortunate enough to run into the space, which used to be Qumbya, which was a former cooperative that decided to dissolve, and they wanted it to be a cooperative again.

They wanted individuals who moved in to keep their same model and structure, and we were willing to do that. We started in 2023 with three first-time homeowners. So right now,

not only do I share in ownership with the organization, but I'm also sharing homeownership with other individuals as well.

Mariah Van Ermen: It's brilliant. And I also think, Kimberly, the way you're describing this is you're pulling all levers of where there can be local, collective, and democratic ownership for and by the people that are part of this. I also hear there are some evolving ideas and emerging things around a community investment vehicle or commercial real estate that's owned directly by the people. Do you mind sharing a little bit about that?

Kimberly Britt: Yeah, so that's Volts. That's the thing that I'm proudest of right now, Volts, because creating our worker co-op and then creating our housing co-op, we also wanted to have a space to be able to do this work and transfer the skills and knowledge that we had learned from this work onto other individuals who were returning back to our community. We just felt like that's what community is, really, actually caring for individuals, not saying, "Oh, I'm going to show you how to make a resume and send you out to the world," because we know that you need more than that to be actually thriving and growing inside of your community.

So, that's where Volts comes in as a space for people, other individuals who are returning home to know that they got a space that they can come and grow and be educated in, as well as become owners of their own organization. And everybody who is an owner is also a board director. So, the circle just goes around.

We have an amazing ecosystem that we are creating here in Chicago. Volts will not only create new owners, new cooperators, but it's also a vehicle where we will be doing trainings and educating individuals, because that's an important element that most reentry organizations tend to forget, like the educational part, being able to transfer the skills that you learn on a day-to-day basis.

Mariah Van Ermen: So, building a real estate project in other communities, or even social services like you're talking about, don't often get to the point where people are owning physical assets and therefore having a different kind of stake. And so, I think that's what I'm hearing from you, this is a chance for folks who have been excluded to be in the decision-making driver's seat.

Kimberly Britt: Yes. Absolutely. Absolutely. So yeah, that's dignified jobs, dignified housing, assets, equity, decision-making ability, just learning how to be in community again, because that's something that's missing that a lot of people forget for returning individuals that they need that mental space.

We also partner with Sista Afya here in Chicago as a way for individuals to have an avenue to get treatment for the trauma that they have experienced while being incarcerated. That's also the most amazing part of the community investment vehicle that we are creating, just being able to have that space to really be able to work through your trauma while you are thriving in your workplace.

Mariah Van Ermen: Before we go to David, are there any other big challenges or proudest moments that you would want to share with somebody else who's thinking about this, whether they're going to directly get involved in their own ways or somebody who might want to find a way to support it?

Kimberly Britt: Yeah, I just want to share a quick story about a gentleman who came to us. He had the experience of being formerly incarcerated, but by the time he got home, he was sixty-two years old. Nobody wanted to give him a chance, and he just really came and knocked on ChiFresh's door and asked for a job. And the only thing we really had open at that time that we felt like he was capable of doing was the dishes.

Since then, that was two years ago, he is now an owner. He sits at the table alongside all of the co-founders. He makes decisions. He's holding an amazing role of fleets and facilities. He pays attention to all the things, the little details that we weren't able to do. And he just said, "I just feel so proud that I have something to transfer over to my kids one day. I never thought that I would be just coming home at this age, that I would ever have an opportunity like this."

That's the thing that gets me up every morning and keeps me fighting, and not for one second is it easy. It's hard work. Just getting people to agree just to make one rule can take up to a month, just to make that one rule or one bylaw. But it's all worth it at the end of the day to just be a part of a changing event in an individual's life.

Mariah Van Ermen: So, maybe this is a good point to turn to you, David. So, we've heard from Linda and Kimberly about how each of the communities they're most directly involved in have created these models. I'm wondering if you can share a little bit more about what you're seeing for shared ownership models addressing a range of community needs, whether it's a prevalence of vacant land or displacement. How do you see these coming together in a chorus across the city?

David Feinberg: I think what Linda and Kim are talking about are two very illustrative and different types of models where shared equity ownership can really play a role in stabilizing community. The model that Linda is coming from with PIHCO, this is a massive anti-displacement initiative that has been long overlooked for a long time.

We have community land trusts in Logan Square as well, a community that we all know is facing very similar displacement challenges, displacement along the lines of income and ethnicity, race, and the preservation of the character. The stabilization of housing for longtime residents has not been addressed.

So, the PIHCO model and Pilsen and Logan are really a way for longtime residents, like Kim mentioned, to have a stake in their ownership and the agency of where they live and the creation of their own democracy and their own neighborhoods, while also building individual and community-level wealth and hopefully some generational wealth too, right? This is a virtuous cycle that goes from individual cooperative owner or land trust owner to the next generation and so on and so on.

Then, there's another model where we have communities that have persevered through mass amounts of disinvestment, systemic and institutional disinvestment, and have a lot of blighted land or vacant land, and don't have avenues to repurpose that land, don't have developers to repurpose that land according to traditional methods of profit and development.

And so, the cooperative or the land trust model can come in and create neighbors and residents that care deeply about their community that have a tie to their community and provide them with long-term housing, long-term stabilization, and again, start to create that unaddressed challenge of what do we do and what do neighborhoods do when they're confronting mass amounts of abandoned or vacant or a blighted properties and have incredible social capital and neighborhood capital in the form of people that want to find a solution.

So, I think those are two very divergent models. Both are incredibly important, and both are applicable in different parts of Chicago because we have a lot of different communities here.

Mariah Van Ermen: And they're needed as hyperlocal solutions to what folks face. And the Trust has been very proud to support some of the work within the Englewood Community Land Trusts, and in Riverdale, another that's really expanding. So, we appreciate that you're able to share that perspective. Can you tell us a little bit more about why it is important for there to be other types of support beyond just the project? I know CCLF, you all of course sit in the land of financing, but there's technical assistance and other forms of infrastructure that you can speak to.

David Feinberg: Absolutely. I think if we've heard anything from Linda and Kim, and I'll just name a few other phenomenal leaders, Kristen, Mia, Lucy, JR, and Jenny, and so many others who have played a role in this work of shared equity ownership. It is intense capacity building. It is not as straightforward of a model as I'd say the typical concept of the American dreamers. This is not the white picket fence and the suburbs with two kids and a dog and a third-year fixed mortgage that was promoted as the way to move into homeownership and wealth building.

This is a little bit more complicated. People need time and space to develop into the leaders they can be. Communities and organizations need time and space to develop into solidly functioning organizations, like Linda mentioned, with democratic engagement and process, and articles and bylaws that kind of instruct how they should function as a community and how they need to maintain their physical asset.

So, the technical assistance and capacity building is really critical, both on the real estate level, on the project level, because these are not straightforward projects, and on the people and organizational level because again, the leaders and the organizations they represent need a little bit of time to mature into the fantastic community assets that they can be and that they have become.

So, organizations like Chicago Community Loan Fund provide a lot of oversight and overview, and guidance in how to think about and conceive and project plan on how to access different forms and different types of capital. Whether it's publicly available grant capital, debt, or philanthropic capital. The City of Chicago's Department of Housing and The Chicago Community Trust have been really, really instructive and critical contributors to those stacks of capital.

Mariah Van Ermen: David, that's perfect. We're learning from models as they're emerging, but these are also long-standing things that have existed for a long time. Worker-owner cooperatives, housing cooperatives, they aren't necessarily new, but we do realize this is an inflection point where we get the chance to learn from how folks are doing it.

Kimberly mentioned a dissolving co-op that is still valuable to learn from, and having the chance to be able to apply and pay it forward with those learnings is incredibly important. So, I think in addition to this ecosystem, this is a question for everybody: what do we need to grow and expand shared ownership?

Kimberly Britt: I think just when we speak of ecosystems, it has to be intentional, and we have to be willing to really be an ecosystem. We started with a worker co-op, we then had a housing co-op. Now, we have this nonprofit organization that's going to change so many individual lives and transfer that on and put them back into our community light.

One of our goals, both myself and my co-owner's goal, was to find a way to integrate ourselves back into our community because we wanted to see and feel that togetherness again, that we had the opportunity to experience that in so long again. For me, it's about the knowledge, the teachings, the trainings. I never knew what a worker co-op was until I was introduced to the opportunity to be an owner of a co-op, and that's the experience that I'm getting from a lot of individuals that I run into.

So, just having the space for more convenings, more education to funders and investors, because the co-op model is something that they may feel is risky. It's there for the funders and investors who know about this work and have educated themselves about this work to keep our community thriving and growing.

David Feinberg: Mariah, I'd like to add to that and say that my organizing friends will say that all education is re-education. Kimberly mentioned, and you mentioned that these are not new models. These are old, tried, and true and trusted models, the concept of a land trust, the concept of a co-op, that have been in the US since at least the start of the 20th century. But now we have new situations, and we have new local contexts and hyperlocal contexts, and we have new citywide challenges, and we have new funders, and we have new partners.

So, part of what's needed to really expand is this constant re-education of what has worked previously, what works currently, and introduction to the current leaders who are shepherding this work. And then, it's always about training up the next generation of residents, co-op developers, land trust developers, funders, and lenders who can really

step into those roles and feel comfortable with something that is always perceived as new, but we know it's not. It's been around for quite a while.

Linda Lutton: Yeah, I want to say I think the Amalgamated co-op in New York City is celebrating its 100th year, I believe, this coming year. So, that's right here in this country, in our largest city. And there are thousands and thousands of units of affordable cooperative housing in New York City. To me, that really speaks to what Chicago could be doing. I have some things on my list of if we want to see a lot more co-ops, what we need.

One, we need funders and lenders to trust people and to trust the community. I, as a reporter, every single community I went to, I don't care how many vacant lots there were or abandoned buildings, there were people who had business ideas, they had housing ideas. They knew exactly which buildings should be converted to what. They had a lot of dreams about their own community. But there are, and this is true with the Pilsen Housing Cooperative, even though we presented our idea to funders and to elected officials here at just about every level, there was almost no support.

The Pilsen Housing Cooperative bought two buildings and created twelve units of permanently affordable housing before anyone decided to support us. That is a wake-up call, I think, to folks to really look at these models and see what is possible and understand that other scenarios where people are proposing things, maybe they're not so far-fetched.

The other thing that I want to note is that just historically in this country, most cooperative units, and this is true in Europe and Canada as well, most cooperatives need capital for startup. That's a huge need, and that's a need that, for instance, most co-op units in the US were created under the Department of Housing and Urban Development (HUD).

When HUD was supporting cooperatives with 0% or 1% loans, it's not an accident that the city of New York has as many affordable housing cooperatives as they do. They support those co-ops. They help tenants buy their buildings. They help apartment buildings convert to co-ops. Those are all policies, and that's capital that they're offering that allows that to happen. That's why it happens there, and that's why it doesn't happen here.

I also want to shout out the notion of technical assistance and training, there is know-how around these co-ops that is not present in Chicago at the level it needs to be present if we want to see a major expansion of cooperatives, and we need to bring that know-how here.

I'm also working with The Community WEB. Nneka Onwuzurike used to be in the mayor's office. She helped design the community wealth-building grants. PIHCO has one of those grants. I think JumpStart may have had one. Voltz has one. So, The Community WEB is a training, technical assistance, capital, policy, organization that is trying to be sort of the hub or a network for promoting co-ops and what co-ops need to flourish here.

David Feinberg: Oh, I was just going to add to what Linda was sharing. Two things that you made me think of, Linda, I don't know if we've mentioned the important role that state-level legislators can play. We've already seen out of DCEO the advocacy of representatives, Ma and Guzzardi, a lot of direct investment into various land trusts and cooperatives, and into IDA to create a mandate to further the investment into permanent affordability.

So, I think the legislative body is another great avenue to work with and to educate up in terms of capacity building and expansion, and then we hustle in Chicago. Chicago is a city of hustlers. Now, if we could hustle in the same direction, we're unstoppable, but we have to hustle in the same direction. So, that's part of the expansion challenge, too. Let's figure out how to hustle together.

Mariah Van Ermen: I was going to ask about the policy, or the collective action component, and you know, building policy coalitions together. Linda, I know you've been involved in the housing cooperative front. Is there anything you'd add as an important role for the ecosystem? And is The Community WEB doing that here? Is there any collective policy angle we should make sure to talk about?

Linda Lutton: Well, I have a six-page document I could share. We'll not do that on the radio. It exists, it's coming together, and it was put together by housing cooperatives that have run into barriers, right? I'll give one example, and this is another area that needs to be developed. It's the lending area. A lack of lending hurts homeownership at all levels. It doesn't matter what kind of housing you're talking about.

Within cooperative housing, you really have very few lenders willing to lend to a co-op. Lenders, banks, in particular commercial banks, they want recourse, right? They want a social security number that they can foreclose on. And a cooperative is a structure that's owned by its members. Those members can change. That is something that the banks, for whatever reason, don't particularly like about that structure.

At the same time, co-ops have incredibly low foreclosure rates. They're successful businesses. Everyone in a co-op has an incentive to pay their monthlies, and to see that co-op be successful, you have that built-in incentive. It's not just about, "Oh, I don't want to be evicted, and what's the landlord going to say," it's me and my neighbors own this place, and we own this property.

Another area where lending is really needed is in an area called share loans. And those are loans to individual co-op buyers, like a condo loan. Those have ceased to exist here in Chicago, and that's a problem. We don't have enough co-ops. It's sort of a chicken-and-egg problem. So, we don't have enough co-ops, so we don't have the kind of lending co-ops need, but because we don't have the lending co-ops need, we don't have more co-ops, right? So, I think the co-op community is trying to come together to build for the first time, really in decades, and we're seeing some movement toward that.

Kimberly Britt: Some movement. Yeah.

Mariah Van Ermen: So, what brings you hope about the future of shared ownership in Chicago?

David Feinberg: The hope is here. I mean, the hope is Linda, the hope is Kim. The hope is The Community WEB. The hope is the Trust. The hope is all the organizations that have taken some time to learn about this, to commit staff time to it, to commit people time in

further developing the various models throughout the city, committing to being a community of practice and a learning community, and not shying away from the challenges.

So, the hope is, the hope is us. The hope people in this work right now. Legislative cycles are going to come and go in different funding priorities and initiatives at the city and state, and federal levels are going to come and go, but the people who know how to do this work are going to remain. And so, the hope is in the people.

Kimberly Britt: Yes, and I definitely agree with you, David, that the hope is in the people. I happened to return to my community right in the midst of the pandemic, that's when ChiFresh started up, and I longed to see the block club parties and just people sitting on the front porch and basketball being played in the streets of Chicago, and all of that was gone.

So, it's very important for me to see that come back to the city of Chicago, to the neighborhoods, to our community, instead of seeing so many abandoned buildings and vacant lots and the city not thriving. So, my hope is to one day, with the work of the people, see Chicago thrive again. That's my hope.

Linda Lutton: I would say, I mean, one point of hope for me is seeing some city and state funding come through for the first time in decades, really, and that's at both levels. The state just supported the Pilsen Housing Cooperative, and when I say just, I mean, in the last three weeks, September 19th, they voted on what IDA staffers, the housing officials say, was the first support to co-ops that anyone in the agency can remember in decades. They said, we know we have helped co-ops before because we have the paperwork. It's just none of us were here. That's how long ago it was. And we do see city support that's stepped up in the last three to five years. So, I think that's hopeful.

I want to say another hope, which is just ironically, the underdevelopment of this type of housing in Chicago means that we have this huge area for growth. This type of housing is a critical part of the affordable housing landscape in other cities and other countries, and there's no reason it can't be in Chicago. I think in Chicago, the idea that renting is the default for lower-income Chicagoans, that lower-income Chicagoans shouldn't own, we can challenge that. There's no reason that thinking has to predominate.

In New York City, they had a single organization, Urban Homesteading Assistance Board (UHAB), convert 30,000 renters to co-op homeowners. Those people own their shares. They can leave their shares to their children. Their buildings will never sell, and they will never be displaced. And that is what brings me hope in Chicago, that's where we can grow. There's no reason we can't do that here.

David Feinberg: Linda, you made me think of one more thing that brings me hope, and I think it's from an economic standpoint. This is a very economically efficient way to create and preserve homeownership. Right now, there are estimates that affordable housing for rental units are costing developers in the city about \$750,000 to \$850,000 per unit to keep

that unit affordable for fifteen years, and that is in a really important avenue and vehicle to continue to create affordable rental housing.

What we're talking about, whether it's a land trust model or a co-op model, and you've heard Linda and Kim speak about the economics of their individual co-ops, we're talking about creating new homeowners for an investment of \$250,000 to \$450,000 per unit, and that's an affordable unit that stays in a family or an individual's ownership in perpetuity. So that brings me hope that this is a very scalable model. It's very economically attractive and interesting, and that's pretty hopeful to me.

Kimberly Britt: Ditto.

Linda Lutton: And one other thing to build off of that I wanted to comment that David mentioned earlier, he talked about the complexity of this model and how it takes almost like a specialist to work through it. That is on the co-op creation side and on the lender side and on the technical support side, but actually from a user standpoint, from the resident standpoint, this is such a simplified way to buy your housing. You do not have to apply for a loan.

The Pilsen Housing Cooperative and probably JumpStart, you can chime in, Kim, but we have never checked anyone's background. We have never done a credit check. We ask you how much you make, and we never check if you're telling the truth. We trust you. We have never had a member miss a payment. We have zero delinquencies. We've never had a member sell their share. We have one member who has passed away. That's it.

This is an extremely simplified way to purchase housing, secure your housing, and to have a place to stay. Our members have bought in, I mentioned the price, the total share prices from \$60,000 to \$160,000, but the buy-ins have been \$2,000, \$3,000, \$5,000. Those are amounts that are possible for people. And so, from the user side, that's another thing that really brings hope

Kimberly Britt: Tenfold.

David Feinberg: And Linda, you've shared this with me before, so I'm going to just think you're being modest about some of this because what you've shared with me before, too is PIHCO is moving to a place where it's able to finance new members' share loans for, what was that rate?

Linda Lutton: Okay, just like Kim, and this is a hallmark of co-ops, is that you see a need and you create a solution. Just like Kim said, for every obstacle, we're going to figure out how to go around that. And PIHCO noticed how much money we were sending to the banks every month. That was the biggest payment, the mortgage. And we said pretty early on, how do we become the bank?

We had directors and people involved with PIHCO, founders saying, we need to do more than just housing. We need to be a bank, and we need to lend to our members. Instead of sending all that money out to a bank, how do we keep that in our co-op? And yeah, for the

first time, that was a goal that the Pilsen Housing Cooperative set in 2022, and yeah, just this year we're going to achieve that.

We were able to buy, thanks to Representative Chuy Garcia and the Community Project Funding, thanks to the City of Chicago's Shared Equity Investment Program grants, which were \$100,000 per unit, and they were run through CCLF, David's organization. Those grants allowed us to own a building outright, debt-free, and we will be the bank for our members there, at 4.5% interest. There you go.

Mariah Van Ermen: I'm going to give Kimberly a last word.

Kimberly Britt: I just also want to add how these models of cooperatives are sustainable, right? You are just helping each other, and everybody knows that we are in community together, and want to pay their assessments and everything. We aspire to be like PIHCO by being able to loan members their share part and cut out the middleman.

That's the whole thought for the ecosystem, and the goal for the ecosystem is to be that way. But overall, I just would like for people to be more educated about the co-op model, the housing cooperative model, and to just really educate themselves on that so that they can see that it really does work. I'm proof.

Linda Lutton: Oh, let me throw in. Kim, Jumpstart really inspires the Pilsen Housing Cooperative too, because, okay, so for ChiFresh, you have this co-op business, and then you all saw the need for co-op housing, you created that, and now they see a need for property management, and they're creating a property management company that's cooperatively owned.

Kimberly Britt: They're called the Handlers here in Chicago. Anybody need any work?

Linda Lutton: Also, they have the best co-op names, the Handlers. So that's an example of how you just, once you're in this, you start seeing opportunity after opportunity, and I think that's another hallmark of Chicago neighborhoods is just how entrepreneurial Chicagoans are, and this is a way to be entrepreneurial with others in your community for everyone's mutual benefit.

Kimberly Britt: Yes.

Mariah Van Ermen: Okay. I'm going to bring us towards a conclusion. So, Chicago is a national bright spot for the community ownership ecosystem. I've heard from entities across the country considering what is needed for a local ecosystem, and they point to Chicago as a place where specific projects are innovating and building upstream to ensure that we can all learn from.

We are lucky to be in a place where community vision for shared ownership is evolving in a range of ways to stabilize communities, proactively enact agency, and increase economic

opportunity. We're seeing that they can be real-time solutions for long-standing and new crises and reflect the principles of those leading their own destiny.

Thank you to our guests for being a part of this conversation. We hope it sparked new ideas, offered practical resources, and affirmed the value of shared ownership as a tool for community resilience and transformation. If you're interested in learning more or supporting organizations featured in this episode, we encourage you to explore the ecosystem at www.thecommunityweb.org. Thank you, Linda. Thanks, Kim. Thanks, David.

Linda Lutton: Thank you.

Kimberly Britt: Yeah, thanks, Mariah.

David Feinberg: Thank you. Thank you, Mariah.

Kimberly Britt: This was a pleasure.