



# NEIGHBORHOOD STABILIZATION AND SCATTERED SITE REVITALIZATION

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David Brint  
CEO

Brinshore Development

(847) 562-9400

[davidb@brinshore.com](mailto:davidb@brinshore.com)

[www.Brinshore.com](http://www.Brinshore.com)

BRINSHORE

# Brinshore Company Overview

- Established in 1993
- Urban redevelopment, master development and mixed-income housing focus
- More than 50 projects closed valued at more than \$750MM:
  - 15 Mixed Finance
  - 17 other tax credit financed projects
  - 10 conventional rental
  - 11 homeownership developments
  - 75,000 sf of commercial space



# BACKGROUND: FORECLOSURE CRISIS AND HIGH HOUSING COSTS

- High foreclosure rates in two census tracts (neighborhoods) in 2010 destabilized micro housing market and led to worsening quality of life indicators
  - Increasing number of distressed sales very few conventional sales stunted market
  - Increasing violations of existing housing
  - Deteriorating, functionally “abandoned” housing stock
  - Increased crime activity
- High cost of housing in Evanston/Scarcity of affordable housing options
  - Long term trend
  - Lack of affordable and workforce housing options
  - Existing affordable housing stock in deteriorating condition
  - Few locations for new large-scale affordable and workforce housing production

# BACKGROUND: FORECLOSURE CRISIS AND HIGH HOUSING COSTS

| Median Sales Price, January – September 2010 |           |
|--|-----------|
| All Types                                    | \$295,000 |
| Single Family/Townhome                       | \$380,000 |
| Condos                                       | \$279,000 |
| Income needed to afford:                     |           |
| All Types                                    | \$84,000  |
| Single Family/Townhome                       | \$110,000 |
| Condos                                       | \$80,000  |

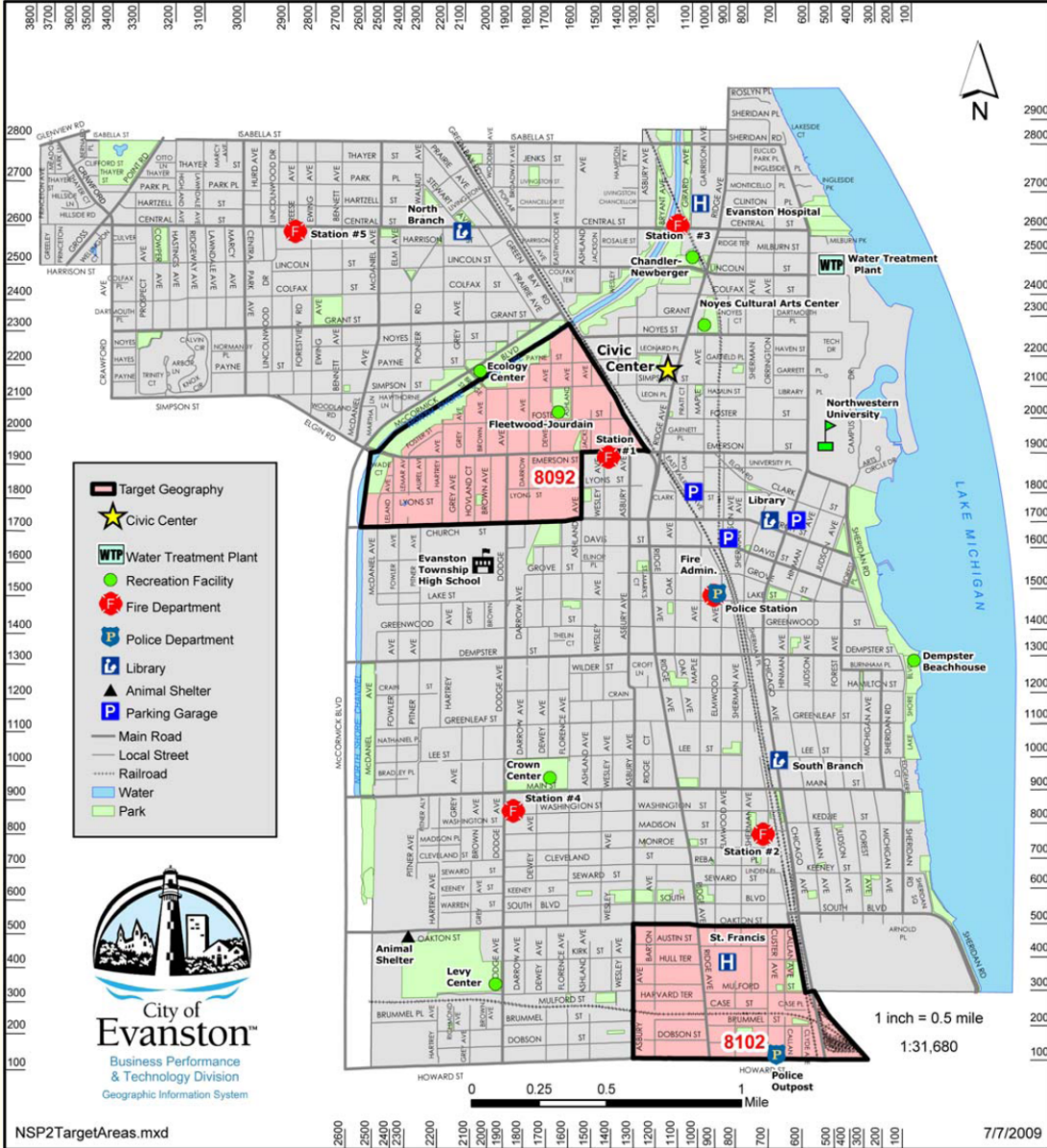
- Evanston housing out of reach for many households
- In 2008, only 16 percent of Evanston workers lived in the City

Source: City of Evanston Clerk's Office; US Census

# BACKGROUND: EVANSTON NEIGHBORHOOD STABILIZATION PROGRAM 2 EFFORT

- City of Evanston and Brinshore partnered to author the City's NSP2 application
- City of Evanston/Brinshore were awarded one of 56 grants out of 482 applications received for two activities.
  - Scattered Site redevelopment of 100 foreclosed or abandoned units of housing
  - Mixed-income new construction residential community of a former brownfield (Emerson Square)
- HUD awarded NSP2 Grant to the City on February 11, 2010 in the amount of \$18,150,000 to complete both Emerson Square and the Scattered Site Redevelopment effort
- Brinshore, its affiliated companies and third party contractors are in charge of all aspects of the acquisition, financing, construction, sales and marketing and property management to ensure quality, speed and accountability

# BACKGROUND: EVANSTON TARGETED NSP2 INVESTMENT AREAS



# OVERARCHING STRATEGY: EVANSTON NSP2 EFFORT

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- Foster energy efficiency and long term functionality in rehab scope
- Provide housing opportunities for households currently underserved by the housing market
- Focus investment in blocks that have experienced significant disinvestment
- Provide both rental and homeownership opportunities
- Work with local real estate brokers to encourage first time homebuyers
- Partner with local institutions and employers, like Northwestern and St. Francis Hospital, to provide employer assistance for homebuyers
- Combine scattered site effort with anchor revitalization project
- Utilize local subcontractors and consultants to magnify local benefit of project

# SCATTERED SITE SUCCESSES TO DATE

- 94 out of 100 units acquired or under site control
- 60 units completed
- 16 units under construction
- 9 units are in the bidding phase and will commence construction shortly
- 9 units are under contract or have site control
- As of 03/31/2012, 62% construction subcontracts to M/W/EBE firms and 20% to Section 3 business concerns.
- Twenty (20) Section 3 residents from Evanston have been hired through the program





# SCATTERED SITE SUCCESSES TO DATE

- **For-Sale Homes**

- 140 households have started homebuyer counseling
- 600 households have registered for the for-sale program
- 10 homebuyers have moved into their homes, have contracts or are under exclusive negotiation to purchase a home
- 5 properties under contract
- 5 properties listed on the MLS
- 7 properties to be listed in October



- **Rental Homes**

- 20 households have moved into fully renovated, energy efficient rental housing or have pending applications



# EMERSON SQUARE

- 5+ acre site
  - Brownfield
  - 2 phases
  - Infill location
  - 65-70 units
  - New Urbanist design
  - Mixed Tenure
  - Mixed Income
  - Various housing types
  - Home sizes ranging from 750-2200sf
  - Leasing Office on site
  - New public park
  - Community garden
  - Bike storage
  - New street and sidewalks penetrating the site
  - Consistent with West Evanston Overlay Master Plan
  - Anchor of City of Evanston Neighborhood Stabilization effort
- Enterprise Green Communities certified
  - Energy Star certified



# EMERSON SQUARE



# CONCLUSION

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- Public/Private Partnerships allow for comprehensive approach to community revitalization
- Public resources are critical to investment strategies that seek to reset the useful life of deteriorated properties
- Focusing investment in blocks and neighborhoods that experience disinvestment can reverse market trends
- Strong demand for affordable and workforce housing in many submarkets allow for public investment to spark a market response
- Sufficient scale, comprehensiveness and expertise necessary to be successful