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Fair Housing Center of West Michigan's Neighborhood Initiative Invests \$1.2 Million into Communities of Color

Grand Rapids and Muskegon, MI — Today, Fair Housing Center of West Michigan (FHCWM) announces the investment of 1.2 million dollars into neighborhoods of color in Muskegon, Muskegon Heights and Grand Rapids through its Neighborhood Initiative. The **Neighborhood Initiative** promotes home ownership, neighborhood stabilization, access to credit, property rehabilitation, and residential development in communities most impacted by the foreclosure crisis and its effects. Through the Neighborhood Initiative, FHCWM has provided much-needed funds for innovative programs and partnerships, including for down-payment assistance and renovations for owner-occupied homes.

FHCWM's Neighborhood Initiative resulted from a landmark \$53 million [agreement](#) with Fannie Mae (formally known as the Federal National Mortgage Association) to resolve a case arising from allegations that Fannie Mae treated foreclosed homes in communities of color unfavorably. In the case, FHCWM, along with the National Fair Housing Alliance (NFHA) and 19 other local fair housing organizations throughout the country [alleged](#) that Fannie Mae maintained and marketed its foreclosed homes in predominantly White neighborhoods while allowing similar homes in communities of color to fall into disrepair. This included over 80 homes located in the Grand Rapids or Muskegon metropolitan areas. This differential treatment exacerbated the damage caused by the 2008 mortgage crisis and impeded recovery from the crisis in neighborhoods of color. The case was the first time a federal court confirmed the nation's fair housing laws cover the maintenance and marketing of Real Estate Owned (REO) properties.

Through the settlement, FHCWM received \$604,000 to invest into neighborhoods of color in Grand Rapids and another \$604,000 to invest into neighborhoods of color in Muskegon/Muskegon Heights. In keeping with the terms of the settlement agreement, the FHCWM identified project target areas with zip codes or Census Block Groups wherein the residents predominantly identify as people of color. Through community engagement and resident surveys, FHCWM identified community-based priorities and needs and for the Neighborhood Initiative funds. FHCWM has allocated all the Neighborhood Initiative funds to local partner entities in each of the regions according to the community-based priorities and needs. Thus, FHCWM has invested \$1.208 million in neighborhoods of color in Grand Rapids and Muskegon/Muskegon Heights.

“These investments through the Neighborhood Initiative reflect the importance of addressing historic inequities and building a future where everyone has equal access to inclusive, sustainable communities.” said Nancy Haynes, FHCWM Executive Director. “By investing in community-driven initiatives, we are fostering vibrant, resilient neighborhoods where every resident can thrive.”

Projects and programs funded by the Neighborhood Initiative in Grand Rapids primarily focus on the 49507 zip code, and include the following partners and initiatives:

- **ICCF Community Homes** received Neighborhood Initiative funds to provide Individual Development Account (IDA) support to up to ten (10) income-restricted households as they purchase their first home in 49507. An IDA is a matched savings account that enables families to save toward a home purchase. Funds saved by the household are matched by settlement funds at a 4:1 rate, providing up to \$5,000 at the time of closing.
- **LINC Up, Inc.** received Neighborhood Initiative Funds to provide down payment assistance of \$5,000 each to qualifying low-moderate income households purchasing newly-constructed, affordable 3 bedroom homes on Gilbert Street SE.
- **Next Step of West Michigan** received Neighborhood Initiative funds to support a multi-faceted housing development project which has a \$4.5 million budget in total and includes the construction of 16 “tiny homes” for independent, low-cost residency, with larger kitchen and laundry facilities along with 10 additional studio housing units at 101 Garden SE adjacent to the tiny homes.
- **Home Repair Services of Kent County** received Neighborhood Initiative funds to complete residential home repairs and accessibility improvements for low-to-moderate income senior owner occupant households in the 49507 zip code.
- **Fair Housing Center of West Michigan** will utilize a small portion of funds to support educating the community about fair housing rights and responsibilities in accessing homeownership; providing education and outreach on housing discrimination, redlining, and how housing relates to social determinants of health among other topics; providing comprehensive, targeted fair housing education and outreach services with an emphasis on equitable access to homeownership; planning and hosting a resource event focused on the 49507 zip code; and hosting the FHCWM's Fair Housing Workshop Series event.

Projects and programs funded by the Neighborhood Initiative in the Muskegon area primarily focus on 18 Census Block Groups with a majority Black/African American population in the City of Muskegon and the entire City of Muskegon Heights, and include the following partners and initiatives:

- **City of Muskegon Heights** received Neighborhood Initiative funds for three activities:
 - Assess and complete exterior home repairs, including accessibility items, up to \$15,000 household, for approximately 15 owner-occupied households;
 - Conduct neighborhood and environmental clean-ups and provide for a neighbor tool lending library; and
 - Distribute grants of up to \$2,000 to each of the 4 neighborhood associations for community-based projects that align with project goals.
- **City of Muskegon** received Neighborhood Initiative funds for three similar activities in the City's 18 target Block Groups:
 - Assess and complete exterior repairs up to \$15,000 household, including accessibility items, for approximately 19 owner-occupied households;
 - Purchase and distribute beautification gift cards to 125 owner-occupied households for minor exterior home repairs and improvements; and

- Distribute grants of \$2,000-\$3,000 to any/all of the 10 neighborhood associations for community-based projects that align with project goals.
- **The Diatribe**, a non-profit that uses restorative art to disrupt historical systems of oppression, received Neighborhood Initiative funds to, in partnership with FHCWM, provide the Writing to Right Wrongs fair housing curriculum in 2 high school classes in the City of Muskegon.
- **Lakeshore Regional Community Development Corporation** received Neighborhood Initiative funds to support their Show Me the Money Event. Show Me the Money is a free community event featuring free and low-cost financial products, community resources, financial workshops, and fun. The goal of the event is to promote opportunities to increase income, save and build assets for Muskegon Heights area residents.
- **Fair Housing Center of West Michigan** will utilize a small portion of funds to provide comprehensive, targeted fair housing education and outreach services with an emphasis on equitable access to homeownership in the City of Muskegon Heights. These services will include, but are not limited to, Public Service Announcements (PSAs) and targeted outreach.

FHCWM hopes that, through strong contract partnerships with existing neighborhood programs and assets, its modest Neighborhood Initiative investments can and will be leveraged to strengthen a community and enhance the potential for neighborhood stabilization and increased homeownership. Anticipated quantifiable outcomes of the Neighborhood Initiative include:

- owner occupied home repairs
- fair housing audience reached by education & outreach efforts on homeownership
- environmental hazards addressed in a community of color
- parks or green spaces improved
- vacant units rehabbed for affordable housing or other community benefit
- square footage/square mileage improved
- units of affordable housing created
- of new homeowners
- of Individual Development Accounts-IDAs

Further communications outcomes will be issued once the Neighborhood Initiative has been completed.

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Fair Housing Center of West Michigan (FHCWM) is a private, non-profit fair housing organization established in 1980 and located in Grand Rapids, MI. FHCWM's mission is to prevent and eliminate illegal housing discrimination, to ensure equal housing opportunity, and to promote inclusive communities. FHCWM achieves its objective through comprehensive fair housing services including education, outreach, research, advocacy, and enforcement. FHCWM directly serves 12 counties in West Michigan: Allegan, Grand Traverse, Ionia, Isabella, Kent, Mecosta, Montcalm, Muskegon, Newaygo, Oceana, Osceola, and Ottawa. FHCWM also responds to inquiries from 26 counties within the upper 2/3 of the State of Michigan, including the entire Upper Peninsula. Visit: www.fhcwm.org