



State of Illinois
Circuit Court of Cook County
Chancery Division

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JUL 26 2010

BY:.....

Dorothy Kirie Kinnaird
Presiding Judge

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July 26, 2010

To: The President and Members of the Cook County Board of Commissioners

From: Presiding Judge Dorothy Kirie Kinnaird, Chancery Division *DKK*

Re: Mortgage Foreclosure Mediation Program

I am pleased to give you this second update on the Circuit Court of Cook County's Mortgage Foreclosure Mediation Program (Program). Below you will find information on the housing counseling and attorney appointments, referrals to mediation and mediation sessions, and expenditures to date. I have also enclosed a separate timeline which indicates the important events of the Program in chronological order.

Housing Counseling and Attorney Appointments

Since the launch of the Program in early April, the hotline operated by the Illinois Housing Development Authority (IHDA) has received 5,287 calls (from April 12, 2010 through June 30, 2010). There were 717 calls in April, 1,477 calls in May, and 3,093 calls in June. Since April 26, 2010, the on-site housing counselors and attorneys have met with nearly 1,500 people who made appointments through IHDA's hotline. Approximately, 1,300, or 87%, of those individuals have received further off-site housing counseling to assist with follow-up on modification applications that were submitted to lenders, general credit counseling for debt management, and/or alternative housing assistance, among other help that the housing counselors provide.

In addition to the appointments through the IHDA hotline, the Chicago Legal Clinic (CLC) attorneys are providing legal assistance on a walk-in basis at the Chancery Division Advice Desk (Room 1303 in the Richard J. Daley Center) and on the 28th Floor of the Daley Center (where mortgage foreclosure cases are heard). The Chancery Division Advice Desk has seen a substantial increase in the individuals seeking assistance. The Advice Desk now receives an average of 64 people per day seeking assistance in mortgage foreclosure cases. Beginning on

June 11, 2010, one of the six CLC attorneys has been stationed on the 28th floor of the Daley Center from 8:30 A.M. until 4:30 P.M. each day to provide legal assistance and guidance to self-represented litigants before and after they appear for court in their mortgage foreclosure cases. Since June 11, 2010, the attorneys on the 28th Floor of the Daley Center have assisted 833 people who request help when they are there for a court hearing.

Approximately half of the individuals meeting with the CLC attorneys request, qualify, or have an issue to mediate and are completing motions for referral to mediation. Approximately 4% of all individuals meeting with the attorneys may have a defense to the foreclosure proceeding and request a referral and appointment of an Access to Justice lawyer who may take the case on a pro bono representation. These attorneys are provided by the Chicago Volunteer Legal Services (CVLS).

We are working with IHDA to improve the hotline and to make access to the Program as easy as possible for Cook County residents who are in foreclosure. On July 12, 2010, IHDA expanded the hours of operation of the hotline to 6:00 P.M. and implemented a new hold feature on the lines. We are also exploring the options available to provide after hours service on the hotline for those individuals who cannot call during the traditional work day.

In addition to the expanded hotline hours, foreclosure defendants will have the option of making appointments through the internet. We anticipate that an internet request form will be available through www.cookcountyforeclosurehelp.org by July 30, 2010, to allow anyone with internet access and an e-mail address to request an appointment seven days a week, 24 hours a day.

Referrals to Mediation and Mediation Sessions

As of June 30, 2010, there were 64,211 mortgage foreclosure cases pending in the Circuit Court of Cook County. Approximately 85% of those cases involve the types of properties for which the Mortgage Foreclosure Mediation Program is designed. Many of the pending cases have already gone to judgment and some have gone to sale. Under the Program, we are primarily attempting to help those defendants whose cases have not yet gone to judgment, with the main focus on those who have received the new Summons.

Defendants who have received assistance through the Program began coming to Court on June 11, 2010, and the first mediation orders were entered by the mortgage foreclosure judges. Since that date, 119 orders for referral to mediation have been entered. The Center for Conflict Resolution (CCR) is providing mediation services at no cost to either side in the case. Each self-represented defendant is assigned a pro bono attorney from the Chicago Volunteer Legal Services (CVLS) to represent him/her during the mediation sessions.

When a judge enters an order referring a case to mediation, the judge sets a post-mediation status date for 12 weeks after the date of entry of the order. The parties are to complete the mediation process by that 12-week date and report back to the Court if the case settled. When an order is entered, CCR schedules two mediation sessions. The first mediation

sessions began on July 13, 2010 and the sessions continue throughout August and September for the orders that have been entered thus far.

Since the first orders were entered in mid-June and the first mediation sessions began on July 13, 2010, no cases have completed the mediation process at this point. The results of the first mediations will be available in the beginning of September.

Outreach Efforts

Two avenues for community outreach are underway: (1) media, website, and local organizations such as churches and schools; and (2) door-to-door outreach and variances thereon for the different areas of Cook County.

The first outreach effort is being handled by Carolyn Grisko & Associates. Their focus is an on-going effort to maintain a relationship with the print and televised media to keep awareness of the Program in the Chicago news system. The Program has received attention from the *Chicago Tribune*, the *Chicago Reporter*, *The New York Times*, and NBC Chicago news. A renewed effort is underway to expand the media's interest in the Program to bring the information in print, on the radio, and over the television to all areas of Cook County. Carolyn Grisko is also focusing on outreach to faith-based institutions, community-based organizations, CAPS leaders, and elected officials to help build a coalition that can work together to inform residents of the Program. We are additionally working on a postcard that we expect to have available by the beginning of August. That postcard will be distributed by all groups involved in outreach as well as mailed to each home on which a new foreclosure action is filed in Cook County.

The second outreach effort that is occurring is the door-to-door (or face-to-face) outreach. This component is being overseen by The Chicago Community Trust (CCT). CCT issued an RFP to over 400 organizations in mid-April for groups to submit proposals for outreach plans. By mid-June, CCT's selection process was complete and ten agencies were selected to provide door-to-door outreach in all neighborhoods in Cook County. A copy of the CCT press release announcing the grantees is enclosed as Attachment 2. Door-to-door outreach began on July 1, 2010.

Expenditures

The following expenses have been incurred by the partner organizations through June 30, 2010. (See next page.)

Organization	Total Contract Amount	Expense Incurred through 6/30/10	Explanation
The Chicago Bar Foundation	\$600,713.00	\$343,265.00	Funding went to: <ul style="list-style-type: none"> Salaries for 6 CLC attorneys to provide no cost legal advice to defendants (\$138,755.00) The Center for Conflict Resolution for Program staff to coordinate and manage scheduling, reporting, and volunteer mediators (\$56,815.00) CVLS for one full time attorney to go to mediation sessions and to oversee volunteer pool of attorneys to represent defendants during mediation sessions, as well as to provide representation through Access to Justice (\$121,836.00) Legal Assistance Foundation to provide foreclosure trainings to staff and volunteers for the Mediation Program (\$25,000.00)
Illinois Housing Development Authority	\$1,500,000.00	\$375,000.00	Funding went to: <ul style="list-style-type: none"> Housing counselor salaries (\$300,000.00) Hotline costs and expenses (\$38,709.00) IHDA Overhead (\$36,291.00) (Includes postcards that are mailed with appointment information, initial program development, supplies, etc.)
The Chicago Community Trust	\$250,000	\$125,000.00	Funding went to: <ul style="list-style-type: none"> 10 outreach groups for initial door-to-door outreach (\$112,500.00) CCT for selection, training, and oversight of agencies (\$12,500.00)
Carolyn Grisko & Associates	\$160,000.00	\$33,635.08	Expenses include: <ul style="list-style-type: none"> Continual outreach efforts to press, website design and maintenance, postcard design, coordination with churches, schools, community groups, CAPS leaders, etc. to notify residents about the Program

If you have any questions about the Program, please feel free to contact me at the above number or to contact Carina Segalini, the Court's Mortgage Foreclosure Case Management Coordinator at (312) 603-3291 or Carina.Segalini@cookcountyil.gov. Ms. Segalini will be available at the July 27, 2010 Board Meeting to answer any questions pertaining to the item placed on the Agenda by Commissioner Gainer.

Thank you.

CMCS/s
Enclosures
cc: Chief Judge Timothy C. Evans

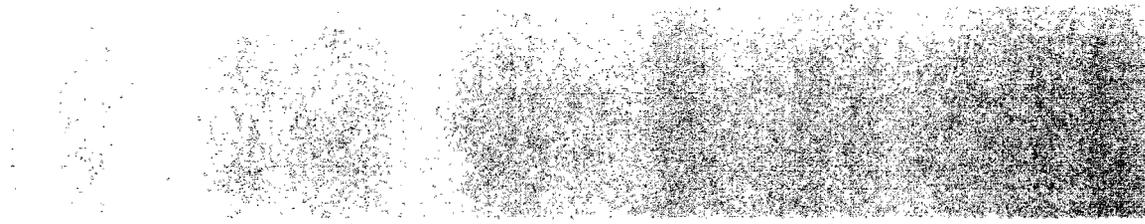
Timeline of Events

- 11/19/09 The Cook County Board of Commissioners approved \$3.5 million in funding for the Mortgage Foreclosure Mediation Program.
- 1/14/10 The Mortgage Foreclosure Case Management Advisory Committee received the oral report of the Mediation and Housing Counseling Subcommittee.
- 2/24/10 The Mediation and Housing Counseling Subcommittee issued its final report and recommendations regarding the Mortgage Foreclosure Mediation Program.
- 3/2/10 The Cook County Board authorized the Office of the Chief Judge to negotiate contracts with the partner organizations for the Program.
- 3/30/10 Contracts with the partner organizations were executed and submitted for approval to the Cook County Board of Commissioners.
- 4/6/10 The Cook County Board approved the contracts with The Chicago Bar Foundation, the Illinois Housing Development Authority, and Carolyn Grisko & Associates.
- 4/8/10 Presiding Judge Dorothy Kirie Kinnaird issued General Administrative Order No. 2010-01 outlining the history of the Program and setting forth the necessary requirements for the Clerk's Office and plaintiffs' counsel in order to commence the Program.
- 4/9/10 Presiding Judge Dorothy Kirie Kinnaird held a meeting of mortgage foreclosure attorneys to explain the Program.
- 4/12/10 The revised Mortgage Foreclosure Summons went into effect and was placed on the Clerk of the Court's website. The hotline operated by the Illinois Housing Development Authority (IHDA) and identified on the Summons went into operation. The legal information line operated by the Chicago Legal Clinic (CLC) as part of the expanded Chancery Division Advice Desk went into operation. The Chicago Community Trust (CCT) issued an RFP to over 400 organizations to conduct face-to-face/door-to-door outreach throughout Cook County. The Cook County Mortgage Foreclosure Mediation Program website was launched.
- 4/14/10 A meeting of the judges of the Mortgage Foreclosure/Mechanics Lien Section was held to discuss the mechanics of the Program. (Additional meetings for the judges were held on May 24, 2010 and June 16, 2010.)
- 4/19/10 Housing counselors selected by IHDA and attorneys from the Chicago Legal Clinic (CLC) took part in a week-long orientation and training program and began taking walk-in clients.

- 4/20/10 Chief Judge Timothy C. Evans issued a press release announcing the Program. Media efforts began to publicize the Program. Efforts to engage the media to help publicize the Program continue throughout the Program.
- 4/20/10 The Cook County Board approved the contract with The Chicago Community Trust.
- 4/26/10 The ten (10) on-site housing counselors and the six (6) CLC attorneys began working full time in the space created at 69 W. Washington Street and in the Richard J. Daley Center to meet with clients who scheduled appointments through the hotline and to assist walk-in clients.
- 5/10/10 Motions, orders, and related forms were revised and new documents were developed and reviewed by the partner organizations.
- 5/13/10 The Mortgage Foreclosure Case Management Coordinator met with HUD-certified housing counseling agencies, which were not selected to participate in the Program on-site, to explain the Program mechanics and the most efficient way to ensure that their clients obtain access to the free legal advice offered.
- 5/26/10 The Mortgage Foreclosure Case Management Coordinator met with legal counsel from the Office of the Recorder of Deeds to explain the mechanics of the Program and to receive information regarding the Recorder of Deeds' efforts to prevent mortgage and real estate fraud.
- 6/1/10 A meeting with representatives of the defendants' bar was held to discuss mechanics of the Program.
- 6/2/10 A meeting with representatives of the plaintiffs' bar was held to discuss mechanics of the Program.
- 6/4/10 A meeting for all mortgage foreclosure attorneys was held to update the attorneys on the new forms and changes to courtroom procedure due to the implementation of the Program.
- 6/8/10 and 6/9/10 Training sessions on the mechanics of the Program were held for the Court's law clerks, case coordinators, and secretaries.
- 6/9/10 An informational presentation was given by Presiding Judge Dorothy Kirie Kinnaird to the Daley Center Deputy Sheriffs explaining the Program.
- 6/10/10 and 6/11/10 Training sessions were held for the Clerk of Court supervisors, staff, and courtroom clerks.
- 6/11/10 The 60-day case management dates began for those cases that have received the revised Mortgage Foreclosure Summons. A CLC attorney was stationed full-time on the 28th Floor of the Daley Center (where mortgage foreclosures are heard) to

assist litigants before and after court hearings. The first mediation orders were entered by the mortgage foreclosure judges on this date.

- 6/15/10 CCT completed its selection process of groups that will provide face-to-face outreach throughout the neighborhoods in Cook County. Ten organizations were selected and CCT provided additional, private funding to ensure coverage throughout all of Cook County.
- 6/24/10 A half-day training session was held by CCT to train the organizations conducting face-to-face outreach for the Program.
- 7/1/10 Door-to-door and face-to-face outreach began.
- 7/12/10 The IHDA hotline hours were extended to 6:00 P.M.
- 7/13/10 The first mediation sessions were held.
- 7/30/10 Expected launch of the internet form to request appointments with housing counselors and attorneys through www.cookcountyforeclosurehelp.org.
- 8/1/10 The second mediation sessions are scheduled.
- 9/9/10 The first cases sent to mediation will be returning to Court and the results of the mediation sessions will be reported to the foreclosure judges.



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The Chicago Community Trust Announces the Circuit Court of Cook County Mortgage Foreclosure Mediation Program Grant Recipients
Ten nonprofits selected to participate in community outreach

Chicago, IL [July 15, 2010] – Using funds from Cook County, The Chicago Community Trust awarded \$225,000 in community outreach grants to 10 nonprofit organizations committed to spread the word face-to-face and door-to-door about the Circuit Court of Cook County Mortgage Foreclosure Mediation Program. The Mediation Program provides free housing counseling and legal services to Cook County homeowners and families in foreclosure. The program is aimed at helping homeowners resolve their mortgage cases in the most timely and respectful manner possible. The Trust's role is part of its commitment to address the foreclosures crisis in the Chicago region, and is being developed in close coordination with the Court and its partners, as well as with Regional Home Ownership Preservation Initiative (RHOP) partners, including Woodstock Institute, Housing Action Illinois, and Neighborhood Housing Services of Chicago. For more information on RHOP, visit www.regionalhopi.org

“A key element of any successful program is its outreach strategy. When it comes to promoting participation, the way you communicate the benefits of a program and engage people is almost as important as the quality of the services provided. This is especially true when families must deal with a process as intimidating and complex as a foreclosure case,” said Roberto Requejo, program officer at The Chicago Community Trust. “Trusted community-based nonprofits can be the best messengers to communicate to families that they are not alone: experts are available free of charge (attorneys, counselors, mediators) and can help them stay in their homes.”

The organizations funded by the Trust, and their outreach neighborhoods or municipalities, are listed below:

Action Now: a grant for \$30,000 targeting Blue Island, Dolton, East Hazel Crest, Englewood, Lansing, Markham, North Lawndale, Park Forest, Robbins and West Englewood

Bethel New Life: a grant for \$15,000 targeting Austin and West Garfield Park

Genesis Housing Development Corporation: a grant for \$20,000 targeting Chatham, Grand Boulevard, Greater Grand Crossing and South Shore

Interfaith Leadership Project: a grant for \$25,000 targeting Berwyn and Cicero

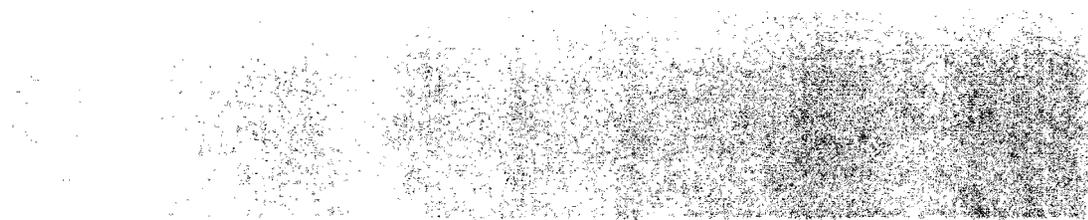


Lakeside Community Development Corporation: a grant for \$30,000 targeting Albany Park, Evanston, Rogers Park, Skokie and West Ridge
Logan Square Neighborhood Association: a grant for \$10,000 targeting Avondale and Logan Square
Northwest Side Housing Center: a grant for \$30,000 targeting Des Plaines, Dunning, Irving Park, Mount Prospect and Portage Park
Oak Park Regional Housing Center: a grant for \$15,000 targeting Bellwood, Forest Park, Maywood and Oak Park
Southwest Organizing Project: a grant for \$30,000 targeting Ashburn, Brighton Park, Chicago Lawn, Clearing, Gage Park, Garfield Ridge, West Elsdon and West Lawn
Spanish Coalition for Housing: a grant for \$20,000 targeting Belmont-Cragin and Humboldt Park

“We are excited about the Circuit Court of Cook County’s plan for community outreach,” said Rabbi Joshua Salter, Associate Rabbi of Beth Shalom B’nai Zaken Ethiopian Hebrew Congregation in Chicago Lawn. “Our temple, which is a member institution of the Southwest Organizing Project, recognizes the need for institutions and residents to connect to those who are struggling in our neighborhoods. This innovative outreach effort will train residents in our community who are troubled by the rising number of families in foreclosure on their blocks to reach out to their neighbors face-to-face and help them get to the assistance they need to stay in their homes.”

The Chicago Community Trust has been retained to award and monitor 10 six-month grants to nonprofits providing face-to-face or door-to-door outreach to Cook County borrowers. The work of the grantees is part of a larger overall outreach campaign coordinated by the Court.

“Homeowners facing foreclosure in Cook County now have a court-sponsored program that can help them navigate the court and the housing counseling process. Action Now will continue to reach out to homeowners that may be unaware of the new mediation process and quickly connect them to the program. Our goal is to increase the number of foreclosure victims that attend court and become actively involved in the process of resolving their foreclosure situation. Now that Cook County Courts have a program to help homeowners, our job is to make sure that members of our community are fully informed about their options and take advantage of the resources now available,” said Michelle Young, president of Action Now.



The foreclosure crisis continues to have a profound effect on individuals, families and communities. In Cook County, more than 145,000 filings for foreclosures occurred between 2006 and 2009. Many homeowners would be able to avert foreclosure and remain in their homes if they sought help. However, currently, it is estimated that fewer than 10% of homeowners in foreclosure show up at court when required, and in the hardest hit areas of Cook County, about the same percentage have used the services of a housing counselor certified by the U.S. Dept. of Housing and Urban Development (HUD). Specific information on facts, trends and responses related to our current foreclosure crisis can be found at the Regional Home Ownership Preservation Initiative (RHOPI) Web site, co-sponsored by the Trust and available at: www.regionalhopi.org

During the convenings of the Regional Home Ownership Preservation Initiative (RHOPI), housing experts and practitioners throughout our region agreed upon the need to establish effective outreach strategies to reach out to troubled borrowers . The RHOPI Action Plan established as a priority the development of “early, effective and efficient regional outreach to households experiencing or at risk of experiencing foreclosure.” A variety of initiatives currently reach out to Cook County borrowers at risk of foreclosure or in foreclosure proceedings, from large events where borrowers are assisted in submitting applications for loan modification, to door-to-door initiatives where community-based organizations inform neighbors about their options.

About The Chicago Community Trust

For 95 years, The Chicago Community Trust, our region’s community foundation, has connected the generosity of donors with community needs by making grants to organizations working to improve metropolitan Chicago. In 2009, the Trust, together with its donors, granted more than \$100 million to nonprofit organizations. From strengthening schools to assisting local art programs, from building health centers to helping lives affected by violence, the Trust continues to enhance our region. To learn more, please visit the Trust online at www.cct.org.