Three Into One

How the Mission Sustainability Initiative at Forefront is helping improve affordable housing in Chicago’s suburbs

Collaboration Status
Complete

Sustained Collaboration Type
Merger

MSI Grant Types
Exploration and Implementation

Technical Assistance Providers
Mission + Strategies
Proven IT
Public Communications

Partners
Affordable Housing Corporation of Lake County
Community Partners for Affordable Housing
Lake Country Residential Development Corporation

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In 2016, Rob Anthony, the relatively new leader of the Affordable Housing Corporation of Lake County, started chatting with representatives of the Lake County Residential Development Corporation about an idea that had been floating around the affordable housing atmosphere for a few months.

The idea? Merge three prominent affordable housing nonprofits serving northern Cook and Lake Counties—or at least discuss collaborating on some level—to help minimize duplication and deliver the most effective services for the limited resources available.

Those conversations led to a complicated, delicate, and successful merger, one that offers an archetypal portrait of how Forefront, a nonprofit organization focused on building a vibrant social impact sector for the state of Illinois, is innovating in the nonprofit and philanthropic space.

“We’re just so happy with all the support and help from Forefront,” said Anthony, now president of Community Partners for Affordable Housing, the organization that once was three separate entities.

Established in October 2016, the Mission Sustainability Initiative at Forefront is designed to help nonprofits who see the potential for long-term benefits in sustained collaborations, whether it’s a full merger, sharing office space or staff, or administrative or programmatic partnership. The MSI supports organizations’ moves toward partnerships in a confidential and productive way. The initiative also provides funding for collaborations, connects organizations with important pro bono services, and offers an array of toolkits, research, best practices, and workshops.

“The MSI is perfectly aligned with Forefront’s overall mission,” said Eric Weinheimer, Forefront’s President and CEO throughout the Community Partners for Affordable Housing merger. “Our primary goal is to make it easier for nonprofits to do their best work. The MSI allows nonprofits the opportunity to thoughtfully consider partnerships and collaborations as a way to achieve their missions and maximize their impact for the communities they serve.”

Anthony said he’s unsure those early conversations would have gone much further without the Mission Sustainability Initiative. “I think they were incredibly helpful,” he said.

Exploring Collaboration

The three Lake County agencies—Affordable Housing Corporation of Lake County, Lake County Residential Development Corporation, and Community Partners for Affordable Housing—saw that merging had the potential to maximize their impact, Anthony recalled. More precisely, merging all three organizations into one would provide increased and more effective services to clients, create one place for housing services in Lake County, increase efficiency, and strengthen the agencies’ shared long-term missions.

In 2017, after about six months of
discussions among leaders of all three agencies, Anthony reached out to MSI Director Genita C. Robinson. Among other topics, Robinson described what a potential merger process might look like, discussed consultants, and said funding might be available for a feasibility study.

The three organizations applied for funding. Forefront, through the MSI, provided nearly $30,000 of the $46,500 to conduct the feasibility study and facilitate the merger. The agencies contributed and also received a grant from the SeaChange-Lodestar Fund for Nonprofit Collaboration.

In addition, an MSI seminar connected the organizations with essential pro bono legal work from the Chicago Lawyer’s Committee for Civil Rights Community Law Project. Without this support, legal services would have amounted to about $100,000 in paid work, Anthony said.

The feasibility study took about 6 months, he said, and the more the three organizations aligned and collaborated, the stronger the case for a merger became. By early 2018, they had established a Joint Negotiation Committee of executive directors and two board members from each of the three agencies.

The Merge

In February 2018, all three boards approved merging the organizations. The next layer of the work process unfolded, including navigation of each board’s one non-negotiable item.

Community Partners for Affordable Housing (CPAH) leaders thought its organization had the widest brand awareness and wanted the new agency to be known by its name. The Affordable Housing Corporation of Lake County wanted to retain Anthony as president of the new organization, and Lake County Residential Development Corporation wanted its board chairwoman, Eve B. Lee, to serve in the same role for the new organization.

The formal merger occurred on January 1, 2019. All three non-negotiables became part of the new Community Partners for Affordable Housing.

“It was really inspiring how all three of the boards negotiated,” Anthony said. “There were no egos. People were really thoughtful every step of the way in making decisions for the right reasons.” Those reasons, he said, were focused on providing more units of affordable housing to more people.

“I firmly believe that’s happening and will continue,” he said.
Impact and Lessons Learned

It was extremely hard work, maybe three times more work than Anthony expected. Creating and learning new systems, policies, practices and technologies led to a massive workload, as did staffs getting used to each other and their new work flow.

That unanticipated, heavy undertaking is one lesson learned that he would pass along to other organizations considering mergers.

Anthony already sees benefits from the merger in across-the-board efficiencies – accomplished without layoffs. Instead of clients being on multiple waiting lists for housing services, the new CPAH “has one number you can call and get help with any type of housing-related need,” Anthony said.

He called it “a much larger continuum of services.” That continuum allows clients, with one phone call, to access services that include rental assistance, rental housing, property management, HUD-certified housing counseling, down payment assistance, owner-occupied rehabilitation, accessibility improvements, foreclosure counseling, financial counseling, community land trust programming, inclusionary housing administration, housing rehabilitation, project management, and new construction.

Concerns that the merger would dilute services to specific geographic areas turned out to be unfounded. In Highland Park, for example, where the original CPAH was started and headquartered, officials worried that a consolidation and move to Libertyville would lead to less attention to Highland Park’s affordable housing needs.

The exact opposite occurred, Anthony said. Now, Highland Park residents can get HUD-certified housing counseling and take advantage of a home accessibility program—new services from organizations that merged with the old CPAH.

Nine months into the merger, Anthony said the workload remains heavy but, “I think we all firmly believe that we did the right thing.” He called this year’s effort “an investment in the long-term structure of the organization. A lot of benefits will be seen in 2020 and beyond.”

Asked what more the MSI could have done to support the effort, Anthony paused. “I don’t know,” he finally said. “They were just really great.”

To learn more about the Mission Sustainability Initiative, visit myforefront.org/msi/ or email Genita C. Robinson at grobinson@myforefront.org.