

CHICAGO AREA COMMUNITY DEVELOPMENT ROUNDTABLE —
INAUGURAL MEETING

Chicago, Illinois
April 21, 1998

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I. Good afternoon, and welcome to the first meeting of the Chicago Community Development Roundtable.

- A. I'm delighted to have the opportunity to address this group, at its inaugural luncheon. I hope that today's session provides you with a valuable opportunity to network and share ideas with all of the participants here.
- B. Our hope in setting up this and similar roundtables in other cities in our District is to promote synergy between business leaders, financial professionals, community organizations, and state and local officials.
- C. Our roundtables are meant to provide an opportunity for participants to candidly discuss their concerns about community and economic development issues and collectively find ways to address them.

II. As a number of you here today know, in 1995, the Chicago Fed convened another group of Chicago area organizations concerned with community development. That initiative, the Mortgage Credit Access Partnership initiative (or MCAP), had a very specific purpose: to foster fair treatment in the home purchase and mortgage process in greater Chicagoland.

- A. MCAP brought together on a voluntary basis over 100 interested organizations, including lenders, appraisers, secondary market professionals, realtors, community organizers, and government officials.
- B. Through MCAP, the players in the mortgage industry here in Chicago have worked together to bring about positive change in the home purchase process.

- C. How has MCAP done this?
1. For instance, one MCAP task force looked at the way appraisals are conducted, particularly in those communities that do not have active real estate markets
 2. The Appraisal Task Force is working to establish new professional guidelines for appraisers, and provide informational resources to help appraisers conduct accurate and fair appraisals in under-served areas.
 3. Other task forces are looking to establish new methods for consumers to resolve credit disputes, and to address the impact of high rates of FHA foreclosures in certain Chicago-area communities.
- D. As MCAP has proven, it's one thing to be able to figure out what's wrong; the more important step is solving the problem. It's the development of a plan-of-action, implementation, follow-through, and evaluation that leads to solutions. And it's involving all the interested parties in the process that make solutions possible.
- E. Our focus today is not to dwell on problems, but to network, collaborate, and to provide a forum for determining the best way to address whatever issues we may identify. We hope that, as we are doing through MCAP, the Federal Reserve Bank of Chicago can take a proactive approach in facilitating discussion and becoming a catalyst for change.
- F. I know that many of the participants here have been involved with think-tank and problem-solving groups before - most with favorable results. But let me explain why this venture may be different from what any of you have done before:
1. This group is intended to be fluid. The Roundtable encompasses a broad range of disciplines involved in community and economic development in Chicago. Given our broad membership, this Roundtable will be an ongoing series that will evolve over time. We may ask new members to join as issues become more defined. Others may not be able to continue, or won't participate at every session.
 2. We'll look beyond our immediate members for participation. The goal here is to foster partnerships and networks; however, we encourage partnerships and networks with people and resources that may not be part of the group. We want to be a catalyst for development of new ideas. We realize that we here in this room don't have all the answers.
 3. Topics will be fluid. Just as peoples' needs change, we will change also. Our group may be a think-tank one session, a problem-solver the next, and an educational forum with guest speakers at the session after that. We will be effective only if we are willing to respond to change with new strategies and tactics.
- G. I'm confident that with all of the talent, imagination, and commitment here in this room today, we can get the job done and make a difference in Chicago. I hope you have a productive and interesting session.