



**Office of the Attorney General of Illinois  
Lisa M. Madigan**

**Request for Proposals  
Civil Legal Aid Mortgage Foreclosure Projects  
May 9, 2012**

**Background**

Attorney General Lisa Madigan announced on April 17, 2012, that at least \$20 million in funding from the national foreclosure settlement reached this year will be given to legal assistance programs in Illinois to address the current foreclosure crisis and to provide access to the justice system for homeowners and renters.

"We need to give homeowners a fighting chance to save their homes from foreclosure," Madigan said. "The best way we can help is by providing distressed borrowers with legal representation to ensure they have an advocate to fight for them in the courtroom and that they will be treated fairly in the process."

Madigan's announcement stems from her role in securing a \$25 billion national settlement in February with the nation's five largest bank mortgage servicers – Bank of America, JPMorgan Chase, Wells Fargo, Citibank and Ally Bank, formerly GMAC. The settlement addressed allegations of widespread "robo-signing" of foreclosure documents and other fraudulent practices while servicing loans of struggling homeowners.

As part of the settlement, the Attorney General's office will recover money from the banks to remediate the historic levels of foreclosure in Illinois. Madigan's announcement is the first step in the distribution of that funding to be used to assist homeowners and communities to recover from this crisis through funding for legal assistance programs, housing counseling services and community revitalization efforts statewide.

"The one sector of our economy that has shown limited signs of recovery is the housing market," Madigan said. "Providing critical resources for legal assistance programs will create a domino effect in the marketplace. Helping a family stay in their home benefits not just that family but the surrounding community and stabilizing the housing market must happen to revitalize the overall economy."

The settlement will also provide direct relief to affected borrowers in Illinois and completely overhaul mortgage servicing standards to prevent future abuses by lenders that many consumers have faced while trying to save their homes during the foreclosure process.

### **Availability of Funds**

Funding is available for multi-year grants to 501 (c) 3 tax-exempt organizations that have at least one licensed attorney on staff.

### **Projects To Be Considered:**

Projects that provide some or all of the following legal services to homeowners or renters in Illinois relating to foreclosure prevention, defense or related assistance:

- Projects that provide legal representation in foreclosure proceedings;
- Projects that provide legal representation to residential renters in eviction cases caused by foreclosure;
- Web-based legal information and resources on foreclosure issues for homeowners and renters impacted by mortgage foreclosure;
- Projects that provide legal advice and assistance to homeowners and/or renters impacted by foreclosure, such as telephone helplines or helpdesks; and
- Pro bono programs based outside of Cook County to provide pro bono legal services to homeowners and renters outside of Cook County through a panel of volunteer attorneys.

### **Limitations**

- Funds appropriated by the Attorney General may not be spent on a sectarian purpose.
- Funds may not be used for the purpose of lobbying or encouraging political activities, labor or anti-labor activities, boycotts, picketing, strikes or demonstrations.
- No more than 25% of grants awarded can be used for overhead costs.

### **Timeline and Format for Application**

- Applications are due electronically by June 15, 2012, to Deborah Hagan, Office of the Attorney General, [dhagan@atg.state.il.us](mailto:dhagan@atg.state.il.us), with copy to Tracy Celletti, [tcelletti@atg.state.il.us](mailto:tcelletti@atg.state.il.us). Grants will be awarded on a rolling basis.
- Proposals should include a brief summary of the proposed services, a budget, and background about the organization's expertise and capabilities to provide the services. The Office of the Attorney General may request additional information.

### **General Evaluation Criteria**

- Demonstrated need for the proposed services.
- Applicant's experience in providing the services, as indicated by the experience levels and qualifications of key staff and the numbers of persons served in prior years.
- Efficient service delivery which takes into consideration factors such as the relative costs of the applicant's services; cooperation and coordination with other entities to avoid duplication of effort; the use of trained volunteers; and the use of technology to increase access to services and to maximize productivity.
- Sound organizational management, including indices such as the fiscal health of the sponsoring organization; realistic income and expense budgets for the project; and the evidence of active involvement and oversight by a qualified advisory board and/or board of directors.