

ALBANY PARK

With \$10 Million From City, An Albany Park Community Bank Can Help Neighbors Start Businesses And Buy Homes

The money from the city treasurer is meant to help the community bank make more loans to neighbors who want to open a business or secure affordable housing.

Alex V. Hernandez 7:33 AM CDT on May 11, 2023



Credit: Provided.

City Treasurer Melissa Conyears-Ervin announced the deposit of the city funds into Albany Park-based Albank on May 9, 2023.

Credibility:  Original Reporting  Sources Cited

ALBANY PARK — An Albany Park community bank now has \$10 million to invest into the area, part of a program to direct city money to local lenders in underserved neighborhoods to directly finance businesses and homes.

City Treasurer Melissa Conyears-Ervin announced the funding this week for Albank, 3400 W. Lawrence Ave.

City revenue goes through the treasurer's office, which deposits portions of its money into various banks. The money for Albank is intended to help the bank offer home and business loans and other related financial services for low- and moderate-income communities, officials said.

Of the 11 banks that received money from the treasurer's office, Albank is the only independent community bank and not a publicly traded regional or national bank, city officials said.

"Albank and other community lenders supply the capital for affordable housing and small businesses that fuel the engine of our local economy," Conyears-Ervin said. "This \$10 million deposit marks the first time my administration has put funds into a community financial institution that offers competitive rates and will positively impact more Chicagoans. I believe this will direct much-needed capital to fuel new economic development that will open doors and build more prosperous futures and stronger communities."

Albany Park has one of the highest percentages of immigrants in the city and is one of its most culturally and ethnically diverse neighborhoods, with more than 40 languages represented in neighborhood schools, according to DePaul University's Institute for Housing Studies.

Albank was founded 70 years ago. The money from the city is the latest initiative to help neighbors who want to start their own business or buy a home in the area, said Adam Steinback, Albank's senior vice president.

“Albany Park is a melting pot, with about two-thirds of area residents identifying as minorities,” Steinback said. “This investment will be earmarked for lending that benefits low- to moderate-income community members to help them build wealth and keep pace with better-funded businesses and entrepreneurs in other communities.”



Credit: Colin Boyle/Block Club Chicago

Sunlight graces the facade of a three-flat building in Albany Park on January 22, 2021.

Albank offers banking services to the entire city but is headquartered in Albany Park. Many of its customers are from the neighborhood because the bank can offer financial packages benefiting low- to moderate-income residents, Steinback said.

Many customers for small business loans are owners of restaurants or auto mechanic shops in the area, Steinback said. Much of Albank’s funding and development goes toward naturally occurring affordable housing in Northwest Side neighborhoods, he said.

“The value is that local banks like us are committed to community investment, community and economic development and equitable lending in the communities we serve because we are local,” he said. “We live here. We work here. We eat here. We shop here ourselves, and our impact matters to us.”

Albank must submit annual reports to the treasurer’s office to demonstrate how the money has been used to support local home and business loans, officials said.

Albany Park and Irving Park saw the largest growth in lower-income renters living in unaffordable units between 2012-2014 and 2017-2019, according to the [DePaul research](#).

At the same time, Chicago [lost more than 4,800 two- to four-unit buildings between 2013 and 2021](#). That trend was [most acute](#) in higher-cost neighborhoods on the North and Northwest sides, where the multi-unit buildings were replaced with single-family homes — fueling displacement, according to researchers.

Conyears-Ervin was born in Englewood and grew up on the West Side. That is why she wanted to encourage smaller community banks to apply to the city’s [municipal depository program](#) so they could receive deposits of taxpayer dollars, she said.

Investing in community banks is the first step toward helping neighbors in communities of color like Albany Park create jobs through new businesses and keep rents and mortgages affordable, all of which helps people build wealth, Conyears-Ervin said.

“This is why this \$10 million deposit is so important,” she said. “What I’m hoping is that other community banks will see this story and that they will now want to apply to become a depository to hold our deposits.”

Underserved communities need this kind of city-backed investment for future generations to prosper, Conyears-Ervin said.

“I watched my mother purchase her first home through a local bank. They say a child cannot be what a child cannot see. Well, I saw my mother invest in herself,

invest in the future of her family. So what did I do? I graduated from college and I purchased my own home as a single woman working,” she said. “And that home I still own today. And my mother owned her home until her passing. And when she passed that asset went into our family. This is how you build generational wealth.”

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