

Will low-income housing near Joliet casino be torn down?

October 21, 2003

BY CURTIS LAWRENCE Staff Reporter

A debate over the future of a private low-income housing project on a prime piece of Joliet real estate right across the river from Harrah's Casino has triggered a political showdown that blurs party lines and reaches almost every level of government.

At the center of the controversy is Evergreen Terrace, a sprawling 7-acre development with 356 units of low-income housing for residents using vouchers under a federal program commonly known as Section 8.

City officials, who have garnered the support of Rep. Jerry Weller (R-Ill.) call the development a crime-ridden dump that is far beyond rehabilitation.

"It's a filthy and dangerous place," said Joliet's deputy city manager Jim Shapard, who says the city wants to turn the site into a mixed-income community although no plans have been finalized.

Shapard pointed to the weekend slaying of a 40-year-old man at the development as just another example of out-of-control crime. City officials and state housing officials have clashed over the extent of criminal activity.

The building's owners, officials at the Illinois Housing Development Authority, and housing advocates say that losing Evergreen Terrace to the bulldozer would be a travesty when low-income housing is in such demand.

"I think it's outrageous," said Herb Halperin, president of the development's owner, Burnham Management Co., blasting the city and the U.S. Department of Housing and Urban Development. "HUD seems to be ignorant of their statutory obligation to preserve low-income housing."

Burnham had applied to renew its 20-year contract using a new financial restructuring agreement with HUD under a program designed to preserve housing units.

The state's housing agency reviewed the proposal, conducted a financial and physical audit of the development and forwarded a positive recommendation to HUD. The new contract agreement would include a substantial increase in security.

After failing to cut a deal with Halperin for the city to get the property, Joliet officials called Weller and asked him to call a meeting with HUD Secretary Mel Martinez last month.

Martinez assured the group he would not sign off on an extension for Evergreen Terrace, said Ben Fallon, a Weller aide.

Residents acknowledge that there are some problems with drugs and gangs, but nothing that can't be corrected.

"We're pretty comfortable where we are and we don't want the city to come in and tear it down," said Rosie Dixon, chairwoman of a committee of residents who want to save the complex. "I think it's because of the boat," she said, gesturing toward Harrah's Casino. Harrah's officials could not be reached for comment on Monday.

Halperin said he's continuing to work for renewal of his contract until he hears an official answer from HUD, which would not comment on specifics of the controversy Monday.

Kelly King Dibble, who heads the state's housing authority, says the fight for Evergreen Terrace isn't over.

"We're holding firm to support the restructuring plan and preserve these 356 units of housing," Dibble said. "There's no viable alternatives in that marketplace."

The dispute has produced unusual alliances, with longtime Republican contributor and state school board member Ronald Gidwitz siding with the Democratic Gov.

Blagojevich's housing chief. Gidwitz, who owns less than 1 percent of the property, is a minor investor in Evergreen Terrace.

"The city of Joliet doesn't want this property close to downtown and they are intent on pushing these residents out of town," said Gidwitz, who is skeptical about the city's plan to develop mixed-income housing on the site.

Copyright © The Sun-Times Company

All rights reserved. This material may not be published, broadcast, rewritten, or redistributed.