

# THE NETWORK BUILDER

Issue No. 27, Winter 1995

The Chicago Rehab Network Newsletter

## Displacement In Your Neighborhood: The Who's Doing What About It Issue

### W o o d l a w n

When we asked Mattie Butler at WECAN whether displacement is a problem in Woodlawn and what WECAN was doing about it, the answers were complex ones. She began by describing it along these lines:

WECAN stands for Woodlawn East Community and Neighbors, and that gives a pretty accurate picture of who WECAN, the community based community development organization, is: an organization that is "99.9 percent community residents and representative of the community as it now is." That is true from the board of directors to the corp of volunteers to the staff.

Compare the composition of WECAN to another development organization at work in Woodlawn these days. The Fund for Community Redevelopment and Revitalization was founded in 1992 by mayoral fiat when Mayor Daley commissioned Reverend Arthur Brazier to redevelop Woodlawn. Fellow members of the board include Jonathan Kleinbard, Director of Public Relations for the University of Chicago, who also sits on the board of the Community Development Commission of they city's Department of Planning and Development, Leon



Photo: Joseph A. Nicita

Finney, who is also on the board of the Planning Commission, Allison Davis, who is also Chicago Corporation Counsel, and several members of Mr. Brazier's congregation.

Also active in Woodlawn is a development organization called the Woodlawn Preservation and Investment Organization (WPIC). WPIC is

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# Displacement and Control and the People In Your Neighborhood --

## Editor's Note

In our third issue on Housing Development Without Displacement, the first question remains "Is displacement happening in your community?" Only secondly can we ask "what are you doing about it?" In most of the neighborhoods represented here, the answer to the first question is not a simple one. So we have asked it several times. First, we asked representatives from CRN member organizations. And then we asked homeowners and renters in their neighborhoods to tell us about their individual experiences with a view to keeping the abstract issue of displacement in human proportions.

It may be helpful to frame our concerns about displacement within the context of community control. Issues of community control and of displacement are not identical, but they are tightly intertwined. In instances of obvious displacement, like the sweeping urban renewal projects of the '60s, or the gentrification of Lincoln Park, community control was sorely missed. It is small wonder then that citizens across the city are so often leery of new development and bold city plans today.

The common thread running through all our interviews across town are concerns surrounding community control. These include frustration that there are not community advisory bodies where there ought to be. They include frustration with existing community advisory

bodies who seem to have been set aside to advise in a safe place where their advice can be carefully documented, filed, and ignored. They also include concerns about what community means — not just what constitutes community participation, but *who* constitutes the community. Charles Mitchell and Jonathan Kleinbard might not have the same interests in the redevelopment of Woodlawn. Are they both community people? And if they are, who will maintain a balance of power between them?

It is probably safer to be in the business of maintaining that balance of power than qualifying people as real or impostor community people. If we engage in the latter, we might make a slip similar to what Marion Coleman describes as the personification of poverty — in this case the error could develop into the euphemization of community. "Community resident" is not a code phrase for poor, disenfranchised, non-homeowning minority. But it must include the poor minority. And how often is that imperative taken seriously? If the euphemized community resident does not trust the plans made by men who do not count him among their circle, if he is skeptical of the real presence of the community control in the so called community advisory bodies of CHAS, CDBG and the CCC, he has good reason to be.

In reading what follows, then, we ask you to keep the following three questions in

mind. Do you believe in the importance of community control? If so, what do you mean by community control? And what will have to be done to translate it from a paper committee and an occasional public hearing into a real force for neighborhood balance? □

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## -- A Day to Day Battle

by David Hunt

*David Hunt is the Executive Director of the Chicago Rehab Network (CRN).*

*Control of the redevelopment of our neighborhoods is largely determined by the distribution of our resources. It was with this understanding that the Chicago Rehab Network built a coalition around the 1993 Affordable Housing and Community Jobs Campaign, to direct more of the City of Chicago's housing resources towards lower income community residents. The following is an excerpt from the speech Chicago Rehab Network Executive Director David Hunt presented when the Wieboldt, Woods and MacArthur Foundations presented the coalition with the 1994 Community Organizing Award.*

*In discussing displacement and community control, it is worth remembering that campaign, and the fact that the Daley Administration has now had a full year to work towards the commitments made in answer to it: commitments to direct more city housing money to creating housing for more of the people who need it most.*

*Were those promises pursued in good faith? CRN's Michael Leachman has been analyzing the results presented in the Department of Housing's quarterly reports on housing production, and his assessment of DOH's year end report appear on page 4.*

*We are not here to celebrate victory, we are here to celebrate warriors and the day to day battle they wage.*

*It is no coincidence that three of the world's great*



*David Hunt is surrounded by (left to right) Sherry Rontos, Judy Beison, Jean Butzen, Alderman Arenda Troutman and Alderman Toni Preckwinkle. Photo: Jace A. Frederick*

religions focus on peace. In Christianity, Jesus greeted the people with "Peace be with you." In Judaism, the greeting is "Salaam," or "Peace." In Islam, the greeting is "As salaam alaikum," Peace be unto you.

Peace is what we all crave. It is part of our human nature. Yet carved in the archives of time are the battles of the righteous.

The Declaration of Independence says that mankind is more disposed to suffer while evils are sufferable than to right themselves by abolishing the forms to which they are accustomed.

The Quran says: Fighting is prescribed for you though you like it not." Prescribed like medicine. More often than not, the medicine is more bitter than sweet.

Organizers are often reluctant warriors. Awakened by the sun, they rise up day after day to fight the gleeful and brutal beasts of oppression. The

organizers stuff the pile of last week's phone calls in their bag beside the folder of late reports and the three proposals due today and rush their children off to school, making false promises to be home in time for dinner.

Upon entering the office, crowded with too few people, they find that the beast has laid waste upon the community again last night and awaits their response by noon.

The beast of falsehood, greed and hatred, armed to the teeth with money, influence, secret knowledge of unholy alliances, and weapons of death, its weapons are all focused on folly and mayhem at the expense of the people weakened by the day to day struggles to survive.

By day's end, the battles have been fought, some won, some lost, and long after the sun has set and the dinner is cold, the warriors return home to nurture the family and rejoice in its love of knowing that as sure

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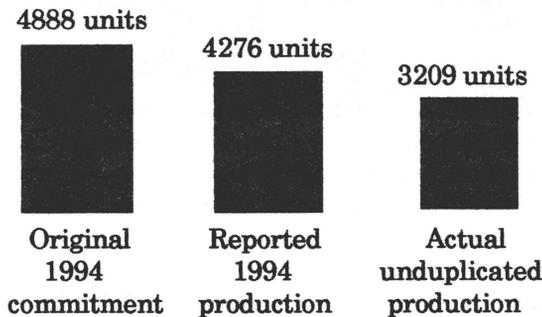
# ANALYSIS OF DOH IN 1994

by Michael Leachman

Over 200 institutions, churches, and community organizations across Chicago supported and won the passage of the Chicago Affordable Housing and Community Jobs Bill in December 1993. In addition to creating new funds for affordable housing, the bill called upon the city's Department of Housing (DOH) to report quarterly to City Council on their activities. Mayor Daley also committed the department to creating 4888 new affordable housing units during 1994.

CRN has produced an analysis of the Department of Housing's (DOH) actual production in 1994. Parts of that analysis are included on this page. All data is based upon DOH's own figures.

**DOH's actual 1994 production falls far short of the Mayor's December 1993 commitment.**



## DOH COUNTS GHOST UNITS

**Example  
6 N. Hamlin - 276 units**

All 276 units received funding through the department's Multi-Family Rehab program. So, DOH counted 276 units created.

In addition, the project received Tax Credits through the department. DOH took credit for creating 276 more units.

Finally, 70 of the units in this project were subsidized by DOH through their Low-Income Housing Trust Fund. DOH counted 70 more units.

In total, DOH claimed to have created 622 units. Actually, only 276 units were rehabbed.

DOH does this often.

## Families get no bedrooms

Fifty-five percent of all the "units" created by DOH last year through their Multi-Family Rehab and New Construction Program where shelter beds, SRO units, or studios. So, most of the units DOH created had no bedrooms!

**In all, because they double and triple count units, DOH claims to have created at least 1163 units of housing in 1994 that were never really created at all.**

## INEFFICIENT PROGRAM SLOWS DEVELOPMENT

The Multi-Family Rehab and New Construction program at DOH provides loans to developers who then renovate and build housing units.

CRN analyzed 22 projects handled by this program in 1994. On average, developers waited over one year from the date they applied to the date their loan closed.

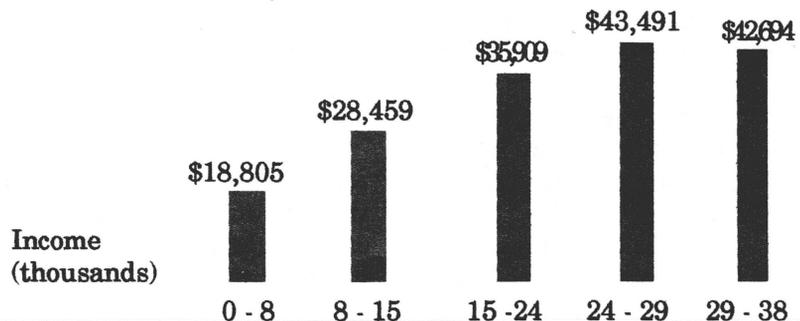
Once loans have closed, applicants must still wait to actually receive their money from DOH.

**AVERAGE  
PROCESSING  
TIME  
12.5 months!**

## Wealthier people get healthier subsidies

In DOH's Multi-Family Rehab and New Construction program, the size of subsidies provided by the department increase as the income of the people who can afford the units increases.

PER UNIT SUBSIDIES, BY INCOME OF PEOPLE BENEFITTING



## Jeannette Gray

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*Woodlawn, continued from page 1*

often described as the Fund's development arm. While they are technically separate organizations, Victor Knight, who is Executive Director of the Fund, is Executive Director of WPIC. And Bishop Brazier, who is Chairman of the board of WPIC, holds the same position on the Board of the Fund.

What concerns WECAN is the apparent close relationship between the Fund, WPIC, and the Community Development Commission — a nine member body of influential Chicagoans that is staffed by Chicago's Department of Planning and Development.

Since 1967, parts of Woodlawn have been designated "slum and blighted" areas, making them eligible for Redevelopment Area status. By being designated slum and blighted, a community is assumed to have bottomed out. A slum and blighted community is considered so desperate that the Department of Planning is given all possible leeway to acquire, demolish, dispense and redevelop property. According to the Department of Planning and Development, "leeway" means that it is not required to seek community input or agreement on any of its plans and projects. In practice, the Department of Planning and Development says they do not designate a Redevelopment Area unless they have reason to believe someone will take an interest in helping redevelop it. Usually this means someone has approached the Department of Planning and Development with a plan.

The first designated Redevelopment Area in Woodlawn was drawn out in 1967 at 63rd and Dorchester to facilitate the construction of Reverend Brazier's church. In subsequent years, amendments have been made to allow for the addition of parking lots and the like.

More recently, a redevelopment area was declared between 63rd and 65th, Dorchester and Cottage Grove, where the Community Development Commission has helped package land for WPIC to develop subsidized and unsubsidized single family homes. The *subsidized* versions are geared towards families making less than 115 percent of the city median income. (In 1990, the median family income in Woodlawn was 58 percent of the city median income.)

Is the course of redevelopment in Woodlawn a displacement issue? There is a great deal of vacant land in Woodlawn. What may be more immediately disconcerting than the fact that so much of the redevelopment being undertaken there is out of the reach of existing Woodlawn residents is the sweeping power the slum and blighted designation gives to the city's Community Development Commission; what may be more objectionable than the Commission's collaboration with any one developer is its propensity to limit that collaboration to a small set of favored developers.

The latest redevelopment area has been designated within the boundaries of Marquette and Stoney Island, 64th and 67th Streets, where many buildings still stand and where, in fact, many of

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My case was a case of retaliation. I had asked my landlord for the radiator and complained about the mice and the roaches, and you know, different things. And he basically said that if I wasn't satisfied, to move. He took my rent November first, and November ninth he gave me a thirty day notice. Because I complained about the conditions.

First he had me in eviction court, he tried to get me evicted. My lawyer requested a trial by jury. So I went to eviction court twice, after that I went to housing court. I went there three or four times.

I had paid my rent, I had all my money in escrow, so he didn't say that he was evicting me because I didn't pay. He was evicting me because he felt like I was a trouble maker. He even said "You're a trouble maker. And I want you out of my building."

I had a paper trail. I had written him fourteen day notices. He didn't respond. I had made out money orders with the deductions. He just refused to take my rent. He just wanted me out because he felt like I would get the other tenants involved.

He started harassing me, threatening me, telling me he's going to turn me into the State's Attorney's for welfare fraud, and... Yeah, he was really ugly. (laughs softly)

Basically, I was by myself. I tried to bring in other tenants, I went around the building. And people were pulling us into their apartments. And I would let them know I was also a tenant of the building. And we don't have to deal with

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## Chester Mitchell

Chester Mitchell has been living in Woodlawn for over twenty years. He owns a three flat in the new Redevelopment Area between 64th and 67th, Marquette and Stoney Island. He and his family occupy the first floor; the upper stories are vacant. Mr. Mitchell says they will stay that way for awhile because they are in need of repair, and because Woodlawn is nearly empty of eligible tenants.

Mr. Mitchell and his family were expecting something different from my visit. He is a member of the POWER group, and was hoping the Chicago Rehab Network would offer a source of financing for the rehab of the building that is both his home and his investment in his family's financial security. When it becomes clear that I am there for other purposes, the family is a little suspicious of what the stranger is doing in their living room. They don't want me to tape the interview.

At the same time, they are eager for me to tell them what is going on in Woodlawn — because they can see that things are going on. There is construction and rehab activity all over; there is a demolition in progress on their own block. They want to know: Who is doing what in Woodlawn? And will the project be something they can take part in? There is both excitement and concern in their questions.

Mr. Mitchell tells about a young white man who has bought a property in the neighborhood. Mr. Mitchell sees him outside, working on the house and on the lawn all the time. He is glad to see the new

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*Woodlawn, continued from page 5*

WECAN's constituents live. So far, the Department of Planning and Development has limited its assistance to distributing parcels from its own vast holdings of vacant land. Will things be different in the new Redevelopment Area, with its population of standing buildings? If WPIC presented a plan to redevelop a block, would the city use its power of eminent domain to take standing and even habitable buildings?

Representatives from the Department of Planning and Development reassure us that the Community Development Commission would probably only resort to its powers of eminent domain to take property if a homeowner was holding out for an "unreasonable price."

More obliquely, would WPIC's plans affect Chester Mitchell's chances of obtaining government financing? Even if they would not, why is the city so much less eager to help Mr. Mitchell and people like him, who have kept the faith in Woodlawn for decades, than to subsidize WPIC's redevelopment for people who aren't even sure they want to live there yet?

In other words, why *should* Chester Mitchell and WECAN trust a city administration and a development organization who seem to agree "What this community really needs is some richer people — we'll have to let the rest of them wait around for the trickle down."

What, then, is WECAN doing to try to build a niche into the redevelopment of Woodlawn for the people who already live in Woodlawn?

WECAN is working to build a cooperative relationship with a reluctant Fund. Two of The Fund's current board members have petitioned their fellows to give WECAN a seat on their board — that petition has been denied. WECAN is still pursuing the possibility of working together with WPIC on specific development projects in the new Redevelopment Area.

In the meantime, WECAN works closely with Woodlawn residents and property owners to advise them about housing and demolition court. They have worked through the city's Housing Abandonment Prevention Program since its inception, but have been dismayed with the turn the program has taken under the Daley Administration. In recent years the program has become so prone to resorting to demolition as a solution to housing problems that it is sometimes described as a land grab tool.

When WECAN saw that their efforts so often succeeded at little more than landing more building owners in building court without helping them address their problems, they drew together a group of building owners who have been frustrated in their efforts to find financing for the rehabilitation of their buildings. The group now meets under the acronym POWER to pool their experience and encourage one another as they maneuver labyrinthian funding channels. □

## Maryanne Brookins

### North Kenwood - Oakland

North Kenwood-Oakland and Woodlawn have quite a bit in common: with ample vacant land, the attentions of the Community Development Commission and the Fund for Community Redevelopment and Revitalization, and an interested neighbor in the University of Chicago, North Kenwood-Oakland is also struggling with uneasy standards of “community control.”

Bob Lucas and the Kenwood Oakland Community Organization (KOCO) actively fought slum and blighted designation for North Kenwood-Oakland, and North Kenwood-Oakland was marked for “Conservation” rather than “Redevelopment.” The Conservation Area designation carries with it assurances that community opinions will be incorporated into the creation and implementation of a Conservation Area Plan for redevelopment through the body of a Community Conservation Counsel, made up of community residents. Specifically, the federal Urban Renewal Conservation Act requires that the mayor appoint a Community Conservation Council (CCC) so that community residents may balance and approve all new planning and development decisions.

If this is not working as it should in North Kenwood-Oakland, Bob Lucas suggests it is because the council members tend to be underinformed of the issues and of their power to affect them. They also tend to be intimidated by city officials they believe to have the real authority.

Mr. Lucas is speaking from experience: he has been concerned that the CCC has not taken advantage of its power to respond to community concerns that new development in the neighborhood be balanced. When KOCO worked with Community Home Builders to put together a proposal to develop New Homes for Chicago, homes that would have sold to families with annual incomes of \$27,000, the alderman blocked the proposal in the CCC. When he went to Chicago Planning Commissioner Valerie Jarrett, she washed her hands, saying it was up to the CCC. Mr. Lucas suggests that some of the community body’s self doubt could be dispelled if the local alderman were not allowed to veto decisions made by a super-majority of the CCC.

Mr. Lucas tells us North Kenwood-Oakland can continue to enjoy recent re-investment and re-development without fear of displacement only if the record for community representation is improved. To this end, KOCO will continue to ask: where is the community voice in the workings of the Fund, in the CCC, and now in the orchestration of the Empowerment Zone?

And KOCO will continue to ask questions more specific to development, like how will the development aimed toward moderate and upper income groups in North Kenwood Oakland be balanced by development geared toward moderate to lower income brackets? What will be the community’s role in planning the new \$8 million shopping center now in the works, and why shouldn’t its proceeds be tied to linked development? □

I’m working with Mr. George Butler from WECAN. We founded a group called POWER: Property Owners With Economic Restraints. We are having some problems as far as needing funding and having problems, or maybe needing some more direction. We formed at the end of the summer.

I’ve had the property for two years, as of the first of the year. It’s an eight unit building. It’s total rehab.

The previous owners, they purchased it from CHA. They were a husband and wife team. I guess they just weren’t able to obtain a loan for the building, so they decided to put it up for sale. I could see potential in the area. I did a neighborhood analysis and I read up on the area: they talked about how money is being allocated for the boulevards like King’s Drive. I kind of see there is a future there —if they do the boulevards.

There doesn’t seem to be any direction out there as far as financing (laughs). You know, people like myself — I consider myself as a grass roots person. At this time, I’m on a fixed income because I suffer from chronic pain. I want to do this so I can have a place to live and a little income and then it would be like seed money for me to start up.

My property is in demolition court. Basically, they either want to fine you, or they want to tear it down. And I can understand that to a certain degree.

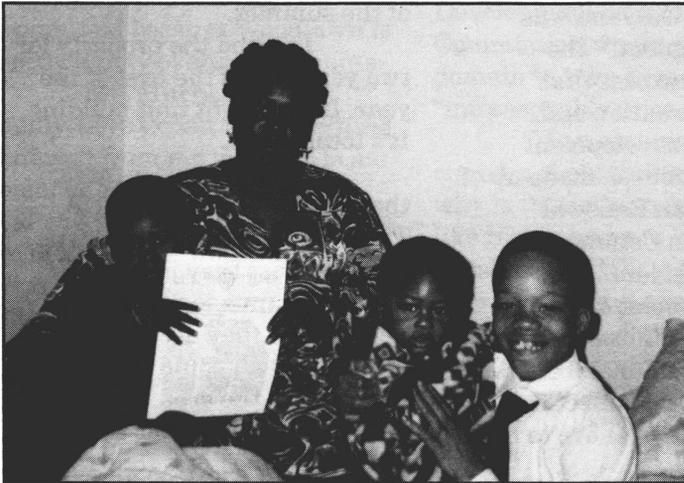
*Why do you say that? It’s like they just want to know*

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*Gray, continued from page 5*

these conditions. I gave everybody checklists to see what problems were wrong in their apartment. And everybody wasn't interested. They didn't want to get involved. They were afraid that he would try to do to them what he had tried to do to me.

But they see that I didn't go anywhere. He didn't defeat



me, so people have been knocking on my door and asking me "well, who do I call?"

A lot of them are afraid. Some of them just don't care. I noticed that one time when the CHIP team (a team of housing inspectors) came out, the janitor was in here fixing the ceiling in my pantry. And as soon as he saw the CHIP team, he flew out the back door. So I went out the back door behind him. He went downstairs to the lady on the second floor and he called the landlord. But then I noticed the other tenants, they were looking at me like I was the villain. Because I let them in, and so did the guy next door.

One of the tenants lives down here on the first floor. They were on the porch, and they couldn't see me, and he told

the inspectors that there was nothing wrong. And I know everybody has roaches, and everybody has mice. Are you living in something better than me? Then he asked the janitor, whose name is Kenny, "Did I do okay, Kenny?"

A lot of them may be behind in the rent, and so they won't say anything. A lot of them

might be afraid, a lot of them I really think don't care.

That's why I had applied to Renaissance (a recently rehabbed development offering affordable housing across the street.

They turned down Jeanette's application on the basis of insufficient income). I was so hurt that they denied me — well why? I guess I'm beyond low income. Below it. And I'm paying much more than they're asking.

I see that the University of Chicago is buying up all of these buildings, and to me it seems like they're trying to move people of low income out of this area. Because the University owns a lot of buildings around here.

I get encouraged one minute and then discouraged the next. I had been looking for housing in this area because my kids have been living here for two years now. And they like the school — I like the school, I like the convenience of everything. It's a pretty decent area. A lot of

people don't want to take you if you have too many kids. Susanna and MTO taught me a lot, they taught me to ask how many square feet it is, and if it is 550 square feet, I was able to bring myself and all my kids into it. But I ran into that problem.

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**When people hear my story, they say "Well, why don't you all move someplace else?" It's not that simple. Where are we going to go? A lot of places will not rent to you, even though that's called discrimination. But they could tell you anything over the phone.**

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My opinion about that is that they want the poor people out of this area. And to me, that's not fair. Because I should be able to live somewhere decent. There are a lot of homeless people out here, and a lot of people don't have anyplace to go.

When people hear my story, they say "Well, why don't you all move someplace else?" It's not that simple. Where are we going to go? A lot of places will not rent to you, even though that's called discrimination. But they could tell you anything over the telephone.

Two years before this landlord, in 1992, I had fought another landlord. We felt like we won a victory, but we all had to vacate the building. Because the

courts ordered the building to be shut down. He was brought up on charges of criminal housing, and he was in housing court and eviction court. There was one lady that he was trying to evict, and she requested a trial by jury. That's what started the whole thing. And it brought in about fifteen tenants. And when it was all over with, we were just turned out. And that's when I came here.

Yeah, displacement. I keep saying forced out. I'm worried about being forced out of the building. Because the landlord had gotten offers for this building from the University — twice. So with this going on, I don't know if he may accept their offer, or what. □

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**They've torn down so many buildings in the area, I feel that probably the developers, they will be coming in around there sooner or later. I hope it's sooner rather than later. But I feel that we shouldn't forget the little person like myself.**

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Illustration: Tony Grasso

*Brookins, continued from page 7*

whether it's secure, or what I'm doing with it. They seem to be saying "Well, hey, let's tear it down, it's been in demolition court for awhile," well, even though I haven't owned the property for that entire time, "we need to tear it down, or if not tear it down, let's fine her." You know.

The judge has postponed it each time. So usually I speak in my behalf and let them know what I'm doing and what I'm trying to do. The judge has been pretty lenient so far.

*How often does this come up?* It came up in November, and I'll go back to court February the first. And hopefully I will have something going, or be doing something before then.

It's the bigger developer that usually has the big funds, or the money. So they're the ones

who will buy people out, or if a building gets knocked down, they're the ones who can pick it up — they have the funding to do whatever. I think if it's left to big developers, the other people are kind of left out. It's much harder to go through the red tape of getting whatever needs to get done to save your building if you're not a big developer.

I just had this dream (laughs). I had this dream and the building looked good, the area was close to King's drive — I thought that hopefully I could do something with it. I didn't have a whole lot of money. So it was like, well, if I can get this going...

Now, since I joined the POWER group, once we get our individual projects off the ground we'll be able to pick up property and maybe be able to do some type of co-oping, where people

can buy into their property, you know, buy into their real estate, and be able to make guidelines and by-laws and that kind of thing, and be more responsible for the properties in the community.

I was very happy when Mr. Butler called, because you kind of feel like, oh, I'm the only person that's going through this.

*What do you make of the topic of gentrification?* Well, it seems to be a word that everyone's throwing around (laughs). Well, I guess, I feel that it's a good thing. You know, to

me, it's like revitalizing the neighborhood, and bringing good to the neighborhood. Bringing people in the neighborhood, and resources, and jobs...I have a list of all the

contracting agencies — they're just waiting to find out when we're going to get started just to have a job, just to work. You know, everyone wants to be successful.

They've torn down so many buildings around the area, I feel that probably the developers, they will be coming in around there sooner or later. I hope it's sooner rather than later. But I feel that we shouldn't forget the little person like myself. There should be some kind of way that people like myself can take advantage of the same things that are available to the big developers.

If you don't have X amount of funds, it's a little hard. I think more focus should be set on people of low or moderate income that are property owners. I mean, everyone's not a developer. □

## Margarita Morales

I have been living in this neighborhood for about fourteen years. I live in an apartment. I have two children — two boys. The oldest will be thirteen, the youngest will be ten. The apartment where I live, the landowner is living there. He says "Soon you'll pay more." I don't know how long. I'm worried about it because I love this neighborhood. I know all the people, all the services near me, the swimming pool, library. I've been living here a long time.

There have been a lot of changes. The old buildings they are building into lofts. And many people are coming into this neighborhood. I think it's been going on for three or four years.

*What was the neighborhood like when you first moved here?* Oh, people like me — Puerto Rican people, Latin people, you know. Now the rents are increasing. So many people cannot afford to pay more rent. I saw many faces for a long time. And then something happened. I don't know. Where are they? You see people for years, and then all of a sudden you ask, where are they? I don't know. They moved. And then near my apartment are a lot of American people.

*Aren't you American?* No. Well, it's America, so we're Americans. But American people, for me, it's blondie. Anglo. It's strange. I was born in Mexico. I want to be an American Citizen because I want to be a politician. I have been on the school council for three terms. But American people, for me, it's all blond people.

You know, I like the

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## W e s t T o w n

In the 1960s when the city turned its attention to the redevelopment of West Town, much as it is turning its attention to Woodlawn and North Kenwood Oakland today, it came in with a plan. Community groups in West Town were not confident that the Chicago 21 Plan would reflect their interests in their community, so they assembled their own Community 21 Plan, which it then pursued point by point. The plan called for infrastructure improvements that would benefit the community (like vaulted sidewalk repair) rather than improvements that would just make the neighborhood cosmetically appealing for people looking for a place to invest in real estate.

These days, the real estate market has accelerated in West Town and Maureen Hellwig, who has witnessed it all happen from the Northwest Community Organization and Erie Neighborhood House, stresses that rising market values and vigorous redevelopment by the private market bring problems of their own.

Fifteen years ago, there were 50-60 vacant lots just in the Community 21 area of West Town. Now, most of those are filled in. For a long time, the market was heating up, but West Town might not have seemed to be changing visibly. The change is becoming more visible now: most recently, low rise units by a developer named Ganley, and available for rent from \$900-1,200 monthly, have been popping up everywhere.

Maureen Hellwig herself saw her last tax assessment result in a 60 percent increase, and between 1982-1992, home prices have risen 300 percent. As the health and vigor of the real estate market actually makes it more difficult for West Town's residents to find a decent, affordable place to live, or even to stay in the one they've already been living in, the newer, richer residents of West Town are expressing nervousness about having poor neighbors. For its part, the Department of Housing seems to be taking a wealth = health attitude towards events in West Town, and rather than investing in a neighborhood where the real estate market is strong, to ensure that new development is balanced, our housing commissioner seems to be asking instead "Why intervene in a good thing?"

Meanwhile, Erie is focusing its own efforts to encourage non-displacing development through cooperatively owned housing — which would make some form of home-ownership and the stability that brings available to low income people. While housing

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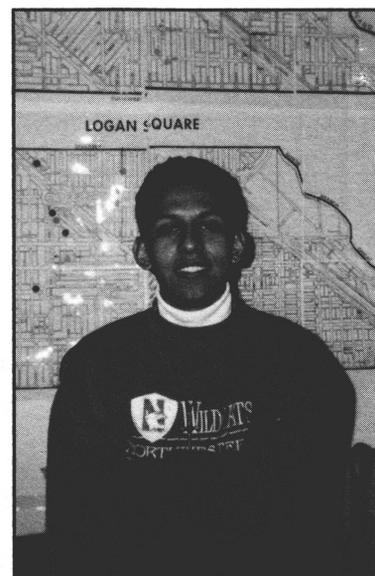
cooperatives have been arranged successfully in other cities, most notably New York, the Chicago Department of Housing is slow to embrace them. It would like Erie and other organizations to work within already existing development programs, like New Homes for Chicago, or maybe treat the co-op as an ordinary multi-family building, or at least raise the "down payment" from \$1,500 - \$2,500 to \$6-8,000.

When asked to endorse the project, aldermanic candidate Jesse Granato opted to avoid coming down on one side or the other, and instead proposed putting the project up for vote on a referendum ballot. Strangely, the referendum identifies the co-op omitting any association with Erie House. The result, if not the intent, of this omission is the loss of name recognition and confidence. Many residents associate Erie House with a positive force for stability in the neighborhood.

While for many years, Bickerdike was the only developer of housing in West Town, it was later joined by LUCHA and Hispanic Housing. All of these developers built housing for the low income — the only kind of development that was sustainable in the economic environment in West Town in the 1970s and early 1980s. Then, as investors renewed interest in West Town real estate, Bickerdike was challenged and their accomplishments criticized for not contributing to real estate speculation. The criticism was not as much founded on what Bickerdike had done, but who they had done it for. The poor are not welcome in an escalating real estate market, even if they are working and striving to improve themselves. Furthermore, while racial diversity is given lip-service, it is quickly sacrificed in the name of property values and personal safety.

Hellwig is concerned that by presenting Bickerdike as the sole force behind the project, Granato may be playing on the fears of West Town's newer, richer residents.

Hellwig suggests additional areas that would bear attention in the city's housing policy would be city land sale policies, and the city's lack of corporate budget commitment to housing at a time when HUD and its money might disappear. □



## Gerardo Serna

Gentrification is a cycle. I've heard some people say, oh it's a race thing. It's only white people who are doing it. Now, it's not. We have a lot of rich Latinos, we have a lot of rich African Americans that want to buy property in Logan Square, because Logan Square is beautiful. They're building their townhouses, they're rehabbing their buildings, and they have the money for it.

I see it this way, if you have money, and you buy the house next door to me, as long as you don't come knocking on my door and say, "Look, I just moved in, I don't want to live next to you," you can move in. I'm nobody to say "No, you can't knock down this house and build a town house here."

*Do people actually say "I moved in and I don't want you to live next to me?"* Yes. Gentrifiers know who they are. They make their little groups in the community, and they say, okay, we're going to do this, we're going to do that.

*Continued on page 12*



*Morales, continued from page 10*  
 people. I say good morning. Because I don't want it to be rough for them. But I think that the American people, they're pressuring the police to clean up this neighborhood, from people they don't want to keep here. I think they don't want poor people or low income people in this neighborhood.

In my street, there are many many gang members living there. In my door, they stay all the time. Three years or four years ago, they shot a boy. He died. Then maybe three years ago, they started to move. I think it's better. I have two boys, I don't want them to join. Before, maybe four or five years ago, many gang members were running around and around, and many people were calling the police — the police never came. And then American people bought the building near my apartment. And then they start to come — when they call the police they get a little more attention.

You know, for me, it's fifty/fifty. For me it's okay that the gang members go, but the

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**You know, for me it's fifty/fifty. For me it's okay that the gang members go, but the other residents....**

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other residents — it's about increasing rents.

In my street, it's much more peaceful. Now the street is more clean, and all the time I see houses for sale, you know, "for sale, for sale, for sale." Sometimes I ask "How much do you want for it?" They say "150, 180 (thousand)." Oh my God!

I like to walk around with my bike or my kids, and it's new buildings! Oh my goodness! Who came! I like it — but the rents...

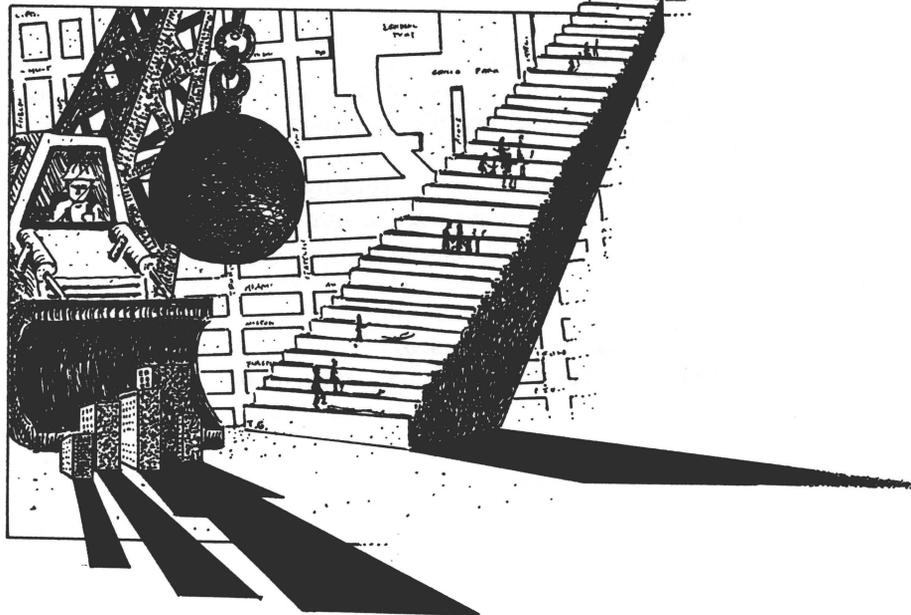
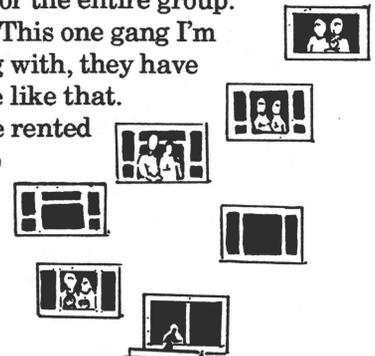
I love this neighborhood. I hear from other people, they want to fight to stay in this neighborhood. Many people want to. I want to join that group. □

*Serna, continued from page 11*

They usually start out saying "Okay, we're going to get rid of the gangs." Because gentrifiers are scared like hell of gangs. So we're talking about a richer class dealing with what they call bad people. Doing the street work that I do, I've been able to educate some of these gang leaders on gentrification. Because a lot of them, not only gang members, but their families or their mothers who have nothing to do with the gang, have been evicted.

When there's displacement, a lot of the youth will turn to the gangs. Gangs will have apartments that they rent out. That they'll have rented for the entire group.

This one gang I'm working with, they have a house like that. They've rented out two



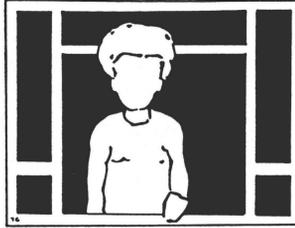
Illustrations: Tony Grasso

apartments for those that have nowhere to live. One apartment's for the youth, the other is for the mother, or the wife or the child, because they've been displaced from a couple of buildings. The owner will force them to sign this screwy lease, saying, you can't have so many relatives over, you can't have so and so over.

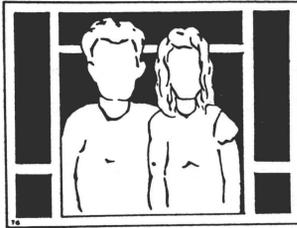
I know of a case where the parents were evicted because they couldn't have their son in law come into the building. It specified him by name. So then I try to intervene, and try to get this guy into court for doing that, but the parents didn't want to come out because they were afraid. I tried to tell them, he can't intimidate you. If you're going to testify and he intimidates you, that's a federal offense, he'll definitely lose his building. But then they are afraid that if the city takes it over, they can do an order of vacate on it. So then we have displaced an entire building full of people.

Whether the community wants to realize it or not, gangs are part of the community. In the 1970s, there was a gang that was created, and now they're one of the strongest gangs in Chicago. We have famous mafia stories. Of the Irish and the Italians in New York. The gangs were first created just to protect them-

selves — as a group of people, as a group of nationalities.



Daley is saying "I'm against gangs. If you're in a gang, I don't want to see you, I don't want to talk to you, I want you out of my city." It's absolutely unrealistic. If the police department would be a little less hostile, a lot of things could change.



If we look for police to solve community problems, all we're going to get is a hostile type of attitude. Because the police department was made as a last resort. Community leaders, organizers, social service agencies, we're supposed to come first, as the first line of help. If there's a shooting, you have to go to the police. But if there's gang graffiti here, come to me first.

I always tell people, our point shouldn't be to get them out of the gang or to get rid of the gang, our point should be to keep them alive, and to teach them the value of their lives.

People think, a lot of these gangs, they're killers,

**A lot of these gang members are interested in doing community work. Because they don't have anything at home, they don't have anything at school, all they have is the hood. And the hood is the community.**

they're dope dealers, they're drunks. But actually, if you go around, sometimes you'll see them cleaning the alley, cleaning up the playground. This past summer, we were going to do a clean up. And we posted up signs. And by the time we got there, the gang from that corner had already cleaned up more than half of the area. And they said "We figured we'd get a head start." They knocked on people's doors "Could you please move your car? We want to clean the street."

A lot of these gang members are interested in doing community work. Because they don't have anything at home, anything at school, all they have is the hood. And the hood is the community. □



## Celeste and Eugenio Castillo

*The Castillos are among the first participants in Logan Square Neighborhood Association's co-housing program. The program makes homeownership possible for lower income families by allowing two families to combine their resources to invest in two-flat houses.*

**Celeste:** We were considering leaving the neighborhood, because the rents were getting really high. My



*Joshua, Eulogio, Celeste and Melissa Castillo*

husband said at the beginning our rent was \$345.

**Eulogio:** When we got out of that apartment, it was over \$500.

**C:** Every year, it was just increase, increase, increase. So we could see what was happening. And we thought we would have to move to another neighborhood. But we didn't really want to.

Those two buildings here, across from us, I know people that live in those apartments. And they tell me that every year, their rent is

## U p t o w n

Uptown has long been held up as a model of mixed income community successfully sustained through influx of low income residents and upper income investment alike. On the other hand, as property values in Uptown continue a slow but steady ascent, the existence of affordable housing in Uptown — much of which was originally secured using federal sources of financing that either no longer exist, are about to expire, or are in danger of being refinanced out of the original project — rests on increasingly unsteady ground.

Voice of the People's efforts to address the threat of displacement contain a strong educational element as they warn residents of the impending risks to their affordable housing. Those risks include:

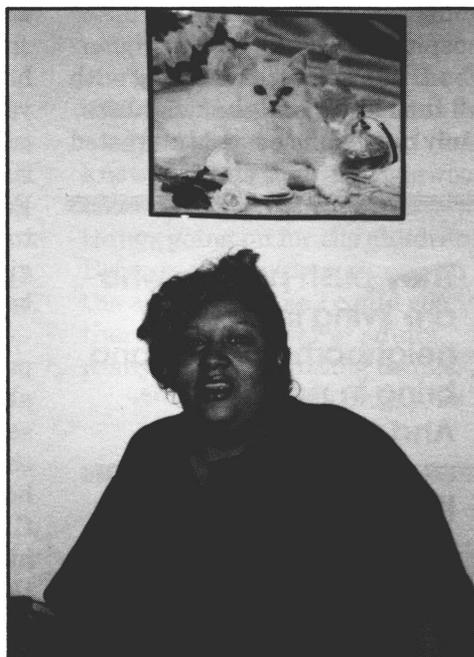
**Prepayment of HUD loans:** when developers built their projects in the '70s and early '80s, many of them relied on low interest loans from HUD to lend them feasibility in neighborhood whose market was uncertain. At that time, they did not mind that the HUD loans carried requirements that they set aside units for low income tenants. But as the housing market steadily improves, these requirements are becoming more of an inconvenience. Many of those HUD-financed buildings are now eligible for prepayment. If their owners prepay their loans they

will be free of their low income housing restrictions. Thanks in part to HUD, their property is more valuable now, and will be able to command rents out of the range of most current low income residents.

Voice of the People has blazed a trail in addressing the HUD pre-payment problem. In 1992, Voice became the first organization in Illinois to take advantage of a law giving CDCs an option to buy a building whose owners want to prepay their HUD mortgage, when it purchased the 26 story, 500-unit Lakeview Towers building at 4550 North Clarendon to preserve it as decent, affordable housing. This nationally significant development is the first HUD prepayment building in Illinois to be bought by a community-based organization, and is one of the three largest in the country. In the next few years, as HUD financed buildings across the city become eligible for prepayment, more and more people will be calling Voice's Development Director Yittayih Zelalem to ask how Voice managed the purchase.

*Continued on page 16*

## Elisa Crockram




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**Section 8 Certificates:** about 2,000 Uptown residents currently depend on Section 8 certificates to subsidize their rental payments. These certificates are up for renewal and Voice is concerned that many of them will not be renewed at all.

**Project Based Section 8:** made much new development in Uptown possible through the early '80s — including what might be Chicago's most successful affordable housing co-op: the building at 4419 North Racine made homeownership an option for Uptown residents with incomes at or below \$8,000 a year. Today that co-op is still going strong.

Housing co-ops can prevent displacement in a neighborhood both by providing the security of homeownership to low income people and by binding the investment and commitment of the low income residents to their community.

The success of the building at 4419 North Racine should serve as encouraging news to the Department of Housing and to neighborhoods across the city who are also looking into cooperative housing as a means of creating affordable home-ownership opportunities in an environment with a lively real estate market. Even so, Voice of the People is meeting some resistance from DOH and banks who are still uneasy with the model as it works to replicate this success with more co-op housing projects. The fact that the Project Based Section 8 that made the original project possible no longer exists means that Voice's new projects will have to be geared toward owners with incomes closer to \$20,000 a year, but it does not obviate the fact that the house at 4419 North Racine continues to prove that co-operative housing ownership, as a form of community living, works once the owners are in the building. □

I think it was in '86, I had a sister that used to live up north here, and she had a friend that had her sign up for Voice of the People, and was on their waiting list. And I called in and I was mailed out an application, and it took like five or six years before I was called upon for housing.

Yes, that's a long time. But I thought it was going to be even longer. And you know what, it came at the right time. Because at that point, I was living in the Englewood area, my landlord was getting to the point where he was older and having health problems, he wanted to sell the building. And at that point, I knew I would have to find someplace to go, when, out of the blue, Voice called. It made my life much happier.

I love it here. It's like freedom to my sons. Because it was at a point where I actually had to keep them in the house. Those are the peer pressure years, and there is always a lot of pressure trying to relate a lot of teenage children to gangs. I had managed to keep them in the house. It was easier in the winter months because it's cold out. But the summer months... In Englewood there was more gun shooting and more violence.

I say, I love it here. I wouldn't want to move. I think this is the best thing that's happened to me. It's always been a problem when you have boys in the teenage age group. A lot of real estate agencies don't want to rent to you. Because they associate young boys with gang banging and drugs. When it's not true all the time. I've met some of the gang bangers, and I

*Continued on page 17*

*The Castillos, continued from page 14*  
increased.

I think that people who monopolize those buildings have in mind that if the people want to stay there, they have to pay every year a little bit more, a little bit more. It's kind of like they have a hold on us, the people who live there.

E: The people who own that one, they never do anything to the building. They never fix the building. And they only want to get money, money, money, every year. They say "We have to do this because city hall increases taxes." They want more and more and more, but just for them. They don't want to help people in the neighborhood. They don't care.

C: I think that people were very ignorant about what you can do, what your rights are as a tenant. Now people are more aware. And they're more aware because of people like Becky Lopez at LSNA, and all of these organizations that help the public understand more of what's going on and more of what their rights are.

C: Well, the whole idea of this program was that people wouldn't have to leave this neighborhood. People already lived here, and they loved this neighborhood. What stops a lot of people is the down payment.

When you go and talk to a lot of people in a group, and they're sitting just where you were sitting, I remember when I was sitting in that first meeting, thinking "Will I have a home some day in this program?"

It took about three years. Because I was pregnant with Joshua when the program first began, and when we first got the house, I was almost going to

deliver Melissa. The day we found this house, I thought I was going to have to go into the hospital.

E: I remember meeting with all the banks, and the neighbors. Only one bank seemed interested

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**They push people who are living in a good neighborhood out, and bring in new people. And maybe sometimes it's good for the neighborhood, but we never know.**

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— Talman Bank. But they never did anything. They said come into our bank and we will qualify you, see how much money we can give you guys. But a lot of the people who were there were people making about three or four hundred dollars a week or something. And so Talman gave up.

C: Liberty Bank was the one that really started it all.

E: The guy from Liberty Bank, at that meeting, he didn't talk too much. He came in and sat down, and assessed the situation, and later they called LSNA over to talk to them, and they worked it out.

*What took so long?*

C: I think there's a lot of red tape in all this. The people in powerful positions, like the bigshots at the bank, and the city — they don't want to release money for that kind of thing. They're not in our position. So to

them, one more year, or three more years, is not going to make much of a difference.

I can tell you, to be really honest, a lot of times, we were very discouraged. Because it took three years. That's a long time.

E: After two years, I wanted to quit. Thank God for my wife. I give her all the credit (laughs) because I wanted to quit.

When we started this program, I never saw the alderman. I never saw the senator, I never saw anybody in the media. Then we have this house and the television comes....

C: At the gracing of this house, you wouldn't believe all the people that were here.

E: Yeah, they came — Luis Gutierrez, alderman Worjack, they came and took all the credit. They run the city because everybody thinks they are the ones who do all these things. They push people who are living in a good neighborhood out, and bring in new people. And maybe sometimes it's good for the neighborhood, but we never know. They put in taxes and regulations. But the alderman never explains to the people how the law works, nothing like that. In the meantime it's people like Becky who try to explain to the people how it all works.

C: A lot of people don't really understand what's going on. They just go through the motions.

It's been very educational. It's not just been buying a house. It's been opening our eyes to a whole new world. It's a big neighborhood. And most people go to work and then home and then that's it. You

don't know all the things I learned through all this. You know, the way I see it is like you have shares in a company. I feel like I'm a part of a big project, and I will share in that project. And the taxes will go up, but I'm a part of it. I'm not just a tenant.

E: We don't know anything about taxes yet. As soon as we pay for the house, we'll see the taxes. I don't think it's that easy. I know people in Logan Square who have to sell their houses because the taxes were more than they could afford in that area.

Right now, the loan we have from the bank covers the taxes. If anything happens with the taxes, they send a letter to us, and they notify us that we have to pay a little more because the city increased the taxes. And since we've been here, for three years, they increased twice.

C: Yes, we get the increase of the taxes, but now this is our property, this is our investment. Our goal is not to live here forever, this is just the beginning. This is just an investment. And what a wonderful investment it's been! I'm a testimony to this. I tell other people, "You really can do it, it's possible." I think of that as being my mission now, so that other people can see that it is possible. □

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*Crockram, continued from page 15*

already let them know where I stand with my boys. I was their policeman — I serve and protect them. And I did choose their friends.

Even though there are gangs up here, there's quite a

difference in comparing them to the Englewood area. Englewood used to be a beautiful, mixed neighborhood when I first started attending there in the '70s. And then all of a sudden it was just gangs and drugs. I don't know if it was that in Englewood there weren't activities and things going on for the children. Because the children there ran the area. As far as I could see, there was no power of adults really actually running things.

One thing I can say, as

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**...it took five or six years before I was called upon for housing. Yes, that's a long time. But I thought it was going to be longer.**

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far as comparing Uptown with the Englewood area up north here, a lot of opportunities are offered to families. I've never seen an organization so involved with the children. It was really shocking to me. I mean, we've gone on camping trips with the children and they love it.

When I first moved here, I was asked to get on a committee — and you know at that point I was shy because I had never been involved in a neighborhood where you're just constantly involved. I stepped back and watched. Then I got involved. I've been selected to be an intern to run the family activities center we're about to open in our building. You know,

since I've moved here, I've had fifteen or sixteen different children in here looking at movies. I'd rather have them in here, enjoying themselves than out in the street. So I'm looking forward to this activity center opening up.

From my knowledge, the residents are actually what makes it work. It's beautiful when you can have a family like relationship with other residents.

When I first moved to the neighborhood, I was welcomed by the whole neighborhood. What really surprised me was — I had never heard my front door bell ring, it's one of those crazy door bells. I was like, "What is that?" Someone called "Your friendly neighborhood policeman! Look out the window." I looked out and he was waving. I was like "Wow!"

I just love it in Uptown. I love the Uptown experience. I don't hear firecrackers and gun shots and think I can't tell the difference between them. It makes a difference.

Since I've been here, I've read newsletters basically speaking for the condo owners, who don't want the lower income subsidized renters here, and that kind of bothered me.

One thing I really can say, I'm glad to be exposed to different nationalities. I really love that. And my children adjusted so well, because, you know, I was bringing them up in a one race neighborhood. And this exposure has really enlightened our lives. I found out my children are not prejudiced to anything. They open their arms to anyone. □



Photo: Jace A. Fredericks

## Changing of the Guard:

### Interview With Marion Coleman

*Marion Coleman was the Executive Director of Covenant Development Corporation for five years. She is also among the half dozen executive directors of CRN member organizations who have left their posts to pursue other projects in recent months. CRN's David Hunt caught up with Marion just before Christmas to ask her about her experience at Covenant. The interview represents the first of a series CRN staff will be conducting to document the changing of the guard in Chicago's CDC housing movement. This issue also includes the comments of Bickerdike Redevelopment Corporations recently retired E.D., Bob Brehm, starting on page 20.*

Marion: I would like to see communities change. I don't know quite how it's going to happen. I live in a community that is changing — in North Kenwood. And the area is very political there. Very political.

David: Is displacement happening in North Kenwood?

Marion: Well, I don't know. I know there are a lot of homeowners. They're saying they worry about taxes...well let me say something. This whole

idea is very *primaevae*. Real estate is down and dirty. Development, because it's based on land — the connection between man and land is primeval. Once you understand that...

David: Nothing surprises you!

Marion: You have to deal with that. And it will always be that way. That's why people in Gage Park would kill somebody rather than have somebody of color move near them in 1967, because

the Eastern European came over and "bought" the land from the aboriginal people — Native Americans. What made the Europeans so successful, that they were able to move in and do this?

Now affordable housing has become another business. When we made the transition from the anti-poverty programs, there was a big campaign to discredit them. With the discrediting of the poverty programs, they started to deal with land deals and business

*Mitchell, continued from page 6*

family there, and he goes out of his way to make them feel welcome. He's a little concerned the man and his family might be intimidated by a neighborhood that can be a little gruff.

When Mr. Mitchell first moved to Woodlawn, there were tighter boundaries around where a black man and his family could live in Chicago. Woodlawn was much more lively then. Overcrowding meant that the finite housing stock of Woodlawn

was subdivided and subdivided again. Those were the days of the "kitchenette."

While overcrowding contributed to the wear and tear on Woodlawn's housing stock, that was nothing compared to the devastation brought by the gangs. Over the course of the '70s, violence and crime escalated and Woodlawn began to empty out. Amid nervous rumors of conspiracy between the nearby University of

Chicago, the city and the Blackstone Rangers, the city put its investment in the demolition of Woodlawn. The City of Chicago is now the largest land owner in the neighborhood.

Today there are a lot fewer buildings standing in Woodlawn, but there are still gangs and there is still crime. The Mitchell's home has been broken into several times in recent months — sometimes during daylight — and although

type programs that would give lip service to the environment — to diminish poverty.

In fact, it becomes another business. Affordable housing became another industry. I think the sad part is that you begin to hear the community organizers, the people's people, say among themselves "We could do this, we could do that, but we can't, because there is this market driven industry."

David: Can we influence the market?

Marion: The consumers are the only ones who can do that.

David: Well aren't we the consumers?

Marion: No, we are not. You can only consume your own particular address on Berkeley. Now you can get a lot of people who own Berkeley, a lot of people who own Ellis — a lot of other consumers together...

David: I see your distinction. If we're trying to impact the broader market, we must

organize those consumers, those homeowners, those long term tenants to impact that market on a broader scale.

Marion: The problem is that the biggest consumers in Woodlawn are doing just that: the University, TWO and WPIC. They're impacting the market. They make the market.

Now the fact is that in another five or six years, you'll drive through here, you'll see some changes made. 63rd Street will be revitalized. Woodlawn will look very different. But there's going to be a difference in terms of *how* Woodlawn is redeveloped. That's the sad thing. There's a lot of advocacy for mixed income development. Mixed income development should not be against the poor — it should include plans to ensure that the poor have a place and the same opportunity for safe, attractive, affordable housing as other people. But the general attitude is so often against the poor.

I'm into this thing now about the development of character. One of the things they talk about is worthiness, and how we become worthy as a human

being. And that's one of the problems of this country. The worthiness of the human being is not based on intrinsic value, but on achievement and material gain. It is reversed. How can any parity or equity occur when "worthiness" is derived from acts of oppression and discrimination? I don't believe in the personification of poverty.

David: What is the personification of poverty?

Marion: It means to use poverty as a value of worth. People do it because it's been expedient to do it in many cases. I do it in my proposals to write for operating funds. And then you start looking at everybody.

In Europe, the majority of people on welfare are Caucasian. It's just natural. In the U.S., the majority has personified poverty as African American. So that any time the average person from Aurora comes out and they see a black person, they see this person as poor. Before you even open your mouth, they see you as uneducated, probably a drug

*Continued on page 26*

it is only eleven in the morning, Mr. Mitchell's attention keeps darting to the front window.

We haven't been talking very long when Mr. Mitchell sees a stranger wandering around the house across the street. The Mitchells become visibly nervous. Mr. Mitchell goes to watch from the vestibule, and Mrs. Mitchell announces to me "Well. Thank you for coming." As I leave they are still watching the stranger across the street. □

*Hunt, continued from page 3*

as the sun will again rise tomorrow, the beast is hard at work while they sleep.

So it is not the victories we celebrate, but the day to day battles and the friends we make, and communities we build, along the way.

**Friends lead to family and family lead to communities, and communities lead to victory. And oh what great and joyful friends we made along the**

way.

**Oh, what glorious and joyful friends and families we made along the way, and what great communities we build. On behalf of the friends, families and communities that make up the coalition, I say drink deeply your medicine and make great friends along the way. Peace be unto you all. As salaam alaikum. □**

## Changing of the Guard: Interview With Bob Brehm

Have you ever been accused of entertaining paranoid fantasies about secret plots to undermine (and displace) poor people? These are the kinds of accusations uneasy parties might level at Bob Brehm when he talks about housing and development.

Brehm divides the advocates of mixed income scattered site housing as a realizable substitute for CHA highrises between the really naive and the really crafty.

He scoffs at Housing Commissioner Marina Carrott's fretting over how recent Republican upsets might limit her ability to build affordable housing. "Yeah, right. Like that's going to be why the Department of Housing doesn't do more to help communities."

When asked if strings and restrictions on for-profit developers will make it even more difficult for for-profit developers to afford to work in the neighborhoods that need it most, Brehm says "Truly affordable housing development is just about impossible for any developer to do. But when the subsidies are there — like Section 8 or low income housing tax credits — developers are more than willing to go along with income restrictions."

These comments of Brehm's are not the rantings of someone unable to deal with people who disagree with him about how development ought to proceed, or how neighborhoods are best rebuilt. They are the expressions of a more

fundamental disagreement about what community redevelopment means. "It's not about fixing up buildings. It's about who needs the housing, who benefits from it, who controls it. We won't fix up a building if we can't benefit the people we set out to benefit."

Whether directed towards government or the for-profit sector, or towards the affordable housing movement of which he is a part, Brehm's criticisms reflect his sense of how the affordable housing movement began and how it ought to remain: not as an effort to build a few houses as ends in themselves, but as an expression of community organizing and a commitment to social change. Those last words, social change, are the critical ones.

"When I got into this, many of the people who got involved in local community housing organizations were people who were doing so as an expression for themselves of their activism, of their part in a larger movement for social change and social justice. You don't see as much of that connection nowadays.

"Don't get me wrong — there was plenty of conservatism then as there is now, but there were also a lot of activists involved. For example, the people who created Voice of the People were some of the same ones who fought the city over the displacement caused by the construction of Truman College. I think a lot of people working at CDCs today think of it as 'doing

good.'"

What is the difference? "Where housing development is an outgrowth of community organizing ... it's not about just getting some more housing or jobs, or community improvement. It's about empowering people of limited income, mostly people of color, by bringing them together to struggle collectively for more control over the quality of their lives. Housing development is one output that that organizing takes on. But the overall goal is the empowerment of communities and of people. And not the number of houses that we build."

"The person who wants to 'do good' is more providing a service, or providing a house, and that process ends with the provision of that service. You also have the provider and recipient relationship.

"Amongst community groups, I think that social service organizations all too often (not always — there are some wonderful social service organizations) have people working in that provider mentality. Activist organizing tends to encourage much more of a catalyst and trouble maker kind of mentality. And development groups: some of the provider mentality, too little of the activist mentality, and far too much of a 'doing deals' mentality."

If the 'service' implicit in social service tends toward the provider mentality, housing development — which takes on

matters of personal property, one of the central pillars of an American's sense of social justice — may offer itself especially to struggles for social change. It is at least true that approaching issues of housing development first and foremost as issues of social justice drives Brehm to describe housing development in a way that only makes sense if you are approaching them from that direction too.

Without the emphasis on social change, the affordable housing developer finds himself talking in terms of “deals” — he counts his accomplishments in terms of the deals he's gotten done and the units he has provided for people rather than in terms of how successful he has been in drawing those people into the process.

“That's a concept you hear all the time now...the whole notion of ‘doing deals.’ We can talk about projects we develop — but the whole notion of ‘deal making,’ calling what we do ‘deals,’ reflects an attitude that that's what you've got to do, ‘you've got to wheel and deal to make this stuff happen.’

“We're talking about a human right here.”

In clouding what ought to be a matter of human rights, wheeling and dealing slows down the whole process of redevelopment. To just count the deals is to misrepresent what the affordable housing movement has accomplished in the past, and to limit what it is capable of accomplishing in the future.



Photo: Richard Tennes

**When I got into this, many of the people who got involved in local community housing organizations were people who were doing so as an expression for themselves of their activism, of their part in a larger movement for social change and social justice. You don't see as much of that connection nowadays.**

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“The notion that (by rehabbing) buildings, a few hundred or a few thousand units of housing, we can improve our community — the idea is absurd. The thing about all of the issues for social justice that we fight these days — issues around jobs, education, racism, crime and police, uneven development, use of public resources — organizing around a lot of those issues can have great impact. But just building housing with the limited subsidies, the resources

that are available today, we can never build more than a tiny percentage of what is needed. That to me further underlines the real importance of organizing and activism, and not just quietly going about doing our few hundred units.”

Deal-making limits what the community can get out of the process of building a house.

“People who succeed in building a house may decide it was worth all the pain and heartache of working together to go on and tackle another issue — that's empowerment. When they see the victory of that new house going up and one of their neighbors getting it — maybe they'll be inspired to work together on other issues of social or community change. But if they just get a house, there's no inspiration to get involved in anything.”

Furthermore, wheeling and dealing slows down the redevelopment process. It encourages the housing developer to accept limits to what he can accomplish himself —

“One of the big battles for many groups was that DOH always pushes to charge as much rent as is allowed under the income guidelines of the program. This is done to reduce DOH's participation or earn it a greater return on the subsidies. So if we were allowed under one program to charge \$500 for a three bedroom, well Bickerdike might try to charge \$350, to make it more affordable. But

DOH will press us to charge the full \$500.

"I think if groups are not controlled by their constituencies ( so many of our housing developers are not controlled directly by the community — some of the groups have restrictions against tenants being on their boards and things like that ) they tend to see their product as an end in itself, and if that's the best you can do, is \$500, they don't want to resist DOH, so they compromise and do the deal with \$500 rents, and they're happy.

"At Bickerdike, if we've determined that we need that \$350 rent level for affordability, we won't go ahead unless we can do that \$350. And even if that means picketing DOH or going after them. We wouldn't do a 'deal' just to make the deal go ahead."

Wheeling and dealing encourages the affordable housing developer to accept limits to what he believes he can *reasonably ask* of others — even, for instance, his own government.

"I think there's far too little focus among us on how desperately bad the housing problem is. We should be focusing on the gap between what the Department of Housing is doing and the need, like we did in the recent campaign. Now here's 1995 and here's the need even higher, and here's the gap — they haven't done much. We should keep the debate in that context and not let it degenerate into how many 'deals' were done..."

"The need is getting greater even as we speak. In spite of these victories the city is

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**... the whole notion of 'deal making,' calling what we do 'deals,' reflects an attitude that that's what you've got to do, 'you've got to wheel and deal to make this stuff happen.'**

**We're talking about a human right here.**

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doing jack, and our community is getting poorer. Those are the real issues. And if we allow ourselves to forget them or to gloss over them, then we're really losing touch with our constituencies."

Number counting has a place in ensuring the Department of Housing is meeting its goals and keeping an accurate count of its production, but it also allows us to be sidetracked from demanding that government address the issues themselves. The 'deal counter' is distracted as his peers in government, in banking and in the for profit development sector explain away their responsibilities with excuses for moving or not moving on individual deals. "I'm saying it has to be kept in the context of the broader issue: Poor people aren't getting housed. Even the *Tribune* prints studies like that. That ain't radical."

It begins to sound a little more radical when applied to the for-profit sector. How often do

planners and housing strategists talk about luring developers into a neighborhood as if they are asking the developer to confer a privilege on the residents? To begin with a commitment to social justice and social change is to overturn the attitude that property is both the source and the end of valid privilege. Rather it insists that the developer should make a case to the community as to why his project is worth doing — for them.

Where the developer who talks as if he is granting a favor hesitates to impose income limits on new investment, asking "What about the difficulty of attracting developers here at all?" Bob Brehm answers "That's a good example of what I've been talking about all along. You have a deal to get done. And all of those other things are constraints on him doing that deal, and that deal making process. If you are a community organized for empowerment, and one of the things you want to do is improve the housing situation in a neighborhood, how do income restrictions for the use of public funds appear to you then? The only appropriate way to go. Otherwise you won't benefit from the development."

And if you won't, the people who do may well end up displacing you. Displacement has played itself out differently through the years and across the city, but behind much of what happens from Woodlawn to West Town are some common attitudes toward new investment and the nature of the hospitality that should be extended to it — particularly with respect to whom that hospitality should be extended towards.

“...Some people are sort of stuck in the notion that reinvestment is the opposite of disinvestment. Disinvestment hurt communities like this one (West Town) very much. But the opposite of it, funneling new, mostly market rate money into a community like this certainly can't help lower income people who remain — who can't afford to buy a home with the new private investment.

“The only way to fight displacement is to actively fight for control over public investment and private investment. And many of us are afraid to do that...I think all too often we miss that in our programs and our policies.”

The IHDA revenue bond program, which floats bonds to finance mortgages that are then targeted toward specific geographic areas, is a case in point. “There used to be fewer income restrictions in the poorest areas, because the idea was that that community needed investment. So we're doing a public good. We're going to give you tax exempt bonds at lower interest rates to funnel money into that community. And in fact, with certain hard pressed neighborhoods, the mortgage limit was greater than in other neighborhoods. Talk about a contradiction. So who was that helping...the lower interest rates and higher loan limits? And even if they're moving out people who are low income and moving in people who are only making \$60,000 a year, and not doctors in their Mercedes at \$100-150,000 a year, it can still fuel gentrification. A neighborhood of people making \$60,000 a year is a lot less scary to investors.”

What is the distance between the sentiments that call for investment, any investment, as much as our developers will give us, and the sentiments that allow and abet other kinds of displacement because they do not arise from an orientation towards social justice?

Brehm believes the plans for the taking down of Cabrini Green is a striking example of a different kind of displacement arising from the same wrong orientation, because there, also, from the beginning to the end, community control was absent. “In the absence of community control, people can do whatever

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**Some people are sort of stuck in the notion that reinvestment is the opposite of disinvestment. Disinvestment hurt communities like this one very much. But the opposite of it, funneling new, mostly market rate money into a community like this certainly can't help lower income people ...**

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they want in a neighborhood.”

“The attitude of the Chicago Police Department displaces people. There's been a campaign for years to empty Cabrini. Their stand offish attitude about the gangs — the gangs didn't just flourish there, or control certain vacant floors in

certain buildings from which they had good sniper angles — somebody had to let them get away with that. You don't see any snipers in Winnetka.” Wild conspiracy theory? Or a strong sense of social justice and a commitment to the belief that the rebuilding of Chicago's neighborhoods must begin and end with social change?

“There's this widely accepted notion that it sucks to live in Cabrini and we're doing them a favor to tear it down. People have designs on that land, and they want those black people out. And if it sucks to live there, it sucks in part because the powers that be have helped to make it suck. And that becomes a good excuse to move them out and tear it down.”

Doesn't he believe in the graces of low rise, scattered site houses that will allow poor people to mix with more fortunate ones? “Give me a guarantee that everybody will get a permanent, decent affordable place to live in, not some five year voucher, and then ask me that question. But until then, that's not the issue. Right now, we're talking Cabrini or the street.

“Also, I would question if it is better to use that money to replace the highrises, or to build some more affordable housing, because we've got tens of thousands of families in the area who need it. Which is the better use of public resources? Why not clean up Cabrini? Maybe make it less dense? Maybe you beef up the police force, maybe involve residents in the control of the place and all the other ways in which life there could be improved, and spend some

## The Single Family Loan Fund and the Butler's New House

by Ravi Ricker

*Ravi Ricker is the Chicago Rehab Network's Construction Specialist.*

"Nothing is given to man, and the little he can conquer is paid for with unjust deaths. But man's greatness lies elsewhere. It lies in his decision to be stronger than his condition. And if his condition is unjust he has only one way of overcoming it, which is to be just himself."

-- Albert Camus



The Butlers were photographed just before their Thanksgiving Day move into their new home. Six months ago, this building was burned out, in housing court, and seen by neighbors as a danger to their children and their community. Yesterday, the yard had slowly filled with trash, and children were told not to play near the burned out structure. As night time fell, it was a source of fear and danger. However, these nights, under a new roof, the TV glows, dinner is served, dishes are done and the new porch light invites neighbors to stop and talk. Tomorrow the yard will be green with grass and children will play. Their home was made possible through the Chicago Rehab Network's Single Family Loan Fund.

The Single Family Loan Fund was generated out of a sense among communities that lending programs available to local community housing groups were not sensitive to the particular needs of those communities. Chicago Rehab Network members came together to create a revolving loan fund, which would be generated and guided by their collective efforts, and which would make it possible for more families like the Butlers to take on the challenges of homeownership. In order to make these funds even more accessible, CRN staff offers a wide range of assistance.

The Single Family Loan Fund has established three pools of financing designed to meet the specific demands of local housing developers. In all, these funds total over \$1.5 million and include subsidies and technical assistance available in many areas, each of which is intended to lower the cost of purchase to the end buyer. This cost savings may be realized through development assistance, as in work

*Brehm, continued from page 23*

money and fix it up and not have the elevators broken all the time and not leave several floors at the bottom of the building vacant so it's even more hairy to get up to your apartment. Maybe occupy the lower floors and seal off the top floors so the gang bangers can't take control..."

Brehm could go on. But the thrust of the argument is clear: the issues in Cabrini, like the issues in any other Chicago

neighborhood, should not be argued in terms of the manipulation of real estate, or even of the "hard to handle" people who occupy it -- but always in terms of the delicate matter of maintaining, or restoring (or creating from scratch) social justice.

Recent struggles in and around Cabrini Green also illustrate the specific importance of grass roots organizing, which,

Brehm reminds us, is different than city-wide organizing. The latter might have a place in trying to alter this or that policy with regard to Cabrini, but it would not obviate the need for grass roots organizing to enlist the hope and efforts of Cabrini residents themselves. Brehm encourages the Chicago Rehab Network and its membership, then, to act accordingly.

"Even in the recent

Spring/Summer 1995 Workshop Calendar

write ups and cost estimates performed as a service to developers by Chicago Rehab Network's in-house Construction Specialist, or as closing cost assistance or mortgage write downs granted directly to the homebuyer.

The first of these construction funding pools is a \$200,000 revolving loan fund through Avondale Bank, which offers the end buyer \$1,800 in closing cost subsidy with the use of Avondale's permanent financing.

The second pool of construction financing came to SFLF in the form of a \$200,000 grant from the Illinois Housing Development Authority. These funds will be loaned out by SFLF at 3 percent interest over an 180 day construction period.

The third funding pool is a two year revolving HOPE-3 grant. This pool provides the bulk of the subsidies including: home buyer closing costs and down payment assistance, legal fees, property management and holding costs, architectural fees, home buyer counselling and training, and home buyer outreach and marketing. □

March 14	CHDO Orientation -- Western Suburbs
March 16	Homeownership Education and Counseling
March 21	The Predevelopment Process
March 28	The Predevelopment Process
March 30	CHDO Orientation -- Northern Suburbs
April 5 AM	HOME Regulations
April 5 PM	Understanding the Community Reinvestment Act
April 19	Acquisition Strategies
April 25	NLP Endorser Training
May 10	Tools of Real Estate Finance
May 17	Project Financial Analysis (Full Day)
May 24	Construction Management (Full Day)
June 14	Single Family Housing Development (Full Day)
June 21	Multifamily Housing Development (Full Day)
June 28	The CRN's Single Family Loan Fund
July 6	Preserving Affordability
July 12	Property Management I
July 19	Property Management II
August 9	Special Needs Housing

Unless otherwise noted, workshops are from 8:30 am - 12 Noon & held at First Chicago Bank, 1 North State, Fifth Floor  
For more information and to register, call Rachel Patterson Johnston at the Chicago Rehab Network at (312) 663-3936

campaign (the city-wide Chicago Affordable Housing and Community Jobs Campaign) it was the Network leadership that were out there doing the campaigning, and when we see on the community level who were affected and who were involved in this campaign...

"They're not necessarily mutually exclusive. But we shouldn't confuse one with the other. You can be a very

conservative community development group, very unconnected to any commitment to social change, and not truly controlled by the community you work in, and still be an outspoken member of a Network advocacy group and do public policy work that affects how many units you do."

But that is not enough. As long as the point is not to restore buildings to their rightful

condition but to restore people to theirs, then "organizing should not be a big part of housing development, housing development should be a big part of organizing." □

*Coleman, continued from page 19*

user, and all the things that the condition of poverty can do to you.

David: Are there people who are actively trying to maintain the poverty status of the people that they claim to serve? Are there people like that in the housing movement?

Marion: Well the regulations make it that way, yes! The regulations state that once you improve your status, then you have to make an effort to move. Even HOME, and of course CHA.

David: What's the difference between being the executive director of a CDC and being the executive director of a social service agency?

Marion: Well. I think the management of the organization is different. From Covenant's perspective, a major part of your mission is cost intensive. Finding money.

People do not want to give you money to pay for anything that's going to be capital. They consider a house or private development as capital.

There's no sense of charity in the provision of housing — housing seems less people centered and more industry centered. That's why so many people want to force the discussion of affordable housing into terms of the "industry" and its forces. That's why the city's own Department of Housing wants to frame their efforts in terms of "investments," and to direct that investment toward the development of housing for upper income groups, who make a more secure "investment" for a conservative "industry."

The provision of housing does not make sense as a charity. They can give you money, but they'll see a house — the building at 1312. Go to 1312, and people can see the apartments, and they have a conflict, because they don't think poor people really deserved that. David: That differs from a social service organization?

Marion: Yes, because social services don't change the human condition as immediately. They have some effect, but in reality we're not moving from that personification of poverty.

Two bathrooms, carpeting — that can move your condition. Do you understand me? It's concrete. Social service then adds supports to that concrete change. You will find a lot of people made the transition from social service to housing because the poverty programs transitioned them into that — into housing. When everything else dried up, the CDBG block grants came, then the new age was in housing, and you saw a lot of community development corporations in transition from social service, moving on to housing as the next step.

David: Why are you leaving Covenant?

Marion: I came to Covenant with the understanding I was going to stay about five years. I did not see myself staying for long term. There were some things that had to happen at Covenant, and I was committed to having those happen before I left.

One of them was...to carve out a niche in this whole myriad of development in Woodlawn specifically for

Covenant, because development is finite. It is not infinite. Well, let me say this. Redevelopment is infinite. But development is finite.

In Woodlawn, the larger for-profit development ventures, whether they were in conjunction with not-for-profits or whether they were a loan, were getting the larger buildings and doing the larger projects. And at that time, when we came, property management and tenant services were not even considered as part of the development structure. So those were the things that we talked about.

We wanted to do smaller projects. We wanted to talk about sustainable development.

David: What does that mean? Sustainable development?

Marion: For me, sustainable development means you won't come back in fifteen years and see the project that you did boarded up. And you won't see the people that you built the project for not living in the project. Sustainable development for affordable housing. And you have to ...ensure that part of it was to develop your relationship with the tenants.

Now what people don't want to talk about in development is the fact that, if you look at every project that's been developed in Chicago in the past fifteen years, either for-profit or not-for-profit, you're going to find that 95 percent of them have been refinanced, just in the past ten years.

David: Why?

Marion: Because the project's

budget in the beginning was never enough. The lenders have a debt ratio that they have to meet. By their nature, not-for-profits have a less healthy debt/income ratio than for profits. Everyone talks about capacity. That's what we mean when we talk about capacity — capital...  
David: Money!

Marion: ...An income debt ratio that will make you a viable risk for underwriting. That's what was so intriguing about tax credits, because they gave you the symbol that you had access to capital.

David: Was that a false symbol?

Marion: Oh, it's very false! Because you don't own anything. The tax credit gives you this amount for so many years, but it gives you this amount of money up front. If they give you \$3 million for ten years, for ten years, the investors can write off \$100 thousand a year from their taxes. But even after that, they can still ask you for the \$3 million back — legitimately. That's the way it's structured.

David: Do you think that's going to happen?

Marion: In some instances it will. As the market rate gets tighter, it will. Because some of the properties are going to increase in value, and nobody is going to give that up. And just like it's happening with all the prepaid buildings now, these tax credit buildings are going to come up for renewal, and if the project is losing money, then the investor says "we need to take our building back and increase the rent levels to recoup our

investment."

David: You think the alternative to tax credits would be what the government is supposed to be doing — but the government sees itself as a conventional lender. That's not an alternative.

Marion: There is no alternative. That's the depressing thing. Then, on top of it, the other forces that were out there are also moving, very much so, to the right. LISC, the foundations...Now every last one of the major foundations have gone and bought into this re-evaluation of their support to the community — every last one of them. Because it costs an awful lot of money to actually redevelop, and it's more of an investment long term.

Then there was this falsehood, people saying that when you develop you get developer's fees. No, that is false. Developer's fees always end up going back into operations, just a little bit ahead to start with other projects. That's a major difference between non-profit and for-profit developers. Now, there are a lot of for-profit developers that want to start doing limited partnerships with non-profit developers.

The real alternative is not to do mergers — philosophical mergers or anything else — but to acknowledge the fact that you're going to have large organizations that have the support of major institutions going one way, and to bond together with the smaller institutions and do some organizing. And I don't mean around rhetoric.

Rhetorical organization was appropriate in the '60s.

People would have a point of view that was the future: this is where we are, but this is where we can be. It was always where we can be. You understand what I'm saying? We have, for whatever reason, for lack of trust, for lack of fulfilled commitment, lack of follow through, or whatever — people are not going to respond to that anymore. I mean organizing in a different way. You have to organize within buildings. The easiest way to organize is with people who see you have made a difference. You can't organize on rhetoric. You have to organize around results.

David: So you're talking about the buildings that the groups are developing and then organizing in those buildings?

Marion: Yes, you have to organize them not for or against you, but for the development of their communities. For them to see how the change in their life circumstances effect the development of the community and how it gives them an ownership, even if they are a rental...

David: You said that the real way to do housing so it is not refinanced every ten or fifteen years is to come up with more equity investment to change this debt to service ratio, to really build up the capacity to do really affordable housing that's sustainable over a long period of time. And I asked, well do you think tax credits work? And you basically said no, there's some problems with those, including that there might be some buildings on which people will call the loan due on tax credits.

And I asked, is there an alternative? And you said no, not really, because the real alternative is supposed to be government financing, but locally the government hasn't seen itself in this creative model, it sees itself as an additional lender, as a bank. But then you came back to say, you know, the real way to look at this is about organizing, and organizing in a way where people in the building, who have benefited from the work of the community organizations see it in their self interest to continue to organize to help themselves and other people.

So my question is: do you think that that's happening now,

by CDCs around town? And if it's not, why not?

Marion: It's happening in some areas. I think CDCs are beginning to see that that's apart of their long term survival. Remember, the people see that if they claim some ownership to this — to what they are and to where they live — then they will take care of it. They'll be able to buy into the meanings around lowering operational cost. They'll see how shared heating or gas affects the whole building and the whole operation. But that's part of the problem — we've got many CDCs who have left management and don't have a direct connection.

One of the things that Covenant thought was very important, and very rare, had to do with how you relate to tenants after you finish a project — as a developer, as a landlord. There's a very dynamic tension that creates a good relationship — it is tenuous. You have to nurture it.

The bottom line is that it is not going to be the building. The buildings will either be there or not. It's the people that reside in them, and you have their mutual respect. And if you value the human, the intrinsic worth of the human being, and if you respect people, then that's where you place your trust. □

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