

Tenant bill of rights triumphs

by Tim Carpenter

After many years of ups and downs, tenants and community groups in Chicago celebrated passage of the Tenant Bill of Rights on September 8, 1986.

The final vote in City Council, after minor amendments, was an astounding 42-4. Final passage reflected the rare bipartisan support that community groups had garnered for the ordinance during an intensive ten week organizing campaign. In the end, the real estate lobby, which is certainly not accustomed to losing, saw the writing on the wall, pulled out of negotiations and ceased being much of a presence in City Hall.

After seven years of frustration, two events infused tenant activists and community groups with the smell of success and led to a flurry of activity in

neighborhoods all across the city. This included public meetings in Uptown, Humboldt Park and Englewood, numerous meetings and actions with individual aldermen and a series of hearings, committee meetings and council meetings downtown.

The galvanizing events were the election of four reform-minded aldermen in

the court-ordered special aldermanic elections earlier this year and the subsequent designation in June by Mayor Harold Washington of the Tenant Bill of Rights as priority legislation for his administration.

The final version of the Tenant Bill of Rights provides tenants and landlords

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Downstate groups push development

by Mike O'Connor

Nonprofit housing development in Illinois is not confined to the city of Chicago.

Community groups around the state are engaged in the promotion and pro-

duction of affordable housing.

Reagan budget cuts, a disastrous farm policy, private disinvestment and rising housing costs have created an increasing need for low-cost housing all around the state. Local groups have responded in a variety of ways, with the general emphasis being on single-family rehab. However, their efforts have been hampered by lack of access to government funds, as well as private capital and financing.

As a result, advocacy efforts are underway in some communities to acquire the resources needed to do local development. In Herrin, for example, the Southern Counties Action Movement (SCAM) is conducting a drive similar to the Community Reinvestment Alliance fight in Chicago that induced three downtown banks to start the Neighborhood Lending Program a couple years back. SCAM is organizing to get a prominent local bank to invest in the community.

The Illinois State Support Center recently completed a survey of downstate community organizations that are engaged in housing and economic development projects. This article highlights several organizations that have housing projects underway or in

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Network celebrates 10th anniversary

We hope you will enjoy this special 10th anniversary issue of the Network *Builder*, the newsletter of the Chicago Rehab Network.

The Network began in 1976 when community groups from around the city came together to share ideas and strategies for affordable housing development. Since then, the Network has been providing technical assistance to groups and individuals who are working to maintain and create decent affordable housing. The Network has been a firm and vocal advocate of low-income housing through three city administrations. And the Network continues to provide a forum for neighborhood groups to gather to discuss pressing day-to-day concerns of housing

rehab and management.

These three activities—technical assistance, advocacy and networking—are each tools to be used toward the Network's ultimate goal of community empowerment, and they have remained constant preoccupations throughout the Network's history. This special issue highlights that history, looks at where we're at now, and where we're headed.

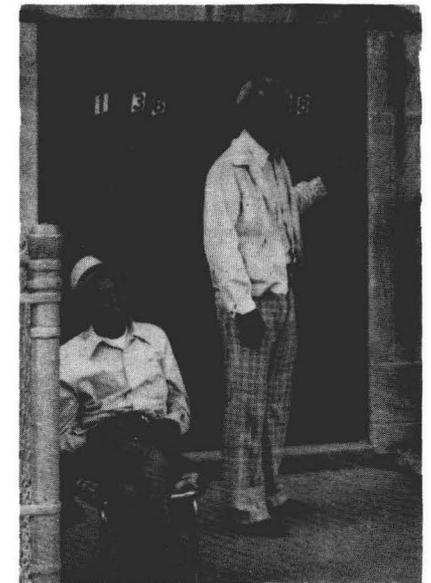
A good portion of the issue is devoted to the groups who currently belong to the Network, with a brief description of each organization's goals and recent accomplishments. The Network is first and foremost a membership-based coalition of

(continued on page 2)

Looking back...



1980



Bob Lucas: 1978



1979



Photos by Thom Clark

Some interesting things turn up when you go digging through old files. We found Bob Brehm hanging out with fellow media star Ted Kennedy, Mary Nelson offering words of wisdom to Jane Byrne, and more...

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Associate Members: Center for Neighborhood Technology, Center for New Horizons, Inc., Community Renewal Society, Jewish Council on Urban Affairs, Metropolitan Housing Development Center

10th anniversary

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neighborhood groups, with all the strengths and tensions inherent in such a gathering. And while tensions certainly exist (just come to one of our board meetings), the impressive depth and scope of our member groups' activities, as well as the Network as a whole, show that our strengths are many.

A 10th anniversary is a time to look back, take stock and set goals for the future. In this issue, we examine our tensions and celebrate our strengths, in an effort to make us stronger for the critical years to come.

A time to take stock

The Network today: fulfilling a dual role

*by Bill Foster, Director
Chicago Rehab Network*

Three years ago, when I began my tenure as executive director of the Chicago Rehab Network, I was barraged with comments from various people, all of which centered around their advice that I do two things: (a) improve what was perceived to be a weak organization, and (b) in the context of improvement settle the confusion over whether the Network was an advocacy or technical assistance organization.

It did not take me long to realize that those comments were misguided. I immediately recognized that the Network was a very strong organization and that there is no inherent reason why the Network cannot be both an advocacy and a technical assistance group. So when asked what this means for the future, I respond that the Network will continue to do more of the same, and will continue to be at the forefront of low-income housing advocacy and development in this country.

The primary reason that the Network will remain at the forefront is its

membership. The staff and the programs that are operated by the Network expand upon the organization's basic structural strength, but it is the latter *that will always keep us strong, through bad times as well as good.* Three or four years ago the Network had been stripped of critical funding by the Byrne administration, and its programs suffered. But too many people confused a lack of programs with a lack of strength; the fact that the Network was strong allowed it to survive the lean program years.

It is a similar misconception that leads people to believe there is a conflict between doing advocacy and technical work. I constantly ask people why they feel such a conflict exists. It seems to me that we need both, and that they are complementary functions of this organization. Our mission and our programs are directed toward the development of low-income housing, but clearly that is to be accomplished within the context of staving off displacement and through community empowerment.

We are not here to simply churn out as many housing units as possible. We

do not feel that the end justifies the means. Indeed, we strongly feel that the means are critical in achieving an end that is sustainable, that truly develops our communities and provides decent shelter for all people, regardless of income level.

We are very much part of a growing housing movement in this country which is rooted in community residents taking charge of their own destinies. In Chicago, the Rehab Network represents a cadre of community-based housing development organizations that has done an excellent job of placing new or rehabbed units of shelter on the street given the limited amount of resources available to those organizations for undertaking such a task. But true community empowerment is not exemplified by community organization landlords; rather, it is better represented by neighborhood residents organizing and owning their own properties, fighting for jobs, watchdogging city services and making demands for better schools for their children.

All of our current programs fit into
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Two founders look back

Laying the groundwork for the Network

Robert Giloth is Deputy Commissioner of the Dept. of Economic Development. Thom Clark is editor of The Neighborhood Works. In previous incarnations, Bob was director of the 18th St. Development Corp.; Thom headed Voice of the People. They were among the founders of the Chicago Rehab Network.

by Robert Giloth & Thom Clark

It wasn't too long ago when a rehab program conjured up visions of hospital wards, prosthesis and physical therapists. But when seven neighborhood housing development organizations and four city-wide groups began meeting Saturday mornings during the fall of 1976, a different sort of reconstruction program was in mind —

decent housing for families.

Urban renewal had wrought model cities which brought block grants. But in those waning days of the Daley era, low and moderate income neighborhoods showed little lasting effect from

eyesores. And we began to look beyond our turf boundaries to discover sister and brother organizations struggling toward the same goals of producing safe, secure and decent shelter for families whom the marketplace had

Hovering in the background of our initial get-togethers at Erie Neighborhood House was a desire *not* to form a new organization.

Chicago's share of federal largesse. Community groups concerned about affordable housing began managing and rebuilding their neighborhoods'

denied such basic needs.

Hovering in the background of our initial get-togethers at Erie Neighbor-
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Advocacy

Uptown tenants fight displacement

Since it was first published in 1979, the *Network* newsletter (which has become the *Network Builder*) has been one of the *Network's* most effective tools for advocacy of low-income housing. The *Network* also participates in various coalitions around crucial housing issues.

But most of the advocacy and organizing connected with nonprofit housing development is done on the local level by the *Network's* member groups. Whether it's fighting a local alderman for approval of a rehab project or helping to start a neighborhood crime watch, *Network* groups have par-

ticipated in empowering their communities.

Mike Loftin is community organizer for *Voice of the People in Uptown*. Recently *Voice* joined other local community groups in helping a group of tenants fight displacement from their apartment building in the newly-created "historical" neighborhood of "Sheridan Park," otherwise known as Uptown.

by Mike Loftin

On July 29, 1986, the 35 families living at 4716-24 N. Beacon received notices telling them to move by

September 1.

All utilities, including the gas, electricity and water, the notice threatened, would be shut off at that time. The tenants, most of whom are refugees from Laos and Cambodia, immediately began to look for help.

Many of them contacted the local Lao Association and the Rev. Peter Tran, a priest at St. Thomas of Canterbury Church. Together they decided to call a meeting of all the tenants and to invite other Uptown organizations to ask for their support.

At the meeting the tenants discussed their situation and what they could do. Research revealed that real estate developer Randall Langer and his partner, Patrick Gallagher, had just bought

Technical assistance

Mod rehab demands creative solutions

"Technical assistance" at the *Network* often means working one on one with groups or individuals who are in some stage of the rehab process. It also means bringing in resources to educate people on different aspects of financing, rehab and management. As part of our TA program, the *Network* recently brought in Bob Santucci of the Enterprise Foundation to conduct a series of

workshops on moderate rehab. Ann Shapiro, *Network* construction specialist, describes what took place.

by Ann Shapiro

It was toward the end of the last session on moderate rehab, the effects of the morning coffee had begun to wear off and people were squirming a bit in

their chairs.

Bob Santucci, wrapping up the series of workshops, got to the heart of the matter, two basic tenets of the Enterprise Foundation philosophy: "minimum cost housing for all is preferred over middle class housing for a few," and "empowerment results from letting

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Networking

Property managers exchange ideas

For the past ten years, *Network* member groups have benefited from the opportunity to share ideas and exchange information. This past year the *Network* has facilitated networking exchanges among the property managers and the organizers of the neighborhood-based housing groups in Chicago. Thirlene Bronaugh, property manager at PRIDE, describes the property managers' monthly gatherings, and how they help her do her job.

by Thirlene Bronaugh

We meet monthly to discuss, learn and exchange ideas, tidbits and techniques which have worked for us in the various neighborhoods we represent.

We come from South Austin, Humboldt Park, Kenwood-Oakland, Uptown, West Garfield, South Shore and the southern tip of Evanston.

Who are we? We're the property managers from some of the nonprofit organizations in metropolitan Chicago which rehab and then manage various sizes of property.

There's a world of difference between our job and the more established form of property management. For one thing, formal schooling certainly did not fully prepare us for the neighborhoods we're in. But more important, we are trying to improve the lives of our tenants in a wholistic manner. Our

groups train the tenants to become better residents and more involved in the management of their buildings.

Although many of us have received professional training through the various property management courses that are offered throughout the city, the school doesn't exist that can train nonprofit property managers in all the different kinds of skills we need and problems we confront. For most of us, the education has been strictly on-the-job. That's why we started meeting on a regular basis — to educate each other, and to help each other with the different kinds of situations we face every day.

The sharing of ideas and techniques

the building. They had raised over \$6 million (much of it from East Coast investors) to renovate it and six other properties in the section of Uptown recently designated an historic district.

Rents were surely going to go up in the building and it was later discovered that rents would actually double to \$500 per month for the one and two bedroom apartments. It was evident that the tenants were in Langer's way and that he wanted to get them out as quickly and cheaply as possible.

The tenants decided they wanted to stay in the building. With all of its problems, the building was better than no home at all. They also decided that if

they did have to move, Langer should at least give them more time to find a place and pay them relocation benefits to cover a new security deposit, the first month's rent and moving expenses.

The next step was to invite Langer to a meeting to get his response to their demands. After Langer said he would come to the meeting and then backed out at the last minute, the tenants decided to track him down. They found him at his Uptown office. (He was supposed to be downtown.) After a heated discussion, Langer agreed to recommend to his partner that each family be paid \$1000 in relocation benefits.

Shortly afterwards, Langer called

back to ask for another meeting, this time with partner Gallagher and his lawyer, Richard Kruse. The tenants agreed.

It did not take long to see that Kruse's job was to play the tough guy. "We're about rehabbing buildings," he said. "What you're talking about is a social issue. We don't care about that." He then offered \$200 to everyone if they would move without a fuss. The director of the Lao Association, Chris Abhey, summed up the feeling of the group when he called the offer an insult. When it became clear Langer and company did not intend to negotiate further, the negotiations were called off.

The tenants then laid plans for a demonstration against Langer. On August 16, more than 200 Uptown residents marched to Langer's office. The tenants were joined by other members of the Lao Association and the Cambodian Association and by members of Jesus People USA, Chicago Uptown Ministry and Voice of the People. Langer closed his office down and the media covered the event extensively.

During the next two weeks the group got 46th Ward Alderman Jerome Orbach to convey a new offer to Langer. Tenants wanted a total of 60 rent free days to move, the return of their security deposit and \$200 for moving expenses. Given that monthly rent and security deposits each ranged from \$235 to \$275, the tenants' offer roughly equalled the \$1000 originally requested. Perhaps because he was tired of the fight and the bad publicity he suffered, this time Langer accepted the offer.

After arguing over details (Langer claimed eleven families did not have security deposits until nine of them produced receipts), eventually everyone got checks for \$400 to \$475 and two rent free months. At the victory celebration everyone was jubilant. "We felled a giant," said Father Tran. "We stood up for justice," declared a proud Tom Pharthong, president of the Lao Association.

Despite the victory, however, the struggle is not over. Other tenants have not been as successful. One building was emptied out by Langer months ago without a fight. It now has rents as high

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that are successful is the fun part. Because no matter what you were taught, you need to know what *works*. We've traded information on lots of different topics. A recent meeting was devoted to tenant screening and selection, which for most of us involves the participation of current tenants and tenant councils. We've also dealt with relocation, setting up building rules and various maintenance issues.

Often times the main topic is sidelined because a member may have a pressing problem. Outside resource persons are invited to enlighten us on occasion. Once a lawyer gave us the lowdown on evictions and the court system. A landscape expert helped us with our green

thumb problems. Then we exchanged ways to keep the grass alive and green and the flowers unpicked!

I see in the future that we could become the nucleus for a community property management course. The real estate schools do not teach problems of poverty, idle minds and hands, depression, kids with too much time on their hands and nothing to do. And they certainly don't provide any insights on training tenants to help themselves.

In the meantime our property managers group will continue to get together and share information on a very informal basis. We have fun and we get a lot accomplished. I hate to miss any meetings!

Laying the groundwork: founders look back

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hood House was a desire *not* to form a new organization. Previous city-wide coalition efforts had resulted in downtown, staff-dominated agendas. We simply wanted to share our sweat and blood experiences: where do you find decent contractors who understand affordable rehab; which supplier has the cheapest toilet; what foundations could be approached for funding; who in which city departments could be counted on to work with neighborhood

groups?

By early 1977, our regular meetings had resulted in a directory of active community-based housing groups, the beginnings of a regular newsletter, participation in early building code reform efforts and advocacy on behalf of member groups in unsnarling city contract snafus. In the midst of this impressive voluntary work, generous networking and mutual support for an infant industry, came an unexpected offer from the city to undertake a technical assistance contract to aid neighborhood

rehab efforts.

The lure of money — resources for mutually identified architectural, engineering and financing assistance — drove the formation of the Chicago Rehab Network as a new city-wide non-profit. While we arranged for incorporation and 501(c)(3) status, the Network collaborated with the Chicago Architectural Assistance Center to accept the city contract and organize Rehab: the Housing Resource Center.

But with this early money came our first dilemma over how such resources

Network plays dual role

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this framework. Our *technical assistance* efforts, a constant throughout the history of the Network, provide “empowering” construction and financial analyses which are directed toward specific projects. Much of this work is directly intertwined at present with the Neighborhood Lending Program, which has placed dollars in neighborhoods that have not received credit for decades, in turn serving as a catalytic inspiration for neighborhood residents to demand additional investment and improvements.

While our fiscal/accounting assistance is unfortunately underutilized, this is still an important component of our program efforts. The Network is unique in that we have a full-time accountant who can assist neighborhood groups with fiscal matters; again, strong organizations are the key to our success.

The tax reactivation program not only serves as a low-cost acquisition vehicle and additional inspiration in its focus on overhauling dilapidated tax delinquent properties, but it also is serving as a model for potential programs that will allow for much greater tenant control of properties.

As an *advocacy* organization, the Network serves as a consistent and necessary voice for low-income people. Low-income housing runs against the grain of our political and economic system. This is a system that clearly favors upscale development, thus placing us in an adversarial position no matter how

much technical expertise we obtain.

There has always been a void at the state level in funding housing. The concept of a statewide housing advocacy effort evolved at our last annual meeting. As a result the Network played a major role in the formation of SHAC. We have worked diligently to save federal tax benefits for low-income housing. Unfortunately, we have to rely on the tax code to produce low-income units, as there is virtually no direct federal money available for housing the poor.

Community empowerment must surround this fact. We cannot solve the urban housing crisis without public dollars from the federal government. Private capital can only provide a small portion of what is needed, and then is only effective if public subsidies exist. But an effective federal housing program will never become a reality without people, and the people will only come from a massive effort of community empowerment.

On the local level, the Network has supported the Washington administration’s emphasis on placing dwindling federal dollars in the neediest sectors of the city. We have fought long battles to ensure that CDBG funds go where they are supposed to go, and that housing continues to be a priority.

Networking is the third element of our strength that has grown dramatically in the past year. We have begun a property managers’ network and a tenant organizers’ network to allow staff people from community organizations to

share ideas and work together. The organizers’ network held a city-wide tenant training session a few months ago that will soon be repeated. This brought together tenants from all over the city thus concretely expanding our “network” to those who ultimately benefit from our efforts.

Our newsletter is another vehicle for networking, this time with people all over the country. It is the only publication that deals exclusively with low-income housing news and issues, serving as a primary source of Chicago housing information.

Finally, a brand new program that is designed to directly serve our mission to bring about community empowerment is that of tenant training. Last year the Network hired a full-time staff person to assist neighborhood groups with their training efforts. The ultimate goal of this program is to provide additional opportunities for tenants to take control of their housing.

In the future, I hope that we can stop wondering if we are either a trade association or a coalition. The fact is that we are both. I also hope we can stop questioning if we should concentrate on technical assistance or advocacy. The fact is that we need both. We have had a sometimes tumultuous but nevertheless strong ten years. The next ten years should be even stronger as our coalition is broadened and our attempts to put forth ideas, issues and programs brings us closer to successfully achieving our mission.

“Development without displacement”

emerges as Network theme

should be allocated and where the important advocacy work we had first desired would fit in. This led during 1978 to our seeking additional resources separate from city funding to carry on the newsletter, provide cash seed grants for new projects and continue acting on city-wide policy issues on behalf of member groups. By 1979 the Network had a program staff separate from the contractual obligations of our city-funded Resource Center.

Much has changed since 1976. The end of housing programs. The crumbling of the Chicago political machine. More organizing books than organizing action. Linked development and SROs.

But much remains the same. Lack of low income housing. Housing abandonment. Development with displacement. Bureaucracy. Although neither of the authors has been actively involved with the Network for five years, we imagine that the internal issues also remain the same.

In building the Network we struggled with many issues concerning the organization's purpose and identity. Is it a trade association or an advocacy-oriented coalition? Should we devote our efforts to organizing on issues or building “10,000” units of housing? Are our meetings filled with rehab gossip (networking on the day-to-day problems of rehab), or running a distinctly separate organization?

What's the Network's responsibility to its local groups, and vice versa? What action (if any) do we take when Network principles come in conflict with the actions or policies of a particular member group? How can (or should) the Network police its own members? As the Network acquires its own staff, how do we keep it from becoming too “downtown?”

There were never clear answers to these challenges when we were active in the Network. Debate was perpetual. We imagine this, also, remains true. What pleases us is that CRN has survived and continues to be an institution valued by neighborhood groups.



“Displacement began before gentrification. In fact, there would be no displacement as a result of gentrification if there hadn't already been displacement as a result of disinvestment, discouragement and demolition.”

“Wicker Park has been ‘Lincoln Parked.’ It looks nice, but where have all the folks gone?”

“Firming up local ownership is an important tool in fighting displacement, if the cost can be kept low. . . . We are determined to provide examples of how housing can be rehabbed without causing extensive displacement.”

—from “The Paradox of Displacement”
Chicago Rehab Network, 1979.

It was late in 1979 that internal discussions began concerning the mission of the Network and the need for a comprehensive policy statement. The result was “Development Without Displacement,” a low-income housing platform that became a rallying cry for the Network and others engaged in the fight to preserve and expand affordable housing.

There were two reasons behind the drafting of DWD. Internally, various Network board members felt the need for an overall context or direction that could help them focus their local efforts. Secondly, Network members wanted to influence the new, “neighborhood-oriented” administration of Mayor Jane Byrne. They knew that the new administration had not as yet formulated a housing policy, and saw an opportunity to push an agenda that would bring neighborhood and low-income concerns to the fore.

DWD was adopted in January, 1980, and was published in a series of articles in the Network newslet-

ter. It contained an extensive analysis of the problem of displacement, its causes and effects on low-income people and communities. It put forth a number of solutions relating to current programs and the creation of new programs. Foremost among the suggestions was the creation of an official city commission on displacement which would implement an anti-displacement policy.

The new “neighborhood oriented” mayor proved unreceptive to the ideas advanced in DWD. However, the document was used, with some success, in the negotiations that took place between the Network and the newly-created Dept. of Housing's Commissioner Cataldo.

But more important, DWD was a much-needed document because of the process it forced the Network board to go through. It formalized ideas that had been kicking around for years. It led to the maturing of the Network, and also provided a valuable tool, and rallying point, for housing advocates across the city.

Meet the Rehab Network

Usually in the Spotlight section of the Network Builder we feature an in-depth story on one of the Network groups. For this special 10th anniversary issue we highlight the achievements of all the Network groups. While of course this means we can't dwell for too long on any one group, the idea here is to provide more of a comprehensive view of the neighborhood housing development scene in Chicago.

Association for Black Community Development
9507 S. Wood St.
Chicago, IL 60643

ABCD was organized in 1968 to promote cooperative economic development in the Washington Heights/Morgan Park area. Its programs for 1986-87 include the following:

- Business organizing and promotion to create productive jobs.
- Inner-city housing research and preservation: cooperative renters insurance, inner-city housing rehab and neighborhood preservation reporters.
- A job information service which publishes and distributes information on public service jobs.

Bethel New Life, Inc.
367 N. Karlov
Chicago, IL 60624

Bethel New Life, Inc. is a community-based development corporation which has been in existence since 1979 and focuses on its West Garfield Park community. It has packaged and developed over 400 units of housing and brought in over \$18 million in investments into its credit starved community.

Bethel's focus for housing is on cooperatives, ownership and self-help. It has pioneered on sweat equity initiatives, enabling people with little cash to afford ownership in a cooperative manner. It also has a real estate management subsidiary firm, New Life Unlimited, and a construction firm, Bethel Housing Services.

Its current project is the construction of fifty self-help, low-cost (\$32-36,000



for two to five bedroom houses), energy-efficient (passive solar, super-insulation) houses on scattered sites. Owner applicants do 750 hours of sweat work, earning part of the cash down payment for the houses, and will be formed into a Mutual Housing Association for supportive and shared management.

In addition to the housing projects, Bethel also markets and packages neighborhood energy loans, purchase-acquisition and rehab loans, does senior home repair, weatherization, and is actively involved in advocacy issues around housing and community development. Bethel also has significant programs in home care services for elderly, a wholistic health center, recycling center, employment center and many other programs.

Bickerdike
2550 W. North Avenue
Chicago, IL 60647

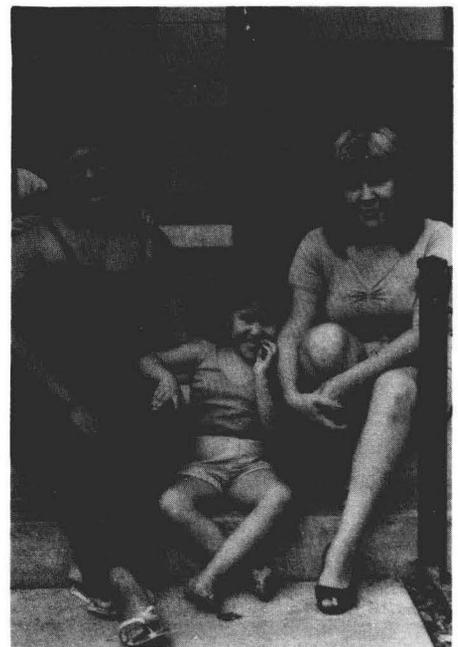
Bickerdike Redevelopment Corporation (BRC) was founded in 1967 to give the residents of the Westtown/Humboldt Park community a vehicle for community control over the redevelopment of their neighborhood.

BRC organizes community and ten-

ant involvement in all aspects of its work, from planning projects to fighting public officials for approval to management oversight. The emphasis is on empowerment of the community, composed primarily of Latinos and Blacks.

Over the years BRC has built or rehabbed 140 units for sale, 200 rental and co-op units and has assisted over 500 low and moderate income homeowners and renters with minor and major repairs. Plans are in the works for more than 300 additional units of affordable rental housing.

BRC is also very active in economic development. Among its accomplishments are creating jobs by requiring contractors on its development projects



to hire 50 percent of their workforce from the community, and organizing Humboldt Construction Company. Future plans include work on vocational training, recycling and other community-based ventures to create industrial and commercial jobs.

Circle Christian Development Corporation
118 N. Central
Chicago, IL 60644

Circle Christian Development Corp. (CCDC) was founded in 1981 to support the creation of decent, safe and af-

fordable housing environments for low and moderate income families of Austin.

CCDC endorses the creed that inadequate housing breeds family chaos, and that revitalization of a living environment contributes to personal wholeness and empowerment. CCDC therefore addresses community development through programs of housing rehab, apartment management and housing cooperatives. CCDC was founded by Circle Urban Ministries and continues as an affiliate organization.

CCDC has grown quickly. It managed 76 apartment units in 1985 (serving 384 residents), more than double the number of units managed and rented in 1984. Its mission is to purchase, rehab, manage and develop co-op ownership of buildings destined for abandonment. The commitment, of course, is not to brick and mortar, but to low and moderate income families of Austin who need decent, safe, affordable homes.

CCDC's current goals are:

- Full rehab and occupancy of the 20-unit 5700-5710 W. Washington building.
- Acquire an additional 30 units of housing to rehab, and 80 more units of housing to manage.
- Employ one full-time architect and one full-time construction specialist, and establish a rehab crew of neighborhood unemployed for training in repair and appearance skills.

Coalition for United Community Action
2600 S. Michigan
Chicago, IL 60616

The Coalition for United Community Action, formed in 1969, is composed of many organizations with diverse interests, coming together to fight oppression and take positive action toward resolving the problems of the minority community.

The coalition for the past 16 years has been responsible for numerous minority construction programs and for placing more than 8000 workers on construction jobs in the Chicago area. In partnership with the Chicago Housing Authority, the Coalition now is providing pre-apprenticeship training to CHA young adult residents for entry into the craft unions.

The Coalition is representative of the

entire minority community and has among its members: lawyers, doctors, ministers, businessmen, youth organizations, college professors, public school teachers, architects, engineers, contractors, mortgage bankers, housing consultants, construction workers, community organizers, social workers, entertainers, athletes and civil servants.

Covenant Development Corporation
6105 S. Woodlawn
Chicago, IL 60637

Covenant Development Corp. (CDC) serves the south side neighborhood of Woodlawn. The purpose of the organization is to assist in the renewal and improvement of the quality of life for individuals and the community.

For several years CDC functioned exclusively through the efforts of volunteers. Presently CDC has six full-time staff, supplemented by an active board of directors. CDC's current programs include:

A Pre-Apprenticeship Carpentry Training Program: trains individuals in skills necessary for entering a carpenters' union apprenticeship program. Trainees take academic classes at Washburne Trade School and get "hands on" learning experience at a rehab job site.

The Housing Abandonment Prevention Program, operated jointly with WECAN: HAPP works to prevent further abandonment and destruction of the existing housing stock. This includes technical assistance for tenants and friendly owners and the use of the court system to prevent deterioration of occupied buildings.

A Senior Home Maintenance Program: funded by the Dept. of Housing, this program improves housing conditions for senior citizens and handicapped persons through repairs and weatherization of their housing units.

Kenwood-Oakland Community Organization
1238 E. 46th Street
Chicago, IL 60653

The Kenwood-Oakland Community Organization (KOCO) is a 21-year-old organization serving one of Chicago's poorest neighborhoods.

With an emphasis on leadership development and community organiz-

ing, KOCO has established a development corporation and a health center serving 20,000 patients annually. Through its programs, KOCO helps tenants organize and correct housing code violations, provides home repairs, helps businesses improve and expand, counsels youth, trains residents for computer-related jobs, provides GED classes, distributes emergency food and provides other social services to Kenwood-Oakland residents.

KOCO is best known for rescuing housing from the wrecker's ball and is moving toward full redevelopment of the Kenwood-Oakland area. Its development arm (KODC, the Kenwood-Oakland Development Corporation) is rehabilitating five six-flat buildings, and more apartment rehab projects are on the drawing board. KOCO/KODC plans to break ground this fall on the construction of 70 townhouses for low and middle income tenants, and it plans to promote commercial redevelopment along East 47th Street, which will bring hundreds of jobs and economic growth to the neighborhood.

Latin United Community Housing Association
2750 W. North Avenue
Chicago, IL 60647

Conscious of the magnitude of the housing problem in the Westtown community, a group of residents organized Latin United Community Housing Association (LUCHA) in 1982.

The Westtown community lost more than 22 percent of its housing stock from 1960 to 1980 due to disinvestment, deferred maintenance and arson. As a result, the area has a great number of abandoned buildings and empty lots. The community is bordered by the Chicago River to the east, Kedzie Avenue to the west, Kinzie to the south and Armitage to the north.

LUCHA has been able to develop various programs to confront the housing crisis. It has a Weatherization Program that provides storm windows and doors to more than 600 low income tenants; a construction crew that makes repairs to more than 30 apartments of senior citizens or disabled people per year; and a first-time homebuyer counseling program that helps clients before, during and after the mortgage process. To promote the residents' participation

(continued on page 10)

and leadership in the revitalization of the neighborhood, LUCHA organizes block clubs and conducts leadership training sessions.

As part of its mission to serve as a catalyst for community-controlled redevelopment, LUCHA is managing 32 units of housing and is in the process of rehabbing an additional ten.

***Near North Development Corp.
1441 N. Cleveland
Chicago, IL 60610***

The Near North Development Corp. (NNDC) is a nonprofit community development organization based in the North Town area of the Near North Side. It was created in 1968 to find ways to provide housing for low and moderate income families and to stem the outflow of responsible individuals and families from the community, which is bounded by Division, Larabee, North Ave., and North Park.

NNDC presently operates three developments. Evergreen Tower is an 11-story building that houses senior citizens and the handicapped. Two other developments provide 168 units of housing, many of which house families displaced during land clearance in the neighborhood.

NNDC's initial focus was based on the idea that housing would offer the best means of building stability in the community. However, of equal importance are the complementary services that the community needs. These services—education, crime prevention, health care and recreation—improve the quality of life and serve as a stimulus for attracting and retaining a stable and diverse population in the area. To address these community needs, NNDC has initiated a local school improvement project and a neighborhood crime prevention program.

***Northwest Austin Council
5758 W. Potomac Ave.
Chicago, IL 60651***

The Northwest Austin Council (NAC) is a grassroots community organization located on the west side of Chicago.

NAC's service area is bounded on the north by Cortland Ave., on the south by Chicago Ave., on the east by Long Ave.



and on the west by Austin Blvd.

NAC was organized in 1972. Its purpose is to unite all people in the neighborhood to foster helpfulness, cooperation, understanding and community-mindedness. NAC formulates and carries out programs directed to the physical, social and moral betterment of the people and property of the community.

***Peoples Housing
1724 W. Jonquil Terrace
Chicago, IL 60626***

Peoples Housing (PH) is a low-income housing and economic development initiative in the north of Howard sub-neighborhood of Rogers Park. The board members of PH are low or moderate income residents of or employees in the community.

PH was founded in 1979, and has accomplished a great deal in its short history. In the last three years it rehabbed four buildings, a total of 52 units.

PH began construction on two other projects last year: the mod rehab of a 22-unit, partially burnt-out building, and the \$1 million rehab of a 49-unit deteriorated building. These were the worst occupied buildings in the neighborhood until PH began work on them.

PH has provided more than 30 jobs for neighborhood people. It created two neighborhood enterprises, Peoples Landscaping and Fixnclean, which have been combined into Peoples Property Services. In addition, last year PH formed a six-person neighborhood construction crew to work on six units of a PH building, and secured the inclusion of two other neighborhood contractors. Also PH has developed its own committees and staff and is now working on the foundation of another new business.

Other PH enterprises include a real estate management program that manages all PH buildings. The program is overseen by a board committee that includes tenants from each building, and each building also has an active building council. PH has also formed a partnership with other Rogers Park groups to operate a community park.

***PRIDE
4 N. Cicero
Chicago, IL 60644***

People's Reinvestment and Development Effort (PRIDE) is a nonprofit housing development corporation located in South Austin, a low and moderate income minority community on the far west side of Chicago.

PRIDE's incorporation in 1981 was the community's response to the badly deteriorating housing in South Austin. Through the community organizing efforts of South Austin Coalition (SACCC) around the issue of insurance redlining, a commitment was made by Aetna Life and Casualty to provide low interest, long term permanent financing for housing rehabilitation in South Austin. PRIDE was established by the community to be the neighborhood organization to promote and encourage that rehabilitation.

PRIDE began by locating owners who wanted to rehab their properties, and helped them to line up the necessary plans, specifications, bids and financing to make their projects work. Today PRIDE administers three loans programs which provide low interest loans to upgrade single- and multi-family buildings, especially in the area of energy improvements.

It became apparent, however, that owner assistance programs alone were not enough to address the housing needs of the community. In 1984 PRIDE's emphasis turned to the newly developed Acquire and Rehabilitate Program and the Property Management Program.

PRIDE now manages and has an ownership interest in a total of seven buildings, with 164 units of family housing. By the end of 1986, PRIDE developments will represent over \$2.75 million in investment in South Austin since 1984. This does not include the ongoing benefit to neighborhood employment in contracting, property management, vendor services and loan program administration.

However, ownership and management of decent, affordable housing is only one necessary component in promoting stable lives in a low income community. PRIDE also provides training and services for tenants in hopes of developing skills for effective living and leadership capacity. PRIDE plans with

tenant leaders what skill-building and informational workshops they would like to see made available, and enables linkages with direct service providers.

***Rogers Park Housing Services
Center***

***7642 N. Paulina
Chicago, IL 60626***

The goal of the Housing Services Center is to maintain a multi-ethnic, economically diverse community through the preservation of an adequate number of decent, moderately priced rental housing units.

In order to achieve this goal, HSC works in partnership with Rogers Park owners and tenants, as well as local community and service organizations. It provides a variety of services to assist both tenants and building owners in the Rogers Park area.

For owners, HSC provides workshops on maintenance, a discount buying program, contractor referrals and rehab consultation. It provides resident management training, loan package preparation and counseling on taxes, insurance and other topics.

For tenants, HSC operates a housing placement service, offers workshops on various tenant issues and counsels tenants on such topics as leases, eviction, discrimination, subsidized housing and utilities. Through its mediation and advocacy program, HSC acts as a mediator in disputes between tenants and landlords.

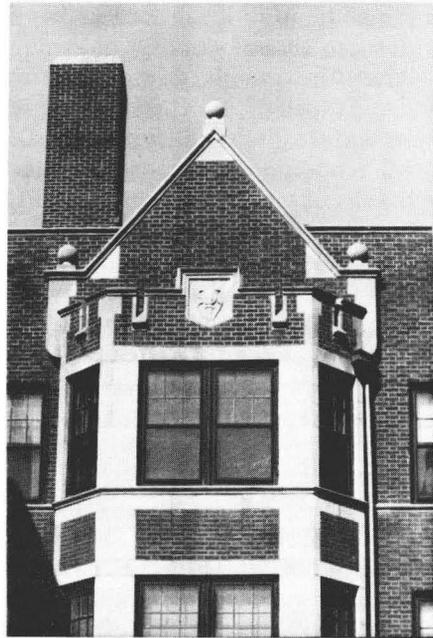
HSC is a program of the Howard Area Community Center.

***The Neighborhood Institute
1950 E. 71st St.
Chicago, IL 60649***

The Neighborhood Institute (TNI) is the nonprofit, neighborhood-oriented affiliate of South Shore Bank. TNI offers a broad-based program in community economic development which is designed to benefit the low-moderate income South Shore community. Its services include employment and training, energy conservation and a multi-faceted housing program.

The objectives of TNI's Housing Center are to expand housing development and home ownership opportunities for low and moderate income

families; to enhance residents' ability to maintain existing housing through preventative maintenance activities; and to promote economic stability and



indigenous leadership through the provision of technical assistance and organizational support.

During the past five years TNI has acquired and developed 230 units of co-op and rental housing. For each building developed as a co-op, TNI residents receive intensive training in ownership and management responsibilities. Also TNI provides an array of technical assistance services to residents of the South Shore community.

***Voice of the People in Uptown, Inc.
4927 N. Kenmore
Chicago, IL 60640***

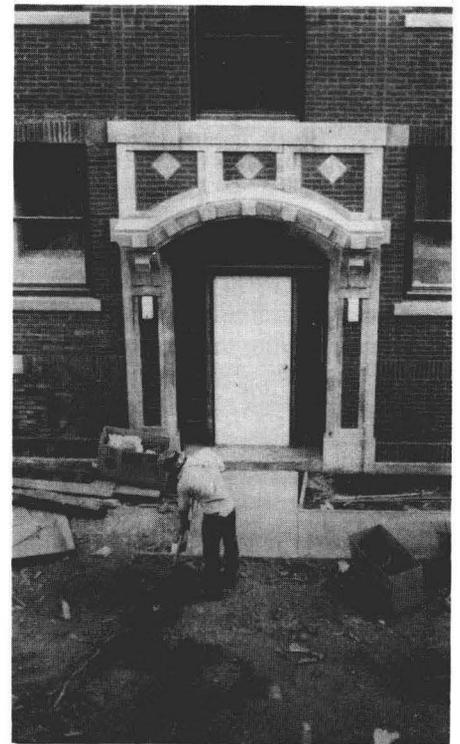
Voice of the People was founded in 1968 to protest the displacement of hundreds of low income families in Uptown to make way for Truman Community College. Since then it has continued to advocate for and develop decent, affordable housing for the neighborhood's families.

The Voice has focused its activities in three areas of Uptown: around Truman College, along Kenmore and Winthrop streets and east of Sheridan Road. In these areas, Voice of the People has rehabbed or is planning to rehab 157 apartments in 13 buildings. Eight of these buildings were abandoned and scheduled for demolition. More than half the apartments have three or more

bedrooms.

In addition to the housing it owns and manages, Voice works with local landlords to help them improve their buildings. The Voice's Senior/Handicapped Home Repair Crew offers assistance to the elderly and disabled in the community. Voice of the People also provides advice to local community groups on housing matters and is currently managing a 69-unit single room occupancy (SRO) hotel.

Empowering Uptown's residents to control their community remains a concern of Voice. Tenants at Voice practice "co-operative management" and actively oversee their buildings' affairs. The Voice has organized block clubs in the target areas and works with other



community organizations to fight displacement of current Uptown residents and on other issues that affect the neighborhood.

Other members of the Network include the Eighteenth St. Development Corp., Heart of Uptown Coalition, Midwest Community Council, and the Network's five associate members: Center for Neighborhood Technology, Centers for New Horizons, Community Renewal Society, Jewish Council on Urban Affairs and Metropolitan Housing Development Center.

Workshops delve into mod rehab

(continued from page 4)

people help themselves.”

The statement was a positive and idealistic way to end the series of mod rehab workshops conducted by the Enterprise Foundation and sponsored by the Chicago Rehab Network. The sessions brought together nonprofit housing developers, community activists, bankers, architects and city and state housing officials. The participation and interaction of the attendees resulted in a variety of opinions and a good exchange of ideas about rehab methods and reducing the costs of construction.

Workshop leader Bob Santucci truly believes in “letting people help themselves,” so no one at the three sessions was allowed to be an idle participant. During the first and second meetings, each table group was handed a scenario for reducing the prices of rehab in the imaginary town called “Nick’s Corner.” Items discussed included options for replacing/repairing windows, plumbing, electrical fixtures and modifications to closets and kitchen storage. While cost cutting was paramount, that

didn’t preclude experiential considerations, that is, it costs less to have closets without doors, but are tenants happy with those kind of closets?

After the groups figured out the reduced expenses, Bob listed all the options and we discussed them in light of “real” conditions and code restrictions in the city of Chicago. Santucci thinks it is important to get “the plumb out of plumbing” that is, “get the lead out.” But in Chicago, the use of lead pipe is ubiquitous and required by Code. No matter that most major cities in the country allow the use of PVC (a plastic pipe), a cheaper and safer material.

But savings are possible in a number of areas, for example, cluster rather than individual shut-offs in plumbing supply lines, reglazing of sinks and tubs instead of new ones. Electric costs can be reduced by obtaining products from local manufacturers. Spending more time on maintenance leads to fewer replacement items. Component rehab is important—save what you can—replace parts.

Bob Santucci refers to such economies as “one percent solutions” since

no one item is going to reduce rehab costs very much. What’s most important are changes in the initial processes, in other words, design and standards. If changes can be made to existing building codes and government performance standards that, while maintaining minimum standards for fire and life safety, recognize the need for innovative solutions in housing rehab, savings will be far greater and more low income housing units will become available.

The third and final workshop was devoted to reducing the “soft costs” of multi-family renovation. Bob calls these “creative solutions” and includes no/low cost acquisition, no/low cost materials and fees, volunteers and “sweat equity” as methods to reduce rehab amounts.

The group response to sweat equity was initially negative, with some nonprofit housing developers claiming that it is more trouble than it’s worth. But Bob’s retort was that “sweat equity is like a hammer. The hammer always works—it’s the arm that doesn’t.” So it’s an option that can be used, certainly

Tenants celebrate rights bill victory

(continued from page 1)

with remedies and protections for a wide variety of situations. Key provisions cover the rights to repair and deduct, withhold rent, secure essential services such as heat, information on ownership, 48-hour notice from landlord before entry, a fair lease, termination of lease in a bad building and interest on security deposits.

Owner occupied buildings of six units or less are exempted from the ordinance. But, contrary to several news reports, the ordinance does apply to the Chicago Housing Authority and other government subsidized apartment buildings.

The ordinance is very thorough in outlining the procedure that a tenant or landlord must follow in using its provisions. For this reason, it can’t be stressed enough that anyone wishing to use the Tenant Bill of Rights should read the actual ordinance and consult your local community organization. Copies of the ordinance are available in

the City Clerk’s office in City Hall Room 107.

Recognizing that the Tenant Bill of Rights is nothing but a sheet of paper unless tenants are aware of and know how to use it, the Metropolitan Tenants Organization plans on organizing a series of forums around the city. The forums will focus on all aspects of the ordinance and also outline how it can be used to strengthen local tenant organizing. Please call MTO at 549-1631 if your organization would like to sponsor or participate in a forum. Further information about the Tenant Bill of Rights can also be obtained from the Legal Assistance Foundation.

As with any successful campaign, many congratulations are in order. Among the many community groups deserving recognition are the Rogers Park Tenants Committee, Uptown Tenants Union, South Austin Coalition, Northwest Community Organization, Action Coalition of Englewood, Lakeview Tenants Organization,

ACORN, WECAN, Lawndale People’s Planning and Action Conference, Kenwood-Oakland Community Organization and Pilsen Neighbors.

Many other organizations which provided a great deal of support were the Jewish Council on Urban Affairs, League of Women Voters, Lawyers’ Committee for Better Housing, Chicago Rehab Network, Coalition for the Homeless, National People’s Action, Center for Neighborhood Technology and Chicago Urban League. A very special thanks also needs to go to Alderman David Orr and staffer Brad Karkainen for their “herculean” efforts in helping to make the Tenant Bill of Rights a reality.

Passage of the Tenant Bill of Rights marks the start of a new era for everyone interested in building a truly strong and vibrant tenant movement in the Chicago area.

Tim Carpenter is director of the Metro Tenants Organization.

in partial rehab, with the aid of a cooperative contractor willing to accept the assistance of low income people doing clean-up, some demolition and general work that doesn't require skilled labor.

"Brainstorming" was a large part of the final session. After listing ways of using volunteers, acquiring property cheaply and obtaining materials for free or at low cost, each small group decided on the most creative and economical ways to develop the previously discussed ideas.

On the use of volunteers and materials, for example, one table decided that a work day could be scheduled using retired carpenters, plumbers, electricians assisting University of Illinois and Illinois Institute of Technology students in building homes/rehabbing apartments with donated materials. This suggestion provoked laughter, as well as appreciation for its uniqueness and positiveness.

Perhaps the most important feature of the series of moderate rehab workshops was the opportunity given for

communication among people who may not usually share opinions about low/moderate income housing, although they are involved with some aspect of it daily. The hope was expressed, and a number of people signed up, for a follow-up session, where ideas discussed at the workshops could be actively pursued. With the open mind and sympathetic ear of city officials we can become a body of people committed to reducing rehab costs and thereby maintaining and/or increasing low income housing in the city of Chicago.

Statewide development action explored

(continued from page 1)

the planning stage.

Community Energy Systems in Springfield has been engaged in a number of appropriate technology and energy conservation projects for several years. Last year the organization identified low-income housing as a priority. Several months ago CES closed on the purchase of a ten-unit rooming house near Springfield. Private financing was obtained when a board member agreed to personally guarantee the mortgage.

CES is undertaking moderate rehab of the building, including upgrading its energy efficiency. Solar heating will be installed in time for this winter. CES intends to make this housing affordable for general assistance recipients, whose cash income is only \$154 per month. CES also has its eye on several other multiple dwellings in the Springfield area, but further projects will be held up until working capital and long term financing can be located.

The Lessie Bates Davis Neighborhood House in East St. Louis reports that it had a 100-unit new construction project on the drawing boards, but the deal collapsed when financing was not approved. Also, a demonstration project for single family rehab was cancelled after the initial round of funding was not renewed.

However, a new and ambitious project involves rehabilitation of public housing in its service area, according to director Bill Kreeb. The East St. Louis Housing Authority has a terrible record of mismanagement, with more than 30 percent of its 3000 units vacant because of deteriorating conditions. HUD

recently took over management of the Housing Authority, and Kreeb is negotiating with HUD officials for his organization to take ownership and/or management of certain units in their service area.

Breach Menders, Inc., has been engaged in rehabbing single family homes in Rock Island for more than three years. Chris Erickson, the group's executive director, is also a carpenter who supervises each project. He reports that with the help of CDBG funding, Breach Menders has completely rehabbed three homes per year in each of the

in kind contributions toward the down payment.

Move, Inc., in Springfield is a relative old timer in the single family rehab business. In 1972 Move began rehabbing a couple of houses per year with a \$15,000 grant from the Junior League. It continues to operate at a break-even level, using the \$15,000 as a revolving fund.

Project Hope in East St. Louis also operates a single family rehab project that turns over two homes per year. Peoples Friendship House of Christian Service in Peoria has rehabbed 20

Several months ago CES closed on a ten-unit rooming house near Springfield. Private financing was obtained when a board member agreed to personally guarantee the mortgage.

past three years. Work teams provide training opportunities for young persons referred by the local courts. A request for additional CDBG funds to expand operations was turned down this year, so the group has been casting about, without success to date, for alternative sources of financing. According to Chris, many low income families have difficulty managing even a very low down payment. Therefore, expansion plans, if additional financing can be found, will include a sweat equity component to allow families to make

homes, but the project closed when CDBG funding dried up. Commonplace, also in Peoria, has a program to provide minor repairs, up to about \$2000 each for low income.

This survey provides a rough overview of the successes and struggles around the state. As downstate community groups become more involved in development, we can expect to see increased advocacy activity as well, as groups search for ways to expand the limited resources that now exist.

Three conferences to examine state housing role

"New Initiatives in State and Local Housing Assistance" is the title of a conference sponsored by the Bureau of National Affairs on October 30-31 in Washington, DC.

The conference will provide "an in-depth look at the latest, most innovative state and local efforts to produce, finance and subsidize low-income housing—*beyond* federal subsidies and tax exempt financing." The conference is aimed at state and local officials, for-profit and nonprofit developers, lenders, investors and others active in the housing industry.

Topics include housing trust funds,

use of state agency reserves, real estate transfer taxes and other potential sources of funds, public/private partnerships and creative municipal solutions.

Workshops will examine a variety of state and local programs, including the Maryland Housing Initiative of 1986, New Jersey's affordable housing program, New York state's Housing Trust Fund, Boston's linked development policy, the Chicago Housing Partnership and such private models as LISC and the Enterprise Foundation.

Cost ranges from \$385 to \$450. For more information call (202) 331-9230.

Two TA centers announce fall workshops

The Support Center is offering its Fall Management Development Institute (MDI) from October 20 through November 25.

MDI consists of a series of 36 half and full day workshops designed to help nonprofits become more effective. The workshops cover a variety of subjects: the media, budgeting, fundraising, running meetings, board development, newsletters, insurance, marketing, volunteer management and more.

Workshops will be held in three Loop locations. Cost per session ranges from

\$30 to \$45. For more information contact the Support Center, 461-9300.

The Access Center's fall series of workshops will include the following topics: newsletters, strategic planning, board development, grant proposals, and industrial retention and development. They will be held from 9 a.m. to noon weekly throughout the fall. Cost is \$15 per session, or \$75 for all seven workshops.

For information on all Access Center programs, call 638-8700.

Conference to explore new tax act

How will the Tax Reform Act affect low-income housing investment?

A conference on "New Frontiers in Housing" will explore the sweeping changes in the tax law, and what the changes will mean for low-income housing development. The conference is for nonprofit owners and developers, public officials, housing advocates and others who play a role in the low-income housing development process.

Workshop topics include: how the new tax credit system works; the special at-risk rules for nonprofit lenders; how the tax credit can be used with other federal subsidies; which state agencies will administer the credit; and how tran-

sition rules will affect projects currently in the pipeline, nearing completion or awaiting investment.

The conference is sponsored by the National Low-Income Housing Coalition, LISC, the National Housing Law Project, the Center for Community Change, the Enterprise Foundation and other organizations. It will be held in two locations: Washington, DC, on October 22-23, and San Francisco on October 30-31.

Cost to nonprofit organizations is \$180 (early registration). For more information, contact Nancy Chek, (202) 662-1530, or Nancy Luberoff, (415) 989-7584.

The National Low-Income Housing Coalition, Shelterforce, the Planners Network, the Community Information Exchange and other groups are sponsoring a "quality, low-cost weekend conference" on Housing and Economic Development: State, Local and Grassroots Initiatives.

More than 500 participants are expected to attend. Topics will cover everything from housing trust funds to tenant management to state HFAs to effective organizing strategies.

The conference will take place from December 12 to 14 in Washington, DC.

A full conference brochure will be available in October. For more information contact the Planners Network, 1901 Que St., NW, Washington, DC, 20009, (202) 234-9382.

In addition, the National Low Income Housing Coalition will sponsor a one-day session on "Housing Organizing and Advocacy: A State and Local Agenda."

The session will be held on Thursday, December 11, at the Chevy Chase Holiday Inn in Chevy Chase, MD. The registration fee is \$20.

The meeting is designed to provide an opportunity for housing advocates and organizers to share experiences from the state and local level; learn from each other; and begin to define an agenda for action on state and local housing initiatives that will serve the needs of low income people. For more information contact NLIHC at (202) 662-1530.

Midwest tenant groups to meet

The National Tenants Union will hold its Midwest Regional Conference on October 25 in Ann Arbor. The Conference will bring together tenant and housing activists from around the Midwest to share ideas and strategies on various housing issues, ranging from tenants' rights to community development.

For more information contact NTU's regional office at (313) 763-9920.

State housing activity soars

The number of state-funded housing initiatives has doubled since 1980 and increased by 50 percent in just the last two years, according to a report released by the Council of State Community Affairs Agencies.

The report, "State Housing Initiatives: A Compendium," describes 153 programs in 42 states that are funded wholly or primarily by state general revenue appropriations, state-levied fees or trust funds or state general obligation bonds.

"Although states cannot collectively replace the federal government's commitment to low- and moderate-income housing...states are becoming more

active and effective partners in meeting the nation's housing needs," states a COSCAA spokesperson. Most of the activities described in the report help finance the production of lower-income housing. The balance includes a broad range of initiatives, such as programs targeted to geographic needs or special population groups.

Copies of the report may be obtained for \$15 each plus \$1.50 for postage and handling, prepaid, from COSCAA, 444 N. Capitol St., Suite 251, Washington, DC, 20001.

(From the Housing and Development Reporter.)

Maryland

Maryland Governor Harry Hughes has announced the start of 14 state housing initiatives, including a new \$9 million program to subsidize lower-income rental housing production.

The programs were authorized by state housing legislation passed earlier this year, based on a package of proposals submitted by Hughes. The programs are geared toward providing emergency, short-term and permanent affordable housing for low to middle income persons and groups with special needs, such as the elderly, the homeless and displaced persons.

The \$9 million earmarked for the rental housing production program should generate about 800 rental housing units. It is open to local governments, non-profit groups and private developers, and provides no- or low-interest deferred-payment loans to subsidize rental units occupied by tenants with incomes no higher than 60 percent of state median. The objective is to provide at least half the funds for households at or below 30 percent of median.

Other programs will provide financial assistance for the production of housing by nonprofits, residential lead paint abatement, weatherization of low-income homes and the development of accessory, shared, and group homes for women, the elderly and

homeless persons.

Also in Maryland, Montgomery County has agreed to purchase two apartment buildings scheduled to be sold and converted to condominiums in an effort to stem the loss of rental units in the county and prevent displacement.

The county employed a law which gives it the right of first refusal to purchase units that are slated to be sold and converted to condos. The law, enacted by the state in 1981, has never been used before. The county will pay cash for the buildings, using money from a housing

The Rhode Island Housing and Mortgage Finance Corporation has approved a new housing capital fund for emergency shelter.

The program is part of a \$120 million package of ten housing initiatives that the agency plans to implement in 1986-87. The agency will contribute \$1 million to a capital grant fund that will help finance the improvement and/or expansion of emergency shelter facilities. In the program's second phase, the agency will capitalize a \$3 million emergency trust fund and use the earnings on it to provide emergency housing assistance to families in a temporary housing crisis.

(From the Housing and Development Reporter.)

assistance pool that is funded from a four percent condo transfer tax.

It was estimated that conversion of the units would have increased rents 45 percent. The county will try to maintain rents at current levels or hold increases to 10 percent. Nevertheless, it expects a five to eight percent return on its investment. "It is not a bad return on our money, and it is certainly an innovative use of funds," remarked a county planner.

(From the Housing and Development Reporter.)

Uptown tenants battle landlord

(continued from page 5)

as \$850 for a three bedroom apartment. (Only one unit has been rented out of thirteen as of the beginning of September.) And it seems like other buildings are being bought up each week. Langer already owns at least 18 buildings and is actively looking for more.

The reason for the new speculation in Uptown is clearly the historic designation of the neighborhood. Federal tax credits are subsidizing developers to displace families and gentrify the area. It is welfare for the wealthy with no pro-

tection for residents who do not own their own homes.

A coalition is already forming to address the bigger issue of who controls development in the neighborhood. For the people who have made Uptown the place where they hope to build a new life, the issue is vital. As Chris Abhey of the Lao Association told the Chicago *Sun-Times*, "We have started rebuilding our lives here. Sometimes I start feeling: What is the promise of America if hard work doesn't mean anything. If someone with more money can come and push you out."

10TH ANNIVERSARY BASH

TAX REFORM ACT PASSES

The Tax Reform Act, passed in September, provides special incentives for low-income housing. That's the good news.

The not-so-good news is that there are many restrictions on the use of the incentives, leaving many housing experts confused as to exactly how useful the new law will prove to be.

The new tax bill offers a low-income tax credit to investors, instead of the current depreciation incentive. Tax credits are targeted to developments where 20 percent of the tenants have incomes at or below 50 percent of area median, or 40 percent of tenants have incomes at or below 60 percent of median.

Tax credits can be taken only for the low-income units, not the entire development.

Many questions remain about how the new credit will affect projects using other federal subsidies, and projects currently in the pipeline. Housing advocates have expressed happiness that two years of lobbying led to the inclusion of the tax credit, but much research must be done before its effectiveness can be determined. For more detailed information, contact LISC at 559-9820.

The Chicago Rehab Network's 10th anniversary celebration will be held at South Shore Country Club on Friday, November 7, at 7 p.m. Join us as we celebrate ten years of support, advocacy and commitment to the goal of safe, decent, affordable shelter for all Chicagoans. Our featured speaker will be Mayor Harold Washington, and an awards presentation will recognize special community efforts in the fight to preserve and expand low-income housing in Chicago's neighborhoods.

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