

THE NETWORK BUILDER



Issue No. 25 Summer 1994

The Chicago Rehab Network Newsletter

Racism and Housing, Chicago Style!

So You Want to Displace a Community? Some Tips From the Field

by Bob Brehm

Bob Brehm is the Executive Director of Bickerdike Redevelopment Corporation

Race. It's a classic four letter-word. No really, it's true. I know because I looked it up in my "Spellcheck."

Just like "s—t" and "f—k," it's a word not uttered by polite people in mixed company. That group includes politicians, real estate developers and liberal observers of the death and life of Chicago neighborhoods.

Mention "r—e" as a motivator to any of these types and you get an incredibly defensive reaction. What was it that some British writer said? Something about when people are confronted with something they don't want to hear, don't trust them if they protest too much.

But there's no denying it. R—e is a major factor in all policies that affect our communities: housing, work, schools, safety, recreation, and just about anything else that affects the quality of our lives. And it is particularly apparent in the development — both the undoing and rebuilding — of our communities.

Urban Removal

Just try to find a Jewel super-



HUD Secretary Cisneros speaks at the announcement of the Urban Developers Master's Degree Program: a joint project of CRN and Spertus College. He is flanked by CRN Board members and Executive Director, David Hunt, UDP faculty, and corporate supporters.

market in a minority neighborhood. Not that they treated their neighbors very well when they were around. (Which is more racist — to overcharge non-white customers, or to leave their neighborhoods?)

There is still one Jewel in West Town; it serves as an anchor for the West Town Center shopping center. It was developed in the early 1980s on the former site of about nine-hundred units of very old but also decent and affordable housing, a factory employing a few

hundred mostly minority people, and an abandoned Weiboldt's store. It was built with the considerable support of Jane Byrne and Dan Rostenkowski. This support translated into deep subsidies for the developer and indirectly for Jewel, including CDBG grants and federal Urban Removal funds.

(No, "Removal" is okay. I consulted Spellcheck again. If you're not convinced, ask me sometime about the frequent fires and building inspections that ravaged the area while the residents fought the designation of their homes as "slum and blighted" — a requirement for the city to qualify the project for Urban Removal funding.)

So the politicians and developers want the land from under our homes and jobs. Race is a key factor in selecting sites for their pet projects. Anyone remember a white neighborhood being considered for a new stadium? On the north side, area residents almost blocked the installation of lights in Wrigley Field. Can you imagine a proposal for a new stadium there?

Mostly minorities lose their jobs for projects like West Town Center or the rampant conversion of industrial space into trendy lofts. Can you imagine a major employer of white people being told to pack up and leave against their wishes?

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Laying Out the Issue: What Were We Thinking?

by Kristin Ostberg

Kristin Ostberg is the Editor of TheNetwork Builder

When we sent out the first rash of letters requesting articles for our issue on **Racism and Housing, Chicago Style**, they must have been greeted with wry smiles. It was early April and we were asking for articles within three weeks — and we wanted them to fall under nine-hundred words long.

Nearly three months later, only three things are certain, and two of them are that there are still articles to be written and that everybody could have used more space. The third is that we cannot present racism and housing as an isolated issue.

The Chicago Rehab Network (CRN) has built itself upon the premise that community development must be carried on *without displacement*. There is a pattern that emerges again and again in this collection of articles: when it comes to its minority communities, the Midwest Metropolis walls them in and leaves them to lie for years — to sag under the weight of their age, their isolation, and their want of new development. But when the tides do turn and the larger city takes an interest in redeveloping them, its citizens act as if they must discredit and displace the people who already live there before they can get the business done.

CRN's larger concern for community development without displacement has convinced us that racism and housing in Chicago rightfully fall within a Network Builder series that examines development and displacement in Chicago. To get a full picture of a complex concern, we will devote future issues to political policy changes and to community perspectives as they impact what has been CRN's central precept.

It is within this context, then, that we unfold the current issue on **Racism and Housing, Chicago Style**. Bob Brehm, of Bickerdike Redevelopment Corporation, opens the discussion by demonstrating how convenient it can

be to discredit a community if one wants to break it up and displace it in good conscience. It is fitting that this article comes at the beginning, as further articles make clear that racism does not have to be overt or even conscious to have negative effects on housing. The portrayal of minorities as factional and criminal works insidiously, and very effectively, to both lay the ground for and justify the continuation of racist housing policies.

The next pair of articles sketches the historical landscape. Kale Williams draws upon his years of experience at the Leadership Council for Metropolitan Open Communities to present a stark picture of the systematic isolation of blacks. By contrast, John Betancur, of UIC, describes an almost equally systematic pattern of channeling an influx of wealthy urban pioneers into neighborhoods, which are often (though by no means always) Latino.

These are scenarios that are often described as separate problems: the one overt and calculated, the second following along as the innocent companion of revitalization efforts and market forces. Far from being unrelated, the two sketches drawn here represent foundational threats to our creed: the suffocation of community development, and an insistence on displacement.

It would also be a mistake to divide the issue into racism against blacks and racism against Latinos. Articles from Carlos DeJesus, of Latinos United, and from CRN Executive Director David Hunt challenge us to side step the "divide and conquer" tactics racism puts forward to throw us into bickering amongst ourselves.

A glance at pages four and five reveals an uncanny correlation between a map of Chicago's racial populations and a map of Chicago's housing troubles. And well they might resemble one another — because a map of where the home loans are going is a mirror image of both of them. It almost looks

too straight forward — that race should repel investment, so that housing troubles increase. The maps certainly dampen any suggestion that blacks and Latinos are in primary conflict with *one another*.

Since one of the ways Chicago has stunted the development of specific communities has been by concentrating and isolating minority populations within them, discussions of housing choice — the freedom of minorities to move (or not move) between neighborhoods — have taken on special import.

At one time, fair housing conversations in Chicago were dominated by talk of integration maintenance. At its best, integration maintenance recognized the importance of allowing blacks to chose to live in racially diverse communities. But the discussion could also devolve into talk of quotas and an undisguised fear of minority "clustering." Integration maintenance, in its old terms, may be an argument whose day has passed (we could not find an author to defend it here). Still, William Simpson of the NAACP invokes the old debate as a reminder of how short the distance can be between the recognition that ghettoization has been devastating, and the fear that minority "clustering" is in itself unhealthy. The danger is particularly real when we find our discussions of race and housing dominated by talk of poverty and crime — as if the former is reducible to the latter.

And there are those who would argue as though it is. CHA Chairman Vince Lane recognizes the racist origins of many of the problems plaguing Chicago's public housing, but argues that those problems are best addressed as economic issues. The positions of both Mr. Simpson and Chairman Lane will have to reckon with the studies of Douglas Massey. In an article originally prepared for the Chicago Commission on Human Relations, Mr. Massey's observations of the devastation wrought by systematic *racial* isolation has led him to conclude stronger fair housing regulations are the necessary antidote to a racial problem.

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Race and Displacement

by David Hunt

David Hunt is the Executive Director of the Chicago Rehab Network

The recent report by the Woodstock Institute entitled *Against the Tide* confirms what many have been sensing. After two decades of investment starvation and political strangulation by all levels of the public and private sector, investment and development — slight as they may be compared to the actual needs — are underway in some long neglected Chicago's communities. The improvement is due in large part to the tireless



Daranee Petsod and Sid Mohn of Travellers and Immigrant's Aid present the Human Needs Award to CRN's David Hunt.

work of Chicago community based organizations — the hundreds of community leaders, elected as well as unelected, and the thousands upon thousands of citizens that play a role in them. The central question used to be **"Will community development take place?"** In communities like Logan Square, Kenwood/Oakland, Woodlawn, West Town/Humboldt Park, Pilsen, the South Loop, and Uptown, the expanded debate includes **"When, where, how much, and what type of development will take place?"** Guiding and shaping this debate are the two age old issues of **community empowerment** : the role of citizens in making these decisions, and **displacement**.

This is the first of a three part series expounding on Community Empowerment and Development without Displacement. The second edition will focus on five communities in Chicago where community development *with* displacement is currently underway. It will examine the tools used by a discriminatory private market given free reign, and even promoted by public policy, to reproduce racially, ethnically and economically separated communities — sometimes walled within existing communities.

The third edition will focus on political and policy changes needed to address displacement, development, and empowerment of, by, and for the community.

The current issue addresses a question of cause: why must a people be subjugated then removed before a community can be "developed?"

Because those people are not hardworking. They are incapable of maintaining or even appreciating our investment. They contribute little to the betterment of society and are not worthy. They are less than we — **they are inferior**. There, we said it: inferior. This belief in the inferiority and unworthiness of others based on perceived racial or ancestral origin is the definition of **racism**.

Why do we react so dramatically when the word racism is used? It is true that in the past the charge of racism was used to inflict pain and call up feelings of guilt in white Americans. Unfortunately, guilt is the worst motivator there is.

As Shelby Steele writes so eloquently in his book *Content of Character*:

"... what makes [guilt] so powerful is the element of fear that guilt always carries, fear of what the guilty knowledge says about us. Guilt makes us afraid for ourselves and so generates as much self-preoccupation as concern for others. The nature of this preoccupation is always the redemption of innocence, the reestablishment of good feeling about oneself.

In this sense, the fear for the self that is buried in all guilt is a pressure toward selfishness. It can lead us to put our own need for innocence above our concern for the problem that made us feel guilt in the first place. But this fear for the self not only inspires selfishness; it also becomes pressure to escape the guilt-inducing situation. When the selfishness and escapism are at work, we are no longer interested in the source of our guilt and therefore, no longer concerned with an authentic redemption form it. Now we only want the look of redemption, the gesture of concern that will give us the appearance of innocence and escape from the situation."

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The *Network Builder* is published by the Chicago Rehab Network and is available to individuals and organizations concerned with the continuing supply of decent housing opportunities for low- and moderate-income residents of Chicago. Inquiries should be addressed to: The Chicago Rehab Network, 53 W. Jackson, Suite 742, Chicago, IL 60604 (312)663-3936.

Network President: Judith Beison, PRIDE

Network Vice President: Marion Coleman, Covenant Development Corp.

Executive Director: David V. Hunt

Associate Director and Director of Community Reinvestment Program (CRP): Aqhati Gibson

CRP Construction Specialist: Ravi Ricker

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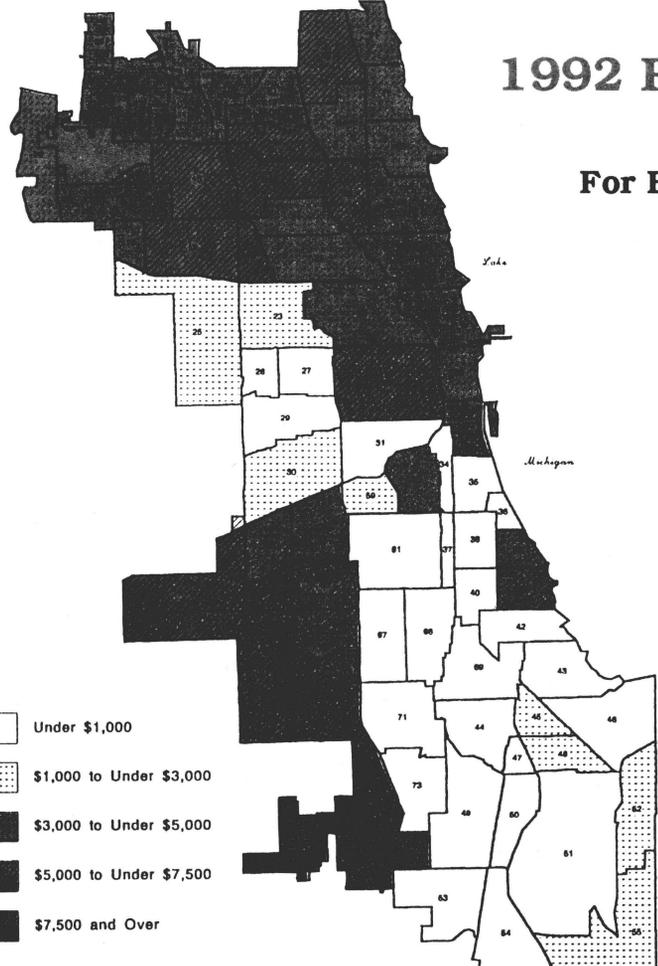
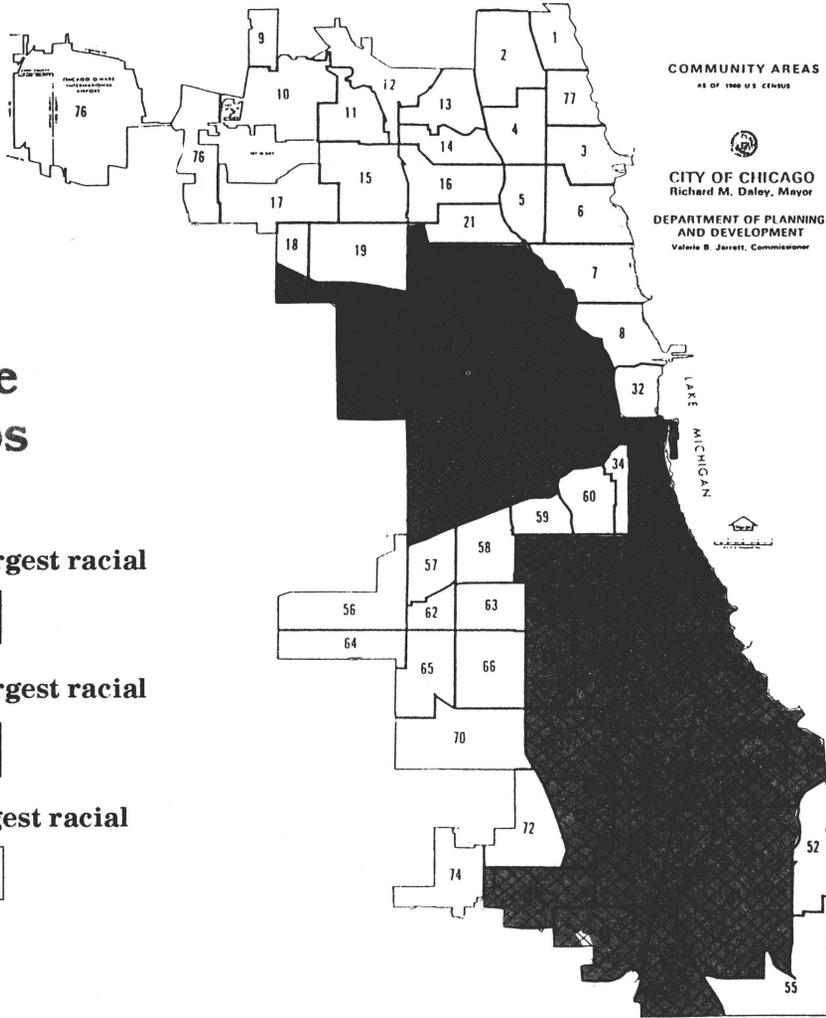
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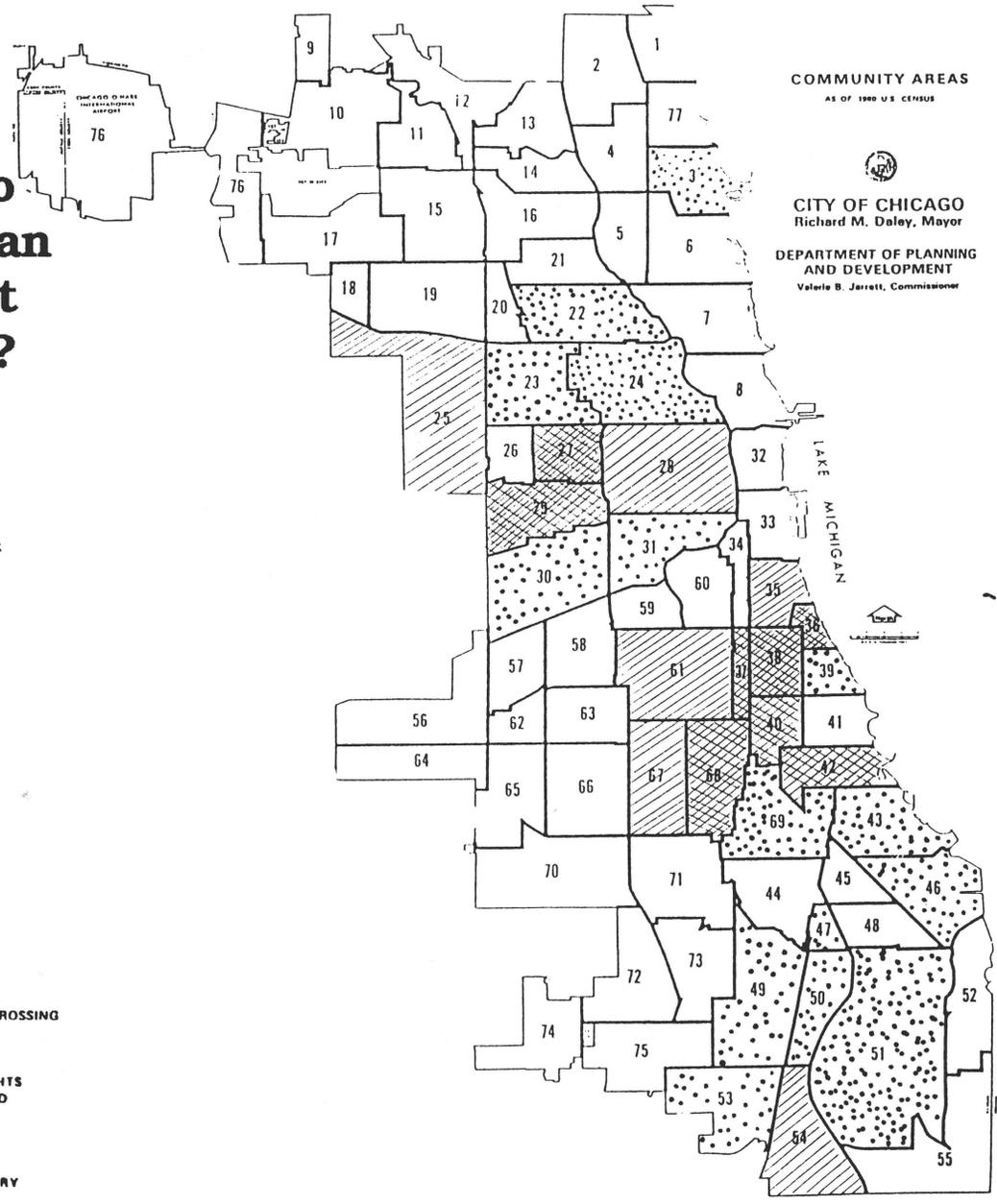
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Editor: Kristin Ostberg

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Which Chicago Communities Can Boast the Most Housing Woes?



COMMUNITY AREAS
AS OF 1990 U.S. CENSUS



CITY OF CHICAGO
Richard M. Daley, Mayor
DEPARTMENT OF PLANNING AND DEVELOPMENT
Valerie B. Jarrett, Commissioner

COMMUNITY AREA NAMES

- | | |
|------------------------|----------------------------|
| 1. ROGERS PARK | 39. KENWOOD |
| 2. WEST RIDGE | 40. WASHINGTON PARK |
| 3. UPTOWN | 41. HYDE PARK |
| 4. LINCOLN SQUARE | 42. WOODLAWN |
| 5. NORTH CENTER | 43. SOUTH SHORE |
| 6. LAKE VIEW | 44. CHATHAM |
| 7. LINCOLN PARK | 45. AVALON PARK |
| 8. NEAR NORTH SIDE | 46. SOUTH CHICAGO |
| 9. EDISON PARK | 47. BURNSIDE |
| 10. NORWOOD PARK | 48. CALUMET HEIGHTS |
| 11. JEFFERSON PARK | 49. ROSELAND |
| 12. FOREST GLEN | 50. PULLMAN |
| 13. NORTH PARK | 51. SOUTH DEERING |
| 14. ALBANY PARK | 52. EAST SIDE |
| 15. PORTAGE PARK | 53. WEST PULLMAN |
| 16. IRVING PARK | 54. RIVERDALE |
| 17. DUNNING | 55. HEGEWISCH |
| 18. MONTCLARE | 56. GARFIELD RIDGE |
| 19. BELMONT CRAGIN | 57. ARCHER HEIGHTS |
| 20. HERMOSA | 58. BRIGHTON PARK |
| 21. AVONDALE | 59. MCKINLEY PARK |
| 22. LOGAN SQUARE | 60. BRIDGEPORT |
| 23. HUMBOLDT PARK | 61. NEW CITY |
| 24. WEST TOWN | 62. WEST ELSDON |
| 25. AUSTIN | 63. GAGE PARK |
| 26. WEST GARFIELD PARK | 64. CLEARING |
| 27. EAST GARFIELD PARK | 65. WEST LAWN |
| 28. NEAR WEST SIDE | 66. CHICAGO LAWN |
| 29. NORTH LAWDALE | 67. WEST ENGLEWOOD |
| 30. SOUTH LAWDALE | 68. ENGLEWOOD |
| 31. LOWER WEST SIDE | 69. GREATER GRAND CROSSING |
| 32. LOOP | 70. ASHBURN |
| 33. NEAR SOUTH SIDE | 71. AUBURN GRESHAM |
| 34. ARMOUR SQUARE | 72. BEVERLY |
| 35. DOUGLAS | 73. WASHINGTON HEIGHTS |
| 36. OAKLAND | 74. MOUNT GREENWOOD |
| 37. FULLER PARK | 75. MORGAN PARK |
| 38. GRAND BOULEVARD | 76. O'HARE |
| | 77. EDGEWATER |

65 COMMUNITY AREA NUMBER AND BOUNDARY

These are our nine indicators:

- The 1990 median household income was less than \$15,000.
- At least 40% of the renter households had rent burdens of more than 35% of their income.
- The median single family home value was \$50,000 or less in 1990.
- Conventional lenders invested less than \$5 million in 1991.
- Lost 10% or more of total housing units between 1980 and 1990.
- At least 10% of the children under 5 suffer from lead poisoning.
- Have more than 100 buildings in demolition court.
- At least 4% of the residential buildings are abandoned.
- More than 25% of the lots are vacant.

And these are the communities that rank under

- 1-3 of them 
- 4-6 of them 
- 7-9 of them 

Not-So-Scattered-Site Housing

Local residents in non-white areas like ours aren't often consulted on the development plans for their communities. The CHA and Habitat are developing hundreds of units of scattered-site public housing in the Humboldt Park area. Was race a factor in the selection of these sites? Of course it was. The court desegregation order addressed the segregation of African-Americans in public housing, and ordered the scattered-site replacement housing to be built in areas without large concentrations of black residents. So how do they comply — by building in white areas? Of course not. Instead they choose to concentrate the developments in minority areas again, albeit this time with a different mix — about two-thirds Latino and twenty-five percent African American.

Did this anger the court and its "public interest" advocates? Not really. The CHA tried to portray local opposition as a simplistic Latino vs. black form of racism. The CHA asked their contact in the media for help with this.

"Latino vs. Black" or "Not Enough Affordable Housing?"

In a front page story, the *Sun Times* quoted black residents of CHA saying that they thought Latinos didn't want to live with blacks. The *Sun Times* conveniently left out the fact that both residents quoted have strong ties to the CHA administration — one is a board member and the other a paid staff person.

Is there racism among various minority groups? Absolutely, and it coexists side by side with productive expressions of cultural and racial pride. Are there working and middle class minorities opposed to the development of subsidized housing in their areas? You bet.

These fears and prejudices exist, but not to the extent our leaders would have you believe. Politicians play on such conflicts and exaggerate them as much as possible. Why? To divide people of color as much as possible and to avoid dealing with the real issues: the politi-

cians' own racist approach to projects, and the dire lack of affordable housing and livable wage jobs.

There are tens of thousands of families in need of subsidized housing in this area, and CHA/Habitat is building only hundreds. If built and managed well — no sure thing when CHA and Habitat are involved — this housing could be a real asset. If developed with the community in control, it could be even better.

Instead, we have yet another case of developers and government officials saying they'd rather fight than switch. They'd rather take some heat from Latino groups than switch to a white neighborhood. And when Latino leaders wanted to talk to CHA about increasing affordable housing opportunities for Latinos, was the agency responsive? After years of getting nothing from CHA, the groups took them to court.

The affordable housing crisis is growing steadily, and each year we as a nation do less and less about it. Activists of all colors and ethnic groups should be focusing their energy on this disparity, and should refuse to let CHA or anyone else keep us occupied fighting each other.

Create the Right Climate, and then "Sweep" Us All Away — They're All Gangbangers Anyway, Right?

Face it, it is politically and financially very expensive to urban remove white people and their landlords and employers. It's not so expensive for governments and developers to do just about whatever they want in non-white neighborhoods. Create a climate of public opinion so convinced the neighborhood really is bad, let the crime go unchecked, and it gets even easier.

To pull this stunt off, politicians solicit the ready assistance of the media, always hungry for violence and squalor. And in the case of CHA high rise developments, they also get help from liberal authors and sociologists who worry aloud about the depravity faced daily by CHA residents. "Move them out — for their own sake" is the common theme. I'd like to hear their reaction if someone tried to do that to them.

But for attention-grabbing value, nothing beats the "sweeps," those unan-

nounced and illegal searches of people's homes. Is it just a coincidence that these police actions are called the same thing as the ratings period when television networks show lots of violence and sex to get higher ratings?

Can't you just hear the CHA brain trust at work:

CHA Brain #1: "We need something dramatic, to make people see how bad it is to live there."

CHA Brain #2: "So we can get more federal money for rehab and security?"

CHA Brain #1: "No, so we can get away with tearing them down. Important people have plans for that land, and Vince wants to help all he can."

CHA Brain #2: "I know — let's break into apartments. We can say we're looking for drugs and guns and money."

CHA Brain #1: "Yeah, that's good. Nobody in public housing is supposed to have any money."

Some congressmen recently held a public hearing on the issue in Chicago. The term "public hearing" is used with reservation here for two reasons. First, only two public housing residents were allowed to speak. And second, Spellcheck says the term "public hearing" is meaningless.

The Illinois Statewide Public Housing Residents Coalition, affiliated with SHAC, chose to submit written testimony rather than go completely unheard at the hearing. In that testimony, co-chair John Devaughn says: "Our members unanimously feel that the primary focus should be on improving regular CHA security measures and CHA management in general... We find it ironic that residents' efforts to improve conditions do not receive the same attention and media coverage that acts of violence receive..."

Yeah, ironic. It's also ironic that — according to a story on the sweeps in a recent issue of *Newsweek* — CHA Chairman Vince Lane at first balked at asking HUD for more money for security to address the violence. And it's ironic that Lane promised the white suburbs that he'd move no more than three or four public housing families onto any one block, thereby ensuring that gangs wouldn't form. How does that formula

work, Vince, put more than four black or Latino families on a block and you've got instant Gang City? Or is the magic number really eight, but you just want to give yourself a cushion?

It's even more ironic that in a nation like ours there's such a critical shortage of affordable housing and livable wage jobs. And what is being done about this crisis? Almost nothing. Government housing programs are very limited and offer only shallow subsidies. The debate these days seems focused on two questions: one, where should they place a handful of subsidized units, which will allow some families to move out of other subsidized units; and two, whether or not to replace the units to be torn down in the land grab schemes.

The overwhelming majority of Chicagoans in need of affordable housing are people of color. To steer the public debate towards side issues and non-solutions while not addressing the affordable housing crisis is blatantly racist.

Spellcheck says "ironic" is a word sometimes used when the writer doesn't want to say "racist." Three cheers for the good old U.S. of A., and its ironic politicians and housing policies.

Hunt, continued from page 3

This is the condition of Chicago today.

It is also true that over the last ten years many have been afraid to point out racist behavior. They feared that their analysis would fall upon the deaf ears and hardened hearts of people who would dismiss them as the weak arguments of people who are intellectually, economically, and politically unable to win these debates in the marketplace of ideas without playing the race card.

We are not afraid.

This edition is not intended to conjure up worthless and ultimately destructive guilt.

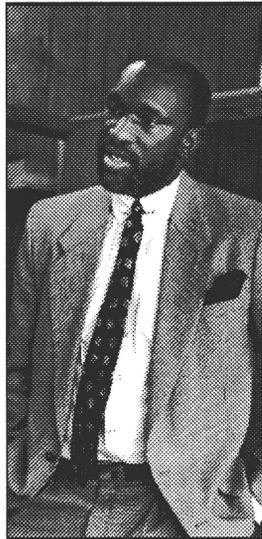
Chicago is often referred to as the most fully segregated northern city. Douglas Massey's book *American Apartheid* and the article that appears here, reaffirms that fact. But the articles presented here represent a wide divergence of opinion on the subject of

race and its impact on housing. From Vince Lane—"I would argue that today's problems cannot be described as racial"—to Kale Williams—"Since the early part of the century, race has been the dominant factor in decisions about housing in Chicago for individuals, for the housing industry, and for government."

While there is some disagreement about whether Chicago is a racist city, all agree that Chicagoans are at least race conscious in all decisions, especially ones related to political and economic power. An example of political power and the role of race consciousness was the election of Harold Washington, the fair winner of the Democratic Primary. In a city of over ninety percent loyal Democrats, Harold Washington received only twelve percent of the vote in predominately white wards, while Epton, a white Republican, received eighty-six percent from the same wards.

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The economic development of our communities is clearly an issue of power. We have seen racism play its role in this arena too, and know the dangers is promises. As HUD Secretary Henry Cisneros has said "We risk societal collapse by the first decade of the next century if we tolerate racism and the economic isolation of millions of people."

All Chicagoans hunger for the redevelopment of long neglected neighborhoods. Many agree that mixed-income and mixed-race communities reflect and achieve the best of a society founded on the precepts of equality and God given rights.

To ensure these rights and set a clear example, our local government must step forward—first into the light of a new century. It must expunge the faults of the past by dedicating itself to a brighter vision of **Community Empowerment and Development Without Displacement.**

Building the Segregated City

by Kale Williams

Kale Williams is an independent consultant on fair and affordable housing and community development. He was formerly executive director of the Leadership Council for Metropolitan Open Communities.

Since the early part of this century, race has been the dominant factor in decisions about housing in Chicago for individuals, for the housing industry, and for government.

Before the Second World War, African Americans, few in number, lived in many parts of the city, and no neighborhoods were identifiable by race.

When war industries attracted new migrants from the South, rising racial prejudice led the Chicago Real Estate Board to proclaim "...that each block shall be filled solidly, and that further expansion (of Negroes) shall be confined to contiguous blocks, and that the present method of obtaining a single building in scattered blocks be discontinued." This highly successful piece of social engineering initiated the segregated, dual housing market that for eight decades has set racial boundaries not just on patterns of residence, but of economic development, education, and politics as well. Housing for African Americans has been limited in large part to the expansion of the ghetto at its edges.

For much of this period, segregation was enforced by law. Where law was not sufficient, real estate dealers and neighborhood "improvement associations" limited choice. When courageous families breached the color line, violence was typically the response.

Municipal zoning to limit Negro residence was struck down by the U.S. Supreme Court in 1917, but restrictive covenants to prevent the sale or rental of property to persons of color were not ruled unenforceable until 1948.

Before and since then, government action has at best condoned and at worst abetted racial segregation. In the first federal housing programs in the 1930s, red lines were drawn around segregated black neighborhoods to exclude them. Elizabeth Wood, then director of the Chicago Housing Authority, was ousted for integrating some of its developments in the 1940s. Massive slum clearance, accompanied by construction of high-rise family public housing in the 1950s, set an almost immutable pattern of segregation in public housing and set neighborhood after neighborhood on the downward spiral of disinvestment.

For decades, the codes of the real estate industry and the textbooks for appraisers forbade the introduction of "inharmonious elements" into neighborhoods, or devalued neighborhoods where African Americans or other minorities lived.

The Chicago race riots of 1919 were the extreme example of mob violence, to be repeated in Airport Homes in 1947, Cicero in 1951, Trumbull Park in 1957. Well into the 1960s, arson and mini-riots were the typical response as African Americans moved across existing color lines. There were incidents of arson and localized riots even in the 1980s, and cross-burnings and other attempts at intimidation as recently as April of this year.

Just as Chicago has led the way in creating and enforcing segregation by neighborhood, it has been a leader in attempts to overcome it.

The NAACP and attorney Earl Dickerson fought hard, and eventually successfully, to make restrictive covenants unenforceable. Pioneering black families like those of Dr. Percy Julian and Dr. Arthur Falls led the way into hostile territory and opened the way for others. Church groups formed agencies to link willing white sellers with minority buyers, or to purchase property as "straw buyers" for prompt resale to the African Americans who wanted it. Persistent pressure won Chicago's fair housing ordinance in 1963. When Dr. Martin Luther King, Jr. decided to bring the civil rights movement to the North, he chose Chicago, and the movement chose

"...that each block shall be filled solidly, and that further expansion (of Negroes) shall be confined to contiguous blocks, and that the present method of obtaining a single building in scattered blocks be discontinued." -- *Chicago Real Estate Board Bulletin, April 1917*

an end to slums and ghettos as its focal point. That movement led to the creation of the Leadership Council for Metropolitan Open Communities, which became the largest and most comprehensive fair housing agency in the nation.

For all these efforts, Chicago remains near the top of American cities in measures of racial segregation. Its handful of racially integrated city neighborhoods and two handfuls of integrated suburbs are more than most cities can boast, but they make but a small blip on the screen of prevailing segregation.

The federal Fair Housing Act of 1968 provided some new tools to the opponents of discrimination and segregation, but these remained weak and largely ineffective until strengthened by amendment in 1988. Not until the Clinton administration and Henry Cisneros' leadership of HUD has the federal government given priority to dismantling segregation, and it is yet too soon to see results. It is possible, even likely, that Chicago will be the early testing ground for new initiatives.

Some social scientists have called ghettoization the third major form of institutional racism, after slavery and Jim Crow. Surely in its persistence, in its complexity of vested interests, in the unconscious inclusion of its mechanisms in all aspects of the housing industry, and in its pernicious effects, which play themselves out not only on its nominal victims, but on the larger community, ghettoization deserves that characterization.

The struggle to end segregation deserves the same intensity of effort that brought down those earlier forms of institutional racism. *Continued on page 11*

Gentrification in Chicago: Heir to Urban Renewal

by John Betancur

John Betancur is Assistant Professor at the School of Urban Planning and Policy, Latin American Studies and Center for Urban Economic Development at the University of Illinois at Chicago

Overview

The City of Chicago used urban renewal to produce a protective ring of institutions (IIT, UIC) and middle class developments (Gold Coast/Lincoln Park, Prairie Shores/Lake Meadows) around the central business district. Built at the expense of viable communities and competitive manufacturing, this ring moved the development frontier, while increasing the desirability and value of adjacent areas and properties. It, in fact, set the stage for redevelopment of the city outward from the downtown area. While downtown development secured for the city a national and international position in the emerging "service economy," redevelopment of the surrounding areas offered the increasingly professional labor force housing, entertainment, cultural, educational, and other support services.

Urban renewal also promoted new redevelopment schemes and created a new demand for old properties in areas near downtown, Lake Michigan, and other strategic locations in the city. While condemning, clearing, and turning over to private developers large tracts of land for new construction, urban renewal also acquired deteriorated buildings and turned them over to individuals for rehabilitation and residence. While bigger developers reaped the benefits of improved land at nominal costs, individuals were able to obtain properties almost for free, which they then turned into luxury housing for themselves.

In this process individuals and

Gentrification in Chicago has been heir to urban renewal. In fact, not only did urban renewal initiate the process of replacement of low-income communities and dilapidated areas near downtown, but it trained the developers and developed the schemes that would be at the heart of gentrification. Furthermore, gentrification and urban renewal occurred at the expense of minorities who had to bear most of the costs, while receiving none of the benefits.

developers learned from urban renewal that the rehabilitation and recycling of old properties in the city for higher income groups could produce at least as high a return as traditional projects of new construction. Up and coming individual professionals bidding for the structures appropriated by urban renewal learned that they could turn old housing into their own residences at a lower cost than other housing alternatives. This process in fact allowed them to develop their residences as they wanted and at the pace that their income permitted.

With urban renewal gone, some developers tested the concept in old, cheap manufacturing and warehousing space, vacant land and cheap, sound properties adjacent to the new frontier. They successfully converted large manufacturing buildings into galleries, office space, residential lofts, and upscale retail (RiverNorth, Clybourn, WestGate).

Meanwhile, many would be buyers of Lincoln Park, the Gold Coast, or other deteriorated housing put on the block by urban renewal, looked beyond these areas for sound, architecturally valuable structures that they could rehab and turn into their own houses. Realtors jumped at the opportunity and started speculating with the acquisition and sale of properties in low income areas in Lakeview, West Town, Logan Square, Uptown, Pilsen, and other convenient locations. They offered prices that their traditional owners could not reject while selling to higher income individuals for whom the inflated prices were still comparatively low.

In turn, these individuals slowly turned the structures into their residences. Others saw the opportunity for easy, fast profits and started

rehabbing and turning properties around. With the increase of professional jobs in the downtown area, the demand for this type of housing also increased.

Through this process, gentrification started penetrating low-income minority communities. Having the adequate disposable income, young professionals, couples without children, and other non-traditional household and family cells more interested in urban than in suburban life were attracted to the scheme. They would buy rooming houses, or multi-unit buildings, and would turn them into large, single unit households or other living forms for higher income groups. Not only would they avail themselves of well located, large and architecturally valuable housing, but they would be living close to their place of work, and to the services and entertainment that best fit their lifestyles.

Plagued by a decreasing tax base, the City of Chicago saw gentrification as a blessing, indeed, a mechanism to attract middle and upper class individuals back to the city. Thus, the city started supporting it through infrastructure and other improvements in gentrifying communities. At the same time, the city engaged in efforts of new construction of middle and upper class housing in the city (infill housing, projects in the South Loop).

Community Disruption

Precious manufacturing space was lost and communities were badly disrupted by gentrification as residents were displaced farther and farther away from the downtown area, and as many of the manufacturing jobs closed or left for other locations. Even though manufac-

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turing loss cannot be attributed to real estate redevelopment for "higher uses," studies have argued that many viable manufacturing operations were displaced from the central locations that they needed, forcing many to close, others to leave the city, some to incur large losses, and still a few to downsize.

Meanwhile, residents of gentrifying communities were affected in other ways. Rents increased with the area's desirability and development. Unable to afford their communities, many had to move next door, and again, and again, as gentrification advanced. Kids had to change schools many times. Survival networks and extended families were broken. Residents left behind their community organizations, parishes, institutions, and other supports. Transportation in some of the new locations was more inconvenient. Ethnic, thrift, and other low-income retail serving these groups often folded along with other self-employment ventures. Affordable housing diminished. Decades of work in the development of a social infrastructure and an institutional fabric of organizations and individuals as a basis for ethnic solidarity were wasted as residents dispersed.

Gentrification has been particularly disruptive for minorities. It contributed to the displacement of many of the manufacturing jobs from which they could derive a decent standard of living. It affected almost exclusively minority neighborhoods and clusters. While some black areas immediately south and west of the Loop or around Hyde Park have received some gentrification pressure, gentrification has particularly targeted areas in the North side and Latino communities.

The characteristics of these areas and racism have a lot to do with this. Not only were the areas conveniently located and served by public transportation, but their housing was architecturally valuable, sound, and cheap. Once turned black, neighborhoods in the south and west sides of Chicago were devastated by disinvestment. Disinvestment in Latino areas was not as dramatic or was somewhat cornered by tenant up-

keep. At the same time, individual and other white developers feared the potentially massive reaction of the black community to their speculative activities in black areas.

This was certainly not the case in Latino neighborhoods. Their extremely high mobility, the vulnerability resulting from their immigrant status, their youth, their short political experience, their tradition of self-help and low expectations of resistance, and other similar factors explain it.

Besides, many of the Latino communities undergoing gentrification had become Latino only recently, had

There is no proof that gentrification is attracting the middle class back to the city, not, certainly, in any sizable proportion.

extremely high levels of two and three story structures, were almost totally owned by non-Latinos, or had been suffering from continuous turnover. Finally, historical factors, including the timing of Latino and black penetration of different areas of the city, also have to do with which areas were occupied by whom, and how desirable these areas were for gentrification.

Questionable Benefits

There is no proof that gentrification is attracting the middle class back to the city, not, certainly, in any sizable proportion. Our research, in fact, suggests that it may be only retaining those that were already in the city and lived in other locations, or is providing housing for the educated sons and daughters of city dwellers. If this is the case, gentrification is largely a zero sum game, as people simply empty one location or form of housing for another. It is true that gentrifiers consume more housing than the low-income dwellers they displace. However, this occurs at the expense of affordable housing units that are not being replaced elsewhere. The gentrifiers

also know the system and manage to make it work for themselves with the subsequent increase in demand for public services, police protection, and infrastructure improvements.

As noted, gentrification also has a strong race and class gender dimension. It usually involves the displacement of minorities and lower income residents by the majority and higher class groups. While these groups are retaking the best located and most valuable areas in the city, minorities and low-income groups are being pushed into the worst locations and accommodations.

Finally, gentrification is a highly speculative process: property values are artificially inflated far beyond the growth in employment and production activities generated by the system. As such, it is not creating wealth, so much as it is redistributing income at the expense of minorities and the poor.

Can we or should we fight gentrification?

So far, no community in Chicago has been successful in stopping gentrification. Some actions have made a difference, however. Communities have successfully fought projects with a dramatic gentrifying potential such as the Chicago 21 Plan for the Central Communities and the 1992 World's Fair. Organizations in neighborhoods undergoing gentrification have been able to produce affordable housing, thus keeping low-income persons there. The scale of these efforts, however, has been very limited, and the long term affordability of these properties is not guaranteed. Community efforts have kept gentrifying developers at bay. Such developers, however, have not disappeared from the scene.

While urban renewal was a public program that taxpayers were finally able to stop, gentrification is a private market initiative with too many players and fronts, a very subtle process indeed with a high level of public support and individual gains.

Efforts to fight gentrification in Chicago have been largely limited to those mentioned above. They have also included door-to-door organizing to con-

Integration Maintenance as Racial Diversification: An Issue Revisited

by William Simpson

William Simpson is Chairman of the Housing Committee of the Park Forest NAACP

With the installation of a more amenable Executive Administration in Washington, D.C., the housing social engineering idea called "Integration Maintenance" — which seeks to preserve a so-called "balanced" ratio of African American to Caucasian families in neighborhoods and communities — is trying to rise from the ashes. It is a rise strongly impelled by the lure of billions of dollars that the new Secretary of HUD has indicated the Department intends to pump into housing programs of the sort as "Integration Maintenance."

Having been dormant as a headline media dialogue during the reign of less pliant administrations than the present one appears to be, Integration Maintenance is probably not as familiar to the now watching public as the idea was in the late 1970s and early 1980s. During that time, there was an active pro/con debate over the merits and demerits of attempting to engineer the ratio of black to white families in neighborhoods and communities. The debate resulted in several changes in the terminology used as titles of the idea — one being, "Racial Diversification".

An examination should start with a little history of the idea. It may be surprising to some to hear the concept of Integration Maintenance is twenty-five years old. It came in the aftermath of the passage of the Fair Housing Act of 1968, when

Please note that I do not discuss integration maintenance using the terms "racism," or "poverty," or "crime"... In my opinion, the largely unspoken characterization of African Americans that fuels attempts to "scatter" us around to avoid "clustering," is that blacks destroy neighborhoods and communities as a consequence of being an inferior people. It is this characterization of African Americans that needs to be analyzed more than the focusing on poverty and crime.

black families began to move into hitherto all white neighborhoods. Within a short time after African Americans commenced to utilize their newly acquired freedom of housing mobility, by moving into suburbs for example, whites began to panic; showing great fear over blacks "clustering."

What followed was an effort on the part of individuals, agencies, and governments to formulate and put into operation programs to limit the number of African Americans in areas. Some Integration Maintenance proponents took issue with such a characterization of their policies. They denied they were limiting blacks; they preferred other, more positive-sounding designations of their efforts to engineer the racial ratios of blacks to whites. But the engineering is unacceptable for a very straightforward reason: it seeks to limit the housing choices of African Americans, in order to avoid the clustering of black people that panics whites. You cannot assure this writer that that fear of the clustering of black people comes to a natural halt before the point where my own son and daughters, and other black relatives and acquaintances, would not be welcome to live in neighborhoods and communities with me, because that would clash with some whites' preferences about how many blacks in an area constitute the "right" number.

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vince owners not to sell their properties, picketing and pressure on realtors and other promoters of gentrification, efforts to extend resident ownership of local properties, legislative efforts around for-sale signs, and landbanking. Again, these efforts rely on influencing individuals, institutions or the government to act against gentrifying initiatives by expanding local control through ownership, or by producing mixed neighborhoods. Organizing efforts aimed at government initiatives have been highly successful, while picketing, ownership, landbanking, and development of affordable housing have had largely marginal results.

If gentrification is to be stopped,

communities need to develop stronger initiatives or to increase very substantially the scale of those such as landbanking and affordable housing. Other potential strategies include measures to prevent reductions in the number of units, rent control, new zoning requirements — e.g. requiring approval by neighbors of gentrifying rehab, or the zoning of areas as low-income.

For any of this, however, communities need the strong support of City Hall. It is, thus, crucial for communities in Chicago to organize a strong front around gentrification, to agree on an overall strategy, and to lobby the government in that direction.

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One lesson from this long struggle is of particular urgency to all who work for better housing. Because discrimination and segregation are deeply ingrained in housing markets, any housing effort that does not deliberately seek to change patterns of segregation will end up reinforcing those patterns.

Combating Economic Segregation

by Vince Lane

Vince Lane is Chairman of the Chicago Housing Authority

No one should be surprised by the conditions in public housing in Chicago or in any other inner-city community — they are the result of decades of federal and local public policy. When I look at most of what passes for public housing today, it strikes me that well-intentioned people have caused great pain and suffering over the years. Our entire approach to the poor and to public housing has helped destroy self-esteem and undermine families. Over several decades, the devastating legacy of this approach has manifested itself in many ways. Among the most visible of these manifestations are the dominant gang and drug culture, the general sense of dependency, resident disinvestment, and a collective loss of self-esteem and will that we witness each day in our public housing communities.

Many of the tools and incentives for families to achieve and to transition into the mainstream have been totally eliminated from our public housing communities. Over generations, a deadly new culture has developed. I believe that people are largely creatures of their environment, and that when children are surrounded by gangs, the drug culture, adults waiting for welfare checks, and children having children, they think these things are normal. In this city, a historic segregation pattern, reinforced by politicians who have wanted to maintain a solid constituency, has also meant that the impact of the new culture developing under our public housing policies has fallen squarely upon Chicago's African Americans.

However, I would argue that today's problems cannot be described as racial. Indeed, the core issues and the solutions are rooted in the socioeconomic structure. We have set up two standards in this country: one for the poor, and one for everybody else.

To undo the damage, we are going to have to take down the barriers between the poor and the rest of America and completely redefine the policies and systems that serve our poor communities.

I believe and am encouraged that public policy is now turning in this direction. We know the problems that occur in poor communities cannot be

isolated and contained. America is finally realizing that the results of ill conceived public policy are everybody's problems, not just the problems of our city cores and our most depressed neighborhoods. For Chicago to move forward into the next century, we must all meet the challenge of creating a well-educated, healthy body of citizens capable of contributing to American society. These citizens will determine the viability of our future workforce, the safety and livability of our city and metro area, and our vision of Chicago's future.

It is important to examine the broader public policy issues to understand the present and future of public housing. In Chicago and elsewhere, agencies are struggling to dismantle the decades of misguided public policy that have created high-rises of concentrated, poverty ridden communities. Consider the State Street corridor. This area is comprised of four solid miles of high-rises: forty-eight buildings that house seventy-two hundred families—twenty-five thousand residents. In complexes like these across Chicago, poor families have been isolated both racially and economically and then housed in high concentrations since the inception of the public housing program.

As long as communities like this exist, so will the problems endemic to them.

A complex web of government

systems is also at fault. The welfare system has said "assume that poor people can do nothing to help themselves." And so we have set very low standards of accomplishment for the poor, or we have set no standard at all. After three or four generations, we have people who are totally dependent on the government for everything. We should have maintained high standards of achievement for our citizens who receive government assistance, and put programs and support systems in place that would help them achieve those high standards. Instead, the government has created rules that discourage work.

The Brook Amendment, the first federal law controlling public housing rents, established a rent payment formula for public housing residents at twenty-five percent (now thirty percent) of a household's annual income. That may not sound like a bad idea, but it meant if a resident got a job and started doing well, his family could be paying more for public housing than what they would pay on the private market. It did not take long for people to decide that they might as well move someplace where the housing was worth the price they were paying. That is exactly what the families who could afford to move have done. Unfortunately, they were replaced by young, single mothers and their children. Many of these new families were on welfare. That change has ruined public housing. In the 1940s, seventy-five percent or more of the families in public housing worked, and only the balance were on assistance. Now, ninety percent of CHA families are single mothers on welfare. It has been a disaster.

We must bring working families back into public housing to create some economic diversity and vitality. One way to do this is to provide multiple housing options for poor people that ensure a safe, attractive, **mixed-income environment**.

Public housing gives its residents no choice in terms of location or type of housing. Not everyone wants to live in a high-rise. We should be able to

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Maintaining the Hypersegregated City

By Douglas S. Massey

*Douglas Massey is Professor of Sociology at the University of Chicago and co-author of the book *American Apartheid*. This article has been excerpted from a paper originally prepared for the Chicago Commission on Human Relations.*

Most people realize that Chicago is a racially segregated city. Although this fact is widely admitted, few appreciate the depth of segregation in Chicago, or realize its pernicious consequences for blacks. There is a general reluctance to face the consequences of persistent racial segregation, or to consider its policy implications. Policy makers, business leaders, and foundation strategists accept segregation as part of the nature of things, and formulate policies to attack class-based issues among blacks: poverty, family disruption, teenage childbearing, crime, and drug-abuse. While not denying the importance of these problems, black segregation must itself be acknowledged as a social problem to be solved, since it is a major factor behind the perpetuation of these social ills.

Chicago has been, and continues to be, one of the most racially segregated metropolitan areas in the United States. It is one of only a handful of American urban areas that can be said to be "hypersegregated," with an unusually high degree of segregation on many levels simultaneously. "Segregation" means

different things to different people, but researchers generally agree that segregation may occur in one of five ways. Blacks may be unevenly distributed among neighborhoods, in the sense that some neighborhoods contain many blacks while others contain few. Blacks may be isolated from other racial groups, with most living in neighborhoods that are all-black, providing blacks with few opportunities for contact with whites; they may be concentrated within a small, physically-compact space rather than spread in low densities over a wide area. Black neighborhoods themselves may be clustered into one large ghetto, as opposed to being dispersed in smaller neighborhoods throughout an urban area. Black neighborhoods may be centralized near the urban core, or scattered out toward the periphery.

Together, these five dimensions — evenness, isolation, concentration, clustering, and centralization — capture most of what people mean by segregation. The table below contains indices

that have been developed to measure each of these five characteristics of segregation. The indices range from 0 to 100, with 0 indicating no segregation, and 100 denoting complete segregation.

The fact that segregation is not an inevitable outcome in urban areas is illustrated by the case of Hispanics. Hispanics are widely represented across neighborhoods and live among a variety of different racial and ethnic groups, while blacks are segregated with a small number of dense, contiguous, all-black neighborhoods that afford few opportunities for contact with others. A widespread belief is that this pattern reflects class-deprivation among blacks — that unemployment, family disruption, teenage pregnancy, and out-of-wedlock childbearing keep black families mired in poverty and unable to accumulate the financial resources to leave the ghetto. If the right policy formula could be found to move black families up the socioeconomic ladder, the theory goes, segregation would

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Indicators of the Degree of Residential Segregation in the Chicago Metropolitan Area: 1980.

	Blacks	Hispanics
Dimensions of Segregation		
Unevenness of Settlement	87.8	63.5
Spatial Isolation	82.8	38.0
Neighborhood Clustering	79.3	31.7
Centralization	87.2	81.3
Spatial Concentration	88.7	74.6
Unevenness by Family Income		
Under \$2,500	91.1	79.0
\$5,000 - 7,500	89.7	76.7
\$10,000 - 12,500	87.2	70.0
\$15,000 - 17,500	85.5	69.5
\$20,000 - 22,500	85.3	61.8
\$25,000 - 27,500	85.8	62.8
\$30,000 - 35,000	85.3	58.7
\$50,000 +	86.3	62.7

provide options like single family homes, condominiums, town houses and two-flats. Why? Because when you have something of value, you will hold onto it. Improve the housing, increase the standards, let people know they have to adopt sociable behavior and that they cannot trash the places they are living in, or they will be evicted.

We know this model can work. For two years, Lake Parc Place, at 39th and the lakefront, has provided a successful, mixed income community for public housing residents. The neighborhood is stabilized, crime is virtually non-existent, and the building is well managed. More importantly, the economic diversity of the neighborhood has given the low-income families who live there an opportunity to expand their opportunities and a determination to succeed. Their neighbors both provide visible

reminders that success is possible and make accessible the resources to help make this success happen. Since opening in 1992, fifteen percent of the public housing families in Lake Parc Place have

However, I would argue that today's problems cannot be described as racial. Indeed, the core issues and the solutions are rooted in the socio-economic structure.

become employed.

The CHA is working closely with legislators in Washington D.C. and Springfield to change public housing standards and to correct the failures of the past. If our efforts are successful, we hope to secure over \$1 billion to overhaul

much of this city's public housing system and to provide the housing options our residents deserve. The housing must be merged with a holistic strategy to support the residents. It is not enough to build these units and integrate them into neighborhoods that are socioeconomically mixed. You cannot just take a family out of an old apartment, put them into a new one, and expect them to make it on their own. Some will make it, but there has to be a support system in place that will deal with the wide range of problems and needs they may bring with them — from substance abuse and health care to job and literacy training.

We need to get our society back to where it was forty to fifty years ago. When people came to Chicago then, they did not have welfare systems to provide for them. They depended on a network of extended family. They could stay with

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take care of itself.

Unfortunately, this idea is wrong. Socioeconomic status cannot explain the difference in segregation between blacks and Hispanics, nor will increasing education and income bring about black integration in society. No matter how one conceptualizes socioeconomic status, the level of black segregation changes very little as one moves up the ladder. At all levels of education, income, and occupational status, blacks are very highly segregated from whites. Indeed, the most affluent black families display a level of segregation (86.3) that is **higher** than the poorest Hispanic families (79.3).

Thus, socioeconomic variables can effectively be ruled out as the principal causes of blacks' hypersegregation in Chicago. The extreme level of black segregation more likely stems from the persistence of white prejudice against blacks as neighbors, which is translated into discrimination in the lending and housing markets, and a general tendency for whites to avoid any neighborhood

containing blacks.

Extreme levels of racial segregation such as those observed in Chicago have serious negative consequences for black households struggling to escape poverty. For most groups in the United States, residential mobility has been a crucial avenue of social mobility. Society's opportunities, resources, and benefits are distributed unevenly around the metropolitan environment. Some neighborhoods have good schools, strong connections to employers, excellent services, low crime rates, and a youth culture that stresses educational achievement, respect for authority, and delayed parenthood; other neighborhoods do not.

In the United States, a central mechanism by which families endeavor to improve the socioeconomic prospects for themselves and their children is by moving to a more advantageous neighborhood. In this way, socioeconomic mobility becomes a cumulative process whereby progress in society (a better job, a raise) is translated into residential progress (a better neighborhood with

higher quality schools, achievement oriented peer influences, and more advantageous social contacts), which in turn leads to additional socioeconomic progress (children receive better secondary educations and are socialized to want and expect a college education).

To the extent that this avenue for cumulative socioeconomic progress is closed to black families because of discrimination and prejudice — and the evidence from Chicago suggests the effect of these factors is substantial — blacks experience a strong barrier to socioeconomic advancement.

The high degree of segregation experienced by blacks in Chicago leaves them extremely vulnerable to downturns in the economy, because segregation acts to concentrate economic hardship, producing neighborhood environments where the vast majority of people are poor. Between 1970 and 1980, for example, Chicago was hit hard by successive recessions and high rates of inflation. Factories closed, unemployment rose, wages fell, and the real value of

relatives until they got jobs and could afford their own apartments, but a certain pressure was there: get a job and get on your own feet.

We now have an opportunity to create communities where family values, religious underpinnings, community cohesiveness, and a work ethic are the standards for all community members. How? By breaking down the walls of decades of economic segregation and isolation. I believe that once all things are equal and choice is a reality, the questions of racial segregation will work out on their own.

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public assistance benefits declined. These trends hit blacks particularly hard, and over the decade the poverty rate among blacks in the Chicago metropolitan area jumped from twenty percent to twenty-eight percent while the white rate remained constant at about six percent.

Because blacks in Chicago are so highly segregated, virtually all of the increase in poverty was absorbed by a small number of black neighborhoods, and the level of black poverty concentration skyrocketed. Whereas in 1970 the average poor black family lived in a neighborhood that was twenty-six percent poor, by 1980 they lived in a neighborhood that was thirty-seven percent poor (compared to poor whites, who lived in neighborhoods that were only six percent poor, on average).

Hispanics also suffered from the economic dislocations of the 1970s, and their poverty rate climbed from thirteen percent to twenty percent. But since they were considerably less segregated than blacks, this increase did not translate

into a high degree or marked increase in poverty concentration.

Attacking socioeconomic and cultural problems by themselves will not succeed in ameliorating poverty because they are ultimately caused and sustained by forces in the residential envi-

Attacking socioeconomic and cultural problems by themselves will not succeed in ameliorating poverty because they are ultimately caused and sustained by forces in the residential environment that produce racial segregation — namely prejudice and discrimination.

ronment that produce racial segregation — namely prejudice and discrimination.

Although racial discrimination in housing has been illegal since the

passage of the 1968 Fair Housing Act, this legislation has never been properly enforced.

Two policy strategies may be employed to reduce segregation and give black families fuller access to all the benefits and resources of our metropolitan areas. Within the structure of current law, foundations and local governments can support fuller use of audit studies to identify patterns of discriminatory behavior, file suit to stop them, and to the extent possible under the law, impose penalties on sellers and agents for violation. Taking a broader view, however, the elimination of illegal discrimination requires strengthening the enforcement provisions of federal and state statutes.

Urban Historic Preservation:

Urban historic preservation is a tool that can be used to spark the revitalization efforts of urban communities. I am not just voicing a personal opinion. I am speaking from the perspective of someone who has been conducting a working experiment with urban historic preservation in the revitalization of Historic North Pullman. I believe that historic preservation can be used to the advantage of minority communities just as it has been used in the past to our disadvantage.

In the past, historic preservation has been used as a smoke and mirrors trick to displace minority communities. Historic Pullman is an excellent example. In 1960, the Pullman community was ninety percent white. During the '60s the steel industry began to die on the far south side. Three-thousand whites moved out and five-thousand blacks moved in. It is a fact of life in Chicago that private industry drives government. Government lost its interest in Pullman once private industry had left.

However, a small white population maintained an interest in Pullman's history. In 1969 they sought historic designation as a strategy to salvage and restore the community. The community and its founder, George Pullman had such a high profile within labor history that the idea caught on. State and federal historic designation was obtained for the entire area from 103rd street to 115th.

There was one small problem. The residents from 103rd to 111th, who were predominantly African Americans, had no real knowledge of what historic preservation was, or what it could mean to their community.

Two years later, the group of community residents from the southern end of Pullman spearheaded a move, without minority participation, to win City of Chicago Landmark designation. The boundaries were slightly different: they excluded the section of the community that was populated by African

It's Not Just for Realtors Anymore

by Lyn Hughes

Lyn Hughes is the Founder and CEO of Historic North Pullman, a community development organization.

When we systematically (abandon our communities and) move to suburban areas, we only open the door for someone else to profit from their redevelopment. In Historic North Pullman, we are using the same process that has been used to gentrify minority communities in the past as a tool to begin to rebuild our community for ourselves.

Americans. So began the further demise of the North Pullman community.

The new Historic Pullman District received resources from the city, state, and federal governments. A drive through the community will tell you at a glance what a difference it has made. The housing stock in the northern half of the original district, however, was allowed to deteriorate over the next twenty years. Racism was a blatant factor in the diverging histories of Pullman, and racism within city government allowed it to occur.

Historic preservation is often viewed as an elitist endeavor of wealthy, white Americans because Pullman's experience has been typical of the history of historic preservation. Industry leaves an area, area business and white residents follow, and the community is allowed to decline.

When outside interest does begin to re-surface, it is outsiders who begin to discuss the historic importance of certain buildings in the community.

They conduct meetings among themselves that are missing one important element — an educational component to draw in community residents.

Upscale rehab starts to take place. As new residents move in, old residents are forced out, and soon the entire minority population has all but disappeared. On the surface, historic preservation appears responsible for displacing the community. However, other intermediaries, including city policy makers, banks, and large neighboring institutions such as universities and hospitals set the stage for these scenarios.

The banks begin to red line, real estate brokers steer, it becomes next to impossible to buy insurance. City policy makers do not work very hard to support the population that remains, and as communities are allowed to decline, community pride wanes, and those who have the means move to other communities because conditions become so bad.

In some communities, a neighboring institution will begin to gobble up the real estate that surrounds them. This is what happened in Kenwood, just north of the University of Chicago, and in the Maxwell Street area, neighboring the University of Illinois at Chicago. By the time there was talk of historic preservation, it only acted to price most of the residents out of the communities in which they had lived most of their lives.

Four years ago when I visited North Pullman, I saw a community that had crumbled under years of disinvestment. I saw buildings that were in dire need of repairs, garbage on the vacant lots, abandoned cars and numerous vacant and open buildings. That was only the brick and mortar side of the community. In the faces of the community residents, I also saw what years of neglect had done to the spirit of the community. It had taken away the sense of community pride, community spirit, optimism, and even hope for change.

Some would say these sights are to be expected in the inner city neighbor-

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Following the Lead of Chicago's Community Development Organizations as they Redefine the Housing Market

by Pat Wright

Pat Wright is Associate Director of the Nathalie P. Voorhees Neighborhood Program at the University of Illinois at Chicago

Much of the recent housing policy discussions center on describing how racism and the restructuring of Chicago's economy are the major roadblocks for most African-American, Latino, and poor white families to achieve decent, affordable housing.

Chicago has suffered like many cities from economic restructuring resulting in deindustrialization, lost housing stock, redistribution of income upward, the growth of the informal economy and widening gaps between whites, African-Americans, Latinos, men, and women in income. Each of these attest to the changes that have effected the decline of the quality of life for many Chicago residents, and particularly Chicago residents of color. Add to this the continued racial segregation in our city, and the picture becomes more grim.

Few of these housing policy discussions have included a critique of how the housing market is presently structured, or a rethinking of what the present housing market structure can and cannot do to meet the changing economic and housing needs of Chicago residents.

One assumption that I think underlies much of the housing policy discussions and keeps people from more serious discussions of alternatives to the present market is the idea that what everyone wants is a home of their own in the suburbs, or in a garden city setting. This is the benchmark, and housing policy discussions are structured around why African Americans and Latinos can not have, or are denied, this housing opportunity. Certainly, this is a housing choice that many households, including African American and Latinos, desire. But, it should not be assumed that this is everyone's first and only housing choice. This limits the discussion around housing choices and, consequently, leaves many other options out of the policy picture.

The market is discussed as a thing that has a life of its own. On the contrary, the housing market is created by people, and people can change it.

Another assumption is that the housing market is neutral and not socially and politically constructed. The market is discussed as a thing that has a life of its own. On the contrary, the housing market is created by people, and people can change it.

The Voorhees Neighborhood Program (VNP) at the University of Illinois at Chicago has been in operation since 1979. The Voorhees Program is a demand driven program. This means that we respond to the requests from community groups for technical assistance and research projects. Community groups define the issues or problems they think need to be addressed in their community and request the assistance of the VNP staff to assist them in doing the research design and implementation of the study to bring attention to these issues.

Based on our fifteen year experience of doing technical assistance and research in partnership with community groups in Chicago, we have found that the African American, Latino, and other groups of multiple backgrounds that we have worked with want to rebuild their communities, not abandon them for more desirable areas in the suburbs. This experience shapes our work and we have

begun to define our approach as a model of community building. This approach emphasizes place and community rights. It is based on the assumption that a priority on community does not lead to the sacrifice of the autonomy of the individual. Each member of a community is distinct, yet united in the whole of the community. Only within the context of community does each individual have the means to cultivate her/his talents and gifts to the fullest extent possible. As we further develop this community building approach, we will be examining how it challenges the narrow emphasis on individual rights that is prevalent in our society and discussions of the housing market.

In addition, VNP has also been involved in the discussions at the community level around defining housing affordability and housing as a human right. These discussions center around the question of what the housing market can and cannot do. The housing market is defined in three sectors: the private, community owned (CDC), and public housing. The work of VNP is concerned about the latter two sectors. VNP is concerned about the people who cannot compete, are left out for economic or racial reasons, or have been forced out of the private market. To date, the work has not directly challenged the private market and its theoretical basis of housing as a commodity. The VNP's work has instead taken its lead from community action that challenges the private market indirectly by the continued existence and strengthening of the two other sectors, public and community owned housing. VNP's projects and policy work is directed to the strengthening and expansion of these two sectors as alternatives to the private sector. At this time, this approach offers the best opportunity for people to fight for housing as a human right.

Racism, Systemic Crisis and Housing Dynamics in North Kenwood-Oakland, 1965-1994

by Doug C. Gills

Doug Gills is Deputy Executive Director of the Kenwood Oakland Community Organization.

The Problem

In this article, I contend that the contemporary housing dynamics affecting the vast majority of low-income residents are conditioned by several convergent forces: capital disinvestment and containment, public sector neglect and machine-based political corruption, and displacement by chance rather than choice for the most part. The effects upon local residents have been essentially racial in their impact. The continued persistence of racism in the market, coupled with conservative housing finance policies, casts a long and broad shadow and conceals the class-bound essence of the current housing affordability gap.

Currently, there are some ten-thousand units of housing in North Kenwood-Oakland. Eighty-five percent or more of the units are tenant-occupied. Over sixty-five percent of the community's households fall below the poverty level and, because public housing is so concentrated in the greater North Kenwood-Oakland area, the modal distribution of incomes is between \$4200 and \$4600.

Aside from public housing, the bulk of the current housing stock was built between 1890 and 1940. Not only has new construction been infrequent, since 1965 it is estimated that some twenty-thousand units of housing were lost to deterioration and abandonment, arson, and public sector demolition. Today, over forty-five percent of the land is vacant, and nearly sixty percent of the vacant land is owned by the city.

This article represents one of a very few attempts to identify the effects of the housing crisis on the predominantly African-American resident-base on the South Side of Chicago community commonly called North Kenwood-Oakland. It is bounded by 47th Street on the south, 35th Street on the north, Vincennes Avenue to 43rd Street and Cottage Grove to 47th Street on the west, and the lake front (Oakenwald Avenue) on the east.

The Dynamic of History

In 1945, there were some ninety-five thousand people residing in greater Kenwood and Oakland, which, before the end of World War II, was simply the area east of Cottage Grove. Until the early '60s it was reputed that blacks walking in the community out of "uniform" (maids, janitors, butlers, gardeners) would be questioned about their business there. Between 1945 and 1965 there was a dramatic shift in the racial composition of the area north of 47th Street and east of Cottage Grove. The area went from eighty percent white in 1950 to seventy percent black in the 1960s.

By 1955, the city's first community conservation designation had been granted and the Hyde Park Community Conservation Council had been established to stabilize the housing stock, and to preserve the prevailing character of the area adjacent to the University of Chicago from 61st Street to 47th Street and from Cottage Grove to the lake front. Thus, 47th Street became a boundary separating the "transitioning" northern area of Kenwood and Oakland from the more affluent area of South Kenwood and Hyde Park. But it was a class boundary with a distinct racial character.

At a time when white flight to the suburbs was being sponsored by government investment in the highways pushing out the edges of a new metropolis, financial disinvestment was beginning to corrode North Kenwood Oakland. Financial disinvestment was coupled with an institutionalized bias against reinvestment (redlining, or "black bordering", in effect). Public sector neglect, aggravated by the absence of minorities on the policy making boards that would plan the city's future, was a second factor contributing to the collapse of prop-

erty values in the neighborhood, while the corrupting influence of a patronage system that bred bribery, graft and extortion became a third.

Fleeing white property owners sold multi-family structures to realtors. They also "sold" or rented to black family heads, the latter sometimes being assisted by their former employers to purchase homes in the area. However, the bulk of the housing units were contained in large, three-and four-story courtway structures. Like the mansions facing Drexel Boulevard (1 block east of Cottage Grove), King Drive, and Prairie Avenue to the west, these multi-family courtyard buildings were chopped-up into smaller units to accommodate the working class demand for affordable, accessible housing. The real estate agencies were able to prevail upon Democratic Party ward committeemen and aldermen in city council to relax the rather stringent City Building Code and occupancy restrictions. Since their requests would influence only transitioning areas like North Kenwood, Oakland and Grand Blvd. — areas overwhelmingly black and increasingly populated by the working poor — who cared? It was one point of many at which market met racism.

In a market driven economy, uneven development is to be expected as capital is attracted into areas of high return and is withdrawn from areas of lower profit rates. As an estate's maintenance costs increase relative to its value, property is often allowed to deteriorate, and whole neighborhoods undergo cycles of development and under-development. But the history of North Kenwood-Oakland demonstrates what happens when otherwise cold market forces meet pervasive racism and unbridled corrup-

tion — in a community where poor people are concentrated under imperfect market conditions. As government stepped back, disinvestment, abandonment, and demolition left an expanse of deteriorated and abandoned properties, broken by far too many parcels of vacant land.

The People's Response

By 1945, two other non-structural factors had begun their influence on the historical development of the housing crisis in North Kenwood-Oakland, which are best explained in class analytic terms. The first was global, affecting urban areas across the United States. The second was a response that was uniquely Chicagoan. In short, the demands of the national African-American led Civil Rights movements associated with affirmative action, voter's rights, anti-discrimination and fair, open housing converged with the locally based protest movement for fairness and parity in public services — including protection measures such as arson prevention, rent controls, housing code enforcement, landlord-tenant relations.

The effects of these dynamics were powerful, and few foresaw the ramifications they would have on the present housing crisis. On one hand, the northern urban civil rights struggle led to the expansion of the new Black middle-class. With that expansion came increased incomes, increased social and institutional capacity, and increased options. But many middle class families chose to leave rather than to fight to rebuild communities like North Kenwood-Oakland. On the other hand, some indigenous residents chose to fight for better housing, and for better relations between renters, landlords and property managers. The effects of this exodus were significant.

Three waves of neighborhood based response met the situation. First came that of the neighborhood improvement groups and ethnic-based associations. Second came that of the Alinsky-type organizations.

By 1965, organizations like Kenwood Oakland Community Organization

(KOCO) formed the third. They were the product of the community, of local institutions, and of city-wide agencies like the Community Renewal Society. KOCO was protest-oriented, utilizing direct action, citizen intervention, and advocacy. Its base was tenants, unemployed workers, and welfare recipients. Its strategy was community control — a fiercely independent doctrine of self-determination that maintained that local residents should control the politics of their communities.

It was understandable that Blacks *with choice* moved to more affluent, better serviced areas of the metropolitan area after 1965. However, their relocation came at a time when the overall economy was de-industrializing. So while the government-assisted middle-class was expanding (1965-1975), the working class was decreasing in relative and absolute terms. For Kenwood-Oakland, the affects were rapid growth in unemployment and in publicly-assisted (welfare) households. The loss of the middle class translated into the loss of expertise, talent, and discretionary income, and a general situation of decline for the institutional infrastructure: from churches, to schools, to community associations. In spite of the best efforts of block clubs, tenant councils, and KOCO, the area's physical infrastructure was devastated as well.

Those home owners who chose to remain could not get loans to maintain or to repair property. This was complicated by the fact that indigenous property owners tended to be older, and approaching retirement age. Moreover, there were no local housing assistance programs.

Meanwhile, groups like KOCO continued to organize and expose the worst abuses of the city's housing code in an environment where corruption was an institutionalized and routine part of the fabric of power. A landowner could avoid making repairs and evade penalty by paying off corrupt inspectors, or by seeing his local ward committeeman. Since landowners made financial contributions to political campaigns, and most tenants could not, the system was biased toward property owners.

At a time when most participants in the political process were Democrats, and most Democrats were part of the Machine, community organizations like KOCO existed alongside, and typically, in opposition to the Machine within the Democratic Party. But, to "Boss" Daley, there was no Democratic Party outside the Machine. Because some groups could apply directly to HUD for federal grants, the mayor campaigned aggressively on the national level for the Housing and Community Development Act (1974) which gave us the CDBG process we know today. In campaigning for this act, Daley was campaigning to ensure that federal community development funds would come directly to the city as lead agency. In this manner, the city hall policy makers could decide which organizations would become "delegate agencies." Moreover, the patronage system found new resources to feed upon, even as a growing black middle class clamored for inclusion. Enter the black and community empowerment movement in urban community politics: a renewed challenge to city public policy development.

Local Community Initiatives, 1965-1975

The first efforts of KOCO at addressing housing stock maintenance were through participation in the old Housing Court Receivership Program. KOCO would assist local residents identify housing code violations and facilitate tenant council organization. At the same time, KOCO was able to strengthen its membership base among tenants and recruit new leadership from among emergent housing activists. By targeting salvageable buildings, KOCO would support tenants through each step of the housing code enforcement process. Victory was determined by forcing the landlord to make improvements without retaliating by evicting tenant activists. In most cases, the tenants were black and the landlord was a white absentee owner or his surrogate, the real estate agency.

In those cases where tenants were able to demonstrate in court that the condition of the property was unsafe,

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and where the landlord did not, or could not, pay for repairs, the courts would eventually appoint a receiver. In many cases, the tenants would identify a receiver or a co-manager, and in some cases, KOCO was appointed both.

The good news was that tenant-managed buildings could come out of the protracted struggle. The bad news was that the properties could not be maintained on the rents received alone. Still worse, at any step in the process, the landowner could reclaim the property, pay back fines, taxes, water and heating bills, fix up the property, raise the rents, and thereby evict the tenants. Even in those cases where a loan would provide tenants sufficient cash to pay bills and make repairs, there was no bank that would advance a loan. Furthermore, the city had no anti-housing-abandonment program or fund through which the tenant organization, or KOCO, could get a grant, or loan, or a "50/50 grant" award. These innovations would come later during the Jane Byrne and Washington-

Sawyer administrations (1979, 1983-1989).

Enter: Rehab Network, 1976-1985

By 1976 the Chicago Rehab Network had been organized as the first enduring multi-racial, multi-neighborhood development coalition. It took root at a time when groups across Chicago were experimenting with various approaches to stabilizing housing stock in impoverished communities. The city itself convened housing groups in an effort to leverage more federal housing resources — probably calculating that the mixed bag of grassroots organizations could never sustain independent, city-wide collaborations without city support. Neighborhood groups are too "turfish" to "think globally," it was thought. This made it politically worth the risk of empowering them.

The resulting phase in CDC history was a movement from advocacy and protest, through cosmetic housing repair and attention to code violations, to large scale, multi-family housing rehabilita-

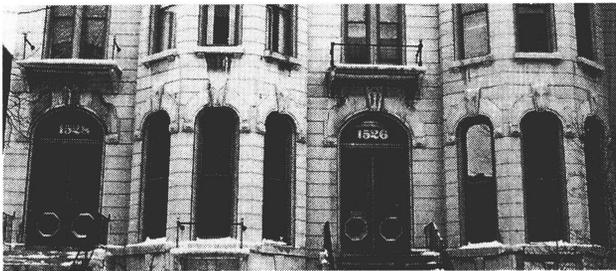
tion and new construction. This phase worked out differently in each locale. It is the one with which we are most familiar. This impetus was institutionalized and facilitated by the emergence of a stable housing development technical assistance organization like the Chicago Rehab Network (CRN), which could also provide advocacy and public policy support for its members.

The creation of CRN was a big step in the fight against racism and parochialism. Through networking and information exchange, a whole new range of techniques of housing rehabilitation, construction, and maintenance, which could be made compatible with the needs of low-income constituents, was developed over the years. Our job was made easier by a friendly foundation community and proactive research-activists in the academy, along with city-wide technical assistance/service organizations. From 1983-1989, Harold Washington added to the equation a proactive administration with an aggressive policy toward urban and neighborhood development.

The Current Phase of the Housing Crisis

We all have to seriously examine the financial instruments and programmatic mechanisms we have inherited from the national government since 1974, especially those initiatives of the Reagan-Bush years (tax credits, public-private partnerships, mod-section 8, housing vouchers, etc.) We made these instruments work because they were the only ones we had.

Yet, most of the instruments that we currently deploy are essentially conservative instruments. While they provide decent, more affordable housing for the identifiable, low-income household, they ultimately contribute to economic displacement of residents in the very communities that we seek to build up. Through them, the very groups who have worked so hard and so productively have been effective in creating markets for the private sector in those places where the profit-seeking private developers refuse to invest without public incen-



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tives. We have not overcome the market, nor its basic logic of development. Using the best available tools, so long as they are tied to market mechanisms, can only contribute to continued displacement. At best, we can only hope to slow down the rate of displacement. People need livable wage jobs or other forms of sustainable income to be truly provided with affordable, decent housing.

KOCO: An Example From History

Over the past 14 years, KOCO has been multiplying the community's affordable housing stock according to a residential and commercial development

It's not a *Black Problem*. It is societal and systemic. A new urban based public policy toward housing development, if it is to address the tragic outcomes of racism and economic disadvantage, requires city-wide collaboration across racial and ethnic lines more now than ever before.

plan established in 1978. As part of this effort, KOCO established a nonprofit development corporation (KODC) and has proceeded to rehab over 560 units of affordable and subsidized housing, and to develop seventy new construction units. To further stabilize the area, KOCO has fought for city support, including the institution of a Community Conservation Area designation, and participation in CRN's Affordable Housing and Community Jobs Campaign. KOCO has sought to reinforce its efforts at community economic stability by linking housing to new jobs by insituting a housing construction training program modeled after that of 18th Street Development Corporation. However, it remains difficult to place qualified, unionized workers on projects within the Chicago mid-south area, because the city

does not have a "Neighborhood First Affirmative Participation Policy," or enforce fair employment practices even within public-private development partnerships.

All these efforts have not dismantled an environment where racist effects are perpetuated in housing policy, practice, and conditions in North Kenwood-Oakland. Regardless of the intent of our efforts, the reality is that most residents of North Kenwood-Oakland are in jeopardy of being displaced economically under the pressures of the redevelopment we have accomplished. Most of the residents "at risk" are blacks — poor blacks without choice in the market. Housing dynamics in the area are class-driven, with racial effects. A similar situation prevails throughout the city.

The Road Forward

The Campaign for Affordable Housing and Community Jobs, coupled with the energy surrounding the Empowerment Zone initiative and its planning process, offers a window of opportunity for some strategic rethinking of our goals in the drive for decent, affordable housing for distressed neighborhoods and families. As we design the programs and implement the models of the future, we must premise them on the assumption that decent, affordable housing is a right that society must guarantee.

For the most distressed, we cannot guarantee affordable housing if we do not also provide jobs or income subsidy. As we proceed, we must remember the paths toward redevelopment of low-income communities lies through community-based direction and regulation of the redevelopment process — which translates into democratic participation of indigenous residents. Finally, we must remember that the fight against racism in housing requires global thinking and all-over participation. It's not a *Black Problem*. It is societal and systemic. A new urban based public policy toward housing development, if it is to address the tragic outcomes of racism and economic disadvantage, requires city-wide collaboration across racial and ethnic lines more now than ever before.

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However, as Lyn Hughes of Historic North Pullman points out, unfair housing is only one of the arms racism has used to strangle minority communities. The other arm has been disinvestment. Disinvestment not only blocks the flow of wealth into a community, but encourages the slow drain of the wealth and vitality it already possesses.

Recognizing this, Ms. Hughes' vision for her community goes beyond providing hope that its residents can move out if they chose. She calls for reinvestment — and a reinvestment that is not merely an economic reinvestment in the housing stock, but a cultural reinvestment in the spirit and history of the community.

The determination to reinvest is the foundation upon which our members have built their organizations and the Rehab Network. Pat Wright of UIC describes how the Nathalie P. Voorhees center seeks to follow the lead of communities as they pursue these goals through a rethinking of our housing markets. Doug Gills elaborates still further. He is writing from a community that, having found itself caught in the vise of racial segregation and disinvestment, managed to push back. Through their tenacity, the residents of Kenwood-Oakland have succeeded in making their neighborhood a desirable place to live — which puts them in the ironic position of looking for ways to defend their ability to remain there.

Mr. Gills also makes an urgent call for a rethinking of the housing markets, and how we *allow* them to work. He calls for the creation of "new tools" to allow the continuation of community development, *without* displacement. In doing so, he sets the stage for the next edition. Please send your letters and articles of nine-hundred words or less within the next three weeks...

Where Has All the Scattered Site Gone?

by Scott Burnham

This article is an excerpt from an article that originally appeared in the April, 1994 issue of The Chicago Reporter. Reprinted with permission.

Chicago's scattered-site housing program was supposed to move public housing into white neighborhoods. It hasn't.

Instead, the program has moved low-income black families into Latino neighborhoods, according to an analysis by *The Chicago Reporter*. Forty-three percent of the 831 scattered-site units built since 1987 are in census tracts where at least half the residents are Latino.

And those neighborhoods can expect even more public housing in the future. Latino areas account for eighty-four percent of the remaining 777 properties purchased for the scattered-site program.

By contrast, only eighty-nine scattered-site units have been built in predominantly white areas since 1987, and only twenty-four more are planned, the analysis shows.

"We're locked into a very narrow spectrum of neighborhoods — primarily minority — which I don't think was the original intent" of the program, said Chicago Housing Authority Chairman Vincent Lane.

Prior to 1987, when the CHA ran the program, about sixty-four percent for the scattered-site housing units were built in black neighborhoods.

For years, the city's white aldermen used restrictive zoning and public opinion to keep public housing out of their wards. Today much of the available property in white areas has been developed or priced out of reach, said Philip A. Hickman, senior vice president and director of scattered-site programs at The Habitat Co., which replaced the CHA as program administrator.

Habitat's answer has been to buy land in Latino neighborhoods, where prices are lower and political opposition is subdued. But even that strategy has its limits. Habitat recently scaled back plans to build nearly five-hundred units

in Humboldt Park after residents accused the company of dumping public housing on Latinos.

"To say the solution is to put low income housing residents in low-income areas that have already suffered from discrimination and disinvestment is a bit too much," said Aurie A. Pennick, president and chief executive officer of the Leadership Council for Metropolitan Open Communities, which administers scattered-site housing in the suburbs.

Despite the concentrated building in Latino areas, the program "has done what it was designed to do," said Edwin Eisendrath, regional administrator for the U.S. Department of Housing and Urban Development. "It gave a certain number of people...access to other housing opportunities. It hasn't unsegregated Chicago, but it wasn't meant to."

Class Action

In 1969, the late federal judge Richard B. Austin ordered the CHA to move about seventy-one hundred poor families — most of them black — into integrated and moderate income areas in the city and suburbs.

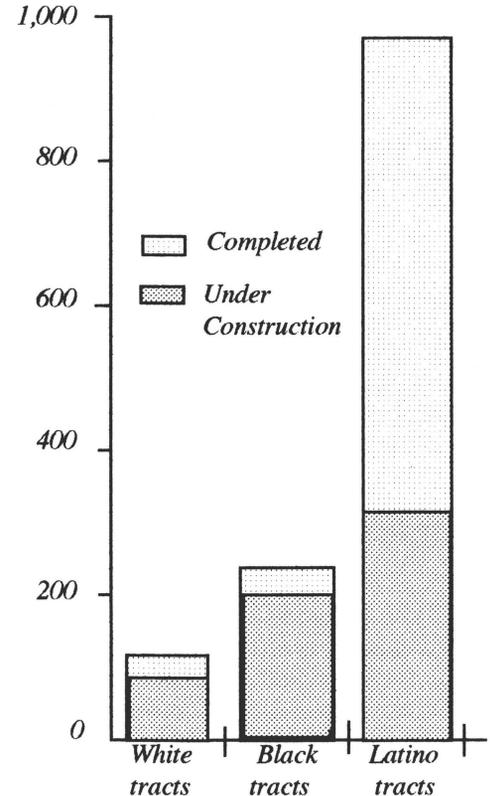
Austin's order came in a class-action lawsuit filed by the late Dorothy Gautreaux, who in 1966 charged that the city's vast public housing complexes violated the 1964 Civil Rights Act. The City Council, which by law authorizes public-housing sites, appealed. In 1974, the U.S. Supreme Court upheld Austin's decision when it refused to hear the case.

The court order forbids the placement of scattered sites in census tracts that are more than thirty percent black and where more than fifteen percent of the housing is publicly funded.

Seven years later, only about one-hundred units were built. Foot-dragging by the city and financial problems stalled construction, said Alexander Polikoff, an attorney who represented the Gautreaux plaintiffs.

Building Up

In the final phase of construction of court-ordered scattered sites, eighty-four percent will be put up in predominantly Latino neighborhoods.



In 1981, Polikoff, the city and HUD reached a deal. To get construction started, Polikoff agreed to allow one-third of the homes in black neighborhoods.

HUD officials argued that black communities "undergoing substantial physical development" should also be eligible for scattered-site housing. These neighborhoods were on the verge of economic revitalization and racial integration, they said.

Between 1975 and 1987, the CHA built 1,147 scattered-site units, according to the Reporter's analysis of agency data. Nearly sixty-four percent were in predominantly black areas. Thirteen percent were in white areas and

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Latinos Act to Address Discrimination in Housing

by Carlos DeJesus

Carlos DeJesus is Executive Director of Latinos United

Housing Discrimination against Latinos is alive and well in this country, and Chicago is certainly no exception. In fact, Chicago is perhaps the worst case scenario relative to Latino access to public and other assisted housing.

According to a comprehensive Housing Discrimination Study commissioned by HUD, the overall incidence of discrimination is fifty-six percent for Latino home buyers and fifty percent for Latino renters (Urban Institute and Syracuse University, 1991). The 1991 Federal Reserve report under the Home Mortgage Disclosure Act confirms that mortgage lenders continue to discriminate against low and moderate income borrowers in general and against Latinos and African Americans in particular. Latinos received less than one percent of loans made to borrowers that were below the median income. The report also showed significantly higher mortgage rejection rates for Latinos and African Americans than for whites of similar incomes.

The Fair Housing Act of 1989 and the Chicago Fair Housing Ordinance of 1990 were intended to protect against these types of discrimination. But residents will protect their rights only to the extent that they know that these rights exist, and to the extent that they are sufficiently sophisticated in identifying the more subtle manifestations of housing discrimination. HUD's Office of Fair Housing and Equal Opportunity (FH&EO) and Chicago's Commission on Human Relations received nearly twelve-hundred complaints of housing discrimination from Chicago area residents over the past three years. Only sixty of those complaints were filed by Latinos. The data inaccurately suggests that the incidence of discrimination against Latinos is minimal in Chicago. Intuitively, and in fact, we know that this is not the case. In January, 1994, Latinos United requested through the media that Latinos who felt discriminated against in their quest for public housing come forth. Over 300 phone calls were received in response during a three week period.

Latinos have, in effect, been barred from access to public and subsidized housing. Latinos comprise two-percent of the resident in public housing, and an estimated three percent of the residents in other types of assisted housing, in spite of the fact that Latinos comprise nearly twenty-five percent of Chicagoans that are eligible for these programs. The Chicago Housing Authority (CHA) has made no serious effort to rectify this severe under-representation of Latinos in public housing. Outreach to communities least likely to apply, although required by HUD regulations, continues to be non-existent. Most Latinos are unaware of CHA's programs. Those that attempt to apply encounter numerous barriers and disincentives, such as a Spanish

language phone line that rarely gets answered, application materials that are only in English, and files that get lost. Consequently, Latinos comprise three percent of CHA's waiting lists.

Contrary to popular belief, Latinos want access to public and other assisted housing. There is certainly nothing inherent in Latino culture that would preclude them from availing themselves of such a needed resource as public housing. Lack of Latino access to public housing is unique to Chicago. Latinos are thirty percent of the public housing tenants in New York, thirty-

Contrary to popular belief, Latinos want access to public and other assisted housing. There is certainly nothing inherent in Latino culture that would preclude them from availing themselves of such a needed resource as public housing. Lack of Latino access to public housing is unique to Chicago.

two percent in Los Angeles, and sixty-seven percent in San Antonio. Community development corporations (CDCs) in the Latino community usually receive ten times as many applicants as they are able to house. Clearly the want and need for housing assistance is there. Three CDCs combined (Bickerdike Redevelopment Corporation, Hispanic Housing Development Corporation, and Latin United Community Housing Association (LUCHA) house nearly twice as many Latino families as all of CHA.

Discrimination in public housing and in the private rental market has contributed prominently to the creation of a housing crisis in the Latino community. The crisis is exacerbated by the loss of housing stock. Chicago suffered a net loss of 41,667 housing units during the 1980s. A disproportionate amount of the loss in units (forty-six percent) occurred within the twenty-five community areas where Latinos comprise twenty percent or more of the population. This loss does not take into account the thousands of units that were lost through gentrification.

Ninety-eight (ninety-eight percent) of Latino renters are dependent on the private rental market, a market that is discriminatory and excessively expensive. Rents in the Latino community increased by 135% in the last decade, two times the rate of inflation. As a consequence of all these factors, the Latino poor are spending, on average, an unconscionable seventy-four percent of their income on housing.

There has been an unprecedented level of housing activ-

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8. 6 percent were in Latino neighborhoods. Some of the units are not covered by the Gautreaux decree, but CHA officials were unable to identify them.

Habitat has built 201 housing units in fifteen tracts that were more than thirty percent black in 1989. The median home value in those tracts rose from \$54,144 (adjusted for inflation) in 1979 to \$56,400 in 1989, according to the census. Median household income dropped during the decade, from \$17,592 to \$15,432.

In 1987, Polikoff persuaded federal judge Marvin E. Aspen to appoint Habitat to build 1,608 units. The firm also inherited 231 CHA properties already on the drawing board.

But Habitat also found that building in white areas is difficult. Only seven percent of the company's scattered-site housing is in white areas, compared to fifteen percent in black areas and sixty percent in Latino neighborhoods, Habitat records show.

"Ideally, we'd like to have construction in every community area," Hickman said. "But we just can't find it."

High Costs

Late last year, HUD authorized Habitat to build an additional 375 low-rise apartments. But building in white neighborhoods on the Northwest and Southwest Sides in "next to impossible" because of the lack of available property and high costs, Hickman said.

But money is not the only roadblock. HUD often rejects sites that "look perfectly acceptable to me," Hickman said. Some of these properties are near commercial districts and light industrial areas, he said.

"To me, that's Chicago. It's the nature of the beast," Hickman said. Some of these properties are near commercial districts and light industrial areas, he said. "It's not Barrington Hills, but they don't like that. They want it pure vanilla."

Another option is to buy city-owned property, which often can be purchased at a minimum cost. In Humboldt Park, Habitat has bought about twenty-

five parcels for one dollar each.

The Reporter analyzed a list of city-owned properties obtained from the Chicago Department of General Services and found 205 lots in sixty census tracts that meet the Gautreaux guidelines. Thirty-three of those areas have no more than one unit of general public housing.

But getting city-owned land isn't easy. The City Council Committee on Housing must approve all sales and usually defers to the local alderman.

Hickman said several aldermen, including John Buchanan (10th) and Shirley Coleman (16th), have agreed to zoning changes for scattered-site developments. But he concedes that aldermen "wouldn't be running to my door anyway."

Gold Mine

One place Habitat won't look any more is in Humboldt Park on the Northwest Side. Since 1989, it has bought land for five-hundred units in five census tracts.

"It was a gold mine," recalled Mark Wilson, a former acquisition manager for Habitat, who now works for the Near West Side Development Corp.

The property met the Gautreaux standards and was cheap, he said. Habitat initially bought 150 properties.

Former 26th Ward Alderman Luis Gutierrez, who now represents the area in Congress, said he helped Habitat acquire land for fifty town houses. But when Habitat quietly bought another three-hundred properties, local developers and community residents complained the company had gone too far.

"Habitat thought they could come in here without telling anybody because we weren't a white community full of intellectuals and lawyers who are organized but they were wrong," said Juan Rivera, executive director of Latin United Community Housing Association (LUCHA).

"All the people wanted was to be made aware of what was going on, but Habitat never listens," he said.

Habitat has since backed down and agreed to cut the development by 110 units, reducing three-flats to two-

unit buildings. The company also agreed to provide more management, better maintenance and recreational facilities.

"We've taken more than our fair share," said Alderman Billy Ocasio (26th). "Now it's time for the city and Habitat to pressure other neighborhoods to take theirs."

Even though the original Gautreaux families will soon be all placed, Hickman said Habitat is ready to build the next round of 375 units.

Given the constraints, they will have to be single-family homes, he added.

And while the goal of racial integration may have lost its luster for some, Polikoff said no one should question that Gautreaux needs to continue.

"Given the deterioration of life's circumstances in the inner-city black neighborhoods, it's more meaningful now than it was in 1969," Polikoff said. "More than ever black families are desperate to get out of black, segregated neighborhoods."

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ism in the Latino community over the past year. After years of fruitless negotiations with CHA, a class action lawsuit has been filed against CHA and HUD by the Latino community. Collaborations are being established or enhanced with other communities, particularly the African American community, to significantly increase affordable housing resources. Negotiations are well under way with the city's Department of Housing to increase Latino access to its programs and resources. Community forums and seminars on housing resources and fair housing rights are being implemented.

It is imperative to understand that discrimination and racism is not solely a black and white issue. We who are entrusted with safeguarding fairness in housing must work collaboratively to hold accountable housing providers, both public and private, and to address the housing needs of Latinos and other people of color.

Latino Housing Problems Mirror Those of African Americans

by David Hunt

David Hunt is Executive Director of the Chicago Rehab Network

Racial division and conflict seems to be an inescapable modern day reality. A recent national study demonstrated — probably to no one's great surprise — that all racial groups engage in stereotyped thinking about each other. Meanwhile, the debate between African Americans and Jews over Minister Louis Farakhan rages on. And, on the international scene, Bosnia and the Hebron massacre remind us once again how dangerous deeply prejudiced thinking really is.

Chicago, unfortunately, is well known as a town with a lot of prejudices. While it is a mistake to pretend those tensions are not the source of deep problems, placing negative racial attitudes at the center of every dispute between ethnic groups can be equally destructive.

Take public housing as it relates to Latinos and African Americans, for example. A recent lawsuit seeking greater access for Latinos to public housing and a separate complaint concerning the concentration of scattered site housing in a single Latino community were conflated by some observers and then used as evidence to suggest public housing is the next "battleground" between African Americans and Latinos.

Nothing could be further from the truth. To begin with, Latinos and African-Americans have more in common when it comes to affordable housing than any other group. The African American community has been dealing with the issues raised in the Latino lawsuit — fairness and equal access in housing — for more than three decades. Thirty years ago, Martin Luther King marched in Chicago to draw attention to African Americans' struggle for open and fair access to public and privately-owned housing.

Latino and African American housing experiences mirror each other in other ways.

Nearly four-hundred thousand apartments were demolished in Chicago over the last decade. Approximately half



Accepting the Publicity Club of Chicago's Golden Trumpet Award for CRN's Affordable Housing and Community Jobs Campaign are (left to right) Josh Hoyt, David Hunt, Valerie Denney, Judy Beison, Linda Alberici, and Alderman Troutman

of these units were in predominately Latino communities. The other half were eliminated from predominately African-American communities.

When the Chicago Rehab Network compiled its Housing Misery Index — a list of Chicago communities suffering from low income, high housing costs, dilapidated units and other housing problems, African American communities received the worst scores, but Latino communities were a close second. Latinos and African-Americans also share nearly equally low rates of bank lending in their communities.

When it comes to complaints about the scattered site units, African Americans and Latinos are also on the same wavelength. In 1966, Dorothy Gautreaux and other public housing residents filed suit against the Chicago Housing Authority for discrimination in public housing. The Gautreaux case was instituted because housing authorities only built public housing in all-black neighborhoods guaranteeing the segregation of its residents.

Today, scattered site housing is replacing the older high rises. But, for a variety of reasons, these buildings do not

really get scattered evenly all around the city. Instead they are concentrated in only a few neighborhoods. Residents in these largely lower-income, working class neighborhoods, some of which are predominantly Latino, are legitimately fearful that their neighborhoods will be stigmatized by their association with public housing. And who can blame them as long as the burden for public housing is not shared equally by rich and poor alike?

Does this mean there is no tension between Latinos and African Americans over scarce affordable housing? Of course not. But there is also plenty of evidence that African Americans and Latinos can and do work together. The most famous example, of course, was the historic coalition between African Americans and Latinos that led to the election of Harold Washington.

More recently, African Americans and Latinos worked together on the Affordable Housing and Community Jobs Campaign. This successful coalition resulted in a new city-sponsored affordable housing plan that will create nearly eighteen thousand new housing units over the next five years. More than a third will be affordable to the families most in need — those making under fifteen thousand dollars per year.

That victory was the direct result of more than a year of advocacy and organizing work by a broad based coalition that cut across Chicago's traditional racial, political, and geographical lines. Both Latino and African American organizations played key roles in the campaign and in negotiating the final agreement.

The issues addressed in this lawsuit — equity, empowerment, revitalization — are the very same issues African-Americans have been facing for well over two centuries. Let's go beyond sharing problems with Latinos and work together on finding solutions and visions for the future.

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hoods. Far too many of us accept this mindset and have written off our communities. When we systematically move to suburban areas, we only open the door for someone else to profit from their redevelopment. In Historic North Pullman, we are using the same process that has been used to gentrify minority communities in the past as a tool to begin to rebuild our community for ourselves.

It is my contention that if you can reclaim a community's spirit, the community can be revitalized. But when a community is being told daily that they are not worth the effort of adequate city services, or a decent place to live, it is extremely difficult to convince them to the contrary.

When I began to talk to people in North Pullman about the housing, I was made aware by some of the seniors that the community had historical significance. Armed with this information, I began to do a little research. What I found was that the community had a very important history on paper — however, the average person in the community knew nothing about it. I also found that in spite of how run down it looked, the community was the northern half of an officially recognized national historic district.

To me, this was a very important factor. It was something to get excited about. If residents of the community could get excited about it too, they might also get actively involved in restoring and preserving their community. Historic preservation (urban historic preservation) could be that vehicle that the community needed to re-spark community spirit.

The only problem with this was that community residents were not familiar with historic preservation in general, and showed no interest. They could not see how historic preservation could help in their community. Those who were familiar with the term were turned off because of the negative history historic preservation had. People had to be educated as to how it could be used effectively to spawn revitalization in their community.

Historic North Pullman has used urban historic preservation as an organizing tool. In June of 1993 we rectified the exclusion of North Pullman from the city historic designation. We began involving community residents, developing a community revitalization plan, and using historic preservation as the vehicle to accomplish this. We have been successful in obtaining substantial funding for community beautification and federal tax credits available only for rehabbing on historic properties. Property owners are eligible for an eight year property tax freeze and a number of other perks.

In retrospect, I realize that if we had had access to knowledge and resources, the process would not have been as time consuming. That is why I feel it is so important to share our experience with historic preservation. Other communities can tap into the financial incentives too. The National Trust for Historic Preservation is one of the most important resources out there to help you. They have taken big steps to dispel the misperceptions about preservation.

My own confidence in historic preservation was buoyed at a conference I attended in St. Louis, earlier this year. The conference was convened by the National Trust for Historic Preservation. It was attended by people from all over the country and from many different backgrounds and professions. I was very surprised at some of the keynote speakers who were also preservationists. Secretary Henry Cisneros of the US Department of Housing and Urban Development, and Richard Gephart are just a couple of examples. I was struck that we all shared an interest in urban American communities, and a belief that historic preservation could be used to strengthen, not to replace, them.

What I have been working for in Historic North Pullman can be replicated in other communities. There are many practical incentives, various tax credits, all kinds of little perks that accompany the title "historic preservation." In some instances there are even small grants available. Once and for all, the misperception that preservation is something only wealthy white Americans are in-

involved in should be dispelled.

We can and should take historic preservation for our own purposes. We must stop allowing others to determine the direction of our communities. Even if you do not like some of the players that come under your umbrella, having a grasp of the tool allows you to become a partner, an equal and a major player at the table that is deciding what is and will be happening in your community. Historic preservation becomes an investment particularly in minority communities, which traditionally have rich histories. Historic preservation can be a way to safeguard and provide a level of protection for your community.

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There can be no justifiable reasons why my family, or any other black family that can afford it, should be denied living next to me, just to satisfy someone else's preferences as to the number of African Americans an area "should have." But this basically untouchable verity is matter-of-factly disregarded, as proponents plow on with their housing focused social engineering. Integration, they stolidly insist, is the "holy grail" to be sought.

"Integration," however, is a concept that means different things to African Americans and Caucasians, as polls clearly show. Whites will not condone an "integration" that does not seek to assure that they will always remain in the majority of a managed integration area. And managed integration is always at odds with the existence of all-African American social units, such as churches, sororities, and fraternities. The problems of who governs integration-maintained entities is forever prickly. Are the "bosses" always to be white? Certainly the leaders in the movement for Integration Maintenance are preponderantly white.

The Plumline

From Uptown to Downtown, former CRN Board member **Ed Jacobs** continues his advance on power and authority in his latest move from First Chicago Ravenswood to First Chicago Downtown. He was the first to hire David Hunt into a non-profit position, so he can't be all that...

From Work to Welfare, **Doug Dobbmeyer** leaves **Sharron Matthews** at the helm of the Public Welfare Coalition while he takes a sabbatical -- with the help of public assistance from The Community Trust.

From planned Chaos to uncontrolled Management, **Chris Brown** has moved from ACORN to United Way. **Anne Miller** is leaving her Voice behind and taking up her books — to study

under the stern tutelage of Master Pat Wright at UIC.

Mutt and Jeff Team Goes (Mid) South: **Pat Dow-Cerasoli** left the Department of Planning and Development to be Executive Director of MidSouth Planning Group — but only after **Harold Lucas** from CWED promised he would follow her lead.

Bobbie Warshaw was the first CRN staff person to hear about this big move when she read about it in the Lebanon PA newspaper: CRN Grant Writer **Extraordinaire**, **Peter Ilgenfritz**, made headlines across the country when he and his partner, **David Shull**, became the first gay couple to be called to share an associate pastorate for a mainstream church. Seattle's University Congregational Church's good fortune will come at CRN's expense. Pray for us Peter.

Luckily, **Susan Katz's** new son, **Rylan Colin Katzwhite** has arrived just in time to fill CRN's fundraising gap.

Writing skills are yet to be perfected, but **Susan** assures us he is already able to yell loudly for money. Or was that *Mommy?*

Fireworks at HUD: **Bob Berlan**, **Jim Barnes**, **Dick Wilson** and other top level officials returned from Independence Day to find red white and blue pink slips pinned to their chairs.

Anita Pusateri took husband **Larry** on a long river voyage to trade. But the Amazon women sent them both swimmin' — to take him they would need to be paid.

Meanwhile, in the nearby jungles of Panama, **Josh Hoyt**, wife **Joanna Wounded-Knee**, and kids are off to guerrilla training — who's training who? HUD's globetrotter **Jean West** has already seen Africa, Europe, Japan, and HOME. This year she's moving on to HUD's homeless program.

Nancy Pomes of DOH went to New Zealand and Australia for a short thirty day vacation with Mom and Dad. Mom fell sick, forcing Nancy to stay an extra sixty days. Upon her return she found DOH the same.

Altar Egos: **Mary White** at Continental has married; **Shirley McClain** at City Gardens (formerly of Northern Trust) is following that way soon. And we have until September 10th to solidify our plans for securing the services of **David Salzman's** future wife, **Jodi** — who is working on her doctorate in psychology at the University of Chicago.

Illegal Corporate/Community Partnership-CRN's **David Hunt** is engaged to marry **Kristin Faust**.

Bruce Orenstein is off to the Oracle at Delphi to marry in front of his ancient gods. Video tapes available for \$9.99 plus shipping and handling.

Sick Bed Watch

CRN staff has pledged to keep **Hank Dungee's** beeper ringing to encourage him in his super-human recovery from his auto-accident.

Parting Advice:

Don't miss **The South Side's Longest and Strongest Blues Fest**, hosted by Historic North Pullman, August 5th and 6th. For more information, call 928-6300.

And this is no inconsequential state-of-affairs, as managing the percentage of blacks in communities amounts to an abridgement of one of the most important American freedoms; that of mobility within the Land.

There is a thoroughly abasing assumption inextricably woven into justifications of Integration Maintenance, even if it is unspoken. That assumption is that nothing is worthwhile unless control of it is in the hands of a carefully maintained Caucasian majority. The necessary corollary to that is that the presence of blacks imperils the "health and welfare" of neighborhoods and communities. If one accepts such a presumption, one might as well say that the all-African American family is not a worthwhile unit. Mixed families - for race balance - are a better unit if integration maintenance is to be maximized, so it would seem.

The current renewed interest in engineering population mix in housing has incorporated socioeconomic factors into its justifications. Now the announced goals are no longer just "mixing the races," but low-income with higher

income, as well, through the deliberate placing of low-income black families in suburban and other affluent neighborhoods and communities. Insult upon insult has been heaped on African Americans. First, in the early stages of Integration Maintenance, black families were diverted to minimize "clustering," to allay white fears. Now black families are directed toward isolated neighborhoods and communities, in a scarcely concealed attempt to rid the sending communities of some of their perceived "waste."

No matter how it is presented for public consumption, "Integration Maintenance" is a standard appeasement of whites' inclination to control the destinies of African Americans, in order that whites may control and dominate all the institutions of the society. This is not an unnatural inclination, but opponents of Integration Maintenance understand that housing focused social engineering will always relegate black people to second-class citizenship; with its attendant residue of loss in black self-esteem, and all the dysfunctions that emerge from that loss.

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