

## **Plan to close Joliet complex hit:[West Final Edition]**

*Karen Mellen, Tribune staff reporter. Chicago Tribune. Chicago, Ill.: Oct 8, 2003. pg. 3*

The decision by the nation's top housing official to close a low-income apartment complex in Joliet troubles affordable housing advocates who say they fear it signals that politics could play a greater role in the funding of such projects.

Advocates point out that the country is losing tens of thousands of rental units a year for poor people because landlords of privately owned buildings choose to opt out of the subsidy program run by the federal government, called Section 8.

In this case, Housing and Urban Development Secretary Mel Martinez told a group of Joliet officials last month that he would not support the renewal of a Section 8 contract to the 356-unit Evergreen Terrace housing complex, officials at the meeting said. City officials had traveled to Washington to complain about crime and poor living conditions at the apartments.

But before the trip, the Illinois Housing Development Authority had approved the project, which included refinancing the debt, and improvements such as remodeling kitchens and enhancing security.

"To have that [process] steamrolled is perplexing and a serious concern in terms of the precedent," said Kevin Jackson, executive director of the Chicago Rehab Network. "If it works in Joliet, it will work anywhere."

Another housing expert questioned whether Martinez has the authority to overrule a decision by the Illinois Housing Development Authority, which has been empowered by federal legislation to determine the merits of individual projects.

Jim Grow, staff attorney for the National Housing Law Project in Oakland, Calif., said federal law mandates that affordable housing units should be maintained. There are very specific criteria to get rid of the units, such as severe deterioration of the buildings, he said.

"It's not a good enough reason that the city doesn't want it," said Grow, who added that he did not know of any other situation in which HUD officials have overruled an agency's decision.

Anne Scherrieb, a spokeswoman for HUD in Chicago, said federal housing officials were determining their next step.

In the last five years, about 200,000 affordable housing units have been lost, housing advocates say. In many cases, landlords have left the federal subsidy program, in which the government makes up the difference between what poor residents pay and the value

of the apartments in the open market. They are seeking higher profits in the private sector.

As a result, Grow said, it is even more important for HUD to work with a landlord willing to keep the units open to low-income residents. Herb Halperin, president of Burnham Management Co. in Chicago, said he still hopes to gain approval from the federal government to keep Evergreen Terrace open.

"We are hopeful that HUD will recognize the importance of preserving these units," he said.

But Joliet officials say they are working in the best interests of residents, who they say have been forced to live in unsafe conditions with high crime and drug activity, as well as broken doors, missing window screens and broken lights.

James Shapard, deputy city manager for Joliet, said the city is working on fine-tuning a relocation plan requested by HUD. He said the report by the Illinois housing agency was flawed, and he called Evergreen Terrace "filthy, disgusting and dangerous."

Shapard said the city has plans to allow residents to move into public housing owned by Joliet or to have a portable voucher, which would allow them to move into other apartment buildings in Joliet or the surrounding areas.

"There's plenty of places for them to go," he said.