Chicago Rehab Network

NEWSLETTER

May, 1985

A Network overview

Gains made, but threat looms

by Bill Foster
Director
Chicago Rehab Network

This is a critical time for all social issues in our country. While President Reagan speaks of budget "compromises," what he truly presents is the obliteration of most of the critical programs that serve the nation's needy. The Reagan agenda proposes to not only cut off the lifeline for the existing poor but also to add numerous additional people to the ranks of the homeless and the very low income.

Low-income housing has already felt the blow of Reaganism with cutbacks in programs such as Section 8. In the present round of budget cut proposals, the Reagan administration proposes to eliminate or make ineffective all of the remaining Federal programs that can be utilized to produce additional units of housing. The budget cuts, if enacted, would have a particularly devastating effect on low-income housing development in Chicago.

Over the past two years, Chicago has stood head and shoulders above every other city in the country in terms of low-income housing development. The primary reasons for this have been:

1. A mayor devoted to steering the majority of the city's development funds to the neighborhoods that most need those funds.

2. A unique partnership between the Cook County Board and community groups, resulting in the extremely successful Cook County Multi-Family Tax Reactivation Program. The pilot phase of this program alone will produce approximately 600 units of rehabilitated housing.

3. The commitment of three major banks to provide approximately $100 million in housing loans during the next five years to neighborhoods with a majority of low- to moderate-income people.

4. Vastly increased capacity of neighborhood-based organizations to develop housing.

The Rehab Network has been integrally involved with all of these efforts. The Network serves as the administrative

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Landmark status provokes questions

"Development without Displacement" is an integral part of the Rehab Network's mission. An ongoing series of articles will examine different problems and issues as they arise in Chicago neighborhoods in light of this ideal. Here is the first article.

by Debbie Weiner

Is historic landmark designation a boon or a bust for people who live in lower-income neighborhoods?

More than 60 residents of South Austin gathered at a community meeting last month to raise questions about the city Landmarks Commission's proposal to designate part of the Austin area an historic landmark district.

In the past, historic landmark status has sped up gentrification in some neighborhoods. "There are some serious questions to be answered about displacement of residents in neighborhoods which get historic designation," said the Rehab Network's Bill Foster, one of five panelists who made presentations at the meeting. The meeting was sponsored by the Lake-Austin Civic of the South Austin Coalition (SACCC).

At the end of the meeting, the residents unanimously decided that before the process goes any further, and before giving approval or disapproval, a study should be made to address such issues as displacement and whether or not existing residents of the community could benefit from the designation.

However, one week after the meeting the Landmarks Commission submitted an application to the State Historic Preservation Officer, thus setting in motion the process that could lead to approval of landmark status. In June, the Illinois Historical Sites Advisory Council will vote whether or not to approve the application at its meeting in Oak Park.

Landmark benefits?

Landmark district designation will benefit the community, according to panelist Therese Kelly, from the Illinois Landmarks Preservation Council. Owners of income-producing buildings within the district can take advantage of a 25% investment tax credit to rehab their buildings, as long as the building is certified as an historic structure (320 of the 350 buildings within the district would qualify), and as long as the rehab conforms to special standards set by the Secretary of the Interior.

Also, single family owner-occupants who rehab their buildings according to these special standards can get an eight-year freeze in the assessed valuation of their properties. After this period, the valuation will be graduated over four years back to an amount based on fair market value. This would guarantee that

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Tax reactivation program a success

by Paul Waterstrauss

Every two years or so a peculiar rite of spring occurs: the Cook County scavenger sale of tax delinquent properties.

In past years, the same old faces would trade the buildings back and forth and everyone but they would be the losers. The County lost because only a fraction of back taxes was collected. The tenant lost because not one dime was spent for rehab, and the neighborhood lost because these buildings remained blighted and became potential candidates for abandonment and arson.

In 1983, this cycle of decay was at last broken by the advent of the Cook County Multi-Family Tax Reactivation Program. This unique and far-sighted plan enables neighborhood housing development organizations to take advantage of a state law allowing the County to place non-cash bids at the scavenger sale for multi-family properties which are at least five years tax delinquent. Once the County acquires the property (which has been identified by a neighborhood group), it quit-claims it to a qualified NHDO after a successful redemption period of six months.

The program is poised to enter its second cycle, with the next scavenger sale to be held in June.

The program was developed by a group of NHDOs, many of which are Network members, along with the Woodstock Institute and the Lawyers Committee for Better Housing. A victory for the neighborhoods was achieved when the County Board of Commissioners agreed to get involved in the program. The Chicago Rehab Network was selected to administer the program and screen applicants.

The 1983 sale provided NHDOs approximately 14 buildings, totaling 600-plus units of housing for rehabilitation, for a modest upfront investment of $2,000 per index number as deposit for the next year's taxes. After some lengthy court battles, these buildings are now owned free and clear by the community groups, and are undergoing various stages of rehab. Four other buildings which were initially selected for the program were redeemed by the owners, thus returning to the rolls properties which had been delinquent for years.

Thanks to the County Board of Commissioners, who have extended this valuable tool for neighborhood redevelopment, the 1985 scavenger sale will again see NHDOs acquiring properties. This year, the program is expected to be even more successful. "We expect more groups to participate than last time. Also, the whole process should run much more smoothly because we learned so much the first time around," says Mike Rohrbeck, chairman of the Rehab Network committee which oversees the program. Projections are that the groups will acquire three times as many buildings as previously.

The Rehab Network will again administer the program for the County. As this issue goes to press, the list of tax delinquent properties available at the sale has not yet come out. When it does, neighborood groups who would like to participate in the program can look at the list and identify buildings in their neighborhoods which they would like to acquire. The Rehab Network will mail applications and data sheets to groups in the near future, and will host a seminar on "How to Identify and Research a TRP Building." The seminar will be held on Friday, May 24, at 10 a.m., at the Rehab Network office.

In the meantime, questions regarding the program's operations or how to qualify may be directed to our office by writing or calling us. Ask for Paul Waterstrauss, Coordinator.

This building at 5700 W. Washington was acquired by Circle Christian Development Corp. through the Multi-Family Tax Reactivation Program.

A MESSAGE FROM THE PRESIDENT

The Mayor keeps commitment to the neighborhoods

by Robert L. Lucas
President, Chicago Rehab Network

One day in the middle 1960s, a group of members from the Congress of Racial Equality (CORE) were mobilizing people in a South Side neighborhood for a civil rights demonstration. We suddenly came upon a group of people in awe of a very eloquent speaker.

This being a rare sight in a South Side neighborhood in those days we decided to pause and listen. The speaker was talking about how that particular district had been neglected by the downtown political bosses and their functionaries on the South Side over the years.

I will no longer keep you in suspense: that speaker's name was attorney Harold Washington, who was campaigning for his first elected political office, that of State Representative from the old 26th district.

What further captured our attention was a man talking as if he had been at CORE's most recent national convention, where the theme indeed was the "awakening of the sleeping giant." What was meant by that was the awakening of the people in the neighborhoods to develop their neighborhoods commercially and residentially.

Needless to say, Harold Washington went on to become State Representative, and held that office until he became State Senator. While he was a State Senator he continued to defy the old Regular Democratic Political Organization by supporting neighborhood agenda after neighborhood agenda. When he was elevated to Congress in 1980, he immediately became one of the most informed and eloquent spokesmen against the Reagan budget cuts.

In late 1982, when I heard Congressman Washington campaigning for the "Super Bowl of Politics," Mayor of Chicago, I knew that the utterances about revitalization of the neighborhoods was not just campaign rhetoric. Because I was familiar with his brilliant political past I knew he meant it. I was not surprised shortly after his inauguration that one of his first acts was to put 13 million *additional* Community Development Block Grant dollars in the neighborhoods.

In 1984, he put in more money than he did 1983, and "you ain't seen nothing yet." Take a gander below and you will note how $126.7 million is going to be spent for Year XI which should begin July 1, 1985. The proposed programs for Year XI include the following:

- A Summer Youth Employment/Clean-up Program for 400 youth to clean vacant lots, business areas, and boulevards.
- An Adolescent Substance Abuse Program targeted to youths 13 to 17 years old.
- A Housing Facade Rebate Program where homeowners may apply for grants up to $1,000 for minor exterior improvements of boulevards.
- A Gang Crime initiative to provide funding for neighborhood organizations to work with youth and their families to help them identify alternatives to gang activities.
- Health Center expansions, increased assistance to the disabled, programs specifically aimed at reducing infant mortality.

Although the Chicago Rehab Network has differed with the Mayor and the Budget Director a few times on how to best spend CDBG dollars, unity without constructive criticism is fallacious. Most of the time over the past two years the Chicago Rehab Network has supported the Mayor's CDBG initiatives. Because after all the CDBG programs evolved from the close relationship between the Washington administration and neighborhood-based groups. Members of the Chicago Rehab Network worked closely with the Community Development Housing Coordinating Committee to *develop* and *plan programs* for Chicago's neighborhoods.

The newsletter returns . . .

Welcome to the new Rehab Network newsletter! After a break of a couple of years or so, we have returned.

We want the newsletter to be a tool for advocacy of low-income housing, and a source of information about new ideas and trends in the neighborhood housing development movement.

We will also profile groups doing housing development and provide technical "how-to" information from time to time. And we hope to keep readers aware of important events, workshops, and resources they can take advantage of.

We want to strongly encourage and solicit (i.e., beg for) ideas, comments, and suggestions from our readers. If you have an idea for an article, a criticism of something you've read here, a letter-to-the-editor, or an article you'd like to write yourself, please contact us! We want to widen the pool of contributors as much as possible to provide a broad perspective of what's going on in the neighborhood housing development movement.

Write or call Debbie Weiner at: Chicago Rehab Network, 53 W. Jackson #818, Chicago, 60604; 663-3936.

Name this newsletter!

We've decided that *Chicago Rehab Network Newsletter,* while accurate, is not exactly an eye-catching name. We're announcing a contest to "name the newsletter." Send your suggestions to us at 53 W. Jackson, 60604, or call Debbie Weiner at 663-3936. (Fabulous prizes not yet determined.)

WORKING PAPERS

Networking: the art of idea sharing

One of the goals of this newsletter is to provoke a continuing discussion of Rehab Network goals, purposes, and methods of achieving our aims. All the member groups should have a part in helping evaluate what we do and why we do it. The first article in what we hope will be a series of such articles by Network members is by Bob Brehm, director of Bickerdike.

by Bob Brehm

When the first group of representatives from community-based housing organizations met in 1976 to discuss forming the Chicago Rehab Network, they were encouraged by the collective realization that they not only shared many problems—they also had a lot to offer each other in the way of solutions.

Ever since, Network member groups have been swapping and debating ideas on everything from how to speed up payment on a city voucher to how to negotiate the best partnership agreement with a private developer.

The Network was founded to try to convert the local grass roots efforts in several lower-income neighborhoods into a city-wide movement consisting of community-based organizations which plan and implement the redevelopment of their own communities.

In addition to providing a public forum for debate on the critical issues affecting neighborhood development, this movement—through the Network—has been able to offer capacity-building technical assistance to the local groups. And the groups have discovered that through alliances, friendships and acquaintances resulting from Network membership, there exist unlimited opportunities to share ideas.

Sometimes the idea-sharing is formalized in a workshop or written in newsletter articles, but more often it is an informal phone call or conversation over beer after meetings. The topics most often discussed include: technical aspects of rehab and financing; fundraising; new housing and job development strategies; and political or long-range ramifications of various strategies.

This informal idea sharing has, over the years, helped to build a mutual reliance on and confidence in each other, which contributes to the member groups' vision of themselves as allies in a movement rather than as competitors. From the veteran members to the new groups just getting started we all have something to learn from each other and something to gain from the growth of a grass roots movement spearheaded by the Network. This is why the Network has adopted as a goal the promotion of inter-group "networking."

So if you've got a difficult problem, or you just want to bounce a new idea off someone who can offer a constructive response, call one of the other groups. And if you can't think of whom to talk to, call the Network office and they'll offer a few suggestions. It's not exactly high tech technical assistance—but it can be real helpful.

Sometimes the idea-sharing is formalized . . . but more often it is an informal phone call or conversation over beer.

The nuts and bolts of rehab

by Lenwood Robinson, Jr.

The 40- to 60-year-old, ready-for-rehab apartment buildings in Chicago are typically two, three, four, six units or larger courtway or corner located buildings. They are usually composed of a series of three stories with basements, that are tied together with an inner stairwell system opening to two units on a floor. Many buildings are corridor-type wherein a main corridor in the middle of the building provides access to the apartment units.

The buildings, typically, have 12" masonry exterior walls with 8" to 12" inner masonry walls that act as fire separation between apartments. In some cases, in the basement, there is a steel beam and column system that holds the masonry wall above.

The roofs of the buildings are usually flat, constructed of 3-ply hot tar rolled roofing. At the inner stairwell, there is often a glass skylight which provides natural light.

Rehab Considerations

Moderate Rehab: ($8000 to $20,000 per unit) involves patch plastering and painting of existing walls and ceilings, replacement of damaged doors, remodeling kitchens and bathrooms without replacing the piping in the walls, minor roof repairs, repair or replacement of damaged window sashes, sanding and refinishing wood floors or covering them with carpet, and repair or replacement of sidewalks. Consideration is also given to the electrical and heating systems in the building, and minor repairs and painting of the rear wood porch system.

Another approach to remodeling an apartment building occurs when the interior is modified to arrive at larger units. For example, many apartments have large dining rooms which, if properly located, can be modified into a bedroom with a closet. In this situation, the kitchen has to be large enough to accommodate a living/dining space.

Substantial Rehab: ($20,000 to $30,000) involves installing new drywall over existing walls, painting, remodeling the kitchens and baths, new plumbing and electrical systems, modification or

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COMMUNITY FORUM

New loan program announced

The National Co-op Bank has announced a new loan program to expand the development of co-op housing for low- and moderate-income families and senior citizens. They will initially provide $10 million in short-term financing for rehab, acquisition, and construction, and $10 million in permanent financing. The loans are graduated-payment adjustable rate loans tied to three-year U.S. Treasury securities.

Applications are being accepted through the National Mutual Housing Network through October 1, 1985. For more information, contact David Freed, NMHN, 323 Eighth St., N.E., Washington, D.C. 20002, (202) 675-4022.

Religious financing scheme

Community development organizations are tapping a new source of indirect financing for their housing and economic development projects, according to the Economic Development & Law Center Report. By asking religious organizations to place a relatively large deposit in a local bank and accept below-market interest rates, a community-based organization is then able to obtain a loan from the bank at favorable interest rates. Through this method, religious organizations can use their assets to help community development projects without becoming directly involved in loan underwriting.

One group which has successfully used this mechanism is Northwest Economic Development, Inc., a community development organization in rural Minnesota. For more information, call NED&LC at (415) 548-2600.

NPA conference coming up

The 1985 National People's Action Conference will be held Saturday through Monday, May 18-20, at the Shoreham Hotel in Washington, D.C. On the agenda are the Home Mortgage Disclosure Act, federal budget cuts and defense spending, energy, employment, housing, and health care issues. Monday will be spent lobbying on Capitol Hill. Call NPA, 243-3038, for more information.

Spa conference for development groups

The National Conference on Community Economic Development will take place on June 17-20 at Olympia Resort Hotel and Spa in Oconomowoc, Wisconsin. Workshops will cover such topics as housing co-ops, CDBG/UDAG, enterprise zones, credit unions, funding and creative financing, venture selection techniques, and legal and tax issues.

The primary objectives of the conference are to provide an opportunity for participants from across the country to network with each other in a relaxed setting; to discuss the most current information on programmatic and legal changes in the areas of housing, jobs, etc.; to review the current operations of new federal and state initiatives affecting community economic development; and to provide an opportunity for people to refine their skills and explore new areas.

The conference is sponsored by the National Economic Development and Law Center. For more information, contact Marsha Brown, NED&LC, 1950 Addison St., Berkeley, CA 94704, (415) 548-2600.

How to research property

The University of Illinois at Chicago Center for Urban Economic Development (CUED) has come out with a manual for neighborhood organizations called "Tax, Title, and Housing Court Search." The manual tells how to research property in Chicago, and describes how local community organizations have used real estate information "to confront urban greed." The guide provides research techniques and technical information within the context of neighborhood development and community organizing.

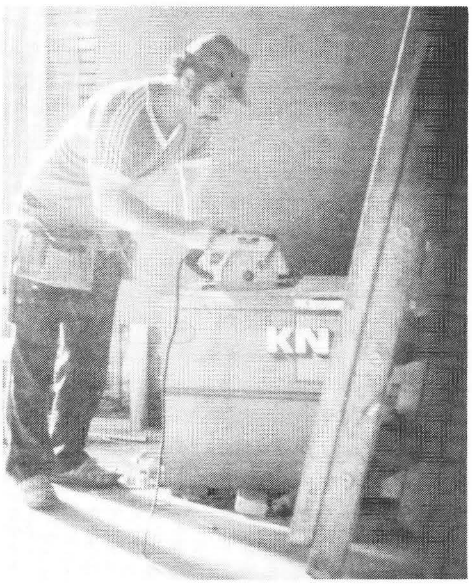
The manual costs $15 and is available from CUED, Box 4848, Chicago, IL 60680. For more information, call 996-6825.

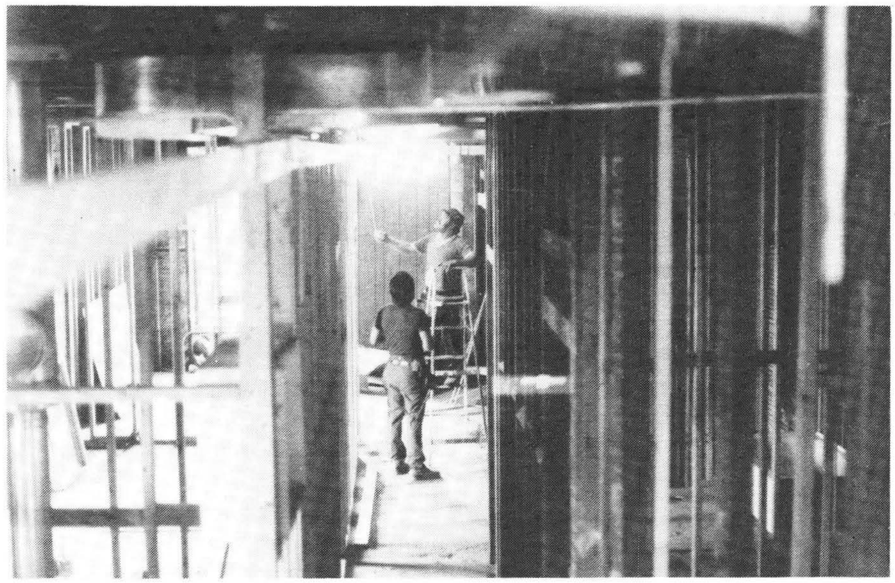
DEDICATION DAY . . .

Sunday, April 14, Eddie South Cooperative, 4129-37 W. Washington Blvd.
Congratulations, Bethel New Life!

A day in the life . . .

For our first issue, we thought it would be nice to highlight visually the activity of the Network groups. This is just a sampling of what's going on in the neighborhoods—right now.





1301 N. Greenview
Bickerdike

1900 S. Carpenter
18th St. Redevelopment Corp.

4416 N. Clifton
Voice of the People

Budget cuts threaten rehab

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agency responsible for packaging most of the housing loans for the bank programs, and for coordinating the tax reactivation program. In turn, we serve as a delegate agency of the City's Department of Housing, providing technical assistance to the neighborhood not-for-profits that are involved in housing development.

The Network should be proud of its accomplishments to date. Already mentioned is the success of the tax reactivation program, a vehicle that may produce two to three times as much housing during its next round. As a technical assistance provider, we are serving more agencies than ever. Finally, we are now approaching $10 million worth of loan commitments after our first nine months of operations.

But even more outstanding has been the exponential growth in the number of housing units produced by Network members. At the present time the membership has 1045 units of housing in production, twice as much housing as the membership has produced since the organization was founded in 1977. This housing will be community controlled, developed and managed by not-for-profits with a strong commitment to fighting displacement and providing decent living space for low-income people.

The level of housing production taking place in Chicago is particularly significant in two senses. First, we are making strides toward reversing the abandonment trend that has devastated the neighborhoods in creating a substantial net loss of housing over many years.

Second, we have overcome private sector neglect of low-income neighborhoods. Just this past month Harris Bank committed significant loan dollars for north Kenwood-Oakland, First National Bank committed on a loan in an extremely low-income portion of Lawndale, and Northern Trust seriously considered making a loan in Woodlawn.

The critical fact is that none of this activity and none of those loans would have been possible without public sector participation. Financing by the City's Department of Housing is necessary to make the private investment possible. The single Reagan proposal to cut back Community Development Block Grants by 25% for major cities, the primary source of development subsidy, would annihilate our efforts to produce any low-income housing, reinstitute a severe net loss of housing for the city, and instigate a housing crisis that would leave a social and physical debt which this country may never be able to repay.

Thus while we have led the nation in fostering a public/private/community group partnership for housing, we are now subject to huge losses as the Reagan administration threatens to pull the public sector out of that arrangement. It is time that we collectively call on all legislators to recognize the perils of the budget proposals.

We are proud of our accomplishments to date. We must work together as a network of common interests to ensure that we can build upon those accomplishments and continue to move toward fulfilling our mission of providing decent, affordable housing for all people.

It is time that we collectively call on all legislators to recognize the perils of the budget proposals.

Rehabbing the MX

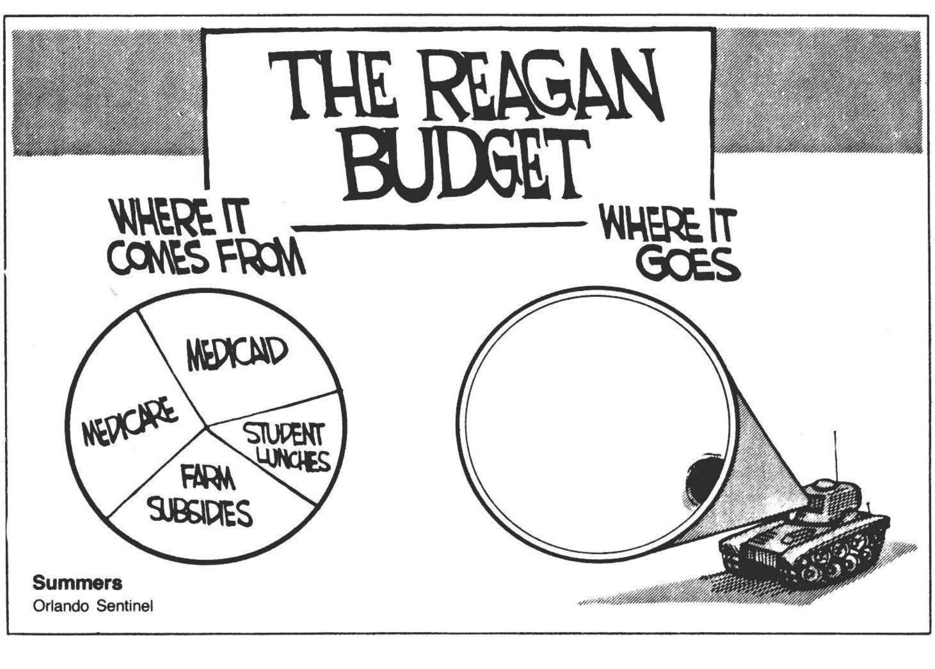
President Reagan wants to build 223 MX missiles. Would we still be safe from the Russians if he built 222? Because the money that goes into building just one MX missile would be a real shot in the arm for housing development. Here's the breakdown:

The price of one MX missile would pay for 6,250 units of gut rehab.

For the price of one MX missile, one could moderately rehab a whopping 12,500 units.

Double those figures when considering a 50/50 public/private financing scheme, and you could conceivably provide housing for 26,000 families for what it costs to build an MX missile and stick it in the ground.

How about it, Mr. President? Can you spare just one? We could even build some new construction over the hole where the MX would have been.



The budget cuts, if enacted, would have a particularly devastating effect on low-income housing development in Chicago.

Budget cuts or budget shift?

The first thing that needs to be understood is that President Reagan does not intend to cut the federal budget.

True, the administration's original proposal called for a $30 billion decrease in domestic spending in FY 1986. However, it also requested a $30 billion increase (6%) in defense spending. So what we have here is not so much a cut as a transfer of resources from social to military spending.

Secondly, much has been made of the fact that this year the middle class will feel the slash of the budget knife. While this is certainly true, the poor will still bear the brunt of the cuts, according to the Center on Budget & Policy Priorities.

As this issue goes to press, the budget proposal being discussed is the compromise reached by the President and the Senate Republican leadership. Here are some major points of that budget, particularly pertaining to housing.

- A 3% increase in the defense budget (down from 6%, which was cited above).
- Termination of many programs, including UDAG, HODAG, general revenue sharing, and Farmers Home Administration low-income housing programs.
- Cut in CDBG of 25% for major cities.
- A two-year freeze on housing subsidies (about 150,000 units were provided in 1985; budgets in the '70s called for 400,000 per year). Budget authority proposed for assisted housing is $10 billion in 1986, which is the same as last year. However, this would now be split 50/50 with rural areas to make up for the elimination of the FHA's program.
- Funds for public housing modernization slashed 90%; operating assistance, 30%.
- No additional funds proposed for housing counseling or the Solar Energy Bank.

While these figures may change as the budget works its way through the Senate and the House, the administration will be applying pressure to ensure that those changes are minimal.

If you haven't yet written your Congressperson, do so immediately! A committee of the Rehab Network is working on a strategy to oppose the cuts, along with the Coalition for a Fair Federal Budget. If you'd like to get involved, or would like more information about our letter-writing campaign, call Debbie Weiner at the Rehab Network, 663-3936.

President Reagan's 1986 Federal Budget Impact on Chicago ($ in Millions)

	1986	1986 - 1988
Community & Economic Development	$- 43.0	$- 143.8
General Government	- 53.4	- 202.5
Health & Human Services	- 12.5	- 48.1
Housing(City & CHA)	- 42.3	- 143.6
Job Training/Placement	- 2.3	- 10.4
Transportation (City & CTA)	-162.9	- 530.0
Total	**$ - 316.4**	**$ - 1,078.4**

Austin landmark status questioned

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such properties would not experience a sudden leap in taxes due to a sudden leap in the assessment of the building. To be eligible, however, the cost of rehabilitation must equal 25% of the fair market value of the house.

Aside from these financial incentives, Kelly cited the intangible benefits a community gets when it becomes an historic district. It "generates interest among residents in the historic character of their neighborhood. People take a great deal of pride" in their community as a result.

Community residents expressed skepticism that the financial benefits would extend to them.

Community residents expressed skepticism that the financial benefits would extend to them. One resident remarked that to conform to the special historic rehab standards, owners would have to spend much more money than otherwise necessary for a good rehab job. "It may be beautiful inside and outside but it may not meet the [special] standards," he commented.

Other residents pointed out that few people in the South Austin neighborhood have the money to do needed rehab of their buildings, much less spend extra money to conform to historic standards. Still others were concerned that a sudden influx of investment would result in increased property values, and a corresponding increase in taxes. "The incomes of people here are very low," said one woman. "People may not be able to hang onto their property." Both these concerns brought up the question, "If we can't benefit from these incentives, who will?"

Kelly stressed that historic designation, while encouraging rehab by providing savings to owners, would not actually help current residents find money to do the rehab in the first place. "We're not saying to you that national landmark designation is a financing mechanism. It isn't." She acknowledged that outside investors would find the incentives attractive. "An outside investor can come in," but, she pointed out, "he can't do a shoddy job. He has to do a decent rehab." She sees the designation as a "way of attracting dollars into the community."

"Infusion of investment"

Panelist Bill McLenahan, Landmarks Commission Director, agreed that historic designation could lead to "a potential infusion of investment in this community." He urged the residents to take advantage of the benefits before outsiders come in. "Don't think the real estate industry isn't aware of what you've got out here," he cautioned. One woman expressed doubt that the community is in a position to beat out the speculators in the race to see who will be able to reap the benefits. "They're already five steps ahead of us," she said.

"Historic preservation is a tool that can be used. The question is, whose toolbox is the tool going to be in?"

The possibility of outside investors, whether speculators or owner-occupants, pouring money into the community, raising rents and property taxes, raised the spector of gentrification and displacement in the minds of many at the meeting.

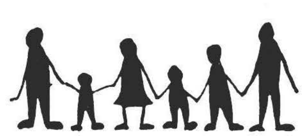
Panelist Bill Peterman, from the Voorhees Center for Community Improvement, stated that "preservation has often in the past resulted in . . . pushing people out." However, there are also situations where low-income residents have benefited. "Historic preservation is a tool that can be used. The question is, whose toolbox is the tool going to be in?" Thus community control becomes the central issue.

A member of the audience echoed Peterman's concerns. "Outside investment might not be a bad thing. It depends on who will control this investment. . . .It might be a good thing if it will lead to improvement without displacement."

The key question is whether or not current residents of South Austin can find a way to take advantage of the financial incentives to develop housing for those who already live there. No one at the meeting had the answer.

"Let's study the question before getting landmark designation," one of the residents proposed. "Let's find out first if we can take advantage of this before the process gets underway." A committee of residents was formed, and Foster and Peterman agreed to help the committee research the issue. Among other things, the committee will interview Austin residents to determine their needs, and study other neighborhoods that have acquired historic landmark status.

Researching the benefits and liabilities of historic landmark status will help the residents gain control over the future of South Austin. As one person stated, "This is a way we can have a community planning process." Part of that process will include trying to ensure that the Landmarks Commission doesn't go ahead with its plans without first consulting the views of the residents of South Austin.



Who benefits?

Who are the people advocating historic landmark designation within the Austin community? Who stands to benefit? How have people in the community been brought into the process?

One community organization, the Austin-Schock Neighborhood Association, is strongly in favor of historic designation and is working to help bring it about. This group is located in Mid-Austin, north of Lake Street. However, half of the designated area is south of Lake Street, in South Austin.

A door-to-door canvass by SACC revealed that most of the South Austin residents of the designated area did not know that their community was being considered, despite three previous meetings sponsored by Austin-Schock and the Landmarks Council. Most of those surveyed had many questions about how they would be affected. SACC's Housing Chairperson, George Lawson, pointed out that the meetings were held at times inconvenient for neighborhood residents to attend. He also called for "uncensored information"—a discussion of the pros and cons, rather than just a presentation of the possible benefits, so that the community can make an informed decision. He and other participants at SACCC's meeting charged that South Austin residents have not been given enough time to formulate a response.

Other forces in the area are also involved. One resident pointed out that landmark status for Austin was originally requested by the adjoining village of Oak Park. McLenahan admitted that this was so, but denied that Oak Park has anything to do with the Commission's actions.

Another member of the audience asked why the designated area "is right next to Oak Park." He thought that other buildings further east of the designated area seemed just as historic. But panelist Tim Barton from the Landmarks Commission denied that proximity to Oak Park was a factor. The boundaries are based on a survey of the neighborhood conducted on a purely historic basis, he claimed. McLenahan added, "What is the problem between Oak Park and Austin, anyway?"

Nuts and bolts

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replacement of existing entrance and foyer doors, new door buzzer/intercom systems, new mail boxes, repair and painting of rear wood porches, roof replacement, replacement of windows, and complete masonry tuckpointing.

For example, many buildings have center corridor-fed efficiency or one bedroom units that don't meet the income (rental) needs of a project, or the need to provide units for large families. With the direction of an architect, partitions are removed and new ones are installed to meet the needs of a new two or three bedroom unit.

Because many of these buldings don't have door buzzer/intercom systems, they have to be installed. In addition, a garbage chute has to be installed in a convenient place in the corridor that connects to a trash room in the basement.

In many buildings, the huge dining room spaces can be eliminated to provide for an additional bedroom. Also, pantries can be eliminated to provide a space for an individual heating system or to add to the dining space in the kitchen.

At interior stairwells, all railings, balusters, treads and risers must be repaired. Steps, risers and landings should be carpeted. Lighting should be upgraded, smoke/fire detectors installed, and door closers installed on inner and outer entrance doors.

Basements should be moderately rehabilitated to provide meeting and recreation space, laundry facilities, and a building maintenance shop for an on-site janitor.

Allowances should be set aside for replacement of broken sidewalks and landscaping. In many instances, consideration should be given to the installation of wrought iron fencing around a property to enhance its appearance.

Gut Rehab: ($30,000 to $50,000 per unit) is just what it implies. Typically, all existing plaster and wood furring strips are removed from walls and ceilings throughout the building, leaving wood studs and ceiling joists exposed. Depending on how a unit might be modified or redesigned, all walls and ceilings will receive new 5/8" gypsum board. Most of the items listed in substantial rehab will be done, resulting in an entirely new interior.

(Part 1 of a 2-part series)

The *Chicago Rehab Network Newsletter* is published bi-monthly and is available to individuals and organizations concerned with the continuing supply of decent housing opportuniites for low and moderate income residents of Chicago. Inquiries should be addressed to: The Chicago Rehab Network, 53 W. Jackson, Suite 818, Chicago, IL 60604; (312) 663-3936.

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In this issue

This issue marks the return of the Chicago Rehab Network Newsletter after a two-year hiatus. We are sending you a complimentary copy--hope you enjoy it!

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