

KNOW YOUR CHICAGO SYMPOSIUM, September 10, 2014

PUBLIC HOUSING: PERSISTING CONUNDRUMS

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Since many of you will be touring a number of public housing buildings, I'm going to review the history of public housing mostly through the lens of those buildings. That, I hope, will enable you to see something of the political and social history behind the bricks and mortar.

However, though painfully abbreviated, the story is still a long one. So as you listen I'm going to ask you to keep three questions in mind.

First, should public housing be for the poorest families, who often face serious problems apart from their poverty? Or should it be for low-income families without serious problems, the so-called working poor?

Second, should public housing be located in low-poverty neighborhoods, so the poor can live with the non-poor? Or in high-poverty neighborhoods, so the poor live only with other poor families?

Third, should public housing families of color live among whites? Or only with other families of color?

With these questions in mind, let's turn to the first part of our story.

Before public housing there were slum tenements. The first attempts at slum reform were private philanthropic ventures, after which cities tried stronger building codes. The slums did not appear to take note of either effort.

Then, in the Great Depression, a New Deal agency and the Housing Act of 1937 authorized the very first public housing. It was mostly one to four story row houses and apartments, mostly on slum land and vacant industrial sites. Jane Addams Houses, Chicago's very first public housing, dates to this period.

With the coming of WWII, however, the goals quickly changed to aiding the war effort by housing factory workers and, after the War, to temporary dwellings for returning veterans.

How were our three questions answered in these early years? First, though only poor families were served, admission to public housing was limited to the working poor; families on welfare or with serious problems were largely excluded.

Second, most of the units -- except for veterans' housing -- replaced slum dwellings, so they were in high-poverty areas.

Third, given the tenor of the times, early public housing was mostly racially segregated, white projects for whites, black ones for blacks. The exceptions flowed from the federal government's "neighborhood composition" rule -- racial occupancy of public housing should mirror the racial composition of the host area. So in the few projects located in mixed neighborhoods, tenancy was to mirror that mix.

Illustrative is what happened in 1946 at Airport Homes, 185 units for returning veterans near Midway Airport. The Chicago Housing Authority was then headed by Robert Taylor, grandfather of Valerie Jarrett, an advisor to President Obama, and by Elizabeth Wood, CHA's forward-looking first executive director. Since 20% of veterans needing housing were African American, Taylor and Wood decided to disregard neighborhood composition and admit black veterans to 20% of Airport Homes apartments.

On the day the first African American families were to move in, a crowd of over 1,500 gathered in front of the apartments. So did about 400 policemen. The ensuing battles lasted for two solid weeks. Finally, the black families, and Taylor and Wood, gave up. Airport Homes became and remained all white.

So that's Chapter One of our public housing story -- clearing slums with low-rises for working families in the 1930s, then housing factory workers during the War and returning veterans after it, all racially segregated.

Our second chapter runs 20 years, from 1949 through 1968. At the end of WWII the nation faced a housing shortage. In 1949 Congress passed a housing act that authorized lots of residential development, including over 800,000 public housing units. Beginning in the early 1950s, public housing began to sprout in cities and towns all across the country.

Boy, did it ever! Thousands upon thousands of apartments in Chicago alone over the next two decades. But what kind of sprouts would they be, and where would they be planted?

Two factors determined the answer to the first question. Obsessed with costs, federal administrators imposed cost ceilings that, given the expense of acquiring slum land, could only be satisfied with high-rise construction.

Also, the ideas of a Swiss-born architect had become the architectural rage. Le Corbusier's vision for urban living was a "vertical garden city," blocks of apartments stacked atop one another, surrounded by parkland.

The cost ceilings and the architectural fashion meant that the vertical garden city soon became the public housing norm in Chicago and elsewhere, including for large families with many children.

As for location, the borders of Chicago's "black belt" were of course rigidly in place. Practically all the new sites were within or adjacent to those borders. For example, in 1957, Henry Horner

Homes, 920 apartments in nine elevator buildings, went into a near-West Side slum. In the early 1960s, Robert Taylor Homes, the world's largest public housing project, with 4,400 apartments in 28 16-story buildings housing 27,000 persons, 20,000 of them children, went into a South Side slum. In the two decades of the 1950s and 1960s, CHA built some 18,000 apartments, mostly of the vertical garden type, mostly in black-occupied slums.

Who were all these apartments for? Well, because the new public housing was so massively displacing slum dwellers, no longer could families on welfare and those with serious problems be excluded. CHA soon became the landlord for hard-core, poverty families.

Yet placing poor, mostly African American families, many with serious or large numbers of children, in enormous poverty enclaves was a prescription for disaster. Slum tenements were being replaced with what would become high-rise versions of the same.

Then, in early summer, 1967, the country's residential segregation practices came home to roost. African American neighborhoods in Newark, Detroit, and many other cities exploded. Only after scores of deaths and the leveling of entire city blocks were police and National Guardsmen able to quell the riots. President Johnson appointed a commission to determine what had happened and why, and what could be done to prevent a repetition.

On March 1, 1968, answers were proffered by the Kerner Commission, as it came to be known. Our nation is moving toward two societies, one black, one white, separate and unequal. Segregation and poverty have created in the racial ghetto a distinctive environment unknown to most white Americans. Federal housing programs must be given a new thrust aimed at overcoming the prevailing patterns of racial segregation.

Just weeks after the Kerner Report, in April 1968, Martin Luther King was felled by an assassin's bullet. Outrage and more rioting immediately swept the nation. Open housing legislation, filibustered two years earlier, was enacted within a week.

In August Congress passed another housing law. Some 6 million subsidized units, including more than 300,000 of public housing, were authorized to be built over 10 years.

Finally, in December, two presidential commissions echoed the Kerner Report's call for drastic measures to deal with black ghettos. Housing the poor and eliminating housing segregation, they said, were of such supreme national importance that if all else failed the federal government should do the job itself, including overriding local zoning where necessary.

Collectively, the Kerner Report, the housing laws, and the commission reports laid the groundwork for a historic reversal of federal policy. With the Great Migration moving millions of Southern blacks into urban ghettos, the federal government had actually regressed from its neighborhood composition rule by insuring mortgages for whites but not for blacks in the post-War exodus to the suburbs, and by putting public housing projects mostly in impoverished black neighborhoods. Now the Kerner Report had provided an impassioned statement of what had to be done, two housing acts had supplied the tools, and two housing commission reports had provided plans. And so ended the tumultuous year of 1968 -- and with it chapter two of our story.

Chapter Three runs from January, 1969, when Richard Nixon was inaugurated, to 1974, when Nixon helicoptered off the White House lawn in disgrace, and it is about what Nixon did with that groundwork that had been laid for a reversal of policy on housing segregation.

As his Housing and Urban Development Secretary, Nixon chose George Romney, father of Mitt. George Romney, it turned out, was imbued with a mission. It was vital, he asserted, for subsidized housing to be dispersed more broadly than in the past. Federal funds had been concentrated in the core cities. HUD would now put greatly increased resources -- quote -- "where the solutions are, not where the problems are" -- that is, in the suburbs.

Romney began in the Detroit suburb of Warren. With a population of 180,000, Warren housed a total of 28 African American families. Yet the population of neighboring Detroit was more than 40% black, as were 30% of the workers in Warren's auto plants.

If Warren wanted action on its urban renewal grant request, Romney wanted Warren to increase housing opportunities for African Americans. In negotiations with HUD a Warren city councilwoman asked Romney if he was talking about integration. He was, Romney replied, adding that what he was really talking about was "moral responsibility." Well, said the councilwoman, what you're asking us to do is give up our [city council] jobs."

It didn't take long for the *Detroit News* to publish stories on the Warren-HUD negotiations. The initial headline read, "U.S. Picks Warren as Prime Target in Move to Integrate All Suburbs." Nor did it take long for Nixon aides to tell Romney to hold off on his strategy until an official administration position on housing desegregation was formulated.

In December 1970 the blow fell. In a televised press conference the president announced -- quote -- "I believe that forced integration of the suburbs is not in the national interest." Said the *Wall Street Journal*, Nixon could have talked of crowded housing conditions in the central city. By his selection of the phrase "forced integration," the president had "draped the dreaded race-mixing shroud over the entire Romney effort."

At the end of 1968 the federal government had seemed poised to begin redressing the most visible current manifestation -- housing segregation -- of the historic wrongs visited upon black citizens. Now, in an instant, Nixon had stamped out Romney's initiative.

Soon, in January 1973, Nixon declared a moratorium on housing subsidy programs. In 1974, after negotiations with Congress conducted by Romney's successor -- a disillusioned Romney having departed -- an entirely new "voucher" approach to subsidized housing was enacted. Conventional public housing was kept technically alive, though appropriations were minuscule. The new approach would rely on dwellings in the private market, with the federal government providing vouchers to pay a portion of the tenant's rent.

Much of this was happening concurrently with Watergate, and Nixon was soon gone, resigning on August 8, 1974 (while, ironically, the aides tasked with ending Romney's effort at moral

responsibility went to jail). But in his five and a half years in the White House, Richard Nixon had fundamentally reshaped subsidized housing policy.

The penultimate chapter of our story runs from 1974 to 2000. The first thing that happened was nothing, or nothing much. Back in February, 1969 a federal judge in Chicago in what is known as the *Gautreaux* case – full disclosure: I'm a lawyer in that case – had ruled that CHA was guilty of racial bias. The bias of course was choosing to put practically all those high-rises in black neighborhoods and virtually none in white. The laudable goal of providing needed housing, the judge ruled, could not justify a governmental policy of keeping blacks out of white neighborhoods.

To right the wrong it had committed, CHA was ordered to build low-rise scattered site public housing, mostly in white neighborhoods. But intransigence and incompetence combined to frustrate achieving that goal. Eventually, but not until 1987, the court took the job away from CHA and gave it to a court-appointed receiver.

By then, however, the city was largely filled up, vacant land was gone, and construction costs had escalated. The receiver was able to build only about 2,000 scattered site units, a tiny amount in proportion to the more than 30,000 families entitled to unsegregated housing opportunities under the court's ruling.

The second thing that happened was that in that same *Gautreaux* case HUD was found guilty of knowingly funding CHA's racial discrimination, and agreed to a remedial program based on the voucher idea enacted in 1974. Called housing mobility, the program offered search assistance and a rent subsidy to families who wanted to move out of segregated neighborhoods into private dwellings in white or integrated ones, including in suburbs.

Housing mobility was much more successful than scattered sites, and eventually some 7,000 families, over 20,000 persons, did move out of segregated city neighborhoods. Northwestern University studies showed that many moving families experienced startling improvements in their lives.

The third thing that happened was predictable. The huge enclaves of poor families deteriorated into extreme distress. In addition to the woes of concentrated poverty, tenants were terrorized by gangs, and then by the scourge of crack-cocaine. Vincent Lane, head of CHA from 1988 to 1995, tried every which way to gain control. He was unsuccessful, and bankrupted the agency in the process. There was pressure to demolish the high-rises, but rehabilitation was the chosen solution of HUD Secretary Jack Kemp, who said he did not want to be known as the Secretary of Demolition.

Then the fates took charge. In October 1992, seven-year-old Cabrini-Green resident Dantrell Davis, walking to school on the project's grounds, holding his mother's hand, was fatally shot from a high-rise window. The killing was front-page news for a week. "Tear down the CHA's

high-rises," commanded a *Tribune* editorial. Demolition, a forbidden word until then, suddenly became politically discussable.

Sure enough, Congress soon enacted a program, called HOPE VI, under which most of the high-rises would be torn down, to be replaced by mixed-income communities that would include, but wouldn't be dominated by public housing.

By late 1999 HOPE VI was in full sway across the country, and in Chicago too, where Mayor Richard Daley was negotiating a big HOPE VI plan with HUD. He called it the Plan for Transformation, which becomes the final chapter of our story.

Chicago's Plan for Transformation was signed by the City, CHA and HUD in February 2000. It was a \$1.5 billion deal. With the promised dollars CHA would demolish some 18,000 public housing units and would build or rehabilitate about 25,000, enough to house all lease-compliant tenants. Still, there would be a net loss of some 13,000 dwellings. Though most were vacant, the loss, CHA acknowledged, was "concerning," but it said there was no alternative.

The \$1.5 billion figure looked impressive but it wasn't enough to do all that was planned. Another \$1.5 billion was needed, and that was to come from city, state, and private sector sources, including developers who could make a profit from market housing built on CHA land.

Truly it was an enormous undertaking. *Newsweek* said that while 80 cities across the country were leveling at least some of their worst public housing, "none had attempted such a complete overhaul." Mayor Daley went further. The Transformation Plan would not only replace buildings, it would -- quote -- "rebuild lives."

So here were three steps to rebuild lives as well as buildings. First, the Horners and Taylors would be taken down. Second, from those places new communities would rise that would include but wouldn't be public housing. Third, with social services, lives would be rebuilt.

The first step, tearing down, was the easiest. The second step, the construction, went more slowly -- planning and construction always take longer than demolition. Then the tanking of the economy in 2007 threw an enormous monkey wrench into the real estate market and slowed the Transformation Plan by years. Only now is second step work getting back up to speed.

The third step, rebuilding lives, was the most ambitious. It was also the step CHA performed least well. Relocation, the threshold task, was handled badly. Where would the thousands of families go who had to be moved out before wrecking balls could swing?

The answer, like Gaul, is divided into three parts. Some would eventually move back into the new, mixed-income communities. Some, using vouchers, would move to private dwellings in low-poverty neighborhoods. The rest would move to the remaining 100% CHA developments, now rehabilitated.

It soon appeared, however, that most families relocating with vouchers were moving from one high-poverty, segregated neighborhood to another. The main reason was CHA's failure to

provide effective assistance of the kind that had enabled so many *Gautreaux* families to make life-enhancing moves. A CHA relocation monitor reported -- quote -- "The vertical ghettos from which the families are being moved are being replaced with horizontal ghettos, located in well defined, highly segregated neighborhoods on the West and South Sides."

After that shot across its bow CHA did better, and today it provides stronger mobility assistance. But the improvement didn't come until thousands of families had already been moved. And even for families still to be relocated, CHA's mobility assistance needs to be strengthened.

As for rebuilding lives with social services, here too CHA did a poor job in the beginning, attempting without much success to connect CHA families to city services. Eventually hiring social service contractors, CHA began developing its own services program. This is still a work in progress, though CHA is doing better than most public housing agencies in crafting a multi-faceted social services program.

That brings us to today, with two mixed-income developments completed, 9 more well underway but not yet finished, and three – Lathrop, Harold Ickes, and LeClaire Courts where construction has not yet begun. And a new name, Plan Forward, for the next Plan for Transformation stage.

Chronologically speaking, that also ends our abbreviated public housing history. In the few moments that remain, I'll offer some reflections about our three questions.

The first question was, Who is the housing for? Originally, it was for the working poor, not families on welfare or facing serious problems. Then, placed mostly in high-poverty neighborhoods, public housing opened to such families, and that led to major difficulties.

Recent research has taught us much about concentrated urban poverty. Hundreds of studies, says famed scholar William Julius Wilson, show that the harmful effects of growing up in concentrated urban poverty extend to all aspects of life -- for example, to health, verbal skill development, and prospects for economic success -- and that they are likely to lead to blighted adulthoods. Studies also show that the effects accumulate, and become even more severe over multiple generations.

So, no matter the building type or location, concentrating hundreds of poor families in an enclave of their own is likely to be a prescription for illness, not wellness. Hence, the mixed-income thrust of HOPE VI, the Plan for Transformation, and voucher mobility is sound policy. And so is CHA's current requirement that able-bodied tenants be either working or going to school, a throwback to the working family focus of early public housing.

What about families who cannot comply with that requirement, or access mixed income developments or well located private dwellings with vouchers, because they face really serious problems in their lives? This is a societal challenge for which public housing is not the best solution. Families with the deepest needs require different policies and programs. Society should

turn to specialized, supportive housing agencies, as they are called, to handle the combined housing and services needs of this small but vulnerable part of our poor population.

The second question is a no-brainer. Wherever we continue to develop shelter that is exclusively public housing, not dispersed within a mixed-income community, it simply compounds concentrated poverty to place it in a high-poverty neighborhood.

But this answer, easy in theory, is bedeviled by our third, racial question. Throughout our history we have contended with the residential segregation issue. This is a persisting societal problem we cannot expect public housing to solve. That requires restarting the George Romney initiative.

Yet we can expect public housing not to aggravate the problem, and even by example to show what can be accomplished. Public housing must not be racially segregated housing. Our governments must stop that kind of wrongdoing.

So what is my conclusion? Society gets the kind of public housing it fosters; public housing practices mirror practices of the larger society. When the body politic allowed Robert Taylor and Elizabeth Wood to be taken down at Airport Homes, when it allowed Richard Nixon to take down George Romney, we shaped our public housing and societal destinies.

Today, seven times as many African American children live in high-poverty neighborhoods as do white children. Eleven times as many African-American kindergarteners are in high-poverty classrooms as white kindergarteners. Thirty percent of black children experience a level of neighborhood poverty -- 30% or more -- that is virtually unknown among white children.

In the face of these harsh facts, Chicago's Plan for Transformation, flawed though it has been, and CHA's voucher program, improved though it must be, are small and grievously belated steps. Both, however, point in the right direction. Why? Because both aim to enable poor families of color to live among the non-poor, thereby to gain access to the relative safety, and to the school, health care and other public and private facilities and amenities that generally characterize non-poor neighborhoods.

Thank you for letting me share the conundrums with you.

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