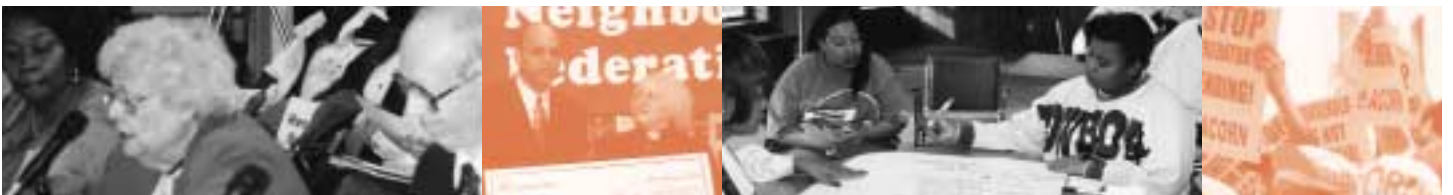




Organizing for Change: Stories of Success



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Stories of Success

Written by Judy Hertz

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One year ago, the sponsors of the Community Organizing Award were presented with a unique opportunity. Judy Hertz, an experienced community organizer and writer, proposed to us a documentation project that would tell—in some detail—the stories of

Preface

several recent campaigns, executed by varied community organizations, that have had substantial and lasting effects upon their neighborhoods or on a city as a whole. As individual foundations, we fund community organizing for many reasons. We fund it because it contributes to progress in many distinct issue areas, because it can prevent or remedy injustice, because it strengthens the social fabric in individual communities, because it holds public officials and private entities accountable for their actions, because it can bring needed resources into challenged communities, and because it provides a training ground for citizens and leaders who go on to other issues, other organizations, and other arenas. But, most of all, we fund community organizing because it lights the flame of civic participation in a way that no other funded activity can do.

The reality of that participation, however, is not always easy to see through the lens of the kind of press coverage that community

organizations typically get. It is not even easy to see in the format of the usual funding proposal. The intense self-education, relationship building, and development of decision-making processes that form a large part of community organizing are hard to capture on paper. When these sorts of activities occur in middle-income and upper-income communities, they don't need foundation funding, since the many civic organizations found in such communities can contribute the resources needed to make them happen. Civic involvement in resource-poor lower-income communities, on the other hand, needs to be supported with funding specifically aimed towards the development of broad participation.

We agreed to support Judy's idea with a great deal of enthusiasm, because we think that these four stories illuminate the way that community organizing creates a broader and more inclusive public conversation. As with every movement to extend and increase participation in public life, those who have to give up some of their dominance resist and complain, and much of what you will read here is about that resisting and complaining. While the interpretation of events that you will find in the following stories is Judy's, and while we as individual funders might differ with particular emphases, we are unanimous in our support of the constant thread that Judy weaves through these accounts: that community organizing is a sophisticated, thoughtful, long-term, and needed contribution to the democracy that we all cherish.

—*The Sponsors*

This booklet recounts the stories of four successful community organizing campaigns in the Chicago area in the past ten years. My inspiration to write these stories came fifteen years ago when I was driving through West Town with long-time Chicago organizer Tom Gaudette. “None of these young organizers even realize,” he grumbled, “how we fought for and won this housing in the early days of NCO [the Northwest Community Organization].”

He was right. I had had no idea that the affordable housing development we were driving past was the result of a community effort. I had heard dozens of old stories as I was being trained as an organizer, but they mostly did not extend beyond the accomplishments of the organization I worked for at that time—just one of the hundreds of community organizations across the country.

Start to ask around, though, and you discover similar success stories in most communities, as well as many policy changes and new programs launched to benefit neighborhoods.

So when I began this writing project in collaboration with the foundations that fund the Community Organizing Award, we had a wealth of stories to choose from. How did we narrow the field?

First, we decided that we would only consider accomplishments within the last 10 years—the lifetime of the Award. Then we eliminated any victories where the end result was in doubt or the determining role that community organizing played was open to question.

Next, we talked about the core definitions of community organizing, which have been

developed in the field over many years, and which the foundations use in their funding.

For an accomplishment to be considered for inclusion here, it must have resulted

Introduction

from grassroots organizing efforts that 1) developed community leadership; 2) were carried out through an organization that was accountable to community residents and had a democratic decision-making process; 3) built community power based on relationships among large numbers of area residents; and 4) built an enduring community organization.

This definition grows out of the work of Saul Alinsky, who developed the prototype in Chicago through his work in Back of the Yards in the 1930s. Organizers who work for the Industrial Areas Foundation, the training institute that Alinsky started before his death in 1972, are the first to say that many changes have been made in community organizing practices since Alinsky’s day. Like Alinsky himself, community organizing has been enormously influenced by the labor movement and the civil rights movement (which both trace their influences to many other traditions).

In more recent years, organizing has learned from the women’s movement, various student movements (black and white, north and south), the many rich political and cultural traditions brought to this coun-

try by the waves of immigrants who have arrived in large numbers during the past 25 years, and numerous other sources. And there is still plenty to learn.

Once we had narrowed the selection through dates and definitions, there were still dozens of great stories to be told. It was a difficult choice. We solicited opinions from organizers, looked at geographic and demographic balance, and aimed for campaigns that would illustrate different aspects of the organizing process in the past 10 years. Finally, we settled on four good stories of people coming together through strong community organizations to build power to keep their communities viable and to gain the right to define what “viable” means.

Hollywood has taught us to expect great deeds to be done by people with extraordinary strengths, unique talents or heroic qualities. These four stories, however, are about ordinary people. Through the community organizing process, they became connected to their neighbors and their community. By participating in organizational successes small and large, they rebuilt a sense of hope and found a role to play. They were challenged to develop their talents and to live up to their ideals. Together they learned the skills of grassroots democracy—analyzing the root causes of problems, developing solutions rooted in community, and building and wielding power.

These are not stories of individuals who spontaneously came together to confront a crisis. The mainstream press seems to love the idea of protest spontaneously generat-

ing, and to believe that there is something cynical and sullied about action that is planned and strategies that are carefully plotted. However, if community residents are truly going to have the power to make a difference, they have to be very deliberate in their work. Each of these stories involves an organization that has sunk deep roots in a community, and brings people together to think strategically about the future of their community.

I am very pleased to have the opportunity to tell these stories. I interviewed a lot of wonderful people, and I want to thank all of them for sharing their thoughts and experiences with me. I express my regrets to the people whose contributions are not included here, and want them to know that what is here is influenced by everyone I spoke to, whether I have quoted them or not.

The quality of everyday life in Chicago is better because these people and many others have built strong community organizations. These organizations have been the vehicle for creating hope where there was apathy and despair, for developing among neighborhood people a sense of their own power, and for bringing about many concrete improvements in the city of Chicago and beyond.

History is not like the weather. It doesn't just happen, and leave us to make the best of it. The people in these stories came together, made plans, built power, and took action. In so doing, they changed the course of history.

—*Judy Hertz*

This is the story of a group of residents, working through the Logan Square Neighborhood Association (LSNA), who decided that enough was enough. The area around the intersection of Clybourn and Diversey streets is a part of Chicago that has been most affected by changes in the U.S. economy during the past 20 years, particularly the decline in manufacturing. Many of the long-time community residents felt that they were entitled to a say in the future of their neighborhood. They envisioned a future that did not paint them out of the picture due to rising housing costs and the decline in living-wage jobs.

When Cotter & Co., which had been in the community for decades, decided to sell its warehouse and office space at the intersection of Damen and Clybourn in 1996, old-time residents made up their minds to fight for a new use of the land that would continue to provide community jobs and not drive residents out.

“We were very concerned that we would not be able to afford to stay in our own community,” says Liala Beukema, pastor at the Church of the Good News on Wellington Avenue and a community resident. “Transformation was happening around us, and we felt that we deserved to have a voice.”

The Clybourn and Diversey area used to be one of the premier industrial corridors in Chicago. Stewart-Warner, Appleton Electric, Republic Aluminum, Kennicott Bros., Vienna Beef, and dozens of other manufacturing facilities, large and small, were located there. Employees were mostly neighborhood residents who could walk to work. People with a high school education could find stable jobs that paid enough to support

a family. The surrounding community was a blue-collar mixture of affordable single-family homes and apartments.

Then manufacturing began to leave the

Keeping jobs in the neighborhood

city. Through the late 1980s, employees, their union, and community supporters waged a great struggle to keep the Stewart-Warner plant open. A neighborhood fixture since 1905, it once employed 2,000 people. In 1989, the owners closed its doors and soon thereafter sold the land to real estate developer Ron Shipka and Enterprise Development. The old factory was knocked down in 1994 to make way for a gated community of more than 200 homes, called Landmark Village. Enterprise and other developers had already built a number of other new developments on formerly industrial land in the area.

This process of redeveloping older, low-income and blue-collar neighborhoods into updated, upscale new communities is known as gentrification. It generally involves displacement of the old population, which must scatter into other, more affordable areas, perhaps far from jobs and family and old neighbors. Gentrification swept through most of Lakeview and Lincoln Park

in the 1980s and '90s, and crept along the boulevards of Logan Square as well. It has been moving steadily west toward the Clybourn corridor for some time.

Not everyone agreed that this was a problem, however. Nor did they think that the desires of neighborhood residents were realistic. "An economist looking at this would say, 'Why in the world would anybody build a manufacturing plant in the city?' Costs tend to be higher and wages higher," James Annable, chief economist for First Chicago NBD Corp., told the *Chicago Tribune* (*Tribune*, 1/21/97).

The *Tribune* editorialized that gentrification was a red herring. "A variation on timeless class-warfare themes, gentrification supposedly occurs when heartless yuppies and their developer accomplices lay siege to working-class neighborhoods, driving up rents and driving out old-timers. The reality rarely supports the rhetoric..." (*Tribune*, 5/24/97)

Those people on the front lines of the warfare felt that the threat was real enough. Aware of many previous losing battles, and not sure that they could win this one, community leaders nevertheless began bringing people together and researching the situation to see what could be done.

Decades ago, Chicago was an industrial giant among American cities. In 1968, Chicago had 8,087 manufacturers, or 43% of the Illinois total. After losing an average of 125 plants per year, the city was down to 19.6% of the state's total by the end of 1997 (*Chicago Tribune*, 1/21/97). In the changing economy of the past three decades, manufacturing fled to the suburbs and rural areas where land was cheaper, as well as to the South and out of the country, where labor costs are lower. Although the city has been gaining jobs in recent years, most of them are in the service sector, where the pay levels for less skilled work tend to be much lower.

In the end, they won the battle, although the larger war continues.

Cotter & Co. decides to leave

"Rumors about Cotter leaving had been going around for a long time," recalls Maynard Batie, an elder at the Good News Church. "Many people in the neighborhood were employed there, and were afraid if they couldn't get transportation out to the new location, they would be out of a job."

Batie has lived in the community for almost half a century. In 1956, he and his wife and children were one of the first black families to move into the Julia Lathrop Homes, a public housing project that stretches along the Chicago River, just west of Clybourn and Damen, both north and south of Diversey. After 25 years there, he moved four blocks east. He helped start the first Lathrop tenants organization, and has been an activist all his adult life in the neighborhood and beyond. He retired many years ago from a job with the Chicago Department of Housing.

Sharon Schramel is a single mother who lives in Lathrop Homes and works as administrative assistant with Urban Systems of Care, a project of DePaul University, housed at the Church of the Good News. "At the same time the neighborhood was changing, welfare reform was beginning. It was becoming clear that people were going to have to find jobs. However, all the jobs were moving away. We had to stop the process."

"When we found out that Cotter was talking with a developer by the name of Shipka," continues Batie, "we were even more alarmed. It was Shipka who developed the land where Stewart-Warner was, and we rebelled against the idea that they were going to put more upscale housing here."

Members of the community had already had direct experience with the gated community on the old Stewart-Warner site.

“Just before the Cotter issue, we had stopped a pawn shop which wanted to rent a storefront on Clybourn by Lathrop,” says Beukema. “People felt a pawn shop which also sold beepers would be a bad influence, and wouldn’t provide any jobs, either. Well, we thought the people in Landmark Village might be interested in helping stop the pawn shop. So we took the church van, and a group of people of all colors, and we went to meet our neighbors.”

The Church of the Good News has a long history of community activism, and deep roots in Lathrop Homes, where it had been started in an apartment in 1961. It had hooked up with LSNA around the time of the pawn shop incident, and was becoming more systematic in its community work.

“We started at the sales office. We got out of the van and they said, ‘Who let you in?’ And we said, ‘We’re here because we thought you might be interested in working with us on this pawn shop, and we wanted to open up communication.’ They threatened to call the police. That experience really began to raise awareness, both within Lathrop and some of the surrounding community, about what impact gated communities could have.”

“People were left with the feeling that the development was not intended to be a part of a larger community,” notes Nancy Aardema, executive director of LSNA. “There was no sense of neighborliness whatsoever. That fed into people’s thinking when other residential developments were discussed.”

So when they heard the name “Shipka,” the members of the community organization wanted more information immediately. They went to meet with the owner of Cotter & Co.

“The CEO, Dan Cotter, has been a very beloved man in the neighborhood,” says Beukema. “He had helped the Boys and Girls Club raise a lot of money, and done

other good things in the community. So everybody loved him, and the general attitude was amazement that we would disagree about this. In fact, every time we would raise the issue in community conversations, people would say, ‘Dan Cotter has given so much, why don’t you want him to get something back?’

“When we spoke to him directly, he was always very evasive. Initially he seemed open to encouraging more manufacturing. The property is zoned for manufacturing. He said no decisions had been made.

“But a couple weeks later, we were invited to a community meeting at Hamlin Park where Enterprise Development presented a plan for about 535 housing units. They were looking for community affirmation so they could begin.

“The community around the church felt like it had been lied to,” continues Beukema. “Everywhere we turned after that meeting, they told us it was basically a done deal. I confronted Mr. Cotter, who just shrugged his shoulders and said he had tried.

“However, as a part of the conversation with him, we learned that the developer had an option on the property, based on getting the zoning changed. So we began to ask, what kind of a voice does the community have in the zoning change process?”

A group of leaders began meeting weekly at the church to research the issue and determine what they could do to stop the development of the gated community. Some people were reluctant to get involved, because they had seen the fight around retaining Stewart-Warner, and knew that despite everything the employees and the community did, the factory still closed. On the other hand, the presence of Landmark Village, and the experience of being thrown out when they had tried to make contact, added to people’s determination to stop the development at the Cotter site.

One of the first people Beukema and

Aardema talked to was Maynard Batie.

“I worked hard to get other people involved, especially church members, most of whom live in the Lathrop Homes,” recalls Batie. “It was not easy, because many of these people feel they have no hope, and the attitude that they can’t beat City Hall.”

“The first interesting thing we found,” says Beukema, “was that the alderman has the key role in making zoning changes in his ward in Chicago.” They tried to meet with their alderman to discuss the matter, but he was not interested in talking to them.

“The second thing we found was that our alderman, Terry Gabinski, was having a new home built by the developer who was seeking the zoning change, a very large home in the Landmark Village. It raised the question, how could he make an unbiased decision? Not only was the house very large, but our research showed that he had gotten a very good deal.

“So that became one of our first actions. On a very rainy evening, about 75 of us walked over to his house and tied a yellow ribbon with play money stapled to it around the construction site of his new home. The message was, the neighborhood deserves the same kind of good deal that the alderman was getting.”

Unfortunately for the area residents, Lathrop Homes, the Church of the Good News, and most of the concerned residents lived in the 26th ward. The Cotter site was in the 32nd ward. It is unwritten law in Chicago that the mayor and the other aldermen very rarely interfere with an alderman’s right to decide zoning within his own ward.

“We put together a community meeting at the church,” says Beukema. “It was an election year, so we invited all the aldermen who were running for election and who would be impacted by this change, including the alderman from the 26th ward, Billy Ocasio. Neither one of the aldermen came. About 300 people packed into the building. Vienna

Beef provided free hot dogs for everyone.”

Through a citywide living wage campaign that LSNA was participating in, it had made contact with the owner of Vienna Beef, which had its headquarters and factory only a few blocks further down Clybourn. The chairman of the board, Jim Bodman, had heard about the development and was concerned about the impact it would have on the business. Vienna Beef employed 500 workers, was unionized, and paid living wages, that is, wages that can support a family above the poverty level.

“It was a very exciting night,” recalls Schramel. “Jim Bodman from Vienna Beef spoke. ‘I’ve got offers from Wisconsin and Arizona. I can move.’ But he didn’t want to. He’s very employee minded. ‘But if you put condo people here, they’re going to run us out. We have odors, we have trucks, we run 24 hours a day. If condos are built, we’ll take our 500 jobs and move out of the city.’”

Batie says it was standing room only in the church. “We needed to move beyond the aldermen. Bodman got the mayor’s attention.”

The reaction was more than anyone had expected. Bodman’s statement was reported in the Chicago media, and he received a call from Mayor Richard M. Daley. The mayor declared that he would not support a zoning change, and that there would never be housing on the Cotter site.

Just stopping something is not good enough

“That seemed like a pretty significant victory,” says Beukema. “But then it raised the next issue: if not housing, then what?”

“Instead of reacting to each case, we saw the need to create criteria for how we would evaluate proposals. What were we looking for? We had a community meeting and talked about priorities. Living wage jobs, where the pay is high enough to support a family. The full number of jobs that we felt

the land could produce. It's 17 acres, so we could definitely get something that could create 500 jobs. We wanted businesses that would provide benefits for employees, health insurance and so on. Childcare would be great. Job training that would lead to full-time employment was very important.

"As a community, we put together a wonderful document that we could use to communicate an evaluation of proposals, but also take to the alderman and the city and interested developers ahead of time and say, this is what we're looking for. If you're going to bring something, bring this."

Getting the city to help

The next step was to take their criteria to the city and get recognition of what the community wanted.

"After the mayor said no to housing, we went to Ald. Gabinski's office," says Aardema. "We wanted him to help find a user for the property. He had refused to set up a meeting, so about 20 of us went on his ward night, the traditional time when people can go see their alderman. We got the impression that he wanted to let the land rot, he was so mad at us for stopping the housing development. It seemed like he was really angry because he had cut a deal, and he wasn't able to do his part."

They also met with the Chicago Department of Planning and Development.

"We talked to Chris Hill, the commissioner," says Beukema. "His department was very clear that it was not their responsibility to pursue a developer. They basically said, 'We'll review whatever developers want to do with it.' It was a very reactive approach.

"If we were in an empowerment zone, or a Tax Increment Financing district, or some other specially designated area, okay, they'd work with us. But not at the corner of Clybourn and Damen.

"Obviously they act when it suits them,

we've learned that. They pursued Boeing. But they weren't going to do it here."

Meanwhile, several development proposals came along. The first was for movie theaters. This did not meet the criteria of full-time, living wage jobs with benefits. The second was for self-storage units. This was even worse, since the number of jobs that would be created was minuscule for the amount of land that would be covered. The community let its opposition to both proposals be known.

Almost monthly, LSNA took a busload of residents to City Hall to meet with the planning department or try to meet with a developer.

"Every time we'd hear that there was going to be a meeting with a developer, we'd try to meet with the commissioner, try to meet with the developer," notes Beukema. "If we couldn't get any satisfaction there, we'd end up on the fifth floor to meet with the mayor. We became very close friends with the fifth-floor security guards. They'd see the elevator doors open, they'd see our faces, and they'd pull out the ropes to block off the door to the mayor's office."

But their constant presence made a difference.

"People eventually began to listen, and to call us earlier in the process," declares Beukema. "It also made a difference in the attitude of the neighborhood. Partly because of the early decision of the mayor not to put housing there. But also because a kind of community camaraderie developed over the course of time, as people went to actions together and heard reports about actions. People began to feel like something was really possible."

Aardema believes that they changed some attitudes at City Hall. "When we started, all the doors were shut. And we began to get more doors open. We were really clear, by this time, what our criteria were. The planning department knew when we were on the



Members of the Logan Square Neighborhood Association brought their protests to Chicago's City Hall.

fifth floor. They were beginning to be much more proactive.

“They sent workforce development people our way. So they were beginning to think about us as an organized group. Community residents started to recognize that their opinions were being valued more.”

Meanwhile, Cotter & Co. had moved to its new site out by O’Hare, and its huge building was vacant and ready for demolition.

Negotiating a more acceptable proposal

“Then we got a call that a new developer had taken over the project and wanted to meet with us,” says Beukema. “And that was our first conversation with Dan McLean. It was not all positive. We were not buddy-buddy with Dan McLean in any way, shape or form at the beginning.”

McLean had three proposals. The first was for mixed-use development, storage and commercial. That was unacceptable. Not only did storage not produce jobs, but community leaders had learned in their research that storage often precedes a transition to

housing. The construction for self-storage is cheap and easy to demolish when more profitable residential development becomes possible.

“We made some suggestions to McLean,” says Beukema. “There was a possible CarMax deal, but it didn’t fly. Eventually he came to us with a plan for commercial development with Costco as the anchor store.”

Costco Companies, Inc., based in Washington, was looking to open its first store in the Chicago area.

“We learned that Costco offered living wage jobs, at the time, \$8.00 an hour starting pay, with benefits for all employees, both full- and part-time. They were going to hire over 200 people. It seemed like a workable proposal, and there would be other development that would make up the rest of the jobs we were hoping for.”

Alderman Gabinski had retired and Ted Matlak had been appointed by Mayor Daley to replace him. The new alderman organized a public meeting to ask for community input on the project. However, he did not plan it for a location that would be convenient to the residents who had been most active, those from the immediate area around Clybourn and Damen. Instead, the meeting took place at St. Bonaventure Church, on Diversey just west of Ashland. That area, further east, is more gentrified already.

Beukema and the other community leaders were convinced that the location was a deliberate strategy to minimize their participation. “We organized a march from the Church of the Good News, which is right by Lathrop, over to St. Bonaventure. We wanted to all enter in a group and show our unity. We also wanted to make it fun.

“We had over 70 people. We handed out

sack lunches. We had drums. We had signs. It was a parade.”

Aardema remembers it as a culmination of all the things the community had done. “By this time, we had had many, many actions. We had flied all the traffic in the neighborhood. We’d had candlelight vigils. We’d had prayer vigils. This march was a celebration of all of our work, with songs and a festive atmosphere.”

“We sat very respectfully in the back of the room,” says Beukema. “We far outnumbered the people from the gentrified area. Costco did their presentation, then we began to ask questions. Really we just wanted a public agreement to two things: that they would do the job training with us, and that they would utilize us as a resource for hiring people in the neighborhood.

“And the alderman stood up and totally lost it. Just absolutely got furious. He said we didn’t have a right to ask that, and who did we think we were. What happened next was great. A number of people in the gentrified section of the audience stood up and said, ‘We don’t get it. Why can’t you agree to that?’

“So most of the anger got directed toward the alderman, and we were sitting in the back of the room eating our sack lunches.”

The biggest concern of the middle-class residents was traffic. But they saw the hiring issue as even more important.

“There was a lot of energy in the room,” continues Beukema. “It scared the Costco representatives, who were from Seattle, and weren’t expecting such a lively meeting. I think it was the first time they sensed that they had stepped into a complicated situation. They gave us their business cards, and said we would talk.”

But Matlak ran out of the room and called the police.

“As we were leaving the meeting, the police were standing there,” recalls Aardema. “And they said, ‘You guys look pretty

Mayor Daley and the Chicago Department of Planning worked hard to keep Cotter & Co. in the city. Eventually a site was found and the company moved out near O’Hare, still within the city boundaries. It received an incentive of more than \$3 million, with the condition that it maintain its current level of employment. It has struggled to do so.

peaceful.”

“We offered them sandwiches, apples, juice boxes,” says Beukema. “It was fun. So that was a victory, at least a partial agreement on the hiring. But the bigger victory was that here are all of these people who at one time were our enemies, or seeming enemies, who are supporting us now, who are starting to understand our concerns. That was very encouraging.”

Nailing down the details

Costco agreed fairly quickly to the community’s requests, but there was still a lot of work to do.

“In the church we always talk about life being like a sand dune,” says Beukema, “where you take two steps forward, one step back, two steps forward. We began negotiating with the city about the training component, and that was not much fun.

“We have this great sense of history in this whole project. LSNA and some of the community leaders have been working on this for several years. But we have seen developers and city staff come and go. We’ve seen two commissioners in the department of planning, two aldermen.

“Which says something about LSNA and its ability to stand strong. But it also has made it a more difficult journey. Because every time you get somebody new, you have to retool them.”

Aardema agrees. “No matter how hard you’ve worked to create a relationship with the old person, what that new person gets

told about is the tension. They are taught that you've got to watch out for these people. We were amazed by the time we were doing the job training, that our allies were still walking into every room treating us as if we were the dead rat.

"When you look at all the benefits that community organizing has brought about in this city, in terms of all kinds of issues, education, housing, employment, safety, yet and still, the people in power always say, watch out for those people. They're scary, you need to put them in their place. So we were

Seventy people from the immediate neighborhood went through the four-week job readiness training, and 32 were hired. Six months later, 30 of the original 32 were still working.

ready for a break. We really just wanted to get the jobs and the training going.

"The city gave Costco the impression it would be hard to work with us. That we were antagonistic and negative thinking people.

"We're working very well together, in fact. And they are working with us, treating the community respectfully. And they are hiring our people."

Training was carried out in conjunction with the New City YMCA's Local Employment and Economic Development (LEED) Council, and was made available in both Spanish and English. LSNA did the recruiting.

Seventy people from the immediate neighborhood went through the four-week job readiness training, and 32 were hired. Six months later, 30 of the original 32 were still working. Another couple dozen people

from Logan Square were hired who did not need the basic training.

"It's great fun to go into Costco," says Aardema, "because people start calling to you. We've been in this community a long time, and we were working to this moment."

Beukema says she has spent a small fortune at Costco. "As part of our follow-up, we still keep in contact. I go in there several times a week and just talk with people, and encourage people. They're so happy to see you. And Costco is very pleased."

Developing the organization

Beukema left her job as minister of the church when her husband was offered a job in New York, and the family decided to move. She felt the community organization had achieved a victory, and it was a time at which she could leave. But when the East Coast job fell through, Beukema came right back to the neighborhood. At that point, both the Logan Square Neighborhood Association and the Church of the Good News wanted to hire her.

"The church had made a decision, for all of its 40 years, to do intentional work in the neighborhood. I was very grateful as pastor that they allowed me to spend as much time and energy as I did on the development issue over several years. Now that I was coming back, I asked the church members to consider where they needed my talents the most, as pastor or as organizer."

The church members decided they could find a new pastor more easily than a new community organizer, but Aardema recalls that it was a difficult decision. "They felt a lot of joy, but there was also sadness because Liala wasn't going to be pastor any more. It was also scary because Liala had been a key spokesperson, and her role as a staff person would be different."

Beukema says it has been a challenge. "When you're a leader, you bring people

along, but you do a lot more on your own. Now I'm learning to do less and to help other people do more."

The Costco store opened in May 2001. Mayor Daley held a press conference, to which LSNA was invited.

"We took 10 leaders, the only real neighborhood people at the event," recalls Beukema. "We all wore LSNA t-shirts. Mayor Daley could not keep his eyes off us. Every time he mentioned a community victory, he was looking right at our people. We made this happen. Everyone wanted to take credit for it that day, the aldermen and others. But if it wasn't for the community, this store and these jobs would not be here now."

"At least once a month, for a couple of years, we had between 50 and 100 people coming out to meetings and actions," says Aardema. "In a community that has been disinvested for so long, that is really powerful."

"In the beginning, we were doing good to get five people," recalls Batie. "You have to persevere. You run into all kind of disappointments. People say they'll be at the meeting and they don't come. You're looking for 40 people to show up, and there's just

15 people there. You keep plugging away so that people are aware that there is somebody out there who will fight alongside them. Then you can see some success. I feel people have to take responsibility for their own community. People can't just come into our community and do anything they want without consulting us."

Residents are very concerned about the future of the Lathrop Homes, a CHA development in the path of gentrification.

"The residents' perspective is that they want to stay in Lathrop," says Batie, "and they want to see CHA upgrade the property. Years ago, when I lived there, they had skilled workmen on staff to make repairs. Now, things stay broken. It would be an easier task to renovate Lathrop than it would be to renovate a high rise in Cabrini. But we don't know what will happen. We have to be ready to fight."

"The Cotter campaign puts us in a better position for the future," says Beukema, "because the bottom line is that the grassroots people trust us. Of the many, many organizations that have something to say or something to do with their life, they trust LSNA." ■

This is the story of a knockdown, drag-out battle to save the heart of Hammond, Indiana. After decades of urban decay, caused among

Saving the heart of Hammond

other reasons by the decline of the steel industry and the development of huge regional suburban malls, there wasn't much left in the center of Hammond in 1990. When the local federal judges planned to build a new courthouse in the suburban area south of Hammond, thus removing one of the last landmarks from the central city, the residents decided they had had enough. Although they were warned that it was too late to stop the plan, the members of the Interfaith Citizens Organization (ICO) of Hammond determined to fight.

The battle started in 1991—and the first occupants will move in this year, six years after the original projected target of 1996. Asked how they could hold out in the face of so many delays and reversals, the residents each had the same answer: “We just don't give up. We won't go away.”

Talk about the proverbial fight against City Hall. The members of ICO went up against federal judges and eventually carried the fight all the way to Washington, D.C.

The entire community of Hammond, from downtown banks to churches, from the Chamber of Commerce to senior citizens, from north to south and across races and ethnicities, came together to defend the future of their city.

The community came out of the battle stronger than it went in, because this wasn't just a fight for a building. The participants intended to make it clear once and for all that the citizens of Hammond would determine their own destiny.

A city by a lake

If your only view of Hammond has been the one seen from a car whizzing by on Interstate 90, which runs through the midst of the refineries and steel mills, or I80/I94, the Borman Expressway, which runs along the southern edge of the city and is dominated by truck traffic, you haven't really seen the city. Hammond hugs the southern edge of Lake Michigan, bordered by Chicago's southeast side and Calumet City in Illinois, and East Chicago and Gary in Indiana. South of Hammond are the suburbs of Munster, Highland and Schererville.

Each of the cities along the industrial lakefront has its own history and character. Hammond's population of 83,048 people in 2000 was 62 percent white (non-Hispanic), with 15 percent African-Americans and 21percent Hispanics.

It is an old blue-collar town, settled in the second half of the 19th century by a variety of European immigrants. The original name was changed in 1869 to honor George Hammond, a Detroit butcher who opened a large slaughterhouse there and sparked a spurt of growth. Positioned along the major rail lines going into Chicago, post-World War II

Hammond had a solid base of jobs in the steel mills and oil refineries. A number of other manufacturing plants—chemical refining, corn processing and rail-car construction—added diversity to the economy. It was a prosperous industrial city.

People who grew up in the 1950s and '60s particularly remember the Christmas parade.

“The department stores had mechanical window displays and all that kind of stuff to bring people downtown,” recalls Dennis Terry, who grew up in Hammond and is now the mayor’s chief of staff. “The parade was huge. As a kid, I played saxophone and marched in the band. It was so cold the spit in your instrument would freeze, but it was great fun. Everyone came. At that time, people came in from the suburbs to shop here.

“I also remember going downtown to the movies. Hammond even used to have an opera house, though it was torn down along with the Carnegie Library during urban renewal. Before my time, we also had vaudeville theaters. It was a lively place.”

During the 1960s, Hammond began to lose its industrial and commercial base. The construction of huge regional malls such as River Oaks contributed to the decline. So did the erosion of the steel industry in the '70s and '80s. The decreasing importance of rail transportation was also a factor. The new growth was all to the south, in the suburbs.

Cal Bellamy, long-time president of Bank Calumet, felt that with the deterioration of the central city, Hammond lost its focus. “We still have lots of retail in the general area, but not downtown. The city kind of atomizes into isolated neighborhoods. There’s nothing that brings us all together without the central business district. Not even a high school, because we have four different schools.”

When the leaders of the ICO began to talk to church members about the commu-

nity in the early 1990s, they found that many residents had come to view Hammond as a way station on their route to somewhere better. Father Rick Orlinki, the pastor of St. Catherine of Siena, recalls being surprised at people’s outlook. “One of the questions we asked was, ‘Do you intend to stay in Hammond?’ And almost everybody said, no, they do intend to move, but they just never get around to it.”

Rebuilding the base

“It was probably about the third year I was pastor at St. Catherine of Siena that I got involved in the Interfaith Organization,” says Father Orlinki. “That’s when Paul Scully came in as the new director. To tell you the truth, I wasn’t really interested in organizing. The previous person who was working with the ICO had also contacted me, and I couldn’t figure out why I wanted more work to do. Eventually, after talking to Scully for awhile, he convinced me that it was worth at least looking into. Partially because I felt the need to do some preaching on justice, and I felt it was sort of hard to do if you’re not doing anything yourself.

“We came in actually as a part of a group of Catholic parishes. Our former bishop, Bishop Norbert Gaughan, encouraged us. We talked about joining and paying dues for a six-month trial period. The dues were 1 percent of our ordinary income, which in my case, I think, was \$350 a month. There was some discussion, and I eventually suggested to the other priests, who were not as gung-ho as I was by this time, that we couldn’t afford not to join. And so they agreed. I was on the executive board.

“Scully promised that we would get some leadership training for our membership, and that sounded inviting. I worked at it pretty hard. We established a core team and I sent some people to weeklong training.”

Scully had been hired in 1989 by the Gamaliel Foundation, a national community

organizing network based in Chicago, to revitalize the somewhat moribund Interfaith Citizens Organization, a faith-based community organization that covered the city of Hammond. He recruited a broad-based group of churches from across the city; more than a dozen became formal, dues-paying members.

“The Mount Zion Baptist Church had been in Hammond since the 1920s. Dr. A.R. Burns was our pastor for over 50 years,”

“People really came to understand each other, and it created a dynamic. It gave us legitimacy and a base.”

says member Paul Lewis. “When Scully came to town, my pastor was one of the first he talked to. Dr. Burns loved Paul Scully right off the bat. They became very close. He came to talk at the church. Our pastor thought it was a worthwhile cause, and right away we became involved with it.

“Terry Brown Alexander, another church member, came on board, too. It was a priority for our congregation.”

After the first round of talking with congregations, Scully worked with the leadership to initiate the process that would sink deeper roots.

“One of the things the Gamaliel Foundation suggested was that we do one-on-one interviews, where members of our congregation go out and really get to know other members of St. Catherine’s, what interests them, what is important to them, what their concerns are,” recalls Father Rick. “All the member congregations did this.”

This is a traditional part of the organization-building process in faith-based community organizations. Congregational leaders learn to listen to and build relationships

with members of their church, synagogue or mosque, and their community. Through the process, the leaders reconnect with the members of their institution, gain the deeper knowledge of the community that is necessary for leadership, and begin putting together the network of relationships and mutual respect that enables the community to exercise power.

“We talked with over 200 of our members over nine months,” recalls Father Rick. “We heard a lot of concerns about family struggles and the future of our community.”

Tom Reis, a paint salesman who became one of the key leaders in the campaign, feels that this process was crucial to the campaign. “We could always rally the troops, but these one-on-ones gave us depth. They were penetrating. People really came to understand each other, and it created a dynamic. It gave us legitimacy and a base.”

The largest meeting anyone had seen

After the member organizations had been through an extensive one-on-one process, the executive board began sorting through the issues that had surfaced and planning for a convention, at which the community would select issues to work on.

The first big public meeting of the revitalized ICO was held in February 1992.

“We were hoping to get 1,500 people city-wide. I think we got 2,200. We held it at the Bishop Noll High School gymnasium,” says Father Rick. “I had told my people from the pulpit that this was something they should be doing, not necessarily for themselves, but for their children and their grandchildren. If we had some impact on the way things worked, in the long run, everything would be better. I was very pleased at this turnout. We had over 500 of our parishioners show up for the first public meeting.”

All of the local elected officials were there. The ICO leaders reviewed the process that brought them to this point, and formal-

ly selected issues to work on together: jobs, crime and education. But one clearly stood above the rest—the federal courthouse.

“We had been hearing about the issue of the courthouse during the one-on-one process,” says Scully. “Even prior to the formal decision-making process that we go through, people were already starting to look at this courthouse issue, because it had been talked about by a number of the organization’s business allies in the downtown area. The old courthouse was in downtown Hammond on the main shopping strip, so it was actually surrounded by boarded-up department stores. The judges wanted out of there. They both wanted to have a palace like their colleagues around the country had.”

A 1978 federal law required that the courthouse remain in Hammond, but the judges were insisting that it be built on vacant land near the Borman Expressway, adjacent to the suburbs to the south.

It was an issue of jobs, because the departure of the courthouse would take away a substantial amount of the remaining downtown foot traffic. In addition, the \$60 million project would generate hundreds of construction jobs for the area.

But the courthouse meant much more than jobs to most of the long-time residents of the area.

“I was introducing the courthouse issue at the meeting,” recalls Reis, “and I told the crowd that other people had been making decisions for Hammond long enough—a lot of bad decisions that hurt our community. ‘This is where we break with that past, today,’ I said. I asked people to stand and applaud and send a message to the federal judges and all the elected officials. The response was overwhelming. I could see it in the faces in the room. People are so conditioned to believe that they are powerless. But that day, people knew something big was happening. They started to believe in

themselves.”

“The genius of this campaign was picking the right issue,” he says. “It was symbolic of what was happening to Hammond. The judges wanted to move where it would be convenient for them personally. They didn’t even consider us. This issue allowed us to express all the anger and pain of being ignored, of being put down, all the things that had been done to our city by outsiders. I hope I’m never going to use the courthouse; it sure wasn’t a fight about a building.

“It was a time when Hammond’s self-image was very poor, and we all felt disrespected. It touched everyone across racial and economic lines. It transcended everything.”

Scully looked over the crowd of 2,200 people and knew that they were ready to build some serious power in their community. “As an organizer, and thinking about it strategically, I saw it as a huge risk, but just the kind of issue that was big enough, but close enough to the ground, to make for a pretty classic fight. It would really require the entire organization to take this on, it would build the organization. A good issue is not something that you know that you can win, but something that you think you’ve got a good shot at. Something that will require people to work hard, and to work together.”

The headline in the *Post-Tribune* would read, “Hammond rallies for its resurrection.”

The first test

“We announced at that meeting that the courthouse was going to be one of our main issues,” recalls Tom Reis, “and the very next day, a guy representing the two U.S. Senators from Indiana called us up and said, ‘Don’t touch the courthouse, it’s a done deal, you can’t do anything about it.’ ”

Scully recalls that people were also told, “Stay out of it, the church has no place in



Hundreds jammed the Bishop Noll High School gym at the revitalized ICO's first large public meeting in 1992.

this and has no right to be involved.”

“That first meeting dwarfed anything that ever happened before,” says Scully. “It overwhelmed the local political leadership, who prior to that had not taken the organization seriously. The popular Republican mayor had been engaged in jockeying for position with the old-line Democratic city council. None of them were going to agree with each other on anything, they never had, not in nine years. There had been talk about endorsing another site in Hammond, which basically would have divided any downtown coalition, but that first meeting of 2,000 people just wiped out any local dissent. The mayor changed his mind publicly, and claimed he had never actually agreed to the deal to put it further south along the expressway in the first place. The city council passed a resolution unanimously supporting the construction of a new courthouse at the downtown site and urging the congressman to support it. Congressman Visclosky had not shown up at the big meeting. He had sent an aide, who was booed out of the room because he couldn’t make a commitment.

“This issue and the big crowd at the meeting catapulted the organization to a much higher level of power than they had ever seen before.”

The arrogance of the judges, senators and congressman infuriated and energized the ICO leadership.

“I think it actually gained us more attention when the judges tried to destroy us,” says Terry Brown Alexander. “It was a favor to us, and it actually gave us power. We were telling people that you have rights, and it’s time to start exercising them. You can be a believer and go to your church, and you can still stand up for your community. You don’t have to be a doormat. We were all learning that for ourselves.”

“I was a paint salesman at the time,” says Reis. “But as a child of the ’60s, I think I was setting myself up my entire life for something like this. To organize people made complete and utter sense to me. Everything kind of fell together. I was ready to work very hard as a leader.”

“The battle was the Lord’s,” says Paul Lewis. “Nothing comes easy, but with God, all things are possible. We had some determined leadership.”

Getting started with the facts

The new courthouse was going to consolidate a number of other federal offices, including the U.S. Bankruptcy Court, the FBI, the U.S. Attorney’s Office, the U.S. Marshal’s office and the regional congressional offices, most of which had moved out of the downtown Hammond location over the years for lack of space. Naturally, quite a number of lawyers in private practice maintained offices near the federal courthouse.

“We found out later on that 70 percent of all the office space in downtown Hammond was rented by lawyers and legal firms, which would have all disappeared if the courthouse moved out,” remembers Father Rick. “A lot was at stake.”

How could the community influence the decisions? ICO leaders began to look behind the scenes. The two judges had apparently firmly decided to move to a more suburban location. But did they have the power to make that decision? How much power did they have? Who decides where federal

buildings are located? The community members needed some information.

“We actually thought early on that our congressman, Peter Visclosky, a Democrat, would be an easy ally. The area voted largely Democratic, and both of the judges had been appointed by Republican presidents,” says Scully.

Both judges lived in the suburbs, far from downtown Hammond.

Judge Rudy Lozano (no relation to the Chicago activist by the same name) came out of a big law firm in northwest Indiana. He was a very ambitious Republican judge of Mexican descent who began with a private firm doing defense work for major corporations. He had been appointed in 1988 by President George H.W. Bush.

Judge James Moody was a 1982 Reagan appointee, who had served on a lower court following 10 years of private practice. The ICO found that he had received low marks from the Bar Association when he was nominated.

The members of the ICO started doing some research, and fairly quickly learned that the process technically called for the U.S. General Services Administration (GSA) to make decisions about locating new federal buildings. The GSA is the arm of the federal government that handles routine administrative functions.

“One thing we learned pretty quickly was that traditionally, judges make their own decisions about their buildings and no one ever challenges them,” says Scully. “They are judges for life, and very powerful and people do not like to mess with them. That’s how everyone we talked to viewed the situation.”

“We did Freedom of Information Act requests (FOIAs). We eventually saw a lot of the GSA correspondence about the courthouse. These judges went around the country looking at what other judges had, and apparently that was part of the judicial culture. Federal buildings were one of the big

pieces of pork that people with power could have. So they had taken note of what kind of marble and chandeliers other judges had around the country, what kind of upholstery they had, and so on.”

“We contacted the GSA in Chicago,” says Father Rick, “and they agreed to come down to a meeting. We had about 100 people there. We asked them why they wanted to put this thing on the Borman Expressway at Cline Avenue, which was the plan at that time. And the GSA said, ‘Don’t ask us.’

“They said, ‘We take our direction from the judges.’ Well, the newspapers were there, and that became the headline, ‘GSA says they take direction from the judges.’

Father Rick told the *Hammond Times*, “We think it’s pretty rotten that a project of this size should be decided by people who don’t even live in Hammond, and the people in Hammond can’t even voice their preferences.”

The GSA called back immediately and said, “That’s not really what we meant to say. We don’t take direction from judges.” They agreed to reopen the site-selection process.

Everyone felt they were making progress.

Congressman Visclosky met with 90 members of ICO and promised to ensure that the GSA process would be fair and impartial. Visclosky stated that he wanted to see the building constructed within Hammond, but would not express an opinion about whether it should be south near the Borman, where the judges wanted it, or downtown, where the residents wanted it. His only responsibility, he claimed, was to ensure an objective process.

The GSA appointed a site selection committee to conduct an “objective” assessment of the best location for the new courthouse. A decision was expected by September.

Finding allies

The leaders of the ICO determined to spend the remaining months gathering the

support of as many parts of the community as they could. Despite their conviction that a truly objective process would pick the downtown site, they were leaving nothing to chance; they had good reason to doubt that the process would be as objective as all the politicians and the GSA were claiming.

They had the major churches on board, and the residents that they represented. Now they needed to look at who else had influence in the community, and how they could draw them in.

“By the first public meeting, we had al-

“It wasn’t a Democrat versus Republican type issue... We were all united.”

ready brought together a very broad community alliance,” says Scully. “The mayor and the city council were easy, because they were local politicians, and saw what the overwhelming majority of the voters wanted. The downtown Hammond business association, including the two major locally owned banks, Bank Calumet and the Mercantile National Bank, had been on board for awhile. The presidents of those banks were really city fathers, they grew up there, and it was the family business. One was Joe Morrow, from Mercantile, the other was Cal Bellamy, from Calumet. They were very important allies. One was an active well-connected Democrat and one was an active connected Republican. Joe Morrow was the chairman of fundraising for Dan Coat’s Senate campaign.

“The Chamber of Commerce was staffed by a guy named Dennis Terry, who actually used to be a community organizer. He was a very important ally. So we were able to bring in the downtown business association

early on.

“St. Margaret’s Hospital was important, too, since they were located right in the downtown area.

“Later on, we got the Bar Association involved, but not at this point.”

Cal Bellamy, whose family-owned Bank Calumet has its headquarters downtown, recalls that he was on board with the courthouse issue, “immediately when I heard of it. I would have thought it was my responsibility right away. It was something we all agreed on.”

It was not a controversial issue in the business community. “The judges tend to stay aloof. They are not well known in the business community. They have no commitment to the city and make no effort to have a commitment to the city. And it wasn’t a Democrat versus Republican type issue. The mayor was a supporter and a Republican too. We were all united.

“Bank Calumet had been the first, and perhaps for awhile the only, business contributor to the Interfaith group. Scully was working in a basement office at All Saints Church, and he didn’t have any money. He came over here and asked for a contribution. Initially, I turned him down, but then I got to thinking. It’s fine to say, ‘Go out and do something and then I’ll contribute,’ but somebody needs to put in the seed money.

“I knew the business community could not mobilize the rank-and-file people, and the city didn’t seem to be able to do that either. The Interfaith group had the grassroots contacts. You need the people with you when you’re engaged in a campaign like this. This was the opportunity to bring all the community interests together.”

Joe Morrow, president of the family-owned Mercantile Bank just down the street from Bank Calumet, also got involved right away, despite a long friendship with one of the judges. His son, Chris, who took over as bank president recently, remembers how of-

RALLY FOR FEDERAL BUILDING



Sen. Coats, vice president of Calumet Bank, Congressman Steve Clapper and other bank officials marched Tuesday with banners and signs to the proposed site of the federal courthouse. The bankers are opposing judges' attempt to move the courthouse out of Hammond.

Hammond courthouse backers vow to press fight

By ROBIN BESEN
Times-Examiner Staff Writer

HAMMOND—Mayor Donna Detamore and the Rev. Richard Dozinski walked the streets Tuesday at a rally picketed by 150 city citizens to locate a new federal courthouse outside Hammond.

Before nearly 125 people gathered in the vacant lot at the corner of Johnson Avenue and Clinton Street—the proposed location of the courthouse. Detamore and Dozinski, pastor of the Hammond Christian Church, said the project is vital to the city's restoration.

The courthouse will serve as an anchor in a revitalization plan to transform the

city's former retail hub into a professional center, Detamore said.

"It all comes down to this," he said. "Are we going to let two federal employees decide where the new courthouse is going to be located? We cannot, and we will not allow this to happen."

Dozinski agreed.

"We are here because these judges don't know when to quit," he said. "What started as a behind-the-scenes campaign to influence and control the site selection process has now become a personal crusade to obstruct, in any way they can, the construction of this building."

U.S. District Court Judge James Skoldy and Judge Mady Lomas have opposed in-

cluding the courthouse downtown and for over a year. They have a plan to build the 300 million building in a more central location in Lake or Porter counties.

In a statement, U.S. Rep. Paul Visclosky, D-Ind., who did not attend the rally, said that despite the judges' opposition, plans for the courthouse will go forward.

"It remains fully understood and is unequivocal that Judges Mady and Lomas have committed to place their personal considerations ahead of the greater public good," Visclosky said.

The current lawsuit against the General Services Administration is just another means of personal convenience by

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fended everyone was by the attitude of the judges. "For people living outside Hammond, the perceptions of our area are far from what it really is. Some people won't go to Gary or East Chicago or Hammond. You'd think we were living in a Third World country or the old Eastern bloc, that our cars are covered with soot and our water is yellow or something. I take offense at that view. I think this was a rallying point that gave us the opportunity to gather steam as a community."

Dennis Terry had been executive director of the Hammond Chamber of Commerce for a few years when the courthouse issue came up. As the former director of the Hammond Community Center, he knew what the loss of jobs and the lack of economic development meant to the low-income residents of the city. "Hammond was just starting to recover from the devastation of the late '70s and early '80s. Mayor McDermott was an excellent salesperson and he got some of the huge, empty industrial space around the old Pullman car factory designated as an enterprise zone. Things were slowly turning around for the city. The courthouse issue hit people hard."

Members of the Chamber mainly saw their role as being behind the scenes, providing some funding, some contacts, some letter writing.

Terry expected some resistance among his members. "I knew we had to be careful

The ICO drew allies for the courthouse campaign from a broad spectrum of the community.

about what we did. But at this point the Chamber had a pretty good relationship with a lot of the neighborhood groups. We had been funding community clean-ups and working with them. There was lots of discussion about being careful and that this campaign could have some negative impact on some of the businesses. I talked a lot with some of the key business leaders about what we could and couldn't do. Communication was crucial."

With key members of the coalition together, the ICO was ready for action.

Round One: Demanding a fair and objective process

The ICO set about trying to line up support from all of the public officials in the area. Naturally, they wanted to talk with the judges. However, the judges apparently had no desire to meet.

The ICO Executive Council met with Sen. Dan Coats to ask for his support, and they asked him to serve as an intermediary to set up a meeting with the judges.

Throughout the spring, leaders of the community organization kept trying to get Sen. Coats, Sen. Lugar and Rep. Visclosky to commit to the downtown site. All claimed that they needed to remain neutral, and that they only wanted a fair and objec-

tive process. The judges continued to put out the word that the downtown site was unacceptable, and they continued to refuse to meet with the community to discuss the matter.

In May, GSA representatives came to town to look over potential sites and to hold a public hearing.

Bellamy was on his way to Chicago with his wife for the evening, but decided to drop by the American Inn and see how the hearing was going. “When I got there, the room was full. There were maybe two or three business people and Dennis Terry from the Chamber. The rest were mostly Interfaith people, and there was a lot of enthusiasm. The GSA was taking testimony and so forth. And we ended up in a circle that encompassed the entire room. My wife was sitting in the back of the room, next to a GSA official. She told me later that he just said out loud to himself, ‘This is the way these meetings are supposed to work.’ He was so impressed by the way the community had come out to indicate that we really wanted this built downtown.”

In late June, the U.S. House Appropriations Committee allocated \$51 million to the project.

Still, the judges remained adamant that the downtown site was unacceptable, and they refused to meet with the community. GSA officials claimed they were reviewing as many as a dozen possible locations, but they refused to release their site-selection criteria to the public.

The members of the ICO were getting frustrated and increasingly suspicious about the supposedly objective process. Scully recalls that the next turning point came on a day when he was particularly discouraged.

“I was sitting in my office one day—this was one of those points where I’m wondering why in the hell are we in this campaign—I mean, these guys are never going to give in. On my desk I had printouts of fi-

nancial disclosures, newspaper articles, all kinds of paper. And I’m just looking at the stuff on my desk and I see a picture of the two judges and a newspaper article when Lozano became judge. It showed Michael Kanne, a former district judge, who was now an appeals court judge in the 7th Circuit. He had the same last name as the guy from the GSA who was chairman of the site-selection committee, Ed Kanne. This little twerp who had been trying to convince people that the GSA was an upstanding organization that was making decisions based on objective criteria turned out to be the brother of Judge Mike Kanne. We were pretty convinced Judge Kanne intended to have an office in the new courthouse, and here’s his brother as a chairman of the site-selection committee, trying to tell us that the judges have no influence.

“Whenever we had an issue or revelation, we would launch an action. In this case, the action was a march on the courthouse.”

About 100 people jammed the steps of the old courthouse, demanding to see the judges. The judges refused to meet, and the protesters were asked by the U.S. marshals to leave. They marched four blocks to the Post Office, where Senators Coats and Lugar had their offices, and left a written message for the senators.

“It is indicative of the judges’ arrogance toward the people of Hammond that they can’t meet with their neighbors for two minutes,” the *Post-Tribune* quoted Reis as saying.

A week later, 100 ICO members returned to the courthouse to deliver an invitation to the judges to attend an ICO meeting planned for August to discuss long-range planning for downtown development. “Do they want to be remembered as partners in redeveloping downtown Hammond or do they want to be remembered as judges who didn’t want to drive an extra 12 minutes to work?” asked Rev. Bruce Stanek, pastor of a

local Presbyterian church. Again, the organization blasted Ed Kanne and the GSA, as well as Coats, Lugar and Visclosky, who were still claiming neutrality.

“We used these marches on the courthouse pretty strategically,” recalls Scully. “From a distance, it might look like a bunch of people just marching on an entrenched fortress, but we actually used them to keep the heat on a lot of people indirectly. We demanded to get in to see the judges, which we knew they wouldn’t do, and the U.S. marshals threw people out, dragged people down the stairs and blocked them from going into a public federal building. We used that to accuse Dick Lugar and Dan Coats of being part of what obviously was a Republican conspiracy to benefit these judges and their friends. In addition to the Kanne connection, we had discovered that the deputy director at the GSA was a guy named John Hiler, who was a former Republican congressman from the Fort Wayne area, and well connected within the Indiana Republican establishment. We pushed these questionable behind the scenes connections to the point that the *Times* of Northwest Indiana, which is a Republican newspaper and generally unsympathetic with ordinary working people, began to question the judges’ behavior and who was backing them. So one by one, the judges were losing their support base.

“Our position was that if the GSA used objective criteria, the downtown site would be the obvious choice.”

Reis’ sales job meant that he was often on the road, and he remembers that he would plan his trips to fit with the campaign schedule during this period. “I would leave at 3 a.m. and get back by 9 p.m., and I wouldn’t even go home. I’d go straight to the office. I can’t tell you how many dozens of times I did that. We’d have diagrams on the chalkboards of the power relationships, and how things should be and what was changing. We

were strategizing constantly.”

The GSA released a preliminary study of the potential sites in early August, which made a strong case against the downtown site. The Chamber of Commerce wasted no time denouncing it to the press. According to Dennis Terry, the report had gross omissions and errors, including considering the Goldblatt’s building a potential historical site even though it was clearly slated for demolition. The analysis of local traffic patterns was simply wrong. The Borman site was a flood plain, not currently suitable for building.

ICO members planned a huge rally for the last week of August, calculated to drive home the point that the entire city was unified behind the downtown site.

“People didn’t buy it for a second that the politicians had no influence over this decision, that they had to remain neutral,” emphasizes Scully. “Over 1,000 people came to the rally the last week of August, and they were unified and they were mad.

“The downtown businesses paid for the rally. Everyone could see from the GSA report that the process was not objective. The judges said, ‘One of the reasons we can’t be downtown is there are no restaurants.’ In evaluating the area around downtown Hammond, the GSA didn’t include the Calumet City side, even though the site was on the border. Most of the restaurants are on the Calumet City side of the line, just a couple of blocks away. There were other things, too. So the process was skewed.”

“I’ve never seen a Chamber of Commerce participate in a rally the way we did on Hohman Avenue in August,” says Dennis Terry. “Don Harle, our president, spoke, along with some other Chamber members. Businesses let their employees go to the rally by the Goldblatt’s site. Everyone was behind it.”

“The rally was great,” recalls Father Rick. “The mayor had set up a little stage, and

everyone asked their employees to attend. It was a luncheon rally, and they served hot dogs. The churches all asked our people to come out. It was an inspiration. I think the business people couldn't believe all those people were supporting downtown development."

"It was exciting," remembers Alexander. "I was one of the speakers. It was mostly common folks like me coming to the podium. So many people had come out to support us. Why were the judges opposing us, refusing to talk to us? They thought we were nobody. That attitude is what ticked people off."

All the local political people were there, the mayor and the city council. Visclosky was not there. Scully recalls that the ICO had planned some theatrics.

"During the program, one of the ICO leaders, a church leader, was going to get up and attack the report for being biased, and he was going to say, 'This is such a piece of trash that we are going to set it on fire and burn it in front of all of you right now.' And we had it saturated with lighter fluid and he had a match. But when he got up there in front of all these people, he chickened out. Instead, he threw the report down and kicked it, and said, 'We don't even recognize this piece of garbage.' And the people were wildly applauding. I was standing next to the mayor of Hammond, Tom McDermott, this respectable Republican, and I said, god damn it, he was supposed to set it on fire. And the mayor said, 'Wait till I get up there.' He walked up and said, 'Move aside, this thing's such a piece of trash, I'm going to burn it.' And the crowd went wild. He waved it around in flames and threw it down and kicked it. The whole event just galvanized the hell out of people."

McDermott went on to announce that if the federal government tried to build the courthouse on the Borman site, he would try to find the biggest, smokiest industries

to occupy the rest of the vacant land there.

Through a well-positioned Republican sympathizer, the ICO obtained tickets to an exclusive Dan Coats fundraiser. The plan was to embarrass Coats with a public confrontation. The evening before the event, Coats' staff asked them to hold off a day, that good news was forthcoming. The next afternoon, Coats finally came out in support of the downtown site, the first federal elected official to breach the wall of claimed neutrality.

Finally, a week after the huge rally, the GSA made its announcement: the courthouse would be built at Douglas and Hohman, four blocks from the Goldblatt's site in downtown Hammond. ICO members felt that Coats' break had been key, and that he was able to talk to Hiler at the GSA and engineer the change.

Celebrations were launched, and everyone breathed a huge sigh of relief. Work was to begin in 1994, and construction was to be completed by the end of 1996. Father Rick publicly declared victory on behalf of the ICO.

Exactly a week later, Judges Moody and Lozano released a three-page statement declaring the site "totally unacceptable" and announcing that they would refuse to move to the new courthouse if it was built there.

Round Two: "Hammond has a mess on its hands."

Needless to say, everyone was stunned.

Through a spokesperson, P. Gerald Thacker, chief of the space and facilities division of the administrative office of the U.S. courts, the judges blasted the site as too far from the expressway, lacking in restaurants and other facilities, crime-ridden, without sufficient space for parking, and just entirely unsuitable. Thacker stated that he saw no way the GSA could force the judges to move. "It so happens that we're not an executive agency, but a third branch of govern-

ment. So there is no arbiter.” (*Hammond Times*, 9/11/92)

The GSA declared itself to be stumped. It would stick by its site selection, but did not know how to proceed beyond that. The situation was unprecedented.

ICO members were outraged. Tom Reis told the *Hammond Times*, “Two federal judges, who are ironically sworn to uphold the law, now see fit to hold the entire system up... They’re lawful until it doesn’t suit them.” (9/11/92)

Upping the ante, Rep. Visclosky announced that the whole project was in jeopardy, because the House Appropriations committee would be revisiting its funding decisions that week, and the Hammond project was unlikely to make the final cut if the site remained in dispute. Visclosky and Lugar both told the media that if the project was not approved that week, it would be many years—if ever—before funds would be available again.

The tensions played out in the local media and beyond. Thacker told the *Hammond Times* that the judges were not bluffing. The local newspapers editorialized that the judges should withdraw their objections. Various spokespeople for the Interfaith Community Organization blasted Moody and Lozano and branded them “childish bullies.” Dennis Terry and the Chamber of Commerce called the situation “horrible.” Visclosky met with the judges, but told the *Washington Post* that they “appeared unmoved.” The *Post* went on to say, “Hammond, in short, has a mess on its hands, and the rhetoric from politicians and the community is getting accordingly nasty.” (9/16/92)

McDermott and Visclosky desperately tried to work out a compromise to save the project. The Woodmar Shopping Center site, closer to the Borman expressway but not as isolated from the rest of Hammond, was suggested as a middle ground. The ICO

opposed any compromise, and so did the judges.

On Saturday, Sept. 19, the *Chicago Tribune* declared, “Courthouse project in Hammond killed,” and stated that Visclosky had heard from a House subcommittee that the funding was gone.

But the ICO members had never trusted Visclosky, and many of them felt this was one last deception on his part. “No way these judges were going to allow this to happen,” comments Scully. “No way Visclosky was going to allow this to happen. It was a ruse.”

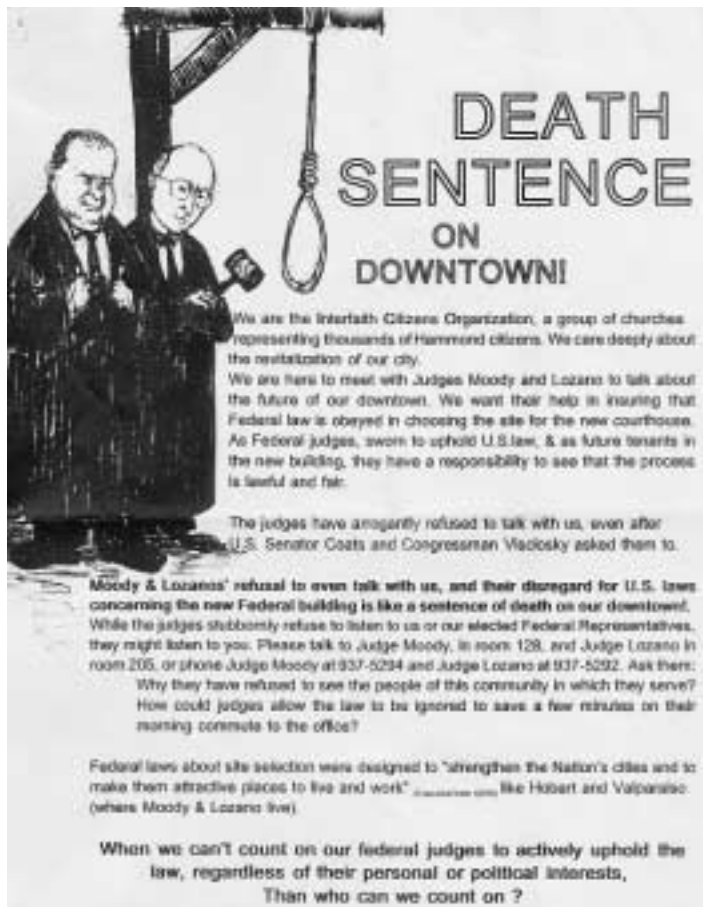
At an ICO emergency executive committee meeting, no one was ready to give up.

“A lot of people, including some of my parishioners, were taking the position of, ‘See, you can’t fight city hall,’ ” says Father Rick. “Some of our allies were all for the Woodmar compromise. But the ones that were closest to it, like I was, and the executive committee, we vowed to continue fighting. In fact, we made a spur-of-the-moment decision that we should go to Washington and find out for ourselves whether the money was gone or not. About six or seven of us left Sunday evening in a van.”

“I called off work for two days to go,” recalls Reis. “They didn’t have to ask me twice. The leadership was like lightning in a bottle at this point. We all trusted each other, and we were ready to go the distance. It was guerrilla warfare. They never expected us to show up overnight in Washington.”

It is one of Scully’s more vivid memories. “On Monday at six o’clock in the morning, a van full of leaders, pastors, lay leaders, black, white, Latino, showed up at Union Station, went in the bathrooms, changed their clothes, put their best lobbying clothes on, and went to the Capitol. We showed up at the chairman of Appropriations’ office before Visclosky even knew we were there.”

“All the senators and congressmen we spoke with told us, ‘I don’t know why



Courthouse supporters kept up the pressure in many different ways.

you're talking to us, talk to your congressman,' " says Reis. " 'If he wants it funded, it's going to be funded.' "

At four in the afternoon, says Father Rick, they went to see Visclosky. "That's when he found out we were there. He went nuts. He shook his finger and he said, 'This is a done deal, the funding is gone.' And he pointed at each of us that were there and he said, 'You can't change it, you can't change it, you can't change it, even I can't change it.' But that just wasn't true."

"So for a period of time," says Reis, "Pete Visclosky became our number one enemy, and we became his number one enemy. We had a series of actions on him, which drove him absolutely crazy."

First, they produced and distributed a flier featuring a wicked caricature of the

congressman as Peter Pan and suggesting that he had lost touch with reality. "Help us to help Pete snap out of it! Remind him he's not in Never-Never Land, he's in Northwest Indiana!"

Next, they sent out letters to all of his major donors, saying that they were concerned for his mental health and wanted to discuss his behavior.

But they didn't limit their attacks to Visclosky. "We believe the judges have overstepped their bounds in attempting to control the General Services Administration in the site-selection process and that in itself may be grounds for investigation," declared Father Rick. He stopped just short of calling for their impeachment.

At this point, in fact, the ICO printed up "Impeach Rudy & Moody" bumper stickers and got ready to distribute them.

"We eventually won this fight because we weren't afraid to use our power," says Reis. "Our allies in political office and in business wanted the courthouse, but they weren't ready to take any risks. The people won this, because we weren't going to give up, we took risks, and we had enough people to force the politicians to support us."

The ICO held a 1,500-person rally on Sunday, Nov. 2, to underline its determination to continue the fight.

Round Three: Pressing on to victory

There appeared to be a lull over the winter, although behind the scenes, the ICO was applying pressure in every way it knew how.

The judges were also maneuvering. They organized a unanimous vote by the federal judicial conference calling for a repeal of the 1978 law requiring the courthouse to be rebuilt in the same city, and suggesting that a site could be found elsewhere in "Lake or Porter counties."

The next day, Visclosky declared that he would revive efforts to secure funds for the

Hammond site, and that his new position as vice chair of the subcommittee with jurisdiction over funding for federal buildings, combined with the presence of a Democrat in the White House, would enable him to secure the money needed. He denounced the judicial conference as “nothing more than ‘the club’ approving an idea by two of its members. It has no legal weight.” (*Post-Tribune*, 3/19/93)

Unwilling to give up, the judges announced a poll of the Northwest Indiana chapter of the Federal Bar Association, to be conducted by the association itself. The judges met with several attorneys, who began advocating for sites outside Hammond, including Gary, Merrillville and elsewhere.

The Lake County Bar Association was somehow left out of the meeting, perhaps because its president, Jim Wieser, was sympathetic to the position of the Interfaith organization. Bellamy, from Bank Calumet, had been soliciting the support of the association, of which he was a member, for a long time, although they had not formally taken a position.

Only 366 attorneys out of 1,070 responded to the poll; not surprisingly, 70 percent indicated support for the judges’ position. The *Hammond Times* chided Judges Moody and Lozano for lobbying attorneys who were appearing before them in court, saying that it raised ethical questions.

Meanwhile, Visclosky called on the GSA to purchase the land at Hohman and Douglas.

As if enough outrageous things had not yet occurred, P. Gerald Thacker, who had served as spokesperson for the judges the previous fall, was suddenly appointed acting commissioner of public building services for the GSA, overseeing all construction and location of federal buildings.

The conflict of interest was immediately denounced by the ICO leadership, Vis-

closky and the *Hammond Times*. Within two weeks, Thacker had recused himself from the decision.

One week later, on April 23, 1993, the GSA announced that it would proceed immediately with construction at Douglas and Hohman.

“The ordinary people won this victory.”

Many community organizing campaigns take unexpected twists and turns, and take longer to win than seems reasonable, and this one was no exception.

Ground was finally broken for the courthouse. As of the end of 2001, the building was almost ready for occupancy. Rumor has it that the judges have caused much of the delay by fussing over every detail, right down to the way the wood paneling was installed.

Downtown Hammond has seen a clear revival, with numerous new projects bringing jobs into the area.

In the intervening years, the Interfaith Citizens Organization has merged with similar organizations in East Chicago and Gary to form the Interfaith Federation of Northwest Indiana. Together they have taken on gangs and drugs, with a series of candlelight vigils outside drug houses in each of the cities. They are currently engaged in a major campaign to change the face of public transit in the region by creating routes between the older cities along the lake, where many low- and moderate-income workers live, and the largely middle-class suburbs to the south, where most of the new jobs are being created. In the face of major opposition, they demanded the creation of a Regional Transit Authority (RTA) to develop bus routes across city lines and across racial and economic lines. A major victory came in December 2001, when the Lake County Council voted to create the RTA.

The Rev. Cheryl Rivera, associate pastor of Antioch Missionary Baptist Church, be-

came board president after Father Rick. “Community organizing gives our faith feet. Organized people can rise up and cross the divides our society creates. The courthouse fight had a big impact on the Interfaith organization. We would not have had the audacity to take on regional transportation had we not had some of those early victories like the courthouse. We are continually building momentum and building courage to take on the bigger battles, and to overcome the racial and economic divides in this region.” Rivera

“The strongest thing we have is that we don’t go away. We’re still going to be there next year, and we’ll be there the year after. We’re going to win.”

was elected board president of the National Leadership Assembly of the Gamaliel Foundation, the national organizing network of which the Interfaith Federation is a part.

Paul Scully left the Federation in 2000 and moved to New Jersey, where he is a union organizer. He was replaced as executive director by Cindy Bush.

Scully says it will probably take another generation before you can talk to people in Hammond and not hear about how they and their churches and the businesses and the mayor triumphed in the struggle for the heart of downtown Hammond.

The effort left its mark on the people who participated as much as it did on the city itself.

Banker Cal Bellamy remembers it as a beautiful moment. “I keep telling the various leaders of our government and the business community that based on that example, we have to keep our contact strong with the Federation because if we ever want to accomplish something, just like with this

building, we can’t do it alone. The Federation uses some confrontational tactics. But I would say that we keep coming back to this building because it’s the best example we have of all working together. The thought still sustains me today that if we can get together, nothing can stop us.”

Dennis Terry moved from the Chamber of Commerce to chief of staff under Mayor Duane Dedelow, the city council member chosen to replace Tom McDermott when he stepped down as mayor.

Terry says that the presence of a lively community organization holds the mayor, council and the city departments accountable. “You’ve got to be out there doing the right things, and then having the neighborhoods and community people on your side can help you get things done. People have to have high expectations for their city and beyond. Then we can really get things done.”

Father Rick was asked to move to a suburban church in the diocese, but turned it down. He’s now at St. John Bosco in Hammond, and is president of the regional Interfaith Federation, having replaced Rev. Rivera when she was elected to the national post.

“The people in my parish are proud of what we accomplished. The strongest thing we have is that we don’t go away. We’re still going to be there next year, and we’ll be there the year after. We’re going to win. That’s what I learned from the courthouse. We’re taking that lesson into our fight for better transit so people can get to jobs in the suburbs. And we keep looking for new ways to build the coalition.

“It used to be that the name of my game was basically, if you stay out of the way of the Bishop, he won’t think to give you any new jobs. After I got involved with the Interfaith organization, we had the Bishop out to a pastors’ meeting. Toward the end, he said, ‘I have to go home and contemplate what’s happened to Father Orlinski. You

know, all of a sudden, he went from a quiet, unassuming person to the vibrant president of this organization.’

“Right now, I’d have difficulty considering my ministry without being involved in work for justice.”

Tom Reis left his job as a paint salesman to work for Mayor Dedelow as his administrative assistant, then became the superintendent of parks and recreation, as well as the mayor’s liaison to the Interfaith organization. “Everything I’ve done since that organizing campaign has been influenced by what I learned. Paul Scully got me in touch

with things that were important to me. It’s almost spiritual. I made good money as a paint salesman, but my worst nightmare was to see my headstone read ‘Paint Salesman.’ That would mean nothing to me.

“The ordinary people won this victory. We built the power and took the risks. It’s politics, and it’s not a dirty word. It’s what citizenship is about. It’s hard work, but I think we all have an obligation to participate. It’s also one of the most exciting things I’ve ever done. It was a privilege to be a part of it.” ■

Setting the housing agenda

In the early 1990s, Chicago's economy was in the early stages of an economic boom, which significantly reshaped the face of the city, and perhaps nowhere more significantly than in the housing market. Many people had more money than ever before to spend on housing. Real estate developers took advantage of a new romanticism about the city, and be-

gan to redevelop some inner-city neighborhoods that had long been home to blue-collar and low-income families. Mayor Richard M. Daley saw this as an opportunity for boosting the city's tax base, and told his Department of Housing to assist in the development of middle-income housing in deteriorated neighborhoods. Unfortunately, the funds to do this had to come out of some of the same pots that had been funding low-income housing development. Mayor Daley simply had a different vision for those funds than his predecessors had.

The members of the board of directors of the Chicago Rehab Network had a difficult decision to make. They could not continue to develop low-income housing without a source of subsidy. Shifting into middle-income housing development would violate their mission and abandon the low-income constituency they had set out to serve. They were convinced by this time that Mayor

Daley would not redirect funds to low-income housing without a fight. But to antagonize the city, which was their main source of funds, was to bite the hand that had been feeding them, however inadequately. Should they continue to accept crumbs, or should they demand more?

This did not turn out to be a simple decision.

The decision to organize

"The Chicago Rehab Network was born out of struggle," says David Hunt, who was the newly hired executive director in 1989. "Since our founding in 1977, we had collaborated with other community organizations to organize protests and demonstrations to tell Mayor Jane Byrne that federal Community Development Block Grants should be spent in neighborhoods and that low-income housing should be part of it. Along with other people, the members of the Rehab Network board had fought the Community Reinvestment Act battle to make banks spend money in low-income neighborhoods. We had fought to establish city and statewide low-income housing trust funds. We had taken the money and developed thousands of units of low-income housing in neighborhoods across the city.

"But at the same time, we went from being neighborhood groups to being neighborhood development organizations to being community development corporations. We went from being people who hung out building housing with the people, for the people, to becoming corporations that just happened to be nonprofit, building housing in the community.

"We had tremendous technical ability to build housing in rough neighborhoods that

absolutely no one else wanted to go to. But we had lost our base with the people.

“As the member organizations began protesting the new city policies, they realized very quickly that their old power base had slipped away. It’s difficult when you’re the landlord to organize your tenants to fight against somebody. The tenants have not been used to having a voice and then you come along and say ‘lemme give you a voice.’ Many of them, the first person they’ll use their voice against is the person saying ‘use your voice.’ You’re asking people to get involved, and people are going to say, ‘Well, what about my doorknob? What about my sink? You want me to rally for more housing, first fix up the housing I have!’ Many of the groups had found it difficult and distasteful to organize their own residents, so they got out of that. Those housing groups who continued to do organizing tried to organize their people around non-housing issues—education, crime, police brutality, anything but housing.

“So now we were asking the tenants to follow us, and we looked around, and there was no one there.

“We had to decide what to do.”

It was at this point that the Rehab Network brought in the Midwest Academy to help develop a strategy. The Midwest Academy, based in Chicago, is a national training institute for leaders and staff of community organizations, environmental and health groups, women’s organizations, labor unions and other groups using the methods of direct action organizing. Kim Bobo was assigned to work with the Rehab Network.

“The Rehab Network came to us and said, we’re ready to do an organizing campaign, will you help us figure out how,” Bobo remembers.

To begin the decision-making process, Bobo and Hunt interviewed a representative of each Rehab Network member organization, to see where they stood.

“Two themes came out incredibly clearly. One, every organization needed more money for housing development. Two, the money had to be targeted to low-income families and not just moderate-income housing. Every group told us the same thing.

“Nobody felt the Rehab Network could win more money. But they really wanted targeting. It was making them all nuts that they were having to build middle-income housing, because of the ways the deals were being structured by the city.”

These interviews built up to the annual retreat, where decisions would have to be made.

Judy Beason, who was an officer of the CRN board as well as Associate Director at PRIDE, an Austin-based nonprofit housing developer and one of the long-time CRN members, has vivid memories of that retreat.

“We were trying to decide what everybody could agree on. We discussed the Housing Development Training Institute, to train housing developers and to answer the accusation that the city had for us, which was, not-for-profits don’t know how to do housing. We had been doing it successfully for 30 years, but that was the city’s attitude. And so we all agreed on that.

“But what else could we do in the current situation? We stayed up all night talking. There were people that wanted to do single-family housing, some wanted to stick to multi-family, some wanted to do higher end, and some lower end. Groups had different needs depending on what community they were in.

“The conversation got real heated. There were a lot of tears. It was a heartfelt, emotional conversation. There was this faction that wanted to move and then there were the more complacent folks that said, ‘don’t rock the boat.’ Someone, and I don’t remember who it was, said, “Can we agree that we want 10,000 units of housing?”

Hunt also recalls it as a very tense meeting. “The main arguments on the ‘let’s-not-do-it’ side were, we can’t afford to do it, we’re too weak, the city will cut off our funding. We don’t trust each other, we can’t do it alone, we’ve never done anything like this, Mayor Daley is too strong. All those

“We had tremendous technical ability to build housing in rough neighborhoods that absolutely no one else wanted to go to. But we had lost our base with the people.”

things.

“On the other side, people said, Mayor Daley is strong, but we can build power. And we have no choice, because if the mayor is successful, we’ll go out of business. Our soul, our basic survival is being threatened.”

Hunt had seen this fight coming since before he had agreed to become director. He had set about attracting additional members for the Network—advocacy groups such as ACORN, disability rights groups, tenants rights organizations.

“I started inviting them into the group, making them members so that we would have some warriors amongst us when the time came for war,” Hunt says. “It wasn’t anything behind closed doors, it was open, ‘let’s add some more advocacy groups here.’ Everybody saw a fight was coming. So for two days at the retreat, people screamed and yelled and said ‘no we can’t,’ ‘yes we should,’ and at the end, what we came out with was, we just had to do this.

“In the end, you have to go into the fire so that you can come out stronger.

“But there were a number of groups who walked away. A couple said, ‘We don’t want

to be part of the Network any more, you all are crazy.’ There were also some who said, ‘Hey, this is a pipe dream, you can’t win this. We want to be part of the Network, but we’re not going to be part of this fight.’”

Beason recalls that it was a painful period. “The first year we had folks that pulled away, and people getting upset with each other. I think it was not because they didn’t have the passion, but because we couldn’t always agree on how it needed to be done. And there was a little distrust—some organizations were closer to the mayor and things like that.”

“Some people were afraid of looking bad,” Bobo recalls. “That we would fail. I’ve never been afraid to look silly for a good cause. I think some Rehab Network members decided, ‘Well, we’ll let them go ahead, as long as they don’t embarrass us too much.’ Others, like the Coalition for the Homeless, were really ready for a fight. David was a driving force behind it for sure.”

Building the base

Hunt had known when he became director that there was some serious organizational rebuilding to do at the Rehab Network.

“I had attended Network board meetings for quite awhile before I was hired as director. My boss at the Howard Area Community Center hated the meetings and sent me instead. It’s a typical sign that you’ve got a coalition nobody is really invested in when most of the people would send their secretaries or somebody lowly like me. In part it was because the coalition was just arguing all the time.

“It was helpful that we now had a campaign to focus and structure our work. Because when you have a dragon to fight against, it is also a way of finding yourself.”

The first thing the CRN members had to confront was building up their own strength

as organizations that were ready to engage in direct action organizing.

“We had agreed that one of the things we wanted to do was not just win more money but to reconnect ourselves with organizing and with the people in the community. Kim and I started to put together a Midwest Academy strategy chart—a game plan for how we would win the campaign and make the Rehab Network stronger in the process.”

A lot of organizations exhaust themselves in the course of a long, tough organizing campaign. Through careful planning, other organizations come out stronger than ever because of the struggle and action that the members have been through together, and the new members who have been brought in.

“We started with Midwest Academy training sessions about organizing and the tactics we needed for the campaign,” says Hunt. “We asked all of our executive directors to come, all of their organizers to come, all of the board presidents to come. We opened it up to lots of people.”

As the rumbling of protest started to gather momentum, the housing development groups had to deal with negative reactions from the city. Judy Beason remembers groups worrying about losing their city funding.

“At PRIDE, I think about 40 to 50 percent of our funding was from the city, through Community Development Block Grants (CDBG) from the Chicago Department of Housing. To develop low-income housing you had to have government money. But I think the North Side was threatened much more. Property values were already higher there than on the West Side; it just cost more to do development. So they were more at risk. As we prepared for the fight, we were all aware of what could happen.”

The Rehab Network itself had a substan-

tial amount of CDBG funding.

“At that point, the Rehab Network board decided not to take any more CDBG money,” says Beason. “You can’t continue to bite the hand that feeds you. So we decided not to be fed. Luckily, we were able to go after some foundation money. And we got a one-time grant from the United Way. We couldn’t have done this without the founda-

“A lot of people asked why we were demanding that the city spend a billion dollars.... Frankly, it was an easy number to remember. The city had been spending \$500 million on housing, and we wanted them to double it, and to target it to low-income people.”

tions. But we had decided what we had to do.”

To this day, CRN takes no city money for its core operations. The current director and board know that it is hard to hold people accountable if you are taking their money.

Developing the strategy

Despite her many years of organizing experience and her status as a trainer and consultant for the Midwest Academy, Bobo had never before worked on a campaign to pass a bill in the Chicago City Council. Neither had Hunt. Now they had to craft the broad goal—10,000 units of affordable housing—into a specific piece of legislation.

“I had worked in Washington, D.C., when I was with Bread for the World, trying to pass federal legislation,” Bobo recalls. “The congressional staff always help you write bills. You work with them on the con-

cept, then they write it and get it technically approved. Frankly, I wasted about a month or two trying to get somebody in the Chicago City Council to help us write the legislation. They kept saying, ‘We don’t do that. We don’t know how to do that. That’s what the mayor does.’

“So in the end, I literally sat at the computer and David and I made up the legislation. At the beginning of the campaign, everybody kept saying, ‘Oh, this bill is ridiculous, you can’t have a bill that’s only a page-and-a-half long, you know, it’s got to be much more complicated.’ Later on in the campaign, people said, ‘Oh, that’s brilliant, having such a simple bill.’ The truth was, that’s all David and I could come up with.”

Of course, there were dozens of critical decisions that had to be made by the Rehab Network board before that page and a half could be written.

“A lot of people asked why we were demanding that the city spend a billion dollars. Where did that number come from?” recalls Bobo. “Frankly, it was an easy number to remember. The city had been spending \$500 million on housing, and we wanted them to double it, and to target it to low-income people.

“One strategic decision was that we were going to exclude public housing. You can’t really talk about low-income housing without talking about public housing. But the group felt that the general view of public housing was so bad, that if we got into that, it would just sort of drag us down. And it wasn’t the base of the Rehab Network, we didn’t have those relationships.”

A second critical decision was where the money should come from. Everyone knew that a property tax increase was not an option. Fortunately, a timely foundation grant allowed them to hire Patricia Wright, a University of Illinois at Chicago professor, to conduct research and develop a recommendation.

“We basically said to Pat Wright, we want you to show how the city of Chicago can do this without raising property taxes,” says Bobo. “She called every other city that did major housing development and found out how they did it, and then put together this whole package of how it could be done.”

Wright’s report showed a huge gap between the need and what the city was doing to create affordable housing. She compared Chicago to about two dozen other cities, all of which were making more creative use of available funding sources and producing more affordable housing.

Just as important as the research on housing programs and revenue sources was the political analysis. Hard-bitten organizers and low-income residents of Chicago alike knew that no one was going to give them money for housing just because a university professor said it was needed and that it could be done. If it was that easy, it would have happened decades earlier. The Rehab Network needed to analyze what power it had to move the mayor and city council into action.

“I did a fair amount of work trying to figure out the city council,” says Bobo. “I talked to the people that had worked on the blue bag recycling campaign, and a number of community organizations that had worked on other city council issues.”

Bobo and Hunt talked to Rehab Network members as well as some friendly aldermen to figure out the potential votes in the council. They determined that there were 19 aldermen who were clearly on the side of affordable housing. Then there were 11 or 12 who were viewed as completely hopeless, aldermen who were never going to vote to spend money on affordable housing.

“And then there were the remaining bulk in the middle, the swing votes,” says Bobo. “But everybody recognized that the real decision-maker was the mayor. The city council would do what Mayor Daley told them

to. That had been everyone's experience.

"But we did not have the power to go up against the mayor directly."

Although Daley had only been mayor for a few years at this point, he had already consolidated considerable power, partly due to his popularity as inheritor of the Daley mantle, and partly as a result of the schisms within and between the African-American and Hispanic communities. At this point, Daley controlled a solid majority of the votes in the city council, and set the agenda for the city relatively unimpeded.

"We made a strategic decision early on, that we were going to run the Affordable Housing Campaign like a legislative drive, and act like the council had legislative power. We could build the power to make some aldermen nervous. Our thinking was that when we got close to 30 potential votes, we would have the attention of the mayor. And so we needed to concentrate our energy and time on those swing votes."

"We also had to figure out what journey our legislation would take through the city council," remembers Hunt.

The council's Housing Committee would be the first stop, under the leadership of Alderman Ambrosio Medrano, a foe of the legislation.

"Who could be our champions in the council, the alderpeople who would actually introduce the legislation? Who would be the people leading the fight against us?" says Hunt.

"We knew our champions had to be in wards where we had enough major supporters to hold the aldermen accountable if they wavered. In the end we chose Toni Preckwinkle and Arenda Troutman. Now this caused a little bit of problem, because some of our old-time allies in the council felt betrayed that we had not asked them. The reason we didn't was that if they were our champions, the bill would be dead on arrival. We needed people who were at least

perceived as not being anti-mayor."

Putting the coalition together

Everyone knew that it would take a coalition of almost unprecedented size to move enough aldermen to budge the mayor, and reset his spending priorities.

One of the partners that the Rehab Network reached out to was Carlos DeJesus and Latinos United.

Latinos United had grown out of the Mayor's Advisory Commission on Latino Affairs, set up in 1984 by Mayor Harold Washington to report on the status of the Latino community in areas such as health care, employment, education and housing. When the commission folded after Washington's death, the members of its housing committee felt that their work was far from completed, and reconstituted themselves as Latinos United.

"In 1984, the commission had documented that although Latinos were close to 15 percent of the eligible population for subsidized housing in Chicago, we were less than 2 percent of the actual participants," says DeJesus. "Housing committee members spent five years negotiating with the Chicago Housing Authority (CHA) before getting a written, signed agreement that by 1995 Latinos would be equitably represented. But it was never implemented. Eventually, we sued the CHA.

"There were many historical reasons why Latinos had been shut out of subsidized housing. Most public housing was created in segregated, impoverished black neighborhoods. A couple of developments were built in white neighborhoods because at the time they were built, there were more whites eligible than blacks. Over the years as the black population increased in Chicago, public housing became perceived as a program for blacks. As the Latino numbers increased, there was never any marketing to the Latino community. Latinos applied for CHA hous-

ing, but almost never made it to the top of the years-long waiting list. Families would move with no forwarding address, or fail to return CHA waiting list notices sent in English only, and be removed from the list.

“Consequently, low-income Latino families were paying an ungodly amount for housing.

“When David Hunt from the Rehab Net-

“One important decision I made was to assume that everybody could work together. We put past history behind us, and just asked organizations to get involved. We ended up having groups that didn’t generally talk to one another all supporting the campaign.”

work and John Donahue from the Coalition for the Homeless came to ask us about joining the Affordable Housing Campaign, we were glad to be a part of it.

“There was a lot of creativity in the campaign. It wasn’t simply a bunch of people demanding stuff. The group identified housing resources that the city didn’t know it had. It really took the wind out of the sails of the city.

“There was some apprehension on our board. Not so much whether it would succeed, but what assurances would we have that this would benefit the Latino community. The board represented almost all of the nonprofit developers of housing who were working in Latino neighborhoods—Bickerdike and LUCHA from West Town and Humboldt Park, Voice of the People from Uptown, the 18th Street Development Corporation and The Resurrection Project from

Pilsen, and others. The board was also apprehensive about how much time it would take because we were so focused on CHA. Having argued that through, we gave our full support under one condition—that Latinos United play a prominent role in the steering committee and the negotiating. It was important for us to have a strong presence to argue for Latinos to get resources.”

Before the end of the campaign, more than 250 community organizations, churches, synagogues, community centers, issue organizations and other groups had endorsed the Affordable Housing bill. Most contacted local aldermen asking for support. Some, such as Latinos United, ended up playing a very active role in the leadership team. Some turned out large numbers of community residents at crucial moments. Others merely lent their name and good will to the effort. All were important to the eventual victory. The unprecedented size of the list of supporters created a sense of the public will, a sense of momentum, and a need for the city to respond.

This huge coalition was part of the vision Kim Bobo brought.

“One important decision I made was to assume that everybody could work together. We put past history behind us, and just asked organizations to get involved. We ended up having groups that didn’t generally talk to one another all supporting the campaign. It was the wildest set of organizations. There were lots of other issues they didn’t agree about, but they all knew there was a need for affordable housing.”

Action in the neighborhoods

“We didn’t officially announce any big campaign for about a year,” says Hunt. “We were stealth-like. We had decided we were not going to call the mayor bad names or anything. We would lay low, and not call the dragon out before we were ready. We would start in the neighborhoods.

“When we looked at the city council housing committee, we saw that a lot of the Rehab Network organizations were in the more progressive districts. We already had the support of those alderpeople. So we had to look at the places where there wasn’t that kind of support. The Northwest Side, parts of the Latino community, other parts of the then-gentrifying African-American community. That’s where we had to put a lot of our energy.”

Fortunately about this point, the Midwest Academy was launching a summer internship program. The Affordable Housing Campaign could serve as a learning laboratory for college students, and they could serve as the foot soldiers in the communities that had been targeted, but where there were no Rehab Network members.

Hunt remembers that there were some questions about this decision. When the Rehab Network got new resources, the member organizations naturally expected to be the beneficiaries. And summer interns represented a big resource to perennially understaffed nonprofits.

“There was tension until it was explained to people why we were doing this. Your alderperson is either, a) not on the housing committee, or b) if they are on the housing committee, they are going to vote the right way already. And anyway, you’re already there organizing.”

The interns were sent to organizations that in some cases did not even have housing on their list of issues.

“The first summer,” says Bobo, “there were a small number of interns, like seven or eight, so we assigned two wards to each of them. The next year we had enough so that each swing ward was assigned an intern. They worked within a community organization, and their job was to build the base of endorsing organizations. They were supposed to ask for three things: will you arrange for a meeting with your alderman,

will you generate a certain number of postcards, will you add your organization’s name to the endorsers.”

Matt McDermott, now executive director of the Southwest Organizing Project, spent the summer of 1993 as an intern at Pilsen Neighbors. It was his first taste of community organizing.

“When I got there, I found just two people who were interested in housing. It was a challenge. I was able to build and leave in place a strong housing committee by the end of the summer. I really got excited about organizing. By the time the negotiations took place in the fall, Pilsen Neighbors was so active in the campaign that they were represented on the negotiating committee.”

“We basically spent almost a year building, doing outreach, generating postcards to aldermen,” recalls Bobo. “Eventually we organized visits to 40 aldermen, where delegations of residents from local organizations talked about the need for affordable housing. By the second summer, we had 150 groups who endorsed the Campaign for Affordable Housing. The list went on for pages.

“I felt that I had played an important role in building the base and figuring out the strategy, but I was doing this all as a part-time consultant from the Midwest Academy. The Campaign needed more help, someone who could be there full-time. Josh Hoyt, a long-time Chicago organizer, was brought in, and he was really instrumental in the last few months. He helped figure out one tactic after another to make the city crazy.”

Approaching the mayor at last

“It wasn’t until the last six months, once we had really built up significant support, that we started doing citywide stuff,” recalls Hunt. “That’s when the mayor started becoming more of the target, not just the alderpeople. We knew if the mayor wasn’t supporting it, then it wasn’t getting passed

in Chicago. That was the rule.

“By midsummer, 28 aldermen publicly said they’d support the campaign. Now whether they all would have voted for it, you know, some of them probably would have gone to the bathroom during the vote. But we were starting to reach our critical number.”

“Suddenly in early August,” says Bobo,

“For a wild eight-week period, we just went nuts. We mobilized everybody in the base that we had built up.”

“the city came out with a fancy report saying why our bill wasn’t necessary. We thought it was a great thing. We’ve got the mayor’s attention, they’re taking us seriously. It was time to shift the focus to the mayor.

“The second week of August, before all the interns left, we organized a rally down at City Hall. I took 500 song sheets and I ran out, so our estimate is that there were around 600 people there. The Rehab Network had never turned out anything like that as far as people could remember. Everyone was just completely blown away.”

Hunt remembers the rally as a high point of the campaign.

“I was walking up the steps to the fifth floor at City Hall, because the mayor’s people had blocked the elevators to keep us away from his office. I heard crowd noises growing and growing and growing. It was almost like I was sleepwalking. I was thinking about what I needed to say at the rally, there are Latinos here, African Americans here, there’s rich people here, poor people here, there’s homeless people here, if you want to see Chicago, here we are, the

breadth and depth of our coalition. And I turned the corner and there was this sea of people standing there, and everybody’s chanting. That was one of the best days. All the coalition members we had worked with for so long in the neighborhoods, everybody was there.”

Through August and September, Hoyt organized about one direct action a week. Another one that everybody remembers was the day the coalition distributed 15,000 flyers at El stops requesting people to call City Hall asking for a commitment to affordable housing.

Judy Beason was at a Red Line stop in the Loop with several other people.

“The flyers talked about homelessness and affordability and how anyone could be at risk if they lost their job. We said we were trying to make sure that housing was available to everyone, and asked people to call the mayor’s office. Some of them ignored us, but lots of people said they had read about the problem or knew about it. And they took the flyers.

“Later in the morning, I was back at the Rehab Network office and somebody called in. ‘We can’t even get the switchboard at City Hall any more, they closed it down... they put on a recording.’ We were thrilled!”

Every time the mayor had a ribbon cutting, members of the Rehab Network would be there saying, “What are you doing about affordable housing?” Press conferences were organized for various groups of community leaders to speak out—religious leaders, black elected leaders, Latino leaders and others.

“For a wild eight-week period, we just went nuts,” laughs Beason. “We mobilized everybody in the base that we had built up.”

In addition, coalition leaders met with editorial boards and wrote op-ed pieces. They paid the Chicago Video Project to produce a 10-minute video explaining the issue, and set up screenings for aldermen and media repre-

sentatives.

“There were a lot of people who were skeptics when we started,” says Bobo. “Now people felt we might get something. There was a sense of energy.

“By the end of September, we got a call from the city saying, ‘Okay, we’d like to sit down and meet.’ So we put together the meeting team, about eight or 10 people, the most active leaders from the coalition.”

Negotiating

There ensued a series of meetings through October and November as Rehab Network members and city representatives tried to come to an agreement.

“I remember clearly at the initial meeting Rosanna Marquez was the point person for the city,” says DeJesus. “Also in the meetings was Alderman Ambrosio Medrano, the chair of the housing committee. And Victor Reyes, who was the head of intergovernmental affairs for the administration. All Hispanic. And, of course, the Housing Commissioner, Marina Carott. David Hunt led our team. Jean Butzen from Lakefront SRO was there, and Judy Beason from PRIDE, Les Brown from the Coalition for the Homeless. Josh Hoyt, the organizer. And several others.

“There was some posturing in the initial meetings, jockeying for position. But the subsequent meetings were a lot more amicable.

Continues DeJesus, “At first, the city told us there were limits to what they could do, that they needed to be strategic about how they used resources. They felt that the resources of the Department of Housing were not for the very poor, because public housing and Section 8 were for the poor. They wanted to use city money, in their words, to ‘stimulate the market’ so that housing could be created. What that meant to us was that they were using it to gentrify, to build expensive housing in low-income neighbor-

hoods.

“Josh was very dynamic in the meetings, very in-your-face. Really, at that point I think the city had already decided that we were a thorn, and they had to do something.

“The city also argued that there couldn’t be any language that was specific to one group. They argued that by income targeting, Latinos would get a proportionate share. That certainly didn’t happen in public housing and that was all income targeting. But probably legally they were correct, that there couldn’t be language specific to Latinos or any other group. But eventually there was an informal commitment. DOH agreed to quarterly meetings in the community to target Latino developers. The focus was on getting funds to the developers so that they could create the housing that was needed in the community.

“After a number of back and forth meetings, the city’s negotiating team began saying, ‘These things sound great, but will they work?’ Eventually David said, ‘Well, then let’s meet with Paul Vallas.’ He was the mayor’s budget director at the time. I believe there were two meetings with Paul. He looked at our proposal and said, ‘Yeah, all of this is doable. All I need is the go-ahead.’ As I recall, that was the final obstacle.”

Part of the success was due to how solid the proposal was, recalls Hunt. “The resources that we were identifying were either not being used by the city, or were underutilized by the city. So it wasn’t really taking money out of the mayor’s existing budget. The main difference was that Daley wanted funds for families making \$25,000 or more. In our legislation, 75 percent of the resources had to go for families making below \$25,000. We were using dollars from federal and state government, and bonding authority that the city really hadn’t been using anyway. Our demand was a billion dollars for five years, and we got the city to agree to spend \$750 million.”

Monitoring

Just as important as the big increase in dollars and the new targeting was a requirement that the city report to the community on its use of housing dollars. This was not in the original page and a half that Bobo and Hunt wrote, but was added during the negotiations. The city promised quarterly reports about dollars spent and affordable

“There was a whole new dynamic of interaction. We have a partnership. There’s some tension, but there is also some respect.”

housing units created.

“Once we knew they were going to agree to the dollars, then the question became, how are we going to make sure we get what we asked for,” says DeJesus. “As housing advocates, we do a lot of research at Latinos United, and our philosophy is that we want to use numbers from the government. Because then they can’t argue. If the city Department of Housing issued quarterly reports to the city council, and made them public, then we had the numbers to hold them accountable.”

The numbers turned out to be very important. In the first couple of quarterly reports, the city included as housing units several categories that did not satisfy coalition members.

“They wanted to count shelter beds as units. Is that a housing unit? A cot in the basement of a church? Or adding handrails in the shower for a senior citizen? It’s good, but it’s not a new unit of housing,” says DeJesus. “The quarterly reports turned out to be crucial to the long-term success of our campaign.”

The long-term impact

Eight years after the victory, the Rehab Network has built a strong partnership with the Chicago Department of Housing.

Under the first five-year agreement, more than \$800 million was spent, exceeding the agreed-upon goal of three quarters of a billion dollars. That money created or preserved nearly 48,000 units of affordable housing.

A second five-year agreement was entered into at the end of the first period. The process was entirely different. Julia Stasch came in as commissioner of DOH in August 1997. The Rehab Network immediately invited her to its quarterly meeting and asked if she intended to renew the five-year agreement.

By then, the Rehab Network also had a new director. Kevin Jackson, an experienced community organizer, had taken over from David Hunt in early 1996.

He remembers the commissioner’s response as very thoughtful. “She was favorable from the beginning. ‘I like this analysis of the agreement,’ she said. ‘I can use this as a management tool.’ We began an ongoing dialogue with her that led into the renewal process.

“The principles of the first agreement were the bedrock. The focus on where the dollars are to be targeted, the accountability through reporting. We almost doubled the dollars, the second five-year commitment was just shy of \$1.5 million.”

Stasch facilitated a broad discussion about the renewal of the five-year plan. For the first time, the Department of Housing produced a report detailing priorities, programs and resources. An advisory group was put together that included representatives of many of the Rehab Network members, as well as elected officials, housing experts and private-sector developers. The conversation was driven by the tangible information and experience of the first five years.

“There was a whole new dynamic of interaction,” says Jackson. “We have a partnership. There’s some tension, but there is also some respect.

“When I first came to the Rehab Network, everyone wanted to talk to me about the Affordable Housing Campaign, tell me their perspective. It was a couple years in the past at that point, but everybody felt it was important I have their view.

“The campaign put the Rehab Network on the political map in a way that it had never been before. It was a force to be reckoned with by city officials and the mayor. We were recognized by the aldermen and others as being an independent voice that had to be heard.”

Not everyone in the low-income housing community was happy with the results. There continues to be a severe shortage of affordable housing in the city. The 2000 census showed that although Chicago was the only one of the top ten cities in the country that gained population in the past decade, it actually lost rental housing.

“There are certainly critics who say that we continue to miss the targets,” says Jackson. “There are people who want to take a more adversarial approach. But we also have to acknowledge the things that have been successful. Our relationship with the city Department of Housing has been complete-

ly transformed since 1993, and is much more productive.”

Over the past five years, the Rehab Network has continued to grow, and currently has more than 40 institutional members. In addition to advocacy, research and policy analysis, it conducts extensive training for affordable housing developers, and administers a \$1 million revolving single-family loan fund. It has broadened its policy work to include national and state efforts, winning approval in 2001 of an Illinois Affordable Housing Donations Tax Credit that will provide \$26 million for the production of affordable housing.

The tension the Rehab Network struggled with in deciding to organize is a tension that continues today. Members seek to find a balance between building better cooperative relationships and pressing the city for more resources.

“The Rehab Network has an incredibly diverse membership spread across the city, and a rich network of relationships we can call on,” says Jackson. “That is our real source of strength. Housing affordability continues to be a crisis in Chicago, but our members are in the neighborhoods working on it, creating not only bricks-and-mortar solutions, but also the policies and programs that contribute to the solution.” ■

“When you look through Englewood, most people think there’s no money there,” says Denise Dixon, president of ACORN Illinois. “Abandoned buildings, crime, unemployment, drugs, that’s what most people see. But the loan sharks found money. What they understood about Englewood and

Stopping predatory lending

neighborhoods like it was that people owned their homes and had owned them for generations. That was money to loan sharks, so they targeted those areas. They dangled cash in front of people’s faces. If you’re broke and your roof is leaking and somebody is telling you they can give you some money to get that roof fixed, you’re going to take it. That is what happened. A lot of people refinanced the homes that they had owned for years to get new windows or to get a new roof. We’re not talking finery. Nobody decided that they wanted a new rec room or Jacuzzi. And they were exploited by the predatory lenders.”

Jose Cruz had not told anyone that he was about to lose his house. He had worked and saved for a long time to be able to buy the house, which included a rental property on the back of the lot, in the Belmont-Cragin neighborhood on Chicago’s Northwest Side. The first disappointment had been that the

Federal Housing Administration (FHA) had not inspected the property as the Realtor promised, and the windows on the rental unit were rotten and had needed immediate replacement. Cruz considered himself lucky when a man showed up offering a loan for new windows. Then he was injured at work and was off for four months. Only too late did he discover that the window loan carried huge fees and an interest rate so high that he was pushed into foreclosure. He was advised to declare bankruptcy to avoid losing the house. He was ashamed and embarrassed, and pulled away from his family in the city so that they wouldn’t know about the bankruptcy, or see the old clothes his kids and wife were forced to wear since there was no money for anything. When an organizer knocked on his door and asked him about the neighborhood, Cruz was ready to talk, and glad to attend a meeting to tell public officials how mad he was about the way the whole mess had happened. He kept going to anti-predatory lending meetings, and was stunned a few months later when he walked into one meeting and saw his sister. He asked what she was doing there. It turned out that she was in almost exactly the same jam, and had been too embarrassed to tell him.

“Everybody knows that predatory lending hurts the victim,” says Paul Marshilonus, a member of the Predatory Lending Committee at the Southwest Organizing Project (SWOP). “We’ve talked to people who are losing their houses, and seen the boarded up remains on our blocks. But we were really clear from the beginning that predatory lending affects the whole community. I’m co-chair of the Parish Council at St. Nicholas of Tolentine, and we know that our parish

can't be strong without the community and our neighbors being strong. Abandoned houses breed crime and devalue the blocks. Young children are afraid to walk by the houses. We are all in this together. It's a neighborhood problem, a city problem, a state problem and even a national problem that this is allowed to happen."

This is the story of how Jose Cruz, Paul Marshilonus, Denise Dixon and hundreds of others like them across the city of Chicago and beyond are working to stop certain unethical lending practices called "predatory lending," which have devastated neighborhoods during the last decade. This is just the latest incarnation of the perennial problem of access to credit for working families who may struggle at times to make ends meet, but who make up the heart of many neighborhoods.

How predatory lending came to the community's attention

The booming economy of the 1990s was not as good to many hourly workers as it looked in the media. But interest rates were low, and no one was particularly looking for high foreclosure rates. Still, most Chicago community organizations have a long history with mortgage-lending issues and abandoned houses, and when signs of a problem began to show up, people across the city took notice.

In the summer of 1998, several staff members at the National Training and Information Center (NTIC) were monitoring a federal loan program for first-time homeowners, run through the Federal Housing Administration (FHA). Founded in 1972, NTIC is a training resource and research center for community organizations around the country. It helps groups uncover common interests and work on local issues that require national action. NTIC played a

major role in the passage of the federal Home Mortgage Disclosure Act and the Community Reinvestment Act in the 1970s.

"We were monitoring FHA foreclosures," says Jason Kiely, who began working with NTIC in 1996. "We were nibbling around for different sources so that we could analyze the patterns a little bit better. We found a private company selling a computerized report that lays out all the foreclosures filed in a particular week. It's used by ambulance-chasing lawyers as well as predatory lenders and individual investors who want to buy a foreclosing property. It gives the borrower's name and address and loan amount, balance amount, and in some cases interest rate. We were finding a lot of the loans that were in foreclosure had just been originated the last couple of years and they had a really high interest rate.

"We started calling around to the community groups we work with to get more in-

Homeownership and strong communities are two of the central goals of many neighborhood-based community organizations. If homeownership is part of the American dream of the good life, fair access to credit is a critical step along the path.

Community organizations across the country have worked hard for several decades to develop tools to ensure fair access to credit in every neighborhood in the United States. The Home Mortgage Disclosure Act of 1975 was one of the first steps. It requires lending institutions to report where they make loans, and provides a vital tool for community organizations to investigate whether lending institutions are "redlining" neighborhoods, or systematically refusing loans based solely on addresses within certain, often minority, communities. The Community Reinvestment Act of 1977 requires banks to make loans and provide services in the same area where they draw their deposits, and provides for community input when financial institutions merge or make certain other changes in their services.

formation. We went to Neighborhood Housing Services of Chicago, who do more hands-on work with homeowners, and found that a lot of their energy had shifted from encouraging homeownership to protecting homeownership. They were spending more time on the phone with lenders trying to renegotiate some of these loans than they were spending on new loans. With their help, we got together groups of homeowners, largely on the south and southwest side, where the problem was particularly bad.”

Meanwhile, in the neighborhoods, the vacant homes were coming to the notice of community residents.

“I had just bought a home in Marquette Manor, and within a couple of years, I started seeing some very disturbing figures about foreclosures in the area,” recalls Helen Jouzavicius, a member of Nativity BVM Parish and a leader in the Southwest Organizing Project. “The Greater Southwest Development Corporation and the local NHS office told SWOP there were approximately 350 to 400 foreclosures surfacing in the neighborhoods we cover. I became very concerned because I realized that perhaps my investment was going to be threatened. I went out in my car and started going street by street, from 71st to 63rd and from Western to Kedzie. I was jotting down notes—there were already 37 buildings that were boarded up just in that square mile. Two of them were on my own block.

“I felt that it was even graver than the numbers said, because the boarded-up buildings meant that we would have a concern with safety, people moving out, instability in the neighborhood. It was a community issue. Something had to be done.”

Jouzavicius reported her findings to the SWOP Strategy Team, the organization’s leadership body. The team asked the SWOP Housing Committee to look at the problem.

Lori Roth, a member of St. Rita Parish

and a fairly new SWOP member, recalls that everyone assumed at first that FHA (a HUD agency) was a part of the problem. But this turned out to be untrue.

“As we continued to look into the situation,” Roth notes, “we found that HUD wasn’t our major problem. As the vacant houses kept popping up, the majority of them were not HUD houses. Mortgage companies owned the majority of them. So our direction at that point had to change.”

By the fall of 1998, the research from several sources was beginning to come together. NTIC worked with NHS to bring together small groups of homeowners who were in foreclosure due to predatory loans. One of the target areas was SWOP’s community, Chicago Lawn and Marquette Park, due to the concentration of bad loans there.

“We brought small groups of homeowners who were in default together,” says Kiely. “They all had the attitude, ‘I deserve it... I was stupid.’ Peel away the layers and you find out that they weren’t stupid, they were desperate. The furnace wasn’t working, winter was coming on and they needed a loan to fix it. Or they were in the hands of a very good salesman. We talked to one self-described former loan shark who has gone to the honest work of selling cars. He told us that some of them, including himself, are so good, he actually got a real estate lawyer to sign for a loan which included 13 percent of the loan amount in fees.”

“The homeowners at our meetings were amazed to find out that it wasn’t their fault and they weren’t alone. Then they got mad and wanted to do something about it.”

Community research

In September 1999, NTIC produced a 56-page study on predatory lending practices, “Preying on Neighborhoods: Subprime Mortgage Lenders and Chicagoland Foreclosures.” This report defined the problem and practices of predatory lending, provided

numbers to demonstrate the growing problem of foreclosures, and included examples of people who had been victimized. Maps with vivid red dots dramatized the growth in foreclosures throughout the Chicago area between 1993 and 1998. “The key finding is that today’s foreclosures are qualitatively different than they have been in the past. The loans that are failing in ever-greater numbers are loans made at higher interest rates—interest rates that no longer follow an important index of what these rates ought to be for customers with ‘good’ credit.”

In November, the Woodstock Institute, a Chicago-based nonprofit research and policy organization that focuses on community reinvestment and economic development, put out a similar study, “Two Steps Back: The Dual Mortgage Market, Predatory Lending, and the Undoing of Community Development.” Woodstock particularly highlighted the impact of predatory lending in the African-American community and the segmentation of the finance market by race. “In 1998, 58 percent of conventional (not government-guaranteed) refinance loans in predominantly African-American neighborhoods were made by subprime lenders, compared to less than 10 percent in predominantly white neighborhoods.” The Woodstock research cited as causes the growth of aggressively marketed consumer credit, increased consumer debt, the growing numbers of lower-income first-time home buyers, a proliferation of information technology that allowed sophisticated use of data and inadequate enforcement of existing CRA and fair lending laws. Woodstock made a number of specific policy recommendations to remedy the situation.

The national ACORN office also issued a report in November, titled “Stripping the Wealth.” It compared the lending patterns of prime lenders with those of subprime lenders, and found that in 20 cities around the country, minorities, particularly African

Americans, were disproportionately targeted for subprime loans. In Chicago, while 5.4 percent of conventional loans were made to African Americans, 29.4 percent of subprime loans went to African Americans.

NTIC and the Loan Shark Task Force

NTIC, a national organization with some local affiliate groups but without individual members in Chicago, began by working with NHS to convene meetings of homeowners who were on the verge of losing their homes due to predatory loans.

“We’re not a think-tank, we’re a grassroots community organization,” says Kiely. “We needed to get the people who were affected by the problem together, but we knew it wouldn’t be easy. People don’t just talk about how they are losing their home.

“We used the foreclosure list to send a flyer to about a thousand homeowners, asking ‘Have you been ripped off by a loan shark?’ We invited them to a meeting on the Southwest Side, because that’s where the biggest concentration was. About 40 people showed up. A couple of homeowners that we had met with previously through NHS were there to lead the meeting.”

An NHS board member, Sharon Robinson, opened the meeting. “We know a lot of folks in this room are facing foreclosure and we think a lot of it is because homeowners are being deliberately set up by unethical lenders. They’re promising the world and setting people up for bankruptcy, foreclosure, and hopelessness.”

Heads around the room started to nod.

Kiely knew they were on the right track. “We realized it would be hard for people to talk about, so we started with a little video that told somebody’s story. Then one of the homeowners came forth and struggled emotionally through her story. That broke the ice, and we spent the next hour listening. Everybody wanted to tell what happened to them. It was a really powerful moment. Peo-



(From left) Margie Williams, Chicago Loan Shark Task Force; Gale Cincotta, former executive director of the National Training and Information Center; Leroy Johnson and Regina Mobley, both of the task force; all testify at the first state hearing on predatory lending in 1999.

ple began to look across the circle and say, ‘Okay, this isn’t just me, something’s wrong here.’”

One of the rules of organizing is that after people have a chance to vent, there has to be some way for them to take action to make change.

“We knew that you just couldn’t get these people together and not have some way to assist them, especially since they were desperate. We had the NHS counselor lay out some options, counseling, help from the Legal Assistance Foundation. So that gave some people a bit of an immediate fix.

“Then I made the pitch. It is important that we all recognize that this issue is not just our personal problem, and certainly not our fault. Now I want to ask you folks—I know you are going to use some of these resources to help yourselves, but what do folks think about their children and their neighbors who are still easy prey to these guys? Do we want to work together to try and stop them?”

“Very quickly into the conversation, there was a sense, ‘We’ll do whatever it takes.’ There was a conviction that this is wrong

and it’s got to be stopped. I didn’t know if that would happen or not, because people were in a pretty darn bad fix. But they wanted to stop it from happening to other people.

“So that night, we formed ourselves into the Chicago Loan Shark Task Force. Our first major action was to invite a representative of the Office of Banks and Real Estate (OBRE), the state regulator charged with overseeing lending practices and policies, to a public meeting. About 100 people came to that meeting, in a hall at 63rd and Talman. The homeowners presented their case, and really got the brush-off.”

Under the current regulations, they were told, they would have to produce a huge volume of specific information showing a pattern of predatory practices in a particular community before OBRE would even be interested.

That was like waving a red flag in their faces.

“The next step was to talk to our state legislators because they had power over the regulators. Maybe we needed state legislation, although that seemed like pie in the sky at the time. We were just fishing around that summer and putting everybody who had anything to do with the issue on notice. Our executive director, Gale Cincotta, was well-known from years of NTIC actions, so she and the Loan Shark Task Force were able to get a meeting with somebody from Gov. George Ryan’s staff and the commissioner of OBRE to talk about the issue. Two weeks later we got a response that the governor wanted to set up a commission to study the issue.

“Well, Cincotta’s immediate reaction was, ‘Don’t waste my time, you’re not going to stall us.’ Historically it’s been our experience that most studies are just to stall. We were not going to wait.

“So Gale got a meeting with Julia Stasch, Mayor Daley’s chief of staff. We kept on

spreading the word about what was happening, to see who would take action.”

A *Chicago Sun-Times* article shortly after the community meeting with OBRE helped draw attention to the issue. NTIC began work on an investigative report that would spell out the details and causes of the problem. And it invited other community groups to join together in a broad coalition to plan for action.

SWOP holds a Posada

Members of the Southwest Organizing Project attended the NTIC meetings. They even went along on several “shark attacks” when NTIC organized angry homeowners to show up at the offices of predatory lenders and put them on notice that community organizations would not allow their neighborhoods to be devastated.

But as a faith-based community organization whose leadership came from local congregations and a variety of religious backgrounds, SWOP members felt that angry meetings were not really their style. SWOP is an institution-based organization; its leadership are representatives from area churches, mosques, synagogues, hospitals, schools and other local institutions. The leaders are very conscious of representing not just themselves personally, but all of the families in the institution that delegated them to SWOP.

Educating the people at their member institutions about the problem was an important first step. Helen Jouzapavicius remembers being challenged by one of the organizers to step up her leadership role. “I was asked to go and talk to every parish pastor in the area about the issue. As a lay person, I didn’t want to do it, I was nervous. But I found myself knocking on their doors and talking with them about the gravity of the problem because it was so intense. They had to know what would happen if we didn’t respond as a community.”

Betty Gutierrez, a SWOP leader from St. Mary Star of the Sea Parish, saw significant results from Jouzapavicius’ efforts. “Father Stan at St. Nicholas of Tolentine had no idea that he had so many abandoned houses right around his parish. He had been too busy to really notice. Carol Riley, about a block and a half from St. Nick’s, was living next to an abandoned house. She lived with constant anxiety and when her grandchildren came over, she didn’t let them play outside. Her family was going to put the house up for sale. Then our organizer, Bill Black, knocked on her door. Mrs. Riley told him that she felt totally isolated. She didn’t know anybody on the block any more. After Bill talked with her, she went door knocking on her block. For the first time in ages, she knew who was on her block. She and her neighbors decided to get involved. And she decided not to sell her house.”

The Marquette Park area historically was exclusively white. Over the past two decades, it has slowly been integrating an influx of Hispanic, Arab and African-American residents into the old Polish, Irish, and Lithuanian mix. The area is seen as particularly vulnerable to sweeping changes.

SWOP members like to highlight special events from the various cultures represented in the neighborhood to bring people together. At Christmas that year, they held a *posada* that combined the traditional Mexican Christmas liturgical parade with a concern about the future of decent housing in the area.

Lori Roth remembers that it was bitter cold that day. “Lots of people came out. It was quite moving to see all these people walking in the cold to an abandoned home. A *posada* is a reenactment of the Holy Family looking for shelter at Christmas, going door-to-door and being turned away, and ending up in the stable. So we knocked on doors, and drew people out into the crowd with us. Finally, at the last house, we’re told,



ACORN President Diane Dixon talks to the press at the offices of a predatory lender.

‘Well, you can’t stay here, but see that abandoned house next door, why don’t you stay there.’ Father Bill Lego, Pastor of St. Rita’s, led a Spanish liturgy and we prayed for safe shelter for everyone in our community.”

The Sisters of Saint Casimir were also asked to get involved. They have been in the community since 1911, and run Holy Cross Hospital and Maria High School, near Marquette Park.

“We’ve lived in this neighborhood for a long time, and have a significant investment, and we’ve seen the abandoned houses, just like everyone else,” says Sister Regina Dubickas. “Our community has never become involved in politics or issues like this. We were focused on religion and our own institutions. When SWOP came to us, there was some resistance. The sisters have seen other

religious communities that are very actively involved in political work. They get arrested and things. Are we going to get in trouble? What’s going to happen? But we knew it was important.”

The Sisters were asked to lead a prayer vigil outside the offices of the Associates, one of the lenders accused of making predatory loans in the neighborhood. People who were afraid themselves would come out to support the Sisters, to be sure they did not hold the vigil without the community behind them.

About 17 Sisters of St. Casimir, in their religious habits, showed up at the Associates office on the appointed day. “We were afraid,” remembers Sister Regina. “But we did it, and we were just amazed at what could happen when you unite. About 200 people came out and joined in the vigil. I can’t tell you how important the experience has been for us. A number of people have come to me personally and said, ‘I became involved because I looked out and I saw some Sisters marching and I thought if they’re doing it, it must be good.’”

ACORN goes after the financial institutions

Chicago ACORN went after the problem somewhat differently. ACORN works in very low-income neighborhoods in Chicago, including Englewood, West Englewood, Little Village and Lawndale. The organization finds its members by going door-to-door, not through institutions such as churches. Both locally and nationally, ACORN has a long history of demanding that financial institutions deal fairly with low-income people. It had been hearing about lending problems from constituents for some time.

Predatory mortgage lending was seen as one more way that outside interests were sucking dollars out of poor communities. There are few, if any, banks and other traditional financial institutions located in these

neighborhoods. Many residents view banks as unlikely to serve their needs, and so keep their money at home. The loan sharks fed on this suspicion, says ACORN state president Dixon.

“Our people were easy prey. They already have a fear that they can’t go to the bank, and then somebody comes right to their house and tells them, ‘Oh, you’re not going to find a better deal than what I’m giving you, no bank is going to lend to you.’

“They will drink your coffee, play with your dog, and give your child candy, and you’ll sign on the dotted line. You don’t have to go anywhere, they’ll come to you, especially the seniors. ‘No, no, you don’t need a lawyer. I wouldn’t cheat you.’ That’s how they prey on people.”

ACORN organizers began to hear from members who were worried about losing their homes to high-cost loans. They asked around, ‘Has anyone been contacted by phone or mail about loans?’ They found that many people were being flooded with solicitations. The ACORN national research department was able to tell the Chicago office which lenders were doing the biggest sub-prime business, and which neighborhoods were most affected. Household and Ameriquest were identified as the first targets.

Coincidentally, about this time, November 1999, the National Home Equity Mortgage Association was meeting in Chicago at the Hotel Continental.

“Our declaration of war against predatory lending took place at the Hotel Continental,” says Dixon. “We showed up with a busload of people. The room they were meeting in had chandeliers hanging down, the crystal glassware, everything. They’re all sitting there in suits, and everybody has a laptop, and they’re ready to divvy up our area. That’s what they were doing, in my opinion.

“And here we come, about 50 people, all

of color. They panicked. They tried to shut the doors. We got in and went right to the podium, which was not being used at the time. I delivered our demands, that we wanted them to stop charging exorbitant fees. We wanted them to stop targeting our neighborhoods. We wanted a code of conduct for their activities. They thought it was unreasonable, but we didn’t. We still don’t.

“At its core, it’s not about me making a mistake, so much as it is about a huge class of people being exploited.”

“Eventually, we were ushered out by the police.”

ACORN generally launches a new campaign with this kind of direct, face-to-face confrontation, according to Madeline Talbott, head organizer for Illinois ACORN.

“We needed this meeting to accomplish two things. First, we had to raise the public profile of predatory lending and make it a household word.

“Second, we had to create a new understanding. Until this point for many people, including our own members, predatory lending was a personal problem that didn’t have a name. ‘I have a loan that I can’t afford to pay and I don’t know how to get out from under it. I feel like I’ve made a big mistake or I’m getting ripped off, but I can’t understand what is happening to me exactly.’

“The essence of organizing is to convert personal problems into public issues, so that people can see there is a shared problem. At its core, it’s not about me making a mistake, so much as it is about a huge class of people being exploited. That intersection between

biography and history is what organizing is all about.”

Dixon recalls that the meeting at the Hotel Continental transformed the outlook of many ACORN members.

“It had to be public, where everyone could see it. People came forward with their stories, people we didn’t know even had predatory loans. They wanted to tell these lenders about the results of their work. After this action, people felt empowered.”

ACORN then began holding public meetings with elected officials, asking them to take action addressing the issue. The group got Ald. Ted Thomas to agree to introduce a city ordinance, and met with State Rep. Dan Burke and State Sen. Barack Obama about state legislation.

But most of the organization’s energy went into the area where it expected the most results: direct action against financial institutions that were engaging in predatory lending.

Adam Lang, ACORN’s anti-predatory lending organizer in Chicago, says it was easier than following the legislative route. “We went after Ameriquest on a national level because they were one of the top 10 subprime lenders. It’s a lot easier to go against the industry by letting people know what they are doing so that they lose business than it is to go against a united banking lobby and fail in the legislature.

“Because we are part of a national group, ACORN organizations all over the country

did protests on Ameriquest, putting their name in the press talking about the kind of loans they were selling to people. They finally had to meet with us because they were losing some of their Wall Street financing due to all the bad press.

“We entered into an agreement with them. In 10 ACORN cities, they would work with us to make sure people who didn’t qualify for conventional loans could get decent subprime products. They set up a resolution line so people who had problems could clear things up.”

Talbott stresses the need to deliver results directly to the membership. “For a membership organization, this is not just about policy. Policy has to allow you to deliver real goods to real people in the neighborhood. We had to create some products that were viable alternatives to the kinds of things that people were being offered by predators.

“We also negotiated with Bank One to get a product. This came out of an earlier fight over the acquisition of First Chicago. Through the heat of that battle, in 1998, we had forged a good working relationship with Bank One. The only way to build a lasting relationship is with mutual respect. We don’t have a whole lot of experience of relationships with corporations that are based on just going in and having a good conversation. This is all about power. If we are doing our job, we are changing the balance of power.”

In addition, ACORN went after Household during the summer of 2000. Lang spearheaded the effort in Chicago.

“ACORN did national ‘days of action’ in 35 cities around the country. Our members went to local Household offices and took them over. Our demand was that the local office send a fax to the chief officer of Household demanding meetings and to reform their practices on a number of issues.

“We wouldn’t leave until they sent the fax. Sometimes, the police would come. In

Many Americans assume that there are limits to the amount of interest that financial institutions can charge. However, these were eliminated during the bank deregulation of the 1980s. Interest rates on mortgage loans, credit card balances and payday loans can be as high as the market will bear. What may seem unethical is not necessarily illegal in the current regulatory environment.

some of these cases in Chicago, the police have said, 'You know what, these guys are mean to us, too.' The police sided with us and were looking to help, instead of just getting us out of there.

"We said we can't leave until we get this faxed. The police tried to negotiate with the office manager to fax it, and they wouldn't do it. Finally, the police took our letter, dialed the number, faxed it through, called to make sure the national office got the letter and said, 'Okay, you guys can leave now.'"

Ameriquist, Household, and Citibank, which had just bought the Associates, all stopped selling single premium credit insurance. This insurance often costs as much as 10 percent of the loan amount, and is added as a fee to the principal. It generally has a short term, perhaps three years, after which it expires, but the homeowner pays for it over the full 30-year term of the loan.

Helping the victims: The Northwest Neighborhood Federation

The Northwest Neighborhood Federation (NNF), which represents a multiethnic area of working-class people in the Belmont-Cragin and Avondale areas, took an entirely different approach to the issue.

"We had received information about the problem from NTIC," recalls the Rev. Christine Schrey, pastor of Christ Lutheran Church and head of the NNF anti-predatory lending committee. "Initially we started looking at the state legislation that would prevent predatory lending. We asked our local legislators to support that, but it did not get passed. Then we shifted focus. We got to be known as the 'red dot' people, because we have a map that has red dots on it for all of the foreclosures that have been started in our area. Looking at the people who are being foreclosed on, and pushed out of their houses, when they are working and struggling to make their payments, we chose to work with people who are in the

midst of the problem, rather than work on prevention."

"Many of the people in our community have too much income to be eligible for help from the Legal Assistance Foundation and other sources. So the first thing we did was to call some of the major banks together—Harris, LaSalle, Bank One and Citibank—and ask them to produce an alternative product, for someone who is in the midst of a predatory loan to be able to go to a conventional bank. The only bank that said they would do anything is Harris. They came up with an alternative product in August 2000, but no one has been able to qualify. For this loan, Harris is quite liberal in their eligibility criteria, but we are dealing with people who have foreclosure on their records. The banks are looking for somebody who had good credit, and then got into a predatory loan. There are generally a lot more complications."

The other banks were reluctant to get involved unless Fannie Mae was in the picture, to buy the loans from the banks in the secondary mortgage market. (Fannie Mae is a private company created by the government to increase the availability of mortgage funds, particularly for low- and moderate-income people, by purchasing loans from other lenders. This replenishes the original lenders' supply of capital and takes the loans off their books.)

"Fannie Mae came out with a refinance product a year ago, but only half a dozen loans have been made. Often, people threatened with foreclosure go to a lawyer, who recommends bankruptcy. That adds another complication to securing any kind of new loan," says Schrey.

"Fannie Mae and Harris are very solid partners working with us, but it's not an easy solution."

In July 2001, NNF started working on a program modeled after the Home To Stay project in the Twin Cities. "It combines a re-

finance product with money for rehab and affordability gap financing, plus education and counseling altogether in a package to try to help people. We realize with our own people that rehab is a crucial element. Often people get stuck with predatory loans because the house needs urgent repairs. So all those elements need to be there for a person to be able to successfully stay in their home,” Schrey says.

The project in Minnesota has closed about half of its expected 50-55 loans. Church pension-fund backing (from the Evangelical Lutheran Church in America and the United Methodist Church) has been a crucial element in making the loans possible.

“We’re just at the beginning stages of this,” notes Schrey. “We need people who can think outside the box, and are willing to make a commitment. It doesn’t begin to meet the need, but it could help some.

“When we look at the people around the table at our meetings, how can you say to them that prevention is what matters and not taking care of them now? These are our neighbors, people who work hard, people who pay their bills, these are not people looking for a free ride. I think that’s why we’ve chosen this path.”

The first attempt at passing a state law

Meanwhile, NTIC was building the membership of the Illinois Coalition against Predatory Home Loans. In addition to SWOP, the South Austin Coalition Community Council had joined, since its community was hard hit by foreclosures, as had the Central Illinois Organizing Project, which represented the downstate region including Bloomington/Normal, Champaign/Urbana, Springfield, Decatur and Danville. Neighborhood Housing Services and the Woodstock Institute were also participating. State Rep. Burke, whose district included the heavily affected parts of the

Southwest Side, was showing interest in sponsoring legislation to address the problem. He attended a coalition meeting and agreed to hold public hearings.

Burke introduced a bill in the Illinois General Assembly in January 2000. The basic structure followed existing federal law, which says that if you price a loan above a certain cost there are extra safeguards that come into play, mostly extra disclosure forms to the borrower. By the end of the legislative session, more than 75 community groups, several cities (including Chicago), and some statewide associations had joined the coalition and were supporting Burke’s bill.

“Some groups put a lot of energy into this bill, but we didn’t think it had much prospect,” says Dan Immergluck of the Woodstock Institute. “In North Carolina, they were able to pass the legislation before the banking industry fully realized what was happening. Every time we would talk to a legislator about the bill, they would say, ‘What does the Illinois Bankers Association (IBA) think about this?’ The IBA was very motivated to stop the bill. Neither the Republicans nor the Democrats were going to stand up to them.

“We turned our attention to the city, where Mayor Daley was beginning to move on an ordinance.”

The city takes action

A number of organizations were starting to think about action at the city level. Financial institutions are regulated by states and by the federal government, so there was a limit to what could be accomplished by the city. However, the community organizations felt that raising visibility at the city level would put pressure on the state legislature. There is also a longstanding practice of starting locally, where it is easiest to get action and to involve grassroots people, and then moving to the larger coalitions that are

needed for effective action at the state and national level.

ACORN had been working with Alderman Ted Thomas, whose ward covers large parts of Englewood and Marquette Park, to put together an ordinance expressing the support of the Chicago City Council for Burke's state legislation. Late in 1999, this went to the council's Finance Committee, coincidentally and helpfully chaired by Burke's brother, Alderman Ed Burke, also of the Southwest Side. Numerous community members testified, and the city council eventually passed the ordinance unanimously, asking the state to take action.

Thomas had also worked with ACORN to put together an ordinance saying that the city would not do business with financial institutions that engage in predatory lending. Since the city moves large amounts of money through various bank accounts in the course of its normal business, this type of initiative would have some impact, although it would not have the broad regulatory power that state or federal legislation could.

At the same time, the city of Chicago itself was taking active notice of the issue.

Julia Stasch, Mayor Daley's chief of staff at that time, recalls that the city was hearing about the problem from two directions. "It was becoming apparent through the advocacy and information from NTIC and Woodstock and others that there was an increasing number of foreclosures, with linkage to certain kinds of lending practices. At the same time, people in the Building Department were seeing an increasing number of abandoned homes, being held by lenders who did not typically have the practice of maintaining a board-up, keeping the lawn mowed and otherwise keeping the home from being an eyesore, perhaps open and a magnet for crime. There was an emerging sense within the city government that this was a problem not just from the personal dimension of individuals whose lives were

negatively impacted by this, but the negative impact on communities as well.

"We took the initiative to say that we would draft an ordinance asserting that the city would not do business with lending institutions that participated in predatory practices. There was precedent for it in the anti-apartheid ordinance, which said that all vendors doing business with the city were required to assert that they would not do business in South Africa. Not to say the problems were equivalent, obviously, but it gave us a precedent."

The city put together an ordinance that was introduced into the council in March 2000, basically replacing Thomas' bill. Although the city did not have regulatory power, a number of the community organizations felt it was crucial to pass a very strong resolution and worked hard toward that goal. The Woodstock Institute, in par-

Despite the booming economy of the last decade, subprime lending in Chicagoland increased by 1,524 percent between 1991 and 1997, from 3,137 loans to 50,953 loans. Simultaneously, foreclosure rates on these loans skyrocketed, from 30 in 1993 to 1,417 in 1998, or 36 percent of all area foreclosures in that year, up from only 1.4 percent. "Subprime" is the name given to the loan market for borrowers with blemished credit. Some subprime lending gives access to credit, at a higher price, for people who have not had perfect credit records and could not otherwise qualify. "Predatory" lending occurs when these loans include excessive fees, unjustifiably high interest rates, high-pressure sales tactics and deceptive practices. The majority of the predatory market involves people who have equity built up in a home they own, and are persuaded to cash it out at a very high interest rate when they hit a period of financial difficulties. This puts them at high risk for losing their homes. (From "Preying on Neighborhoods: Subprime Mortgage Lenders and Chicagoland Foreclosures" by the National Training and Information Center.)

ticular, focusing on national policy, realized that this would be the first city ordinance in the country addressing predatory lending and would serve as a model to other cities and community groups, much as the North Carolina legislation had at the state level.

Passing the resolution was not easy, even though it came from the inside.

Alderman Ed Burke held numerous hearings, and community representatives turned out to testify. By this point, however, the banking industry had caught wind of what was happening. The Illinois Bankers Association sent its lawyer to testify that the resolution would not only hurt the banks' business, but keep people in need from getting loans.

Stasch held a series of meetings to clarify positions. "The city's chief financial officer and others that were going to be charged with implementing the ordinance needed to really understand the perspectives of both advocates and lending institutions that would be affected by the ordinance."

Community groups were becoming increasingly frustrated. "Every single month between March and August, we thought the council was going to pass the ordinance," recalls Kiely. "They held hearings every month, and community groups were turning out people. The night before, we'd get a call—not this time, we can't pass it yet."

NTIC finally became fed up with the delays. Amalia NietoGomez, a young NTIC staff member who took over the city campaign at this point, says the badgering from the lawyer for the IBA was the last straw. "Isn't this what you worked for on CRA?" he would ask. "Don't you want people getting loans?" Not these loans we didn't. We actually started calling it 'reverse redlining' because instead of not making any loans, they're making too many bad loans.

"One day we just had enough. There's another phone call 5:30 at night, 'We're really sorry—it's not going to go through tomorrow.'

We went to the council hearing the next day and stayed just long enough to know for sure that it wasn't going to go through. The Illinois Bankers Association is two blocks down the street from City Hall. We asked the other community groups, 'Wanna go with us?' Suddenly more than half the hearing audience got up and left. About 60 of us marched down LaSalle Street to the IBA office.

"We all went up the elevators and into their office, and demanded to see the IBA lawyer. Of course, some official guy came out and told us we had to leave. As our spokesperson talked to him, our other people are dropping the foreclosure maps on the workers' desks, and telling them, 'You work at a place that does this!'

"One office where we held a protest around that time had plaques on the wall recognizing the salespeople who got the highest fees on a loan. Like, John Smith, \$25,000, and the date. They were proud of it."

NTIC saw this kind of action as putting additional pressure on the city and the IBA members to come to an agreement on the city ordinance, a kind of "warning shot" of what they could do if the legislation did not proceed.

Meanwhile, the Southwest Organizing Project was following a very different strategy. With the assistance of the Greater Southwest Development Corporation (GSWDC), one of their member organizations, SWOP took photographs of all the abandoned houses in their area, put them on a CD, and presented the CD to the Department of Housing. In April 2000, Mayor Daley held a press conference on the Southwest Side about the predatory lending issue. Landlords who owned abandoned houses in the area were brought into Building Court.

"It was like a roller-coaster ride," remembers Betty Gutierrez, who works for GSWDC and is on the SWOP Housing

Committee. “Just as we thought it was going to be brought up in City Hall, the bankers would get to somebody. But we persisted, and finally in August it passed, after months of work.”

The legislation that passed the city council in August 2000 omitted one key provision that the community groups had been fighting for: a prohibition on single premium credit insurance. All of the community organizations opposed single premium insurance as a major predatory practice, but some saw its omission from the city ordinance as a deal-killer, while others did not.

“At some point I think our strategy became... get it done!” says Matt McDermott, SWOP’s executive director. “It’s all symbolic, since we knew from the start that it would keep only a few lenders from doing this. The city legislation was not the key arena.”

SWOP felt it was getting the best available deal from Ed Burke, who was someone with whom they wanted to maintain a long-term relationship. This was August 2000, and the presidential election was heating up. At one point in the negotiation, Burke held up a copy of *Time* magazine with Robert Rubin on the cover. Rubin was chief fundraiser for the Democratic Party nationally, as well as head of Citibank, owner of Associates, one of the top targets of the predatory lending campaign. Burke, as a good Democrat, was unwilling to implicate Rubin. SWOP agreed to the compromise Burke offered. NTIC saw it as Democratic cronyism.

“We knew this put us in a position of responsibility,” says Bill Black, an organizer for SWOP. “We realized we had an obligation not to be easy sellouts, but at the same time negotiate as strong a deal as we could. We’ll take what we can get today and we’ll be back tomorrow for more. That’s how we look at it.”

Talbott says ACORN saw it very differ-

ently. “At the time, we were trying to get the Federal Reserve nationally to take a position against single premium credit. We viewed it as a terrible precedent that the first city ordinance in the country was going to leave out single premium credit insurance. It was worse than passing nothing. We were aware that Woodstock was taking a position against the city legislation, and we joined them in that effort.”

Stasch believes that the net result of the community efforts was positive. “The community groups were very consistent in their message that this was a problem of potentially enormous human dimensions. They took the continuing stand that law and regulation, whether it was city, state, or federal action, needed to be as aggressive as possible. They were on the ground, and saw day-by-day the people who were actually affected by this bizarre lending instrument. So I think they were doing their jobs as advocates. I think that the cumulative effect of city and state action and continuing advocacy by the community organizations resulted in a number of the big players actually getting out of the business.”

The state law, part two: Regulation

Meanwhile, back in spring 2000, State Rep. Burke’s bill had died in the Assembly due to opposition by the financial industry lobbyists. Some of the community organizations felt that House Speaker Michael Madigan could have gotten the legislation passed if he had wanted to, but that he did not want to antagonize the banking lobby. Others thought he did not pursue it because the legislation would have had little chance in the Republican-led State Senate.

Most of the community organizations had given up for the state legislative season, and turned their attention to the city ordinance.

Only SWOP really continued the state effort. It had forged a relationship with Madi-

gan, who represented a district that was in the SWOP area.

“We began to deepen our work on this issue in the institutions in Madigan’s district,” recalls Black. “St. Mary Star of the Sea, Queen of the Universe, St. Nicholas of Tolentine. Some of the church members and our SWOP members were Madigan precinct workers. The message got back to Madigan that neighborhood people were still active on the issue. All of a sudden, as the legislative session was winding down, we got a phone call from the Speaker saying, ‘I’m very concerned about predatory lending.’ He invited us to a series of meetings downtown.”

Madigan set up a committee of consumers, community organizations and members of the banking industry, headed by retired Judge Michael Getty, to see if any agreement could be reached before the legislative session ended in June.

Immergluck of the Woodstock Institute felt that the committee was dominated by the banking industry. “We weren’t invited, and frankly, we had pretty much written off a legislative solution. We thought the Getty committee was a waste of time. They were focusing on consumer education.”

NTIC attended the first meeting, and then did not go back. ACORN thought that nothing would happen of any substance as long as the entire banking industry was opposed.

The Getty committee eventually decided that the responsibility should be passed off to the governor and the regulatory agencies. A short bill was drafted and passed the legislature in May, giving the Department of Financial Institutions (DFI) and OBRE the authority to improve consumer protection. As with any state action, it would only apply to mortgage lenders and brokers and state chartered banks; the many banks that are nationally chartered are not subject to state regulation.

SWOP hosted a big celebration at its annual convention in May 2000, with Gov. Ryan and Madigan in attendance, along with 1,200 community residents. For a five-year-old organization, the victory was a very big deal. The other community groups were less than impressed.

A real victory was far from assured. The process called for the state bureaucracy to issue proposed regulations. A legislative committee would hold hearings, and the Joint Committee on Administrative Rules (JCAR), made up of six state representatives and six senators, would vote whether to approve the proposal. SWOP realized that this made Madigan’s support even more crucial: six of the votes were Democratic, and two positions were vacant at this point. Madigan had the power to appoint the people who would fill them.

Ryan released a set of proposed regulations later in the summer that primarily called for consumer education, and prohibited only a couple of the worst practices. The community organizations, SWOP included, unanimously rejected these regulations, calling them virtually worthless. NTIC released a five-page letter trashing them; organizations held a press conference denouncing the proposal. Obama, a Democrat from the South Side of Chicago, attended the press conference and announced his support for strong regulations. Significantly, he was the co-chair of JCAR.

A meeting was set up between the governor and the community organizations, but there was no immediate progress. Ryan said he was watching the progress of the city ordinance.

Some organizations felt the regulatory route would never provide useful protection and was primarily a legislative cop-out; others such as SWOP kept plugging away.

After the city ordinance passed, Ryan got serious about predatory lending. In December, he issued a set of proposed regulations

that mirrored the city ordinance, as it had been originally written, with the prohibition of single premium credit insurance that had been removed before passage through the city council. Everyone sat up and took notice.

Stasch emphasizes the impact the city action had on the state process. “I think that it would have been very unlikely for the state regulation to come out the way it did had the city not taken initial action. The city ordinance gave the governor a platform from which to build his own position, which he, in fact, acknowledged.”

ACORN jumped back into the fray, as did Woodstock Institute. Both felt it was strategically critical to split the banking industry and find some support for the regulations.

“At this point,” Talbott recalls, “the lending industry was united in support of predatory lending, which was a ridiculous position for the conventional lenders to take, we thought, but one that they took nevertheless. We felt it was luck that Gov. Ryan had issued such a strong set of rules, and we wanted to see it pass. Gov. Ryan was doing a number of innovative policy moves during this period, including the death penalty moratorium, perhaps because he was up to his ears in scandal and was looking for good press. We don’t know why, but we were grateful, and we jumped into action. There was still a hell of a fight to get the regulations through. But at this point, you have the governor on your side. That’s not enough, but it sure doesn’t hurt.”

The good thing about the process was that it would take a majority of the 12 JCAR votes to stop the governor’s proposed regulations. In other words, the community groups only needed six votes.

Immergluck remembers that Woodstock engaged with a new seriousness in the state process. “A number of groups started meeting regularly at this point, to coordinate our

work. SWOP, Neighborhood Housing Services, some others. I tried to keep an extended network clued in, groups like the Chicago Fair Housing Alliance and the Leadership Council for Metropolitan Open Communities.

“We did a big campaign to get letters of support for the regs to the agencies. We faxed a boilerplate version out to 150 groups. About 100 groups submitted comments.

“Then we needed to do a press strategy. SWOP had hired an expert to do press work, and it was very helpful. The coalition leaders met with the editorial boards of the *Sun-Times* and the *Defender*, and then the *Chicago Tribune* and *Crain’s Chicago Business*, and we got a good hearing and some good editorial support.

“To take the wind out of the sails of the financial institutions, we needed a breach in the solid wall of opposition, we needed at least one bank to support us. We needed to be able to say, ‘The IBA is against it, but they don’t speak for everyone.’ We didn’t have a lot of time. This was February, and comments were due in March. Ideally, we wanted to have some banks to comment in favor.

“A number of us discussed which banks we thought were most likely. We wanted to know exactly what the bank opposition was, if they weren’t going to support the regs, not this industry blather about ideological opposition to any kind of regulations, which is what the lobbyists were giving us.

“We narrowed the three likely suspects to Northern Trust, Harris and LaSalle. They were the ones that people had good relationships with, and had a strong local presence. We asked for a meeting. SWOP was there, and NHS, and the Greater Southwest Development Corporation, and the Leadership Council and us. We said, ‘We would like you to support these regs, but if you can’t, we want to know specifically what the issues



State Rep. Michael Madigan speaks to a House committee about predatory lending on the date of the key vote in 2001. At far left is a box of 10,000 postcards gathered by SWOP.

are.’

“So they went to work on it. Eventually Harris gave us a list of 20 problems. But 17 of them were just language changes, really minor. Three were significant. LaSalle added one more. Northern had the same list as the others.

“We had a second meeting and some dialogue back and forth. Two points were resolved and there was just the one point left. A significant one, but if they sent a letter saying, ‘We like everything but this one bit,’ that was going to be pretty powerful. And they did. The banks wrote a joint letter. They said this is the only thing we really object to. The IBA, of course, said, ‘Look at these 20 things that they don’t like,’ but the wall was breached.”

ACORN, which had been having its own behind-the-scenes conversations with the banks, saw the split in the banking industry as absolutely key to passage of meaningful regulations. It allowed legislators to vote for the regulations while still claiming the support of some of the banks, thus not appearing anti-industry.

SWOP continued its grassroots efforts,

holding meetings with most of the 12 legislators who were JCAR members, including those outside the city of Chicago, as did NTIC. SWOP members launched a congregation-based campaign to collect postcards calling on JCAR members to support strong regulation. The cards were addressed to JCAR members, care of Speaker Michael Madigan. Eventually, SWOP would deliver 10,000 signed postcards.

A public hearing was held in February in Chicago, and several hundred people turned out on a weekday afternoon.

NietoGomez recalls that the community coalition produced more than 250 people representing a number of groups. “There were about 25 people who wanted to testify. The hearing was supposed to last from 1 to 5 p.m., and the regulators insisted that they wouldn’t stay past 5. But these homeowners are telling their stories and pouring their guts out about how predatory lenders screwed them, and there was no way the regulators could cut them off. The meeting went late, and we felt we had good momentum at that point. But we still didn’t know how the vote in Springfield would turn out.”

Throughout the remainder of February, March, and into April, community groups went to Springfield regularly to meet with their representatives, to demonstrate the level of support for the regulations, and to keep everyone on notice that this issue was important.

As the date neared for the final vote in Springfield, Norman Bobins, the CEO of LaSalle Bank, decided that more action was needed to support the regulations. He wrote an op-ed piece that was published in the *Chicago Tribune* on the day of the vote (4/17/01). “From time to time practices take place that are so shocking that they are nearly unbelievable,” he wrote. “Most financial institutions, in fact, are stunned to find out that these loans are legal.... If we don’t solve



this problem now, it is no exaggeration to say that we will undermine the last 50 years of progress in homeownership and community stabilization.” He went on to explicitly call for the passage of the regulatory changes by JCAR. The community organizations made sure that all the legislators saw the article.

The hearing room at the State House was packed for the final vote, on April 17, 2001. The community organizations felt they had done all they could, but they still did not know for sure which way the vote would go.

SWOP members had met with Madigan the day before, and were feeling more confident. Uncharacteristically, Madigan attended the JCAR meeting and watched the proceedings. He delivered the box of 10,000 postcards to the hearing room in a big box marked “SWOP.”

The final tally was 8-4, with two Republicans joining all six Democrats in supporting the proposed regulations.

The work is never done

It was the culmination of several years of hard work, and the community organiza-

tions felt the victory was sweet. They took time for a round of celebrations, but knew that their work needed to continue.

The mortgage brokers filed a lawsuit trying to stop the regulation, claiming that the state was usurping federal authority. The court found against them in fall 2001, upholding state regulation.

NTIC, SWOP, the South Austin Coalition and Nobel Neighbors, a group in the Humboldt Park area, won state agreement for a pilot outreach program to homeowners in four of the ZIP codes hardest hit by predatory practices. OBRE committed to mail information about predatory lending practices to every current mortgage holder in the four target areas, along with a letter from the local community organization expressing concern, and a complaint form. In addition, OBRE agreed to examine five specific mortgage lenders for predatory practices.

Betty Gutierrez, from SWOP, has been appointed by Gov. Ryan to the Illinois Residential Mortgage Board, which monitors and advises OBRE, so the community organizations now have an inside voice.

ACORN has been focusing on securing

refunds of credit life insurance premiums for homeowners. By law, people are allowed to cancel these policies at any time, but most people don't even realize that the policies were added to their mortgage. To date, Chicago ACORN has helped homeowners secure 10 refunds from Household, for amounts ranging from \$500 to \$8,000. A class action lawsuit was filed in February 2002 by ACORN in California asking that Household be forced to refund all fees and points on predatory loans, and that homeowners be allowed to refinance at a lower rate.

Regulations are only as good as their enforcement, and there is much still to do before homeowners will be safe from predato-

ry lending practices. The community organizations and their leaders have gained strength through the campaign. Many of the victims of predatory loans no longer suffer in silence, and people are defending their communities.

SWOP member Jouzapavicius recalls how frightened she was the first time she addressed a big crowd, at the annual convention in 2000, with Gov. Ryan and Madigan in attendance. "I was trying to figure out what I could say. I had heard all the stories about seniors who were losing their homes. Finally, I just asked the people, 'We're not going to take it any more, are we?' And the response was overwhelming." ■

The substantial improvements to community and regional life that are described in the preceding pages are not unique. Every day, community organizations (and coalitions led by community organizations) foster civic participation that results in less noticed, but very important, solutions to community challenges.

Crime/safety. For example, the democracy-in-action that is community organizing has an ongoing effect on public safety in Chicago and other cities. Community organizations are uniquely able to identify problems, imagine solutions and work to get those solutions implemented through advocacy with police departments, youth service agencies, the criminal justice system, school systems, park districts, property owners and others. Literally dozens of community organizations take the lead in these complex, long-term relationship-based collaborative efforts to improve policing and to bring other resources to bear on safety issues.

School Reform. Chicago's historic school reform legislation invests substantial decision-making powers in elected Local School Councils. Community organizations all over the city have played, and will continue to play, a crucial role in generating candidates, ideas, support and friendly criticism for LSCs ; hundreds of parents and community members who have learned the basics of democratic decision-making within community organizations are now using those skills as LSC members. Community organizations also have provided the impetus for new school buildings, renovations for older school buildings, the introduction of curriculum improvements and action on school safety issues.

Affordable housing. As noted in the first story, affordable housing doesn't happen without a subsidy. It also doesn't happen without the organized support of community members, because political pressure is necessary to make it happen. There are literally thousands of decent, affordable housing

20 additional victories

units in Chicago today (both new construction and rehab) that would not exist but for the sophisticated action campaigns of community organizations. These thousands of units, in turn, have had a positive impact on their communities: replacing blighted or abandoned buildings, providing safe and affordable housing for families and individuals, anchoring other improvements carried out by neighboring property owners and more.

Safety, school improvement, and affordable housing are central to any community; below, however, are listed a set of accomplishments, all from the past several years, that shows the even wider range of issues that community organizing can address. Since community organizing is, in reality, democracy at work, any local issue can be tackled; and through coalition work, any regional, state or national issue can be as well.

1. **Ginger Ridge**—South Suburban Action Conference, through its 30 member congregations in a dozen municipalities in

- South Cook County, mobilized to save 900-plus units of low-income housing in Calumet City. SSAC created a campaign to get the resources needed to renovate the blighted and dangerous Ginger Ridge complex of garden apartments, and also to create a funding stream to support needed services and community development opportunities. Ginger Ridge is now a model for preservation and improvement of affordable housing.
2. **Tenants Bill of Rights**—Metropolitan Tenants Organization led a citywide campaign that resulted in passage in 1986 of the Chicago Tenants Bill of Rights, a municipal ordinance that substantially increased tenants rights in large- and medium-sized Chicago apartment buildings.
 3. **Schools as community centers**—Logan Square Neighborhood Association organized to create community centers in four local elementary schools. Creating the plan, organizing to get funding and partnering with a wide variety of related organizations has led to school buildings that are open to the community into the evening, offering academic, recreational, social-service and leadership-development activities.
 4. **Living Wage Ordinance**—In 1998, a broad coalition of community organizations spearheaded by Chicago ACORN convinced the city council to pass an ordinance requiring city contractors to pay all of their employees at least \$7.60 per hour. This work has expanded to win wage increases for state-employed home-care workers, nursing-home workers, and group-home workers.
 5. **Public Aid office reform**—Organization of the NorthEast and a number of its Mutual Aid Association members succeeded in getting the local public aid office to convene a monitoring process (including participation of recipients and community representatives) that addresses inefficiencies and inequities in the way clients are treated.
 6. **Commercial-strip revitalization**—Brighton Park Neighborhood Council brought a fragmented and discouraged business community together on the near Southwest Side in 1999. Newly energized business people took action on zoning problems, blight, crime and planning.
 7. **Open land**—Developers coveted a multi-acre property that had been the grounds of a Tuberculosis Sanitarium. In the 1970s, the North River Commission led a successful campaign to preserve the land as a public park, nature center and site for senior-citizen housing.
 8. **Police harassment**—Interfaith Leadership Project of Cicero, Berwyn and Stickney won a major change in Cicero Police Department policy. Previously, police officers had been authorized to stop drivers merely for having a foreign appearance; this practice was stopped. ILP had also prevented the Town of Cicero from selling one of its few parks to a developer, and has been the force behind school board actions taken to reduce school overcrowding.
 9. **Landfill moratorium**—In 1985, UNO of South East Chicago pressed the city council into declaring a moratorium on the creation or expansion of landfills on the Southeast Side of Chicago, an area already supporting too many landfills.
 10. **Park District equity**—In 1999, JACOB, a congregation-based organization in Joliet, forced the Joliet Park District to redirect its resources toward better maintenance and improvements for parks serving the lower-income East Side. Previously, the Park District board had planned to build a second ice rink in the wealthier West Side. JACOB had earlier succeeded in tying Enterprise

Zone tax abatements to job creation, and had spearheaded the adoption of city-wide community policing by the Joliet Police Department.

11. **Access to ESL classes**—During the middle and late 1990s the Southwest Organizing Project initiated a major expansion of ESL classes in a region of the city that is home to sizable immigrant populations. At an opportune time, SWOP handed off the administration and support of these classes to a community college (retaining convenient class locations in member churches) after organizing to ensure permanent funding.
12. **Clean air**—In 1996, a large coalition of community-based and environmental organizations known as WASTE (Westside Alliance for a Safe, Toxic-free Environment) convinced the city of Chicago to close down the Northwest Incinerator, a major source of air pollution in a densely populated neighborhood.
13. **Reduction of hate crime**—Lakeview Action Council gained the extension of police bike patrols into late-night hours, contributing to a decrease in the number of hate crimes in a neighborhood previously troubled by gay bashing and improving police-community relations.
14. **Preservation of SRO housing**—Jewish Council on Urban Affairs coordinated a campaign for an ordinance that saved many hundreds of units of housing for low-income single adults.
15. **Prevention of displacement**—West Siders whose homes were displaced by the construction of the United Center in 1991 were not scattered; due to the efforts of the Interfaith Organizing Project, replacement housing was built nearby.
16. **Utility shut-offs**—Chicago ACORN succeeded in preventing gas shut-offs during the winter months. Shut-offs fell from 4,821 in the winter of 1999-2000 to 103 in the winter of 2000-2001.
17. **Nuisance abatement**—Property owned by the Canadian Pacific Railroad was not secured, not maintained and presented a real threat to the safety of children in the community. In 1998, Blocks Together successfully pressed the railroad to secure, maintain and monitor its right-of-way. Blocks Together has also had substantial impact on school maintenance and repair efforts by the Chicago Public Schools. This story has been repeated many, many times by dozens of large and small community organizations.
18. **Infrastructure and capital improvements**—In the absence of organized citizen involvement, money for repairs and improvements to a community's infrastructure tends to be spent haphazardly at best. Community organizing allows citizens to prioritize the real needs of a community and be heard when the funding for improvements is being allocated. An example: Northwest Neighborhood Federation members knew that sewer improvements to prevent flooding were their highest priority, and organized pressure made these improvements happen.
19. **Public works jobs**—When public money is being spent on buildings and highways, community organizations can create pathways to employment for residents of nearby low-income communities by advocating for first-source agreements as opposed to the "business as usual" hiring that can result in a largely suburban workforce.
20. Community organizations are frequently the source of the best ideas about how to address **social service needs** in lower-income communities. They create the tables around which committed but isolated, service agencies, churches, parents, business owners and others can brain-

storm solutions, design programs and advocate for the necessary funding to introduce activities such as these:

- Northwest Austin Council has brought improvements to the way that juvenile first offenders and first-time drug offenders are handled by the **criminal justice system**.
- Developing Communities Project knew that lack of **access to day care** was hampering parents' efforts to support their families. DCP lobbied successfully for the creation of a substantial number of subsidized day-care slots on the Far South Side of Chicago.
- Many community organizations have been the catalysts that brought **affordable senior housing, better parks programming, and branch libraries** to their communities.
- Economic development projects, and more specifically, **efforts to attract or retain jobs**, frequently depend on the active advocacy of community organizations. **Workforce development resources**, too, have often been planned, supported and funded through the efforts of community groups. Westside Technical Institute (pushed by United Neighborhood Organization) and the Marquette Job Development Center

(which needed the support of Southwest Organizing Project) are two recent examples.

- Even **access to health care**, one of our society's thorniest problems, can be addressed by community organizing, from establishment of small clinics to the **countywide referral system for the uninsured** that was won by United Power for Action and Justice.

It should be noted that community organizations do not typically operate these services themselves; rather, they provide the political muscle needed to get these crucial resources off of a community's wish list and into reality.

Effectively done, community organizing makes concrete improvements in people's lives whenever change is what's needed: change in public policy, the actions of public institutions, the allocation of resources, the level of accountability of public officials, the behavior of private institutions and in the attitudes of community members themselves. Effectively done, community organizing builds social capital, civic participation and democracy itself. The examples above are only a tiny portion of the accomplishments of community organizing in Chicago in recent years. ■

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