

2013

What's Next for Lathrop Homes?

Emily Coffey

Follow this and additional works at: <http://lawcommons.luc.edu/pilr>



Part of the [Housing Law Commons](#)

Recommended Citation

Emily Coffey, *What's Next for Lathrop Homes?*, 18 Pub. Interest L. Rptr. 146 (2013).

Available at: <http://lawcommons.luc.edu/pilr/vol18/iss2/10>

This Article is brought to you for free and open access by LAW eCommons. It has been accepted for inclusion in Public Interest Law Reporter by an authorized administrator of LAW eCommons. For more information, please contact law-library@luc.edu.

WHAT'S NEXT FOR LATHROP HOMES?

by EMILY COFFEY

The Julia C. Lathrop Homes differ from other public housing developments in Chicago. A low-rise development bordering the Chicago River on Chicago's North Side, Lathrop has provided affordable housing to working class families since 1938.¹ The community is also racially and economically diverse, unlike many of Chicago's former public housing high-rises.² Yet despite this distinctive history, the future of Lathrop Homes is now uncertain, after the launch of the Plan for Transformation (the Plan) and the recently announced Plan Forward.³

The implementation of the Plan for Transformation began in 1999. The Plan intended to remedy continued segregation in the Chicago Housing Authority's (CHA) public housing by creating racially and economically diverse housing communities.⁴ Plan Forward, the second phase of the Plan for Transformation,

focuses on developing vacant land owned by the CHA into more than just housing.⁵

GAUTREAUX'S LEGACY AT LATHROP

Gautreaux et al. v. Chicago Housing Authority, a landmark civil rights lawsuit ordering the racial desegregation of Chicago's public housing,⁶ has played a seminal role in sparking the development of the Plan.⁷ According to the Plan, an ideal housing development encompasses one-third public housing, one-third affordable housing, and one-third market rate housing in order to eliminate so-called "islands of poverty."⁸

For Lathrop in particular, re-development plans have proposed a majority of market rate housing, with only 25 percent set aside for affordable housing and 25 percent for public housing.⁹ But Kelly Martin, a 20-year resident of Lathrop, expressed concern about the recent push for re-development, specifically with regard for the desire to increase market rate housing. "It's not like there's a shortage of market housing [in the neighborhood]," Martin explains.¹⁰

Mary Thomas, a nine-year resident of Lathrop, calls Lathrop "a very diverse community where we all get along" and questions notions that Lathrop is an "island of poverty."¹¹ John McDermott, land use and housing director of the Logan Square Neighborhood Association, describes Lathrop as "a stepping stone for African Americans to get into North Side Communities."¹²

With 40,000 people on the CHA waiting list, and a surplus of market rate apartments in the surrounding community, some advocates question why the CHA would opt for major redevelopment of Lathrop.¹³ The Chicago Housing Initiative, a community group comprised of public housing advocates, wants to keep Lathrop affordable, with no market rate housing development at Lathrop.¹⁴

The Central Advisory Council, a representative body of CHA residents from across the city, has recommended the CHA focus on preserving and rehabilitating existing units.¹⁵ Given the surplus of market-rate housing in the area, they call for keeping Lathrop affordable.¹⁶

VACANT UNITS AND LAND AT LATHROP

The redevelopment of vacant land contemplated in Plan Forward poses some questions for Lathrop.¹⁷ In July 2012, an investigation by *The Chicago Reporter* revealed that the CHA continues to collect operating costs on thousands of vacant units, including 760 out of 945 units at Lathrop.¹⁸ The CHA claims these units are largely uninhabitable and that it would cost too much to repair them, especially when the long-term future of these units is unclear.¹⁹ But in 2011, many of these units passed the U.S. Department of Housing and Urban Development (“HUD”) inspection and were deemed inhabitable.²⁰

The CHA’s contract with HUD requires the CHA to maintain units even if it plans to eventually demolish them.²¹ But public housing advocates believe that the CHA allows housing to deteriorate to the point that it becomes too “obsolete” to rehabilitate.²² CHA CEO, Charles Woodyard, defends the vacancies, arguing that “it’s shortsighted to spend millions of dollars for a temporary solution to a very long-term problem.”²³

NEW HUD REGULATIONS COULD OFFER RELIEF FOR LATHROP RESIDENTS

HUD issued a notice in February 2012 requiring all public housing authorities must demonstrate that no repair is feasible before claiming that units are “obsolete”.²⁴ The CHA must also pass environmental and civil rights reviews.²⁵ The regulations note that “high vacancy rates alone do not justify obsolescence”.²⁶

Bill Wilen of the Sargent Shriver National Center on Poverty Law says this will correct HUD’s routine approval of CHA demolitions when they fail to meet statutory requirements.²⁷ In fact there has already been a decrease in the number of approved demolitions.²⁸ This regulation is expected to go into effect this year, but had not as of the date of publication.²⁹

THE CHA AND DEVELOPMENT PARTNER DEFEND THE REDEVELOPMENT

The Lathrop redevelopment must first create a proposal to bring to HUD for approval, and it is unclear what that might look like.³⁰ Contrary to what many housing advocates support, the CHA and developers argue that no public

housing should exist on its own, but rather should be mixed with affordable and market rate housing.³¹ John Gerut, executive vice president of development for CHA defends the mix and notes that “concentrating poverty and low-income people doesn’t work.”³²

Kerry Dickson, senior vice president of Related Midwest and part of the development team at Lathrop, says that the Plan for Transformation requires that 400 units remain public housing.³³ His experience shows that 50 percent market rate tends to be the magic number in order to create sustainable developments.³⁴

Conversely, Alderman Waguespack (32nd), Lathrop’s alderman, has remained supportive of Lathrop residents and neighborhood groups.³⁵ He shares the concern of the local community about the developer’s plans – reducing public housing units³⁶ and increasing the density of the site.³⁷

Paul Sajovek, Waguespack’s chief of staff, argues that in the absence of the CHA stepping up to the developers, Lathrop will be “thrown over for a single consideration: what’s going to generate the highest profit from the site” without balancing it with “what’s best for the surrounding neighborhood.”³⁸ He calls it “a land grab” from a developer’s point of view, and “it’s all about taking profit from this publicly-owned historic site, even if it erases the site.”³⁹

CONCLUSION

Related Midwest is expected to release an amended development plan by late spring 2013 that will include at least 400 public housing units.⁴⁰ The fate of the Lathrop Homes and its residents lies with HUD and the CHA’s new Plan Forward.⁴¹

NOTES

1 Megan Cottrell, “Residents, public housing officials at odds over mixed-income development plan” Chitown Daily News (Oct. 24, 2008) *available at* <http://www.chitowndailynews.org/2008/10/24/Residents-public-housing-officials-at-odds-over-mixed-income-development-plan-18097.html>.

2 *Id.*

3 Preservation Chicago, "Preservation Chicago Unveils the 2013 Chicago 7 Most Threatened Buildings" <http://www.preservationchicago.org/userfiles/file/LathropHomes.pdf> (last accessed Apr. 24, 2013).

4 Afternoon Shift Interview with Natalie Moore "Rahm Emanuel tries to redefine public housing" *WBEZ* (Apr. 23, 2013) available at <https://soundcloud.com/afternoonshiftwbez/rahm-emanuel-tries-to-redefine>

5 *Id.*

6 *Gautreaux v. Chicago Hous. Auth.*, 304 F. Supp. 736 (N.D. Ill. 1969).

7 Business and Professional People for the Public Interest, "The Third Side: A Mid-Course Report on Chicago's Transformation of Public Housing" (Sept. 2009).

8 Natalie Moore, "CHA Not Living Up to Promises of Mixed Income Housing" *WBEZ* (Sept. 21, 2012) available at <http://www.wbez.org/news/housing/cha-not-living-promises-mixed-income-housing-102522>; Barbara Popovic "The Ever-Changing CHA Plan for Transformation" *Huffington Post* (Sept. 29, 2012) available at http://www.huffingtonpost.com/barbara-popovic/the-everchanging-cha-plan_b_1923090.html.

9 Andy Ambrosius, "New Lathrop Designs Still Too Dense for Neighbors" *Lincoln Park Patch* (Feb. 4, 2013) available at <http://lincolnpark.patch.com/articles/new-lathrop-designs-still-too-dense-for-neighbors-ed3e577f>.

10 Patty Wetli, "Lathrop Homes the New Navy Pier?" *DNAInfo* (Jan. 8, 2013) available at <http://www.dnainfo.com/chicago/20130108/roscoe-village/re-imagining-public-housing-lathrop-sure-spark-controversy-2013>.

11 *Id.* Brian Rogal, "A Legacy in Jeopardy" *The Chicago Reporter* (Jun. 2012) available at <http://www.chicagoreporter.com/news/2012/07/legacy-jeopardy>.

12 Rogal, *supra* note 11.

13 *Id.*

14 Interview with Leah Levinger (Mar. 25, 2013).

15 Central Advisory Council "2012 Strategies and Recommendations Report", at 72–3 (Apr. 21, 2012), available at http://wethepeoplemedia.org/wp-content/uploads/2012/08/CAC_FINAL-REPORT_8_20_12.pdf.

16 *Id.* at 5. (C.A.C. rept)

17 The Plan Forward was announced shortly before publication. Woodyard has since announced that the new plan will focus on rehabbing existing apartment buildings. Public housing advocates, including Levinger, argue that Lathrop should therefore be preserved. It remains uncertain whether Lathrop will be preserved and, if so, how many units will become available for CHA tenants. See also, Mark Brown, "Are CHA Changes Common Sense or Attacks on the Poor?" *Sun Times* (May 23, 2013) available at <http://www.suntimes.com/news/brown/20262344-452/brown-are-cha-changes-common-sense-or-attack-on-poor.html>.

18 Angela Caputo, "Home Evasion" *Chicago Reporter* (July 2012) available at <http://www.chicagoreporter.com/news/2012/07/home-evasion>.

19 *Id.*

20 *Id.*

21 Curtis Black, "New Rules for CHA Demolitions" *NewsTips* (Nov. 28, 2012) available at <http://www.newstips.org/2012/11/new-rules-for-cha-demolitions>.

22 *Id.*

23 Natalie Moore, "Activists Call on City to Stop Public Housing Demolitions" *WBEZ* (Oct. 3, 2012) available at <http://www.wbez.org/news/housing/activists-call-city-stop-public-housing-demolitions-102869>

24 PIH 2012-7. U.S. Dpt. of Housing and Urban Dev. “Demolition/disposition of public housing and associated requirements for PHA Plans, resident consultation, Section 3 and application processing.” (Feb. 2, 2012).

25 Black, *supra* note 21.

26 U.S. Dpt. of Housing and Urban Dev., *supra* note 24.

27 Black, *supra* note 21.

28 *Id.*

29 *Id.*

30 Andy Ambrosius, “New Lathrop Plans Postponed, Designs Not Ready” *Lincoln Square Patch* (Mar. 26, 2013) available at <http://lincolnsquare.patch.com/articles/new-lathrop-plans-postponed-designs-not-ready>.

31 Natalie Moore, “Activists Call on City to Stop Public Housing Demolitions” *WBEZ* (Oct. 3, 2012) available at <http://www.wbez.org/news/housing/activists-call-city-stop-public-housing-demolitions-102869>.

32 Patty Wetli, “Lathrop Homes the New Navy Pier?” *DNAInfo* (Jan. 8, 2013) available at <http://www.dnainfo.com/chicago/20130108/roscoe-village/re-imagining-public-housing-lathrop-sure-spark-controversy-2013>.

33 *Id.*

34 Patty Wetli, “Lathrop Development Team Scales Back Plan, Still Too Dense, Say Critics” *DNAInfo* (Jan. 29, 2013) available at <http://www.dnainfo.com/chicago/20130129/roscoe-village/lathrop-development-team-scales-back-plan-still-too-dense-say-critics>.

35 Letter from Alderman Scott Waguespack (Nov. 9, 2012) available at <http://ward32.org/wp-content/uploads/2012/09/Lathrop-Letter-to-CHA-110912.pdf>.

36 *Id.* Ambrosius, *supra* note 9.

37 *Id.*

38 Curtis Black, “Lathrop Plans: Little Preservation, Big TIF” *Newstip* (Nov. 14, 2012) accessed at <http://www.newstips.org/2012/11/lathrop-plans-little-preservation-big-tif/#more-6751>.

39 *Id.*

40 Ambrosius, *supra* note 30.

41 Black, *supra* note 21.