

Critics Blast Bush on Proposed Housing Cuts

CHA Says it Can Still Finish \$1.5 Billion Public Housing Overhaul Even if Hope VI Funds Are Cut

Tuesday, November 11, 2003

By John Dobberstein - Chicago Daily Southtown

U.S. lawmakers and fair-housing advocates criticized the Bush administration Monday for proposing to eliminate hundreds of millions of dollars to rebuild public housing while sending \$87 billion in aid to Iraq.

The president has asked Congress to "zero out" funding in the coming budget year for the U.S. Department of Housing and Urban Development's Hope VI program.

Eliminating the program would wipe out millions of dollars that the Chicago Housing Authority would use to finish its 10-year, \$1.5 billion "Plan for Transformation."

But the CHA said Monday it can complete the plan without the funding because of private grants and \$25 million in additional funding it secured from the city.

Some housing watchdogs are skeptical the CHA can keep its promises.

"Is this where we have to go? To Iraq, to get decent, safe housing? Is that where we'll have to take our kids?" said Robert Taylor resident leader Barbara Moore during a special hearing in

downtown Chicago.

House and Senate leaders have proposed to continue funding Hope VI in the 2004 budget but in much smaller amounts.

Hope VI money has been used to demolish dozens of Chicago's worst housing projects and replace them with mixed-income developments.

Bush spokesman Jim Morrell said Hope VI, enacted in 1993, "achieved its goals and served its purpose" but proved to be "slower and more costly" than other HUD programs.

Morrell said additional funding is planned for other HUD efforts that produce housing more quickly.

HUD officials said they asked the program be re-evaluated, citing problems with the slow pace of redevelopment.

Of 193 grants handed out nationwide since 1993, only 26 redevelopments were completed, HUD spokeswoman Donna White said.

"We felt it was a good time to pause and look at what worked and what still needs to be done," White said.

But some congressional leaders from Chicago insist the administration's priorities are misplaced.

U.S. Rep. Jan Schakowsky (D-9th) of Evanston said it is "shameful" that one of the world's wealthiest countries cannot provide safe, affordable housing for its citizens.

"Is this what they mean by compassionate conservatism?" Schakowsky said. "Tax cuts for the wealthy, that's their program."

"The people in the White House need to keep funding Hope VI. Even Ray Charles could see that," quipped U.S. Rep. Danny Davis (D-7th) of Chicago.

The CHA's "Plan for Transformation" called for 18,000 public housing units to be demolished and replaced with smaller, more neighborhood-friendly buildings. A large number of scattered-site and senior citizens units were to be rehabilitated as well.

By the end of 2003, the CHA expects to have finished 11,233 improved housing units, but only 1,378 of them will be new construction. The CHA has demolished 9,893 dwellings on the South and West sides with Hope VI money.

Critics of the CHA have said the disparity between the pace of demolition and reconstruction of new units has forced poor families to move from one building to another or accept vouchers and test the private market.

Housing advocates pointed to studies that conclude many displaced families are ending up in neighborhoods just as poor and crime-ridden as the projects and hopes of moving to more affluent areas with a HUD voucher are met with subtle discrimination.

And a recent study by the Chicago Coalition for the Homeless found 172 families have ended up in homeless shelters after moving out of the high-rises because of the CHA's transformation plan.

Some people only see Hope VI's possible demise as a disinvestment.

"It was about revitalizing communities. It was a dream come true," said Carol Steele, president of the Coalition to Protect Public Housing. "Since then, it's been displacement and despair."