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ILLINOIS ADVISORY COMMITTEE
TO THE
U. S. COMMISSION ON CIVIL RIGHTS

"EFFORTS TO PROMOTE INTEGRATION IN ATRIUM VILLAGE
AND THE SOUTH SUBURBS"

Friday
August 11, 1969

Federal Building
230 South Dearborn-16SE
Lakeview Conference Room 1680
Chicago, Illinois

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Kansas City, Missouri 64113
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P R O C E E D I N G S

CHAIRMAN HUGH SCHWARTZBERG:

The Illinois Advisory Committee to the United States Commission on Civil Rights shall come to order.

And, for the benefit of those in our audience, I will introduce myself and my colleagues. My name is Hugh J. Schwartzberg and I am the chairman of this advisory committee. On my left is Mr. Edwin Clarke and Mr. Clark is, I believe, the newest member of this -- this advisory committee. There are 11 members of the advisory committee in all. Seated next to him, Mr. Herschel Seder, and just as Mr. Clarke is an advisor to -- in the interface between business and employees and is involved in questions of discrimination and the like, Mr. Seder is in -- in real life the President of Milwaukee Valve Company. Mr. J. Thomas Pugh, a quondam professor of journalism, a long-term member of this committee, and a former chair of it. And, sitting next to Tom, a Theresa Cummings from Springfield, Illinois. I should -- I'm really not, I admit, giving the hometowns and I should.

1 Perhaps, let me turn back again
2 to Ed Clarke and have Ed state his -- his
3 hometown and anything else he would like to do
4 in identifying himself.

5 EDWIN CLARKE: Well, my

6 residence is in Lake Forest. I've had a
7 quarter century of residence in that location,
8 and business activity in Lake County and in the
9 Chicago area in general.

10 I was the officer in charge of
11 personnel policy for a corporation -- a Fortune
12 1000 Corporation, FanSteel Incorporated. It
13 used to be called FanSteel Metallurgical
14 Corporation.

15 I have been active in all the
16 things that somebody in that position should be
17 in for many years including the Lake County
18 Urban League. I was one of the founders. I'm
19 a member of the Chicago Urban League. I've
20 been very active in the United Way of Lake
21 County, and, currently, am active with the
22 Illinois Quality of Work Life Council.

23 CHAIRMAN HUGH SCHWARTZBERG:

24 Herschel Seder. Herschel, would you like to
25 add anything to what I said?

1 HERSCHEL SEDER: I guess, most
2 eminently, I'm the oldest person here. I -- I
3 joined -- or I participate in this group
4 because it's very meaningful to me. I'm a
5 businessman by nature; I had to make a few
6 dollars because that's the only way I could
7 live.

8 But, I'm on the Board of
9 Trustees at John Hopkins University. I'm been
10 in the engineering board there and I'm also on
11 the board of our school of international
12 studies, and also, on the board of -- physics
13 lab where we've got 3,000 scientists involved
14 with the government. I do a little work for
15 Cerebral Palsy and I get on television once a
16 year to beg for money and we're making great
17 progress there.

18 I'm very proud to be associated
19 with this group and I hope that we can, instead
20 of talking philosophy which is important, I
21 hope we're able to help all our citizenry and
22 have a better nation by using all our human
23 resources equally and beneficially. Thank you
24 very much.

25 CHAIRMAN HUGH SCHWARTZBERG:

1 Okay, Thomas Pugh?

2 THOMAS PUGH: I call Peoria my
3 home and I am working at a comprehensive drug
4 abuse and mental health agency currently
5 putting together a lot of stuff.

6 Next Monday, I may be appointed
7 to be a commissioner of the Peoria Housing
8 Authority. I'm not looking forward to that
9 kind of problem, but I may have it. And I
10 enjoy working with all these people too and I'm
11 here to listen to you.

12 CHAIRMAN HUGH SCHWARTZBERG:
13 Theresa Cummings?

14 THERESA CUMMINGS: I'm Theresa
15 F. Cummings from Springfield, Illinois. I
16 currently am the Assistant Director for the
17 Abandoned (phonetic) Mines which is also
18 working for a little bit of environmental
19 controls doing better for all of us. And, some
20 of you who are from the Chicago area probably
21 feel that you do not have mines in this area,
22 but some of you are not aware that a lot of
23 Chicago persons own mines that are south of I-
24 80. So, your concerns should be there because
25 what happens in the coal mines also affects all

1 of us. Most of you know that Illinois has
2 sulfur coal, and we have some concerns there
3 with the clean air act. We will also be
4 dealing with other mines in the northern part
5 where there are concerns.

6 My community involvement has
7 been focused mostly with children and abusive
8 things that have happened to women. I'm active
9 on the state and national level with women's
10 organizations and groups as well as for
11 children, especially the early childhood
12 educational programs.

13 CHAIRMAN HUGH SCHWARTZBERG:

14 Still on the members of our committee, I will
15 skip over the next two and turn to Preston
16 Ewing of Cairo, Illinois.

17 Before Preston says
18 something --

19 THERESA CUMMINGS: I'm past
20 chair --

21 CHAIRMAN HUGH SCHWARTZBERG:
22 Yes.

23 THERESA CUMMINGS: -- I'm
24 sorry.

25 CHAIRMAN HUGH SCHWARTZBERG:

1 Yes.

2 THERESA CUMMINGS: A couple
3 times.

4 CHAIRMAN HUGH SCHWARTZBERG:

5 Like two terms.

6 Let me explain that Preston is
7 the former head of the NAACP in Cairo,
8 Illinois. He is, himself, the author of a book
9 on the -- is it the ABC's of --

10 PRESTON EWING: Special
11 Education.

12 CHAIRMAN HUGH SCHWARTZBERG: --
13 ABC's of Special Education, a very remarkable
14 and leading pamphlet on that subject. And a
15 very long-term member of this commission. I
16 believe you, also, are a former chair, is that
17 right?

18 PRESTON EWING: I'm not a
19 former chair, but --

20 CHAIRMAN HUGH SCHWARTZBERG:
21 You've been here how many years?

22 PRESTON EWING: -- I have
23 seniority. I've been here 20 years.

24 CHAIRMAN HUGH SCHWARTZBERG:
25 Twenty years?

1 PRESTON EWING: Yeah.

2 CHAIRMAN HUGH SCHWARTZBERG:
3 Preston, what else would you like to add for
4 the record?

5 PRESTON EWING: Nothing. I'm
6 just a specialist in the educational rights of
7 children, even though I have a very -- a civil
8 rights background, but most of my work has
9 dealt with programs having to do with special
10 education, and desegregated schools, and other
11 aspects of the educational rights of children.

12 CHAIRMAN HUGH SCHWARTZBERG:
13 And Faye, sitting next to Preston, is one of
14 the two most recent appointees to the
15 committee, an attorney in Winnebago County,
16 calling Rockfort, Illinois, her home. What
17 would you like to add to that?

18 FAYE LYON: I'm also the
19 Rockfort Township Supervisor Trustee. I'm very
20 active politically there in Rockfort.
21 Community -- very involved in community, social
22 organizations, and religious organizations, as
23 well as, within my own profession. Probably a
24 little busier than what I should be, but,
25 again, we try to take on more, sometimes, than

1 we can -- but I'm very please and very excited
2 about being on the commission, and I'm looking
3 forward to today's hearing.

4 CHAIRMAN HUGH SCHWARTZBERG:

5 ~~There are 11 members of the Illinois State~~
6 ~~Advisory Commission in all.~~

7 We have two very special guests
8 today. One of them is a commissioner of the
9 United States Commission on Civil Rights,
10 Sherwin T.S. Chan. And, we are particularly
11 pleased that -- that Mr. Chan has come in
12 specifically for this hearing, and will be
13 spending the day with us, and will then be
14 flying back out and will -- an opportunity to
15 -- to take in this material directly and to be
16 a part of this with something more than simply
17 the transcript. There will, however, be a
18 transcript prepared and that is in part through
19 the arrangements of the Acting Staff Director
20 for the United States Commission on -- on Civil
21 Rights. Our Staff Director is Melvin L.
22 Jenkins, and, many of us know Melvin Jenkins
23 because he was previously the director for the
24 Midwest Region and then for what was known as
25 the Central Region of the United States

1 Commission on Civil Rights. So, we would like
2 to welcome both of these guests.

3 We are here to conduct a
4 community forum for the purpose of gathering
5 ~~information on the efforts to promote housing~~
6 integration in Atrium Village and the south
7 suburbs.

8 The jurisdiction of the
9 Commission includes discrimination or denial of
10 equal protection of the laws because of race,
11 color, religion, sex, age, handicap, or
12 national origin, or in the administration of
13 justice.

14 Information which relates to
15 the topic of the forum will be especially
16 helpful to the advisory committee. The
17 proceedings of this forum which are being
18 recorded by a public stenographer will be sent
19 to the Commission for its advice and
20 consideration. Information provided may also
21 be used by the advisory committee to plan
22 future activities.

23 At the outset, I want to remind
24 everyone present of the ground rules. This is
25 a public meeting open to the media and the

1 general public, but we have a very full
2 schedule of people who will be making
3 presentations within the limited time we have
4 available, but time allotted for each
5 presentation must be strictly adhered to. This
6 will include a presentation by each
7 participant, followed by questions from
8 Committee members.

9 To accommodate people who have
10 not been specifically invited but wish to make
11 statements, we have scheduled an open period
12 today from 4:35 p.m. to 5:15 p.m.. The open
13 period is from 4:35 p.m. to 5:15 p.m.. Anyone
14 wishing to make a statement during that period
15 should contact a staff member for scheduling
16 during the period before we reconvene this
17 afternoon. Let me repeat that. If someone has
18 a statement they wish to make, they should
19 contact our staff person who is Farella
20 Robinson on our far right. Now, Farella
21 Robinson, who we all know as Faye, serves as
22 staff not only for the Illinois State Advisory
23 Committee, but also for -- what is it, 12 other
24 states, I believe?

25 FAYE ROBINSON: Four other

1 states.

2 CHAIRMAN HUGH SCHWARTZBERG:

3 Four other states. Four other states. It's
4 not that bad, but she is kept hopping by all of
5 us and we have, you must appreciate, very, very
6 limited staff, and -- and Faye is, essentially,
7 it. So, would -- anyone who wishes to make
8 statement during that period, should contact
9 Ms. Robinson before we reconvene this
10 afternoon.

11 Now, written statements may be
12 submitted to committee members or staff here
13 today, or by mail to the United States
14 Commission on Civil Rights, 911 Walnut -- Suite
15 3100, Kansas City, Missouri 64106. I will
16 repeat that. If you wish to submit additional
17 materials in writing or a comment in writing,
18 it is to be mailed to the United States
19 Commission on Civil Rights, 911 Walnut -- Suite
20 3100, Kansas City, Missouri 64106. The record
21 of this meeting will close on August 31st,
22 1989.

23 Though some of the statements
24 made today may be controversial, we want to
25 ensure that all invited guests do not defame or

1 degrade any person or any organization. In
2 order to ensure that all aspects of the issues
3 are represented, knowledgeable persons with a
4 wide variety of experience and viewpoints have
5 been invited to share information with us. Any
6 persons or any organization that feels defamed,
7 or degraded by statements made in these
8 proceedings should contact our staff during the
9 meeting so that we can provide a chance for
10 public response. Alternately, such persons or
11 organizations can file written statements for
12 inclusion in the proceedings. I urge all
13 persons making presentations to be judicious in
14 their statements.

15 The advisory committee
16 appreciates the willingness of all participants
17 to share their views and experiences with the
18 committee.

19 And now, Mr. Melvin Jenkins and
20 Commissioner Chan will share some opening
21 remarks with you. I would like to, first, call
22 on Mr. Melvin Jenkins, the Acting Staff
23 Director of the United States Commission on
24 Civil Rights.

25 MELVIN L. JENKINS: Thank you,

1 Mr. Chairman. I'm very happy to be with this
2 advisory committee today.

3 In recent weeks, we have --
4 Commissioner Chan and I have travelled the
5 country from San Francisco to Washington to
6 Berkeley visiting the state advisory committees
7 throughout the nation.

8 As you know, the advisory
9 committee members serve without compensation,
10 but, however, provide very good resource
11 information to the commissioners and to the
12 staff in Washington. So the advisory committee
13 acts as the eyes and ears for the information
14 out in the general public so that we, in
15 Washington, can take that information and so
16 advise congress and the President concerning
17 some of the civil rights problems that we are
18 facing today.

19 Commissioner Chan will be in
20 route to Raleigh, North Carolina next week to
21 visit with the Asian community concerning
22 bigotry and violence in Raleigh.

23 In recent weeks, there has been
24 an outbreak of violence from -- across the
25 country. In Berkeley, we were there; in

1 Raleigh. There have been incidents in the
2 Washington area that's been of tremendous
3 interest to the commission and to the state
4 advisory committees.

5 ~~We hope to come out with a~~
6 statement concerning bigotry and violence at
7 the September commission meeting. Although you
8 are focusing on an aspect of housing today, but
9 in some communities, together with housing,
10 there is an outbreak of bigotry and violence
11 between various groups. What we intend to do
12 at the September commission meeting is to bring
13 that information out and to release it to the
14 general public with some findings and
15 recommendations to the President and to
16 congress for change. We are hopeful that this
17 advisory committee which has contributed in the
18 past in information, will also continue to do
19 that in the very near future on other projects.

20 So, we are very happy to be
21 here today, and I know this, as well as
22 Commissioner Chan is. He has came in late last
23 night -- this morning at 1:30, and will be
24 flying back out. It's a very tiring thing for
25 him to try to attend as many advisory committee

1 meetings as possible. And we try to make at
2 least two to three per month.

3 So, without anymore
4 information, I will now introduce Commissioner
5 Sherwin Chan.

6 SHERWIN T.S. CHAN: Mr.

7 Chairman, fellow SSHC (phonetic) members,
8 ladies and gentlemen, I'm the new commissioner
9 on the block. I was appointed last August, so
10 I still have three weeks to meet my one year
11 tour of duty.

12 Well first I must say, Chicago
13 impressed me starting last night because I
14 tried to come in, the plane was delayed three
15 hours because there's no slot for the plane to
16 land.

17 And -- and I'm also impressed
18 by when I walked into this room, I found
19 preliminary meetings already in order conducted
20 by the Chairman, so -- and after I talked to
21 each individual SSHC -- fellow SSHC members, I
22 -- I'm really impressed. I have a feeling that
23 we have a real good first-class SSHC committee
24 here, and I have trust on them to resolve all
25 the problems, hopefully. And well, we all have

1 the same goal, of course, and so, again, I'm
2 honored to be here.

3 Somebody may be curious why I
4 was appointed to be one of the commissioners.

5 ~~Actually, I wasn't thinking -- I'm -- you know,~~

6 I'm always thinking I'm no expert in the civil
7 rights, but, then, years ago I start -- I was
8 the one that founded -- found the Chinese PDA
9 of Southern California, 19 years ago. Then
10 they -- I had served the Los Angeles city
11 summer youth employment program, and have let
12 the youngster, instead of going -- deface the
13 wall, we give them a few dollars an hour to
14 clean up the city, and to help paint a church,
15 things like that. And so, I thought that was
16 meaningful. And then later, I have served as
17 the committee member for California State
18 University, in connection with student center
19 of UCLA as a board member. At the present
20 time, I'm also the vice-chairman of the board
21 of the California Maritime Academy which is a
22 Marine engineering college.

23 Actually, I'm an engineer. And
24 you've probably seen -- I work for a company
25 called Northrup. And recently, we have

1 something flying in the sky and we -- we're
2 designing the most expensive airplane in the
3 world.

4 Again, it's my honor to be here
5 and I shall attend this to my fullest
6 attention, and convey my message to the
7 commission. Thank you.

8 CHAIRMAN HUGH SCHWARTZBERG:

9 I'm like to note that Commissioner Chan has
10 been a commissioner who has actually sat in on
11 the sessions of the various state chairmen of
12 the Illinois -- of the -- of the various state
13 advisory committees, and has met with us, and
14 has probably done more than any other
15 commissioner in terms of evidencing a -- that
16 kind of continuing interest in being present in
17 as many of these as he has. And, I say that
18 not in any way to criticize any of the other
19 commissions; simply to note the extraordinary
20 expenditure of time that Commissioner Chan has
21 offered us.

22 At this point, I would like to
23 call on the first person who will give a
24 presentation to us, Dr. -- and I'd like, in
25 fact, the first two presenters to step forward,

1 Dr. Nancy Denton and Dr. William Sampson.

2 Would you both step forward, please?

3 Is Dr. Sampson present?

4 And I see that -- if you would
5 ~~take your seat, please, Dr. Denton.~~

6 Farella, perhaps, we could
7 attempt to -- to determine whether Mr. Sampson
8 has -- is ill, or otherwise?

9 Dr. Nancy A. Denton is a
10 research associate with the Population and
11 Research Center of the University of Chicago.
12 She has been author or coauthor of a number of
13 seminal works on the statistics of integration
14 and segregation, and it is our very great
15 pleasure, at this time, to hear from Dr. Nancy
16 Denton.

17 DR. NANCY DENTON: Thank you
18 very much. It's my pleasure to be here with
19 you this morning and I want to say at the
20 beginning, in addition to what you've already
21 so kindly said about me, that I have a Ph.D in
22 demography from the University of Pennsylvania
23 and that all of the research I will be
24 reporting on this morning has been conducted in
25 collaboration with Dr. Douglas Massey, who

1 unfortunately cannot be with us today. He's in
2 San Francisco at the Sociological Society
3 meeting actually giving a seminar to other
4 people who want to learn how to do research on
5 segregation.

6 All of the research I'm
7 reporting on has also been funded with grants
8 from the National Institute of Child Health and
9 Human Development, so it's even more of an
10 honor to get to present this research to people
11 like you since it was funded with public money
12 to start with.

13 Let me begin by making two
14 points of clarification, both of which are
15 probably unnecessary for this group, but just
16 so we understand each other.

17 First, it's very important when
18 you're listening to my research to distinguish
19 between segregation and discrimination. And we
20 all know this, but people listen to me talk and
21 then they ask questions that indicate that,
22 just for that moment, they have forgotten. I
23 will paint a dismal picture for blacks in terms
24 of segregation and comment repeatedly on the
25 relatively better situation of Hispanics and

1 Asians in terms of segregation -- this is
2 residential segregation. By no means should my
3 emphasis on how bad things are for blacks be
4 interpreted as meaning that we should work to
5 end discrimination against blacks and forget
6 about discrimination against Hispanics and
7 Asians. In terms of segregation, blacks are
8 more segregated. In terms of discrimination,
9 all discrimination is wrong; it is illegal, and
10 the situation among the three groups regarding
11 distinct discrimination, which is not the focus
12 of my study, appears from some other reports to
13 be more equal, and, in some areas, fair housing
14 groups actually report higher discrimination
15 against Hispanics or Asians than they do
16 against blacks. That's the first point.

17 The second point is, our work
18 views segregation from the point of view of
19 people; not from the point of view of
20 neighborhoods. And, while we recognize the
21 growing number of integrating and stably
22 integrated communities, the large preponderance
23 of the minority persons do not presently live
24 in communities like this. It is the experience
25 of this larger group that our research is

1 reporting on. Our current work also indicates
2 that the number -- there are far fewer
3 neighborhoods that are virtually no minorities
4 in 1980 compared to the number that had
5 ~~virtually no minorities in 1970, but levels of~~
6 minority presence in these neighborhoods remain
7 very low.

8 So, I caution you to remember
9 that the picture of segregation is very
10 different from a population perspective than it
11 is for a neighborhood perspective. It's
12 theoretically possible for all neighborhoods to
13 have at least a few minority residence, and,
14 thus, from the neighborhoods point of view, to
15 be integrated at some degree, but for the vast
16 majority of a minority population to be living
17 in highly segregated conditions. And that's
18 kind of just a law of mathematics; that's not
19 the result of research or anything, and so I
20 wanted to make those two points.

21 Now, since our research project
22 of five years duration covering 60 metropolitan
23 areas and three racial and ethnic groups
24 generates many findings, my remarks today will
25 be a summary of the findings. And, in your

1 handouts, you have a bibliography of all of the
2 reports that this study has generated. If you
3 write to me, we will send you copies of any of
4 the reports, and they are also available from
5 ~~Faye Robinson, so we -- the -- there's more~~
6 information there.

7 Since I understand the topic of
8 this hearing is: Housing Integration in Atrium
9 Village and the South Suburbs, let me also be
10 clear that what my research will do is provide
11 you with a description of the broad context in
12 which integration efforts must operate. My
13 research is not on specific plans for how you
14 go about integrating particular neighborhoods
15 or particular housing developments, but this is
16 the pattern of residential life that you see in
17 Chicago today -- today as you go out and then
18 say, how are we going to help integrate this
19 one area or this one complex.

20 I will begin with a brief
21 description of the methodology of the project,
22 describe the trends in segregation between 1970
23 and 1980, followed by an examination of some of
24 the factors that explain segregation -- the way
25 segregation can be defined, and, then, close

1 with some comments, hopefully bringing it back
2 to housing integration.

3 I should point out that the
4 data for this study come from the 1970 and 1980
5 census. It's going to sound like it's old,
6 however, to study segregation, you need
7 detailed data on small neighborhoods and you
8 only get that from a census. We will have
9 another census in 1990, but it will be 1994
10 before data at this level of detail is publicly
11 released. It will be easily 1995 or 1996
12 before you can get even the first of these
13 studies much less the nine, or ten, or twelve
14 that we've already done at this level of
15 analysis for 1980. So, in terms of data
16 requirements and in terms of the amount of
17 undertaking of producing a census, this really
18 is the most recent data available. You cannot
19 do these studies with on -- survey data.

20 We are studying large
21 metropolitan areas of which Chicago is one, but
22 for those of you who are from other areas, our
23 conclusions do apply to large metropolitan
24 areas more so than to small ones.

25 We are studying three minority

1 groups: blacks, Asians, and Hispanics. Asians
2 and Hispanics are umbrella terms. We recognize
3 that those groups contain many groups of
4 substantial diversity. We are limited by the
5 ~~fact that there is much more data available for~~
6 Asians or Hispanics as groups than there are
7 for Mexicans or Chinese individually, and, so,
8 we have to maximize the amount of information
9 we have to address this problem.

10 The areas included in our study
11 contain 72 percent of metropolitan blacks, 80
12 percent of metropolitan Hispanics, and 68
13 percent of metropolitan Asians. So, while they
14 are not looking at people living in small
15 areas, they are relevant to a substantial
16 proportion of the population.

17 We are using census tracts as
18 proxies for neighborhood. These are small
19 areas of the metropolitan area of about 5,000
20 persons. They cover the neighborhood -- the
21 area completely. They do not overlap. They
22 are about the same size. They have a lot of
23 nice mathematical properties. But we are not
24 using a neighborhood in the sense that you go
25 out and define your own neighborhood.

1 I will talk somewhat about
2 different measures of segregation later, but
3 for most of this report, I will be using a very
4 simple measure known as dissimilarity or
5 evenness. Briefly, this measure compares each
6 neighborhoods proportion minority to the
7 overall metropolitan areas proportion minority
8 and it's interpreted as the percent of minority
9 members who would have to change their
10 neighborhood in order to be evenly spread
11 across the neighborhoods in the metropolitan
12 area.

13 It's a very simple concept. If
14 a metropolitan area is 20 percent black, then
15 to be evenly distributed across the
16 neighborhoods in that metropolitan area, every
17 neighborhood should be 20 percent black. So,
18 there's no artificial standard being imposed;
19 it's just saying how evenly are these people
20 distributed across neighborhoods. It varies
21 between zero and one or zero and one hundred if
22 you multiply it. To give you some feel for it,
23 it's a limited scale. Values between zero and
24 point three are low, between point three and
25 six are moderate, and above point six is

1 considered high, so that would be a -- a highly
2 segregated score.

3 Please be careful in not
4 interpreting the difference between these --
5 ~~the small differences between these numbers as~~
6 being significant. It's like a scale. It's
7 like when you were in grade school and you were
8 getting tested. The difference between getting
9 a 78 or a 79 wasn't a very big difference --
10 even a 77. Or the difference between getting a
11 91 and a 92. I mean, I've had people say to
12 me, well, this goes down, and they're talking
13 about a number going from 92 to 91. That's not
14 a decline that we need to worry about. That's
15 just going to happen by chance.

16 Our first goal when we began
17 this research was to document the change in the
18 level of segregation between 1970 and 1980. If
19 you will follow along on your hand guide, you
20 will have some numbers to go along with what
21 I'll be saying to you.

22 The -- from the first panel
23 which is called overall segregation, we're
24 looking, using this measure of evenness, the
25 comparison group is non-Hispanic whites and

1 we're looking at segregation for blacks,
2 Hispanics, and Asians. I've put several other
3 cities other than Chicago on the handout just
4 so that you have some idea of the context of
5 this. It is clear that segregation -- the
6 level of segregation for blacks is much higher
7 than it is for Hispanics and Asians in both
8 year; that black segregation declined only
9 slightly, if at all, in these four cities.
10 Hispanic segregation increased slightly,
11 largely because of emigration, and Asian
12 segregation declined despite emigration.

13 To focus specifically on
14 Chicago in 1970, about 92 percent of the black
15 population would have had to move in order to
16 be evenly distributed across the neighborhoods
17 in the metropolitan area. Now, you may tell me
18 that evenness is a very idealistic sort of a
19 measure, but if you allow that it has some
20 validity at all, having 92 percent of the
21 population group having to move is a very
22 extreme number. I mean, we're about as far
23 from evenness as we can get. In 1980, this
24 percent had declined to only 88 percent.

25 The corresponding figures for

1 Hispanics and Asians in 1980 are 64 percent and
2 44 percent. One way of looking at that is that
3 Asians in 1980 are about half as segregated as
4 blacks are in the Chicago metropolitan area.

5 In general, black segregation declined most in
6 the smaller metropolitan areas in the south and
7 the west, but it is clear that in large
8 metropolitan areas, black segregation remained
9 very high despite the passage of the Fair
10 Housing Act in 1968.

11 Now, social science research
12 attempts to explain and understand segregation
13 as well as to measure it, even though, I firmly
14 believe that accurate measurement gives us an
15 accurate perception of reality and that's
16 important no matter what social policy we wish
17 to implement. Historically, one way that
18 ethnic groups have become assimilated into
19 mainstream society is by moving to the suburbs.

20 You can see from the middle
21 panel that blacks do not live in the suburbs to
22 nearly the same extent as Asians and Hispanics
23 do. In Chicago, only 10 percent of blacks
24 lived in the suburbs in 1970. That grew to 16
25 percent in 1980 compare to 27 percent of

1 Hispanics and 49 percent of Asians in 1980.

2 The next panel of the handout
3 compares the segregation of these groups in the
4 center city and the suburbs. It is clear that
5 ~~for all groups, segregation is lower in the~~
6 suburbs than it is in the central city.

7 However, black segregation in the suburbs of
8 Chicago is still .754; 75 percent of them would
9 have to move. Higher than the segregation of
10 Hispanics or Asians in the central city. Since
11 access to the suburbs is denied to a
12 substantial portion of the black population,
13 the lower segregation in the suburbs does not
14 do the group as a whole that much good, though
15 it, of course, will benefit into the blacks who
16 are desiring to live in an integrated
17 neighborhood.

18 Another means of assimilating
19 into society has been by improving ones
20 socioeconomic status; that is, by working one's
21 way up in terms of occupation, income, or
22 education.

23 The next page of the handout
24 shows segregation by income for the three
25 groups and these figures are also a graph on

1 the third page of your handout. While it is
2 clear that segregation does decline as income
3 rises, it declines much more for Hispanics and
4 Asians than it does for blacks. Furthermore,
5 ~~since blacks begin at a higher level of~~
6 segregation than either of the other two groups
7 as well as experience less of a decline, the
8 end result is that in Chicago, blacks making
9 \$30,000 a year are more segregated than
10 Hispanics and Asians earning only \$5,000 a
11 year. For blacks, the American dream of
12 working ones way up does not imply residential
13 integration in the same way it does for
14 Hispanics and Asians.

15 So far, we have been viewing
16 segregation from the point of view of this
17 measure called evenness which I defined for you
18 earlier. But segregation is a very complex
19 concept encompassing at least four other
20 dimensions. I will describe these for you and
21 use Chicago as my example. The actual numbers
22 for these are listed on the bottom of Page 2 of
23 your handout.

24 Exposure is a measure of
25 potential contact between the minority and

1 majority groups. That is the extent to which
2 they share neighborhoods, or which they are
3 isolated in neighborhoods all by themselves.
4 Black isolation in Chicago is extreme at a
5 score of .828 with 1.0 being the (inaudible --
6 noise in background) of isolation you can --
7 experience.

8 Clustering refers to the degree
9 to which minority neighborhoods adjoin each
10 other in space. That is, are they scatter
11 about like the squares on a checkerboard, or
12 are all the red squares on one side and the
13 black squares on the other. In Chicago, black
14 neighborhoods are highly clustered with a score
15 of .793.

16 Centralization refers to the
17 extent that minority neighborhoods are located
18 near the central business district. Sometimes
19 a zone of urban decay and definitely a location
20 far from suburban job growth. Blacks in
21 Chicago are highly centralized with a score of
22 .872 out of 1.0.

23 And, lastly, concentration is a
24 measure of the amount of geographical space
25 occupied by minority groups relative to Anglos.

1 Blacks in Chicago score .887 indicating that
2 they are packed into a small number of
3 geographically small neighborhoods. This is
4 similar to the evenness dimension where you
5 say, are they evenly distributed. This is
6 saying if they are this percent of the
7 population, what percent of the urban land area
8 do they have access to because there's no
9 reason -- to not think that you wouldn't have
10 access to a share of the urban land area equal
11 to your population size.

12 As a result of these high
13 scores on all five of these dimensions of
14 segregation, we have determined the blacks in
15 Chicago are hyper segregated; that is, they are
16 segregated to a degree -- higher degree than
17 previously imagined. This condition prevails
18 for blacks in nine other metropolitan areas, as
19 well, namely Detroit, Cleveland, Milwaukee,
20 Newark, Gary, Philadelphia, Los Angeles,
21 Baltimore, and St. Louis.

22 As a quick glance, at the
23 numbers for Hispanics, will suggest and as our
24 more detailed research showed, this condition
25 does not occur -- the condition of hyper

1 segregation does not occur for Hispanics in any
2 of the metropolitan areas we have studied. And
3 Asian segregation and -- as an aside, was
4 actually so low that it was not meaningful to
5 even go through all the calculations to compute
6 it from five different ways because we were
7 just going to get the answer of they're not
8 very segregated -- they're segregation is low
9 to moderate, and we weren't going to learn
10 anything new. This is important because the
11 effects of segregation become more profound as
12 it accumulates across these five dimensions
13 which is easy to see if you think about the
14 dimensions that I named. The numbers imply a
15 high degree of socialization as a result of
16 being unevenly distributed, living in
17 neighborhoods that are almost all black, in
18 small neighborhoods that are tightly clustered
19 around the city core with most of the
20 surrounding neighborhoods also being black.
21 Blacks living in these conditions are unlikely
22 to encounter an Anglo resident at all unless
23 they work in the Anglo dominated economy, an
24 option denied to nearly one quarter of inner
25 city blacks who are under or unemployed. The

1 implication of these findings are very
2 troublesome given the civil rights legislation
3 of the '60's.

4 As of 1980, blacks are still
5 unable to translate their socioeconomic
6 achievements into greater integration within
7 mainstream society to the same extent as other
8 groups. The American dream of working ones way
9 up is not a viable option at least in terms of
10 residence. Now, if segregated neighborhoods
11 tended to differ from other neighborhoods only
12 in terms of their racial composition that would
13 be one thing, but other work we have done and
14 are continuing to do strongly suggests that
15 separate is not equal when it comes to living
16 conditions. No matter what their educational
17 or their occupational achievements individually
18 and whatever their incomes -- this is speaking
19 for black as a group now; not an individual
20 person -- blacks are exposed to higher crime
21 rates, less effective educational systems,
22 higher mortality risks, more dilapidated
23 surroundings, and a poorer socioeconomic
24 environment than whites simply because of the
25 persistence of strong barriers to residential

1 integration. In short, one does not need to
2 look far for indicators of social isolation in
3 the black community.

4 Research by our colleagues has
5 shown an increasing divergence in language
6 patterns between black English and mainstream
7 English that's going to make it more difficult
8 to get a job if you don't already have one.
9 There's an increasing divergence in marriage,
10 family, and fertility patterns between blacks
11 and the rest of the population. There's a lot
12 of emphasis on this concentration of poverty,
13 labor force withdrawal, unemployment into inner
14 city black neighborhoods. All of these
15 problems were made worse by this incredibly
16 high level of social isolation implied by these
17 segregation statistics.

18 This, then, is the best
19 description I can give you from my research of
20 the context in Chicago in which you're going to
21 try to deal with how to implement pro
22 integrative plans at Atrium Village and the
23 south shore suburbs, or whether you're going to
24 -- I don't know quite what you're doing.
25 You're hearing testimony about those plans.

1 The explanation that we return
 2 to again and again to try to account for this
 3 continuing level of black segregation is the
 4 persistence of white prejudice. Other research
 5 indicates that although white attitudes toward
 6 blacks have moderated in recent years,
 7 significant antipathy still remains especially
 8 with respect to integration.

9 There is also the more
 10 important question of preference for
 11 integration on the part of the two groups. If
 12 whites, as they have in social surveys, prefer
 13 neighborhoods that only have a small percentage
 14 of black, and blacks prefer neighborhoods about
 15 evenly divided between the two groups, then the
 16 laws of mathematics will tell us that you've
 17 set the stage for a process of continuing
 18 integration at some low level followed by re-
 19 segregation and you're setting up this process
 20 of neighborhood turnover.

21 And you can speculate and
 22 there's -- and I don't know of any really
 23 detailed research on this, but, clearly, one of
 24 the things that's happening is that whites fear
 25 that when there are too many blacks the housing

1 value will fall because the neighborhood will
2 be all black. And so, even if they were
3 willing to live in a neighborhood that was
4 50/50 black, once it hits 30 percent black,
5 they're afraid that nothing is going to stop it
6 from being 90 percent black and, at which point
7 due to effect -- demand structures of housing
8 -- their housing -- they're going to lose
9 everything they have on their -- and put into
10 their house.

11 Integration is, therefore,
12 something that really, I think, needs some care
13 and attention if we're going to focus on it as
14 a goal. There's nothing in my research that
15 tells me it's going to happen sort of
16 automatically with us doing nothing. And so,
17 breaking this pattern of neighborhood turnover
18 is something that integration programs can try
19 to do.

20 I think that in closing, I
21 would hope that this description of the highly
22 segregated environment has been some help to
23 you, and I would also like to point out from a
24 personal point of view that I think that one --
25 what's happening right now is that both of us

1 are losing. Blacks are losing because of the
2 social environment they have to live in, but
3 they're also losing because they are not being
4 exposed to different aspects of white's culture
5 and white's society that are important, and
6 that are nice, and that are meaningful. And
7 whites are losing in the same way because they
8 don't know anything about black culture. They
9 don't know anything about black society, and,
10 so, they don't -- they are missing out on that,
11 too. And I think it's sort of ashamed that
12 both groups are losing in that way. Thank you.

13 I'll be happy to answer
14 questions.

15 CHAIRMAN HUGH SCHWARTZBERG: I
16 think I'll hold the questions here -- is -- has
17 Mr. Sampson coming in?

18 FEMALE VOICE: Yes.

19 CHAIRMAN HUGH SCHWARTZBERG:
20 Okay, if Mr. Sampson would -- let me hold
21 questions until both of these two presentations
22 are made and we'll -- we'll take questions
23 together.

24 Mr. Sampson, would you come
25 forward?

1 And if you would remain up
2 here, please?

3 At this time, I would like to
4 welcome Dr. William Sampson of the Sociology
5 Department of Northwestern University at
6 Evanston. Dr. Sampson.

7 DR. SAMPSON: Good morning.

8 I was just saying to Dr. Denton
9 that I disagreed with all of their work. I
10 admire the Massey/Denton work. It's good work,
11 but after you read it you still have the
12 question of, so what? So, we don't know
13 anything new. It's not anything new to say
14 that -- that there's racial segregation in
15 housing in America.

16 And, the real question is why
17 and what ought we to do about it, if anything.
18 The -- and the why question is almost never
19 addressed. Typically, people who work with
20 desegregation or dissimilarity index simply
21 count and tell us that there's a certain amount
22 of separation of the races, and they don't
23 quite know what to do with the why question.

24 There are several possible
25 explanations, it seems to me. One is economic.

1 That is, it may well be that white folks live
2 in neighborhoods that simply cost too much
3 mainly for blacks and for non-white Hispanics.
4 It turns out that the data casts serious doubt
5 upon that explanation. That's simply not the
6 case, and, if you just look at Chicago, you--
7 you have huge pockets of middle-class black
8 folks on the south side of Chicago who can live
9 virtually anywhere in the metropolitan area
10 they choose to live; yet, they stay in those
11 middle-class black pockets on the south side of
12 Chicago.

13 Another explanation is
14 discrimination. That is, it may well be that
15 these folks have all tried to move somewhere
16 else, and been discriminated against, and have
17 not gone out there. Curiously enough, very
18 little of that work -- in fact, most of the --
19 the Massey/Denton work -- and -- and any other
20 work on the topic fails to look at
21 discrimination. In fact, they assume that
22 discrimination is the culprit without ever
23 testing -- without every actually asking
24 anybody how often, when, where, why were you
25 discriminated against. They assume that if

1 black folks live among black folks,
2 discrimination must be going on. It never
3 dawns on folks that perhaps some significant
4 number of black folks live among black folks
5 because that's where they want to live. Now,
6 that couldn't possibly dawn on people in
7 American because we assume that everything
8 about black folks is negative. And, since we
9 know white folks don't want to live among black
10 folks, we assume black folks don't want to live
11 among black folks. However, that is an unsafe
12 assumption.

13 Now, my work doesn't look at
14 the -- the dissimilarity stuff. It takes that
15 for granted and -- and begins to look into the
16 degree to which black folks prefer to live
17 among black folks.

18 And what we find -- in fact, in
19 a -- in a very good piece that -- that Dr.'s
20 Massey and Denton published in the American
21 Sociological Review, I guess, a year or two
22 ago, they dismiss with a sentence or two the
23 possibility that -- that racial preference has
24 anything to do with this. And that was based
25 largely upon their examination of -- of other

1 preference research which is scanty at best.

2 And -- and they were probably right to do that,
3 it seems to me.

4 Only I've looked at that a
5 ~~little bit more carefully including~~
6 interviewing thousands of people on that topic,
7 and -- and what I find is that if left to their
8 own preferences holding economics steady or
9 constant, we'd have segregation. That is,
10 black folks would live with black folks and
11 white folks would live with white folks. Now,
12 we wouldn't have quite as much as we have, but
13 we'd have a fair amount. That white folks
14 appear to prefer neighborhoods that don't
15 contain anymore than 20 percent black. And
16 black folks appear to prefer neighborhoods that
17 -- in which they are in the majority. That is,
18 they will tolerate 60/40 neighborhoods, but
19 once -- 60/40 black/White, but once you -- you
20 get much beyond that, black folks tend to -- to
21 be less -- less comfortable, according to the
22 folks we -- we interviewed.

23 Now obviously, preferences
24 aren't the only thing -- oh, and, by the way,
25 nobody has much tolerance for poor folks.

1 Nobody, including poor folks, prefers to live
2 close to poor folks and that's part of the
3 problem because blacks, of course, are
4 disproportionately poor and -- and even poor
5 black folks don't want to live among them. So,
6 if we left folks to their own preferences, we'd
7 have a state of affairs somewhat like what we
8 have now.

9 By the way, when we check on
10 how -- the degree to which people have been
11 discriminated against, we find relatively
12 little discrimination. Now -- but to some
13 degree, that's an not a fact. That is, I'm not
14 going to look for a house in Cicero because I
15 suspect I'm going to be discriminated against.
16 So, if you ask me have I ever been
17 discriminated against, my answer is no, but
18 that's because I knew better than to try. So,
19 when we ask people have they ever been
20 discriminated against, we find very, very small
21 percentages of people around the country who
22 indicate they've been discriminated against in
23 -- in terms of -- of their housing search.
24 But, again, I don't take that at face value. I
25 suspect that there's a fear of discrimination

1 that holds that down.

2 So what does all this mean? I
3 think my position has been that black folks,
4 Hispanic folks, Asian folks, ought to be able
5 to live wherever they want to live and can
6 afford to live including among themselves. And
7 I bristle at efforts to breakup black
8 communities particularly without consulting
9 with those folks in the communities. I -- I
10 always ask black folks in Chicago and often ask
11 white folks if you folks all want -- there are
12 a million black folks in Chicago and you want
13 to move them out to the suburbs and -- and
14 achieve integration. Would Harold Washington
15 have been elected mayor had you been
16 successful? And I said, no, no, I never gave
17 that any thought, and, we, of course, wanted
18 Harold Washington elected mayor. Now that
19 segregation worked in your favor in electing
20 Harold Washington.

21 Now, the question is what kind
22 of tradeoffs have to be made? And, in fact, in
23 virtually every major city with the -- the
24 exception of Los Angeles where you have a black
25 mayor, there would be no black mayor if you had

1 significant metropolitan integration. Now,
2 this isn't to say you shouldn't have it. It's
3 simply to say, what kinds of tradeoffs are
4 people prepared to make because the -- the
5 ~~research is very clear that when blacks get~~
6 elected with a few exceptions, they get elected
7 with overwhelming black support. They -- they
8 tend not to get much white support. So, yes,
9 you may well say that the way to deal with the
10 lack of exposure of -- of black folks to white
11 folks is to move them into communities with
12 each other, and, in places like Chicago, that
13 would mean significantly into the -- into the
14 suburbs, but that's going to have a huge
15 political and economic impact on black Chicago
16 because the research also indicates that black
17 entrepreneurs survive to the degree that they
18 do largely because blacks patronize them. So,
19 if that black market is now gone, or that
20 Hispanic market is now gone, or that Asian
21 market is now gone, what happens economically
22 to that community? So, these are tradeoffs
23 that have to be made.

24 I also am a little concerned
25 about what happens when folks don't have -- uh

1 -- this huge leap folks are making about the
2 implications of the lack of racial contact. I
3 mean, when European Jews were let out of walled
4 ghettos having had virtually no contact with
5 gentiles, they survived quite nicely. They
6 survived.

7 Now, what makes us think that,
8 A, black folks have no contact with white
9 folks? They have all kinds of contact with
10 white folks whether it's face to face or not.
11 If you live in this society, you are going to
12 have all kinds of contact with white
13 institutions and with white folks. If you read
14 a newspaper or a magazine, or go to a store, or
15 go to a movie, or look at a newscast, you are
16 having contact with the white folks.

17 Now, white folks don't have
18 much contact with black folks and that's not
19 going to change even with integration. It's --
20 we don't have any evidence. We don't have any
21 data to suggest that some change occurs among
22 white folks because of the -- the -- the
23 movement of black folks into those
24 neighborhoods. Now -- and -- and maybe the
25 control data -- the new control data will give

1 us some -- some information on that, but, by
2 and large, when you've had integration unless
3 you had managed integration, which I oppose,
4 you're integrating middle-class black folks
5 with middle or working class white folks. I
6 submit to you that it is not at all clear that
7 white folks are then getting a taste of what
8 Dr. Denton calls black culture because middle-
9 class black folks are bicultural and bilingual,
10 okay? You've got to be. So, when we are
11 dealing with white folks, we are -- we are
12 operating out of a certain culture and using a
13 certain language. And when we are dealing with
14 black folks, unless you adjust, you are not
15 going to be understood, okay? So, it's not at
16 all clear that they get a glimpse of what Dr.'s
17 Denton and Massey want white folks to get in
18 any event. And, even if they did get a
19 glimpse, it's not at all clear, based upon
20 data, that that interaction results in
21 significant changes.

22 I've -- I've really talked
23 longer than I want to. I just want to make one
24 last point.

25 Racism is alive and kicking in

1 - America. Racism is the deep seeded believe
2 that one group of people is inherently superior
3 to another. We -- in America, it's the belief
4 that white folks are inherently superior to
5 ~~black folks, and I find it difficult to buy the~~
6 notion that places where white folks reside are
7 inherently superior to places where white folks
8 reside. They are inherently superior in terms
9 of quality of life, basically, because we make
10 it so. If we spent the kind of time and energy
11 we are trying to -- and money we want to spend
12 moving a -- a chunk of black folks out -- and
13 by the way, if black folks want to move, we
14 ought to do whatever we can to help move them,
15 but if they don't, then we ought to do whatever
16 we must to improve the quality of life where
17 they live. And, I'm afraid that our emphasis
18 upon moving them out, which doesn't seem to me
19 to have any clear advantages for black folks,
20 takes away from some concern about improving
21 the quality of life where black folks are
22 because no matter what we do, most black folks
23 are going to live in predominately black
24 communities. What are we going to do about
25 those communities?

CHAIRMAN HUGH SCHWARTZBERG:

1
2 And now for questions. Would you like to begin
3 with a question, anyone? Ah, yes, Mr. Melvin
4 Jenkins.

5 ~~MELVIN L. JENKINS: Dr. Denton,~~
6 the statistics that you've pulled for this
7 presentation, we reviewed some information in
8 -- in my office of the program in policy
9 research in Washington earlier this week
10 concerning this.

11 We are coming out with a study
12 next month entitled: The Economic Status of
13 black Women. We've released one on black men.
14 And what it's pointing to is that
15 discrimination may be a factor in employment
16 and -- and also in terms of wages for black
17 women, and also for black men.

18 And using that data in looking
19 at what you're talking about with respect to
20 neighborhoods and the -- the fact that we have
21 a highly segregated society in terms of
22 housing, how do we then begin to solve the
23 problem of the split -- to fuse disparity not
24 only in housing, but in -- in the labor market
25 discrimination also? What do we do? Do we

1 begin to take the research that you have, or do
2 we begin to take the efforts of Dr. Sampson and
3 -- and look at it in terms of, let's really
4 find out what the folk want -- what these
5 people want. What do we do in this instance?

6 We have two polls here.

7 DR. NANCY DENTON: You have two
8 polls, but you also have, as Dr. Sampson eluded
9 to at the end of his presentation, you have a
10 diverse population.

11 My response to Dr. Sampson's
12 overall presentation is that, certainly, some
13 black people prefer to live with other black
14 people, but there's a -- there's a range in
15 there. Some black people would like to live in
16 integrated neighborhoods and we have to honor
17 all of these preferences to some degree.

18 I think it's a very complicated
19 problem and one of the reasons that I support
20 integration is that I think that that offers
21 you a chance of -- of ceasing the concentration
22 of all of these problems in one geographical
23 area. So, you can work on -- it's -- if you
24 have a bad housing environment, and you have
25 low unemployment, and you have high infant

1 mortality, and you have bad schools, and you've
2 got all of them concentrated in this one little
3 area, it seems to me that the problems are
4 feeding on each other. Whereas, if you could
5 disperse the people just a little bit, possibly
6 not moving them all out to the suburbs so they
7 can't elect a mayor, but spreading them about
8 within the city of Chicago even, you can then
9 -- you have a little more leeway because you
10 have other forces within the community that
11 will help you as you try to work on some of
12 these problems.

13 I disagree with Dr. Sampson's
14 statement that if you move -- if you disperse
15 blacks you lose the black market, or the Asian
16 market, or the Hispanic market. In many of the
17 urban areas of our large cities, there's,
18 basically, nothing left in some of these black
19 areas. You go down to 63rd Street and Hyde
20 Park, those stores are all closed. Now, that's
21 all black. There's certainly plenty of blacks
22 there if there was a real black market, but
23 there's not enough capital left in that
24 community to support stores -- to support
25 businesses. Hospitals move out of those

1 communities. I mean, the single best predictor
2 of high infant mortality among blacks in urban
3 areas in the United States is the level of
4 black segregation in that city. That's the
5 variable that explains most of it.

6 So, I mean, I ---I relate to --
7 your point and it's very hard given the lack of
8 -- as Dr. Sampson accurately put it, we don't
9 have good data on discrimination. Now, HUD is
10 just funding a national survey on
11 discrimination that's in the field right now.
12 Dr. Massey was planning to do some work on
13 discrimination, but all we're relying on when
14 we talk about discrimination is informal
15 evidence. But the informal evidence suggests
16 to me a pattern of much higher discrimination
17 than Dr. Sampson seems to get out of it.

18 DR. WILLIAM SAMPSON: Because
19 if we look at the data that we have from HUD --
20 the number of fair housing complaints that have
21 been filed within the last five years, not only
22 from HUD but from all the local agencies
23 throughout the nation, we see that fair housing
24 complaints had dropped extremely over the
25 years.

1 DR. NANCY DENTON: That's not
2 good data. You cannot --

3 DR. WILLIAM SAMPSON: It's the
4 only data that we have to operate with.

5 ~~DR. NANCY DENTON: -- that's~~
6 the only data you have, but you cannot measure
7 discrimination in housing with fair housing
8 complaints.

9 I'm sorry. That's absolutely
10 worthless because discrimination, now, is so
11 subtle that Dr. Sampson believes he has not
12 been discriminated against, but I would hazard
13 the fact that he doesn't know. You are treated
14 -- blacks are treated extremely nicely by real
15 estate agents. They are told everything in the
16 right way, and there's no way for you to
17 possibly know that you're being discriminated
18 against.

19 DR. WILLIAM SAMPSON: Well, you
20 see, I think I -- I think I would -- I would
21 know.

22 Okay, what I said -- I didn't
23 say I would know --

24 DR. NANCY DENTON: I don't
25 think it would be possible for you to know. I

1 don't think I would know.

2 DR. WILLIAM SAMPSON: -- well,
3 what -- what I said was I wouldn't test the
4 market, so I wouldn't be discriminated against.
5 ~~That is, I would know ahead of time where I~~
6 would be discriminated against, and I wouldn't
7 test the market. And I suspect -- so,
8 therefore, you -- you would report.

9 And no matter how you do it,
10 Mr. Jenkins, no matter how you ask people,
11 you're going to get reports of less
12 discrimination than probably exists because
13 people simply aren't trying because they know
14 better.

15 So, let me go to your question
16 about --

17 DR. NANCY DENTON: But you can
18 -- you can do an audit study and send a team of
19 testers out, and you can measure
20 discrimination.

21 DR. WILLIAM SAMPSON: I don't
22 -- I don't believe -- yeah, that's the wrong
23 way to do it.

24 CHAIRMAN HUGH SCHWARTZBERG:
25 Okay.

1 DR. WILLIAM SAMPSON: I'm
2 sorry, could I -- could we get some
3 clarification on that?

4 As I understand, if, in fact,
5 ~~testing is done and two people go out --~~
6 black/White -- and set up a careful test. You
7 get information which indicates a higher degree
8 of discrimination than you would if an -- one
9 individual goes out. And, therefore, as I
10 understand it, it's being suggested that if you
11 really want a measure, you've got to do
12 testing. But you indicate that you don't want
13 that testing done, is what I get -- to
14 understand that?

15 DR. WILLIAM SAMPSON: No, I
16 don't -- the -- the -- yes. I -- I -- first of
17 all, the testing is a little too contrived and
18 too controlled and doesn't at all reflect the
19 real experiences of -- of individuals out
20 there. I'm a survey researcher, so I prefer to
21 interview thousands of people and ask them,
22 "Have you been discriminated against, how
23 often, and what situations," that sort of
24 thing. What --

25 DR. NANCY DENTON: Can you

1 describe the characteristics of your sample,
2 and where it was taken, and what kind of a
3 sample it was, please?

4 DR. WILLIAM SAMPSON: -- oh, we
5 ~~have -- they are stratified random samples from~~
6 St. Louis, Kansas City, Milwaukee, Little Rock,
7 Richmond, and I think there was another site
8 that I don't remember offhand.

9 CHAIRMAN HUGH SCHWARTZBERG: I
10 gather -- I gather that the cross question is
11 looking for something other than the geography
12 of the sample.

13 DR. WILLIAM SAMPSON: Right. I
14 -- I -- Mr. Schwartzberg --

15 CHAIRMAN HUGH SCHWARTZBERG:
16 Uh-huh.

17 DR. WILLIAM SAMPSON: -- if you
18 will, I think before I forget, let me come back
19 to Mr. Jenkins' point.

20 The average female -- black
21 female college graduate earns 106 percent of
22 that earned by her white counterpart, so the
23 average black female college graduate is doing
24 quite well. In fact, the -- the average wage
25 of black females is now 93 percent of the wage

1 of white females compared to -- to -- if you --
2 look at black males, compared to -- to white
3 males, it's something like 82 or 81 percent.
4 So, that the -- the slippage, and by the way
5 ~~there's been a decline in -- in the income in~~
6 black males relative to -- to white males,
7 there's been an increase in the income of -- of
8 black females relative to -- to the income of
9 -- of white females, so that -- that -- that
10 those black females who manage to go to college
11 and -- and get a degree are doing quite well
12 economically, and it's -- it's not at all clear
13 to me that -- that -- that segregation has
14 anything at -- at all to do with that. I mean,
15 if -- if that's all we knew, then we'd forget
16 all about segregation -- put all of our effort
17 into getting particularly black females through
18 college. It's -- it's not as good a --

19 DR. NANCY DENTON: But black
20 college -- black college enrollment has been
21 declining in recent years.

22 DR. WILLIAM SAMPSON: Mainly
23 for males -- mainly for males -- mainly for
24 males. There is something bad going on, but
25 the decline is almost exclusively among males,

1 and -- and there's -- there's something else
2 that's declined, too; that's the number of
3 black faculty members at prestigious
4 institutions like your's and mine and -- and
5 ~~that has directly to do with the enrollment of~~
6 -- and matriculation of -- of black students
7 and --

8 MELVIN L. JENKINS: That is a
9 topic we could really get into later on.

10 CHAIRMAN HUGH SCHWARTZBERG:
11 Well, -- well, we are -- well, we're very
12 interested in the topic of education.

13 I'd like to call us back to --
14 to this. Perhaps this question might clarify.
15 I have some difficulty in going through the
16 paper that you have submitted to understand
17 exactly where your conclusion lies. As I
18 understand it, you're indicating that if you
19 average out the -- what people in the black
20 community want in terms of neighbors that you
21 get about a 52 percent average. That is to
22 say, on the average the black population would
23 like to have 52 percent of its neighbors black
24 and 48 percent white. And you, then, take that
25 average and say that since it averages out to

1 52 percent, that means most people want to live
2 not in an integrated community, but into a
3 majority and black community.

4 MALE VOICE: Well, that's --

5 CHAIRMAN HUGH SCHWARTZBERG:

6 Now, let me carry it out. And you then say
7 that since people want to live mostly with
8 themselves, that's why we have a problem. If,
9 in fact, your own material indicates, as Dr.
10 Denton suggested, that most blacks would like
11 to live in a theoretical 50 white/50 black
12 community and most whites would like to live in
13 a community where they could avoid the fear of
14 tipping by being assured that there was only a
15 35 percent black population or a 25 percent
16 black population, how can you say that in that
17 world a majority of the blacks don't want to
18 live in integrated communities?

19 DR. WILLIAM SAMPSON: Well,
20 quite easily, because what we found was
21 virtually no black -- very few blacks expressed
22 a preference for a neighborhood that was higher
23 than 50 percent white, as opposed to whites,
24 where there was a broad range from zero percent
25 black up to 70 -- 80 percent black though most

1 of them were around 20 to 25 percent black,
2 blacks -- black respondents all concentrated
3 around that 50/50. Very few of them were --
4 were -- indicated a preference for
5 ~~neighborhoods that were higher than 50 percent~~
6 white. Now, that suggests that blacks are
7 tolerant of -- of -- of integration if you
8 define -- if you define integration as 50/50
9 neighborhoods, but very often in the research
10 -- though it's not the case in -- in the
11 Denton/Massey research -- very often in the
12 research -- in fact, Bradburn and -- and those
13 guys have a book out in which they define
14 integrated as 6 percent black. If it's 6
15 percent black or more, it's integrated. Well,
16 if -- if that is a definition of black, I don't
17 find many blacks that would care to live in
18 neighborhoods that are 6 percent black.

19 CHAIRMAN HUGH SCHWARTZBERG:

20 Dr. Denton?

21 DR. NANCY DENTON: This is
22 complicated though by the fact that we need to
23 know what exact question you've asked this --
24 the black people --

25 DR. WILLIAM SAMPSON: Right.

1 DR. NANCY DENTON: -- because
2 there's a difference between saying what is the
3 ideal neighborhood you would like to live in
4 and what sorts of neighborhoods would you be
5 willing to live in. People move for reasons
6 other than race.

7 DR. WILLIAM SAMPSON: Right. I
8 asked for preference.

9 DR. NANCY DENTON: Blacks may
10 -- blacks may prefer to live in the
11 neighborhood that's --

12 DR. WILLIAM SAMPSON: Right.

13 DR. NANCY DENTON: -- but they
14 may want their kids to go to a good school, and
15 they may want a nice house, and they may want
16 to live nearer to their job --

17 DR. WILLIAM SAMPSON: Oh.

18 DR. NANCY DENTON: -- and so
19 they may tolerate --

20 DR. WILLIAM SAMPSON: Okay,

21 Nancy --

22 DR. NANCY DENTON: -- quite
23 happily a neighborhood that's 20 --

24 DR. WILLIAM SAMPSON: -- let
25 me --

1 DR. NANCY DENTON: -- percent
2 black.

3 DR. WILLIAM SAMPSON: -- let me
4 explain to you. We all -- we have all those
5 variables in there. They don't have as much to
6 do with it as people might have imagined,
7 particularly in our schools.

8 It turns out that black folks
9 prefer the same things in neighborhoods that
10 white folks prefer. They want big houses with
11 lots of rooms. They want trees. They want
12 quiet. They want a safe neighborhood. Being
13 close to their job is not that crucial; it's
14 not as important as we thought it was going to
15 be -- uh --

16 DR. NANCY DENTON: But did you
17 ask them the two separate questions of what's
18 their ideal preference and what sort of a
19 neighborhood would you be willing to live in?

20 DR. WILLIAM SAMPSON: No, we
21 asked them just their preference. We didn't
22 ask them what they'd tolerate.

23 DR. NANCY DENTON: So you're --
24 so you're really getting an ideal measure as
25 opposed to a reality measure.

1 happens if you provided blacks, or Hispanics,
2 or Asians niceness wherever they were, but we
3 rarely do that because there are rarely nice
4 neighborhoods. Now, where that's done in
5 middle-class black communities around the
6 country -- in New Orleans, in Washington, in
7 Atlanta, in Chicago -- you do not find black
8 people rushing out of those communities to go
9 anywhere else. They already have what they
10 want.

11 CHAIRMAN HUGH SCHWARTZBERG:
12 Further questions? Seeing none --

13 THOMAS PUGH: I will have one
14 quick --

15 CHAIRMAN HUGH SCHWARTZBERG:
16 Oh, yes, no objections.

17 THOMAS PUGH: Dr. Sampson --

18 DR. WILLIAM SAMPSON: Yes, sir.

19 THOMAS PUGH: -- in regard to
20 Chicago -- the Chicago metropolitan area, do
21 you -- is your work indicate that it --
22 desegregation or integration of -- of
23 neighborhoods in Chicago should not be a goal?

24 DR. WILLIAM SAMPSON: What I --
25 I didn't say shouldn't -- I'm -- I'm not quite

1 certain -- I guess, it should be, Mr. Pugh,
2 because -- because there are some -- some black
3 folks and some white folks -- individuals who
4 want that to -- to happen for them, and,
5 therefore, we ought to be concerned about it.

6 I guess the real issue is, so what if it
7 happens, and -- and we just don't have -- I
8 just don't see much evidence that anything
9 magnificently different happens as a result.

10 Now, it -- it is -- and, in
11 fact, if you look at the -- the school
12 desegregation experience, it is not at all
13 clear that -- that much good has happened
14 there. So, I'm not saying you shouldn't do it.

15 THOMAS PUGH: I hear you.

16 DR. WILLIAM SAMPSON: The
17 question is -- several questions.

18 One, should you limit the
19 options of people by doing it? That is, if a
20 whole bunch of black folks want to move to Oak
21 Park, shouldn't they be able to? In reality,
22 they can't because Oak Park decides what
23 percentage of -- of black folks will be in Oak
24 Park. I think there's something wrong with
25 that. I don't see anything wrong with Oak Park

1 becoming 100 percent black if 70,000 black
2 families want to move to Oak Park.

3 THOMAS PUGH: What I guess I'm
4 asking or trying to get to the point, do you --
5 ~~do you think we should not work toward~~
6 integration of neighborhoods in the Chicago
7 area?

8 DR. WILLIAM SAMPSON: I think
9 you should work toward it, Mr. Pugh, but I
10 don't think you should -- you should forget
11 about improving the quality of life in the
12 neighborhoods in which the vast majority of
13 blacks are going to live no matter what you do.

14 MALE VOICE: I'll agree with
15 that.

16 PRESTON EWING: Well, let me
17 ask this question?

18 CHAIRMAN HUGH SCHWARTZBERG:
19 Yes.

20 PRESTON EWING: During the
21 debate over school desegregation, or
22 integration, or whatever you call it, many
23 people reached the conclusions that many of the
24 black schools would not be improved as long as
25 they were perceived as being black. You're now

1 saying that the black neighborhoods, as they
2 exist, should be improved, but haven't we
3 learned in the school desegregation era that
4 this generally does not take place?

5 ~~DR. WILLIAM SAMPSON: Well, but~~
6 -- but we didn't improve the quality of
7 education offered to black youngsters in any
8 event.

9 PRESTON EWING: Yeah, well,
10 that's not what I'm saying.

11 DR. WILLIAM SAMPSON: We could
12 have improved it in black schools or in
13 integrated schools --

14 PRESTON EWING: Yeah. Yeah,
15 okay.

16 DR. WILLIAM SAMPSON: -- so
17 black youngsters suffered all the way around.

18 PRESTON EWING: Okay. But what
19 I'm saying is though, if we have not been
20 effective in one and we take on the community
21 as a whole with all of its institutions and
22 infrastructure, what do you say to a person who
23 comes to you and says that I just moved to
24 Chicago. I have a certain income. I'm of a
25 certain race. Where should I live in order to

1 have the greatest opportunity to live a certain
2 quality of life?

3 DR. WILLIAM SAMPSON: It
4 depends on where they -- where they work. If
5 they work downtown, I'd tell them to move to
6 the south side -- I'd tell them to move to
7 Chataum (phonetic). If they could squeeze in,
8 move to Pill Hill. If they had to, maybe, they
9 should move to Hyde Park, but I'd tell them to
10 move to Chataum. And, in fact, if I were
11 teaching at the University of Chicago, there'd
12 be no question I'd be in Chataum or Pill Hill.

13 THOMAS PUGH: Where do
14 Northwestern professors live?

15 DR. WILLIAM SAMPSON: In
16 raggedy housing in Evanston because they don't
17 pay us enough money to --

18 CHAIRMAN HUGH SCHWARTZBERG: On
19 that note, if -- on that note, I will thank
20 both of our participants, and also thank them
21 for the more detailed information which they
22 have submitted to us.

23 Mr. Thomas Higgenbotham is the
24 Regional Director for Fair Housing and Equal
25 Opportunity of the United States Department of

1 Housing and Urban Development, that is to say
2 HUD in the more familiar, who will speak to us
3 today largely on the Fair Housing Amendments of
4 1988. It is a great pleasure to welcome Mr.
5 Higgenbotham.

6 THOMAS HIGGENBOTHAM: Thank
7 you, Mr. Chairman. Mr. Chan, Staff Director
8 Jenkins, and members of the Illinois Advisory
9 Committee. Good morning!

10 MALE VOICE: Good morning, Mr.
11 Higgenbotham.

12 THOMAS HIGGENBOTHAM: I'm very
13 happy to be with you this morning. I apologize
14 for not having copies of my speak. If Ms.
15 Robinson instructed me to do that, I -- I bear
16 the responsibility for having forgotten, but I
17 am more than willing to -- following this
18 session, to make copies available to you before
19 that August 31st deadline, I believe it was?

20 CHAIRMAN HUGH SCHWARTZBERG: We
21 -- we will -- if you would get those in to us,
22 Mr. Higgenbotham, as soon as possible --

23 THOMAS HIGGENBOTHAM: Sure.

24 CHAIRMAN HUGH SCHWARTZBERG: --
25 we'll see that they are, in fact, distributed

1 to the members. --I would appreciate it earlier
2 than that if -- if we can have it.

3 THOMAS HIGGENBOTHAM: Will --
4 probably today.

5 I will speak to you briefly

6 about some of the more significant revisions of
7 the new Fair Housing Law in terms of what the
8 requirements are and how it protects the public
9 and individual interests.

10 Our office is responsible for
11 the implementation of the Fair -- Federal Fair
12 Housing Law and the Department of Housing Urban
13 Development's Region 5 which includes the
14 states of Illinois, Ohio, Indiana, Michigan,
15 Minnesota, and Wisconsin. And I should say, as
16 an aside, that I have, for the last 19 years,
17 worked in the Department's civil rights
18 programs; the last six of which I have been
19 Regional Director for Fair Housing. This law
20 was enacted as Title 8 of the Civil Rights Act
21 of 1968. The purpose of the law was to protect
22 people from discrimination in housing based
23 upon race, color, religion, and national
24 origin. The Housing and Community Development
25 Act of 1974 amended Title 8, and added a

1 prohibition against housing discrimination
2 based upon sex. The Fair Housing Amendments
3 Act of 1988 passed on September 13th, 1988,
4 became effective on March 12th of 1989. The
5 ~~Fair Housing Amendments Act of 1988 and Title 8~~
6 of the Civil Rights Act of 1968 taken together
7 constitute the Federal Fair Housing Law.

8 Specifically, the law provides
9 protection against discriminatory housing
10 practices if they are based on race, color,
11 religion, sex, national origin, and, now, as a
12 result of the amendments, the coverage also
13 includes discrimination in the sale or rental
14 of housing on the basis of a handicap including
15 a requirement that the design and construction
16 of new covered multi-family dwellings meet
17 certain adaptability and accessibility
18 requirements by March, 1991. It also includes
19 discrimination -- it prohibits discrimination
20 in the sale or -- or rental of housing because
21 there are children in a family, with an
22 exemption for housing for older persons.

23 Prior to the passage of the
24 Fair Housing Amendments Act of 1988, only
25 persons who were injured by discriminatory

1 housing practice could file a complaint. Now,
2 under the amended Federal Fair Housing Law, the
3 Secretary of HUD has the authority to initiate
4 investigations where information has come to
5 ~~our attention regarding possible discriminatory~~
6 housing practices. Further, based on that
7 investigation, the Secretary of HUD now has the
8 authority to file a complaint against any
9 person or entity covered by law if he believes
10 a person has been or is about to be harmed by
11 discriminatory housing practice.

12 The provision in the new law
13 that provides HUD with the ability to initiate
14 complaints grew out of a HUD market practices
15 survey in the -- in the late 1970's. The study
16 that Dr. Denton eluded to a few minutes ago
17 that HUD is presently contracted for, will be
18 an updating of that study that was conducted in
19 the 1970's.

20 But, that study, which is the
21 last one we had, estimated that two million
22 incidents of discrimination occur each year
23 with respect to just blacks alone. It also
24 concluded that a black person stood a 48
25 percent chance of being discriminated in a

1 sales transaction and a 72 percent chance of
2 being discriminated in a rental transaction.
3 Yet, prior to the amendments, HUD received only
4 about 45 to 5 -- 4500 to 5000 complaints a
5 year. This suggests that, in addition to the
6 fact that many people were not aware of their
7 rights, the process for administering the law
8 lacks credibility because HUD could not
9 aggressively administer or enforce the law.

10 It should be noted that since
11 the effective date of the new law on March
12 12th, the complaint intake in Region 5 has
13 doubled. About 30 percent of this increase is
14 in the new protected classes of the disabled
15 and families with children.

16 Over the years, a consensus
17 grew that the disabled should be covered under
18 the Federal Fair Housing Law. Almost three-
19 fifths of the 35 states which have laws that
20 HUD deems substantially equivalent to Title 8
21 have fair housing laws which cover the
22 handicapped in part.

23 A strong priority for the civil
24 rights community was the protection of families
25 with children. A HUD 1980 study found that at

1 least one-fourth of all rental units in the
2 country were unavailable to families with
3 children. Accordingly, when the new law was
4 passed, it included prohibitions against
5 ~~discrimination in both these categories.~~

6 The final rule implementing the
7 1988 amendments was published on January 23rd,
8 1989, and is of -- indeed a very important
9 document. Not only does it spell out HUD's
10 interpretation of many parts of the new law,
11 but it states HUD's conclusions based on 20
12 years of experience and court decisions as to
13 what acts are discriminatory. One of the most
14 important conclusions of the regulations is
15 that the new protected classes of the -- of
16 handicapped persons and families with children
17 are to be provided the same protection as the
18 classes that were previously covered.

19 At HUD we are spending a great
20 deal of time on training both our existing and
21 new staff, as well as state and local agency
22 Fair Housing staff on the new law. The later
23 are particularly important as more than 70
24 percent of our complaints are currently
25 processed -- pardon me -- by state and local

1 agencies.

2 The new law provides up to four
3 years for state and localities to bring their
4 laws up to the equivalency with the new federal
5 law. ~~In the meantime, we will continue to~~
6 refer cases to them. We will also use the
7 experience of such agencies by contracting with
8 them to handle familial status and handicapped
9 complaints where they currently have such
10 coverage. We have such a contract with the
11 state of Illinois. Also, we are very happy to
12 report to you, as a result of aggressive
13 leadership by Director Tucker of the Illinois
14 Department of Human Rights and the Governor,
15 that the state of Illinois is one of the first
16 states in the country to have passed new
17 legislation in order to make its law
18 equivalent.

19 The coverage of handicap and
20 familial status, the new enforcement authority,
21 the new construction standards for accessible
22 housing have definitely captured the attention
23 of apartment owners and managers, home
24 builders, real estate brokers, and sales
25 persons, local governments, appraisers,

1 lenders, and just about anyone who has an
2 interest in residential real estate
3 transactions. Among those with an interest are
4 the private fair housing organizations. This
5 fact can be illustrated by noting that one of
6 the Department of Justice's three lawsuits
7 since March 12th, including their first ever
8 alleging familial status discrimination, grew
9 out of tests by such groups. A private fair
10 housing group here in Illinois, the South-
11 Suburban Housing Center also provided the
12 information for the first temporary restraining
13 order in the country which was granted by a
14 Chicago Federal District Court during the first
15 month the law became effective.

16 We're also pleased to report
17 that the Chicago HUD Fair Housing Office
18 received this information and performed all the
19 investigative work necessary to ensure the
20 success of the effort. The local U.S.
21 Attorney's Office, the HUD Headquarters
22 Office's of the General Council, and -- of the
23 General Council and Fair Housing, and the Civil
24 Rights Division of the Department of Justice
25 all merit recognition for their prompt,

1 expeditious handling of this case. The
2 coordination and cooperation exhibited among
3 different entities with fair housing
4 responsibilities, including the private group,
5 demonstrated not only what it takes to make
6 this law work, but that, in the final analysis,
7 what it will take to make fair housing a
8 reality, that is, that the will is there also.

9 Since that time, we've had two
10 additional restraining orders in Region 5,
11 another one in Illinois, and one in Wisconsin.
12 Three cases have been resolved simply because
13 the respondents were notified that the federal
14 government was prepared to go into district
15 court to seek a TRD. The effect of this
16 prompt, judicial action process is obvious.

17 Some additional highlights of
18 the new act include the following:

19 The new law modifies the
20 definition of a discriminatory housing practice
21 to include acts of interfering, coercing,
22 threatening, or intimidating a person in the
23 exercise or enjoyment of his/her rights and,
24 accordingly, allows the government to protect
25 an aggrieved person's rights as it would on any

1 other issue.

2 The new law gives an aggrieved
3 person one year, after an alleged
4 discriminatory housing practice, in which to
5 file a complaint with HUD, and two years to
6 file a complaint in court. Formerly, the time
7 period was 180 days. If HUD finds reasonable
8 cause, the Department can issue a charge on
9 behalf of the aggrieved person. If HUD then
10 issues the charge, the parties have the option
11 to elect the form -- that is, the option of
12 proceeding before an administrative law judge
13 or of going into federal district court with a
14 civil action. If the administrative hearing
15 option is elected, the ALJ is authorized to
16 issue an order for relief as may be
17 appropriate, including actual damages and
18 injunctive or other equitable relief and civil
19 penalties. If a civil action is elected, the
20 complainant will be represented by an attorney
21 from the U.S. Department of Justice.

22 The new law clarifies that
23 federal agencies with regulatory or supervisory
24 authority for financial institutions that --
25 for example, the FDIC, the Federal Home Loan

1 Bank Board, the Comptroller of the Currency are
2 also required to cooperate with HUD to achieve
3 the purposes of fair housing by administering
4 their programs --

5 CHAIRMAN HUGH SCHWARTZBERG:

6 Could I interrupt for just a moment.

7 THOMAS HIGGENBOTHAM: Sure.

8 CHAIRMAN HUGH SCHWARTZBERG:

9 This is being taped, and, if we could move you
10 back about two sentences, the tape is about to
11 be changed.

12 (Off the record to change
13 tape.)

14 CHAIRMAN HUGH SCHWARTZBERG:

15 Back on the record. Have you got everything
16 that he has said to this point?

17 COURT REPORTER: Yes.

18 CHAIRMAN HUGH SCHWARTZBERG:

19 Thank you. All right, you can pick up --

20 THOMAS HIGGENBOTHAM: Uh-huh.

21 CHAIRMAN HUGH SCHWARTZBERG: --

22 just where you left off.

23 THOMAS HIGGENBOTHAM: Okay.

24 The new law requires HUD to
25 prepare an annual report to Congress on

1 eliminating housing discrimination. It
2 requires HUD to make a report to Congress and
3 to make data available to the public on the
4 race, color, religion, sex, national origin,
5 ~~age, handicap, and family characteristics of~~
6 persons and households eligible for or assisted
7 by HUD programs. And I think that's going to
8 provide a lot of new data for us to do analysis
9 of what is happening in the fair housing in
10 this country in relation to the programs that
11 the public funds.

12 The new law provides for the
13 prompt, judicial action, that I mentioned
14 earlier, by giving HUD the power to authorize
15 the Department of Justice to commence a civil
16 action to obtain a temporary restraining order
17 or preliminary injunction to maintain -- to
18 maintain the status quo of scarce housing
19 resources while the investigation and
20 resolution of a complaint proceeds.

21 Where conciliation has failed,
22 the new law empowers HUD to immediately issue a
23 charge on behalf of the aggrieved parties when
24 it has determined, based on the facts, that
25 there is a reasonable cause to believe that a

1 discriminatory housing practice has or is about
2 to occur. Further, I think this is very
3 significant when we speak of having teeth in
4 the new law, the new law allows an -- an ALJ to
5 ~~access actual damages, injunctive or other~~
6 equitable relief, and civil penalties that
7 range from up to \$10,000 for a first violation
8 to up to \$50,000 for the third and succeeding
9 violations. The -- formerly, in the Federal
10 Fair Housing Law, we were very limited in terms
11 of the amount of money that could be accessed.

12 The new law also authorizes the
13 Department of Justice in its civil actions to
14 obtain relief of compensatory and punitive
15 damages for aggrieved persons and civil
16 penalties of up to \$50,000 for a first
17 violation and up to \$100,000 for any subsequent
18 violations.

19 In connection with the
20 handicapped persons, the law sets out three
21 types of conduct which are discriminatory which
22 are discriminatory because of handicap. First,
23 refusal to permit at the expense of the
24 handicapped person reasonable modifications of
25 existing premises if these modifications are

1 necessary to give the person full enjoyment of
2 the dwelling and/or its amenities. Secondly,
3 refusal to make reasonable accommodations in
4 rules, policies, and practices or services to
5 ~~give a handicapped person full enjoyment of a~~
6 dwelling and/or its amenities. Thirdly,
7 failure to design and construct covered multi-
8 family dwellings for first occupancy after
9 March 12th, 1991, in a manner that makes the
10 public and common areas accessible for
11 handicapped persons, doors within all the
12 premises that are wide enough for mobility
13 impaired persons, and all premises are to have
14 features -- are to have adaptive designing
15 which means that they should have accessible
16 routes into and through the dwelling, light
17 switches, outlets, thermostats that are
18 accessible, reinforcements in the walls that
19 would allow for grab bars, kitchens and
20 bathrooms that are usable by mobility impaired
21 persons in wheelchairs, all of these are now a
22 part of our law.

23 In connection with families
24 with children, the definition of familial
25 status includes one or more persons under 18

1 who live with a parent, legal custodian, or
2 designee, as well as persons who are pregnant
3 or seeking legal custody of a child.

4 In response to the concerns of
5 ~~senior citizens who reside in elderly or~~

6 retirement communities, the Congress provided
7 an exemption for housing for older persons
8 which meets certain criteria. Housing for
9 older persons is exempt when:

10 The housing is provided under a
11 state or federal program specifically designed
12 and operated to assist elderly people;

13 The housing is intended for and
14 solely occupied by persons 62 years of age or
15 older; or,

16 The housing is intended to
17 operate for occupancy by at least one person 55
18 years of age or older, and then there are some
19 qualifications for those that are 55 -- for
20 those dwelling units that have at least one
21 person there 55 years of age or older. And
22 those qualifications include:

23 That the -- the dwellings must
24 have -- or the complex must have significant
25 facilities and services designed to meet the

1 physical or social needs of older persons;

2 At least 80 percent of those
3 units must be occupied by persons 55 years of
4 age or older; and,

5 ~~That the management has~~
6 expressed its intent to provide housing for
7 older persons through its publications, through
8 its policies and procedures.

9 The Secretary of HUD has made
10 it very clear, the Department -- working in
11 conjunction with the Department of Justice will
12 use its new authority to the fullest extent to
13 readdress the victims and to penalize the
14 violators. I can assure you that we are quite
15 serious about the enforcement of the amendments
16 to the Fair Housing Law and we shall use our
17 offices in Region 5 and, specifically, here in
18 Illinois, to make a new legislation effective a
19 deterrent to discriminatory housing practices.

20 Thank you for giving me this
21 time. And, I hope that soon we will be able to
22 see the fruits of our labors.

23 CHAIRMAN HUGH SCHWARTZBERG:
24 Questions for Mr. Higgenbotham?

25 PRESTON EWING: Just one quick

1 question. Back to the prohibition of
2 discrimination against children, is that --
3 does that include any minimum number of rental
4 units that are being rented, or just any rental
5 unit?

6 THOMAS HIGGENBOTHAM: No, it
7 doesn't. Not -- nothing that applies
8 specifically to children.

9 PRESTON EWING: Uh-huh. Okay.

10 THOMAS HIGGENBOTHAM: No.

11 CHAIRMAN HUGH SCHWARTZBERG:

12 All right, to what extent is there any planning
13 going on between the regional office of HUD,
14 say, and the city of Chicago to create housing
15 which has any reasonable chance of being
16 integrated given the practicalities suggested
17 by our first speaker today?

18 THOMAS HIGGENBOTHAM: When you
19 refer to planning, do you mean formal planning
20 or --

21 CHAIRMAN HUGH SCHWARTZBERG: I
22 mean is there someone from HUD who gets
23 together with the city of Chicago at some point
24 and says, well, if we could have a project in
25 this particular area, this would increase the

1 probability of having more integrated housing
2 in -- in the greater Chicago area?

3 THOMAS HIGGENBOTHAM: Our
4 review process for establishing site locations
5 takes that kind of thing into consideration.

6 The fact --

7 CHAIRMAN HUGH SCHWARTZBERG:
8 That's if somebody comes to you with a
9 proposal.

10 THOMAS HIGGENBOTHAM: -- I'm
11 sorry.

12 CHAIRMAN HUGH SCHWARTZBERG:
13 But, no, let's -- let's say we're not talking
14 about what comes in over the transit.

15 Is there any attempt being
16 made, either by the city of Chicago, or by any
17 of the suburbs, or by the state of Illinois
18 working in conjunction with HUD to do any
19 planning to try to get some integrated housing
20 in the greater Chicago metropolitan area?

21 THOMAS HIGGENBOTHAM: There's
22 no specific formal planning that involves the
23 -- the Department of Housing and Urban
24 Development that I'm aware of.

25 We are involved in a number of

1 committees and informal meetings with people
2 where we do talk about these things including
3 some programs that we fund. The Chicago
4 Community Housing Resource Board, of which the
5 ~~Director of the Fair Housing Agency within the~~
6 city of Chicago is also the Chairman of that
7 Board, considers some of these things.

8 But, in terms of an overall
9 strategy that you've outlined where all the
10 parties involved in the city of Chicago, HUD,
11 and other interested parties in the
12 metropolitan area, sit down on a regularized
13 basis to say, what is it that we can do in
14 terms of planning housing units and techniques,
15 practices, procedures to do this. No.

16 CHAIRMAN HUGH SCHWARTZBERG: If
17 the city of Chicago were willing to do that --
18 willing to do that and they invited those kinds
19 of conversations with HUD, would HUD or your
20 office welcome such conversations?

21 THOMAS HIGGENBOTHAM: Sure. We
22 would welcome -- we would be more than happy to
23 sit down with parties to accomplish those ends
24 and have, as I've said, in informal ways and --
25 and in discussions of how to best implement our

1 own regulations, we've had those kinds of
2 discussions.

3 CHAIRMAN HUGH SCHWARTZBERG:
4 Commissioner Chan?

5 SHERWIN T.S. CHAN: Does the
6 new amendment -- the new HUD amendment
7 including the consideration of -- on disabled?

8 THOMAS HIGGENBOTHAM: Yes.

9 SHERWIN T.S. CHAN:
10 Specifically, too?

11 THOMAS HIGGENBOTHAM: Yes, it
12 does.

13 SHERWIN T.S. CHAN: Thank you.

14 CHAIRMAN HUGH SCHWARTZBERG:
15 Further questions?

16 MELVIN L. JENKINS: Yes, one
17 quick question.

18 CHAIRMAN HUGH SCHWARTZBERG:
19 Melvin Jenkins.

20 MELVIN L. JENKINS: You
21 indicated during your presentation that the
22 number of complaints has increased since the
23 passing -- the passage of the amendment last
24 March. However, you attributed that -- the
25 bulk of the complaints to the new coverage.

1 Excluding the new coverage, what percentage of
2 increase are we dealing with in terms of race?

3 THOMAS HIGGENBOTHAM: Yes,
4 there has been a significant increase there. I
5 would have to say that we would also look at
6 about 20 -- 25 -- 30 percent increase there
7 also.

8 MELVIN L. JENKINS: In terms of
9 race?

10 THOMAS HIGGENBOTHAM: I don't
11 -- I have not looked at those figures, but it
12 would have to be because our -- I think I
13 mentioned our -- our load has more than
14 doubled.

15 In -- in an ordinary year, we
16 were getting in this region about 8 or 900
17 complaints. Since March 12th, as of last
18 Monday, we had received just in that four --
19 not quite four and a half month period, 524
20 complaints of which I said about 30 percent
21 were as it relates to the new jurisdictions.
22 The other increase would then have to go to
23 primarily race cases.

24 MELVIN L. JENKINS: Of the
25 complaints that you have received, what number

1 have you successfully resolved and in what
2 terms of dollar amounts in terms of race?

3 THOMAS HIGGENBOTHAM: I don't
4 have the figures on successful resolutions. We
5 have had an excellent rate of resolutions here
6 in Illinois.

7 On terms of the dollar amount
8 as of the end of the third quarter, that is
9 June 31st --

10 MELVIN L. JENKINS: 30th.

11 THOMAS HIGGENBOTHAM: -- June
12 the 30th, rather, we had about \$123,000 in
13 settlements which I think we were third in the
14 nation in that figure this year. In former
15 years, we'd been either first or second. Since
16 then, we've had at least one additional
17 settlement of \$35,000 and some smaller ones in
18 the 2, 3, \$4,000 category --

19 MELVIN L. JENKINS: Okay.

20 THOMAS HIGGENBOTHAM: -- in
21 that last month.

22 CHAIRMAN HUGH SCHWARTZBERG:
23 I'm going to take one last question from
24 Theresa Cummings.

25 THERESA CUMMINGS: Mr.

1 Higgenbotham, since you have added the
2 handicapped and families and children --

3 THOMAS HIGGENBOTHAM: Uh-huh.

4 THERESA CUMMINGS: -- I was
5 ~~talking with some persons who have children who~~
6 are in wheelchairs and have special handicaps.
7 It has appeared that they've been discriminated
8 because they have children --

9 THOMAS HIGGENBOTHAM: Uh-huh.

10 THERESA CUMMINGS: -- but there
11 are some occasions it is felt that it's because
12 of the handicapped child and not wanting to go
13 into those types of living conditions where
14 they're handicapped when there's only one
15 child. Have you had very many reports which
16 has separated whether it's children, or
17 children because the child has a handicap?

18 THOMAS HIGGENBOTHAM: I don't
19 recall any off the top of my head, Ms.
20 Cummings. That's in -- presents an interesting
21 type of situation. I'm sure that it will
22 emerge, but I don't recall us handling any
23 specifically like that since March.

24 THERESA CUMMINGS: Well, I --
25 you know, in talking with parents who have

1 children who are handicapped --

2 THOMAS HIGGENBOTHAM: Uh-huh.

3 THERESA CUMMINGS: -- they have
4 had the idea that moving into a handicapped --

5 THOMAS HIGGENBOTHAM: I

6 understand.

7 THERESA CUMMINGS: -- situation
8 means that everybody is a senior citizen, or
9 this, that, and the other, verses --

10 THOMAS HIGGENBOTHAM: They're
11 going to be in either a handicapped or a senior
12 citizens ghetto --

13 THERESA CUMMINGS: -- right.

14 THOMAS HIGGENBOTHAM: -- kind
15 of thing.

16 THERESA CUMMINGS: And they
17 really would like to raise their children in a
18 normal situation --

19 THOMAS HIGGENBOTHAM: I

20 understand.

21 THERESA CUMMINGS: -- but they
22 feel that that's possibly --

23 THOMAS HIGGENBOTHAM: Well, I
24 think the new law should help in that regard
25 since -- as the child grows since all new units

1 should be -- will be designed and constructed
2 for access if they're -- for occupancy after
3 1991 -- March 12th, 1991.

4 THERESA CUMMINGS: All new --

5 THOMAS HIGGENBOTHAM: Units

6 designed for occupancy after March 12th of
7 1991.

8 PRESTON EWING: As constructed
9 by?

10 THOMAS HIGGENBOTHAM: Anybody.

11 By a private as well as --

12 PRESTON EWING: Okay.

13 THOMAS HIGGENBOTHAM: --

14 developers funded by the government.

15 PRESTON EWING: Okay.

16 THOMAS HIGGENBOTHAM: Yes. I

17 -- I -- you were asking about the efforts -- uh

18 -- or HUD's participation -- involvement in

19 efforts to accomplish integration in the

20 greater area.

21 We -- we have been extremely

22 involved in a variety of ways in working with

23 private groups, the NAACP, the Urban League.

24 We sponsor -- or we act as the convening agency

25 for a -- what we call the seminar series every

1 year -- every spring which brings together all
2 of the organizations that have an interest in
3 fair housing -- industry organizations, local
4 government organizations -- to discuss
5 various facets of fair housing, and, a lot of
6 attention in previous years has been given to
7 this issue.

8 As you know, the federal
9 government has not formally taken on this
10 issue. Congress has held hearings on what is
11 called integration maintenance, but it has not
12 issued its findings to us on a working level,
13 so we have no comments -- further comments at
14 this point except that we're willing to -- the
15 law was, as initially enacted, as a non-
16 discrimination statute. There's no question
17 that in the minds of many of the original
18 framers, they wanted to accomplish integration.
19 We have no problem in working in both of those
20 areas.

21 CHAIRMAN HUGH SCHWARTZBERG: We
22 thank you very much.

23 And, let me -- the next series
24 of speakers have to do with Atrium Village.
25 The first of these will be Mr. Greg Heine, the

1 Executive Vice-President of Crane Development,
2 Inc..

3 Mr. Heine. Is that -- how do
4 you pronounce it Heine, or Heine?

5 ~~GREG HEINE: Heine. In~~
6 Germany, Heine. Thanks.

7 I am Greg Heine. I want to
8 say, initially, I'm here sort of a stand in,
9 really, for the ministers of the Chicago-
10 Orleans Housing Corporation who really gave
11 birth to Atrium Village and -- and worked --
12 worked on it for many, many years. The two --
13 two of the original ministers who are with COH
14 are both on vacation, and, so I'm -- I'm here
15 sitting in for men of God. I hope I can
16 qualify in some fashion. I'll do my best.

17 My name is Greg Heine. I'm
18 very happy to have this opportunity to tell you
19 about Atrium Village -- how and why it was
20 created and how it became a model of racially
21 and economically integrated housing. If the
22 ministers were here today, they would tell you
23 that it is, in fact, a model; that they are
24 extremely proud of it; and, that they think it
25 should be done all over the United States. And

1 they would tell you why and I'll do the best I
2 can to tell you.

3 Since early 1975, I have been
4 personally involved in virtually every phase of
5 ~~the development, and in policy-making for~~
6 operations of Atrium Village, a housing
7 development containing 309 apartments located
8 at Division and Wells Streets in Chicago,
9 Illinois. My involvement with Atrium Village
10 grew out of my position as Vice-President for
11 Equal Employment Opportunity and Minority
12 Business Enterprise for Crane Construction
13 Company, Inc. ("Crane"). Crane is and has for
14 many years been a general contractor involved
15 in constructing residential developments in the
16 Chicago area.

17 I first became involved in the
18 Atrium Village project in the pre-construction
19 planning phase of the project. Crane was
20 retained as the general contractor for the
21 construction of the development and became one
22 of the two developer-general partners of Atrium
23 Village. As an aside, the ministers, for
24 years, have tried to pull this together. They
25 did not have development expertise and they did

1 not have a great deal of financial strength,
2 and those are elements we brought to the table.

3 The other developer-general
4 partner is the Chicago-Orleans Housing
5 Corporation, ("Chicago-Orleans"), an Illinois
6 not-for-profit corporation, that was created by
7 several neighborhood churches who conceived of
8 the idea of creating Atrium Village and worked
9 for its implementation for many years prior to
10 the time I first became involved.

11 The five member-churches of
12 Chicago-Orleans are: LaSalle Street Church,
13 St. Matthew's Methodist Church, the Fourth
14 Presbyterian Church, Holy Family Lutheran
15 Church, and St. Joseph's Catholic Church. It's
16 quite an interdenominational group there.
17 Three of the churches have predominantly black
18 membership and two have predominately white
19 membership. One of them, St. Matthew's is an
20 all black congregation with a white minister
21 and an all poor congregation, all residents of
22 Cabrini-Green. And LaSalle Street Church is a
23 -- is a mixture of black and white and wealth
24 and moderate income, so we have quite a mixture
25 within the churches themselves.

A. The Origin of AtriumVillage and Its Objectives.

Atrium Village is the result of over a decade of planning and hard work on the part of the churches and civic-minded

individuals from the area involved, which is located on the near north side of Chicago.

Prior to the construction of Atrium Village, the character of the area had been dominated by a very large Chicago Housing Authority project known as Cabrini-Green, the construction of which began in the 1940's and was completed in the 1950's. Cabrini-Green contains 3,500 housing units. It is, and has for many years been known as, a segregated, all-black, very low income public housing project.

In the mid-1950s, the area around Division and Wells Streets had significantly deteriorated, in large part because of the impact of the Cabrini-Green project. The area was referred to by local residents as "no-man's land," and was considered to be a buffer-zone between impoverished, crime-ridden Cabrini-Green and the more affluent area to the east. Buildings

1 on the land had been demolished by the City of
2 Chicago's Department of Urban Renewal and the
3 land lay vacant for many years. No developer
4 was willing to risk investment adjacent to
5 **Cabrini-Green.**

6 The neighborhood churches
7 responded to these circumstances by creating
8 Atrium Village. Two goals were paramount:
9 First, that the development contain a cross-
10 section of American life, with a tenant mix of
11 blacks and whites, professional people, blue
12 collar workers and persons on welfare, all
13 living next to one another without distinction;
14 and second, that it serve as a social and
15 architectural bridge between the low-income,
16 segregated Cabrini-Green housing project at the
17 west end of the area and the affluent,
18 virtually all-white residential area located to
19 the east and commonly known as the "Gold
20 Coast." To accomplish these goals, the
21 churches involved local political, religious,
22 social and community representatives to support
23 the project, to participate in its design and
24 to encourage an initial rent-up consistent with
25 its integration objectives. This process was

1 underway when I became involved in late 1974 or
2 early 1975. I very much agreed with these
3 goals and felt that they represented an
4 important effort to deal with inner-city
5 problems.

6 To demonstrate their commitment
7 to a high quality design and a high quality
8 development, the churches retained Schipporeit,
9 Inc. as architects. Schipporeit's former firm
10 had designed Lake Point Tower, a premiere
11 luxury high-rise apartment building on
12 Chicago's lake front. The churches also made
13 contact with Crane Construction Company, the
14 general contractor on the Lake Point Tower
15 project and one of the leading residential
16 contractors in the Chicago metropolitan area.
17 As I mentioned, early in 1975, Crane was chosen
18 as the general contractor.

19 Schipporeit's design called for
20 the construction of 309 apartment units in a
21 mid-rise Atrium building and in low-rise,
22 townhouse-type structures. The design called
23 for the construction of two and three-bedroom
24 family housing units in the low-rise,
25 townhouse-style structures and for

1 predominately one-bedroom and efficiency units,
2 with a small number of two-bedroom units in the
3 mid-rise building. This apartment mix was
4 intended to (and did) house primarily single
5 persons and households without young children.

6 The design provided for the construction of an
7 outdoor swimming pool, as well as a community
8 meeting area. In addition to all these
9 facilities, Atrium now includes outdoor tennis
10 courts, an early childhood learning center at
11 ground level in the mid-rise building, and the
12 offices of the LaSalle Street Church. The
13 design emphasized creating opportunities for
14 personal contact among occupants to help create
15 a sense of community. I'll just stop for a
16 minute. That's sort of what an Atrium Building
17 does. You don't have long, single-loaded
18 corridors. When you come out on the corridor,
19 you're in view of everyone and everyone is in
20 view of you. And, it does help to create a
21 sense of community. It's a -- it's a good
22 architectural concept for residential design.

23 Although Chicago-Orleans and
24 the ministers from its churches, as well as
25 Crane emphasized from the beginning that the

1 proposed development ought to constitute more
2 than a place to live, it ought to involve what
3 the ministers referred to as a "caring
4 community" -- a group of individuals with a
5 ~~sense of community who actively participate in~~
6 the community on a racially, socially and
7 economically integrated basis. And that's --
8 that's what makes Atrium really special. It's
9 a -- it's not a bunch of buildings; it's a
10 community.

11 Atrium Village is today a very
12 attractive, exceptionally successful
13 development. The nine-story atriums and
14 related facilities have provided an extremely
15 attractive place to live. The "sense of
16 community" it was intended to create, has
17 become a reality. It has become known as a
18 highly desirable place in which to live; a
19 community free of prejudice, free of stigma,
20 free of crime, free of serious want. These
21 freedoms provide a climate for human
22 interaction, neighborhood caring, and
23 successful upward mobility.

24 In addition, the presence of
25 Atrium Village has spurred the development of

1 several new commercial and market-rate rental
2 and condominium buildings in the area bounded
3 by LaSalle, Oak, Wells, and Division Streets.
4 Atrium Village has succeeded as a "bridge"
5 ~~community between the affluent, predominantly~~
6 white area to the east and the low-income, all-
7 black area of Cabrini-Green.

8 Let me now discuss the
9 government programs used to create Atrium
10 Village, most of which don't exist anymore. We
11 have to find another way to do this in the
12 future, I'm afraid. Then I will explain the
13 essential role played by the quotas that the
14 government agencies required that we use during
15 the initial rent up process.

16 B. Government Programs used
17 to Create Atrium Village.

18 Atrium Village was built on
19 urban renewal land purchased from the City of
20 Chicago. It was financed with a mortgage
21 insured by the U.S. Department of Housing &
22 Urban Development ("HUD") under the Section 236
23 program, and also receives a partial rent
24 subsidy under the Rental Assistance Program
25 ("RAP"), designed for very low income tenants.

1 The Illinois Housing Development Authority
2 ("IHDA") provided both the construction and
3 permanent mortgage financing, thus creating so-
4 called IHDA Market Rate units for the majority
5 of the development though it was always imaged
6 as a market-rate development although it had
7 moderate-income and low-income components, the
8 -- the market image was a market-rate
9 development.

10 By design, concurred in by HUD,
11 IHDA and the owners, fifty to sixty percent of
12 the housing at Atrium Village has been rented
13 on a market-rate basis. Initially, sixty of
14 the total of three hundred nine units were
15 assigned a "deep subsidy" under RAP. An
16 additional sixty units were rented under the
17 moderate income Section 236 program. The
18 remaining one hundred eighty nine units were
19 IHDA Market Rate units for moderate to upper
20 middle income tenants. In about 1984, the
21 owners received permission from IHDA to
22 decrease the market-rate portion to 50% by
23 increasing the portion receiving a Section 235
24 subsidy. What is unique as you will note as I
25 go along is that we have always emphasized and

1 we have today economically and racially
2 integrated housing -- community. The -- the
3 two types of integration are, we feel,
4 important.

5 C. Use of Quotas was

6 Essential to Integrate Atrium Village and was
7 Required by State and Federal Government
8 Agencies.

9 Both the state and federal
10 government agencies that supported Atrium
11 Village -- IHDA and HUD -- required the use of
12 racial quotas to insure that Atrium Village
13 would be rented and maintained on an integrated
14 basis. In meetings I attended with IHDA in the
15 mid 1970's, prior to the commencement of
16 construction, IHDA representatives stated their
17 concern that a housing development constructed
18 in such close proximity to Cabrini-Green would
19 be extremely difficult to be financially
20 viable. We worked with the City, the State,
21 and the Federal Government, incorporating
22 portions of each of their programs in order to
23 accomplish what many said was an impossible
24 task: to provide a highly desirable living
25 environment for an essentially market rate

1 community, and for lower income tenants as
2 well, adjacent to an unfortunate example of a
3 government-created, segregated ghetto. I and
4 other representatives of the owners repeatedly
5 emphasized our commitment to create a housing
6 development that was socially, racially and
7 economically integrated and that would not be
8 permitted to deteriorate from that status.
9 IHDA required and the owners agreed that the
10 entire development be racially integrated at
11 each economic level.

12 IHDA sold tax-exempt bonds and
13 made an initial mortgage loan to Atrium Village
14 of \$9,580,000. The IHDA mortgage loan was
15 insured by HUD pursuant to the Section 236
16 program. It was the first IHDA that was so
17 insured because they were fearful that they
18 couldn't sell their bonds unless it was insured
19 because of its proximity to Cabrini and the
20 difficult task that lay before it at the time.
21 As a result of the IHDA mortgage loan, Atrium
22 Village had the benefit of below-market
23 interest rates. That, in turn, permitted
24 construction of housing of a quality comparable
25 to the market-rate housing in the gold Coast

1 areas, as opposed to CHA-type lower-income
2 housing. This feature played a significant
3 role in making the development marketable on a
4 racially and economically integrated basis.

5 D. The Rent-up of Atrium

6 Village was Carefully Managed to Insure
7 Integration.

8 The rent-up of Atrium Village
9 was carefully managed to insure integration. I
10 was involved as a the representative of the
11 Crane Construction Company in working with the
12 community churches during the rent-up process
13 in 1978 and 1979. The initial phases of the
14 rental process confirmed our view that strongly
15 implemented affirmative action procedures would
16 be absolutely essential to create racial,
17 economic and social integration. In the first
18 few weeks that applications were accepted,
19 nearly six hundred applications were received
20 from residents of Cabrini-Green, all of whom
21 were black and many of whom had learned about
22 the integrated community their churches and
23 pastors were striving to create. These 600 or
24 so applications were virtually all of the
25 applications received in that period. This

1 result occurred despite the outreach efforts
2 toward whites by our marketing firm. Also,
3 virtually all of these 600 initial applications
4 were for the sixty available RAP (deeply
5 subsidized) units. Our marketing experts and
6 IHDA advised the owners that if all the RAP
7 units were rented to blacks it would be
8 impossible to rent market-rate units to whites
9 or to blacks, or to keep the project
10 integrated. The development would be unable to
11 attract market-rate or moderate-rate occupants
12 -- black or white -- and, as a result, would
13 fail to generate the cash flow needed to be
14 viable. Atrium Village would be unable to rent
15 the remaining 249 units -- for which no deep
16 subsidy was available. We would default on our
17 loan, thus forcing HUD to make good on it's
18 mortgage guarantee, assume title to the
19 project, and leave HUD and federal taxpayers
20 with a multimillion dollar liability.

21 The burden of Atrium Village's
22 commitment to economic and racial integration
23 did not fall solely on minorities. At one
24 point during the rent-up, I was told by one of
25 the representatives of our minority-owned

1 management firm, O & M Associates, that there
2 was a shortage of black-market rate applicants.
3 This delayed the admission of white market-rate
4 applicants.

5 ~~The owners' commitment to~~
6 accomplish both racial and economic integration
7 is underscored by the fact that there is no
8 section of the project that is known as a "low-
9 income" or as a "black" section. At Atrium
10 Village female heads-of-households on ADC are
11 both black and white. Market-rate tenants are
12 both white and black. Rent-up decisions
13 focused specific attention on the need to
14 integrate the project, not only as a whole, but
15 on a floor-by-floor, building-by-building and
16 unit-by-unit basis. Indeed, on one occasion
17 during the rent-up process, complaints were
18 received from black tenants that one area was
19 being assigned too many black tenants. The
20 desired racial and economic balance was
21 subsequently achieved.

22 Move-ins to Atrium Village were
23 staged, at IHDA's direction, in order to keep
24 the development integrated at all times.
25 That's the move-in process was the key. It was

1 IHDA's view, as expressed to me and others
2 representing the local churches that if the
3 move-ins had not been staged, and if the first
4 residents to move in were all black and
5 ~~predominantly low-income, it would have been~~
6 impossible to market the development to whites
7 -- especially market-rate whites -- and we
8 could not have achieved a racially integrated
9 tenancy. Further, it would have been
10 impossible to market the development to market-
11 rate blacks. I've got to tell you, that was
12 one of the toughest markets we had. Black
13 folks didn't want to say that they lived next
14 to Cabrini-Green. They didn't want to say
15 that. And, we could not have achieved an
16 economically integrated tenancy.

17 Racial considerations did not
18 enter into the tenant selection process at all,
19 unless and until an applicant had been
20 determined to be qualified for tenancy on
21 totally non-racial grounds. Qualified
22 applications were given to O & M to "stage" for
23 an apartment. At that time, applications were
24 broken down into location and type of
25 apartment, type of subsidy (IHDA, 236, or RAP)

1 and race of the applicant. Preferences were
2 created in staging the move-in of individuals
3 to accomplish integration. That is, an
4 applicant would not be allowed to move in until
5 they could form part of a racially and
6 economically balanced group who could move in
7 at the same time. Applicants were never
8 rejected or accepted on the basis of race.
9 Applicants were either approved or disapproved
10 on the basis of non-racial considerations. If
11 they were approved, and no apartments of the
12 type they sought were available, perhaps
13 because of the staging, they would be placed on
14 a waiting list for the type of unit they
15 sought. The move-ins of both blacks and whites
16 were delayed at times for this reason.

17 The rent-up of Atrium Village
18 took approximately one year due to the staging
19 restrictions imposed by IHDA and accepted by
20 the owners. Without the affirmative action
21 procedures and staging, however, economic and
22 racial integration could not have been
23 achieved. It cost Atrium Village's owners
24 approximately one million dollars because of
25 this delay and the rent-up and to integrate the

1 development in stages. This was their
2 additional cash investment in the creation of a
3 caring community dedicated to equal housing
4 opportunity.

5 E. Atrium Village Has Been
6 a Unique Success.

7 The success of the development
8 is reflected by the fact that as of August 1,
9 1979, it was almost entirely rented and had
10 accomplished the goal of 60% white-40% black.
11 The annual incomes of tenants at the project
12 ranged from a low of approximately \$3,000 per
13 year to a high in excess of \$120,000 per year.
14 Each economic class was racially mixed.
15 Occupants included individuals who previously
16 resided at Cabrini-Green, as well as executives
17 with major national corporations such as Trans
18 World Airlines and IBM. The success of the
19 effort economically and racially to integrate
20 the development is also reflected in the fact
21 that every building in the development has been
22 thoroughly integrated since the development
23 opened.

24 Metroplex, Inc. replaced O & M
25 as managing agent on January 1, 1980. In

1 accordance with IHDA's directions, ownership
2 gave Metroplex instructions to maintain the
3 tenant profile achieved in the initial rent-up.
4 In 1983, the market-rate character of the
5 development having been established, the racial
6 tenancy ratio was allowed to adjust to a 50-50
7 balance. That balance continues to exist now
8 without the use of quotas. It just so happens
9 that out of every ten folks that walk into
10 there, five of them are black and five of them
11 are white. It just happens. I've got to tell
12 you, the -- the -- the -- it has a reputation
13 for being a racially and economically
14 integrated development, hardly ever advertised,
15 very little advertising costs. It's word of
16 mouth. It's word of mouth. This is a great
17 place to live and it gets around.

18 Race conscious affirmative
19 action controls have not been utilized in some
20 time. Because the numbers of whites and blacks
21 in the applicant pool have for some time been
22 in balance, it is not necessary at present to
23 delay occupancies until an applicant pool
24 becomes in balance.

25 Atrium Village today is an

1 economically and racially integrated "caring
2 community." It has provided a better life for
3 its residents and has helped the City of
4 Chicago. It has substantially added to the
5 area's assessed valuation and tax base. I've
6 got to tell you, just recently, the land
7 adjacent to Atrium Village -- we purchased
8 Atrium Village about \$2 a foot from the city;
9 right next door, it went for \$35 a foot a few
10 months ago and it was practically worthless
11 when we began. Atrium Village has also sparked
12 redevelopment of the Chicago-Orleans area
13 between Cabrini-Green and the Gold Coast. The
14 land adjacent to Atrium Village -- oh, we've
15 got it here -- is now valued at more than \$35
16 per square foot. The City sold land to Atrium
17 Village at about two dollars per square foot,
18 which was then about its market value. And
19 Atrium Village has provided an example to
20 others of the possibilities of economically and
21 racially harmoniously integrated urban living.

22 Our tenants deliberately choose
23 to live at Atrium Village. They have that
24 choice. If Atrium Village weren't there, they
25 wouldn't have the choice; they wouldn't have

1 the freedom. Indeed, many market-rate tenants,
2 both black and white, have told us that they
3 moved to Atrium Village specifically because
4 they wanted to live in integrated housing and
5 Atrium Village is the only fully integrated
6 development in the area.

7 The marketing and rent-up of
8 Atrium village was conducted with great
9 fairness and great concern for the minority
10 community. The ministers largely represented
11 the minority community. That community was and
12 is represented through its churches in the
13 ownership of Atrium Village. The successful
14 economic and racial integration of Atrium
15 Village was an extremely difficult task. We
16 were able to create a development that applied
17 to all socioeconomic segments, in a very
18 difficult-to-market location. We have created
19 a model community reflecting the diversity and
20 vitality of American itself.

21 That's my prepared --

22 CHAIRMAN HUGH SCHWARTZBERG:

23 Oh. At this point, I would like to hold the
24 questions until the next two speakers have made
25 their presentations and I will give an

1 opportunity for questions addressed to Mr.
2 Heine at that time following those two, wherein
3 Mr. Heine may -- may wish to -- to join in
4 that. But, I -- at this time, I would like Mr.
5 Heine to take his seat again so that we can
6 hear the next two participants.

7 GREG HEINE: Certainly.

8 CHAIRMAN HUGH SCHWARTZBERG: If
9 they would both come forward at this time, both
10 Mr. Shakman and Mr. McGee -- and Reverend
11 McGee.

12 Is Reverend McGee here? Oh,
13 Reverend McGee is not here? Is there someone
14 -- pardon?

15 FEMALE VOICE: (Inaudible --
16 mumbling.)

17 CHAIRMAN HUGH SCHWARTZBERG: Is
18 there someone else who will be speaking on his
19 behalf?

20 FEMALE VOICE: (Inaudible --
21 mumbling.)

22 CHAIRMAN HUGH SCHWARTZBERG:
23 All right, then at this time -- at this time,
24 Mr. Shakman and we will -- we will determine
25 whether to go forward with questions after Mr.

1 Shakman depending on whether or not Reverend
2 McGee is -- is here at that time.

3 Mr. Michael Shakman is, by
4 virtue of matters that those of you from
5 outside Chicago may not know, one of the most
6 famous names in the City of Chicago, but that
7 fame is utterly unrelated to the matters that
8 we are -- that we have before us. But, for
9 those who are curious whether or not Mr.
10 Shakman is, in fact, "the Mr. Shakman" I assure
11 you that he is.

12 Mr. Michael Shakman is an
13 attorney with the firm of Miller, Shakman,
14 Nathan, and Hamilton, and Mr. Shakman serves as
15 attorney for Atrium Village.

16 Mr. Shakman.

17 MICHAEL SHAKMAN: Thank you
18 very much, Mr. Chairman.

19 I'm happy to have an
20 opportunity to talk to you about some of the
21 legal issues that are presented by the -- the
22 use of quotas to integrate Atrium Village.
23 You've heard from Mr. Heine --

24 CHAIRMAN HUGH SCHWARTZBERG:
25 Mr. Shakman --

1 MICHAEL SHAKMAN: Yes.

2 CHAIRMAN HUGH SCHWARTZBERG: --

3 may I ask that you speak up because I'm not
4 certain that your voice level was sufficient to
5 -- to be picked up.

6 MICHAEL SHAKMAN: Thank you.

7 I'll repeat what I started to say which is that
8 I'm happy to have the opportunity to talk to
9 you today about the legal issues presented by
10 the integration program that has been followed
11 at Atrium Village. You've heard from Mr. Heine
12 how important that quota program was to the
13 creation of -- of what exists today which is a
14 model community illustrating that -- that
15 blacks and whites can live together very
16 comfortably and successfully in -- in the
17 center city.

18 First, it's important to note
19 that Atrium Village is located, as you've
20 heard, in the most segregated city of the
21 United States. And, as you've heard, it's
22 located next to a public housing project that,
23 itself, has been segregated by illegal
24 Government action. The federal courts in
25 Chicago have found that the Chicago Housing

1 Authority and the City of Chicago's City
2 Council and HUD created racially-segregated
3 public housing. They've found that HUD
4 contributed to and participated in that
5 unlawful housing segregation. There is a
6 United States Supreme Court case that so holds
7 and it's cited in the materials that I've --
8 I've given you. These acts all took place
9 before Atrium Village was built, but they're
10 very important to understanding two things.
11 Number one, why we have such a high degree of
12 segregation in Chicago and in public housing in
13 Chicago. And, two, why it was necessary to
14 have a quota system in order to integrate
15 Atrium Village.

16 Because of the government-
17 sponsored racial segregation in the Chicago
18 public housing, it was simply impossible for
19 the churches and others who developed Atrium
20 Village to have integrated it without the use
21 of quotas. I think one of the factors that
22 gets overlooked in so much of our discussion
23 about housing policy and integration is that in
24 -- in this country, in general, and in Chicago,
25 in particular, we are never playing on a level

1 field. We're playing, instead, on field in
2 which the government, either through direct
3 action as in Chicago -- invidious direct action
4 in which aldermen exercised veto programs and
5 powers to keep blacks out of white
6 neighborhoods in which government created a --
7 a housing system that was inherently unfair
8 that required anyone who wanted to live in
9 public housing and who was black to live in
10 segregated public housing. And I think that --
11 that factor gets overlooked in so much of the
12 discussion about where we go in terms of
13 working towards integration. It's a terribly
14 important factor. Institutional government-
15 sponsored discrimination certainly in Chicago
16 created segregated public housing and anyone
17 who wants to address the problem of integration
18 has to start with that as a -- as a foundation.
19 The government tilted the table very
20 significantly in this city.

21 As you've heard, Atrium Village
22 is located within one-and-one-half blocks of
23 the 3500 units Cabrini-Green public housing.
24 When Atrium Village was developed and rented --
25 and today -- Cabrini-Green was all-black, is

1 all-poor, and is widely perceived by everyone,
2 including the people who live there, as a very
3 dangerous place to leave -- to live. As I'm
4 mentioned, illegal government action created
5 segregated public housing like Cabrini-Green.

6 And, as you've heard from Mr. Heine's comments,
7 the history of the rent-up process at Atrium
8 Village reflects that without a quota to ensure
9 Atrium Village -- integration at Atrium
10 Village, it would not have been integrated.
11 The first 600 applicants were all black and all
12 -- virtually, all from Cabrini-Green which is
13 perfectly understandable because nobody who is
14 living in Cabrini-Green and who has an option
15 to move into better housing would want to --
16 would want to stay at Cabrini-Green.

17 By the mid-1970's when Atrium
18 Village was approved, government agencies,
19 including HUD and the Illinois Housing
20 Development Authority, had recognized the
21 importance of integration, and had recognized
22 the importance of remedying the pattern of
23 unlawful segregation that had been followed.
24 At least in the case of the federal agencies,
25 this was a product, I should add, not of -- not

1 simply of commitment to these policies, but
2 also of court decisions that had squarely said
3 that HUD could not be promoting in its programs
4 -- through its programs racially segregated
5 housing. Cases in New York had said that;
6 cases in Philadelphia had said that.

7 Integration of Atrium Village
8 was necessary, as I've said, to remedy the
9 unlawful housing practices that had been
10 followed by the government agencies in Chicago.
11 That fact alone justifies the use of quotas at
12 Atrium Village, and, it's a fact that is -- is
13 uncontested, I would add, on the -- on the
14 record that's been presented in the court
15 proceedings that involve Atrium Village and
16 that I'll come to in a moment. In a wide range
17 of cases, courts have approved quotas to remedy
18 prior specific acts of discrimination, most
19 notably in the public school context and in
20 employment discrimination cases. Such quotas,
21 for example, have limited black enrollment in
22 certain schools in order to generate
23 integration in the school district. Quotas
24 have been upheld by federal courts and have
25 been upheld by the U.S. Supreme Court, and I

1 have given you in the paper I've submitted
2 today some citations if you care to pursue that
3 -- the -- the law in greater detail.

4 In the housing area and in
5 ~~housing cases, two cases are particularly~~
6 important. The Otero decision in New York City
7 in 1973 and the Shannon decision in
8 Philadelphia in 1970. Both, I should add,
9 interpreting Title VIII of the Civil Rights Act
10 of 1968, about which Mr. Higgenbotham has --
11 has testified earlier, generally known as the
12 Fair Housing Act. And, both of those cases,
13 hold that one of the principle objectives of
14 the Fair Housing Act, as you know, is to
15 promote integration in housing.

16 When Congress passed Title VIII
17 in 1968, it made clear that the purpose of the
18 Act was to generate racially integrated
19 housing. I might add, we all hear reference to
20 the -- the dual purposes of the Act to promote
21 integration and to avoid discrimination. Those
22 are not purposes that are in conflict. The
23 reason to avoid discrimination was because with
24 the pattern of discrimination that existed,
25 integration was impossible. When HUD approved

1 ATrium Village, the Otero decision and the
2 Shannon decision were specifically mentioned by
3 the government decision-makers, particularly at
4 HUD, and they afforded a -- a proper basis for
5 those people concluding that racial integration
6 by the use of quotas was not only permitted,
7 but was required, at Atrium Village.

8 You may all be aware, as well,
9 of the 1988 decision of the Court of Appeals in
10 New York City -- Federal Court of Appeals in
11 the Starrett City case. That case rejected the
12 use of quotas to maintain integration at the
13 Starrett City, which is a large project in --
14 in New York. Several aspects of that decision
15 should be noted because it always comes up in
16 any discussion about Atrium Village because of
17 the potential parallels between the two
18 situations.

19 The first thing that I would
20 emphasize is that the court in the Starrett
21 City case held only that the Fair Housing Act
22 did not allow the use of what it called rigid
23 -- and I quote "rigid racial quotas of
24 indefinite duration." As you've heard from Mr.
25 Heine, Atrium Village has not used a quota of

1 indefinite duration. It used a quota only in
2 the rent-up process. That quota was
3 discontinued as soon as it was not necessary to
4 -- to maintain it -- to continue to have
5 integration. Once stable integration was
6 achieved, the quota was discontinued.

7 Second, in relation to Starrett
8 City that court noted that the use of quotas
9 could not be justified by -- without -- excuse
10 me, without a specific history of racial
11 discrimination in the area. In fact, a -- a
12 point that's subsequently been emphasized by
13 the Supreme Court decision in the Richmond case
14 within the -- the last year. Atrium Village,
15 however, passes this test, too. As I've
16 mentioned, the Chicago Public Housing Authority
17 and HUD have both been found to have created an
18 illegally segregated housing system. And, the
19 use of quotas to remedy that -- that
20 segregation is exactly the sort of remedy that
21 the court in the Starrett City case had in mind
22 when it referred to the fact that the use of
23 quotas should be based on a specific history of
24 racial discrimination.

25 Third, the court in Starrett

1 City approved the prior holding in -- by the
2 same court in the Otero case from 1973, and
3 emphasized that in that case, quotas had been
4 necessary to prevent the creation of a "pocket
5 ghetto" -- what the court referred to as a
6 "pocket ghetto" on the lower east side of New
7 York, an area that had experienced a steady
8 loss of white population and was in danger of
9 becoming segregated if preferences were not
10 given to white residents to live in the
11 development being built.

12 The conclusions I draw from
13 these cases is straightforward: First, where
14 government has sponsored and supported racial
15 discrimination in housing, as it has done in
16 Chicago, then government has a duty to remedy
17 that discrimination and may use quotas as a
18 means of doing so. Second, where a developer
19 uses quotas only for a limited period of time
20 and the quotas are necessary to generate
21 integration, they are legally permissible.
22 Each of these grounds sustains the quota that
23 has been used at Atrium Village.

24 I am basing my comments and my
25 conclusions as a lawyer that the use of quotas

1 at Atrium Village was lawful on the assumption
2 that the recent Starrett City decision
3 represents the law in Chicago -- in the Federal
4 Courts in Chicago, as it does in New York. In
5 ~~fact, I believe that the better view of the law~~
6 is that expressed by a dissenting opinion in
7 the Starrett City case, that of Judge Newman:
8 That the Federal Housing Act does not make
9 unlawful quotas if they are created to provide
10 integration, whatever their duration and
11 whatever the history of specific discrimination
12 in the area may be. The federal courts in
13 Chicago are free to adopt that view, and we
14 will urge them to do so. But, my point is that
15 if Starrett City does state the law, even
16 though it's a somewhat more restricted view in
17 the -- of the law than -- than I have, Atrium
18 Village passes its tests with flying colors.

19 There is an additional factor
20 of great important in the Atrium Village
21 situation. As you've heard from Mr. Heine,
22 government agencies affirmatively required the
23 use of quotas in Atrium Village when it was
24 being conceived, when it was being built, when
25 it was being rented-up. Both the Illinois

1 Housing Development Authority and HUD

2 specifically required quotas. And, indeed, the
3 evidence is -- is striking that when, for
4 example, the developers wished to add -- wished
5 at the time of rent-up to add an additional

6 black family -- one black family to the
7 development, they had to go to the Illinois
8 Housing Development Authority and get specific
9 approval from that agency -- which I will add
10 was acting as HUD's agent in this project --
11 for changing the quota by adding one black
12 family. I should also point out that the
13 initial objective proposed by IHDA was a 70
14 percent white project/30 percent black project.
15 The ministers and Mr. Heine involved in the
16 development of the project opposed that initial
17 rent-up percentage and tried to move to a more
18 balanced percentage and compromise with IHDA
19 with 60 percent white/40 percent black. Again,
20 because of the fear that whites would not live
21 in a predominantly black project. It was
22 rented on that basis, and, then further
23 pressure by the developers on IHDA persuaded
24 IHDA to permit the project to become a 50/50
25 balance which is where it stabilized. I don't

1 know that this is sociologically significant
2 evidence because it's only one project, but it
3 may tell you something about the realities of
4 some of the things that Mr. Sampson was saying
5 this morning about where blacks want to live,
6 and where whites want to live, and when they
7 feel comfortable.

8 I'd like to come back to what
9 is essentially my last point or almost my last
10 point. It's obviously unfair for the
11 government, as it did here, to require the use
12 of quotas when this development was conceived
13 and built in the 1970's and then, after federal
14 administrations have changed, for the
15 government, through the Reagan Justice
16 Department, to bring suit, as it did in 1967,
17 against Atrium Village for doing exactly what
18 Atrium Village had been told to do by HUD
19 during the Ford Administration. The government
20 should be barred from taking action against
21 Atrium Village because of the government's
22 prior action in requiring quotas. That's one
23 of the issues that the federal courts in
24 Chicago will ultimately have to decide if this
25 litigation goes forward.

1 Since I'm addressing a -- a --
2 a branch of the federal government or at least
3 a committee charged with advising the federal
4 government, I'd like to talk for a minute about
5 politics and law and it bears upon this topic.

6 I'd like to talk for a moment about politics
7 and law as it bears on Atrium Village. The
8 Justice Department brought suit against Atrium
9 Village in 1987, almost ten years after the
10 project was created and rented-up. Before that
11 lawsuit was filed, I participated in settlement
12 discussions with Justice Department attorneys.
13 In those discussions, we offered to enter into
14 a court order prohibiting further use of quotas
15 at Atrium Village, but not agreeing that those
16 quotas were unlawful and providing that if we
17 felt the quotas were needed in the future, we
18 would first advise the Justice Department so
19 that it could, if it wanted to, seek to obtain
20 a court ruling concerning the legality of any
21 proposed future use of quotas. The Justice
22 Department denied -- declined our offer to
23 settle on that basis, although, frankly, I
24 thought it would have given the government
25 everything it could legitimately have asked

1 for.

2 I think that the Justice
3 Department's action in suing Atrium Village was
4 ideologically motivated, not legally motivated.

5 ~~It was widely known that William Bradford~~

6 Reynolds, then the Reagan Administration
7 Assistant Attorney General in charge of civil
8 rights, had launched a crusade against
9 affirmative action programs and against quotas
10 in all their forms. That crusade led to the
11 legal attack on Atrium Village.

12 As you know, at present, there
13 is no Assistant Attorney General for Civil
14 Rights who has been appointed by President Bush
15 and who has been ratified by Congress. We hope
16 that whoever assumes that responsibility will
17 bring a non-ideological orientation to his job.
18 If he does, we're confident he will analyze
19 what has been done at Atrium Village from the
20 point of view of what is legal, fair and
21 reasonable -- not as part of a crusade against
22 quotas and affirmative action programs. We're
23 confident that if an Assistant Attorney General
24 analyzes Atrium Village dispassionately, he
25 will come to the conclusion that the Justice

1 Department's lawsuit is ill-advised and unfair
2 and should be dropped.

3 Thank you for your attention.

4 CHAIRMAN HUGH SCHWARTZBERG: I
5 have just been advised that our third speaker
6 of the morning on this topic, the Reverend
7 Roosevelt McGee will not be speaking. I am
8 advised -- I don't know whether -- Ms.
9 Robinson, would you like to clarify this.

10 FAYE ROBINSON: Yes. Reverend
11 -- Reverend McGee submitted a statement to be
12 made a part of the record, however, his
13 statement goes to the south suburbs, so when we
14 begin to dialogue on the south suburbs, we will
15 make it a part of the record at that time.
16 But, he will not be here any this morning.

17 CHAIRMAN HUGH SCHWARTZBERG:
18 All right, at this point, I would like to ask
19 Mr. Heine to come back to the table and Mr.
20 Shakman remain at the table, and we will -- we
21 will take questions addressed to either or both
22 of them.

23 PRESTON EWING: I've never seen
24 Atrium Village. If you were to answer the
25 question, what is the approximate physical

1 distance between Cabrini-Green and Atrium
2 Village, what would it be?

3 GREG HEINE: A block and a
4 half, perhaps.

5 CHAIRMAN HUGH SCHWARTZBERG: I
6 better explain that in Chicago terms, for those
7 of you who are not in Chicago, a block is one
8 eighth of a mile, so that a block and a half is
9 three sixteenths of a mile.

10 GREG HEINE: You're invited to
11 come to Atrium Village, if you like, sir.

12 CHAIRMAN HUGH SCHWARTZBERG:
13 Mr. Ewing.

14 PRESTON EWING: Is there
15 anything unique with respect to construction or
16 barriers that limit the flow of non-residents?

17 GREG HEINE: Yes. The -- the
18 general architectural principle employed is
19 known to architects as defensible space. That
20 means you feel secure because of your physical
21 environment. There are two low-rise clusters
22 that are like -- sort of like big donuts with
23 large courtyards in the center. The -- the
24 entrance is from the courtyard, not exposed to
25 the street. The rear of these buildings are

1 exposed to the street. You go through with a
2 -- with a passkey or security -- security is
3 very much emphasized at Atrium Village.

4 PRESTON EWING: Uh-huh.

5 GREG HEINE: You go through
6 with an electronic card that swings open a big
7 gate, and you, then, go into the inner-cluster.
8 Once you're in the inner-cluster, you have your
9 own little community there. You're washing
10 your dishes at your kitchen sink and you're
11 looking out into the courtyard and you're
12 seeing your kid playing with the other kids,
13 and so that -- that is a very secure
14 environment.

15 The Atrium Building, itself,
16 the closest analogy, I guess, would be a Hyatt
17 -- a Hyatt Hotel, if you've seen some of these
18 large atrium hotels. There's built-in security
19 there because we have glass elevators just like
20 they have at -- at the Hyatt. Nobody is going
21 to get mugged on an elevator because there's a
22 security guard down there or a concierge that
23 sees who's coming and going. You -- you don't
24 mug anybody in the corridor because all the
25 corridors are exposed to the central open area;

1 everybody can look out for everybody else. And
2 there -- and there are security guards that
3 patrol the grounds that -- so that there is a
4 strong sense of security there which may or may
5 not have contributed to the fact that we've had
6 practically no crime at all. It might have
7 something to do with. I think what has more to
8 do with it, perhaps, is the involvement of the
9 churches -- that everybody at Cabrini knows
10 these -- these are good guys, let's -- let's
11 not -- let's not rip them off. I think that
12 has a lot to do with it.

13 PRESTON EWING: One other
14 short. Are there any plans for expansion?

15 GREG HEINE: There were; they
16 were defeated by the -- by ourselves, really.
17 The adjacent plan -- the adjacent area to the
18 south toward the loop, we had wanted to -- we
19 and the churches had wanted to expand Atrium
20 Village and duplicate it again. There was an
21 -- an open bid process conducted by the city of
22 Chicago and we lost.

23 PRESTON EWING: So someone else
24 got that land?

25 GREG HEINE: Someone else got

1 the land who's going to build very expensive
2 housing and we consoled ourselves and said,
3 well, you know, rich folks have to have a place
4 to live, too.

5 CHAIRMAN HUGH SCHWARTZBERG:

6 There will be additional land, is it not true,
7 near -- by or an existing project now in HUD
8 hands which will be auctioned off that is
9 approximately two to three blocks to the south,
10 and, I gather that some of the sponsoring
11 churches have indicated a desire to replicate
12 the Atrium experience to the south, is that
13 correct?

14 GREG HEINE: That's correct,
15 but that opportunity is lost now.

16 CHAIRMAN HUGH SCHWARTZBERG:

17 No, I'm -- I'm sorry, I said to the south and I
18 meant to the north.

19 GREG HEINE: Oh, to the north.

20 CHAIRMAN HUGH SCHWARTZBERG:

21 There's a HUD project --

22 GREG HEINE: The existing --

23 CHAIRMAN HUGH SCHWARTZBERG: --

24 which --

25 GREG HEINE: -- the existing

1 gardens?

2 CHAIRMAN HUGH SCHWARTZBERG: --

3 yes. Yes.

4 GREG HEINE: Yes, that's a --

5 but you can't -- yeah, but that --

6 architecturally we'd have to tear that --

7 they'd have to tear that down -- there is --

8 CHAIRMAN HUGH SCHWARTZBERG:

9 Okay. Ms. Theresa Cummings has a question.

10 THERESA CUMMINGS: I -- I don't

11 know live here either and I have a couple of

12 questions that I would like to ask because I

13 was hoping that we will see it for those of us

14 who do not live here, but since you've got all

15 this security -- where did the children --

16 GREG HEINE: You could still

17 come to see it. I mean, we'd be happy to

18 arrange it.

19 THERESA CUMMINGS: Okay. Where

20 do the children go to school is one question

21 that I have, and are these churches located

22 within this community or are they adjacent to?

23 GREG HEINE: Both. There are

24 -- they -- two -- two of the churches are --

25 are -- have all black congregations and serve

1 -- three of the churches, St. Joseph's Catholic
2 Church, St. Matthew's Methodist Church, and
3 Holy Family Lutheran Church --

4 THERESA CUMMINGS: Uh-huh.

5 GREG HEINE: -- all have about
6 99 percent black-poor folks from Cabrini-Green.
7 The other two churches, LaSalle Street Church
8 is on LaSalle Street which is just a block away
9 from us to the east and two blocks to the
10 south, and the LaSalle Street Church
11 congregation is a mixed congregation. The
12 other church involved is Fourth Presbyterian
13 Church which is very white and very wealthy up
14 on Michigan Avenue, but it's the near north
15 side church. And the Fourth Presbyterian folks
16 provided a great deal of the -- of the
17 volunteer time, attorneys, and CPAs and so
18 forth who worked with the churches over the
19 years. But it -- uh -- have I answered your
20 question?

21 THERESA CUMMINGS: Where do the
22 children go to school?

23 GREG HEINE: Oh, the children
24 go to school locally about three blocks away.

25 The churches mounted a -- a big

1 campaign when we began to put together Atrium
2 Village to insist on firing the principal that
3 was there. That was the first thing they tried
4 to do and they did that.

5 ~~And then they established a~~
6 special musical curriculum at the school so
7 that it's now sort of a magnet school. You're
8 -- if you live anywhere in Chicago and you
9 want, particularly a musical education for your
10 child, they can apply to go to this school.
11 And, so that it has a certain amount of -- of
12 distinction and prestige to it, if you're
13 musically inclined. If you're not musically
14 inclined if you live at Atrium Village, you get
15 to live there just because you live at Atrium
16 Village.

17 THERESA CUMMINGS: All right.
18 So the children -- does this present the type
19 of experience for children that we had when we
20 were integrating schools all over that you go
21 to school one place and you live another, or is
22 it close enough that it's part of their
23 community?

24 GREG HEINE: It's part of the
25 community. You do -- you -- we don't have to

1 integrate that school because everybody who
2 lives at Atrium is integrated and -- and so
3 that the --

4 THERESA CUMMINGS: All the
5 children that are at Atrium came to this
6 particular --

7 GREG HEINE: Not -- not all of
8 them. Some of the wealthier kids go to private
9 schools. The number of private --

10 THERESA CUMMINGS: Well, I'm
11 talking about the --

12 GREG HEINE: -- but the -- the
13 -- the kids that go to a public school --

14 THERESA CUMMINGS: -- Uh-huh.

15 GREG HEINE: -- white and black
16 at Atrium Village go to that school. And,
17 there's no need to integrate the school because
18 the local population is integrated.

19 THERESA CUMMINGS: I understand
20 that, but I'm saying there are other children
21 that attended school outside of Atrium Village.

22 GREG HEINE: Oh, yes. Oh,
23 yeah. Uh-huh.

24 THOMAS PUGH: Along the same
25 line, what presents the Cabrini-Green

1 population from overwhelming the school?

2 GREG HEINE: Well, they're --
3 Cabrini-Greens are very large -- I -- I really
4 don't know. The -- the ministers would be able
5 to tell you how many schools serve Cabrini-
6 Green, but there are quite a few. And, this
7 school is -- do you happen to know, Mr.
8 Chairman?

9 CHAIRMAN HUGH SCHWARTZBERG: I
10 believe it's three take up. (inaudible) school
11 is, I believe, completely at the Hill School.
12 Is there someone else that can help me on this?
13 But the point is, that is a very large project.

14 You should be clear what is --
15 what the school board has done. The school
16 board has drawn a line which, in effect, says
17 the Cabrini-Green residents continue to go to
18 the schools they have been going to. The
19 Atrium residents go to this magnet school which
20 consists of the residents of Atrium plus those
21 people from greater Chicago who get into that
22 magnet school. And there are a series of
23 magnet schools around the city, some of which
24 have specific kinds of -- of -- one is science,
25 one is art, in this case, this one is music.

1 The result is that both the population coming -
2 in from Atrium is integrated and the population
3 coming from outside to this magnet school is
4 integrated, but the residents of Cabrini-Green
5 are not within the geographic confines of this
6 partially geographic and partially magnet
7 school. Does that --

8 THOMAS PUGH: A question for
9 both of you. It appears that -- I gather from
10 your testimony that there's no immediate threat
11 by the federals, but there is a principle
12 involved here. You're saying you don't need
13 the quotas at this point; you may want to use
14 those quotas. Let's talk about the principle
15 and is that principle the use of quotas that
16 we're talking about?

17 GREG HEINE: Well --

18 THOMAS PUGH: Your testimony
19 doesn't bear on it, either of you, in a larger
20 sense that Chicago -- a larger sense than the
21 specifics of the -- of the Starrett case. Talk
22 about, both of you, for the -- for the moment,
23 the principle that's involved here in regard to
24 the use of quotas down through the -- the
25 future as well as the past.

CHAIRMAN HUGH SCHWARTZBERG:

1 Before that question is answered let me here
2 note that our original intent in designing this
3 panel was to include Reverend McGee and Mr.
4

5 ~~Shakman in answer to questions of this sort~~

6 since they took two opposing points of view.

7 And, we have, as we have in most of these

8 panels, attempted to allow where there are

9 clearly two different points of view,

10 representatives of two different points of view

11 present for such things as the answering of

12 questions. Unfortunately, that will not be

13 true in this case, and I simply wish to note as

14 Chair that that is due to circumstances beyond

15 this Chair or this Body's control.

16 And -- and now I didn't want --

17 I regret having interrupted the answering of

18 the question. Would you, please, do so?

19 GREG HEINE: Since the

20 establishment of Atrium Village and the success

21 of Atrium Village, the -- the whole area is now

22 blossoming with luxury apartments. If -- and

23 the ministers are concerned with the fact that

24 the reason why they want to maintain the

25 possible use of quotas in the future is to make

1 certain that there are room for blacks; that
2 the area is becoming all white. And,
3 originally, it had a different purpose, but on
4 addressing that issue of quotas, we're not
5 thinking of it just the other way around.

6 These churches represent a
7 black community. We don't want to -- now,
8 suppose -- I mean, discrimination -- you can be
9 called discriminatory no matter what you do
10 these days. If you have a -- if you have a pot
11 it only holds so much, and if you put something
12 orange in there that means you can't put
13 something purple in there. It's that simple.
14 You only have so much room. So, when you admit
15 someone, you are necessarily denying someone
16 admittance if you only have one place to go.
17 And we are concerned that with it becoming an
18 affluent community now that once was a poor
19 community that we can't take care of the poorer
20 folks in the -- in the churches when an opening
21 becomes available, and that, if a white guy
22 shows up and says -- a poor white guy shows up
23 and says, I want that apartment, we want to be
24 able to say, no, I'm sorry, we -- we want to
25 keep it about 50/50 and we're -- we are going

1 to reserve that apartment for a white guy --
2 black, I mean. So that -- that it can work
3 either way. And that is the concern now and
4 that's why the -- the ministers and we have
5 urged Mr. Shakman to hold out for the -- for
6 the possibility of re-instituting quotas should
7 it become necessary in our view to maintain the
8 racial and economic balance that we now have.
9 And we've told the Justice Department -- Mike
10 has told the Justice Department, we won't do it
11 without talking to you first and giving you a
12 chance to -- to --

13 PRESTON EWING: Is there a
14 legal precedent for this specific --

15 HERSCHEL SEDER: I'd like to
16 ask a question if I may?

17 PRESTON EWING: -- action? Oh,
18 I'm sorry.

19 CHAIRMAN HUGH SCHWARTZBERG:
20 No, first -- first Preston, and then, Herschel
21 Seder. Yes.

22 PRESTON EWING: Is there a
23 legal precedent for --

24 MR. GREG HEINE: The
25 reinstitution of quotas in order to preserve

1 what has been achieved that is used for compen
2 -- compensating for past discriminatory
3 practices.

4 MICHAEL SHAKMAN: There is. In
5 -- in that area, the law is clearest and
6 strongest and it's primarily in the public
7 school area and in the employment area where
8 that's the case because you've had dozens and
9 dozens of -- particularly southern school
10 districts but not solely southern school
11 districts, that have practiced overt racial
12 segregation and federal courts have repeated
13 said and the Supreme Court has repeated said
14 that in order to remedy that kind of specific
15 wrongdoing there may be no alternative but to
16 use quotas. And when that's the case, they're
17 permitted. There are less cases in the housing
18 area, but there are a handful. They're
19 principally the ones I've -- I've mentioned,
20 the Otero case, the Shannon case, and then,
21 more recently, the Starrett City case.

22 PRESTON EWING: Okay. But, no,
23 my specific question was re-instituting of
24 quotas after the goal has been achieved, and
25 there is some belief that the goal may not be

1 maintained.

2 MICHAEL SHAKMAN: I'm not aware
3 of any specific case that's had that --

4 PRESTON EWING: Okay.

5 MICHAEL SHAKMAN: -- that
6 circumstance. Maybe it means that in no
7 circumstances where integration was achieved
8 through quotas -- it stabilizes, as it has at
9 Atrium Village, and you don't need quotas.
10 That -- that would be one inference you could
11 draw.

12 PRESTON EWING: Okay.

13 HERSCHEL SEDER: Who was the
14 owner -- who controls Crane Construction?

15 MR. GREG HEINE: Morton J.
16 Crane.

17 HERSCHEL SEDER: Who?

18 MR. GREG HEINE: Morton J.
19 Crane.

20 HERSCHEL SEDER: Mort Crane?

21 MR. GREG HEINE: Mort Crane.

22 MICHAEL SHAKMAN: You
23 understand Crane does not own this project.
24 Crane is one of --

25 HERSCHEL SEDER: Yeah, but who

1 is the controlling interest at --

2 MR. GREG HEINE: At Atrium
3 Village?

4 HERSCHEL SEDER: -- at Crane
5 Construction?

6 MR. GREG HEINE: Mort Crane.

7 HERSCHEL SEDER: I see. And he
8 -- he has a controlling interest then.

9 MR. GREG HEINE: He owns --

10 MICHAEL SHAKMAN: No, no. No.

11 MR. GREG HEINE: -- of Crane
12 Construction.

13 CHAIRMAN HUGH SCHWARTZBERG: I
14 think that Herschel is not being clear on who
15 the -- the contractor was and who the developer
16 was.

17 HERSCHEL SEDER: Oh. Oh, okay.
18 All right.

19 MR. GREG HEINE: We have a
20 Crane group of companies. We have Crane
21 Construction Company. We now have Crane
22 Development Company -- Crane Development
23 Corporation. We did not have Crane Development
24 Corporation at the time of Atrium Village.
25 Crane Construction Company was acting with non-

1 profit groups throughout Chicago.

2 We started out with the
3 Woodlawn organization on the south side. There
4 were good, strong, viable neighborhood groups
5 in Chicago who wanted to rebuild their
6 communities after the -- the -- after Dr.
7 Martin Luther King was assassinated and they
8 burned everything down and they -- we -- Crane
9 Construction Company joint ventured with
10 specific --

11 HERSCHEL SEDER: Okay. Who was
12 -- who was head of Crane Construction?

13 MR. GREG HEINE: Mort Crane.

14 HERSCHEL SEDER: Okay. The
15 reason I asked this question, wasn't this same
16 construction company -- didn't they build the
17 1000 Lakeshore Drive?

18 MICHAEL SHAKMAN: No. No.

19 MR. GREG HEINE: 1000 -- no.
20 No. No, Lake Point Tower.

21 MICHAEL SHAKMAN: Lake Point
22 Tower.

23 HERSCHEL SEDER: Lake Point
24 Tower.

25 Well, my point was this, I know

1 that it had a great reputation. I'm very
2 sympathetic with the kind of money that you
3 people spent, the principles you had and the
4 resulting of positive advantages the community
5 have had in what you've done. And, in a
6 competitive society as a businessman, I -- I
7 know how I would feel if I would do all of this
8 work and then someone else has another piece of
9 property next -- next door, then somebody comes
10 in and takes advantage of a whole concept which
11 could jeopardize a future development there.
12 And, I take it there is extra land there for
13 other development?

14 MICHAEL SHAKMAN: There was
15 land.

16 MR. GREG HEINE: There was.

17 MICHAEL SHAKMAN: It's sold.

18 MR. GREG HEINE: It's now been
19 sold.

20 HERSCHEL SEDER: Okay. Well,
21 then your purpose here in doing what you've
22 done, what's the penalty in case -- should --
23 should the government say you can't do it, what
24 happens to this project?

25 MICHAEL SHAKMAN: That's not

1 entirely clear because the government hasn't
2 expressed itself on -- on what it would view as
3 an appropriate remedy for what it alleges to be
4 a history of discrimination against blacks
5 growing out of the application of the -- so you
6 really have to address that question to the
7 government. But, the one reason we're
8 compelled to litigate with the government is
9 because of uncertainty about what they would do
10 in the event that they were to win this
11 lawsuit.

12 HERSCHEL SEDER: Well, let's
13 say they come out with a program that's
14 inimical to the interest of Atrium Village.
15 What does that mean to the present structure?

16 MICHAEL SHAKMAN: That's
17 unclear. That's unclear. It's unclear if they
18 would then insist on either monetary damages
19 which could -- could be very substantial --

20 HERSCHEL SEDER: I see.

21 MICHAEL SHAKMAN: -- or if they
22 would insist on some effort to change the
23 tenancy.

24 HERSCHEL SEDER: I see. So,
25 your position is to protect what you've already

1 done.

2 MICHAEL SHAKMAN: That's
3 certainly a component in it.

4 HERSCHEL SEDER: Plus the
5 possibility -- uh -- being interested in the
6 community, if you do get a good decision --

7 MICHAEL SHAKMAN: But, I must
8 emphasize that the ownership of Atrium Village
9 includes the neighborhood churches. It does --
10 it is not controlled by Crane Construction or
11 Crane Development. It's controlled by Chicago-
12 Orleans Housing Corporation which is a -- has
13 an ownership interest and consists of the
14 churches so that the fundamental decisions that
15 are made including the decision to oppose this
16 Justice Department litigation was made jointing
17 with the participation of the churches and
18 their representatives, and Crane
19 Construction --

20 HERSCHEL SEDER: All right.

21 MICHAEL SHAKMAN: -- and
22 representatives of limited partner investments
23 because --

24 HERSCHEL SEDER: All right.
25 Okay.

1 MICHAEL SHAKMAN: -- the --
2 there are a group of limited partners who
3 invest --

4 HERSCHEL SEDER: Then the
5 principle involved is this. If it comes to a
6 satisfactory conclusion from the point of view
7 -- what I consider the point of view of the
8 community, this would open other areas up so
9 that we can have other additions like the
10 Atrium Village.

11 MICHAEL SHAKMAN: We'd have
12 that potential.

13 HERSCHEL SEDER: Right. So, I
14 think -- I -- I would recommend to the Board
15 that we certainly take a very positive attitude
16 on this thing here --

17 MICHAEL SHAKMAN: Well --

18 HERSCHEL SEDER: -- because I
19 think a move like this is the best place in the
20 world to get good integration and -- and the
21 success is already there.

22 MICHAEL SHAKMAN: -- well, I
23 appreciate that and we -- we both do. And, the
24 reason I made the comments I did concerning the
25 fact that there will be a new assistant

1 attorney general for civil rights appointed and
2 that he will undoubtedly have to take a fresh
3 look at this piece of policy in terms of suing
4 Atrium Village, is because I hoped a body like
5 ~~this would express itself and that that -- that~~
6 its expression, if favorable, would -- would
7 have an influence on that Assistant Attorney
8 General in deciding whether he really wants to
9 pursuit this.

10 EDWIN CLARKE: I have a
11 question.

12 CHAIRMAN HUGH SCHWARTZBERG:
13 Yes, Mr. Clarke.

14 EDWIN CLARKE: Do you gentlemen
15 know if there are any counterparts to Atrium
16 Village anywhere else in our United States?

17 MICHAEL SHAKMAN: Well,
18 Starrett City was the -- the closest example.

19 EDWIN CLARKE: What was that
20 again?

21 MICHAEL SHAKMAN: Starrett City
22 in New York was the closest example. They had,
23 I believe, a 30 percent black/70 percent white
24 quota which they were in the process of
25 modifying to 35 or 40 percent black/60 percent

1 white, and they had been -- they had worked out
2 a settlement with individual plaintiffs
3 sponsored by the NAACP who had sued them.
4 Feeling that there were inadequate black
5 participation, they'd upped the participation
6 and that occurred in '80, or '81, or '82.
7 After that settlement was worked out, the
8 Justice Department, again under the direction
9 of Mr. Reynolds brought suit itself, not
10 withstanding HUD's willingness to settle that
11 lawsuit and it's that litigation which the
12 Justice Department won last year by obtaining a
13 judicial determination that they could not use
14 any quota at Starrett City. So there -- that
15 is the precedent, both in terms of what's
16 actually happened in the development and in
17 terms of -- of action by the federal government
18 to interfere with that kind of --

19 EDWIN CLARKE: In other words,
20 that is the controlling precedent as of this
21 moment?

22 MICHAEL SHAKMAN: It certainly
23 controls in the -- in the federal court circuit
24 in New York --

25 EDWIN CLARKE: Yeah.

1 MICHAEL SHAKMAN: -- as the
2 Supreme Court did not grant review. And, as
3 I've pointed out, there are some differences
4 between that project and this that -- namely,
5 ~~the continued to use their quota as they felt~~
6 they had to 15 or 16 years after the project
7 was built and the -- the court found that
8 apparently an impressive negative factor and
9 seemed to be saying, if this had been a short-
10 term quota intended only for the rent-up
11 process, it might have been lawful. So, it's
12 -- it's a -- it's a -- we've passed that test.
13 Since we cease to use it after the rent-up
14 process had stabilized, but, nonetheless, that
15 is the law in the Second Circuit and it's an
16 influential decision.

17 EDWIN CLARKE: Yeah. one more
18 question if you don't mind. Is there any
19 prospect that the people who now reside in
20 Atrium Village will ever be able to be owners
21 of their residences?

22 MICHAEL SHAKMAN: Well, it
23 would require a restructuring of the
24 development and an offering of the units. And
25 I think it -- it, too, would have the potential

1 -- of defeating the -- one of the goals that
2 perhaps hasn't been emphasized here as much as
3 it should have been and that is the notion that
4 Atrium Village as perceived by the churches
5 provided a means of upward mobility for people
6 in Cabrini-Green to be able to move into an
7 adjacent area that wasn't as troublesome to
8 live in, and as difficult to live in and, yet,
9 stay in the community. And if the units become
10 owner occupied, that kind of bridge opportunity
11 will be lost and some of the upward mobility
12 component that's inherent in this project will
13 be lost because once someone owns it, he can
14 sell it to whoever he wants to --

15 MR. GREG HEINE: I'd like to
16 elaborate on that filling in for the ministers.
17 They perceived one of the greatest harms --
18 social harms of the black community was that
19 those who did achieve higher status -- economic
20 status in life always left the community. It
21 -- the -- the kids had no role models. The
22 only people that -- that they could look up to
23 if they -- if they got themselves established,
24 if they made more money, if they achieved a
25 greater social or economic status, moved away.

1 So, that was part of the reason, from the
2 churches point of view, that they very much
3 endorsed the concept of a low -- a very low
4 income segment, a moderate segment and a
5 ~~market-rate segment. And, there have, in fact,~~
6 been people who moved from Cabrini on a RAP
7 program on re-certification, they had, in fact,
8 earned more money and qualified for the 236
9 program and, in subsequent years on re-
10 certification, I'm sorry, you make too much
11 money. Sorry guy, you can't get the subsidy
12 anymore. You are now a market-rate -- and that
13 -- and they've stayed within the community.
14 And they've stayed as role models to the kids.
15 They haven't left.

16 EDWIN CLARKE: That's it.

17 CHAIRMAN HUGH SCHWARTZBERG:

18 I'm going to take just a few more minutes of
19 questions here and then call the attention of
20 the committee to the fact that we will be
21 continuing with Atrium following our -- our
22 break for lunch. And, if I may -- I may claim
23 my own interruptions for my own tape or for the
24 tape which I am minding behind me, I notice
25 that that requires me.

1 We're going to take, therefore,
2 about -- we're going to take until 12:15 for
3 questions. We will then break until 1:15, so
4 we have approximately eight more minutes and
5 then we will have a one hour break.

6 A few moments ago, Mr. Pugh was
7 about to ask a question.

8 THOMAS PUGH: Thank you. Mr.
9 Shakman, the question asked moments ago was --
10 was whether or not you were aware of other --
11 other developments that had used quotas and you
12 mentioned the Starrett case.

13 Aren't -- isn't it correct that
14 there are lots of small communities where
15 church groups similar to yours have sat up
16 projects and have -- and, you know, have used
17 systems to balance them, perhaps informal
18 systems, are you aware of that?

19 MICHAEL SHAKMAN: I can't speak
20 to it from personal knowledge. I have the
21 impression that -- that those folks who have
22 tried to generate integration by using the
23 quotas or some version of quotas have -- have
24 done so quietly and so as not to draw attention
25 to themselves. And, therefore, it's not a

1 situation where you can -- you can document
2 very much. I certainly don't have any
3 firsthand knowledge apart from what I know
4 about Atrium Village and what I've read about
5 Starrett City.

6 THOMAS PUGH: Uh-huh. I -- I
7 just have the impression that it happened in
8 projects in Peoria and -- and other places
9 around Illinois --

10 MICHAEL SHAKMAN: Well, if so,
11 I --

12 THOMAS PUGH: -- perhaps --
13 perhaps 10 years before your concept came
14 along.

15 MICHAEL SHAKMAN: -- that could
16 well be. I suggest you not tell the Justice
17 Department.

18 THOMAS PUGH: Well, that's what
19 I'm saying, you know, in -- in effect we're --
20 I'm asking --

21 MICHAEL SHAKMAN: It may well
22 be.

23 THOMAS PUGH: It may well be.

24 MR. GREG HEINE: I can tell you
25 that working with community groups in black

1 areas in Chicago -- uh -- we -- and we've
2 worked with five or six of them now, Atrium
3 Village is the only one where we did, in fact,
4 achieve integration. All the others, we --
5 we've tried very hard to have integrated
6 communities and beginning, especially down in
7 Woodlawn working with the Woodlawn organization
8 which is a black organization and they wanted a
9 -- a integrated community. They're right next
10 to the University of Chicago which is their
11 biggest influence. And we've co-developed
12 three different developments with TWO down
13 there now and -- and, in every case, marked it
14 very hard to try and get white tenants there
15 and in -- in one case, we did have 30 percent
16 white, initially, and that was six -- seven
17 years ago; it's now 100 percent black. We were
18 unable to maintain the integration format that
19 we -- that we started with.

20 THOMAS PUGH: So your incidents
21 have been attempted at least in other Chicago
22 projects?

23 MR. GREG HEINE: We used
24 affirmative marketing. The lawyers call it
25 quotas. The developers call it affirmative

1 marketing. I think it's the same thing.

2 PRESTON EWING: Well, you have
3 an -- an advantage --

4 CHAIRMAN HUGH SCHWARTZBERG:
5 Well, wait -- wait a minute, Preston, before
6 you do that.

7 Incident to the question that
8 was asked in terms of what the practice has
9 been in the State of Illinois, Theresa Cummings
10 indicated she wanted to make a comment about
11 the Springfield experience.

12 THERESA CUMMINGS: I was a
13 director at the time in which we got a loan --
14 grant from HUD on -- on senior citizen housing
15 in the county, and we had to justify the lack
16 of minorities living in the county for housing
17 because we were supposed to have a percentage
18 of -- of whites and non-whites, and, before
19 that could be approved, we had to state that
20 minorities did not live outside of the city of
21 -- and we had to do all of this background.
22 So, you know, it's difficult to say at one time
23 when they're trying to say that the housing has
24 to have a certain number, and then, all of the
25 sudden they're saying, well, it's not right.

1 And, it was quota indirectly.

2 MR. GREG HEINE: Oh, yeah.

3 THERESA CUMMINGS: It was a
4 quota indirectly in order to have this housing
5 -- I don't know how many of you know about
6 Sangamon (phonetic), but most minorities of
7 black, Asians, or Hispanics, do not live
8 outside of the city Springfield enough to count
9 them. But we had to justify why they were not
10 going to be able -- or not going to move into
11 the senior citizens buildings which were low --
12 one level out in the county area before the
13 grant could be approved.

14 MR. GREG HEINE: Uh-huh.

15 CHAIRMAN HUGH SCHWARTZBERG:
16 Preston Ewing.

17 PRESTON EWING: Well, this
18 calls for speculation. Do you have any idea
19 what the future holds for Cabrini-Green as with
20 respect to change?

21 MR. GREG HEINE: I think it
22 will go. I don't -- I don't think it will be
23 there in the year 2000.

24 PRESTON EWING: That's it.

25 CHAIRMAN HUGH SCHWARTZBERG:

1 Are there further questions at this time,
2 bearing in mind that we will be taking up this
3 topic after lunch?

4 FAYE LYON: I just have one.

5 CHAIRMAN HUGH SCHWARTZBERG:

6 Yes, Faye.

7 FAYE LYON: In your market
8 analysis for this type of policy, have you come
9 up with any analysis that would tend to support
10 either Dr. Denton's or Dr. Sampson's opinions
11 regarding the 50/50 split, the blacks would
12 like to stay in -- in the black community. I
13 noticed that one of you had mentioned the fact
14 that the upward mobility component, they don't
15 want to leave the community -- the blacks do
16 not -- and neither of these two previous
17 speakers mentioned that factor. Have you
18 uncovered any factors that would tend to shed
19 some light on that issue?

20 MR. GREG HEINE: Yes, and we
21 talked about it a lot with a lot of people who
22 had views like Dr. Sampson and people with --
23 of diversion views before we did all of this
24 and we did a lot.

25 Basically, what we found was

1 that nobody -- this is a country based on
2 freedom, and, like Dr. Sampson says, if I -- if
3 I want to live around black folks, I should
4 have that freedom. He's absolutely right. If
5 ~~I want to live around white folks, I should~~
6 have that freedom. But, you don't have the
7 freedom -- you didn't have the freedom to live
8 in an economically and racially integrated
9 community in Chicago. You had not that
10 freedom. Atrium Village provided that
11 opportunity -- provides that freedom for the
12 people who want to live that way. Dr. Sampson
13 would deny -- the Justice Department would deny
14 those people the freedom to live in an
15 integrated community.

16 FAYE LYON: But don't you think
17 Dr. Sampson is saying, no, I -- I think we
18 should have integration, but I think that
19 should be left up to the individual. I don't
20 think it's something that should be mandatory
21 that every neighborhood would now integrate and
22 -- and have --

23 MICHAEL SHAKMAN: I think
24 that's clearly what he's saying --

25 CHAIRMAN HUGH SCHWARTZBERG:

1 That's what he's saying.

2 MICHAEL SHAKMAN: The question
3 is, is that realistically possible.

4 MR. GREG HEINE: It's not
5 possible.

6 MICHAEL SHAKMAN: And that -- I
7 think what we're concluding from the Atrium
8 Village experience is -- and what Mr. Heine has
9 told you from his experience is that you cannot
10 generate integration if that is a goal. Even
11 if it's only a goal for purposes of permitting
12 those people in the black and white community
13 to choose it -- to -- to have it, you cannot
14 create it against the background we have of
15 intense segregation coupled with -- uh -- in
16 Chicago, the government having sponsored and
17 promoted segregation. You cannot create
18 integration in housing today without the use of
19 quotas in Chicago.

20 MR. GREG HEINE: It does not
21 happen by itself. You have to make it happen
22 if it's going to --

23 FAYE LYON: Oh, yeah, I -- I
24 would agree with that. But I -- I guess -- at
25 what point do you think that the community

1 would be saturated with this type of housing
2 and at what point do you think that there would
3 be --

4 MR. GREG HEINE: When you run
5 out of people who want to live in an integrated
6 environments.

7 FAYE LYON: But you don't have
8 anything that would kind of give us that kind
9 of an indication.

10 MICHAEL SHAKMAN: Well, there
11 are four or five million people that live in
12 the Chicago metropolitan area. There are 309
13 apartments at Atrium Village and, so far as we
14 know, it's the only example in the metropolitan
15 area of anything like it. So, somewhere
16 between the -- the few thousand people who live
17 there -- (inaudible -- laughing in background)
18 -- we're a long ways from that.

19 FAYE LYON: You know, like a
20 turnover rate, waiting list to get in --

21 MR. GREG HEINE: Yes, extensive
22 waiting lists.

23 FAYE LYON: Extensive.

24 MR. GREG HEINE: The RAP units,
25 we -- we gave up keeping waiting lists. You --

1 you have to die -- somebody has to die before
2 someone gets in.

3 FAYE LYON: Well, there just
4 seems to be an evidentiary problem and I was
5 ~~wondering if you had any kind of a handle on it~~
6 or any kind of a grasp, or -- or you're saying
7 you're going to need a lot more --

8 MICHAEL SHAKMAN: There's more
9 demand for integrated housing than there is
10 supply.

11 MR. GREG HEINE: Yeah.

12 CHAIRMAN HUGH SCHWARTZBERG:
13 Any further questions at this time? If there
14 are no further questions at this time, then I
15 will hereby declare this in recess. We will
16 meet again at 1:15 in this room. Thank you
17 very much.

18 (Break for lunch at 12:15.)
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AFTERNOON SESSION

CHAIRMAN HUGH SCHWARTZBERG:

Back on the record at 1:30.

I'm not going to repeat what we ~~said at the outset except to say that there~~ will only be a limited time for -- for any presentation at the open session. If someone wishes to make a statement at the open session which is going to be from 4:35 to 5:15, they should see Ms. Robinson at the -- my far right -- the end of the table. I had indicated that that should be done before we reconvened today. I will extend that for an additional 15 minute period so that if someone wishes to do so and brings that note up to Ms. Robinson we will allow that to be done, but otherwise this will be -- be closed. That list will be closed as of 1:45 p.m..

I would like, now, to turn back to the subject which we had previously been discussing, that of Atrium Village and our next presenter is James Shannon who is Director of the Fair Housing Center of the Leadership Council for Metropolitan Open Communities. Mr. Shannon.

1 JAMES SHANNON: To the Advisory
2 Committee of the U.S. Commission of Civil
3 Rights, as stated, my name is James Shannon.
4 I'm the Director of the Fair Housing Center
5 with the Leadership Council.

6 I just want us to clear up one
7 thing, my comments today will not be so
8 specific about Atrium Village. My comments
9 will be about affirmative marketing and housing
10 to bring about racially diverse communities. I
11 just wanted to add that to the outset.

12 CHAIRMAN HUGH SCHWARTZBERG:
13 Uh-huh.

14 JAMES SHANNON: A special
15 report on integration that appeared in Newsweek
16 magazine in 1988 noted "...housing is the
17 single most segregated aspect of American
18 life."

19 United Way's "Environmental
20 Analysis Report" released in July 1988
21 identified racial discrimination and
22 segregation as a major contributor to the
23 present crisis in human needs in Chicago. In
24 January of this year the Council of Religious
25 Leaders of Metropolitan Chicago pointed to the

1 costs of segregation, acknowledged the modest
2 progress made in achieving fair housing and
3 called on leaders to "reverse the old patterns
4 of segregation, create more integrated
5 neighborhoods and start a new cycle of openness
6 and expand opportunities for all Chicago
7 residents."

8 HISTORY OF THE DUAL HOUSING
9 MARKET. Chicago has a long history of enforced
10 racial segregation. In 1917, when a large
11 number of African-Americans were moving to
12 Chicago, the Chicago Real Estate Board adopted
13 a policy stating, "...Inasmuch as more
14 territory must be provided, it is desired in
15 the interest of all, that each block shall be
16 filled solidly and further expansion shall
17 confine to contiguous blocks and that the
18 present method of obtaining a single building
19 in scattered blocks, be discontinued." Similar
20 policies and practices were adopted by other
21 private and public bodies and -- other private
22 and public bodies and a policy of racial
23 ghettoization -- limited African-American
24 movement to areas adjacent to existing African-
25 American areas -- is still the predominant

1 practice. According to the University of
2 Chicago Professor Gary Orfield, "...this
3 process has shattered entire neighborhoods,
4 uprooted thousands of blacks and white
5 families, dramatically diminished the cities'
6 resources, irreparably damaged the cities'
7 commercial and social infrastructures, and
8 increased the cost of running our cities while
9 eroding the tax base."

10 THE RISE AND DEVELOPMENT OF
11 FAIR HOUSING. While racial discrimination and
12 segregation were permanent and -- and -- were
13 -- were predominant and widely practiced by the
14 housing industry, counter forces were gathering
15 while in the form of legal challenges and later
16 in the form of a mass movement.

17 In 1917, the Supreme Court
18 struck down a Louisville, Kentucky city
19 ordinance that denied African-American people
20 the right to occupy housing in predominantly
21 white blocks. In 1948, the Supreme Court ruled
22 that racially restrictive covenants were
23 unenforceable. And finally, in 1968, following
24 a massive civil rights campaign, the
25 assassination of Dr. Martin Luther King, Jr.

1 and riots in several major cities, Congress
2 passed a federal fair housing law, the purpose
3 of which was "...to provide, within
4 constitutional limitations, for fair housing
5 throughout the United States."

6 EQUAL HOUSING OPPORTUNITY AND

7 INTEGRATION. Principal sponsors of the 1968
8 fair housing law saw equal housing opportunity
9 and integration as complementary goals.
10 Senator Mondale stated that Title VIII was
11 intended "to replace the ghettos with truly
12 integrated and balanced living patterns." He
13 also noted, "The basic purpose of this
14 legislation is to permit people who have the
15 ability to do so to buy any house offered to
16 the public if they can afford it." Senator
17 Brooke, a co-sponsor of Title VIII, stated,
18 "America's future must lie in the success of
19 integration of all -- of the integration of all
20 our many minorities, or there will be no future
21 worthy of America." He went on to say, "It
22 does not require that government interference
23 with the legitimate personal preference of
24 individuals; it does require that government
25 protect the freedom of individuals to choose

1 where they wish to live."

2 The Supreme Court in a 1977
3 case stated, "This Court has expressly
4 recognized that substantial benefits flow to
5 ~~both whites and blacks when interracial~~
6 association and that Congress has made a strong
7 national commitment to promote integrated
8 housing."

9 In the federal District Court
10 decision delivered in Chicago in 1988, the
11 judge stated, "It is a national policy to
12 promote stable, long-term racial diversity in
13 the communities of the United States."

14 Even in the Starrett City case
15 where quotas were found to be in violation of
16 Title VIII, the Court of Appeals stated, "We do
17 not intend to imply that race is always an
18 inappropriate consideration under Title VIII in
19 efforts to promote integrated housing. We hold
20 only that Title VIII does not allow appellants
21 to use rigid quotas in indefinite durations to
22 maintain a fixed level of integration..."

23 THE LEADERSHIP COUNCIL HISTORY
24 AND GOALS. The Leadership Council for
25 Metropolitan Open Communities is a not-for-

1 profit fair housing agency established in 1966
2 by Chicago's business, religious, government
3 and civic leaders in response to a campaign of
4 open housing led by Albert Raby and Dr. Martin
5 ~~Luther King, Jr. Its purpose is to end housing~~
6 discrimination and segregation and to encourage
7 racially and economically diverse communities.

8 The Council has interpreted
9 this mandate to require identification of each
10 aspect of the dual housing market, and to
11 develop a comprehensive set of programs to
12 change those institutional patterns.

13 Enforcement of fair housing laws through
14 private suits have been the keystone of this
15 strategy.

16 While opening housing
17 opportunities has been the primary thrust of
18 the Leadership Council's efforts, the Council
19 recognized early on that the dual housing
20 market would not be ended if deliberate efforts
21 to open communities consistently resulted in
22 re-segregation.

23 THE LEADERSHIP COUNCIL'S
24 POSITION. The Kerner Commission endorsed a
25 policy of "ghetto enrichment" and

1 "integration", in 1968 stated, "...integration
2 is the only course which explicitly seeks to
3 achieve a single nation rather than accepting
4 the present movement toward a dual society."

5 ~~The Leadership Council agrees~~

6 that "...residential segregation is the key for
7 creating and maintaining inequality, not only
8 for individuals and racial groups, but also for
9 neighborhoods and entire municipalities.

10 For this reason, the Council
11 supports and encourage affirmative action to
12 achieve open housing and racial and economic
13 diversity, so long as these actions clearly
14 remedy past discriminatory efforts, effectively
15 expand all homeseekers' choices and do not deny
16 housing to minority homeseekers. Furthermore,
17 in a federal case decided in Chicago late last
18 year, the judge ruled that "Affirmative
19 marketing, Testing, Counselling and Realtor
20 Training -- are all per se lawful..." and that
21 the affirmative activities in question had been
22 undertaken not "...to 'restrict' or 'control'
23 access to housing, but rather to expand in the
24 information about housing availability for --
25 for considerations by homeseekers and to

1 promote racial (sic) living and -- and the
2 prevention of re-segregation."

3 AFFIRMATIVE ACTIONS THAT
4 APPROPRIATELY PROMOTES INCLUSIVENESS AND RACIAL
5 DIVERSITY IN HOUSING. ~~In applying its~~

6 position, the Council supports the following
7 non-choice limiting race conscious programs or
8 actions for integrative purposes:

9 1. Enforcement of fair housing
10 laws against acts of discrimination, racial
11 steering and panic peddling;

12 2. Promote integration,
13 choice-expanding housing counselling for home
14 and apartment seekers by private or government
15 agents where the right of the homeseeker to
16 make the final choice is respected;

17 3. Affirmative marketing
18 methods employed by real estate providers to
19 expand all homeseekers' housing choices
20 (informing African-American and other minority
21 consumers of choices in white areas and white
22 consumers of choices in minority or integrated
23 areas);

24 4. Regulation of solicitation
25 by real estate brokers to prevent panic

1 peddling;

2 5. Regulations of "for sale"
3 or "sold" signs where a fact finding process
4 establishes that such signs will contribute to
5 ~~rapid racial change;~~

6 6. Special outreach efforts
7 to involve African-Americans and other minority
8 residents in community activities, and public
9 education efforts to challenge racial attitudes
10 held by whites;

11 7. Racial record keeping by
12 real estate brokers for affirmative purposes;

13 8. Pro-integration,
14 affirmative mortgage programs that have the
15 effect of expanding housing choices for all
16 buyers;

17 9. Equity assurance programs
18 designed to assure all homeseekers, minority
19 and majority, that their property values will
20 not be adversely affected by attempts to use
21 race to manipulate local housing markets; and,

22 10. Special attention to
23 housing quality, public safety, schools, public
24 services and business development in integrated
25 communities.

1 It is clear that race-conscious
2 approaches to provide housing that expand the
3 choices of all homeseekers and do not limit the
4 choices of minorities are acceptable, if not
5 required. Such approaches serve the goals of
6 equal housing opportunities and integration and
7 can help to dismantle segregation.

8 An effective strategy would
9 include: 1) -- I got a little ahead of myself
10 there.

11 Forces promoting racial
12 segregation and rapid racial change have been
13 especially active in the City of Chicago;
14 ironically, it has been in the Chicago suburbs,
15 not in Chicago that methods have been --
16 methods have been used to foster and sustain
17 racial diversity. Conscious methods of
18 achieving long-term integration for Chicago's
19 neighborhood has never -- has never been given
20 serious attention by Chicago's leaders. The
21 Leadership Council did initiate some discussion
22 with the -- with the Washington and Sawyer
23 Administrations on this matter.

24 An effective strategy would
25 include: 1) convening a blue collar --

1 convening a blue ribbon panel for community
2 leaders, civil rights and fair housing
3 advocates, real estate officials, city
4 officials and religious, business, civil right
5 leaders to identify and implement ways to
6 promote fair housing, neighborhood stability
7 and positive race relations (Initial steps were
8 taken during the Sawyer Administration along
9 these lines. The report -- the report of the
10 Chicago Community Trust on race relations due
11 to be released this fall might contribute to
12 such a process. The broad-based efforts toward
13 school reform provides a model.); 2) vigorous
14 enforcement of fair housing laws against
15 illegal racial steering, panic peddling and
16 steering, by the city (Obtaining "substantial
17 equivalency" status for Chicago's Fair Housing
18 Ordinance and reintegrating enforcement and
19 human relations functions into all departments
20 would help us with this effort.)

21 The actions -- the development
22 and the -- and the responsibility of effective
23 policies and practices to stem -- to stem the
24 process of rapid racial transition and to
25 provide for fair housing throughout the -- the

1 city -- are essential, if Chicago is to
2 maintain a vital, multi-racial city.

3 RACIAL OCCUPANCY CONTROLS. The
4 Leadership Council does not endorse quotas,
5 ~~except in the case -- except in cases~~
6 established by the court for limited periods of
7 time as remedies for discrimination, as for the
8 example, in the Gautreaux litigation involving
9 CHA and HUD.

10 In the case of Atrium Village,
11 an outstanding racially and economically mixed
12 development on Chicago's north side, sued in
13 1987 by the Justice Department for utilizing
14 racial quotas, we can appreciate the intentions
15 of the developer and the concerns that without
16 the use of quotas this complex, given its
17 location, would not have attained racial or
18 even economic integration. However, in light
19 of Starrett City -- in light of the Starrett
20 City decision of last year where quotas were
21 struck down, it seems unlikely that Atrium's
22 racial occupancy controls would be sustained,
23 unless it can -- unless it can clearly be shown
24 that such an intervention served to remedy past
25 discrimination and was for a limited duration.

1 In the case of Starrett City in
2 New York and Atrium Village in Chicago, the
3 Council would generally agree with Robert
4 Rosenberg, Starrett City's General Manager who,
5 following the federal appeals court decision in
6 the Starrett City case, stated, "It is
7 unfortunate that the United States Government
8 should challenge a successful experiment
9 instead of aiming its effort at the many
10 segregated developments that exist."

11 CONCLUSIONS AND RECOMMENDATION.

12 In conclusion, the Leadership Council would
13 like to see less attention devoted to
14 "integration maintenance" and more attention to
15 the problem of segregation maintenance;
16 estimates based on birth and death statistics
17 indicate that 152 of the 258 Chicago suburbs
18 had African-American populations of less than
19 one percent in 1986. More energy and resources
20 should be targeted to these areas to assure
21 open housing.

22 On the subject of integration,
23 the Council agrees with its board member Dr.
24 Gary Orfield who has observed, "The only real
25 alternative to ghettoization is integration."

1 The United States Commission on
2 Civil Rights, its several advisory committees
3 and other concerned groups should actively
4 support -- actively support race-conscious
5 ~~affirmative action programs that expand housing~~
6 choices and promotes fair housing and racial
7 diversity. To avoid the pitfalls associated
8 with quotas, concerned parties should explore
9 comprehensive, metropolitan-wide affirmative
10 approaches.

11 And finally, with respect to
12 the quotas, forums should be devised to explore
13 and clarify what type of occupancy controls
14 might be exercised to remedy past
15 discrimination.

16 The issues of equal housing
17 opportunity and integration are complex because
18 of this society's long history of racism and
19 racial segregation. However, there is perhaps
20 no more pressing domestic issue to address than
21 this one because of its many interrelationships
22 with other aspects of social life. Where we
23 live to a very significant extent conditions
24 who we are and what we become.

25 For those of you who have not

1 -- for those of you who have -- who have not
2 seen the movie -- the movie by Spike Lee, Do
3 the Right Thing, the film is a very realistic
4 portrait of life in a socially isolated, poor,
5 African-American neighborhood. The languishing
6 human potential, the alienation and anger
7 depicted here should spur all of us to action
8 to end the violence of segregation.

9 Thank you very much.

10 CHAIRMAN HUGH SCHWARTZBERG:

11 Thank you very much. Questions addressed to
12 this presenter?

13 HERSCHEL SEDER: Just one. You
14 abbreviated some of your remarks; did you
15 intend a fuller report or were you just --

16 JAMES SHANNON: Yes, I -- I
17 gave Ms. Richmond (sic) several copies of this
18 and --

19 CHAIRMAN HUGH SCHWARTZBERG: I
20 take it you've abridged it only for purposes of
21 time --

22 JAMES SHANNON: Yes, that's
23 correct.

24 CHAIRMAN HUGH SCHWARTZBERG: --
25 and that you do not intend --

1 JAMES SHANNON: That's correct.

2 CHAIRMAN HUGH SCHWARTZBERG: --

3 and -- and that you do wish us to examine the

4 full --

5 JAMES SHANNON: Oh, sure.

6 CHAIRMAN HUGH SCHWARTZBERG: --

7 which are submitted.

8 JAMES SHANNON: Absolutely.

9 HERSCHEL SEDER: Thank you.

10 CHAIRMAN HUGH SCHWARTZBERG:

11 Questions? Yes, Mr. Ed Clarke.

12 EDWIN CLARKE: Mr. Shannon, I
13 wonder if you would elaborate a little bit on
14 the reference you make on Page 13 to the
15 pitfalls associated with quotas. You know,
16 I've -- I've heard your argument and so forth,
17 and yet, I'm not quite sure why you talk about
18 pitfalls associated with quotas.

19 JAMES SHANNON: Well, the
20 pitfalls that we associate with quotas, we --
21 we always argue (phonetic) a certain point
22 which is -- which is never reached.

23 For instance, if you're going
24 to set a quota, say, at -- at ten percent of
25 minorities moving into a certain neighborhood

1 -- or whether it's going to be ten percent or
2 twelve percent, it seems to be that all of the
3 energy is focused around a -- a particular
4 point in time when you would reach a number and
5 know more people would be allowed in which is a
~~6 -- a very -- to me it's an exercise of~~
7 futility.

8 Also, to state that -- African-
9 Americans are only 17 percent of the population
10 in this country, if we were to have equal
11 housing opportunity in all communities, there
12 would certainly be no need for quotas if -- if
13 we were given free choice and -- and made
14 information available to all people as to what
15 is available, I see no reason for quotas in the
16 Chicago metropolitan area. We still have
17 communities where there are plenty of jobs,
18 good housing stock where we still see that the
19 African-American population is still less than
20 one percent and we sit here today arguing about
21 a -- a quota system that's in Atrium or -- or
22 that's in some small area. It -- it seems to
23 me that with the disproportionate number of
24 families trying to move into a certain
25 community, if we would broaden the availability

1 of the choice of housing, it would certainly
2 eliminate the -- the disproportionate demand
3 that we have. And, that's one reason I say
4 with the pitfalls of quotas, we get into a very
5 unrealistic approach to the availability of
6 housing.

7 EDWIN CLARKE: Do you consider
8 that the Atrium Village situation is an example
9 of the pitfalls associated with quotas?

10 JAMES SHANNON: Yes, in -- in a
11 number of ways. Being that Atrium Village is
12 adjacent to Cabrini-Green, I have housing
13 seminars -- and I've been doing this for five
14 years. We get a number of families from
15 Cabrini-Green who are paying \$600 and \$700 a
16 month to live in public housing because they
17 know of no other choices or -- and a lot of
18 these families are -- are also even qualified
19 to buy property, but because of the lack of
20 information or the lack of sophistication of
21 them getting access to information about other
22 -- other housing opportunities, I feel that if
23 we were to do something to target that
24 audience, the -- the choices of families living
25 in Cabrini-Green could be really spread out.

1 And also, with -- with Atrium, I see that also.

2 With setting up a development
3 like Atrium whereas the -- the organization
4 that did this, the church, they had very good
5 intentions and, basically, because of the
6 location of Atrium, they felt that the demand
7 would be a disproportionate demand and they
8 were going to run into -- to problems because
9 of that. But they also should make families
10 aware of all developments, not only to do the
11 affirmative marketing in Atrium, but they
12 should do it in all developments throughout the
13 six county area to all families and make them
14 aware of the availability as to what -- what's
15 available.

16 CHAIRMAN HUGH SCHWARTZBERG:

17 Mr. Pugh.

18 THOMAS PUGH: Your experience
19 at Cabrini-Green, if -- if quotas were
20 abandoned as a practical way of -- of achieving
21 some sort of racial parity, would there be any
22 possibility that the Chicago Housing Authority
23 could ever integrate any of its public housing
24 projects without using the quota?

25 JAMES SHANNON: Well, that

1 would be -- be very difficult because there
2 were -- you just can't -- housing follows jobs,
3 and, in order to bring families into housing,
4 you must have more than just housing. The
5 ~~community must be alive. There must be other~~
6 things in the community. Dollars must be able
7 to be turned over in the community -- the
8 community. So, there must be some -- some
9 development done to -- to bring communities
10 alive instead of just saying that we have
11 public housing here that's available to
12 everyone. You know, we -- we have to look at
13 the -- the whole picture and to be able to
14 attract families back to public housing in
15 Chicago because there are things in the
16 community to do that. So, it's -- it would
17 take a community effort in order to do that.

18 THOMAS PUGH: Would it -- would
19 it require a quota or the use of quotas to get
20 some integration in Cabrini-Green?

21 JAMES SHANNON: You mean
22 bringing white families back in there as
23 opposed to what it is now?

24 THOMAS PUGH: Sure.

25 JAMES SHANNON: Well, to -- to

1 really think it through, I would say if the --
2 area is market -- I'm -- I'm so against quotas,
3 I would think that if the area is marketed
4 correctly, I don't think it would require

5 ~~quotas. I think that -- uh -- you don't have~~

6 -- see, where Cabrini-Green is located, in that
7 area up there, you don't have quotas on the
8 northwest side, but you have a lot of places up
9 there that's integrated because the demand to
10 live there is an integrated one and -- and
11 that's where Cabrini-Green is located. So, if
12 -- if we could get away from the stigma of --
13 that Cabrini-Green has over it, it could easily
14 fit into the overall community which is an
15 integrated community.

16 THOMAS PUGH: Would -- would it
17 be possible then to go into the south side in
18 the Taylor homes where 100,000 black people
19 have segregated in -- in public housing --
20 would it be possible to get some white
21 population into those units without quotas?

22 JAMES SHANNON: Well, I would
23 say now that one would be a little more
24 difficult than Cabrini-Green because the
25 surrounding of the Robert Taylor home is a

1 segregated black community and it would require
2 a different approach because then you -- you
3 cannot just look at housing without looking at
4 the overall community, and, when you look at
5 Robert Taylor home and what's around it, I
6 mean, what is there to attract all kind of
7 people to live in that area, and you have to
8 look at that realistically. Whereas, with
9 Cabrini-Green, you -- you have those factors on
10 the north side, but what do you have in --
11 where Robert Taylor home is located to attract
12 all kind of people. Do you have shopping? Do
13 you have jobs? Do you have all of these kinds
14 of things that's available? And, I think you
15 have to look at the overall community. You --
16 we can't just say, let's have quotas so that we
17 can have integrated living.

18 THOMAS PUGH: If a 3,000 unit
19 public housing project were built in an all
20 white section of northwest Chicago, could it be
21 integrated without quotas?

22 JAMES SHANNON: If the
23 affirmative marketing is -- is done properly,
24 yes, because then, again, you have a
25 development that's going in a community that

1 has jobs, that has commercial and has a lot of
2 things that it would be able to offer all
3 people, and you will be able to market it not
4 just with the housing alone, but also market
5 the community.

6 THOMAS PUGH: Has the Chicago
7 Housing Authority done any affirmative
8 marketing?

9 JAMES SHANNON: Not that I know
10 of.

11 SHERWIN T.S. CHAN: Mr.
12 Chairman?

13 CHAIRMAN HUGH SCHWARTZBERG:
14 Yes, Commissioner Chan.

15 SHERWIN T.S. CHAN: You have
16 just mentioned the -- the percentage of -- of
17 black as about 17 percent.

18 JAMES SHANNON: Nationwide.

19 SHERWIN T.S. CHAN: Yeah,
20 nationwide.

21 Now, if there's no control in
22 housing and any open housing, if there's no law
23 controlling that, would you say if it's
24 achieving 17 percent on every housing, would
25 that be satisfactory to your theory?

1 JAMES SHANNON: No, because
2 people move from -- for different reasons, and
3 all people don't work in the same place and all
4 people would not desire housing in the same
5 place.

6 The absence of segregation is
7 integration and if integration is -- is lead --
8 integration is a natural process. And, if
9 integration is done through a natural process,
10 we would see a dispersion of all type people.
11 And -- and we have a good example of that in
12 DuPage County. There's not one town in DuPage
13 County where an African-American family is not
14 living. And if -- there was no quotas, it was
15 just that there wasn't -- there was jobs there
16 and families moved there sporadically. In the
17 absence of a lot of things that would steer
18 people or would cause people to live, will
19 bring about integrated living and the -- the
20 presence of practicing fair housing and
21 explaining to people what their options are
22 would bring about open housing. And that's why
23 I keep emphasizing that. We use so much time
24 to talk about integration maintenance. Our
25 biggest problem that we face now in the housing

1 market is segregation maintenance -- the
2 maintaining of segregated communities with a
3 zero quota that's actually in force where
4 minorities are not given the availability, nor
5 do they know about what's available in -- in
6 those areas and when we take that 17 percent
7 and disperse it throughout based on where
8 people work logical reasons for housing. And
9 I've been working for the Leadership Council
10 for eight years and I've counselled all type of
11 applicants -- all races.

12 All people look for housing for
13 the same reason. They want decent, safe, and
14 sanitary housing; they want to be in areas
15 where there are good schools; and, they want to
16 be in areas where there are jobs. And when you
17 buy a house, you buy into a community. You
18 just don't buy a house, period. You buy into a
19 community. And -- and once families are taught
20 the proper way of looking for housing and given
21 that kind of advise, then we would see that
22 people look for housing for all the same
23 reasons.

24 CHAIRMAN HUGH SCHWARTZBERG:
25 Mr. Ewing.

1 PRESTON EWING: Are the goals
2 of open housing in conflict with black
3 aspirations for increased political power?

4 JAMES SHANNON: No.

5 ~~Definitely, we see Roland Burris (phonetic) now~~
6 is running for a statewide office and Roland
7 Burris has -- has been a statewide elected
8 official. He could not do that only getting
9 votes from a -- a certain constituency.

10 I think we're coming in now --
11 seeing Reverend Jackson running for President
12 -- we're coming in now to a -- a situation
13 where a black politician can no longer have
14 only one constituency and, if we see Governor
15 Bradley in California coming to be very close
16 to the Governor, you can't do that if you only
17 have a -- a minority constituency and I think
18 we have now enough sophisticated African-
19 Americans as politicians who would appeal to
20 all people.

21 And I -- and I think coming up
22 very soon we're going to see black elected
23 officials that will not stand up and say, "In
24 order for me to be your alderman we have to
25 have an all black ward." That is brainwashing.

1 That is telling me that slavery was good
2 because we all had a job and we all had a
3 house, and there was no reason for us to -- to
4 leave slavery. But, I think we -- we see now a
5 ~~situation where we have black elected officials~~
6 that will appeal to all people and can
7 articulate all issues, and I think that's very
8 healthy.

9 CHAIRMAN HUGH SCHWARTZBERG:

10 I'm going to, at this point, thank our
11 presenter and turn to Jesse White, State
12 Representative. State Representative Jesse
13 White is a resident of Atrium Village and we
14 are very pleased to hear from him at this time.

15 JESSE WHITE: First of all, I'd
16 like to thank you for allowing me to come
17 before you today and I'd like to start out by
18 addressing the last question that was raised.
19 For the past 13 years, I've had the great
20 pleasure of representing the people of the
21 Eighth Legislative District which covers the
22 John Hancock -- Lake Point Towers, McClure
23 Court, Lincoln Park, DePaul, and Cabrini-Green.
24 It's 80 percent white constituency/15 percent
25 black/5 percent others, and for 13 years,

1 they're found -- fair favor and understanding
2 with me to the point where they've elected me
3 and re-elected me as their state
4 representative.

5 I'm a seven year resident of
6 Atrium Village and Atrium Village is within the
7 shadows of Cabrini-Green. Cabrini-Green is
8 about a block and a half from my window. I was
9 raised up in that area. I was educated in that
10 area and so I know it quite well.

11 I also want you to know, too,
12 that Cabrini-Green consists of about 13,000
13 residents and, at last count, 152 fathers. If
14 you can understand those numbers, then you can
15 understand the problems that exist in that
16 community. 13,000 is about the size of an
17 average city in the United States.

18 Atrium Village was built by
19 five churches with guidelines from federal
20 government and from IHDA and they asked for
21 there to be quotas and I think the quota was 20
22 percent. Right now, Atrium Village is at 50
23 percent -- 50 percent white/50 percent black,
24 cross section of people -- working class, the
25 handicapped, disabled, families all living

1 together in peace and harmony with their
2 neighbors and friends. And I think that if we
3 are sincere about our efforts to integrate
4 housing stock, Atrium Village would be a model
5 for the nation.

6 And, as you all know, a suit
7 has been initiated saying that you cannot
8 systematically regulate the numbers of people
9 who come into your development or would like to
10 reside there. If it isn't broken don't fix it.

11 Atrium Village is a successful
12 type program; one that I've enjoyed. We have a
13 multitude cross-section of people and what I
14 mean by that is working class, doctors,
15 lawyers, policemen, firemen, nurses, students,
16 public aid recipients, all living under one
17 roof in a harmonious fashion. And I just hope
18 that we can establish more developments such as
19 this across this country of ours, especially in
20 an area bounded by Cabrini-Green or where you
21 see an area that could go 100 percent white or
22 100 percent black, this area is ideal because
23 at one time, the land was barren. It was
24 barren for a long period of time and so the
25 five churches decided to do something about it,

1 and, because of that, the federal government
2 has initiated a suite against them because they
3 want to be able to monitor who lives there.

4 And I would like to just close
5 ~~and respond to questions by saying I am in~~
6 support of the kind of housing that I -- where
7 I reside and I would just hope that more could
8 be developed.

9 CHAIRMAN HUGH SCHWARTZBERG:

10 Questions for Representative White?

11 PRESTON EWING: Mr. Shannon,
12 who preceded you, said that while Atrium
13 Village made a contribution to diminishing
14 segregated living in Chicago, he said that he
15 felt that rather than thinking in terms of
16 creating new integrated projects that more
17 should be done to open up existing housing to
18 people in the metropolitan area. Are you
19 opposed to what he expressed in saying that --
20 in making that statement?

21 JESSE WHITE: Well, first of
22 all, I'd like to answer your question, but I
23 wanted to share something else with you.

24 About three miles northwest of
25 Atrium Village is a housing development called

1 Lathrup Homes and they have a quota system,
2 one-third black/one-third white/and, one-third
3 Latino. And, if we, at Atrium Village, can say
4 that 50 percent is okay and the federal
5 government is saying -- along with CHA is
6 saying a third/a third/ a third is okay, I
7 would like to have 50 percent anytime.

8 I think that we should do all
9 we can to integrate our city, provide
10 affordable housing for those who are in need,
11 and, if the gentleman who preceded me said that
12 he is opposition to that, well, I'm in
13 opposition to him, but I do think that if he is
14 saying more housing is needed -- more
15 integrated housing is needed -- affordable
16 housing is needed, then I'm in support of that.

17 PRESTON EWING: Well, let me
18 ask you this question; it's something as a
19 Chicago watcher, I've been curious about the
20 years and I have reached the conclusion that
21 whether, by accident or intent, Chicago sort of
22 promotes what are called neighborhoods. I
23 notice there's ethnic everything from parades
24 to festivals -- the city doing everything --
25 telling a certain ethnic group that this is

1 your neighborhood.

2 In your experience as a
3 Chicagoan and as a state representative, would
4 you agree that this may be contributing to the
5 ~~perpetuation of the fact that there are certain~~
6 people who don't want other people in their
7 neighborhoods because it seems to be a part of
8 a city-established policy to maintain
9 neighborhood identity. And, I've been all over
10 Chicago. I worked here for awhile. I didn't
11 see any clear barriers or distinction that
12 would tell me I was going from one neighborhood
13 to another, but people that I was visiting or
14 associating with -- uh -- say, "Well, we live
15 in this neighborhood," and they would talk
16 about some of the other neighborhoods in a
17 negative way. And I've been in a lot of
18 cities, but I've seen this nowhere more
19 prominent and emphasized as in the city of
20 Chicago. So, I often wonder had anybody ever
21 raised the question through official
22 governmental policy -- the city supports the
23 perpetuation of the neighborhood concept which
24 has the effect of perpetuating housing
25 segregation?

1 JESSE WHITE: Well, I -- I wear
2 a lot of hats. I coach a tumbling team called
3 the Jesse White Tumblers and we travel all over
4 the country and we've been in existence for
5 about 30 years. And we are privy to receiving
6 invitations to almost every imaginable
7 community in Chicago and the United States as
8 well. So, I get a chance to go into these
9 various neighborhoods and see the housing
10 stock. I get a chance to rub elbows with the
11 people who reside there.

12 Sure, there are some
13 communities that -- where they would not care
14 to have you and one is -- well, I should not
15 identify any of them, but there are a number of
16 them where blacks are not wanted. But, here
17 you have a situation at Atrium Village where
18 we're saying, "We want integration," and I'm
19 really here to speak to that question -- that
20 is to give some support -- give some relief to
21 Atrium Village because I think they are on the
22 right side of the issue. And I think that they
23 are also -- should be a model, you know, for
24 the nation that here you have people banding
25 together with the state, with the federal, with

1 the churches and with the community to come up
2 with a working kind of a -- of a housing
3 development -- one that all of us can be proud
4 of.

5 **PRESTON EWING:** But I'm still
6 trying to find out are you willing or unwilling
7 to express an opinion that would be responsive
8 to the question I asked you as to whether or
9 not certain governmental policies promote
10 segregated housing in Chicago based upon the
11 promotion and support of neighborhood concepts?

12 **JESSE WHITE:** That I can't -- I
13 can't -- I cannot respond to that.

14 **CHAIRMAN HUGH SCHWARTZBERG:**
15 Yes. Mel Jenkins, our staff -- national staff
16 director.

17 **MELVIN L. JENKINS:** One
18 question I want to delve into. You've
19 indicated that you were in support of quotas
20 for particular housing project -- recently, we
21 have seen cases cross my desk in Washington
22 concerning quota systems referenced to Harvard
23 University, Yale University, California at
24 Berkeley, as far as Asian-Americans are
25 concerned and even for blacks.

1 Are you in support of quota
2 systems for higher education, also?

3 JESSE WHITE: Yes.

4 MELVIN L. JENKINS: If so, how
5 can you just -- can you look at that and quota

6 system has been justified to keep minorities
7 from moving into positions in the higher
8 education. It's part of the ceiling --

9 JESSE WHITE: Okay, we can --

10 MELVIN L. JENKINS: -- and we
11 cannot -- if once we reach that magic quota
12 system of 10 percent, we cannot then have more
13 minorities, or blacks, or Asians moving into
14 those classes.

15 JESSE WHITE: Well, we have
16 quotas when it comes to the use of state and
17 federal funds. Even when it comes time to
18 building a road or being involved in a -- any
19 kind of a project that we use state funds, you
20 have a set aside -- a set aside --

21 MELVIN L. JENKINS: That's for
22 inclusion, but quotas in the higher education
23 is for exclusion.

24 JESSE WHITE: Well, my
25 understanding of that is that we are guaranteed

1 that some of our young people would get into --
2 those schools, whereby, if we didn't have that
3 there's a possibility that none of them would
4 be admitted.

5 ~~MELVIN L. JENKINS: Suppose you~~

6 had more -- more qualified minorities than
7 there was basis, what do you do with those
8 qualified minorities -- tell them I'm sorry,
9 you have to go home and wait until we have a
10 slot for you, or how do we deal with that
11 situation -- and it's a very real situation
12 that we are facing in higher education.

13 JESSE WHITE: You -- you raise
14 a good point with that and I -- I'm not
15 prepared to respond to that, but it's good food
16 for thought.

17 CHAIRMAN HUGH SCHWARTZBERG:

18 Mr. Pugh?

19 THOMAS PUGH: Senator, who
20 brought the case against you and -- and your --
21 your -- your Village -- uh -- where did it come
22 from?

23 JESSE WHITE: Well, there was a
24 young lady who lived at Cabrini-Green and I
25 think her allegation was that people from

1 Cabrini-Green were systematically denied access
2 to their property and that there weren't any
3 people from Cabrini-Green who -- who was able
4 to reside in Atrium Village and that was not --
5 not the case. Now, I have her name here and I
6 will share it with you, Charlena Edwards.

7 THOMAS PUGH: A single
8 complaint or is that --

9 JESSE WHITE: Yes, that's the
10 one -- she used to live in Cabrini-Green and
11 she did not -- she applied for housing and she
12 did not meet their qualifications.

13 And I just believe that just
14 because you are black or of a particular ethnic
15 group and you apply for housing, I think that
16 the management have the authority to decide --
17 or make the decision as to whether they should
18 allow you to move in or not. They go out and
19 they visit your home if your home environment
20 -- if you're not a good housekeeper, they can
21 deny you for that. If you're not able to
22 manage your finances properly, they can deny
23 you for that. And -- and other reasons as
24 well, and so I think that this -- this young
25 lady did not meet any of their qualifications.

1 THOMAS PUGH: Well, just for
2 the record because this will be read by people
3 who don't know Chicago, I assume when you said
4 she was Cabrini-Green that means she was black?

5 JESSE WHITE: Yes.

6 THOMAS PUGH: Okay.

7 MELVIN L. JENKINS: Yes. Let
8 me just follow up on that point. If management
9 can decide whether or not a person should live
10 there, should mortgage companies decide,
11 looking at the total picture, of whether or not
12 a person should be able to obtain the mortgage,
13 or real estate company be able to decide,
14 "Well, I'm sorry you don't fit our little
15 square box here; therefore, we don't want you
16 in this area." Isn't that analogous to the
17 situation there --

18 JESSE WHITE: Well --

19 MELVIN L. JENKINS: -- and will
20 you please explain to me --

21 JESSE WHITE: -- I don't think
22 that if a person came to you and you are a -- a
23 business person that you would just in looking
24 at their history whereby they were on the job
25 -- on this job for one month and got fired, and

1 was on the -- another job for a couple months
2 and was fired, and a couple of -- on another
3 job a few months or a couple of weeks and was
4 fired, I don't think that that would be the
5 kind of employee that you would want to have.

6 Getting back to this young
7 lady, and maybe -- I'm just using a
8 hypothetical situation, maybe she was not a
9 good manager of her -- of her funds. Maybe she
10 was placed on a program called protected payee
11 where she was unable to pay her gas or lights,
12 or provide for her children so the public aid
13 department stepped in and paid her bills for
14 her. Is this the kind of a person you'd want
15 to move into that development?

16 MELVIN L. JENKINS: In looking
17 at it, are we looking at objective criteria
18 used by management companies, real estate
19 companies, mortgage companies, or apartment
20 managers. Or, are we simply trying to say,
21 since you don't fit this mold and since we're
22 already at our quota, is that a subterfuge for
23 saying we have our quota; therefore, we don't
24 want you?

25 JESSE WHITE: Well, I'm not

1 saying that they were at that point. Who's to
2 say that they were at their quota? Maybe this
3 -- based on what I've been able to read about
4 the case, the lady did not qualify for -- to be
5 housed in that development. Others were housed
6 in that development -- those before her and
7 those who came after -- after her were housed.
8 It just happened that this particular applicant
9 was rejected, and, just because you're
10 rejected, you want to initiate a suit. Well,
11 you know, all of us have that right to do -- to
12 do that.

13 THOMAS PUGH: Are -- are other
14 -- other black women have been admitted to it
15 since this arose, right?

16 JESSE WHITE: Yes, before and
17 after.

18 THOMAS PUGH: All right.

19 JESSE WHITE: And during.

20 CHAIRMAN HUGH SCHWARTZBERG:

21 Further questions?

22 If there are no further
23 questions, then let me turn to the next
24 presenter and thank -- thank -- thank you,
25 Representative White.

1 JESSE WHITE: Yeah, thank you.

2 CHAIRMAN HUGH SCHWARTZBERG:

3 Our next presenter is Clarence Page -- uh --

4 actually, I don't see Clarence Page in the

5 audience.

6 FAYE ROBINSON: He's scheduled.

7 CHAIRMAN HUGH SCHWARTZBERG:

8 Pardon?

9 FAYE ROBINSON: He's scheduled

10 to be here, but he's not --

11 CHAIRMAN HUGH SCHWARTZBERG:

12 Let me, instead of taking a break, let me --

13 because we have a limited time -- ask Ms.

14 Robinson whether she could call his office just

15 in case?

16 FAYE ROBINSON: Okay.

17 CHAIRMAN HUGH SCHWARTZBERG:

18 And let us proceed, if we may, to -- to two

19 things which I have before me while that call

20 is being made.

21 The first -- and it has to do

22 with the absence of two presenters. The first

23 is by virtue of death. Shortly after the

24 Illinois State Advisory Committee asked that we

25 look into Atrium Village, I contacted the then

1 Executive Director of the Chicago Commission on
2 Human Relations, Mr. Al Raby.

3 And I sat down with Mr. Raby to
4 determine his views about the type of quota
5 which we have discussed. Mr. Raby had the same
6 kind of emotional reaction to quotas that Mr.
7 Shannon expressed to us on behalf of the
8 leadership council. He did indicate, however,
9 in our first conversation that there was
10 something different about Atrium Village that
11 between those quotas which have something to do
12 with merit about who is capable of dealing with
13 higher education and those quotas which are
14 established solely for the purpose of
15 maintaining integration in a situation in which
16 merit is not involved -- that he thought there
17 might well be a distinction and he wanted to go
18 home and think about it because he admitted
19 that he -- from his point of view, he did not
20 see a means of securing the maintenance of
21 integration without such a quota, but was not
22 certain whether he could live by that
23 distinction.

24 We then had another meeting and
25 Mr. Raby said that he had decided there was a

1 difference that fell just along that line --
2 that he would continue to oppose quotas except
3 for temporary relief in merit situations, but
4 that he would be and become an advocate of
5 ~~quotas in the non-merit situation of seeking~~
6 and maintaining housing integration. That
7 position, perhaps as a result of what we had
8 induced him to think about, that is the problem
9 of Atrium Village, was then duly reported in
10 the newspapers and his support for Atrium
11 Village was then duly supported despite a long
12 period of having opposed the generality of
13 quotas which he continued to do for the
14 remainder of his life.

15 I think in light of the time
16 that he spent on that that I should note that
17 position here because this similar position
18 which was expressed by Mr. Morris Milgram who
19 had wanted to be here to say the same thing
20 could not be said because he happens to be home
21 ill this day. And, I simply note the absence
22 of a presenter who might draw that particular
23 distinction.

24 The second thing which I wish
25 to note, in the form of an absent presenter, is

1 that we had initially expected Reverend
2 Roosevelt McGee to make a presentation in
3 opposition to the -- the Atrium Village
4 position presented by Mr. Shakman and Mr. Heine
5 and -- and Representative White to be another
6 balancing voice of a different kind.

7 Reverend McGee indicated this
8 morning when he was here that he did not feel
9 that he was adequately prepared on that; that
10 he had drawn his position paper apparently
11 through some failure of communication more
12 addressed to the south suburban aspect than to
13 Atrium Village, but his remarks, it seemed to
14 me, clearly state a position which would reach
15 the same conclusion of opposition to Atrium
16 Village and simply extend further into the
17 south suburban, and he has asked that I read
18 these into the record and -- which I will now
19 do. These are not my own remarks, but those of
20 Reverend Roosevelt McGee who serves as chairman
21 of a local branch of the Southern Christian
22 Leadership Conference.

23 Good morning. I appreciate the
24 opportunity to address the Committee and
25 express opposition to racial-based formulas for

1 preserving integration. --

2 The recent decision by Judge
3 Harry D. Leinenweber in the case of the South
4 Suburban Housing Center v. Greater South
5 ~~Suburban Board of Realtors and the National~~
6 Association of Realtors is an uninterrupted
7 existence or succession of a national trend of
8 indifference and disrespect for the rights of
9 blacks and minorities in this country.

10 The enactment of a guaranteed
11 home equity program by the City of Chicago, and
12 the State of Illinois, as well as the United
13 States Supreme Court's erosion of affirmative
14 action by recent civil rights ruling, all point
15 to a general trend that seeks to reverse the
16 progress won by civil rights in housing and
17 employment over the years. If America is for
18 all the people regardless of skin color or
19 ethnicity, then the people must have a moral
20 and legal right to purchase the home of their
21 choice without discriminatory racial steering
22 in order to restrict the communities population
23 to a minimal ceiling quota under the guides of
24 promoting integration. This gives the
25 impression that if too many people of one race

1 are in an area; then that area's home value
2 will decline.

3 We believe Judge Leinenweber's
4 decision is morally and legally wrong. His
5 ~~decision ruled that the fair housing laws~~
6 permit discriminatory racial steering in order
7 to restrict a communities African-American
8 population. His decision allows communities to
9 institute programs that provide different
10 services to homeseekers in their area based
11 upon race.

12 It should concern all persons
13 of good will that government implement laws
14 that will protect the rights of all Americans
15 to live wherever they choose based upon their
16 economic ability -- not their race. I know we
17 all can agree that the one distinguishing
18 characteristic of our nation is its rich,
19 cultural diversity. The south suburban area is
20 just that, rich in cultural diversity and
21 growing every day. We must not restrict that
22 growth, but implement programs to erase the
23 fears of one race towards another. We must
24 encourage understanding and respect for every
25 race and not force quotas and integration

1 maintenance programs upon each other.

2 I -- once again, those are Mr.
3 -- those are Reverend Roosevelt McGee's words.

4 CHAIRMAN HUGH SCHWARTZBERG:

5 Yes.

'6 WILLIAM SIMPSON: I'd like to
7 ask a question if I may address a factual
8 matter since you are recording this, and if I
9 don't bring it up, it will be recorded as
10 incorrect (phonetic). May I do that, please?

11 CHAIRMAN HUGH SCHWARTZBERG:

12 Would you identify yourself?

13 WILLIAM SIMPSON: My name is
14 William Simpson. I'm with the Chicago Far
15 South Suburban NAACP. It's just a factual
16 matter that has to do with a statement of the
17 presenter who just left, Mr. White.

18 CHAIRMAN HUGH SCHWARTZBERG:

19 Well, I would say that that falls within the
20 area of the items which come under the 435 515
21 area. However, I would suggest that if you
22 will submit that in writing, it will become a
23 part of the record and Ms. Robinson can give
24 you the address to which that can be addressed,
25 but under our -- but under our rules, this

1 portion is -- and, including questions of fact
2 and corrections, would have to come in that
3 form because of the way this is set up.

4 WILLIAM SIMPSON: I have
5 ~~already presented the statement, but I thought~~
6 this might be the proper time to say this
7 before it --

8 CHAIRMAN HUGH SCHWARTZBERG: I
9 know, I --

10 WILLIAM SIMPSON: -- as a -- as
11 a factual matter.

12 CHAIRMAN HUGH SCHWARTZBERG: --
13 yes, but I regret not. Thank you, sir.

14 We turn then to -- with sort to
15 Reverend McGee's statement as sort of a first
16 -- first presence on this thing, to the general
17 questions of south suburban area and to the
18 kinds of maintenance of integration and -- that
19 were conducted in and became a subject of the
20 -- the south suburban litigation. And for that
21 purpose, I would like to call, first, on Karen
22 Martin, the Executive Director of the South
23 Suburban Housing Center. Ms. Martin is the
24 Executive Director of the South Suburban
25 Housing Center and we are very pleased to

1 welcome her at this time.

2 KAREN MARTIN: Thank you for
3 the opportunity to speak before this group.

4 The South Suburban Housing
5 Center is a private fair housing agency serving
6 the 37 communities of Chicago's South Suburbs.
7 We have several programs at the Housing Center
8 which promote our mission, and these programs
9 are as follows:

10 First, auditing and compliance.
11 This is what is also known as testing and
12 monitoring. Through this program we send out
13 matched pairs of "testers" -- e.g. a black
14 tester and a white tester or a tester without
15 children and a tester with children. We look
16 for evidence of discrimination in how they are
17 treated. We test Realtors, apartment complexes
18 and buildings, trailer parks, for-sale-by
19 owners and new home construction. We also send
20 people out to make sure that those who have
21 violated the law are in compliance with court
22 orders.

23 When we find discrimination as
24 a result of bona fide complaints or systemic
25 testing, we file actions with HUD or with the

1 civil courts. We do indeed find a lot of
2 discrimination and have been very successful in
3 our work on behalf of damaged homeseekers. For
4 instance in 1988, a record settlement of over
5 ~~\$278,000 was made in favor of plaintiffs in a~~
6 law suit against builders in the City of
7 Calumet City. Black homeseekers had been
8 denied housing in new developments and came to
9 us for help. There were 13 plaintiffs in that
10 case and 20 defendants. Currently the Housing
11 Center has 9 cases that are open. Most of our
12 cases historically have been filed on behalf of
13 black homeseekers who have experienced
14 discrimination. This auditing and compliance,
15 of course, is the program that has gotten the
16 most attention. We believe strongly in
17 deterrence and making it very expensive to
18 violate the law.

19 Another program is marketing.
20 The Housing Center, in its mission of service
21 to the southern suburbs, cares very much that
22 the "outside world" or those outside of the
23 southern suburbs see the southern suburbs in a
24 positive light -- light and will consider the
25 region as a good place to live and do business.

1 To further this end, we coordinate a group of
2 communities' effort with a major Public
3 Relations firm to create positive media
4 attention for the total area. We also work to
5 introduce to the southern suburbs corporations
6 who might move their employees to the Chicago
7 area.

8 Another program is education.
9 The Housing Center always looks for
10 opportunities to share the word that racially
11 and culturally diverse communities are the best
12 place to live. This is done a number of ways,
13 from working cooperatively with groups such as
14 Leadership Council and the Chicago Area Fair
15 Housing Alliance, to being involved with
16 efforts to tear down misinformation about
17 housing values by creating a map to show ranges
18 of housing values in the south and the
19 southwest suburbs, to sponsoring a poster and
20 poetry contest for area youth, asking them to
21 celebrate diversity and fair housing. We
22 unashamedly announce that our mission is not
23 only to go after violators of the law, but to
24 tell people that diversity is good, is healthy,
25 and that living together helps break down

1 barriers that impede movement toward fairness,
2 justice and opportunity for all.

3 We also provide fair housing
4 education programs to real estate

5 professionals. Those people who have

6 significant control over the housing market.

7 One of the principles we stress with Realtors

8 is expanding the choice of homeseekers to

9 include non-traditional moves. People are

10 seldom aware of the full range of their housing

11 options, and for Realtors to suggest only

12 communities where the homeseeking traffic is

13 predominantly white to whites, and communities

14 where homeseeking traffic is predominately

15 black to blacks, is steering.

16 The best way to explain

17 expanded choice is to explain it with a

18 reference to housing styles. If a homeseeker

19 goes to a Realtor and says, "I want to see 3-

20 bedroom ranches in the \$80,000 price range,"

21 the Realtor generally would do his or her best

22 to accommodate that wish. But Realtors do not

23 always consider themselves bound by that wish.

24 They will say to the Homeseeker, "Yes, I'll

25 show you 3-bedroom ranches for \$80,000, but I

1 think you might also wish to consider split
2 levels and two-stories." The Realtor might
3 even go outside the price range, sometimes up,
4 sometimes down.

5 ~~So, too, the Realtor should try~~
6 to expand homeseekers' choices when it comes to
7 communities. A homeseeker who requests Tinley
8 Park, which is predominantly a white community,
9 might also be given an opportunity to see homes
10 in Country Club Hills which is an integrated
11 community. A homeseeker who requests Harvey,
12 which is predominantly a black community, might
13 also have suggested East Hazel Crest, a
14 predominantly white community.

15 The South Suburban Housing
16 Center believes in one housing market, on that
17 serves all people. We believe 100 percent of
18 homeseekers should have access to 100 percent
19 of the market for which they are qualified.
20 The final choice is always, always, that of the
21 homeseeker.

22 Homeseekers Service is another
23 program. And that is our Affirmative Marketing
24 arm of the South Suburban Housing Center. We
25 gather and disseminate information about

1 communities and housing choices, and we counsel
2 and escort homeseekers.

3 This program provides special
4 outreach to people who would not normally be
5 ~~expected to apply for housing in an area~~
6 because of race, and encourages people to not
7 limit themselves in their housing choice on the
8 basis of race. We encourage non-traditional
9 moves. A non-traditional move would be one in
10 which the homeseeker moves to an area or
11 community where he or she would not be expected
12 to apply for housing because of their race.
13 Examples of non-traditional moves would be a
14 black homeseeker moving to the southwest
15 suburb, or a white homeseeker moving to Harvey.
16 Another example might be for a white homeseeker
17 to move to an area which is rapidly changing
18 from white to black, evidenced by most of the
19 homeseeking traffic being black.

20 In no way are homeseekers'
21 choices limited nor are they denied access to
22 information. We encourage education and inform
23 people of choices they might otherwise not know
24 about and we support decisions to look at the
25 total market.

1 Through our Auditing and
2 Compliance Program, the Housing Center has done
3 a tremendous amount of work to eliminate
4 discrimination against minority homeseekers in
5 the southern suburbs. But we believe it is
6 very important that we make efforts to
7 accomplish more than just making sure that laws
8 are followed in the southern suburbs.

9 We do not believe the
10 segregation that is so prevalent in U.S.
11 society is the result of free choice. We have
12 heard people assert that blacks only want to
13 live with blacks, and whites only want to live
14 with whites. In some cases, that might be
15 true. But in others, segregation is clearly
16 the result of discrimination. No one should
17 make that housing choice for people. Given the
18 choice, whites may choose to live with only
19 whites and some blacks may choose to live with
20 only blacks. What is important is that they
21 make that decision for themselves.

22 The South Suburban Housing
23 Center does believe that residential racial
24 integration is a good thing. We will continue,
25 proudly, to work for it. People would be free

1 to choose integrated communities if they wish.

2 I now want to specifically
3 address the issues of, and I quote from the
4 letter sent me by Mr. Jenkins, "the extent to
5 ~~which discrimination occurs through the use of~~
6 racial quotas and integration maintenance
7 programs," and, "methods used to maintain
8 racial balance or diversity."

9 Here, I think it is crucial to
10 make a distinction between the quota system
11 employed at Atrium Village and Starrett City in
12 New York and our Affirmative Marketing and
13 Counselling Programs. Comparing the two is
14 like comparing apples and oranges. The Housing
15 Center does not own or control housing; we do
16 not have any sort of quota system. Our efforts
17 are all designed to expand the choices of all
18 homeseekers.

19 Perhaps the most important
20 witness to the fact that the South Suburban
21 Housing Center does not discriminate, nor
22 causes discriminatory effect, is Judge Harry
23 Leinenweber's decision in "South Suburban
24 Housing Center v. Greater South Suburban Board
25 of Realtors," the decision handed down last

1 December and already referenced by Jim Shannon
2 and by Reverend McGee.

3 The Judge found that "there was
4 no evidence presented that the purpose of any
5 ~~advertising or marketing efforts was to deny~~
6 equal housing opportunity, restrict access to
7 housing, manipulate choice, or otherwise impose
8 a quota on any racial group. Instead, the
9 efforts were directed to providing information
10 to those felt less likely to consider housing
11 [...] and thus to promote integrated living."

12 The Judge acknowledged the
13 importance of efforts to promote long-term
14 racial diversity. He stated, "it is a
15 fundamental national policy to promote stable,
16 long-term racial diversity in the communities
17 of the United States." As the Supreme Court
18 repeatedly has said, "'there can be no question
19 about the importance to a community of
20 'promoting stable, racially integrated
21 housing.'" The Fair Housing Act was intended
22 promote open integrated residential housing
23 patterns and to prevent the increase of
24 segregation, in ghettos, of racial groups whose
25 lack of opportunities the Act was designed to

1 combat." The Judge followed by saying, "This
2 national commitment requires special attention
3 to the needs of an integrated community
4 threatened with re-segregation. As the Supreme
5 Court said ... the "adverse consequences
6 attendant upon a 'changing' neighborhood" are
7 often "profound." These harms basically "flow
8 from the realities of a racially segregated
9 community" and include a reduction in home
10 buying demand, the diminishment of the tax
11 base, a threat to the ability of the community
12 to bear the costs of local government and to
13 provide essential services and the loss of the
14 positive benefits of living in an integrated
15 community." " Even the National Association of
16 Realtors has said the "encouragement of
17 integration ...[is] consistent with the
18 national housing policy."

19 The Judge then said, "since
20 affirmative marketing does not contemplate the
21 lessening of normal marketing activities
22 designed to reach the racial group most likely
23 to be attracted to the property in question,
24 there is little adverse impact on the
25 availability of ... housing ..." And I have

1 submitted a copy of Judge Leinenweber's
2 decision so his decision can be referenced
3 should you have the need.

4 There is room for disagreement
5 about the goals the Housing Center states.

6 People will disagree with our belief that
7 residential racial integration is a good thing.
8 People may disagree with our methods. But, as
9 Judge Leinenweber found, we cannot be accused
10 of discriminating against homeseekers or
11 restricting anyone's information or housing
12 choices.

13 I am very proud to work for the
14 South Suburban Housing Center. I admire its
15 courageous stance. I personally believe in the
16 rights it defends. It has and will continue to
17 render a great service, not only to Chicago's
18 southern suburbs, but to the nation -- through
19 our seminal work and willingness to broach
20 difficult issues.

21 Thank you.

22 CHAIRMAN HUGH SCHWARTZBERG: At
23 this time, are there questions addressed to Ms.
24 Martin?

25 If there are no questions at

1 this time of Ms. Martin, I would like to ask
2 Ms. Martin if she would to stay because it may
3 be that other questions will come up incident
4 to the other presenters and still on this
5 subject. So, if you will take your seat, I may
6 well bother you once more.

7 At this time, I'd like to call
8 on Robert D. Butters the Deputy General Counsel
9 with the National Association of Realtors. Mr.
10 Butters. We're pleased to have you with us
11 this afternoon.

12 ROBERT D. BUTTERS: Thank you
13 very much, Chairman Schwartzberg. Ms. Robinson
14 is passing out a -- a statement that I've
15 prepared for submission. It is obviously in
16 excess of 30 pages. I am not intending to
17 delay your afternoon any further by reading it
18 verbatim, but what I would like to do is very
19 briefly and I'll address a summary of the --
20 the remarks and certainly be prepared to
21 respond to any questions that may either be
22 prompted by the oral remarks I would -- about
23 to make or any that may be prompted as you have
24 an opportunity to skim through the material.

25 I am Robert Butters and I'm the

1 Deputy General Counsel of the NATIONAL
2 ASSOCIATION OF REALTORS. And on behalf of our
3 800,000 members, we appreciate the opportunity
4 to appear and testify before this advisory
5 committee and I might make one note, as I
6 mentioned, the size of our membership, 800,000,
7 not every real estate licensee in this country
8 is a realtor. The term realtor does happen to
9 be federally registered collective membership
10 mark which refers to -- and is only to refer to
11 members of the NATIONAL ASSOCIATION OF REALTORS
12 as opposed to in excess of 2,000,000 people in
13 this country that are licensed to deal in real
14 estate. And, indeed if one includes resident
15 managers of apartment projects and others who
16 may not even be licensed that are participants
17 in this industry, our membership, in fact, is
18 significantly less than say 50 percent of those
19 who even have licenses.

20 But continuing, we do
21 appreciate the opportunity to appear and
22 testify before this Advisory Committee on an
23 issue of utmost concern to the real estate
24 industry and that is whether the fair housing
25 laws permit or, indeed, perhaps require that

1 race be taken into account in the marketing of
2 real estate, if to do so would create or
3 preserve integrated living patterns. And, we
4 submit that the clarification of the means that
5 ~~are permissible to eradicate segregation in~~
6 this country is absolutely essential to the
7 real estate industry because Congress just last
8 year recently increased very significantly the
9 fines and other penalties that can be imposed
10 upon real estate brokers who have found to
11 violate Title VIII. In our judgement, if real
12 estate brokers are permitted to take race into
13 account in marketing real estate for any
14 objective, then that permission must be spelled
15 out without -- with absolute clarity and
16 precision because the consequences to a real
17 estate broker of an incorrect judgement can be
18 the loss of his or her business.

19 Let me state at the outset that
20 the National Association is totally committed
21 to ensuring that its members are aware of and
22 comply with their obligations under Title VIII
23 to market real estate without regard to race,
24 religion, color, sex, handicapped, or familial
25 status, or any other prohibited classification

1 whether it be under the federal law or the
2 state law where the real estate broker may be
3 operating. And, to this end, the National
4 Association executed with HUD a Voluntary
5 ~~Affirmative Marketing Agreement (VAMA). We~~
6 were the first national association in the
7 housing industry to do that. We did that in
8 1976, first, and it is subsequently been
9 renewed for five year terms and was most
10 recently renewed in 1987. And under that
11 agreement, realtors who were signators to the
12 agreement pledged to follow not just the letter
13 but the spirit of Title VIII in their
14 advertising and their recruitment practices in
15 the real estate office, and also to implement
16 office management procedures that insure that
17 the licensees under their jurisdiction are, in
18 fact, carrying out their obligations to provide
19 equal professional service.

20 Interestingly, when the
21 Voluntary Affirmative Marketing Agreement was
22 first executed by NAR with HUD in 1976, the
23 definition of affirmative marketing under that
24 agreement was outreach to the minority
25 population to ensure that the minority

1 population was made aware that it could
2 purchase homes or rent apartments in all
3 communities in this country because, up until
4 1968, that was not the assumption -- in fact,
5 ~~that was not the rule. Until 1968 -- until the~~
6 Jones v. Mayor decision and the passage of
7 Title VIII by Congress in 1968, it was presumed
8 by most lawyers -- by most judges and certainly
9 by most real estate brokers that private racial
10 discrimination where a homeowner dictates --
11 could dictate to a real estate broker to whom
12 that property would be sold, and, so long as
13 government was not involved, that so-called
14 private discrimination was not illegal. And,
15 of course, real estate brokers as agents of
16 property owners own fiduciary obligations to
17 those owners and one of those fiduciary
18 obligations up until 1968 was to follow
19 otherwise lawful instructions of your
20 principle. And, if the instruction was lawful,
21 and it was presumed to be so at the time in
22 1968, then you had a fiduciary obligation to
23 follow it even if personally you may have found
24 it abhorrent. Of course, all of that changed
25 in 1968 and the private racial discrimination

1 is, of course, clearly illegal. And that in
2 1976, the outreach that was part of the
3 Voluntary Affirmative Marketing Agreement was
4 directed at the minority community because they
5 were the ones presumed not to know
6 traditionally that all properties in a
7 marketplace were available to them.

8 However, in 1987 at the
9 insistence of the Department of Housing and
10 Urban Development, the specific reference to
11 minority outreach was deleted and that, in lieu
12 thereof, a new definition of affirmative
13 marketing was substituted which simply said to
14 create a condition where persons of like
15 economic resources have a like range of housing
16 choices made available to them and the specific
17 outreach to minorities was deleted as the
18 insistence of HUD.

19 We also have Article 10 in our
20 code of ethics which obligates every member of
21 NAR to provide equal professional services to
22 all persons without regard to race, sex, color,
23 religion or national origin, and a failure to
24 do so can result in disciplinary procedures --
25 proceedings commenced against an offender and

1 the result could be a loss of membership in a
2 local board of realtors in the many market
3 areas in this country. That is a very serious
4 loss to the brokers ability to function in the
5 marketplace.

6 The National Association

7 supported the use of federal funds and we still
8 support the use of federal funds to test real
9 estate brokers compliance with Title VIII and
10 to prosecute those who do not comply with Title
11 VIII provided the tests are conducted according
12 to guidelines, and ensure that they are
13 objective and that they are, in fact, to lead
14 to credible evidence of housing discrimination.

15 And finally, the National
16 Association was pleased to be part of a broad
17 coalition that supported the Fair Housing
18 Amendments of 1988. This truly historic
19 legislation dramatically increases the
20 penalties for a violation of Title VIII and
21 authorizes that the federal government for the
22 first time to bring suits on behalf of victims
23 in individual cases of housing discrimination.

24 Simply put, ladies and
25 gentlemen, we submit the issue today is not

1 whether complaints of housing discrimination
2 should be dealt with swiftly and violators
3 severely punished. There's no debate about
4 that. Issues of appropriate enforcement were
5 debated and resolved, at least for now, with
6 the passage of the Fair Housing Amendments Act
7 earlier this year. Rather, the issue was the
8 more fundamental one, I would submit, of what
9 conduct is prohibited by Title VIII and what
10 conduct is permitted as regard the, so-called
11 affirmative use of race in marketing real
12 estate at least by professional real estate
13 brokers.

14 The examination of the
15 legislative history of Title VIII shows beyond
16 any reasonable doubt that Congress intended
17 that Title VIII break down and hopefully
18 eliminate the segregated housing patterns in
19 this country that developed over centuries of
20 de facto and de jura discrimination, but our
21 reading of Title VIII's legislative history
22 suggests that the means, as opposed to the
23 objective -- the means Congress chose to reduce
24 segregation was to strictly prohibit the public
25 and private discrimination that historically

1 ensured that we had the continuation of
2 segregation in this country. Congress appeared
3 to stop short of authorizing quotas or other
4 race conscious devices to create or preserve
5 integration.

6 We have seen over the last 20
7 years that, despite what Congress may have
8 intended in 1968, open housing does not
9 necessarily or automatically result in stable
10 integrated housing patterns. Because of this,
11 municipalities and, in some instances, state
12 government, or even the federal government have
13 encouraged or required marketers of housing to
14 adopt specific race conscious marketing
15 practices to achieve a demographic goal or
16 quota so as to maintain or preserve stable
17 integrated housing patterns. These targets are
18 sometimes very specific as in quotas for
19 housing projects such as Starrett City or
20 Atrium Village, or very vague as in references
21 to a prevailing ratio of minorities to
22 minorities -- of minorities to majorities in
23 the census tract, or a standard metropolitan
24 statistical area so as to identify persons
25 under represented or least likely to apply for

1 available housing.

2 Now, the dilemma posed by these
3 programs that are sometimes called integration
4 maintenance programs or promotion of racial
5 ~~diversity programs, the real estate broker is~~
6 monumental. On the one hand, brokers are asked
7 to cooperate and sometimes they are sued if
8 they decline, as was the case in the South
9 Suburban Housing Center case brought against
10 the NATIONAL ASSOCIATION OF REALTORS and the
11 Greater South Suburban Board of Realtors. On
12 the other hand, courts that have considered the
13 question as well as federal government agencies
14 suggest that any race conscious marketing by a
15 real estate broker, and there may be a dispute
16 about the extent to which that conduct is
17 acceptable on the part of a not-for-profit fair
18 housing organization, but as far as a real
19 estate broker is concerned, such conduct is
20 illegal regardless of motivation.

21 Many have suggested that a
22 distinction exists between choice expanding
23 race conscious affirmative marketing which is
24 lawful and choice limiting racial steering
25 which is illegal. We submit that this

1 distinction is, in fact, a semantic fiction.

2 The simple truth is that the only time race

3 conscious affirmative marketing can ever be

4 choice expanding is if the person at whom it is

5 ~~directed has already had his choices limited~~

6 because of race. In other words, it would be a

7 remedial act -- someone who has not been

8 allowed to view the entire marketplace --

9 affirmative marketing by offering so called

10 non-traditional choices would even out the

11 balance you must initially presume that the

12 balance has been out of kilter to begin with.

13 But if that is not the case, in the absence of

14 a prior external limitation on the homeseeker's

15 freedom of choice, race conscious marketing

16 always limits choice and, thus, makes housing

17 otherwise unavailable to the same extent as so

18 called bad choice limiting racial steering.

19 The only difference between

20 choice expanding and choice limiting race

21 conscious marketing are the types of choices

22 being limited. Choice expanding, as it's

23 called race conscious marketing, limits so

24 called pro-segregative choices where the

25 homeseeker is otherwise freely chosen to live

1 in the neighborhood where his own race
2 predominates and choice limiting race conscious
3 marketing limits pro-integrative choices where
4 the housingseeker would otherwise have freely
5 ~~chosen to live in a neighborhood where his race~~
6 is in the minority. In this sense, race
7 conscious marketing of real estate always
8 constitutes some form of racial steering.

9 Real estate brokers must be
10 told if racial steering to maintain
11 neighborhood integration is lawful. If it is
12 lawful, brokers must be told when a community
13 is sufficiently integrated to trigger
14 integration maintenance techniques to preserve
15 that balance. It is, of course, impossible to
16 answer this question without resorting to some
17 quantitative measure whether it be a rigid
18 quota or a more flexible goal or target, or
19 other less specific objective. Brokers must be
20 told who has the authority to make this
21 judgement. Is it a municipality? Is it the
22 state? Is it a federal government, or may it
23 be done by private fair housing groups
24 operating on their own or at a municipalities
25 behest.

1 But the dilemma of integration
2 maintenance, we submit, goes far beyond the
3 pressure and confusion felt by real estate
4 brokers. It goes to the very essence of the
5 ~~fair housing laws. If integration is legal for~~
6 some participants in the housing market, then
7 it should be legal for all participants because
8 legality of this practice cannot merely be a
9 function of the marketing method or the
10 individual marketer selected, and, if
11 integration maintenance is to be legal, then a
12 decision will have to be made that blacks must
13 remain a minority everywhere unless and until
14 they become a majority everywhere with all the
15 consequences that decision signifies for the
16 capacities of blacks to make their voices
17 heard. And if integration is to be legal, then
18 a decision will have to be made as to how we
19 can justify the dispersal of people who would
20 choose to live together without stigmatizing
21 and stereotyping those people as dangerous,
22 undesirable and uncontrollable risks to society
23 in general.

24 And I would cite to you the
25 decision of Smith v. the City of Cleveland

1 Heights, for that kind of stigma was deemed to
2 be a type of injury that was actionable under
3 Title VIII. We had thought that Title VIII had
4 repudiated for all time the claim that any
5 ~~person had a right to tell another person where~~
6 he or she should live. If we are to be
7 reestablished, the real estate brokers as the
8 guardian of the racial, religious, or ethnic
9 composition of -- of our communities, then it
10 ought to be done, we submit, by congress or the
11 courts under our constitution and not by
12 communities operating independently or by fair
13 housing organizations operating independently.

14 And with that, we -- we
15 appreciate the opportunity to present our views
16 to this Advisory Committee on this matter
17 that's so vital not only to the real estate
18 industry, but the nation as a whole.

19 CHAIRMAN HUGH SCHWARTZBERG:

20 Thank --

21 ROBERT D. BUTTERS: Thank you.

22 CHAIRMAN HUGH SCHWARTZBERG: --
23 thank you, Mr. Butters. Questions for Attorney
24 Butters? Mr. Pugh.

25 THOMAS PUGH: Thank you. My

1 first question, did you intend to --- did -- did
2 you abridge, or were they different remarks?

3 ROBERT D. BUTTERS: They were
4 -- I gave you a summary of --

5 THOMAS PUGH: ~~Of all of the --~~

6 ROBERT D. BUTTERS: -- more or
7 less what is in the --

8 THOMAS PUGH: -- all of the
9 remarks you read are in this report.

10 ROBERT D. BUTTERS: For all
11 practical purposes. I elaborated somewhat on
12 some matters that may not be found in the --

13 CHAIRMAN HUGH SCHWARTZBERG: I
14 take it that for purposes of publication or the
15 like, we should look to the longer document.

16 ROBERT D. BUTTERS: I -- I
17 would ask that the document I have submitted be
18 made a part of the record of these proceedings
19 if that's acceptable.

20 CHAIRMAN HUGH SCHWARTZBERG:
21 May I ask, simply for making life somewhat
22 easier for Ms. Robinson, if there are specific
23 items that you added orally that are not
24 embodied in the longer document, if you could
25 perhaps --

1 ROBERT D. BUTTERS: I did --

2 CHAIRMAN HUGH SCHWARTZBERG: --

3 in longhand submit those as -- submit a -- a
4 corrected version of a longer document to Ms.
5 Robinson. I think that would --

6 ROBERT D. BUTTERS: -- I see.

7 CHAIRMAN HUGH SCHWARTZBERG: --

8 would assist the committee.

9 Mr. Chan.

10 SHERWIN T.S. CHAN: Yes. I
11 have a question. Does the FHA loan have some
12 control to make the realtor associat -- member
13 of the Real Estate Realtor Association honest?
14 I mean, if -- if there's some wrongdoing by the
15 real estate realtors and the FHA will not
16 release the loan, isn't it? Is it -- has any
17 control, or will it -- as long as they meet the
18 FHA requirement, then the FHA will give you the
19 loan despite all of the --

20 ROBERT D. BUTTERS: Well, the
21 -- of course, the home -- the perspective
22 homeseeker would be the one applying for the
23 FHA loan guarantee and, as far as I understand
24 those programs, Mr. Commissioner, the FHA does
25 not inquire as to how the homeowner came to

1 choose to purchase the home for which they're
2 seeking the insurance guarantee. They simply
3 receive it, evaluate it, make a determination
4 as to the qualifications of the applicant, and
5 either agree to issue the loan guarantee or
6 they don't. And an appraisal will have
7 something to do with that based upon the value
8 of the property and the amount of the loan
9 being sought and that kind of thing.

10 The FHA is not an enforcement
11 arm as far as the fair housing laws are
12 concerned. HUD, its office of Fair Housing and
13 Equal Opportunity, is. And, of course, the
14 Federal Housing Administration is another
15 division of HUD, but perhaps I'm not --

16 SHERWIN T.S. CHAN: Yeah, what
17 you're saying the -- is the -- the FHA do not
18 serve as second level guiding -- for the HUD
19 Title VIII? They are the same -- they are the
20 same -- uh --

21 ROBERT D. BUTTERS: Well, they
22 are under the same Department of Housing and
23 Urban Development that's correct, sir. I've
24 never understood FHA to be -- or to view its
25 role as a fair housing enforcement role. I --

1 I might add that --

2 SHERWIN T.S. CHAN: Yeah. This
3 is what I'm getting at --

4 CHAIRMAN HUGH SCHWARTZBERG: I
5 -- I take it the question -- your question is

6 limited to single family residents.

7 SHERWIN T.S. CHAN: Right.

8 ROBERT D. BUTTERS: I -- I -- I
9 guess I'm -- I'm not that -- I don't understand
10 the --

11 SHERWIN T.S. CHAN: FHA is not
12 even a part of the HUD, but they're not -- the
13 HUD is not using FHA loan to control any
14 legality of Title VIII?

15 ROBERT D. BUTTERS: Absolutely
16 not. In fact --

17 SHERWIN T.S. CHAN: It's
18 independently --

19 ROBERT D. BUTTERS: -- in fact,
20 certainly whether or not a property is going to
21 be subject to a loan guarantee by FHA has
22 nothing to do with whether the way in which
23 that property was marketed does or does not
24 violate Title VIII. One must comply with Title
25 VIII --

1 SHERWIN T.S. CHAN: Uh-huh.

2 ROBERT D. BUTTERS: -- with
3 respect to the marketing of anything including
4 mobile homes, and -- and raw land, and -- and
5 ~~if you want to include the Civil Rights Act of~~
6 1866 in this, any kind of property whether it's
7 a dwelling or not -- uh -- an office building,
8 any kind of interest in real estate must be
9 marketed without regard to race.

10 CHAIRMAN HUGH SCHWARTZBERG:

11 Mr. Pugh.

12 THOMAS PUGH: Mr. Butters, I --
13 I have to preface my remarks by saying that I
14 have a strong prejudice against the -- your
15 association.

16 ROBERT D. BUTTERS: I'm sorry
17 to hear that.

18 THOMAS PUGH: It goes --

19 CHAIRMAN HUGH SCHWARTZBERG: I
20 take it that's not really relevant to -- to
21 this --

22 THOMAS PUGH: -- it may be
23 relevant because my newspaper many years ago
24 went through a very long boycott by the Peoria
25 Board of Realtors.

1 CHAIRMAN HUGH SCHWARTZBERG:

2 Mr. Pugh, may I suggest --

3 ROBERT D. BUTTERS: Mr.

4 Chairman, may I -- may I --

5 CHAIRMAN HUGH SCHWARTZBERG: --

6 no. No, I suggest that to the extent that
7 adverse information or what is believed to be
8 adverse with respect to a presenter not
9 directly relevant to this as presented by a
10 member of the panel is out of order and I would
11 ask that you limit your remarks so as not to
12 include that.

13 THOMAS PUGH: Mr. Butters, do I
14 understand from your testimony that the
15 National Board of Realtors doesn't know the
16 difference between steering and affirmative
17 marketing?

18 ROBERT D. BUTTERS: We know
19 what racial -- we believe we know what racial
20 steering means, sir, yes. It means taking into
21 account the race of the homeseeker when making
22 determinations as to where or what kinds of
23 properties are going to be introduced to them,
24 and that that understanding is derived from a
25 number of federal decisions which have defined

1 racial steering. Zuch v. Hussey out of the
2 Eastern District of Michigan being probably the
3 first one.

4 Subsequent decisions endorse
5 ~~that view that Title VIII clearly forbids a~~
6 real estate broker to make determinations as to
7 where a homeseeker is going to be offered
8 properties based on either their skin color, or
9 their race, or their national origin, or their
10 religion, or that of the communities in which
11 the real estate broker is operating. And, to
12 do so is steering and, to the extent you are --
13 and we also understand and are -- have
14 interpreted court decisions that address what a
15 real estate broker can do as opposed to perhaps
16 what others can do.

17 And also what HUD has said in
18 an opinion letter of its -- issued by its
19 general counsel's office, that as far as a real
20 estate broker is concerned to take race into
21 account in that kind of activity in which
22 they're engaged in -- for a living constitutes
23 steering and is therefore illegal. That there
24 isn't, in our understanding as far as real
25 estate brokers are concerned, a difference

1 between good and bad steering, and, if there
2 is, we have difficulty knowing the difference
3 and are hesitant to take the chance of guessing
4 incorrectly on that point.

5 ~~THOMAS PUGH: What's~~

6 affirmative marketing in your definition?

7 ROBERT D. BUTTERS: It would be
8 seeing to it that in the practices that you do
9 employ in your business, or at least what we
10 understand it to mean -- what we have agreed
11 with HUD that it means as far as our
12 association is concerned is what it says it
13 means in the affirmative marketing agreement
14 which is a condition where people with like
15 economic resources available to them have a
16 like range of housing choices available to them
17 without regard to race, sex, color, religion or
18 any other prohibitive classification. And
19 that's what it means in our affirmative
20 marketing agreement and that's what we instruct
21 our members it means, and -- and we understand
22 that HUD agrees with at least what we instruct
23 our members to mean because they're a party to
24 that agreement.

25 CHAIRMAN HUGH SCHWARTZBERG:

1 Sort of a series of related questions. You
2 have indicated in your longer document that you
3 believe the distinction between choice limiting
4 and choice expanding race conscious marketing
5 ~~is without support in the language of Title~~
6 VIII or its legislative history. I take it,
7 nevertheless, in light of the Leinenweber
8 decision the court -- or at least that court,
9 has decided otherwise.

10 ROBERT D. BUTTERS: To the
11 extent that that decision held that the
12 activities of the South Suburban Housing Center
13 which were to provide additional information --
14 at least that's how it was characterized in
15 that case that would not -- or was determined
16 not otherwise to have been sought by the
17 homeseeker, that that kind of practice which
18 supplements is in addition to the so called
19 normal marketing information that is available
20 and provided through the real estate industry,
21 to provide that supplemental information
22 through the Housing Center was found by Judge
23 Leinenweber not to be illegal. That's correct.
24 It's what the decision --

25 CHAIRMAN HUGH SCHWARTZBERG: So

1 -- so Leinenweber, in effect, recognizes the
2 distinction which you would prefer him not to
3 have recognized, but --

4 ROBERT D. BUTTERS: Yes.

5 CHAIRMAN HUGH SCHWARTZBERG: --

6 but at the same time, you indicate that the
7 effect of the open housing legislation is not
8 necessarily or even probably produce
9 integration. You've suggested that open
10 housing without maintenance presumable may
11 produce white flight re-segregation or
12 continued racial polarization. I take it,
13 however, that you are not interested -- or the
14 -- National Association represent as -- is not
15 interested in legislation which would allow you
16 to perform the kinds of activities to avoid
17 that which the Housing Center has, by Judge
18 Leinenweber's decision, been empowered to
19 undertake or allowed to undertake?

20 ROBERT D. BUTTERS: Just the
21 opposite, Mr. Schwartzberg.

22 CHAIRMAN HUGH SCHWARTZBERG: In
23 other words, you would support legislation
24 which would allow you to undertake the kind of
25 activities which the Center undertakes? .

1 -- ROBERT D. BUTTERS: The first,
2 and -- and indeed, we have made suggestions
3 along those lines to representatives in the
4 United States House of Representatives.

5 ~~Nothing has been committed in any type of a~~
6 proposed bill, but let me --

7 CHAIRMAN HUGH SCHWARTZBERG:

8 Let me, because it's -- because I think it's
9 important on this particular question that I
10 fully understand where NAR comes out on this.

11 Initially, you had pointed out
12 that there was some consideration in the
13 drafting of Title VIII, on behalf of testimony
14 that was given at the time, that pro-
15 integrative activities be in effect treated as
16 an exception allowing pro-integrative
17 activities to be specifically allowed by the
18 legislation.

19 ROBERT D. BUTTERS: A proposal,
20 along the lines of what very much today
21 resembles the Atrium Village experience, was
22 made at the time to Senator Proxmeier.

23 CHAIRMAN HUGH SCHWARTZBERG: At
24 that time, as I understand it, NAR was believed
25 -- and I may be mistaken -- by some senators --

1 some senators, as I understand it, believed
2 that NAR would not have supported that kind of
3 a provision. They may have been --
4 misunderstood it and I may have misunderstood
5 it, but I would certainly expect that if NAR
6 believes that that kind of exception should be
7 placed in the law, then I would hope that --
8 that to the extent you wish that to be done
9 that that be amply publicized before the
10 Congress of the United States. I'm not
11 indicating I'm for it or against it at this
12 point, but from your point of view, my -- my
13 impression is that that is not widely
14 understood in the United States.

15 ROBERT D. BUTTERS: Well, that
16 -- the impression -- I'm not really prepared to
17 speak to as to what is thought of NAR in the --
18 in the rest of the world, but let me -- let me
19 at least say this, that the fundamental concern
20 we have had throughout our experience with this
21 issue of integration as opposed to equal
22 housing -- I mean, equal housing opportunity to
23 us is not on the table anymore. I've -- that
24 -- that the idea that somehow discrimination is
25 -- is -- is an acceptable form of -- of

1 behavior in this country, at least on the part
2 of organized real estate, is not on the table.
3 I mean, there may be fringe groups that think
4 that -- that that is acceptable behavior, but
5 -- but not us.

6 Now, when it comes to the
7 affirmative use of ways to achieve this other
8 social objective of integration, the dilemma we
9 have had as an industry is that the reality of
10 it is that we are the marketers of real estate.
11 We are the ones who purvey it, if you will, or
12 vend it if you will, and we are the ones who
13 are going to be sued and are sued when the
14 viewers were not complying with the law.

15 We need to have certainty --
16 our members -- our 800,000 of them are, for all
17 practical purposes, small business people who
18 are trying to sell homes or rent property.
19 They are not sociologists. They are not
20 demographers. They are not pundits of one type
21 or another. They need to be told in clear,
22 understandable terms when it is acceptable to
23 use race and when it is not. And that that is
24 what we have been striving for -- we have
25 understood from our own reading and

1 interpreting of statutes and cases that we are
2 not to do that, but we may be wrong, and, if
3 we're wrong, then we would appreciate somebody
4 with authority, be it the courts of this
5 ~~country, or the Supreme Court of this land, or~~
6 the Congress of this country to define it so we
7 know when we can and when we cannot. That was
8 a major motivation, I might add, behind the way
9 in which the South Suburban Housing Center
10 litigation was structured by the National
11 Association to seek a resolution. I have to
12 admit that Judge Leinenweber's decision gives
13 us precious little to work with in that
14 regard --

15 CHAIRMAN HUGH SCHWARTZBERG: It
16 may make your life more difficult --

17 ROBERT D. BUTTERS: It may well
18 -- and it may well -- I mean, that often
19 happens in -- in our judicial system. You
20 don't ever always know what you're going to get
21 out when you -- when you put something into
22 that black box and -- and it's the same
23 proposition sometimes with -- with, certainly,
24 the Congress.

25 But, we have asked -- indeed,

1 during the debate on the Title VIII Amendments,
2 we asked that this issue be addressed. The
3 political consensus, at that time, was that,
4 no, we want to get the enforcement issues
5 through. ~~Those are the important issues and~~
6 the additional protection for the handicapped
7 and families with children, we'll take up this
8 issue at a later time. Well, we're waiting for
9 that day.

10 But, we have proposed, Mr.
11 Schwartzberg -- since you did bring it up --
12 that perhaps there ought to be a system where a
13 development like Atrium Village, communities
14 such as they are in the southern suburbs of
15 this metropolitan area or elsewhere in
16 Cleveland, Cincinnati -- there are a number of
17 other cities around this country where this is
18 a phenomenon where they believe that there are
19 certain forces that are unique to their
20 situation such as Atrium Village -- its
21 proximity to Cabrini-Green and the history and
22 -- and all the circumstances that surround that
23 particular development. A procedure be devised
24 where those developers could go to, say, HUD
25 and say: Here's what we want to do and here's

1 Uh-huh.

2 ROBERT D. BUTTERS: And we'll
3 carry it out today. We're perfectly capable of
4 doing do if that is the judgement of our
5 ~~political leadership.~~

6 CHAIRMAN HUGH SCHWARTZBERG: I
7 have one final related question which is that
8 they -- some of the others were concerned on a
9 factual question. In the bulk of the Chicago
10 market if, in fact, there is no quota
11 established with respect to a multi-family unit
12 in which more than -- in which no limitation is
13 set for minority occupancy, and minority
14 occupancy where the minority is black rises to
15 more than 40 percent, what is the likelihood of
16 tipping in greater Chicago if we are south of
17 Madison Street -- no, sorry, north of Madison
18 Street?

19 ROBERT D. BUTTERS: Well, I --
20 I'm a lawyer --

21 CHAIRMAN HUGH SCHWARTZBERG:
22 Uh-huh.

23 ROBERT D. BUTTERS: -- Mr.
24 Schwartzberg, not a sociologist and I -- I
25 happen to live in DuPage County --

1 CHAIRMAN HUGH SCHWARTZBERG: --

2 Uh-huh.

3 ROBERT D. BUTTERS: -- a -- an
4 area that was referenced earlier as --

5 CHAIRMAN HUGH SCHWARTZBERG:

6 Yes.

7 ROBERT D. BUTTERS: -- as
8 having some assimilation.

9 Your -- your question is if a
10 housing development exceeded 30 percent and it
11 was north of Madison Street, what is the
12 likelihood that it would very rapidly become
13 100 percent minority?

14 With all -- I suppose it is
15 high. If -- if -- so called --

16 CHAIRMAN HUGH SCHWARTZBERG: I
17 suppose --

18 ROBERT D. BUTTERS: -- nature
19 was allowed to take its course --

20 CHAIRMAN HUGH SCHWARTZBERG: --
21 let me rephrase it. Are you aware of any
22 instance in which a minority percentage
23 exceeded a third in the City of Chicago in
24 which it did not, in fact, tip?

25 ROBERT D. BUTTERS: In -- in --

1 in fact where the -- no, not without -- without
2 some research on my part which I -- I didn't do
3 in preparation for this hearing. Perhaps there
4 are some areas like that.

5 ~~Certainly tipping, if -- if~~

6 that's --

7 CHAIRMAN HUGH SCHWARTZBERG:

8 Uh-huh.

9 ROBERT D. BUTTERS: -- what
10 you're driving at, is a -- a phenomena that has
11 been widely studied and -- and -- and confirmed
12 to exist by -- by sociologists and
13 demographers. And, effectively, what it
14 amounts to is this imbalance that, I think Ms.
15 Denton made reference to and -- and perhaps Mr.
16 Sampson as well, between what whites are
17 willing to, if you will, tolerate in terms of
18 the numbers of minorities in their midst and
19 what minorities feel comfortable with in terms
20 of being willing to move in. And that, when
21 you have that imbalance where the black comfort
22 level, I guess, for lack of a better word is in
23 excess of the white tolerance level, you're
24 going to -- I mean, it's inevitable that you're
25 going to have the -- the re-segregation.

1 The question, I think,
2 ultimately is, is white prejudice which is the
3 explanation often given for this kind of thing
4 that the white population as a whole has this
5 ~~intolerance for minorities in their midst, at~~
6 least in their living patterns beyond a certain
7 level, is that a legitimate justification to
8 impose race conscious quotas which have the
9 effect of saying in order -- so as these
10 prejudices don't result in re-segregation, we
11 will pay the price as a country of telling the
12 black family that is now going to make it 31
13 percent, I'm sorry, you may otherwise be
14 qualified for this apartment, or this house, or
15 this mortgage loan, or whatever it is, I'm
16 sorry, but the answer is, no, because if we do
17 so, the integrated character is this
18 neighborhood may not remain.

19 And, let me make one further
20 point. I heard -- and I've heard it numerous
21 times -- the statement which I to a certain
22 extent can sympathize with -- that, well, those
23 that want to live in an all white neighborhood
24 have the right to live in an all white
25 neighborhood because there are plenty of those.

1 Those who want to or insist on the right to
2 live in an all minority neighborhood have the
3 right because there are plenty of those. But,
4 those who want to live in an integrated
5 ~~community do not have as much of a right~~
6 because they're precious few of those kinds of
7 communities around in this country.

8 The question that I think all
9 of that begs is, does the community have a
10 right to preserve its demographic composition.
11 In the old days, the answer was clearly yes.
12 We had racially restrictive covenants in this
13 country which were designed to do precisely
14 that -- ensure for the future that a community
15 would stay a particular way. Now, I find that
16 a difficult moral question to answer whether
17 the community has the right to stay the way it
18 is at the expense of telling another person you
19 can't live here because of the color of your
20 skin because, if you do, our character is going
21 to change. Now that, I think, is simply put --
22 what we're hoping -- either the courts through
23 the interpretation of Title VIII, as it exists,
24 or the Congress through amending it in some
25 fashion will either answer or provide a way to

1 answer that question either through a HUD
2 bureaucratic solution or some other device.

3 CHAIRMAN HUGH SCHWARTZBERG:

4 Further questions?

5 ~~If there are no further~~
6 questions to this witness, I wish to be certain
7 which of our remaining witnesses are present.

8 FAYE ROBINSON: Everyone is
9 here.

10 CHAIRMAN HUGH SCHWARTZBERG:

11 Everyone?

12 FAYE ROBINSON: Uh-huh.
13 Clarence Page won't (phonetic) be coming.

14 CHAIRMAN HUGH SCHWARTZBERG:

15 All right. At this point, I would like to call
16 LaVena Norris -- huh? Yes, I'm sorry. I
17 certainly do want -- it's been called to my
18 attention that I didn't say thank you. I
19 certainly want to thank you for having very
20 carefully tried to answer my questions --

21 ROBERT D. BUTTERS: Thank you.

22 CHAIRMAN HUGH SCHWARTZBERG: --

23 all of our questions here and we're very
24 grateful.

25 I'd like LaVena Norris to come

1 forward and -- at this time. LaVena Norris is
2 the Chairperson of Equal Opportunity and
3 Housing Committee of the Dearborn Real Estate
4 Board.

5 ~~LaVENA NORRIS: Good afternoon!~~

6 I must say I will refer to notes because I can
7 really speak on this issue without any notes
8 whatsoever, but, in the interest of time, I'd
9 like to kind of share the thoughts of the
10 organization, the Dearborn Real Estate Board,
11 that I'm representing today.

12 It is indeed an honor for me to
13 be here on behalf of the Dearborn Real Estate
14 Board. And, we want to extend our thanks to
15 the U.S. Commission on Civil Rights and the
16 Illinois Advisory Committee for this
17 opportunity. The Dearborn Real Estate Board
18 was founded in 1941 and it is the local chapter
19 of the National Association of Real Estate
20 Brokers, Inc.. We're the other counterpart of
21 NAR, in case you don't know. Our members are
22 primarily African-Americans and we are called
23 realtist (phonetic) verses realtor.

24 I did read what your charge is
25 as the Commission, and I found two aspects of

1 that rather interesting and I don't need to
2 tell you what your charge is, but, for the
3 record, I'd like to repeat what I found to be
4 quite interesting as to why I'm here today.

5 ~~Your charge is to study and collect information~~

6 concerning legal developments constituting
7 discrimination or -- or a denial of equal
8 protection of the law -- under the laws under
9 the Constitution because of race, color,
10 religion, sex, age, handicap, or national
11 origin or in the administration of justice.

12 The other one that I also found interesting was
13 that -- serve as a national clearing house for
14 information in respect to discrimination or
15 denial of equal protection under -- under the
16 laws because of race, color, religion, sex,
17 age, handicap, or national origin.

18 I also found the topic just
19 very interesting and it's the efforts to
20 promote housing integration at Atrium Village
21 and the South Suburbs. There is no way for me
22 to zero in on simply Atrium Village and the
23 South Suburbs without expressing the bigger
24 picture in relationship to housing integration.
25 Of course, I know you are interested in what's

1 germane to Illinois and hopefully by tying the
2 bigger picture into it, Illinois will also be
3 taken into consideration.

4 What our organization has found
5 ~~that where there seems to be a large population~~
6 of African-Americans -- and you will note, I
7 will not refer to the word minority. I am an
8 African-American. I'm here to represent
9 primarily an African-American organization,
10 therefore, I will not speak on the issues of
11 the Hispanics, Asians, American-Indians,
12 etcetera, okay? I will directly comment about
13 African-Americans.

14 The housing issues seem to be
15 actually black and white. It seems to be it's
16 the African-Americans who pose the most threat,
17 who cause the most problems, whatever that
18 means when change to housing communities take
19 place. Therefore, the realtist's position is
20 this very simply that discrimination now is
21 just so sophisticated that our organization
22 realizes that you must almost become a student
23 to study all the many things that are changing
24 and that have changed. Therefore, the general
25 public, be them black or white or whatever

1 else, do not really quite always understand the
2 overall implications of what is meant by
3 integration.

4 We have also found that in the
5 ~~50's and 60's, integration meant one thing.~~

6 We're now learning that integration is taking
7 on a different definition. Now, I'd like to
8 refer to Webster's definition on what it means
9 to integrate and I think that's what it
10 initially meant in the 50's and the 60's. And
11 that was, to open without restriction to people
12 of all races and ethnic groups -- desegregate.
13 But, I'm afraid integration today does not mean
14 that necessarily. It sometimes means, well, we
15 have to do things based on what's tolerable and
16 acceptable to the majority who happen to be
17 what is called white.

18 I don't particularly like to
19 refer to a big class of people as black and
20 white. If you're an African-American that's
21 what you are. If you're an Italian, that's
22 what you are. If you're Irish, that's what you
23 are -- American, but we tend to just group
24 people together and, therefore, we always get
25 majorities that way. But if we start breaking

1 groups down by their ethnicity, who is the real
2 minority?

3 When we are dealing with
4 housing integration, we, at the Dearborn Real
5 Estate Board and of course the National
6 Association of Real Estate Brokers, don't
7 always refer to it as that; particularly when
8 programs such as integration maintenance -- and
9 I'm sure many of you have heard that term. I
10 hope I don't have to do a definition on that.
11 If I do, I'm sure you'll ask me to. Those
12 kinds of efforts and programs that are being
13 promoted, we tend to think they're simply
14 housing manipulation verses real integration.

15 And what I'd also like to say
16 that the realtists and others who are aware
17 there is an intended purpose and a stated
18 purpose to these programs. Now, according to
19 what the intended purpose is, is to move
20 African-Americans into the nontraditional that
21 they have not been welcomed into in the past.
22 Yet, however, it's almost like the real purpose
23 is fine, we'll have integration; we'll move
24 them into those communities, but only at a
25 controllable number. Okay. That becomes

1 something that we feel cannot go unchallenged.
2 Our organization, again, as realists, we
3 realize that we -- though we may never sell
4 real estate again; though real estate people
5 ~~have been labelled as the culprits, we remain~~
6 African-Americans in spite of our profession.

7 So I'm here purely, not from a
8 business standpoint, to say whatever the law
9 is, I will adhere to the law. I'm here to say
10 morally there are some laws that cannot be
11 instituted nor adhered to.

12 We will recall, as history will
13 tell us, that slavery was once the law of this
14 land, but that didn't make it right. We also
15 had restrictive covenants -- racial restrictive
16 covenants in housing, that did not make it
17 right. Therefore, our concern is on an ongoing
18 basis, the efforts now that are being
19 instituted to promote integration are quite
20 questionable and they are to be questioned if
21 America is going to be what it should be for
22 all Americans.

23 As the total issue of housing
24 integration is focused, African-Americans,
25 again, are seemingly labelled as problems to a

1 community. Now, this has a -- a real overall
2 effect not only on those of us who are mature
3 enough to know better, but it's sending a very
4 powerful statement to young African-American
5 children that you are something different --

6 that your community is something different.

7 That people must be protected against you and,
8 therefore, allow you only in at a rate that's
9 comfortable and tolerable to the rest of that
10 community and a broader picture of the country.
11 That cannot be allowed. I don't really think
12 America intended that to be what integration
13 should be.

14 Again, integration has taken on
15 a different meaning and the concern that we
16 have as real estate professionals is not that
17 we simply want to do business at a free level,
18 but the fact that realtists are morally
19 responsible for making statements that no other
20 organization can comfortably make. Again, you
21 tell some people to adhere to the law; they
22 will adhere to the law. There will be no laws
23 that realtists will adhere to that degrade and
24 humiliate African-Americans.

25 A point of reference, those who

1 allegedly advocate housing integration always
2 tend to cloud the issues by pointing the finger
3 at the real estate community. They're the
4 culprits who place limits on housing
5 ~~integration by, perhaps, racially steering~~
6 perspective buyers and/or panic settling in
7 communities which are undergoing racial change.
8 In -- and that, ultimately, results in so-
9 called white-white (phonetic). Hopefully, the
10 position of the realtist is one that, those of
11 you who have come today to listen and evaluate,
12 you will consider most significant and
13 important to the whole picture on how the
14 integration from all viewpoints as future
15 reference.

16 We must also begin to look at
17 not only the real estate profession because
18 there are some bad real estate people -- I will
19 be more than comfortable to say that -- there
20 are some bad lawyers; there are some bad
21 doctors. You don't allow those people to
22 practice in professions when they aren't
23 deserving to be in that. However, there are
24 fair housing centers that state that they
25 expand options for African-Americans. Do they

1 really, or are they participating in more
2 sophisticated methods and manipulating housing
3 integration as well as municipalities who pass
4 ordinances that foster integration maintenance
5 programs. ~~And, they are designed to limit the~~
6 movement of African-Americans into communities
7 that are so-called designated to be integrated.

8 You see, our organization began
9 to recognize this pattern. All across this
10 country, we have local chapters, but seemingly
11 in large cities like New York, Chicago, are
12 aware of the bastions of these integration
13 maintenance programs have cropped up and are
14 being promoted, and are being adhered to, and
15 even local ordinances or laws that real estate
16 people have been made to adhere to in conflict
17 with the Federal Fair Housing Law. No matter
18 what we call it, if we call it integration
19 maintenance, racial diversity, balanced
20 patterns of living, stable integration,
21 whatever it is called, it is still limiting
22 free access to housing.

23 We must also, again, deal with
24 the intended purpose verses the stated purpose.
25 And, I want to simply say in more clarity that

1 it should be purely based on free choice that
2 one chooses a community and should be allowed;
3 that's all it should be. I must say, it
4 becomes questionable when programs must be
5 ~~instituted in so called efforts to promote~~
6 housing integration. There is something really
7 wrong with that.

8 And, I must also further state
9 the other side of the cloud -- of the issue
10 that gets clouded that it's the low income
11 buyers that we're really trying to deal with.
12 That's not at all true. It's the upwardly
13 mobile African-American who can choose to live
14 wherever one wants to based on their economic
15 capability, educational ability -- that is
16 where it's targeted. And, I think once it's
17 known purely what is really the intended
18 purpose rather than the stated purpose as to
19 different programs that are being instituted
20 that I don't really believe it's going to work.

21 What should also be done in
22 terms of integration is that if we're going to
23 have programs, let us all -- all ethnics be
24 subject to it. If you're going to count
25 African-Americans, count Italians, count

1 Jewish, count Polish, count German -- count
2 them by their ethnicity. I wonder will that
3 kind of humiliation and that kind of
4 degradation be tolerated by any other ethnic
5 group.

6 Also, it should be known that
7 African-Americans should speak on their own
8 terms in terms of what's right for them. I
9 find it always amazing that every ethnic group
10 speaks on behalf of African-Americans other
11 than they themselves and those are the ones who
12 are listened to. What is right for you; what
13 is good for you, we determine that. That will
14 no longer be tolerated either.

15 What we must finally understand
16 that if American is going to be what it ought
17 to be as it relates to housing integration, the
18 only efforts that should be promoted -- and
19 that's education. You educate people who don't
20 understand. That's where the efforts should be
21 targeted. You should not ask people who did
22 not create the problems to solve the problem or
23 to be the burdens of having to be stigmatized
24 as second-class citizens for something that is
25 very different because of your racial

1 ethnicity.

2 And the final statement that
3 I'd like to make is that we will as realtists,
4 professionally and personally, do whatever we
5 can to raise the consciousness of such
6 organizations like yourselves by coming forward
7 and speaking unequivocally about what we feel,
8 how we feel, and why we feel it.

9 I want to thank you very much
10 again on behalf of the Dearborn Real Estate
11 Board for allowing me to make these statements.

12 PRESTON EWING: I have a
13 question.

14 CHAIRMAN HUGH SCHWARTZBERG: At
15 this point, I'd like to begin with Preston
16 Ewing.

17 PRESTON EWING: I've listened
18 well and I'm a good listener --

19 LaVENA NORRIS: Uh-huh.

20 PRESTON EWING: -- but I didn't
21 find you saying that you favored any
22 alternatives to some of the existing practices,
23 except on the end, you said something about
24 education.

25 LaVENA NORRIS: Right.

1 PRESTON EWING: Educate the
2 Afro-American public --

3 LaVENA NORRIS: No. Educate
4 whites --

5 PRESTON EWING: -- white
6 America --

7 LaVENA NORRIS: -- white
8 America.

9 PRESTON EWING: -- to end
10 discriminatory attitudes against Afro-
11 Americans --

12 LaVENA NORRIS: Right.

13 PRESTON EWING: -- and
14 therefore, we would not have to have programs
15 to promote integration. It would be sort of
16 like a free market where people felt welcome
17 wherever they wanted to live without any
18 special programs or assistance that were
19 designed --

20 LaVENA NORRIS: Right.

21 PRESTON EWING: -- to take
22 their hands --

23 LaVENA NORRIS: Right.

24 PRESTON EWING: -- and convince
25 them that this was a good place to live.

1 LaVENA NORRIS: Correct.

2 PRESTON EWING: Yeah. Well, we
3 have -- you know, Afro-Americans have greater
4 than a 350 year history in this country and
5 that hasn't happened --

6 LaVENA NORRIS: Uh-huh.

7 PRESTON EWING: -- so what do
8 you say to young people today that -- since it
9 has not been done by their predecessors and the
10 present people in power to change racial
11 attitudes, what do you say to them when they
12 feel that they should have equal access to all
13 housing no matter where it is because racism
14 will continue.

15 LaVENA NORRIS: Uh-huh.

16 PRESTON EWING: We won't undo
17 that.

18 LaVENA NORRIS: Uh-huh.

19 PRESTON EWING: So, I was
20 curious to know if your Association favored any
21 kind of immediate and ongoing program to help
22 the people expand and exercise their right to
23 housing no matter where it is because, it seems
24 at present, that you're speaking against the
25 programs --

1 LaVENA NORRIS: Uh-huh.

2 PRESTON EWING: -- that are
3 presently doing that.

4 LaVENA NORRIS: Uh-huh. I

5 ~~think, firstly, you must understand that people~~

6 pretty much -- and my -- my business is

7 everyday dealing and counselling people.

8 People pretty much know they have the right to

9 be where their money dictates. However, when

10 you're -- when you've been categorized for so

11 long as being not welcome into many

12 communities, those limitations are generally

13 placed upon people in and of themselves.

14 So, what our job -- we find
15 doings, this is what's out here. You can live

16 wherever you want to live. And people

17 sometimes, at that point, get the second wind

18 to say: That's right. You know, it's my

19 money. I'm a -- I'm an American citizen. I

20 pay taxes. I -- if you're a male or female, I

21 serve my country. And -- and that's the

22 attitude that's taken.

23 But too often, as you say,

24 telling young people -- it's not only what you

25 tell them; it's what you expose them to. If

1 you -- if you constantly remind them that
2 there's something different, be them black or
3 white -- something special, then those
4 attitudes are going to be perpetuated. And
5 ~~what we're saying is do not institute programs~~
6 to further confirm that you are something
7 different; that we have to kind of do it based
8 on what is tolerable, what is acceptable, what
9 is comfortable, because the programs are not
10 designed in any equal capacity. If you say:
11 Fine, we will have Germans treated the same
12 way, Polish treated the same way, Irish treated
13 the same way, if a program is going to exist,
14 then no one thinks one way or the other about
15 it. Follow what I'm saying? If you're going
16 to --

17 PRESTON EWING: Yeah.

18 LAVENA NORRIS: -- count
19 people --

20 PRESTON EWING: Yeah, I follow
21 what you're saying.

22 LAVENA NORRIS: -- if you're
23 going to categorize people --

24 PRESTON EWING: Yeah.

25 LAVENA NORRIS: -- by

1 ethnicity --

2 PRESTON EWING: Yeah.

3 LaVENA NORRIS: -- then do it
4 to everybody then that kind of program can
5 work.

6 PRESTON EWING: Okay. While
7 that may be true, but I think in real life
8 today, the question is how can we compensate
9 people for past discriminatory practices
10 without special efforts to overcome what has
11 acted to deny them access --

12 LaVENA NORRIS: Again, train
13 the people who have the problem.

14 PRESTON EWING: Okay.

15 LaVENA NORRIS: Education. You
16 can't change attitudes, but at some -- at some
17 point, the efforts that are being placed -- and
18 the burden that's being placed on the people
19 who didn't create the problem. It's
20 humiliating; it's degrading. So, transfer that
21 energy and begin to institute programs and
22 promote efforts that train the people who have
23 the problem.

24 CHAIRMAN HUGH SCHWARTZBERG:

25 Further questions of this witness?

1 If there are no further
2 questions of this witness, I will thank you
3 very much.

4 LaVENA NORRIS: Thank you very
5 much.

6 CHAIRMAN HUGH SCHWARTZBERG:

7 And we will now turn -- now turn --

8 LaVENA NORRIS: I was waiting.

9 CHAIRMAN HUGH SCHWARTZBERG: --
10 we will now turn to Peter Flemister. Mr.
11 Flemister is the President of the South
12 Suburban Branch of the NAACP. Mr. Flemister.

13 PETER FLEMISTER: It's the Far-
14 South Suburban Branch of the NAACP. We are the
15 second largest branch in Illinois and I'm proud
16 to say that we're celebrating our tenth
17 anniversary this year. I certainly welcome the
18 opportunity to be before this Advisory
19 Committee on the U.S. Civil Rights Commission.

20 From my perspective, this
21 community forum has the wrong title and focus.
22 Had someone asked and nobody did, a more
23 appropriate title in efforts to promote housing
24 integration in Atrium Village in the South
25 Suburbs, I would have suggested something quite

1 different. Housing discrimination in Atrium
2 Village in the South Suburbs is the correct
3 title and the only sensible focus of a
4 community form of this nature before an
5 ~~Advisory Committee of the United States~~
6 Commission on Civil Rights.

7 LaVena stole some of my thunder
8 and she talked about what your charge is and
9 I'll have to chastise her for that, but we did
10 not talk about it beforehand.

11 The United States Commission on
12 Civil Rights is directed to investigate, study,
13 and collect, appraise and serve as a clearing
14 house in respect to discrimination or denial of
15 equal protection of the laws or in the
16 administration of justice because of, among
17 other things, race, which is something that I
18 am particularly interested in as an individual
19 and also as an NAACP President. Your mission,
20 as I read it, does not have anything directly
21 to do with integration. I raise the issue
22 because I don't know what you mean when you use
23 the word integration. It is not defined in any
24 law or court case with which I am familiar.

25 Surveys of the attitudes of

1 African-Americans and the -- and whites
2 regarding what constitutes integration or why
3 the divergent. Whites, in general, are not
4 willing to tolerate as much integration as
5 African-Americans, in general, find most
6 desirable. In that context, conflict is
7 inevitable. Legislators, in their wisdom or
8 lack of courage or whatever you -- you might
9 want to call it, decided not to address the
10 issue at all in the laws. On the other hand,
11 discrimination and legally sanctioned
12 segregation are well defined and clearly
13 prescribed by the Federal Fair Housing Law as
14 well as those laws which follow the federal
15 model. Integration, however defined, may very
16 well be the goal of the fair housing laws, but
17 the only mechanism available for attaining this
18 goal is to focus on discrimination in housing
19 and to let the chips or, in this case, races
20 fall where they may.

21 The fair housing laws prohibit
22 discrimination amongst the parties to the -- to
23 a real estate transaction. That's all they do.
24 In the south suburbs of Chicago, there's not a
25 single community that I am aware of that does

1 not have African-Americans in varying numbers.
2 If one believes that such a racial mix
3 constitutes integration, then south suburbs are
4 integrated. Prior to the enactment of the Fair
5 ~~Housing Law in 1968 and the declaration of the~~
6 death of legally sanctioned housing
7 discrimination, such was not the case.
8 Moreover, African-Americans are widely
9 dispersed in communities of varied social
10 economic status and the whole -- and on the
11 whole are equal to or superior in those social
12 economic factors as compared to the white
13 residents. In other words, an African-American
14 who moves into Flossmoor (phonetic) and Olympia
15 Fields is going to have to pay the same amount
16 for his home as a white moving to that
17 community and the same is going to hold true
18 for Hazel Crest, Park Forest. It's going to
19 hold true for Country Club Hill; it's going to
20 hold true for Harvey, Robbins, Dixmoor, you're
21 going to have the same kind of money to move
22 into the houses. People aren't donating houses
23 to anyone in the south suburbs.

24 Indeed the fair housing laws
25 have worked too well for the taste of some.

1 There's too much integration for many white
2 residents, housing centers, and municipalities.
3 Too much integration always, in this context,
4 means that there are more African-Americans or
5 ~~the threat of such than prevailing white~~
6 prejudice or desires the domination can
7 tolerate. As always the fair housing laws and
8 the problems are always constructed in terms of
9 African-Americans and whites.

10 And I would like to reiterate,
11 from -- from the standpoint of myself and from
12 the standpoint of our branch, that the fair
13 housing laws provide protection not only for
14 African-Americans but other races as well, but
15 you don't hear talk about the other races. The
16 fair housing laws also prohibit discrimination
17 based upon religion, based upon sex, based upon
18 national origin, based upon familial status,
19 and also based upon whether or not someone is
20 disabled.

21 Thus comes the call for
22 integration maintenance, racial diversity, and
23 affirmative marketing. The issue that these
24 programs address is neither discrimination or
25 integration, however defined. The problem is

1 white flight and white fright. The racially
2 prejudice disinclination of whites to live in
3 or move to a community except where they are
4 overwhelmingly dominant is the sole issue being
5 addressed by these programs.

6 Discrimination is illegal.

7 Prejudice, unless it comes into action or
8 results in discrimination, is not illegal. You
9 can be prejudice in the United States. You can
10 dislike African-Americans. You can dislike
11 Jews. You can dislike Catholics, Italians,
12 Poles; it's not illegal. Since this is the
13 land of the free and the home of the brave
14 where racist, hypocritical, slave-holding
15 founding father declared that all men are
16 created equal and endowed by their creator with
17 certain unalienable rights, there's sympathy
18 for the thinly, veiled notions of white
19 supremacy and racism that lie at the base of
20 these programs. White media, white leaders,
21 white communities sympathize with and
22 understand the white fears and desires. These
23 desires are pandered until it's assumed that
24 they cannot be addressed. It's assumed that
25 they cannot be changed. These fears are

1 tolerated and they're consequences are
2 transferred over to African-Americans and
3 African-Americans are being asked to give up
4 just a little bit of something in order for
5 ~~these fears to be accommodated. Racism and~~
6 discrimination are excused in pursuit of
7 integration. Integration, in this context, is
8 defined as white majorities everywhere with
9 African-Americans dispersed to the four corners
10 of the earth.

11 In the south suburbs of
12 Chicago, we are not talking about a social
13 economic issue nor are we talking about any
14 other class of persons protected by the fair
15 housing laws. Race is the only issue and only
16 two races matter. In the south suburbs,
17 several communities in the local Fair Housing
18 Center are engaged in an effort to stem white
19 flight and white fright by keeping the African-
20 American population at the absolute minimum
21 level and dispersed, controlling African-
22 American housing choices, decides the amount of
23 political, social, economic power that African-
24 Americans will have.

25 Although governmental

1 statistics show that when seeking housing,
2 African-Americans are likely to be
3 discriminated against -- I'm talking about
4 rental housing -- in 75 percent of the -- of
5 ~~the instances in which they're seeking that~~
6 housing. Largely, and in many instances, they
7 don't even know they've been discriminated
8 against. In seeking to purchase a home,
9 African-Americans according to HUD statistics
10 are likely to be discriminated against in over
11 50 percent of the instances. And, again, they
12 might not even have realized that they've been
13 discriminated against.

14 Discrimination is not a thing
15 of the past. The fair housing laws still are
16 needed to address a problem that currently
17 exists in the south suburbs and all across this
18 country. There's no clamor to address the
19 legitimate legal concerns of African-Americans
20 regarding fair housing discrimination. White
21 people are not the victims of fair housing
22 discrimination in the south suburbs. They are
23 the perpetrators of housing discrimination.
24 And, if racial population mixes change -- and
25 I'm just talking about African-Americans and

1 whites -- again, I'm not talking about
2 Hispanics or other groups -- it is because
3 whites exercising their free choice choose to
4 flee or avoid communities that do not suit
5 their racial makeup tastes.

6 Rather than treating that
7 arrival of African-Americans as a positive
8 addition to the south suburbs, many
9 municipalities have reached emotional states of
10 mind bordering on hysteria. Equity insurance
11 is sought to preserve property values against
12 the arrival of African-Americans just as one
13 would insure against illness and natural
14 disasters. Information on available housing is
15 provided on a racially selective basis,
16 steering African-Americans and whites to
17 different communities all in pursuit of
18 integration. African-Americans are counted and
19 controlled, but no other group has to face such
20 ignoble and debasing treatment. The
21 communities in the Housing Center are trying to
22 maintain the status quo in terms of racial mix.

23 As Dr. King said when -- when
24 -- in the south when people talked about wait,
25 it sounded like never. Stability to an

1 African-American sounds like: Let's keep
2 things just the way they are. In other words,
3 they can never improve and they should not
4 improve.

5 ~~In the name of integration,~~

6 African-Americans are being discriminated
7 against. Municipalities have ordinances in
8 place which permit data collection in pursuit
9 of racially stabilizing techniques that
10 discriminate against African-Americans. They
11 are doing this with federal money supplied by
12 African-American taxpayers. Most of the
13 municipalities don't even have the courage or
14 the integrity to do this on their own. They
15 have established a surrogate -- a mercenary in
16 our local Housing Center to carry out these
17 nefarious programs.

18 Our local Housing Center is now
19 under the leadership of its second white female
20 with no experience or education in fair housing
21 and no sensitivity or concern about African-
22 American fair housing rights, and certainly
23 nobody who's been delegated or given to the
24 authority to speak on behalf of African-
25 Americans.

1 All across this nation, the
2 Fair Housing Centers and their lawyers have
3 controlled and led by whites, while professing
4 a belief in interracial solidarity and
5 ~~fairness, the paid professional key leadership~~
6 positions always seem to be in the hands of
7 whites. The hypocrisy of such a state of
8 affairs is glaring and deserves examination by
9 this Commission. I, for one, am tired of
10 missionary minded, ignorant, naive, young,
11 white, male or females, and tired, old,
12 liberal, arrogant, white males leading the
13 fight for -- for fair housing. Foxes cannot be
14 trusted to guard the chicken coop. I'm not so
15 arrogant or ignorant to purport to speak for
16 what's best for whites in fair housing.

17 Just as an emphasis on
18 integration is misplaced, trying to rally the
19 troops to support managed integration by cries
20 of re-segregation or segregation simply will
21 not wash. Legally sanctioned racial
22 discrimination in housing has been dead for
23 over 20 years. The segregation that resulted
24 from that practice was pervasive, absolute, and
25 often insurmountable.

1 The racial change that has
2 resulted or will result from white flight and
3 fright since the advent of the fair housing
4 laws is something quite different. Communities
5 changed racially before the advent of fair
6 housing laws based upon the same white fears,
7 but the ability of African-Americans to respond
8 was severely circumscribed. Again, prejudice
9 is not illegal and free choice is sacrosanct.

10 Ultimately, the cause for
11 managed integration, in particular, and
12 integration, in general, as defined by these
13 individuals, municipalities, housing centers,
14 rest on the racially prejudice assumption that
15 African-Americans ruin communities. This
16 stigmatizes African-Americans and labels us
17 with the badges and incidence of slavery. It
18 denies us the equal protection of the laws. It
19 classifies us as different from every other
20 group under the fair housing laws and in
21 violation of the laws. I believe that these
22 programs and these practices are not only
23 immoral but illegal.

24 Any community it is -- it is
25 assumed, in order to be viable, must avoid a

1 majority African-American population at all
2 costs. As African-Americans, we are asked to
3 sing and dance at our own funerals. We are
4 asked to bring the coffin, bring the flowers
5 and provide all of the food. To accept these
6 programs as African-Americans is to accept our
7 own inferiority. It is to buy into every
8 racially prejudice notion and myth that has
9 ever been perpetrated by us as a people.

10 If the choice is between the
11 dubious privilege of always living in a
12 community dominated by whites and having my
13 family, my friends, and my race controlled and
14 scattered to the winds in the name of some
15 perverted integration, then that is not choice
16 at all. I am for African-American freedom
17 first and last, forever and in all
18 circumstances. When the choice comes down to
19 this, I don't care about a communities racial
20 makeup. A good community is made up of good
21 people. I am only concerned about African-
22 American freedom and there is nothing more
23 basic than the right to be free from
24 discrimination based upon a God-given,
25 unchangeable characteristic such as race.

1 In any event, whites can
2 legally control the racial makeup of a
3 community if they can control their own
4 individual age-old prejudices and resist the
5 urge to flee or avoid certain communities.

6 It's a fruitless exercise in any event because
7 whites have to finally realize that wherever
8 you move or wherever you run, because of the
9 fair housing laws, any African-American may
10 move in right next door to you because we have
11 the where with all (phonetic) and under the
12 fair housing laws we have the legal protection
13 and the right to do so.

14 Ultimately, the question comes
15 down to if integration, however you define it,
16 is really what you're concerned about? Is how
17 much integration can white people take?

18 But for me, there's always a
19 more touching and a poignant story behind the
20 fair housing laws. Fair housing was the last
21 battle that we found in the 1960's in terms of
22 civil rights efforts that we made. When Lyndon
23 Johnson proposed the Fair Housing Law in
24 January of 1966, it sat in Congress until April
25 4th, 1968, when Dr. Martin Luther King, Jr.,

1 was gunned down in Memphis, Tennessee. Within
2 a week, that law became -- went into effect
3 that had been so -- fought so strongly by so
4 many with calls of "a man's home is his castle"
5 and all those other kinds of things that we
6 hear about. The NAACP played a key role in
7 getting that legislation passed. But President
8 Johnson said that Clarence Mitchell -- the late
9 Clarence Mitchell -- our Washington lobbyist,
10 the 101st Senate -- if it had not been for his
11 efforts, we would not have had fair housing.
12 As African-Americans -- as NAACP, this is our
13 law. We are concerned that this law not be
14 used to discriminate against us; not be used
15 against us to do the kinds of things that we
16 had fought so vigorously to avoid.

17 The real story in the South
18 Suburbs is not the efforts of the folds of fair
19 housing; it is not about white fears nor white
20 flight. It is not about the efforts of our
21 local Housing Center and many municipalities to
22 stem the evil black tide of increasing numbers
23 of African-Americans coming to the South
24 Suburbs in the name of stability, diversity,
25 integration maintenance, affirmative marketing.

1 The real story is the hundreds -- the thousands
2 of African-American families realizing their
3 dreams; the hopes of their forefathers who had
4 moved into the South Suburbs despite the
5 efforts of their many foes to hold them back.

6 The realization of the hopes and dreams of a
7 great people long and wrongfully denied their
8 place in the sun is the real story.

9 Finally, I am an African-
10 American; I live in the South Suburbs. I am
11 not a fair housing lawyer. I'm not a real
12 estate professional. I'm not an academic. I
13 don't get paid to take positions on these kinds
14 of issues and I have no financial interest in
15 them other than the fact that I reside in the
16 communities that we're -- we're talking about.
17 As an NAACP Branch President, I'm a volunteer
18 and I'm here because I believe in fair housing.
19 I here because I believe in the rights of
20 African-Americans.

21 CHAIRMAN HUGH SCHWARTZBERG:

22 Thank you, Mr. Flemister. Questions for Mr.
23 Flemister?

24 PRESTON EWING: Yeah, I have
25 one.

CHAIRMAN HUGH SCHWARTZBERG:

1 Yes.

2
3 PRESTON EWING: You -- you --
4 you left me a little confused with your closing
5 ~~statement with respect to a lot of things that~~
6 you had said previously. You had said that you
7 were in favor of fair housing, but were you
8 also saying in previous statements that you
9 believed that efforts that are publicized and
10 being designed to integrate communities are
11 actually restricting access?

12 PETER FLEMISTER: Well, you
13 used the word integration; what do you mean by
14 integration? I know what our meaning means.

15 PRESTON EWING: Well, I don't
16 know, you -- in -- in referring to that, of
17 getting more specifically, as you said, Afro-
18 Americans to move into certain communities.
19 You said these programs who were designed to
20 actually restrict numbers which would really be
21 higher if it were let to itself. Is -- is that
22 an appropriate conclusion to what you said?

23 PETER FLEMISTER: I think what
24 the -- what the focus of the programs in our
25 community is is that we're talking about some

1 communities where when these programs started,
2 the African-American population was five, ten,
3 twelve percent.

4 PRESTON EWING: Uh-huh.

5 PETER FLEMISTER: You have, in
6 these particular communities, a concern -- a
7 fear when the African-American population is at
8 that relatively very small level is increased
9 in some of these communities. You have people
10 talking about changing communities and racial
11 stability at that point in time. In other
12 words, what I say is that the focus, the
13 intent, the purpose of these programs at the
14 very beginning has been to keep African-
15 American population at the minimal level. It
16 has not been to encourage African-Americans to
17 come into these communities.

18 What had happened in these
19 particular communities is African-Americans
20 were there and people became concerned -- the
21 municipalities became concerned that if those
22 -- if more African-Americans continued to move
23 in in what -- in -- into their communities --
24 and everybody always thinks that every African-
25 American on earth is moving into their

1 community. They're coming to my block, coming
2 to my store, and they're going to my school --

3 PRESTON EWING: Uh-huh.

4 PETER FLEMISTER: -- that if

5 ~~that continued that whites would flee the~~
6 communities.

7 PRESTON EWING: Right. Okay, I
8 understand that, but what specific practices
9 have been uncovered that have the effect of
10 these programs being like gatekeepers?

11 PETER FLEMISTER: Okay. Two --
12 to things. One -- one -- one thing that we've
13 talked about before and that is that the racial
14 collection data -- the -- the ordinances that
15 they have, they provide for the -- the data
16 collection. The data collection is done on the
17 basis of African-Americans and it's done on the
18 basis of whites. They don't collect racial
19 data based on the basis --

20 PRESTON EWING: Well, how does
21 that keep blacks out?

22 PETER FLEMISTER: Well, what --
23 what -- what happens is if you were to come,
24 for example, to the -- to our -- to the -- to
25 the South Suburbs and to the communities where

1 we are, if you were not aware of where those
2 community -- you know, didn't know anything
3 about the South Suburbs -- if you were to go to
4 the -- to the local Fair Housing Center or go
5 to these local -- local communities, they would
6 encourage you to make a prointegration move.
7 In other words, they would ask you to consider
8 moving into other communities. Now, they
9 would --

10 PRESTON EWING: In other words,
11 they would ask you not to move into their
12 community.

13 PETER FLEMISTER: Well, they --
14 well, they would -- what they would do is offer
15 you alternatives or offer you suggestions.
16 And, depending upon what your race would be,
17 you would get different information based upon
18 someone's notion of what an ideal community is
19 and where a particular class or race of people
20 may be under-represented. In other words, if
21 -- if it is assumed that, for example, that
22 African-Americans are -- or the African-
23 American traffic on a particular block is over-
24 represented, in -- in terms of traffic, there
25 is a concern because of that over -- over

1 representation that more African-Americans are
2 likely to move into that particular block.

3 CHAIRMAN HUGH SCHWARTZBERG: If
4 I may, you're not suggesting that any of these
5 ~~applicants were actually discouraged from~~
6 living in the South Suburbs, are you? You're
7 not suggesting --

8 PETER FLEMISTER: When I --
9 when I --

10 CHAIRMAN HUGH SCHWARTZBERG: --
11 you're not suggesting, are you, that the
12 results of these activities was to decrease the
13 number of blacks in these communities, are
14 you --

15 PETER FLEMISTER: -- no, what
16 -- what --

17 CHAIRMAN HUGH SCHWARTZBERG: --
18 as a matter of fact?

19 PETER FLEMISTER: -- what I
20 would suggest is that that -- that, in fact,
21 was the intent. What I would suggest is, is
22 that since the information is supplied on a
23 racially selective basis that whether or not
24 that is the intent, the fact that you provide
25 that information on a racially selective basis

1 constitutes steering. In other words, the way
2 that you steer -- can -- can I finish?

3 CHAIRMAN HUGH SCHWARTZBERG:

4 But my -- but my question may not be clear.

5 ~~I'm trying to determine, as a fact, was anybody~~
6 actually dis -- discouraged from moving into
7 the South Suburbs and did the number actually
8 decrease because, in order for us to understand
9 your testimony, I want to know whether anybody
10 was actually discouraged from living there and
11 whether the number of blacks increased or
12 decreased?

13 PRESTON EWING: Could I have my
14 questioning back? I'll -- I'll --

15 CHAIRMAN HUGH SCHWARTZBERG:

16 Sure. Sure, I'll turn it back and then I'll
17 get the answer to my question a little later.
18 Preston Ewing.

19 PRESTON EWING: I mean that --
20 you're saying then that while the black numbers
21 may increase in that community if I showed up
22 there, they would recommend that I move in a
23 certain section of town that by their standard
24 was underpopulated by blacks?

25 PETER FLEMISTER: That -- that

1 you would be offered alternatives to move in
2 such situations.

3 What I am suggesting is, is the
4 African-American population is increasing and
5 ~~that increase has taken place in the South~~
6 Suburbs not because of the efforts of these
7 communities to integrate. That -- that -- that
8 has happened because African-Americans have the
9 where with all (phonetic) and they have the
10 right under the fair housing laws to exercise
11 that -- that opportunity. In other words, they
12 can do so because they -- because they have
13 that ability, so the integration that we're
14 talking about is not trying to encourage
15 African-Americans to move in, it's trying to
16 control the makeup and population of the
17 community that's already there.

18 PRESTON EWING: Yeah, but I
19 mean to control it, I'm not -- I don't
20 understand where you're talking about broad
21 dissemination within the community or holding
22 it down to fixed numbers as the total
23 percentage of the population. That's where I'm
24 confused.

25 PETER FLEMISTER: Do -- do they

1 sit out there and say: African-American
2 person, you can't come into this community?

3 PRESTON EWING: I mean, does it
4 result in that? Is that what you're saying
5 that the numbers are not increasing because of
6 these practices?

7 PETER FLEMISTER: I don't know
8 if those practices were eliminated. I don't
9 know if the same effort to attract African-
10 Americans to the community that is put forth to
11 racially stabilize these communities, in other
12 words to discourage whites from moving into
13 that community, I don't know if the same effort
14 was put forth for African-Americans that, in
15 fact, there would be more African-Americans
16 than there are already in the communities. In
17 other words, that effort isn't put forth
18 because it's felt that there's -- there's
19 enough African-Americans looking in the
20 communities. It's felt that we have enough
21 African-Americans.

22 CHAIRMAN HUGH SCHWARTZBERG:
23 But so I understand it, you are not saying that
24 anybody was discouraged in your experience of
25 knowledge. You're not saying that the numbers

1 increased. You're saying you wished somebody
2 had done something else that you would have
3 preferred, is that right?

4 PETER FLEMISTER: I'm -- I'm
5 saying a little bit more than that. I'm saying
6 that these communities by collecting data on a
7 racially select -- selective basis have engaged
8 in discrimination. I am saying that these
9 communities by trying to encourage and
10 stabilize the racial makeup of the communities
11 have, in fact, engaged in discrimination. I am
12 saying that if they put forth the same effort
13 for African-Americans and whites and all
14 classes of people protected by the fair housing
15 laws that there might be more African-
16 Americans. There might be more Jews. There
17 might be more Italians, Hispanics, Chinese,
18 what have you, but all that's done is done in
19 terms of African-Americans and whites.

20 CHAIRMAN HUGH SCHWARTZBERG: I
21 take it that you recognize the possibility that
22 the creation of stable -- relatively stable
23 communities with that degree of integration may
24 well have increased the total number of blacks
25 in those communities and that, in fact, if you

1 look at those communities compared to
2 communities which did not engage in those
3 programs, they have more blacks, isn't that
4 correct?

5 PETER FLEMISTER: That did not
6 engage in what programs? Did not engage in
7 racial diverse --

8 CHAIRMAN HUGH SCHWARTZBERG: In
9 -- in programs --

10 PETER FLEMISTER: -- that they
11 would have --

12 CHAIRMAN HUGH SCHWARTZBERG: --
13 in such programs as those of the South Suburban
14 Housing Center.

15 PETER FLEMISTER: -- that they
16 would --

17 CHAIRMAN HUGH SCHWARTZBERG: We
18 have a whole series of communities in which
19 blacks are less than one percent which did not
20 show a -- any increase during that period.

21 PETER FLEMISTER: Uh-huh.

22 CHAIRMAN HUGH SCHWARTZBERG: If
23 your theory is correct, then I assume these
24 communities would have remained stable, or
25 would not, in any case, have shown a one or two

1 percent increase in population.

2 PETER FLEMISTER: No, I see it
3 as two separate issues. I'm -- I'm -- I
4 separate the issues into two components. One
5 component being over here that you have
6 programs dealing with integration maintenance,
7 racial diversity, what have you.

8 The other component and -- and,
9 to me, by far the most important component, is
10 that African-Americans don't need a Housing
11 Center -- don't need a municipality. We have a
12 Fair Housing Law. We have the ability; we have
13 the money to be able to move into communities
14 and we have the -- the right to be free of
15 discrimination in making those choices.

16 In other words, what I'm saying
17 is that these programs went on and did what
18 they did, but you had African-Americans here on
19 the other side having the ability and having
20 the legal right to do so -- moving into
21 communities regardless of what those choices
22 may have been.

23 So, in other words, African-
24 Americans can move into communities where
25 there's -- there's that one percent -- two

1 percent or what have you. In the South
2 Suburbs, I'm not aware of any community that --
3 that doesn't have any African-Americans. If
4 you talk about the Chicago metropolitan area,
5 there are varying percentages of African-
6 Americans in the western suburbs -- northern
7 suburbs -- the whole Chicago metropolitan area,
8 but African-Americans have the right to move
9 into any of those communities.

10 What I am saying is that I
11 don't care what the racial makeup of those
12 communities is. What I am concerned about are
13 the rights of African-Americans to choose to
14 move into whatever community in whatever
15 numbers we choose, and if whites want to stay
16 in the communities that's fine.

17 But, what happens is that you
18 have this differing expectation. You have
19 these differing desires with respect to what's
20 a desirable community. And what's going to
21 happen in that free choice is that you're going
22 to have a wide range of what the population
23 makeup of a particular community is going to
24 be.

25 CHAIRMAN HUGH SCHWARTZBERG: I

1 take it you are President of one NAACP Chapter.
2 I gather that there is another NAACP Chapter --
3 another NAACP Chapter which is in disagreement
4 with you on this, is that correct?

5 ~~PETER FLEMISTER: I would say~~
6 that they're probably lots of people who are in
7 disagreement with me on a variety of issues.

8 CHAIRMAN HUGH SCHWARTZBERG:
9 And are there -- yes, Mr. -- Mr. Pugh.

10 THOMAS PUGH: You -- you may
11 think that we -- our charge is a gathering
12 opinion, but you've just read our charge and it
13 has to do with gathering the facts.

14 So, I'm interested in -- if you
15 would tell me what the racial composition of
16 all of the communities are that you just
17 mentioned, or would you rather not see that in
18 tomorrow's Tribune?

19 PETER FLEMISTER: Well -- well,
20 it's 1979. I don't have -- I didn't bring that
21 data with me, but you can certainly get it, you
22 know, as a government agency from the U.S.
23 Census Bureau.

24 THOMAS PUGH: In general terms?

25 PETER FLEMISTER: Well, I -- I

1 -- you know, in general terms, I don't -- you
2 know, I don't speak in general terms.

3 THOMAS PUGH: Are they
4 predominately white?

5 PETER FLEMISTER: Pardon?

6 THOMAS PUGH: Are they
7 predominately white?

8 PETER FLEMISTER: Some of them
9 are predominately white.

10 THOMAS PUGH: Some
11 predominately black?

12 PETER FLEMISTER: Some
13 predominately black; some -- some in the
14 middle.

15 THOMAS PUGH: And you had said
16 earlier that maybe several years ago, five
17 percent. Are they -- are they --

18 PETER FLEMISTER: Now, I was
19 speaking in some -- what -- what I would say is
20 that in -- in the 1970's and -- and just in the
21 -- in the immediate aftermath of the enactment
22 of the Fair Housing Law, I think it's fair to
23 say that in many of these communities the
24 population was less.

25 And I think it's also fair to

1 say that prior to the admin of the Fair Housing
2 Law and the immediate aftermath of its
3 enactment, that these communities certainly had
4 a -- as -- as was the case all across the
5 ~~country, had a history of hostility toward~~
6 African-Americans. I mean, it wasn't unusual.
7 Discrimination was illegal -- I mean, was legal
8 prior to 1968.

9 CHAIRMAN HUGH SCHWARTZBERG: If
10 there's no other questions, I have one final
11 question. This morning we have postulated in
12 connection with Atrium Village a quota against
13 whites in a housing community that was 50/50.
14 I take it you would still be opposed to that as
15 a means of integration maintenance?

16 PETER FLEMISTER: As -- as far
17 as I'm concerned, any -- any type of thing --
18 anything that would limit the free housing
19 choices of African-Americans -- any limitation,
20 whatsoever, from African-Americans --

21 CHAIRMAN HUGH SCHWARTZBERG:
22 No. No, I didn't say that. I said a -- this
23 was a possibility of a quota against whites;
24 not against blacks, against whites.

25 PETER FLEMISTER: Uh-huh. A

1 quota against whites?

2 CHAIRMAN HUGH SCHWARTZBERG:

3 That's correct. It was postulated that the
4 probable --

5 PETER FLEMISTER: Well, again,

6 I --

7 CHAIRMAN HUGH SCHWARTZBERG: --

8 it was postulated that the probable result of
9 one of the projects we were looking at was that
10 it might tip the other way if, in fact, there
11 was not a quota against whites.

12 And, I'm asking you whether or
13 not you would be equally opposed to a quota for
14 the purpose of preventing something becoming --
15 becoming re-segregated toward -- toward the
16 white percentage by virtue of economic ability?

17 PETER FLEMISTER: A quota to do
18 that?

19 CHAIRMAN HUGH SCHWARTZBERG:

20 Uh-huh.

21 PETER FLEMISTER: Just an
22 absolute quota. I think for one thing, it
23 would probably be illegal and --

24 CHAIRMAN HUGH SCHWARTZBERG:

25 But would you favor it --

1 PETER FLEMISTER: -- and from
2 the -- and from the second standpoint, again --

3 CHAIRMAN HUGH SCHWARTZBERG:
4 Okay.

5 PETER FLEMISTER: -- from my
6 concern, I would not -- not speak to see what's
7 best or, you know, what's good for whites. You
8 know, I don't -- now, that -- that's not a
9 concern that I have.

10 CHAIRMAN HUGH SCHWARTZBERG: Do
11 you view integration --

12 PETER FLEMISTER: But from my
13 standpoint --

14 CHAIRMAN HUGH SCHWARTZBERG: --
15 as being for whites?

16 PETER FLEMISTER: No, I -- I
17 don't view integration as being for whites.
18 What I view integration is, is that being --
19 being -- having the ability to be free from
20 discrimination based upon race whatever that
21 race may be.

22 So, in answer to your question,
23 if that would be whites that would be a concern
24 as well; it would be the same principle.

25 CHAIRMAN HUGH SCHWARTZBERG:

1 Okay. If there's no further question at this
2 time, I would like to call on Mr. Page.

3 I had previously indicated that
4 I would allow some cross talk on questions with
5 respect to -- to Ms. Martin; unfortunately, we
6 are going to have a time bind I didn't realize
7 we were going to be in. I had thought we had
8 lost two of our speakers. In fact, they were
9 delayed and, therefore, I have been using up
10 time that I may not have. I'm going to try to
11 deal with that as best I can.

12 I believe, Ms. Robinson, no one
13 has -- has -- no one met the time commitment on
14 the -- the open portions?

15 FAYE ROBINSON: We had one. We
16 had one.

17 CHAIRMAN HUGH SCHWARTZBERG:
18 One. All right.

19 At this point, I would like to
20 thank Mr. Flemister and I would like to
21 congratulate Mr. Flemister on standing up to my
22 questions. I do not -- I often try not to
23 indicate where I stand by questions in a
24 variety of places and I'm always pleased when
25 somebody does a good job of standing up on

1 them.

2 And let me, at this point, turn
3 to Mr. Clarence Page. Mr. Page has been before
4 the -- the -- this committee previously and so,
5 I believe that certainly those who have been
6 members of the Committee before do not need an
7 introduction. He may need an introduction for
8 two or three of the newer members. He is a
9 member of the Editorial Board of the Chicago
10 Tribune. He is a columnist for the Tribune,
11 and most recently he has become -- or is about
12 to become a commentator and I don't think we've
13 had a chance yet to see him in that role, but
14 we all look forward to it. Mr. Page.

15 CLARENCE PAGE: Well, you're
16 well on top of the news, Mr. Schwartzberg.
17 Thank you very much.

18 I -- first of all, I ask your
19 -- or I apologize for being late. As well as I
20 know Chicago, I was under the mistaken
21 impression this hearing was in the Dirkson
22 Building and went roaming around in the wrong
23 federal building and then finally found out it
24 was over here. So, I thank you all very much
25 for juggling your schedule for me.

1 I'm sorry I wasn't able to hear
2 more of the testimony earlier in regard to
3 Atrium Village. I hope I don't repeat too
4 much, but, mainly, I have come to -- to talk to
5 you about the -- how the Tribune Editorial
6 Board got into it, how I -- I, myself, as a
7 columnist came to make certain observations in
8 favor of the tenants, the Atrium Village
9 Tenants for Integrated Living, and the
10 developers and their so-called integration
11 maintenance program or management integration,
12 whatever you want to -- to call it.

13 This case really came to our
14 attention when the Justice Department stepped
15 in on behalf of some parties who alleged
16 discrimination -- they'd been discriminated
17 against in trying to move into Atrium Village.
18 We found that -- and I say -- when I say we, I
19 mean the Tribune Editorial Board, decided to
20 defend the plea of the Atrium Village residents
21 and the developers as "reasonable" and praise
22 the Atrium Village development, itself, as "a
23 model of the kind of racial, ethnic, and
24 economic balance the government says it wants
25 in housing." By contrast, we described the

1 Justice Department's posture as "ultra-pure".
2 Why do we call it that? Because their posture
3 says racial quotas are always wrong even when
4 they bring about and preserve integration.

5 The Tribune Editorial -- has

6 often quarreled with racial quotas per se -- uh
7 -- hard quotas. As a matter of policy, we've
8 opposed the use of hard quotas in jobs,
9 contracts, or housing except as a last resort
10 court ordered remedy for past discrimination.
11 Now, in this light, we found the Justice
12 Department's passionate conviction on this
13 point to be curious in light of how the
14 Department, then under the direction of
15 Attorney General Edwin Meese, had not been in
16 any way in the forefront, shall we say, of
17 defending minority rights. Rather its
18 involvement in this case seemed to be one of
19 convenience in light of the Department's
20 ideological opposition to affirmative action
21 programs. By appearing to take the side of
22 minorities in this case and that of the
23 Starrett City Development in New York, it could
24 make its case seemingly free of the charge that
25 the Department was standing in the way of

1 minority advancement.

2 So, at the time the Board
3 thought the Atrium Village situation met the
4 test that I had mentioned earlier that quotas
5 or goals -- and this something by -- just as an
6 aside, that is a matter of never ending debate
7 within our Board itself. I, myself, don't
8 think a quota and a goal are the same thing.
9 There are others who think that they are and,
10 thus, are opposed to any kind of racial goals
11 or goals in regard to -- to minorities in any
12 kind of an affirmative action or -- or a
13 housing program. I think you can set goals; I
14 think you must set goals and time tables,
15 otherwise, whatever efforts you say you've got
16 becomes meaningless. This is a debate I'm sure
17 you've all heard before and will hear again.
18 It continues. It is at the very heart of the
19 ethics of affirmative action programs. In any
20 case, as a matter of policy, we intend to
21 oppose the use of quotas in jobs, contracts, or
22 housing except as a last resort court order
23 remedy for past discrimination. The Atrium
24 Village situation meets that test, first, in
25 the sense that city, state and federal agencies

1 that made the development possible required
2 racial integration in the development and the
3 use of quotas to maintain it. And, secondly,
4 in the sense that federal appeals courts have
5 ~~defended similar integration programs in New~~
6 York and Philadelphia and the Supreme Court has
7 yet to rule on it.

8 In light of the realities of
9 Chicago political, social and public housing
10 history, we have recognized the historical use
11 of public housing in this town to surrogate the
12 races. We, in this sense, have some admiration
13 for efforts made to counter the impact of that
14 past segregation -- to do -- to do something to
15 provide remedies. We have praised efforts
16 designed to integrate -- to maintain
17 neighborhood integration through comprehensive
18 programs such as those operated by housing
19 officials in Oak Park. In addition, in an
20 editorial published July 23rd, 1987, we said --
21 and I think this really kind of spells out our
22 position -- quotas are distasteful. The only
23 legitimate reason to use them is to correct
24 past wrongs and imbalances, and bring about a
25 situation where they would not longer be

1 necessary.

2 It would be good to know
3 whether Atrium Village has reached that stage,
4 but the Justice Department shows no interest in
5 learning that. It insists on a contest that
6 cannot accomplish much except to make a
7 petulant sort of debating point; namely, that
8 people who uphold racial quotas like these must
9 be hypocrites because real liberals are against
10 such quotas. So, to argue this suit, the
11 Justice Department must make an elaborate
12 pretense of not understanding what is clear in
13 most other people. Restrictions can serve the
14 purpose of integration as well as segregation.

15 Finally, the Department is
16 serving notice on future intercity developments
17 -- I think this is an important point -- but
18 they better not rely on what the federal
19 government tells them. Future intercity
20 developers "had better not rely on what the
21 federal government tells them because it might
22 change its mind and sue them later for
23 following its instructions." Now, that's the
24 Tribune editorial position.

25 Let me just add a personal note

1 as a syndicated columnist and a future
2 commentator for Channel 5, I'm also a former
3 resident of the Atrium Village area. As a
4 former resident, ironically, I think the
5 ~~revocation of the right of Atrium Village to~~
6 main -- I should say as a -- fair. -- fairly
7 recently around '82 -- '83 -- I think the
8 revocation of the right of Atrium Village to
9 maintain integration through quotas could
10 easily work against blacks considering the
11 gentrifying (phonetic) nature of the
12 surrounding area. Before Atrium Village was
13 built, the nearby neighborhood was viewed as
14 impoverished, dangerous, by many, and in
15 decline. In recent years, partly through the
16 success of racial integration in Atrium
17 Village, nearby property values have climbed
18 and its attractiveness to white, upper-income
19 renters has climbed in ways unforeseen 20 years
20 ago when I came to Chicago.

21 My biggest personal complaint
22 about the neighborhood when I lived there in
23 '82 and '83 was that there were not more blacks
24 living there except for the residents of
25 Cabrini-Green public housing, a development

1 that failed over the years to keep its original
2 white residents. By contrast, Atrium Village
3 has been such a successful experiment in racial
4 and economically integrated living in the
5 ~~intercity that, in light of the neighborhoods~~
6 current popularity among upwardly mobile whites
7 and other non-blacks, I'm convinced Atrium
8 Village would become more white not more black
9 if its rents and admission policies were thrown
10 open, say, to the free market.

11 Currently, Atrium Village
12 thrives as an integrated development without
13 use of quotas. The churches and other
14 developers want to preserve the right to use
15 quotas in the future and I can see why
16 considering the gentrifying nature of the
17 surrounding community right up to the very
18 doorstep of Cabrini-Green, the development
19 could just as easily turn all white or all rich
20 as all black or all poor. On the free market
21 as rents would undoubtedly climb, more upwardly
22 mobile whites would move in and within a short
23 time, its racial makeup would reflect that of,
24 say, nearby Sandburg Village or the rest of the
25 gentrifying near north and Lincoln Park area.

1 I know, before Atrium Village was built whites
2 were warned not to go near Cabrini-Green and as
3 an old police reporter in this town, I know
4 quite well public perceptions of neighborhoods
5 and in this town in particular.

6 Recently, my wife and I were
7 driving past Atrium Village down Division
8 Street and we saw a group of young white adults
9 playing softball right across the street from
10 Cabrini-Green. We were astounded -- quite
11 aware of the prevailing attitudes in this town
12 and about that neighborhood. These young
13 whites were oblivious to whatever danger others
14 might perceive or think they know about the
15 area. Division Street is not the great divide
16 it used to be -- small wonder.

17 Over the past 20 years, I've
18 seen one block after another in the near north
19 and Lincoln Park Community shift from
20 integrated mix of poor and working class
21 blacks, whites, and Hispanics, to a homely --
22 to a quite homogeneous mix almost totally white
23 -- almost totally upwardly mobile -- yuppie, if
24 you will. As one who loves Chicago, it is
25 heartening to see so much faith in our

1 intercity rewarded, but is disheartening to see
2 neighborhoods become re-segregated as preserves
3 mainly for the white and the well to do while
4 those who are less well off are forced to seek
5 affordable housing elsewhere in what has become
6 a shrinking market for those of modest incomes.

7 In the city of Bisset with some
8 of the worst, most angry and divided racial
9 history of any city in the industrial north --
10 maybe any city this side of Johannesburg --
11 Atrium Village stands as the jewel of hope for
12 those of us who hope and pray for a future in
13 which all Americans can live together in a full
14 realization of Dr. Martin Luther King's dream.
15 I'll hate to see that jewel destroyed and see
16 that dream once again deferred especially by a
17 Justice Department that claims to be fighting
18 for equal rights. In this light, I think the
19 Justice Department's colorblind approach to
20 racial policy would be justifying if we had a
21 colorblind society. We do not. And I do not
22 see that sort of a policy moving us in that
23 direction, rather I see it as being a very
24 cynical approach to some very serious and very
25 complex problems that we have.

1 - And I -- I think -- I've been
2 hearing earlier about the definition of
3 integration changing over time. I was just
4 thinking back, you know, I think the definition
5 ~~of integration 20 years ago was -- it's the~~
6 period between the time the first black moves
7 in and the time the last white moves out.
8 Around the Atrium Village area and Lincoln Park
9 -- parts of near north and Lakeview, it's just
10 the opposite. The time between the -- the --
11 the -- between the first white yuppie moving in
12 and the last black of modest means moving out.
13 I mean, we have integration. I -- I'm one who
14 likes integrated neighborhoods. What does that
15 mean, I mean -- it means mixed. And where do
16 you put the numbers, that is a community
17 problem. That is a community goal and
18 challenge.

19 The thing about -- my
20 colleagues at the Tribune -- and we've, heaven
21 knows, wrestled with issues over the years --
22 racial issues since the Tribune was founded, in
23 1847 I remind you, on two principles free trade
24 and abolition. Two principles that sometimes
25 were in conflict over the course of the four

1 score and seven years that this country
2 wrestled with the question of slavery. But,
3 you know, as we have wrestled with this, we
4 certainly look at community by community.

5 When I look at Atrium Village,

6 here, we have a relatively small community; one
7 that has problems that are manageable. One
8 whose residents live close enough together --
9 know each other well enough they can
10 communicate with each other; they can work out
11 these things and they can -- and the residents
12 and the developers in the community around it
13 can make decisions in regard to what do we mean
14 by integration -- what kind of a community do
15 we want? And we found they had a working
16 situation here and, you know, the old saying,
17 if the -- if it's not broke; don't fix it.
18 Yet, the Justice Department felt it necessary
19 to come in and try to fix it. In the South
20 Suburbs, that's a much more complex situation.
21 You've got a lot of different communities there
22 and I think, in many ways, that it must be
23 dealt with on a community by community
24 situation. Certainly, Atrium Village is one
25 that is relatively easy to manage comparatively

1 easy to manage.

2 In that regard, I thank you all
3 once again for your patience and I welcome your
4 questions or comments.

5 **CHAIRMAN HUGH SCHWARTZBERG:**

6 Thank you, Mr. Page. Questions? Mr. Pugh will
7 take the first one.

8 THOMAS PUGH: Did your -- did
9 your news department determine where the Atrium
10 Village case came from?

11 CLARENCE PAGE: The -- oh, you
12 mean, what was the source of it?

13 THOMAS PUGH: Yeah.

14 CLARENCE PAGE: No, there was a
15 lot of speculation. I -- I -- I cannot say --
16 at least, I, myself, and -- and as far as our
17 actually printing anything, no, how it actually
18 originated -- I mean, I -- I know there are
19 some individuals how felt wronged. And to me
20 it was a case -- a lawsuit like any other
21 lawsuit -- one to be tested in the courts.
22 But, the question became why did the Justice
23 Department jump into it as eagerly as they did,
24 in this case and in Starrett City as well, and
25 both cases seemed to be complaints that could

1 be handled easily enough through the regular
2 channels; why make a bigger deal out of it than it
3 is? And so, I -- no, I cannot say that I know,
4 myself, exactly what -- what originated the
5 case.

6 CHAIRMAN HUGH SCHWARTZBERG:

7 Melvin Jenkins the Staff Director for the
8 United States Civil Rights Commission was here
9 this morning with us and after hearing another
10 resident of Atrium Village asked him: You
11 support apparently a quota with respect to
12 Atrium Village. How would such a quota differ
13 from a quota against Asians by Berkeley or
14 Stanford?

15 CLARENCE PAGE: How would this
16 quota differ?

17 CHAIRMAN HUGH SCHWARTZBERG:

18 Yes.

19 CLARENCE PAGE: Well, gee,
20 because Berkeley and Stanford is such a
21 different situation in my mind because that was
22 -- for one thing, the universities have never
23 admitted they had a quota, I don't believe.
24 They -- what -- what did happen there was that
25 their policies changed in recent years in such

1 a way that it would have the effect of
2 providing a -- a discriminatory impediment to
3 many prospective Asian students. And that was
4 something, you know, imposed without the
5 knowledge of -- of the community, per se, or --
6 or at least -- I -- I should say the
7 universities, themselves, were not really clear
8 on what their policy was. In other words, they
9 later said: We did nothing wrong and we
10 apologize anyway. I mean, it's still not
11 really clear.

12 CHAIRMAN HUGH SCHWARTZBERG:
13 Yeah, but let's say Berkeley or Stanford said
14 in the name of greater --

15 CLARENCE PAGE: Diversity.

16 CHAIRMAN HUGH SCHWARTZBERG: --
17 ability or diversity, we want a quota against
18 Asians by Berkeley or by Stanford. How would
19 that differ, if you believe it would, than a --
20 the kind of quotas that you're discussing and
21 appear to approve of in the case of Atrium
22 Village?

23 CLARENCE PAGE: Well for one
24 thing, Atrium Village has quotas initiated
25 through -- through government decree -- local,

1 state, and national.

2 For another, I think the
3 justifications for diversity on a campus are
4 very good ones. I think there's a very good
5 reason for campuses to be diverse in their
6 student enrollment. I think that whenever you
7 use hard quotas you're going to run into
8 trouble, but I see nothing wrong with setting
9 goals in terms of trying to get as diverse of a
10 student body as you can.

11 One of the big problems -- this
12 was touched on earlier in regard to ethnicity.
13 One problem when you just view Asians as a
14 whole -- as a race is that you diminish the
15 importance of differing ethnicity in the Asian
16 community. Japanese-American students, for
17 example, on the whole come from families that
18 are better off than, say, families of -- of
19 Honan (phonetic) or families of -- of Filipino
20 residency on the whole. There is a great deal
21 of difference in the kind of impediments they
22 may have in their backgrounds to getting into
23 college.

24 The sad thing -- the saddest
25 thing to me about the Berkeley situation is

1 that it really hurt the kids who really
2 deserved a chance the most -- the ones who are
3 really earnest, but have the most language
4 problem, who have the most cultural problem
5 because they were -- they were new to the
6 country or they were born and raised in ghetto-
7 type conditions. To me, you know, this defeats
8 one of the main purposes of affirmative action
9 programs which should be to help the
10 disadvantaged. These were obviously
11 disadvantaged Asian students they discriminated
12 against the most.

13 Now, of course, there was also
14 one classic case of one youngster who wanted to
15 get into Berkeley really badly and who was
16 super across the line. He was straight-A. He
17 was involved in all manners of student
18 activities. He was the valedictorian and still
19 was turned away, and -- and sued, I think
20 rightfully so, and now has gotten in.

21 It's -- it's a very complex
22 question, but I think in the case of Atrium
23 Village it's not nearly that complex. This has
24 been a -- a case where there were not any great
25 community complaints on the whole. As I say,

1 it was viewed as the jewel of the community.
2 Any kind of policy you have is going to
3 irritate somebody, but, in this case I think
4 that, on the whole, there was a consensus in
5 favor of Atrium Village's policy.

6 CHAIRMAN HUGH SCHWARTZBERG:
7 What I'm looking for, is the difference that
8 one is a move for integration -- is the
9 difference that one has something to do with
10 merit and the other does not? What is the
11 underlying distinction?

12 CLARENCE PAGE: One, it has the
13 goal of education, of course, and the other one
14 is -- is housing. I mean, those are quite
15 different areas, so it makes it difficult to
16 compare.

17 I think diversity, in itself,
18 is a virtue; that's why I think integration is
19 a virtue. Apart from that, the
20 difference

21 I'm trying to -- to get to the
22 core of your question. You were speaking of
23 ethical difference or difference of
24 acceptability between the two?

25 CHAIRMAN HUGH SCHWARTZBERG:

1 Why is a quota good in one place and only good
2 as a goal somewhere else?

3 CLARENCE PAGE: I think in the
4 case of Atrium Village I can say safely, there
5 was a community consensus in favor of the
6 quotas there. At present, there is not a
7 community need for quotas so they have none,
8 but there is a consensus in favor of having the
9 right to impose them in the future to maintain
10 racial balance.

11 In the situations of our
12 universities, the thing that -- I guess what
13 really bothers me is the -- when it's done
14 under the table -- when it's done -- done in a
15 cynical manner, it should be -- be done in an
16 open way, worked out with members of various
17 ethnic communities, and -- in which -- and I
18 mean, I, as -- as a columnist, have talked to
19 members of the Asian, Black, Hispanic, and
20 White communities in California and elsewhere
21 about the universities situation out there; it
22 is complex, but if I can get together with all
23 of these people, why can't the universities do
24 that. And, of course, now they're doing that.
25 It's ashamed they've got to wait until they've

1 got picket signs at their door, but they
2 should, in a very open way, meet with community
3 representatives and -- and say, look, we want
4 to improve the diversity on this campus. Even
5 before Asian students started to flow into the
6 campus in great numbers, there were efforts to
7 get more blacks and Hispanics and other
8 disadvantaged groups into the campus. We still
9 want to do that. We want to do this in a way
10 that will not be unfair to whites or to any
11 overachievers of any race. It's a very complex
12 question, but it's one that should be worked
13 out in a way that you can develop a community
14 consensus.

15 CHAIRMAN HUGH SCHWARTZBERG:

16 I'm sorry, Mr. Butters is just stepping down
17 the hall because I had one final question that
18 sort of involved him.

19 Mr. -- Mr. Butters indicated
20 that -- that the National Association of
21 Realtors might prefer that the -- that Title
22 VIII be amended so as to allow certain kinds of
23 pro-integrative activities as an exception to
24 the law. Is that something that you have given
25 any consideration to?

CLARENCE PAGE: I've given

1
2 thought to a lot of amendments to civil rights
3 law -- a lot of clarifications. Obviously,
4 right now, the majority of legislative effort
5 is going to be -- and for the near future is
6 going to be engaged in civil rights restoration
7 debate. In other words, restoring some of the
8 -- some of the rights that many of us take --
9 have taken for granted before the Supreme
10 Courts recent decisions. However, yes, I would
11 not be opposed to that. I think this sort of
12 thing should be debated openly in legislatures
13 rather than handed down by decree from the
14 courts. Here again, we turn to the courage of
15 our representatives -- our elected
16 representatives to bite the bullet and really
17 hash out these -- these issues in an open
18 forum.

19 I -- I'm dismayed that we do
20 not have more positive atmosphere -- political
21 atmosphere coming out of the White House right
22 now. I think that while, on the one hand,
23 President Bush has expressed sentiments in
24 favor of affirmative action, on the other hand,
25 he sees nothing wrong with these recent

1 decisions. That, in itself, will have, I feel,
2 a deleterious effect on open and free debate on
3 Capital Hill among elected representatives,
4 and, I -- I think that's sad. In that regard,
5 I hesitate somewhat to open -- to want to open
6 any can of worms in regard to amending past
7 civil rights legislation, but, on the whole, I
8 think it is much better that -- that these
9 tough issues if civil rights and -- and other
10 moral issues like abortion, etcetera, they
11 should all be dealt with legislatively as
12 opposed to -- to by the courts.

13 CHAIRMAN HUGH SCHWARTZBERG:

14 Commissioner Chan has questions.

15 CLARENCE PAGE: Yes, sir.

16 SHERWIN T.S. CHAN: Well, I
17 couldn't help to be silent since somebody
18 mentioned the U.C. admission policy. What
19 happened is this. About a year and a half ago,
20 and U.C. system generally has a admission
21 standard -- say if you have a grade point
22 average of 2.4, we'll accept you.

23 CLARENCE PAGE: Right.

24 SHERWIN T.S. CHAN: Now, but
25 they found that a great number of Asians coming

1 in they have more than 2.4, so they raised it.
2 Unofficially, they just tell them: Okay, well,
3 then we'll have to raise it to get better
4 student. They don't -- like you said, they
5 don't really have a quota, so to speak.

6 CLARENCE PAGE: Uh-huh.

7 SHERWIN T.S. CHAN: Okay, so
8 we'll raise it to 2.5. The Asian student keep
9 coming.

10 CLARENCE PAGE: They still kept
11 coming.

12 SHERWIN T.S. CHAN: 2.6, they
13 keep coming. And up to the last moment when
14 they -- they stopped the Asian applicant, is
15 they raised the standard to 3.8. For your
16 information for those in the college, you know
17 how hard to get 3.8 because 4.0 is straight-A
18 student. Okay, so now all this get exploited.

19 About a year ago, the Governor
20 of California directed the Inspector General of
21 California to examine this case and this is
22 what the finding is. They claim they don't
23 have a special quota, but somehow,
24 unofficially, nobody responsible for it and
25 that their admission standards keep coming up,

1 until they stop the student.

2 Now, of course, being a Civil
3 Rights Commissioner, we already have a dialogue
4 with the Assistant Secretary of Education in
5 charge of Civil Rights. As a matter of fact,
6 one of the California -- member became the
7 special assistant to the assistant secretary of
8 education. So, I told them, I said, "Now, you
9 have -- you have to carry the ball to clarify
10 this." So, right now, they're scratching their
11 head along with some other school with a
12 similar admission problem. And I guess what --

13 CLARENCE PAGE: I'm glad you
14 brought this up, by the way.

15 SHERWIN T.S. CHAN: Yes.

16 CLARENCE PAGE: I -- I have
17 been very interested in the situation out there
18 in California --

19 SHERWIN T.S. CHAN: Uh-huh.

20 CLARENCE PAGE: -- and it fits
21 into something that I presented a long time
22 ago, what I call the page principle of
23 prejudice --

24 SHERWIN T.S. CHAN: Uh-huh.

25 CLARENCE PAGE: -- which is

1 that prejudice is 90 percent presence. Whoever
2 the large, the big minority group is, they're
3 the ones who catch the prejudice such as -- as
4 it is. Here in the Midwest, we do not have
5 such a large Asian population that their
6 presence has been viewed, in any way, as
7 imposing on the campuses, but out in California
8 that has happened.

9 SHERWIN T.S. CHAN: Yes.

10 CLARENCE PAGE: And so there
11 has been -- there have been policies that I
12 would compare to the poll taxes and voting
13 tests put on blacks in the south in the old
14 days.

15 THOMAS PUGH: Could it -- could
16 it be that the Asian student population at the
17 University of Illinois, Champaign, are -- is
18 larger than the black population?

19 CHAIRMAN HUGH SCHWARTZBERG:

20 Yeah, can I -- can I --

21 CLARENCE PAGE: Could it be?

22 CHAIRMAN HUGH SCHWARTZBERG: --

23 can I hold --

24 CLARENCE PAGE: Right now, that
25 could be.

1 -- THOMAS PUGH: Okay.

2 CHAIRMAN HUGH SCHWARTZBERG: --
3 can I hold -- can I interrupt for just a
4 moment. I -- I recognize that there are a
5 ~~number of things we would like to discuss with~~
6 Mr. Page. We do have A, a topic, and B, what
7 appears to be a problem but really isn't. That
8 is, we have a final speaker and we have our
9 opening period, because only one person has
10 registered for the open period, we will have
11 time --

12 FAYE ROBINSON: Oh, there's --
13 there's been an addition.

14 CHAIRMAN HUGH SCHWARTZBERG: --
15 oh, there are two.

16 FAYE ROBINSON: There are two.

17 CHAIRMAN HUGH SCHWARTZBERG: I
18 would, therefore, like to take one final
19 question if anyone has, if not, then let's
20 thank Mr. Page and -- very much and move to our
21 next -- thank you very much.

22 CLARENCE PAGE: I thank you and
23 I also thank those who are waiting -- waiting
24 for me. I hear they're coming at this time.
25 Thank you very much.

1 CHAIRMAN HUGH SCHWARTZBERG:

2 Barbara Moore is the Director of Community
3 Relations for Park Forest Village and I would
4 like, at this time, to call on Ms. Moore.

5 BARBARA MOORE: I've been here

6 as long as you all have today.

7 CHAIRMAN HUGH SCHWARTZBERG:

8 Absolutely all day.

9 BARBARA MOORE: Now, please

10 don't do me like -- like the audience does
11 Johnny Carson, you know, when he gets to the
12 final one, they all applaud.

13 CLARENCE PAGE: Sorry, Barbara.

14 BARBARA MOORE: Good afternoon,

15 ladies and gentlemen, and, as Mr. Schwartzberg
16 stated, I'm Barbara Moore, Director of
17 Community Relations for the Village of Park
18 Forest, Illinois.

19 Thank you for this opportunity
20 to provide you with information about our
21 community and its racial diversity programs,
22 which support our integration efforts without
23 the use of quotas.

24 Located 30 miles south of
25 Chicago's Loop, Park Forest is an integrated

1 community of 26,222. Incorporated in 1949, it
2 is the country's first post-World War II
3 planned community and was designed to meet the
4 enormous demand for housing that occurred after
5 the War. Since its incorporation, Park Forest
6 has received numerous livability awards
7 including two Governor's Home Town Awards and
8 two All-American City Awards.

9 Known for its community
10 activism, Park Forest has demonstrated a long-
11 term commitment to human relations and fair
12 housing issues. A Commission on Human
13 Relations was established only two years after
14 the Village's incorporation and is still active
15 today. Its purpose is to foster and encourage
16 intergroup relationships.

17 In the mid-1950's, a Japanese-
18 American resident who had experienced
19 discrimination when moving to Park Forest
20 worked with several religious organizations to
21 attract African-American families to the
22 community. The first African-American
23 community moved to Park Forest in 1959, and
24 although there was some resistance from
25 residents, the local government made a strong

1 effort to make the family feel welcome and to
2 insure that all African-American families
3 moving to the Village would receive protection
4 and services equal to that enjoyed by white
5 residents.

6 During the 1960's, Park Forest
7 pursued an informal policy of discouraging
8 racial "clustering" of minorities to facilitate
9 integration throughout the Village avoiding
10 all-white and all-black enclaves. Our efforts
11 toward this end have been successful and to
12 this day, there are no racially identifiable
13 neighborhoods in the Village. In 1960, the
14 census counted eight African-American
15 villagers; in 1970, the number increased to
16 694; the 1980 census reflected a figure of
17 3,178 or 12.1 percent. Today, African-
18 Americans and other minorities constitute --
19 this is a projected figure -- 23.5 percent of
20 the population and live peacefully in every
21 section of the community. Park Forest enacted
22 a Fair Housing Ordinance in 1968 before the
23 Federal law was passed. In late 1971, an
24 assistant to the Manager for Community
25 Relations was hired to work toward improving

1 race relations in the community. In 1973, the
2 Fair Housing Review Board was created to hear
3 housing discrimination complaints. Also, the
4 Village adopted an "integration maintenance"
5 program in 1973. The policy that established
6 the program defines integration maintenance as
7 "the use of education and service programs to
8 encourage the continuation of integration in
9 the community which, in operation, will ensure
10 the continuance of a stable, multi-racial
11 community." I think we heard calls earlier for
12 education.

13 Realizing that racial
14 integration does not continue without positive
15 intervention, the Village has supported a
16 variety of programs to promote and serve the
17 community in a manner that attracts people of
18 different races, ethnic groups, religions and
19 economic means. In an effort to dispel the
20 myth that an integrated community declined --
21 that integrated communities decline physically
22 and economically and we do consider this part
23 of our racial diversity program; we maintain a
24 high level of Village services; aggressively
25 enforce housing codes; provide a wide variety

1 of recreational and cultural activities; and
2 offer grants to owners of homes with housing
3 code violations. We have also established a
4 low-cost home improvement loan program; formed
5 an economic development department; and in the
6 past, have purchased foreclosed homes for re-
7 sale to residents at cost.

8 Additionally, our racial
9 diversity programs have been expanded to
10 encourage stability by the following activities
11 -- by implementing the following activities:

12 Affirmative marketing, which
13 provides for racially balanced traffic and
14 demand throughout Park Forest and the south
15 suburban region, realizing we're not an island
16 and we're effected by what's going on in our
17 other communities surrounding us. We -- it's a
18 program implementing a public
19 relations/marketing/technical assistance
20 program that seeks to attract those persons not
21 ordinarily expected to be attracted through the
22 normal techniques of the market -- and I might
23 say here not to the exclusion of any one group;

24 Education of -- in other words,
25 if you're going to advertise in the Chicago

1 Tribune and you're going to target whites,
2 you're -- certainly haven't excluded blacks
3 because blacks and whites read the Tribune, but
4 you're more likely to get a broader white
5 audience in that than some other newspaper --
6 in that publication maybe then, say for
7 instance, the Chicago Defender which is kind of
8 taking it to the extreme, but that's an all
9 black publication.

10 Education of realtors, lenders,
11 school district personnel, managers of multi-
12 family housing, developers and other members of
13 the real estate community on the racial
14 diversity philosophy of the Village. We
15 encourage them to develop policies and programs
16 that are consistent with the Village philosophy
17 and enhance our ability to maintain our racial
18 diversity;

19 Collection of data thereby
20 continuing implementation of an accurate and
21 comprehensive resident survey system. This
22 system allows for the regular monitoring of
23 Village housing traffic and occupancy patterns
24 in order to detect potentially illegal real
25 estate activities; to direct our

1 marketing/public relation efforts; and, to
2 identify and single out for special attention
3 areas of the Village which could potentially be
4 segregating.

5 ~~Fair housing is a significant~~
6 public policy issue on a regional as well as a
7 local level. To that end, Park Forest
8 contracts with the South Suburban Housing
9 Center, a regional fair housing agency, which
10 conducts a testing program of real estate firms
11 and rental complexes throughout the south
12 suburban area. Park Forest contributes
13 annually to the Housing Center for testing, as
14 do several other south suburban communities.

15 Park Forest's fair housing
16 ordinance has been recognized by the U.S.
17 Department of Housing and Urban Development as
18 being substantially equivalent to Title VIII of
19 the Civil Rights Act of 1968. Therefore, we
20 have received HUD grants that have enabled us
21 to develop regional programs needed to expand
22 options for minorities -- housing options for
23 minorities.

24 In the past, by using a Park
25 Forest HUD grant, the Village contracted with

1 the Housing Center to implement a public
2 awareness campaign. The goals of this
3 successful program were to reduce
4 discrimination in the housing market and to
5 ~~expand housing choices for minorities and~~
6 whites so as to promote racially diverse south
7 suburban communities. The activities included
8 a media campaign; an outreach program that
9 included speaking engagements and home buyer
10 seminars; and the production of a fair housing
11 video. Currently, we are administering an 18-
12 month, \$100,000 HUD FAir Housing Assistance
13 Program, Type II grant.

14 The goal of this multi-faceted
15 project is to heighten public awareness of fair
16 housing rights and responsibilities and to test
17 in specific market areas for enforcement
18 purposes and systemic discrimination through
19 the use of outreach and education.

20 Participants include: The Leadership Council
21 for Metropolitan Open Communities; the South
22 Suburban Housing Center; the Greater South
23 Suburban Board of Realtors; the Southwest
24 Suburban Board of Realtors; the Hope Fair
25 Housing Center; the Center for Economic Policy

1 Analysis; and, of course, the Village of Park
2 Forest. Members of these organizations
3 comprise the coordinating committee, which is
4 now called Cooperating Organizations for
5 ~~Housing Opportunities (COHO). Components of~~
6 the program include:

7 Training of real estate agents
8 in fair housing law and practice;

9 Testing of real estate sales
10 and rental offices, homebuilders, and owners
11 selling (their homes themselves), and follow-up
12 enforcement of fair housing law violations;

13 Cooperative programs among fair
14 housing groups and real estate associations to
15 foster equal opportunities in employment, and
16 to foster racial and ethnic integration of real
17 estate sales and rental forces;

18 Cooperative action among real
19 estate associations, fair housing groups, and
20 religious and community organizations to secure
21 the passage of municipal fair housing
22 ordinances and adoption of related programs to
23 overcome the effects of past discrimination in
24 areas where few minority persons now reside;
25 and

1 Programs of outreach and public
2 education to increase the numbers of minority
3 homeseekers using the counseling and
4 enforcement services of private fair housing
5 groups; to provide fuller information and
6 assistance when looking in areas which are
7 unfamiliar to or perceived as unwelcoming by
8 minority homeseekers; and to inform
9 homeseekers' associations about fair housing --
10 homeowners' associations, rather, about fair
11 housing laws and enforcement procedures.

12 Even before HUD funding was
13 available for regional programs, the Village
14 recognized regional action was needed to expand
15 housing options for minorities and the
16 economically needed -- needy. To address those
17 concerns, we, along with other south suburban
18 communities, support the Fair Housing Coalition
19 as mentioned -- I'm sorry, the Fair Housing
20 Coalition and, as mentioned before, the South
21 Suburban Housing Center. The Fair Housing
22 Coalition provides "technical assistance to
23 members in such areas as working with the
24 Community Development Block Grant Program;
25 initiating fair housing ordinances;

1 establishing community relations commissions;
2 assisting communities and housing authorities
3 in complying with fair housing and affirmative
4 marketing requirements, and creating new
5 programs to ensure long-term residential
6 stability."

7 The Housing Center implements a
8 variety of regional housing programs including
9 chousing counseling, testing of real estate
10 firms and rental complexes, litigation,
11 research, affirmative marketing and education.
12 Their efforts to end housing discrimination are
13 vital to the well being of the region. Without
14 their programs, we would find ourselves -- that
15 is us and other communities -- working in a
16 vacuum, unable to detect illegal -- and I might
17 interject here -- regional housing practices
18 that have an impact on our community's ability
19 to maintain a unitary housing market.

20 You're heard this before today.
21 Some communities prefer to remain all white
22 others all black, but we have chosen to take a
23 stand in opposing any influence that limits
24 people's choices, and promotes segregation. We
25 place a positive value upon our racially

1 diverse community and believe that a
2 municipality would derive great benefits from
3 the enriching interaction that occurs when
4 people of varied backgrounds live in harmony as
5 neighbors. To that end, we encourage others to
6 join us in our efforts. We especially need
7 stronger support from the Federal Government,
8 support that includes a better understanding of
9 our varied programs -- of the varied programs
10 that we implement and, of course, restoration
11 of funds that have been withdrawn from HUD's
12 fair housing budget.

13 Thank you for you attention.

14 CHAIRMAN HUGH SCHWARTZBERG:

15 Thank you very much.

16 Questions? Mr. Pugh.

17 THOMAS PUGH: You mentioned --
18 I see you mentioned the restoration of funds,
19 but I see you've still got a hundred and some
20 thousand dollar grant --

21 BARBARA MOORE: And do you see
22 how big that program is?

23 THOMAS PUGH: -- is that a Park
24 Forest or --

25 BARBARA MOORE: Oh, no. That's

1 36 communities in the south suburban area. How
2 many in the southwest, Karen?

3 KAREN MARTIN: 14.

4 BARBARA MOORE: 14. We're
5 ~~trying to affect housing -- fair housing in --~~
6 36 in our area and 14 in the southwest suburban
7 area.

8 The southwest suburban area is
9 on the other side of I-57 and it's virtually --
10 well, it's almost all white and we're trying
11 to see that housing opportunities for
12 minorities are expanded there. We're trying to
13 see that even real estate offices are
14 integrated. If -- if a real estate agent would
15 go into an office in Orland Park (phonetic) --
16 a black real estate agent for employment, he
17 would be steered -- or she would be steered to
18 an all black real estate office either on the
19 south end of Chicago or Beverly, which is the
20 south end of Chicago, and, you know, one of the
21 people participating with us -- one of the
22 black realtors says it happens to him all the
23 time. So, we're trying to see that these
24 offices are integrated and we've already
25 received threats -- one of the offices that it

1 will be bombed if -- it's hard to believe, but
2 we're trying to affect all these communities
3 and under -- the program is multifaceted and we
4 have, you know, the education component, the
5 training and the testing, etcetera, and a
6 hundred thousand -- Park Forest, for instance,
7 is 5,000 for administering an 18-month grant.
8 So, it's -- the money is stretched thin.

9 THOMAS PUGH: You -- you heard
10 a previous speaker who was very critical of
11 your activities?

12 BARBARA MOORE: Yes.

13 THOMAS PUGH: And -- and --

14 BARBARA MOORE: Which one?

15 THOMAS PUGH: -- and -- to --
16 to talk about population figures or change
17 figures.

18 BARBARA MOORE: That speaker is
19 a member of my community, yes.

20 CHAIRMAN HUGH SCHWARTZBERG:
21 Could you -- yes, I was wondering whether we
22 could get --

23 THOMAS PUGH: Can I ask a
24 question, please?

25 CHAIRMAN HUGH SCHWARTZBERG: --

1 yes.

2 THOMAS PUGH: Please?

3 CHAIRMAN HUGH SCHWARTZBERG:

4 Yes, certainly.

5 THOMAS PUGH: In regard to the
6 population change in the south suburban
7 community --

8 BARBARA MOORE: Uh-huh.

9 THOMAS PUGH: -- is it rapidly
10 changing?

11 BARBARA MOORE: No, it has not
12 been a rapid change.

13 THOMAS PUGH: And are there --

14 BARBARA MOORE: I mean we've
15 been integrated 30 years; that's a long time.
16 And we would estimate our black population to
17 be 17 percent and other communities around us
18 started integrating maybe at a later time.
19 There were some communities like Harvey,
20 Chicago Heights -- that have always had a black
21 population, but none of the communities have
22 experienced complete rapid --

23 THOMAS PUGH: And what do you
24 say to the -- to the charge that -- that your
25 endeavors are -- are to prevent blacks from

1 -- moving into these communities?

2 BARBARA MOORE: No, it isn't.
3 It's to make them aware of all their choices.
4 We feel this way. If we were to segregate all
5 black because of free choice, that's okay. If
6 blacks are only told about Park Forest, we'll
7 pick on Park Forest since I'm here, and not
8 told about Homewood, a community that is --
9 maybe has a larger white population than Park
10 Forest, we feel that isn't free choice. If
11 that black homeseekers is told about all those
12 communities and their price range -- not every
13 one. I mean, we realize that's -- I mean, the
14 realtors use that as an excuse because they
15 feel that they have to show every community in
16 the metropolitan area, but, within reason, if
17 they're shown a lot of homes in different -- in
18 different areas within their choice and they
19 all chose Park Forest, that doesn't bother us
20 just because of free choice. We are concerned,
21 however, in the southern suburbs that blacks --
22 and we wish we could -- you know, we're not
23 talking about this area now, but that they were
24 more made aware of the western suburbs and
25 housing opportunities out there because that's

1 where the job growth is going -- grown -- uh --
2 growing. In fact, entry level jobs are going
3 unfilled out there and now they're talking
4 about busing entry level workers from the
5 intercity and from the south suburban area
6 because there's no transportation to where the
7 jobs are. Not only is there not much
8 affordable housing -- uh -- so that they can
9 work during the day and come home at night, and
10 to me, that's what they've practiced in the
11 south -- South Africa. So, that is our biggest
12 concern is that minorities are not just
13 relegated to that area -- not made aware of
14 housing opportunities where there are jobs.

15 CHAIRMAN HUGH SCHWARTZBERG:
16 There was some indication on the earlier
17 transcript -- or the earlier testimony that
18 those engaged in these kinds of activities are
19 all white. I assume that that is not the case.

20 BARBARA MOORE: No.

21 CHAIRMAN HUGH SCHWARTZBERG:
22 Since it does -- since your race does not show
23 on the transcript, I -- I take it -- I simply
24 want to note -- note it for the record, and,
25 under other circumstances, I might not do so.

1 Are there further questions?

2 Further questions?

3 If there are no further
4 questions for this witness, I'd like to thank
5 her very much and, at this point, we have
6 two --

7 FAYE ROBINSON: Two open
8 session presenters, William Simpson and Karen
9 Martin.

10 CHAIRMAN HUGH SCHWARTZBERG:
11 All right, Mr. Simpson, would you come forward,
12 please?

13 I am going to grant up to ten
14 minutes for each of the -- the two participants
15 including any questions.

16 WILLIAM SIMPSON: You
17 anticipated me, I was just about to wonder if
18 that was going to be the case. I would still
19 like to make a summary, if I may?

20 CHAIRMAN HUGH SCHWARTZBERG:
21 Yes. And, of course, you may --

22 WILLIAM SIMPSON: If you will
23 allow me?

24 CHAIRMAN HUGH SCHWARTZBERG: --
25 you may submit additional material in writing

1 for which will go to all our members and become
2 a part of our record.

3 WILLIAM SIMPSON: I have
4 submitted one statement. This being my first
5 ~~time before a committee, I only knew that I had~~
6 to submit one. So, if there's anyone wishing
7 to have a copy of it, or maybe she can make --

8 CHAIRMAN HUGH SCHWARTZBERG: We
9 -- we will reproduce them, Mr. Simpson.

10 WILLIAM SIMPSON: Okay. All
11 right. First, I'd like to thank the Advisory
12 Committee for the opportunity to make a summary
13 statement before you on today's subject matter.
14 My full statement has been deposited with the
15 staff.

16 My name is William Simpson. I
17 am Chairman of the Housing Committee in Chicago
18 Far-South Suburban Branch, but I make my
19 statement in another capacity even more
20 important, that of an African-American parent
21 and family man, a category inclusive of many
22 millions of American citizens.

23 Before giving my statement to
24 you, I would like to call your attention to a
25 publication put out by the U.S. Civil Rights

1 Commission titled: Issues in Housing --
2 Discrimination, a consultation hearing of the
3 United States Commission on Civil Rights,
4 Washington, D.C., November 12th and 13th, 1985.

5 ~~In Volume 2 entitled proceedings, the appendix,~~
6 if you're interested, you will find other
7 statements by me on today's subject matter.

8 The reason why it's in the appendix is because
9 I sent in the material just a few weeks before
10 they printed up the -- the proceedings and they
11 called and asked me if they could include in,
12 and that is precisely what they did. So, if
13 you'd like to see those, they are available.

14 As a part of the summary, I
15 would like to read just two pages of my
16 statement verbatim. The title is: In
17 Opposition to Housing Programs and Policies to
18 Control the Number of African-Americans in
19 Buildings, Neighborhoods, and Communities for
20 the Purpose of Stopping White Flight, Enticing
21 White Move-Ins or, in general, Maintaining
22 Integration.

23 My wife and I once received a
24 nighttime call from our youngest daughter who
25 is an Air Force officer. She was calling to

1 let us know that she was alright. She knew the
2 media had carried news about the crash of an
3 Air Force tanker from her air base and, since
4 no names of the dead and injured were being
5 given, she just wanted to reassure her parents.

6 Later that night, our son called to say he had
7 seen the TV reports of the crash, had checked
8 the air base, and he, too, reassured us that
9 our daughter was not a victim. My wife and I
10 then called our oldest daughter and informed
11 her of the circumstances in case she happened
12 to catch a story of the crash and it listed no
13 names of victims.

14 I relate this story to you
15 members of the Commission because it embodies a
16 seminal motivation that has driven my
17 opposition to housing programs created to
18 maintain integration for the past 15 years.
19 The networking of our family in that crash
20 incident just served to reinforce one of the
21 most effective criticisms for me against the
22 idea of limiting the number of African-American
23 families in buildings, neighborhoods and
24 communities in order to affect some managed
25 balance of population mix between African-

1 Americans and whites called integration
2 maintenance. I know that such housing programs
3 must and would seek to prevent my family, which
4 networked so splendidly in the mentioned
5 ~~incident, from living in adjacent houses, or~~
6 occupying all or most of the apartments in a
7 building because such contiguity of -- on our
8 part would conflict with integration
9 maintenance proponents estimate of how many
10 black families ought to be on a block -- an
11 estimate that pays no attention to familial
12 ties.

13 The advocacy and implementation
14 of programs and policies by governments,
15 housing centers and HUD throughout the country
16 to maintain integration has given rise to a
17 broad range of questions concerning the moral
18 and legal ramifications of the deliberate
19 managing of the buying, selling and renting of
20 houses for the purpose of controlling the
21 percentage racial makeup of buildings,
22 neighborhoods and communities. I have actively
23 monitored the issue for more than 15 years.
24 The declarations and conclusions which are
25 respectfully submitted in this statement are

1 the results of that protracted attention to the
2 subject.

3 The seed for the growth of
4 integration maintenance programs, whether
5 admitted or not, is the trepidation in whites
6 over the presence of African-Americans in
7 areas. It is an undeniable reality that whites
8 will move out of or decline to move into areas
9 that have or pretend to have an uncomfortable
10 percent of black residents. Operating with
11 this given, municipal officials and private
12 organizations have been devising a multitude of
13 housing plans to achieve a common goal. To
14 limit the number of black families in
15 designated areas so as to encourage white
16 families to stay or to move in. Such -- such
17 activity has, in my considered opinion,
18 potentially devastating consequences for
19 African-American people and is both morally and
20 legally indefensible.

21 I think that the moral
22 deficiencies of housing integration maintenance
23 programs are of particular importance because
24 the programs take as their justifying
25 foundation maxims that persistently identify

1 African-American people as a danger to the
2 health and welfare of the society. It makes no
3 difference the moral, financial and
4 intellectual attributes of individual African-
5 Americans; only that we possess the criterion
6 for housing manipulation being black. The
7 great american profession to fidelity to equal
8 opportunity for all Americans to live where
9 they choose and can afford falls victim to
10 integration maintenance programs. It was not
11 long ago that the Congress in some of its
12 finest hours legislated housing laws to end
13 discrimination in housing that had tainted our
14 democracy for scores of years. Now, local,
15 state and federal legislators are being pressed
16 to pass ordinances and amendments to existing
17 housing laws that would allow governments to
18 allocate, proportion, balance the racial makeup
19 of buildings, neighborhoods and communities.
20 The irony is that so many of the proponents of
21 these integration maintenance programs were
22 yesterday's civil rights fighters but today's
23 advocates of policies that are a backward step
24 leaving us but a breath away from where started
25 in breaking discriminatory housing practices.

1 I am reminded of the musings of
2 the great black slavery fighter, Fredrich
3 Douglas, when he pondered the state of affairs
4 which saw the paradox. Staunch, white
5 abolitionists such as William Lloyd Garrison
6 were willing to put their lives on the line,
7 literally, in a crusade against slavery, yet,
8 as Douglas lamented, they could not also
9 consider him and other blacks as equals to be
10 hired or to live in unfettered freedom where
11 they so chose. Mr. Douglas had to reluctantly
12 break away from people so fine in many ways in
13 order to exercise his own intellectuality,
14 manhood and citizenship. My concern with the
15 well intention attempts to -- to manipulate
16 populations to maintain integration contains
17 much of the paradox that drove Mr. Douglas to
18 go his separate way from people whose general
19 moral tenancies he so admired.

20 CHAIRMAN HUGH SCHWARTZBERG:

21 Thank you very much, Mr. Simpson.

22 Mr. Simpson, for the record,
23 could we have your address or at least the town
24 that you live in?

25 WILLIAM SIMPSON: Yes, could I

1 -- can I say it now?

2 CHAIRMAN HUGH SCHWARTZBERG:

3 Yes, please.

4 WILLIAM SIMPSON: Okay. It's

5 ~~William Simpson, 403 Willshire, Park Forest,~~

6 ~~Illinois 60466.~~

7 CHAIRMAN HUGH SCHWARTZBERG:

8 Thank you very much, Mr. Simpson.

9 WILLIAM SIMPSON: And further,

10 I am the Secretary of the Far-South Suburban

11 Branch of the NAACP and there's a telephone

12 number if that is appropriate.

13 CHAIRMAN HUGH SCHWARTZBERG:

14 That is the same group that Mr. Flemister is

15 President --

16 WILLIAM SIMPSON: Right.

17 Right. Now, have I used my ten minutes?

18 CHAIRMAN HUGH SCHWARTZBERG:

19 Yes, I'm afraid we are -- I -- I let you go

20 somewhat over the ten minutes because I saw

21 that you were coming close to the end of your

22 paper.

23 WILLIAM SIMPSON: May -- may I

24 make that one correction --

25 CHAIRMAN HUGH SCHWARTZBERG:

1 Yes, you had --

2 WILLIAM SIMPSON: -- please?

3 CHAIRMAN HUGH SCHWARTZBERG: --

4 you had requested that earlier --

5 WILLIAM SIMPSON: Okay.

6 CHAIRMAN HUGH SCHWARTZBERG: --

7 and I think it might be easier if you can --

8 WILLIAM SIMPSON: The

9 correction has -- the correction has to do with

10 a statement made by Mr. White. He continuously

11 called Ms. Charlena Edwards, who filed the suit

12 in the -- in the Atrium Case -- Village case, a

13 young lady. At the time, Ms. Edwards filed the

14 suit in 1978, she was 69 years old. Now, that

15 material and other material much more -- very

16 important to the Atrium Village is contained in

17 a memo put out in 1984 by the HUD office, and

18 for those who are interested in it, it -- it

19 has chronological order of many things having

20 to do with that case including conclusions by

21 HUD regarding Atrium Village. And if you -- it

22 is available, I suppose, from HUD.

23 Thank you very much.

24 CHAIRMAN HUGH SCHWARTZBERG: If

25 you have a copy of that it might -- you might

1 submit that with your --

2 WILLIAM SIMPSON: Well, this --
3 this -- I beg your pardon?

4 CHAIRMAN HUGH SCHWARTZBERG: If
5 ~~you have a copy available, you might submit~~
6 ~~that in the mail by -- in -- in the mail to us.~~

7 WILLIAM SIMPSON: Okay.

8 CHAIRMAN HUGH SCHWARTZBERG:
9 All right, let me then thank you and turn to
10 our final presenter.

11 And may I have that name, Ms.
12 Robinson?

13 FAYE ROBINSON: Karen Martin.

14 CHAIRMAN HUGH SCHWARTZBERG:
15 Karen Martin.

16 Oh, yes, I'm sorry. Yes, I was
17 going to call on Karen Martin in -- in the
18 event -- uh -- do we have certain rules with
19 respect to defame and degrade? I am not
20 certain whether or not that invisible line was
21 breached by a preceding witness, but it was my
22 intent, in any event, to ask Ms. Martin to
23 respond there and I am pleased that she is
24 taking this opportunity. Once again, I will
25 limit her to ten minutes and that will conclude

1 our program today.

2 Ms. Martin.

3 KAREN MARTIN: Thank you.

4 I will be very brief because

5 ~~you have given me my chance to make my~~

6 presentation. I stand on that and some

7 allegations do not need response because my

8 testimony stands for itself. However, I will

9 remind you that although there have been many

10 suggestions that the South Suburban Housing

11 Center controls access, we do not indeed do

12 that and those who say that we do are not

13 involved with those programs.

14 I must say that I am upset that

15 one of the presenters who has absolutely

16 nothing to do with our programs was asked

17 detailed questions about our programs and

18 purported to answer them. I'm not sure how he

19 thought he could do that.

20 I would also like to let you

21 know one thing, the South Suburban Housing

22 Center did not even have a testing program in

23 and, at its inception, it was found that the

24 Housing Center needed a testing program because

25 in introducing blacks to the south suburban

1 area through counseling programs and what not
2 and trying to open up opportunities, there was
3 a constant discrimination and it was discovered
4 that testing programs were needed because you
5 never knew when you turned around what was
6 going to be done.

7 I would like to respond to Mr.
8 Flemister's comments because I -- I do believe
9 that his comments were defamatory and I do
10 reject what he said. I think words such as
11 mercenary, hypocrisy, missionary minded with a
12 pejorative tone, ignorant, misguided, foxes
13 guarding the chicken coop and perverted are
14 defamatory. I am very distressed that he was
15 not reminded of the requirement to not defame
16 when he was here. He came in late and left
17 early. I suggested, when I was asked to speak,
18 that perhaps I could follow Mr. Flemister in
19 his comments because I have been in several
20 public forums with him and I am always reminded
21 that, as a white person, I do not have the
22 right to care about or work for fair housing.
23 And his suggestion that I have a financial
24 interest is absolutely -- I don't even know
25 what to say about it. I think, number one, it

-1 is false. Yes, I am paid for my job. I am not
2 paid a kings ransom, let me assure you, but to
3 suggest it in the way that he does suggests
4 other than I am a paid person. I cannot tell
5 you how distressed I am that this was not said
6 to his face.

7 And that -- those are the
8 limits of my comments and I appreciate the
9 opportunity.

10 CHAIRMAN HUGH SCHWARTZBERG: I
11 must apologize, I did not know in advance of
12 your request to follow him; therefore, I did
13 not know that the request had been made and
14 could not act on it.

15 That, I believe, concludes the
16 material before us today.

17 THOMAS PUGH: Just one point.
18 You made a reference to questions about --
19 about your program. Were you referring to the
20 questions I was asking him about the
21 percentage?

22 KAREN MARTIN: I'm sorry, it
23 just -- no, not the percentages. No. More in
24 terms of whether or not our program is actually
25 limited and what our programs -- our counseling

1 programs actually did.

2 THOMAS PUGH: Oh, okay.

3 KAREN MARTIN: They were not
4 the -- they weren't the percentage questions
5 that --

6 THOMAS PUGH: Well, would it --

7 CHAIRMAN HUGH SCHWARTZBERG: I
8 believe -- I believe I might repeat those
9 questions and perhaps we might get an answer.

10 I have indicated -- had asked
11 him whether or not he was suggesting that the
12 work of the Center had had the effect of
13 reducing blacks in the south suburban area.

14 THOMAS PUGH: Yeah, that was
15 one of the questions.

16 CHAIRMAN HUGH SCHWARTZBERG:
17 That was one of the questions. And perhaps you
18 might want an opportunity to answer that. I
19 had wanted to be certain that he was not, in
20 fact, claiming that that had been the result,
21 but since you are back before us, perhaps you'd
22 like to answer that question direct.

23 KAREN MARTIN: Well, I think
24 the -- the clearest answer to that is what
25 Judge Leinenweber found in eight weeks of

1 testimony -- could not find any evidence of
2 discriminatory effect. There were -- I cannot
3 -- I -- I am sorry, I do not know the number.
4 I was no involved in that trial and I do not
5 know the number of witnesses who were, but it
6 -- it was several who were called before the
7 Judge to determine whether or not they had --
8 minority homeseekers had, in fact, been
9 discriminated against and they could not find a
10 shred of evidence that suggested that anyone
11 who had come through any of the Housing Center
12 programs had ever been discriminated against in
13 their housing choices, so, flatly, no.

14 CHAIRMAN HUGH SCHWARTZBERG:

15 And I believe that I also asked this -- asked
16 that witness something along the following
17 lines. That since there were other suburbs
18 which had Afro-American populations of around
19 one percent, both at the beginning and the end
20 of the activities of the Center, which had been
21 described, and since -- and there had been more
22 substantial growth within the suburbs with
23 which the Center deals, whether it might not
24 have been the case that the action of the
25 Center and the integration which had been

1 maintained had actually increased black
2 population in those areas? I believe that was
3 the other question which I asked him. Would
4 you like to respond to that?

5 KAREN MARTIN: I think very
6 clearly, yes, the Housing Center's actions has
7 increased minority populations in the southern
8 suburbs because it has increased the openness.
9 We monitor very carefully real estate practices
10 and we're not talking just about realtors.
11 We're talking about apartment complexes as well
12 as builder developers. And I think some of our
13 lawsuits which historically have been on behalf
14 of minority homeseekers and -- uh --

15 Let me -- let me clarify. One
16 of the problems with another presenter was that
17 the issue is only blacks and whites in the
18 southern suburbs which, number one, isn't true
19 because we do work on behalf of the other
20 protected classes as stated in the law. Six of
21 our nine open cases right now are familial
22 status. Historically, they have been on -- on
23 behalf of black homeseekers. It is just a fact
24 of life that the primary problems in the
25 southern suburbs have been among black

1 homeseekers and white homeseekers. There is a
2 very, very, small Latino population and a
3 smaller Asian population. So, that's just a
4 fact though; not something that we have called
5 upon to deal with. When we are called upon to
6 deal with discrimination in any form, we deal
7 with it as -- as evidenced by the fact that we
8 are having an increasing number of familial
9 status cases.

10 CHAIRMAN HUGH SCHWARTZBERG: Is
11 there any final question for Ms. Martin?

12 If there's no final question
13 for Ms. Martin, then I would like to thank her
14 once again --

15 KAREN MARTIN: Thank you.

16 CHAIRMAN HUGH SCHWARTZBERG: --
17 and I, at this point, declare this meeting
18 adjourned. Thank you all.

19 (The meeting in the above-
20 entitled matter was
21 adjourned at 5:15 p.m..)

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C E R T I F I C A T E

I, DARLENE FOURKAS, do hereby certify that I appeared at the time and place first hereinbefore set forth; that I took down by means of cassette recording the entire proceedings had at said time and place; and that the foregoing pages one through 379 constitute a true, correct and complete transcript of my said cassette recordings.

Darlene Fourkas

REPORTER