

CHICAGO

Englewood residents organize to take back their block

The plan? Buy up property and take the reins of development and housing.

By **Christian Belanger, City Bureau** Jul 23, 2018, 9:00am CDT

Photos by Pat Nabong, City Bureau

Asiaha Butler and Deon Lucas, founders of the Englewood Development Group on the porch of the first property they are set to acquire. | Pat Nabong, City Bureau

Englewood residents filled a room in the historic bank building at 63rd and Halsted in May to learn about purchasing apartment buildings in the neighborhood. During a pair of panels, landlords discussed how best to gut rehab a building and deal with difficult tenants, while banks and nonprofits gave advice on handling a past foreclosure or building a good credit score. The event was called “Buy the Block”—implying, as organizers said repeatedly that day, “or somebody else will.”

“The people I see who are purchasing property in Englewood don’t look like us, by and large,” Gloria King-Wright, loan officer at Seaway Bank, told attendees. “They’re investors, they’re speculators.”

“We need to buy the land in Englewood. Do believe there are people who are buying blocks at a time—*at a time*. You can’t complain about gentrification if you don’t own anything,” said Antoine Butler, a landlord, to a round of applause. “The property value is rising. They’re not gonna tell you that. They’re not gonna let you know that Englewood is probably the hottest land in the city of Chicago right now.”



A crowded room listens to panels about housing and development at "Buy the Block" in Englewood.

Englewood property values have remained relatively stagnant compared to the rest of the city since the recession, and incomes are still low—with a median of \$19,900, which is almost \$30,000 less than that of the city as a whole. But within the neighborhood, there's a growing sense, propelled by developments like [Englewood Square](#) and a [coming microbrewery](#), that things are changing. And in response, residents and organizations are trying to ensure Englewood residents will benefit from those changes.

One new company with that goal is the Englewood Development Group (EDG). Founded by Asiaha Butler, president of the Resident Association of Greater Englewood, and Deon Lucas, an architect, it plans to buy and rehab vacant properties in Englewood and West Englewood, with the aim of selling them to local residents.

Englewood's real estate has long been a site for [outside speculation](#), which (along with historic disinvestment and racist lending practices) has made the area one of the most turbulent housing markets in the city, according to data from [DePaul University's Institute for Housing Studies](#). EDG and similar projects are trying to give the neighborhood back to

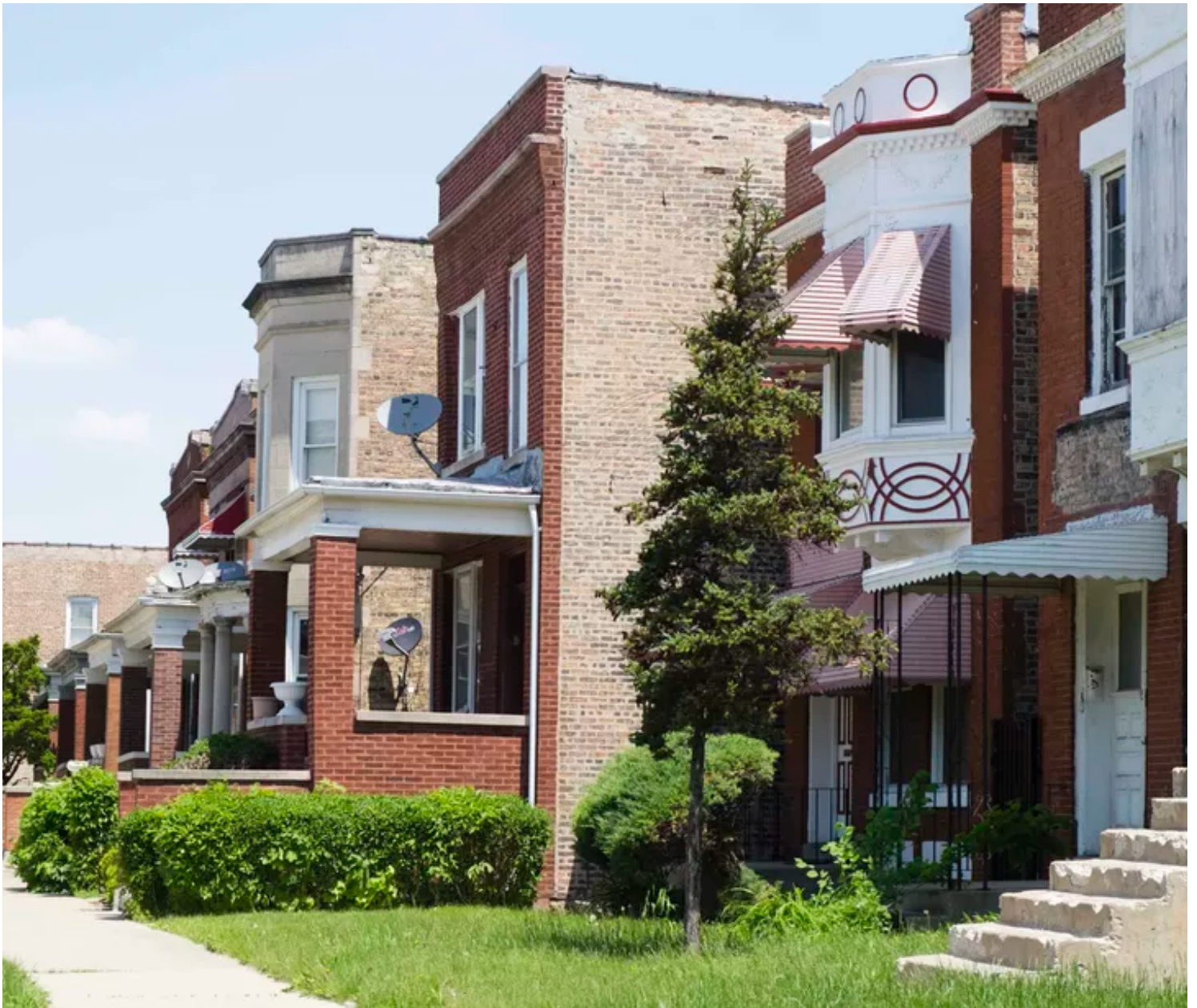
its residents—at least the ones who can buy property. Will these initiatives also benefit the neighborhood’s most vulnerable group of residents, such as 75 percent of renters who pay more than a third of their income toward rent? It’s not yet clear.

Butler and Lucas first got the idea for EDG around September of last year, after the nonprofit lender Chicago Community Loan Fund (CCLF) put out a request for developers to take part in the Chicago Neighborhood Rebuild Pilot Program, which gives at-risk youth jobs to rehab vacant buildings. But it wanted a neighborhood-based development company to work the local angle—picking a property and getting residents involved.

“We figured, hey, we have a few talented, dedicated residents and individuals who are willing to sacrifice their time for the greater good of the community. So we started our own development company,” said Lucas.

After being approved as developers in October, Butler said, “It allowed us to bid on properties at low cost, and to...renovate those, and to hire local residents.”

The first property EDG is set to acquire is a red-brick two-flat at 6219 S. Bishop in West Englewood. In the summer of 2016, the mortgage lender filed a foreclosure notice against the current owner; a little under a year later, the Cook County Land Bank Authority bought the property at a public sale. The Land Bank then auctioned off the property as part of the Rebuild pilot; EDG offered \$10,000, and Butler found out in April that they had been awarded the building.



The street where the first property that Englewood Development Group is set to acquire.



Asiaha Butler and Deon Lucas, founders of the Englewood Development Group sit on the house's porch at 6219 S. Bishop.

After it's been rehabbed, EDG will sell the property to a neighborhood resident looking to become a homeowner. "We're interested in finding a potential buyer who *gets* it," she said. "It's not about folks who get it and sit on it. It's really about someone who wants to live here and help stabilize the market."

EDG isn't the only organization working on increasing local homeownership rates in a neighborhood where only about 27 percent of units are owner-occupied. Nonprofit organization Neighborhood Housing Services, for instance, offers \$15,000 in down payment assistance in certain sections of Englewood as part of the city's Micro Market Recovery Program. And at the "Buy the Block" panel discussion, representatives from almost all local banks said there are programs with plenty of unused money available for Englewood renters looking to buy a home.

One problem, according to Rashanah Baldwin, the Englewood program officer for NHS, is that many residents don't really know how to get started when it comes to buying a house. "There's not enough education being saturated in the community," she said. Baldwin

estimates that, since she's taken over her position in early 2016, she's only helped about ten people buy homes in Englewood. "People don't know about money, grants, loans, especially when you're brand new and doing it for the first time," she said. "There's a lack of [educational] resources that does exist in our communities of color."

Beyond helping residents become homeowners, EDG's work takes a multi-layered approach to improving the neighborhood. For example, to help rehab the property at 62nd and Bishop, the group will partner with the Safer Foundation, a nonprofit that works with people who have criminal records. Through the organization, EDG will hire formerly incarcerated Englewood residents to renovate the building.

Lucas and Butler say EDG may also provide a testing ground for innovative organizational structures. One possibility raised by Lucas: creating a nonprofit representing the community that's given a 49 percent—essentially, a powerful minority stake—in any development project EDG takes on with outside investors. "We want to make sure investors feel comfortable by having a majority... but we also want to make sure that residents have a seat at the table, and you do that by making them a responsible party for decisions being made," he said.

But encouraging homeownership may also put low-income residents living in Englewood—those who aren't able to afford houses, even with easy credit or added loans—in danger of displacement.

That's already happening in Woodlawn. Just east of Englewood, Woodlawn's real estate market has been quickly increasing in activity and value ahead of the arrival of the Obama Presidential Center (OPC) in Jackson Park. It's not just high-profile, expensive new buildings, like the \$600,000 [Studio Dwell house](#) that sold for a record price back in March: From 2016 to 2017, the median house sale price rose 250 percent, according to [Chicago Magazine](#).

At the moment, most of the people living in Woodlawn are renters; [a report](#) from community organization 1Woodlawn estimates that 15 to 20 percent of houses are owner-occupied. But the report also warns that that percentage is poised to climb quickly, which could lead to the displacement of low-income families who rent in the area. (It's a concern that's formed the basis of an extensive activist campaign to get the OPC to enter into a [community benefits agreement](#) with Woodlawn residents.)

Englewood's rental rate is only a hair below Woodlawn's. If homeownership initiatives in Englewood gain momentum, residents worry the same type of renter displacement may occur. "Market-rate renters are being displaced through the fact that most people who own here don't live here," said Butler, who said that's why EDG is encouraging not just homeownership but landlordship. The hope is that landlords from within the community are less likely to unsustainably raise rents on tenants, even if the market supports it.

At "Buy the Block," a few of the landlords who spoke said they undercharge their tenants so they'll stay longer. Keisha Thompson, who currently rents at 63rd and Ashland, said she'd do the same if she ever bought a property. "I think it's a good idea to help people without rents skyrocketing," she said. "Especially people like me."

Among residents there is the hope that Englewood's wealth might be built collaboratively rather than competitively.

Ibi Cole, a landlady and real estate appraiser, encouraged her fellow residents to try cooperative investing, pooling their resources to buy a property or set of properties. Lucas, for his part, is starting a cooperative business venture, E.G. Woode, where smaller Englewood businesses are sharing resources to open a commercial development; he said the group will break ground on its first building, a few blocks west of Kennedy-King College, at the beginning of summer.

“Right now it’s significantly unbalanced, where more speculators and outside investors are making acquisitions—whereas the 25,000 residents of Englewood, the majority of them are not making those same purchases,” said Lucas. “And they should, right?”

This report was produced by [City Bureau](#), a Chicago-based civic journalism lab.