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July 31, 2020 02:39 PM

A change in the climate has builders pulling back.

DENNIS RODKIN



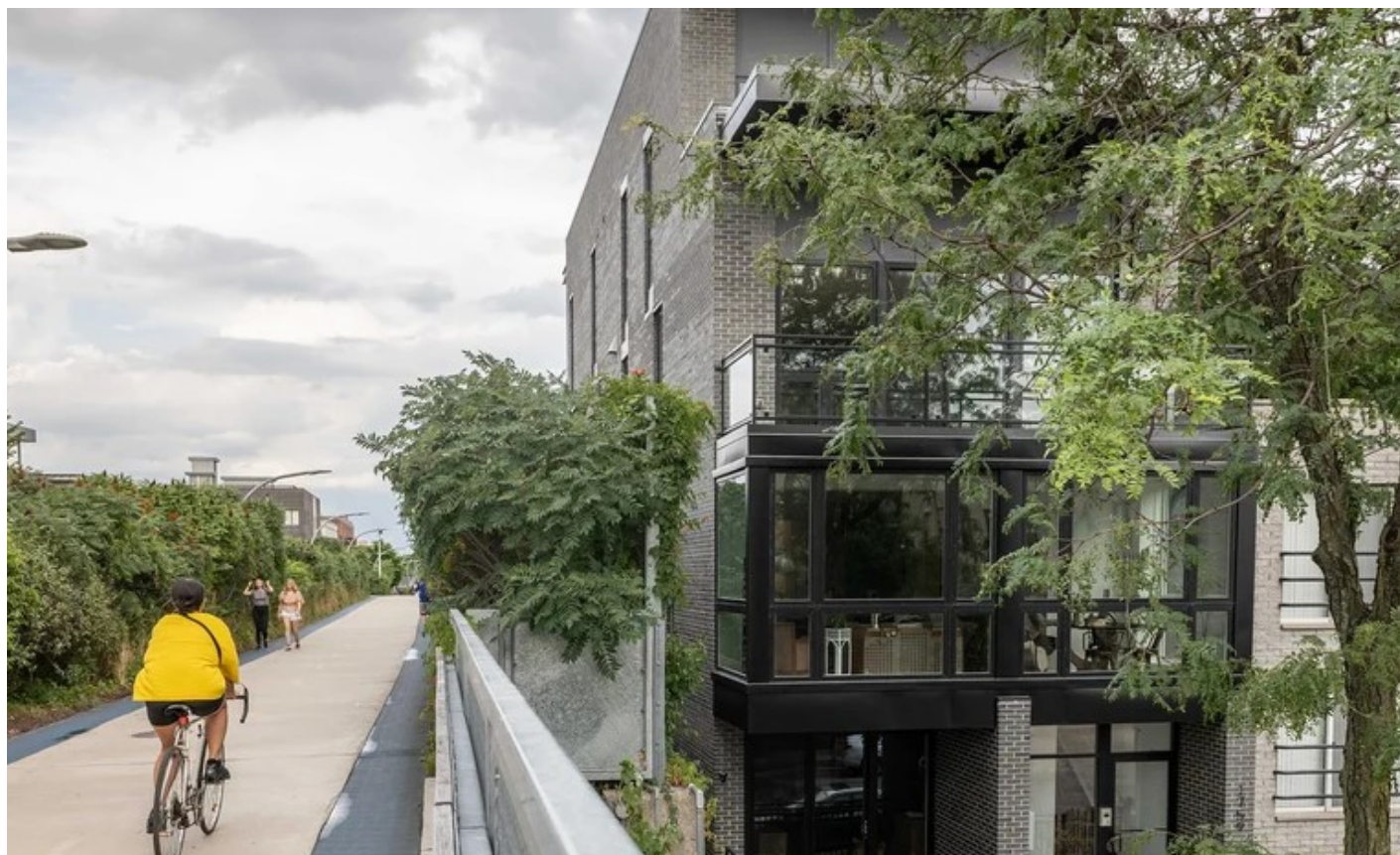
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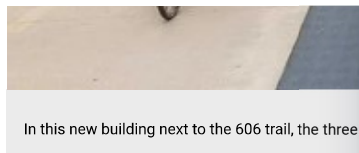
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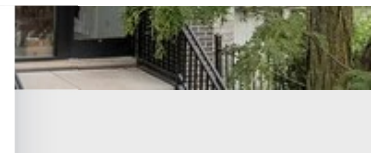
In this new building next to the 606 trail, the three



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When the \$849,000 top-floor unit was sold, it was the end of the building's developer, Guardian Pl

nd of swan song for the

After 17 years developing properties in Chicago and the suburbs, Guardian principal Brian Duggan says, "we have moved almost totally out of Chicagoland," instead doing projects in Florida, Iowa and other locations. The three-flat is sold out and Guardian owns one other parcel in the city, but that project is on hold.

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Meanwhile, Chicago-based Guardian has been involved in \$200 million in transactions in other states in the past 12 to 18 months, Duggan says.

Guardian has shifted out of the Chicago area, Duggan says, because of the years-long uncertainty about property taxes and the financial health of both Chicago and Illinois. But the icing on the cake was the "strong push for anti-gentrification measures in Chicago," he says.

In the past few months, efforts to slow rapid change in several of the city's gentrification hot spots have all moved forward.

Aldermen **voted unanimously** to extend a moratorium on demolitions near the 606 that was set to expire Aug. 1. Mayor Lori Lightfoot and community organizers **in Woodlawn announced** a deal to preserve affordable housing in the area around the planned Obama Presidential Center. In Pilsen, Lightfoot and Ald. Byron Sigcho-Lopez, 25th, sparred over a proposal to landmark hundreds of buildings there in an effort to prevent demolitions.

And the City Council approved the Lightfoot administration's "Fair Notice" ordinance, a new citywide requirement that landlords give renters up to four months' notice for nonrenewal of a lease, designed in large part to provide stability for tenants in fast-gentrifying neighborhoods.

All of these measures are intended to instill fairness and stability in neighborhood housing, protection from rampant push-outs by costly new development. At the same time, they may have the combined effect of "telling our housing providers that their

investment in our neighborhood Owners Alliance, whose more than 100 members own about 70 percent of Chicago's rental stock.

Neighborhoods like Humboldt Park are finally experiencing economic development.



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the Neighborhood Building about 70 percent of Chicago's rental stock," Sabin says. "Now they're trying to stop it."

At a late-July NBOA board meeting, Sabin says, several members said they plan to stop buying city property. He declines to identify them, saying they worried about reprisals from aldermen in neighborhoods where they own buildings.

This at a time when Lightfoot is concertedly trying to shift the focus of investment toward South and West Side neighborhoods from downtown, where her two predecessors, Richard M. Daley and Rahm Emanuel, intensified it. She's a different model of mayor, more progressive and with a stated agenda of enhancing opportunity for all parts of the city. Neighborhood revitalization pays off by increasing the taxable value of property, boosting the city's property tax revenue.

Yet these investors and other observers say she's presiding over an anti-gentrification package that could threaten that agenda.

Even one of the city's most ardent anti-gentrification aldermen believes Lightfoot's approach may harm investment. Sigcho-Lopez **opposes the proposed landmarking** of a wide swath of Pilsen, a plan Lightfoot inherited from Emanuel. The alderman says that while it's intended to slow gentrification by preventing demolition of the neighborhood's vintage buildings, it may have the opposite effect, accelerating gentrification.

"We have longtime homeowners already struggling to pay their property taxes, and in this pandemic they're struggling even more to pay the mortgage," Sigcho-Lopez says. "You want to add to that the cost of a lawyer and going before the landmark commission to get them to approve improvements these people want to make? You're putting extra hurdles in front of homeowners, people who have invested in this community for a long time."

Particularly in the economic downturn sparked by the pandemic, Sigcho-Lopez says, "we face people losing these properties and someone else coming in."

J.J. Betancur, a professor of urban planning and policy at the **University of Illinois at Chicago** who has studied Pilsen over the course of decades, concurs. "All landmark designations that I have learned about have increased property values and have pushed gentrification forward," Betancur says in an email.

Marisa Novara, the city's housing commissioner, declines to be interviewed for this story.

While Daley and Emanuel "privileged gentrification and opposed bitterly the forces resisting it," Betancur writes, so far the Lightfoot administration "does not have a clear-cut neighborhood policy that I am aware of."

Since at least the 1970s, the overall upgrade of vintage housing and other amenities has revitalized many Chicago neighborhoods, most notably a North Side swath that began with Lincoln Park and spread west through Bucktown and Wicker Park and into Humboldt Park and Logan Square. In those areas and in the West Loop, the South Loop and Bronzeville, there was pushback against gentrification but "never to the degree you see now," Betancur says.

There are a few reasons the pushback is stronger and more vocal now. Among them, the swifter pace of change in the city as it **reclaimed its status** as the jobs core of the metro area in the 2010s. Along with a generation's boredom with suburban living, the downtown jobs boom "made more people want to live in the city's neighborhoods where they could get downtown easily," says Geoff Smith, executive director of the Institute for Housing Studies at **DePaul University**.

That inevitably led to people with lesser means being displaced from the places where affluent people wanted to go. Which in turn led to people in other neighborhoods "learning from what happened and trying to prevent it from happening where they live."

In addition, Sigcho-Lopez and Betancur say, people feel more empowered now than they might have a generation ago. "They don't feel they have to accept what comes from the top down," Betancur says. There is also an increasing emphasis on equity

in society generally, which in hot people who have wealth," Smith



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