Building bans and affordable housing: A construction conundrum
ATLANTA — While the coronavirus pandemic has severely curtailed many industries and left millions unemployed, there is still plenty of construction going on in America's largest cities.

Some even say there’s too much construction happening, particularly in lower-income neighborhoods that are drawing new attention, thanks to massive public projects and renewed interest from young professionals.

Seeking to curtail gentrification and displacement, Atlanta and Chicago put construction and demolition moratoriums in place early this year. In Atlanta, construction permits were banned until Dec. 4 to slow investor activity near the western portions of the Beltline, a trail system under construction that is laid over old railroad tracks and driving up the value of real estate everywhere it winds.

Chicago made a similar move, prohibiting until February 2021 demolition of old two- and four-flats, which were being torn down in favor of large single-family houses, in the western portions of the 606 trail. Similar to Atlanta's Beltline, the 606 is laid out over old rail tracks, in this case elevated ones, providing an urban greenway through several northwest Chicago neighborhoods. In both cases, public investment in the popular trails led to a jump in the value of privately owned real estate.

For that reason, Atlanta City Council Member Andre Dickens said his city is obligated to protect its long-term residents who may not be able to afford higher rent or taxes.

“When you invest major public dollars in an area, plus infrastructure, inevitably you get a lot of redevelopment,” Dickens said. “The challenge comes when that public investment leads to people who have lived there for a generation or more not being able to benefit from it. We don’t want vultures to come in and buy up the limited amount of owner-occupied properties in the area.”

Similar proposals are under discussion in New York, where a major expansion of Harlem’s Lenox Terrace housing complex has led to moratorium calls, and Gainesville, Fla., where student housing at the University of Florida may threaten historically Black neighborhoods.

The long-term goal of these proposals is to hit the pause button on development to find permanent solutions. And aiding the effort since March are construction moratoriums put in place since the pandemic spread. While these are aimed at protecting workers rather than homeowners or tenants, affordable housing projects are often exempted, helping to put more houses and apartments within reach of people with modest incomes.

Still, many are feeling the heat.

LaTonya Gates-Johnston sees it every day. She’s the founder of PAWKids, a west Atlanta nonprofit providing after-school activities, food, behavioral health services and a free medical clinic to an area with a high poverty rate. PAWKids serves neighborhoods including Grove Park and Bankhead.

“If you look at the history of the Grove Park neighborhood, you have generations of families that grew up here, grandparents and great-grandparents,” Gates-Johnston said.

“What I realized when I moved here from east Atlanta is that the African American history here is like no other.”

Now the Beltline and another project, the $26.5 million Westside Park at Bellwood Quarry, which will become Atlanta’s largest park when it opens, are leading to major rent and tax hikes. PAWKids bought a house three years ago for $32,000, and Gates-Johnston says another house behind it recently sold for $331,000. Developers often buy the houses for low prices, flip them and then move on to another area. Rent is impacted, too, sometimes jumping from $600 a month to $1,400 in just a few years.

Gates-Johnston said she’s a big fan of Atlanta’s moratorium.

“I don’t think they should lift it,” she said. “If they lift that, we’re doomed. The way people are coming in here and buying houses, people are being displaced. It should not be lifted. They need to go back and talk to the community, see what we need. This is our community and it’s not fair to just flip a house and move on. That’s not the way it works in Atlanta.”

Her next-door neighbor, a woman in her 80s, was one of the first Black residents on the street back when it was majority White. Now, Gates-Johnston said, the neighbor fears having to move out just when the area’s fortunes improve.

Justin Giboney, an Atlanta attorney and co-founder of the anti-displacement advocacy organization CityRoots ATL, argues the city needs the permit halt to make a long-term plan so it doesn’t end up as unaffordable as Seattle, San Francisco and New York.

“If there’s no clear plan for capital to be put aside for low-income housing, then it isn’t going to be built,” he said. “It doesn’t happen unless things are stopped and there’s a plan.”

Developers and construction firms say the moratoriums are unnecessary and unhelpful, arguing they will further slow an already struggling economy.

“Whenever America has been in a crisis, particularly an economic crisis, the thing that has gotten us out has been construction and building,” said Carlo Scissura, president of the New York Building Congress. “The last thing we need right now given our economy is anything that stops us from building. We should continue to build office and residential properties, infrastructure, public works and schools.”

On the question of gentrification and displacement, Scissura points to a number of policies New York City already has in place, such as its uniform land use review procedure and mandatory inclusion of affordable housing in certain new developments, aimed at keeping homes affordable.

“Let’s build with additional safeguards to the community, but let’s not stop building,” he said. “We’re strongly urging all cities and states — do not stop building the future.”

Chicago is studying how to build its future as it recently extended its demolition moratorium on portions of the 606 trail.

Chicago Alderman Carlos Ramirez-Rosa was one of the biggest drivers of the move. Initially the idea was to halt construction permits, demolition and rezoning, but only demolition made it through the council. Still, he said he feels that stopping teardowns in neighborhoods such as Hermosa, Humboldt Park and the west part of Logan Square is a positive step.