“The Urban Renewal Blues: The Destruction of the Old Maxwell Street Market”

“Urban renewal is overwhelmingly a matter of negotiation (tacit or explicit) among federal bureaucrats, local business aggregations, and city governments for whom “renovation” and “modernization” have a very special meaning. “Public” power does not countervail against “private” power – instead, the two combine to exclude from their plans the people most abruptly affected by their decisions.”

Todd Gitlin

Intro

In September, 2000, a *Daily Herald* article touting Chicago’s upscale attached homes featured an ad for the University Village at South Campus. University Village was a series of townhomes, condominiums, and lofts built just south of the University of Illinois-Chicago (UIC). The construction was spearheaded by the South Campus Development Team, a joint venture company comprised of three developers: Mesirow Stein Real Estate Inc., New Frontier Companies, and the Harlem Irving Companies. They were building on land purchased and cleared by the City of Chicago and UIC. The two and three bedroom “Tear 1” townhomes ranged from $386,000 to $707,000, the two and three bedroom condos ranged from $190,500 to $259,900, and one to three bedroom lofts were available from $143,000 to $419,900 ($10,000 for street parking, $19,000 for indoor parking). Real estate sales were over $350 million in the area. The housing complex is on Halsted Street one block south of Maxwell Street built directly over a large portion of what was the old Maxwell Street Market. This was the grand finale for UIC and City Hall who had implemented policies concerning urban renewal through deceit and backroom deals. In 1989, at a panel on the future of Maxwell Street, university planners said

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that “despite rumors to the contrary” they did not “not anticipate building” townhomes in the area. This was five years before work began on the first condo developments.

The story of renewal on Maxwell Street fits a larger pattern of urban renewal. Urban dwellers with little money or political power, often in the city’s worst housing stock, often people of color, watch as their neighborhoods are destroyed in the name of progress. If they are lucky, they might get a relocation check or preferential treatment when applying to housing projects. Renewal usually parallels deindustrialization and when capital moves to the suburbs, people with economic mobility, mostly second and third generation white ethnics, are able to follow. The less well-off are left behind in a central city with a decreasing tax base that provides them with fewer and lower quality services in their neighborhoods. Looking closely at the Maxwell Street Market we find that urban renewal was the product of decisions made by politically influential and economically powerful individuals and institutions that used public policy and money to bring to life their particular vision of the city while making handsome profits in the process.

The Maxwell Street Market

For most of its 120 year existence, the Maxwell Street Market extended east and west along Maxwell Street. Its eastern border was formed by the Chicago River and ran west to Blue Island Avenue. The market extended north to Roosevelt Road and south to 14th Street on several of the adjacent north and south streets. Halsted, running north and south, was a popular thoroughfare and the intersection of Maxwell and Halsted was the busiest section of the market. In the 1950's the Dan Ryan Expressway was erected in the midst of this urban marketplace disrupting the pushcarts, stalls, and tables. The Maxwell Street Market was originally an outdoor vegetable and

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3 City of Chicago, Department of Planning, *The Future of Maxwell Street Market* (Chicago 1989), 44.
produce market serving the Jewish immigrant population who moved into Chicago’s Near West Side.

In the 1880s, Eastern European Jews facing persecution in Russia and elsewhere came en masse to the United States, many ending up in Chicago. The Near West Side was a natural choice for many migrants because it was close the railroad station, and it was close to cheap housing and employment in lumber and stockyards. Jews brought their cultural tradition of the open-air market which made sense since it was difficult to get fresh produce and since 50,000 Jewish immigrants had arrived in the last two decades of the 19th century. An 1891 survey showed that 16,000 foreign born Jews lived along Maxwell Street. The merchants originally lined the busy Jefferson Street, but moved to the then residential Maxwell Street. In 1912, the city made the first policy to regulate the area. Twenty years after local residents had informally established the market, the city passed an ordinance declaring the area the Maxwell Street Market which halted traffic on several streets for the purpose of keeping the market open. The city acted again in 1931 passing an ordinance limiting merchants’ hours of operation of carts and wagons from 6:00 AM to 7:00 PM. The district had already taken on a reputation for squalor, violence, and corruption and the city sought to limit illegal activities and keep the streets clear.

Merchants were also not opposed to self-regulation. In 1939, the Maxwell Street Merchants Association, consisting of 228 local store owners and 89 of the most prominent cart operators, began a campaign, the “Maxwell Street Civic Improvement Project” in an attempt to standardize procedures and improve its appearance. Part of the program was adherence to a “code of ethics” to be kept in each stall “as a reminder of success to all.” The code featured 12 “I wills” such as “I will be polite and act a gentleman at all times” and “I will use more of the

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right kind of salesman.” All such plans to formalize the market failed in degrees; despite controlling many carts and shops in the area, most Jewish operators had moved out. This was an effort for Jewish merchants to address competition from southern blacks and Latino/as who had been moving into the area since the 1920s. A similar attempt occurred in 1951 when 76 Jewish merchants created the Maxwell Street Market Association for the same purpose.

Migration of people out of the South during the first half of the 20th century was one of the most important demographic changes to occur in American history. The movement of black migrants impacted the urban landscape as much as the agricultural regions left behind. Migration was driven by economic opportunity provided by World War I and the halting of foreign immigration during the war years. Northern manufacturers were in desperate need of a cheap labor supply. As people left the south, the Great Migration “generated its own momentum.” In 1910, seventy three percent of all American blacks were rural and no city in the United States had 100,000 black residents. Chicago’s black population increased from 44,103 in 1910 to 109,458 in 1920, and during the Great Migration period of 1916 to 1919 anywhere between fifty and seventy thousand black southerners moved to Chicago. At the same time many Mexicans went north to flee the Revolution and find better employment. In 1927, St. Francis of Assisi church on Roosevelt Road was designated a Spanish speaking parish to serve the Mexican community.

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7 Grove and Kamedulski, Chicago’s Maxwell Street, 18-19.
10 Grossman, Land Of Hope, 3.
12 Grossman, 4.
13 Grove and Kamedulski, Chicago’s Maxwell Street, 116.
Migration gained momentum until the Great Depression began to affect mobility. World War II launched a second phase of migration that trumped the black migration of the previous forty years. By 1970, “African-American culture” had transformed “from essentially rural to essentially urban.” Many of these migrants were from Mississippi and brought Delta blues traditions with them which they transformed, with the addition of amplification, into the Chicago Blues. Mexican migrants also brought their own market and religious traditions to the area. Maxwell was not a racial paradise, but it might be reasonable to conclude that groups got along without much incident. A 1930 report detailed antagonisms: Italians liked southern blacks less than they liked Jews, blacks were the most recent migrants – most did not arrive until after 1924 – and were also the poorest residents, they were looked down upon by Italians, and to a lesser degree, Mexicans and Jews. Despite evidence of tension, and despite the fact that market vendors were organized along racial lines, these cultures gave the market its ethnic character with little evidence of racial violence. The Dan Ryan Expressway was to upset this balance.

The Dan Ryan was the culmination of a plan for “superhighways” in Chicago that was developed as early as the 1920s. However, plans did not approach realization until the late 1940s. In the mid-1950s Richard J. Daley oversaw the construction of the Dan Ryan. Although the route was carefully chosen to avoid political problems it cut right through the “Black Bottom” section of the Maxwell Street area disrupting the African-American community and bisecting the street. Despite the removal of many black residents due to construction of the Dan Ryan, which opened in 1962, at least a third of the market’s vendors and shoppers were black. The Dan Ryan changed Maxwell, but was only the first step in a long process to clear the slum, reclaim the land, and fulfill the city father’s vision of Chicago.

Richard J. Daley, UIC and Removal in the Harrison-Halsted Area

The Dan Ryan was Richard J. Daley’s first major accomplishment, but urban renewal had a long history in Chicago. Following well-established patterns of renewal in Chicago and carried out through Daley’s machine politics, the construction of a new University of Illinois (UI) campus near the center of the city would be one of his most prominent accomplishments. The campus near the Loop was essential to Daley who employed a version of “trickle-down” development with a “center-out” vision for Chicago. He only needed legal and infrastructural precedents in place before he could formally pitch a location attractive enough for UI to accept his offer. In his eyes, the renewal and redevelopment of the downtown area was essential to keeping industry and financial services in the city at a time when they were relocating to suburban locales. If this could be done, the neighborhoods of Chicago would benefit from the rising tide.

The City of Chicago and the state of Illinois had already been working on ways to rehabilitate buildings or claim and destroy them to resell land to developers whose plans fit their vision. Illinois’ Blighted Areas Redevelopment Act of 1947 allowed for the creation of Land Clearance Commissions that had eminent domain if the commission determined a building was cheaper to destroy than renovate. Under the act this land could be cleared with public money and resold to private interests. The provision also included the Relocation Act declaring that families displaced by urban renewal would be relocated to federal housing projects. A majority of those displaced were relocated to housing projects in black neighborhoods located neither near downtown or in the suburbs. In 1953, the Urban Community Conservation Act allowed for the creation of Community Conservation Boards: Chicago’s was created in 1955. Under this act “slum prevention” allowed the city to take privately owned land through eminent domain. There was also an amendment to a 1947 act that allowed for the creation of Neighborhood
Redevelopment Corporations (NRC) in places that were targeted as conservation areas. If sixty percent of the property owners in a conservation area approved, they could claim the other forty percent. This was how state and city governments worked with a supportive federal government to use public money to redevelop areas for the benefit of private industry.\(^\text{16}\)

These policies created a framework through which the city of Chicago could reclaim buildings in areas that they deemed blighted. In many cases the city would let its own holdings deteriorate which added to perceptions of blight in areas they targeted for redevelopment. Daley used these policies to make sure that a UI campus would remain as close as possible to the Loop. As early as 1956, Chicago’s city council was busy passing ordinances and using eminent domain for urban renewal. Three ordinances were passed, one designating fifty-five acres in the Harrison-Halsted area (north of Roosevelt Road, one block north of Maxwell Street) blighted. The designation angered community activists who had been pitching their own vision for rehabilitation for over fifteen years. The area targeted was largely working-class, Italian right on the border of the African-American and Mexican neighborhood to the south.

By 1959, despite the protest actions, sit-ins, and the efforts of Florence Scala, an outspoken advocate against urban renewal, to get a case to the Supreme Court, the Land Clearance Commission had acquired the land. Scala was one of many outspoken critics of the University of Illinois at Chicago Circle UICC. She was a local crusader who protested for years to save her neighborhood north of Maxwell Street and was involved long before the Dan Ryan threatened the area. She had been organizing through the Near West Side Planning Board (NWSPB), formed in 1949, to address the deterioration of area buildings and infrastructure. She could not believe that her neighborhood became a target when folks in the Garfield Park area on

\(^{16}\) Amanda Seligman, *Block by Block* (Chicago: University of Chicago Press, 2005), 76-78.
the West Side were advocating for the campus and thought they had worked out a deal with school.

Daley needed the campus near the Loop and stalled negotiations in the Garfield park area through legal wrangling concerning UI’s ability to buy parkland. In 1959, Daley, in a closed meeting, pitched the Harrison-Halsted area as an alternative site. In 1960 the offer was made public and protests ensued. Residents on both sides could not believe that folks in Garfield Park were clamoring for the school and could not get it while folks on the Near West Side were having the school forced on them. Daley made his offer to the school after state laws were passed allowing redevelopment land to be used for the construction of schools. The law also created Chicago’s Department of Urban Renewal. Daley’s deal was sweetened by the fact that UI would have to spend little in the area; the city had already claimed and demolished many buildings in the area with taxpayer dollars.17

The University got the land in the Harrison-Halsted area but not without a fight. In 1951, the NWSPB presented a plan to the community for the redevelopment of the area but it was impossible to move forward on plans without the city’s cooperation.18 In February of 1961, the Near West Side was named the prospective location for the UI campus, and Scala and others reorganized as the Harrison-Halsted Community Group (HHCG) to protest the selection. Two days after the announcement, she and 150 others marched on city hall beginning a protest campaign. In April, Scala and fifty other women staged a sit-in at Daley’s office for over three hours. They reportedly “pounded desks”, “threw council journals”, and “hurled insults at Daley.” Scala’s intention was to let the mayor “understand what it is like to live in a real

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democracy.” In 1962, a bomb went off in Scala’s home, destroying her porch and shattering her windows, but she was undeterred.  

The fight went to the Supreme Court in October of 1962: urban renewal was on trial. The primary concern for residents was the secrecy of the decision-making processes that affected so many citizens; they protested that their voices had not been heard. The Supreme Court argued that indeed, the residents had no legal right to be heard in decisions concerning urban renewal. According to the court, resident’s views were not admissible since the Housing Act applied only to the community as a whole, meaning that the City of Chicago would make decisions on behalf of the communities it represented. The law presumed that only the city as a whole (actually the very few on the City Council or appointed to urban planning boards), and not smaller units, such as neighborhood groups, could determine the best course of action for the city.

The efforts of Scala and her allies failed to prevent the construction of UICC, but they did have some success, persuading UICC to save the Hull House, Jane Addam’s famous resource center, home, and recreation space for Chicago’s immigrants which still stands in front of the University. When she was a young woman, Scala went to the house six days a week, learning about city planning and how to organize. Despite preserving the Hull House and the fact that Scala was referred to as a “kind of Rosa Parks of the Italian-American neighborhood,” she was not inherently opposed to redevelopment. Scala had long fought for a certain kind of redevelopment, the HHCG’s area plans called for the demolition of many homes. In 1963, after the case was lost in the Supreme Court and University construction was well under way, she complained that the area south of Roosevelt Road, including all of the Maxwell Street Market, was spared:

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20 Eastwood, Near West Side Stories, 116.
For some reason Maxwell Street was excluded. It drove us up the wall. When you looked at it, Maxwell Street was the area that should have gone because it was such a slum, but there was never a focus there. There never seemed much of a community rallying around it, either. The people were very poor and disorganized, and, besides, there wasn’t much for them to keep.\footnote{Berkow, \textit{Maxwell Street}, 517.}

Scala and others recognized that for decades their neighborhood was in decline and needed some kind of redevelopment in order to preserve property values, maintain homes and businesses, and keep investment in the area. Several plans had been made for the Harrison-Halsted area and also the market. In fact, one 1960 plan called for a complete overhaul of the market including the demolition of upwards of a third of the neighborhood’s homes in what was considered by members of the Near West Side Community Council as the most blighted section of the city.\footnote{James Nyka, “Maxwell St. Market may Get New Look,” \textit{Chicago Daily Tribune}, March 13, 1960.}

Scala did not anticipate the kind of renewal project the HHCG got. An estimated 14,000 residents, primarily second- and third-generation Italians, along with 800 businesses were destroyed to make room for the campus.\footnote{Grove and Kamedulski, 103.} Maxwell Street was spared and the UICC implied that there were no plans to expand south of Roosevelt Road, but, as became the custom for UIC, its guarantees and promises to work with area residents meant little.

**Richard M. Daley, UIC and the Destruction of Old Maxwell**

Richard J. Daley oversaw the completion of the Dan Ryan Expressway and personally engineered the site selection for the University of Illinois’ campus in Chicago. He worked toward his vision by sacrificing much of the city in order to rehabilitate areas close to downtown and continued to earmark certain areas for renewal, even as federal funds were running out. Without federal funding, the city used its limited budget to find ways to get rid of blight and promote the expansion of what they saw as cultural and economic investment, especially UICC.

To this end, the city shifted to a long term redevelopment strategy.
In 1965, the city made the 150 acres from Roosevelt Road on the north, 14th street to the south, the Dan Ryan expressway to the East, and Blue Island Avenue to the west a top priority for slum clearance. The Real Estate Research Corporation, a group that specialized in residential and light industrial construction, was hired by the city to study the area and create redevelopment proposals. This was the largest project in Chicago’s history of urban renewal. Prominent businessmen did not fear that campus expansion would force relocation and were not opposed to renewal. In fact, business men from the South of Roosevelt Planning Association (SRPA) suggested a complete overhaul, feeling there would be coexistence and cooperation between the market, permanent businesses, and the University. Even though the influence of UICC was going to be powerful, the assistant director of public relations for the school, Grover Shipton, said there were no “plans for developing the Chicago Circle as a residential campus.”

In September of 1966, after a year-long series of meetings and proposals seeking federal funds, the area was officially designated a “slum and blighted area”, making it subject to eminent domain. As the University planned to expand in the area south of Roosevelt, the SRPA felt confident that the market would be included in plans, even though the University made it clear that land would be put to nonacademic use, such as parking and residential, to accommodate expected growth of the student body. The first phase of clearance, for the construction of a physical plant for the school, began in the fall of 1967 when 14 acres of land were purchased and cleared at a cost of approximately $6 million to the city and $3 million to UICC. The University slowly expanded, but it appeared the market would remain but this did not stem protest or concern. Lewis Kreinberg, working for the West Side Federation “blasted” the

University for taking land south of Roosevelt since UICC had promised to halt expansion along the street. He was especially concerned that land was taken for non-academic purposes. The city and University refused to reveal long term plans and Kreinberg feared backroom deals and “Negro removal” when what was needed was “economic and social integration.” There was also a split in the SRPA, with members complaining that their voices were not heard in the planning process and that middle- and low-income housing was required, not condos for UICC faculty.²⁹

The University appeared content with piecemeal development during the 1970s and 1980s. Throughout these decades, newspapers carried stories decrying the loss of vitality of the market area as the University and city left buildings they had purchased to rot and as area services dwindled. These stories still tended toward a defiant stance, claiming that, despite loss, the market was still thriving on Sundays. However, the city was making policy changes concerning the market, and both the UICC and the city, in the role of absentee landlord, were contributing to the blight that would later be used to justify the market’s removal. One of the biggest changes that affected the safety and sanitation of the market was the city’s removal of the Market Master. Since the market’s official sanction in 1912, the Market Master, appointed by the Mayor, collected fees from vendors, mediated disputes, and ensured proper sanitation with the aid of two policemen and the ability to institute fines.

In 1913, soon after the position of Market Master had been established, accusations of graft appear in the papers. A.I. Goldstein, the first Market Master, was accused of not collecting fees from the First Ward Alderman’s friends, extorting excessive fees from friends of the Alderman’s political opponents, and pocketing the excess. In 1921, market master Louis Krackow was accused of refusing to follow city council’s orders to remove the permanent stands he had granted to political allies. Finally, in 1965 Market Master Irving Gordon was accused of

skimming profits from vendor’s fees. Although there were many problems with graft, favoritism, and corruption, the Master created stability and was generally respected by vendors. Part of the city’s strategy in the clearance and redevelopment of Maxwell Street was removal of the Master. This left control of the market, including sanitation and clean-up, up to the city. The 1975 City Code of Chicago made three changes to the administration of the market, each making it more difficult to vend and to maintain order in the area. The maximum penalty for ordinance infractions was raised, a licensing procedure was instituted forcing peddlers apply for a $25 permit to be renewed annually rather than the then seventeen cent daily fee, and the position of the Market Master was ended. The last Master died in 1973 and the position went unfilled until it was struck from the code. Control went from the Master – an employee of the Ward who theoretically had ties to the area – to City Council. The change left the authority to allocate spaces, enforce sanitation regulations, and mediate disputes unclear.

Alfonso Morales, who conducted ethnographic research of market vendors in the early 1990s, interviewed several vendors who had been at the market for decades. He concluded that this was an intentional abandonment on the part of the city that forced vendors to organize themselves, with no recourse for mediation in disputes over space. In 1981 there was another important change in the city ordinance, a stipulation that vendors limit the size of their stall to nine feet by five feet. It was clear that a vendor could be fined for an infraction, but it was unclear who would enforce such regulations. This change was arbitrary and impossible to regulate: many vendors were families with several tables in awkward arrangements, various vehicles were parked near stalls, and by custom, stalls ranged widely in size. Vendors tended to

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do well regulating themselves, but disputes were harder to mediate and police were unclear as to the enforcement of regulations and procedures for settling disputes. This was an element of the city’s new plan to get rid of the market by removing protections and allowing the market to deteriorate.  

At the same time, they passed new ordinances making it cheaper and easier for the rechristened “University of Illinois at Chicago” (UIC) to acquire property in the area.

For about twenty-five years after the Chicago Circle Campus was built, the Market continued despite the awareness by most vendors that it hung in the balance. Population in the area had decreased from 1,276 in 1980 to just 281 in 1990, even though thousands from “all over the city” and “all over the world” still attended the weekend market. During the 1980s, UIC cooperated with the city to clear land for redevelopment in the eighty-two acre Roosevelt-Halsted Commercial District urban renewal tract. By 1988, the Market had become a “prime development target” due to its location next to the University and the Loop. Private commercial developers were anxious to buy up land in the tract, and the city and UIC already had holdings in the area. At the time the University was leasing buildings off campus to accommodate its student body and was becoming painfully cramped in its location. Developers saw the potential for expansion in the area so the school requested a moratorium on sales of city-owned property while they considered their plan. News of the moratorium reignited fears that UIC would expand onto Maxwell Street. Many held out hope that there would be cooperation, they just “wanted to be involved in both the city’s and the university’s planning for the development of the area.”

UIC had only publicly expressed interest in expansion in the late 1980s, but it is clear that since the mid-1970s the school and city had already been working on plans for redevelopment.

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32 Ibid, 55-57.
34 Allen, “Maxwell Street a Market for Land,” 1.
In 1989, the city issued a report addressing the needs of the campus and the impending sale of land in the Maxwell area for the purposes of redevelopment. The report made clear the lengths to which the school and city had already gone to prepare. The authors were members of a Community Action Panel (CAP) designed to allow Chicagoans to “help their fellow residents.” The report, issued by the Department of Planning, consisted of a voluntary group of four architects and planners and five real estate experts. They visited the market one day, interviewed interested parties on the second, and deliberated and drafted the report on the third. The report begins with some statistics, stating that 20,000 shoppers visited the market on Summer Sundays, 850 vendors (200 of them lived within three miles of the market) were licensed through the city, the vendors occupied twenty city blocks, 101 permanent businesses were open in the area, and an estimated 1,200 automobiles parked there on Sundays.35

The report also found that the city was the largest property owner in the area; it had purchased 122 of the existing 596 parcels in the slum clearance area. The second largest ownership entity was Brookind Corporation with 63 parcels that housed the United Parcel Service building, UIC owned 47 parcels, or about seven blocks, no other private entity owned more than a half a block. Although the University only held 44 parcels, they worked directly with the city to acquire parcels at reduced rates, which was especially attractive since the city could use public money to demolish and clean up the lots for the school. UIC purchased 22 of its parcels from the city in 1988 for $105,000. Most of the purchasing in the tract occurred in 1986, 1987, and 1988 (there were 192 transactions in these years compared to 69 for the years 1980-1985). This speculation was driven by “UIC’s eventual purchase of property and not any other underlying increase in commercial value for the property.” In order to prevent sales to private entities buying to profit from UIC’s eventual expansion, the school ordered a moratorium on

sales of the land in the area. The city also continued to obtain titles on tax delinquent properties under the Cook County Tax Reactivation Program (another important aid in urban renewal) and demolished buildings in preparation for sale to the University. According to the report, the city and University agreed to “engage in a cooperative planning process for the Maxwell Street area.” The CAP released its recommendations at a public forum where a representative from UIC was present. The CAP suggested the school cooperate with neighborhood residents stating plainly: “The historical market must be retained.” In response to questions from the community, representatives assured residents they would work with them to redevelop the area.36

By the 1990s, fears of campus expansion characterized the mood of residents, vendors, and the activists committed to the preservation of the Market. In 1989 the city re-zoned the area from commercial to light industrial use for the purpose of allowing the school to purchase land from the city. The University used the blight that it and the city had caused to justify gentrification. Dennis Church, University spokesman at the time, said that “to say that Maxwell Street is the icon that it was is flying in the face of reality.” “It’s nothing now” he continued “it’s a sinkhole now.” Residents were aware of the causes of blight. Nate Duncan, a popular local and owner of Nate’s Deli, said “now they’re talking about how bad it is. The people didn’t do that, the city did. It was nice here.” “They just let it go” he said, “let it run down.”37 UIC continued purchasing property and by 1993 had made plans to move the market from its home on Maxwell Street. In 1994 the city sold the eleven acre market to the school for $4.25 million.38

At this time the university released its plan for a new and “improved” market to be located several blocks away on Canal Street, east of the Dan Ryan, cutting it off from wholesale produce trucks on South Water Street. A report was issued by the Department of Consumer

37 The Hawk Eye, “Chicago’s Maxwell Street May Soon Fade into History,” January 7, 1990, 7C.
Services which would control the New Maxwell Street Market. They claimed that the new location would “enhance the vending and shopping experience” and was convenient for vendors and customers. The report outlined new rules and regulation – including the stipulation that only 450 of the more than 800 vendors from the old market would be drawn by lottery each week to get a spot on Canal Street – but failed to mention the increase from a $25 annual fee to a $35 daily fee and the fact that felons would no longer be issued permits to vend.\textsuperscript{39} By this time, activists, vendors, market regulars, and supporters were either lamenting imminent destruction or organizing last minute campaigns to halt the sale. Dave Whiteis, an author and regular, likened the situation to “watching a beloved relative who is no longer himself.” Steven Balkin, professor in economics at Roosevelt University in Chicago and still-outspoken advocate for Maxwell, commented on the damage the move would cause when the people denied a chance to make money peddling would have to turn to other means. Proponents of the move, however, continued to emphasize deterioration. Tom Mazola, First-Ward Alderman, asked “What’s historic there? What’s left?” He said there was nothing but vacant land and “nothing to save. Right now it’s chaos; it’s anarchy. It’s not a place to bring your kids. This is a seedy part of life we don’t want to continue or condone.” Mazola points to the three problems the city created: the city demolished rather than refurbish buildings, abolished the Market Master who coordinated vendors and mediated disagreements and refused to properly police the area, and discontinued services such as trash collection, and illegally dumped construction debris on empty lots.\textsuperscript{40}

As was the case in the 1960s, people would not let the market go without a fight. The Maxwell Street Historic Preservation Coalition (MSHPC) engaged in various acts of protest and attempted to change or challenge legislation. As late as July, 1994 (the market’s last day on  
\textsuperscript{39} City of Chicago, Department of Planning and Development and Department of Consumer Services, \textit{New Maxwell Street Market}, c1994, 1-3.
Maxwell was August 28, 1994), Steven Balkin and Milton Herst (both MSHPC members) were encouraging action to save the market. They advocated influencing Richard M. Daley who was powerful enough to orchestrate a compromise. There was also an effort to block appropriations that the University needed to buy the land and an attempt to secure a $100 million empowerment grant that would boost low income businesses.\footnote{Steven Balkin and Milton Herst, “The Maxwell St. Market Can Still Be Saved,” \textit{Chicago Jewish Star}, July 15, 1994, 6; \textit{The Economist}, 31.} August 28 was the last day for the market and, with expansion inevitable, many permanent businesses shut down, selling to UIC but this was not the end of the battle for Maxwell Street. It was impossible to keep the market on Maxwell, so the MSHPC shifted their strategy to ensuring that the school saved area buildings and incorporated them into their future plans. They attempted to put the neighborhood on the National Register of Historic Places based on the historic architecture in the area. This proposal was rejected as a result of the destruction already carried out by the city and University: the Illinois Historic Preservation Agency decided that there were not enough buildings worth saving. The University had proven to be deceitful in matters relating to expansion but did put forth plans calling for some preservation. However, it was granted two more favors from the state that allowed them to skirt all regulation of their redevelopment.

In 1996, the state legislature granted UIC the power to develop the area without approval from state agencies and the power of eminent domain to acquire land and building in the area. Under this arrangement UIC was granted the power to lease or sell portions of the area and keep the profits. The state ended up contributing $19 million to the University to buy more land in the area and in 1999 the city granted the University the Roosevelt-Halsted TIF (tax increment financing) worth almost $55 million. This meant that future real estate taxes could be used by UIC to finance developer’s infrastructure costs rather than going back to the city. This created a
subsidy diverting real estate taxes from the public to UIC to continue private development. This only could be carried out in areas considered blighted; it did not matter that the entity that was to profit was the owner of the blighted buildings. The city also donated twenty parcels of land, valued at about $1 million apiece. The legislation passed after UI President and former UIC Chancellor James Stukel lobbied state legislators and a phone call to House Speaker Lee Daniels from his former chief of staff, Mike Tristano, a top assistant to UIC Chancellor David Broski. A taxpayer supported, non-profit university was given power to profit from land held in trust by the city, cleared of buildings with public money, and sold at reduced rates to UIC who bought it with taxpayer dollars!

Janelle Walker, who conducted ethnographic research of the Maxwell Street Historic Preservation Council (MSHPC), highlighted the changes in strategy that occurred after there was no hope to preserve the market where it stood. After a series of attempts to change litigation, challenge legislation, and publicly embarrass Daley and UIC, the group resorted to preservation of the buildings. In order to keep group cohesion, the best strategy was to focus on saving the remaining buildings. Eradicating the structures that created urban poverty and contributed to blight was too abstract for the coalition and any suggestion of keeping the people in the neighborhood prevented UIC from coming to the table, since their goal was to be rid of market vendors. The group abandoned the struggles the displaced vendors would face and concentrated on preserving buildings. It seemed a neutral enough goal for all parties involved, and there were prominent examples of other universities that had integrated older buildings into their campuses.

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The group focused on getting Maxwell Street on the historic register while the school focused on getting rid of as many buildings as possible in order to prevent historic district designation.\textsuperscript{44}

The 1994 bid for the national register was rejected based on the position that there were not enough buildings left to warrant preservation. By the late 1990s, the school had let more property deteriorate and the coalition resorted to final measures, imploring the city to sell the buildings to be rehabilitated and leased to the University, increasing the tax base, rather than allowing buildings to deteriorate. The fact that the University let properties deteriorate made it unlikely that other business owners would invest in their properties for fear that the UIC would take them through eminent domain. The University used eminent domain to prevent speculation, but stalled, claiming they could not afford to rehabilitate buildings. The coalition eventually forced meetings in the late 1990s in order to get the city, UIC, and neighborhood representatives to discuss plans for the future.\textsuperscript{45}

The University had shown some interest in preservation and plans called for the salvation and incorporation of some remaining buildings. But the school continued to clear buildings without the money to rebuild in their place. This “land banking” – creating parking lots, baseball fields, softball fields, and soccer fields that could later be developed with buildings – was essential to the University’s plan to rebuild from scratch. Parking lots and playing fields were place-holders until UIC had money to expand. While they were in negotiations, the coalition used the TIF (tax increment financing) to embarrass the University; it was an easy target since it took tax money from the city to subsidize upscale homes in the University Village. At the public meetings required to grant the TIF, UIC and the Community Development Commission made their preservation plan: Daley decided, on September 1, 1999 to approve the University plan to

\textsuperscript{45} Ibid, 158-164.
preserve 8 facades in place and 13 facades to be “pasted” onto other buildings (they ended up going on the Maxwell Street parking garage). The city approved the plan on November 10, 1999 and construction began in March, 2000. The plan was reviled by market supporters who likened it to Potemkin villages or Chicago native Walt Disney’s vision of an unblemished history.46

The coalition shifted strategy again to a focus on the area’s cultural legacy, the blues. This seemed a natural fit for the city since there were other blues venues and institutions within the city, a broader coalition of groups interested in encouraging blues tourism by adding another venue seemed plausible. However, Daley provided subsidies to other groups and allowed them space and time at the Chicago Blues Festival which he orchestrated. Further, the blues itself was a genre in decline, and not powerful enough to convince the University to preserve the area on that basis. The agency denied the second attempt to get Maxwell on the historic register arguing that the few remaining buildings were not connected to the blues in a way that would warrant their preservation. The only step left for the coalition was to preserve the memory of Maxwell.

The “Winners”

There is a certain irony in the destruction of Maxwell Street. UIC is a public research university, an important part of its mission is public service, working with the community, creating and engaging in special initiatives, and hosting community events. The fact that Maxwell Street was removed perpetually calls into question the University’s commitment to public outreach. Newspaper articles from the last ten years describe programs for outreach to unemployed youth, research in the community, anti-violence initiatives, anti-AIDS initiatives, and reveal the school’s ability to secure grant dollars. The handling of Maxwell Street makes clear that UIC’s care for the existing community was superficial at best.

The story of Maxwell Street is not complete without looking at the winners and a closer look at the failed bid to get the area on the historic register. This is a cautionary tale that reveals the dangers of public entities behaving as private, corporate entities and colluding to control public space, profit margins, and the memory of the city through the careful selection of its landmarks. Richard M. Daley presided over the market’s final removal, completing the process started by his father. He cooperated with UIC to create, influence, or utilize appropriate legislation making it possible for the city and school to buy land at reduced prices with tax incentives, clear it with taxpayer money, neglect their properties, and eventually sell back the land to private developers while netting the profits. A small but extremely influential group of people worked together blurring distinctions between public, government, and private. UIC is a public, non-profit enterprise, the city government was instrumental in pressuring state officials to make urban renewal serve their purposes, and private developers worked directly with UIC while city politicians profited from real estate sales in the area.

The development of the University Village, the name given to the development built on top of the old Maxwell street market, was carried out by the South Campus Development Team (SCDT), a joint venture company under the umbrella of Mesirow Stein Real Estate Inc., including New Frontier Companies, and the Harlem Irving Companies. The team was run by the “clout-heavy pair” Richard Stein and William Cellini in cooperation with Michael Marchese. The SCDT put in a $300 million bid to redevelop the area with condos and light industrial and retail. The University sold three-quarters of their land to them for $17.8 million and by December 2008, they had sold 837 homes for a total of $312 million and had been paid $16 million directly for their oversight services.\(^\text{47}\) Marchese was one of Daley’s closest friends and had received several favors from the city, including a one dollar purchase of CTA land for the

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development of a West Side mall. Cellini was “a Republican insider” who had “longtime access to state government contracts.” He was involved with the since-indicted political fund raiser Tony Rezko and then-Governor Rod Blagojevich who was also indicted on charges of graft and soliciting bribes. Cellini contributed thousands to Blagojevich’s campaign, and was an insider who, since the 1970s, had secured hundreds of millions of dollars of state-contracted development money. Eventually, Cellini was indicted along with Blagojevich for extortion that was intended to provide money to his campaign.

In the year 2000, the Maxwell Street Historic Preservation Coalition submitted their second bid, focused on the blues and not the buildings which had continued to deteriorate as UIC finalized redevelopment plans. Getting the area on the National Register of Historic Places (NRHP) was a last ditch effort and it ended up hinging on political connections. It turns out that both Richard Stein and William Cellini’s wives were on the board of the Illinois Historic Preservation Agency at the time the bid was rejected, Julie Cellini was, in fact, chair. Bridget Lamont, in her capacity as Director of Policy Development for the state of Illinois, had control of the state’s $50 billion budget. She was married to Thomas Lamont, a University of Illinois trustee who was on the Board of Education and was the state representative for public universities. Robert Friedman was hired by UIC to take care of necessary legal details of condemning Maxwell Street. He was also General Counsel for the Landmarks Preservation Council of Illinois. He was “the prosecutor and defender in the same trial.”

Alderman Ted Mazola was an outspoken opponent of preservation of the Maxwell Street Market area. Mazola left City Council in 1995. In 2001, he was given exclusive rights from Mesirow Stein Real

50 Cheat You Fair, DVD, directed by Phil Ranstrom (Chicago: Maxwell Street Documentary, LLC. 2009)
Estate Inc. to administer residential sales through his company, Near West Realty; his potential for commissions on sales was estimated at $12 million.\(^5\)

They were not the only ones to benefit from the redevelopment of Maxwell Street. The SCDT also invited construction companies and contractors with political ties to participate. Joseph Cacciatore, former business partner of Tony Rezko, received contracts in the area. The Walsh Construction Company, family friends with the Daley’s, and D & P Construction, with ties to a Chicago mob boss, received millions in contracts. Joseph Mario Moreno, Cook County Commissioner, currently owns and leases out two homes at University Village. Patti Blagojevich, Rod Blagojevich’s wife, made $50,000 in real estate commissions when a client bought and resold a home owned by William Cellini. From 1999 to 2009, the SCDT gave a total of $83,100 in campaign contributions to various politicians. Alderman Danny Solis and the 25\(^{th}\)-Ward Democratic Organization were the largest recipients taking in $37,600, followed by Blagojevich who received $14,500 directly from SCDT and tens of thousands more from Cellini. Other recipients included Attorney General Jim Ryan ($13,500), Alderman Madeline Haithcock ($7,850), Illinois Attorney General Lisa Madigan ($6,500), and Alderman Edward Burke ($3,500). Burke, who voted to approve the redevelopment, bought two condos for $259,500 apiece in late 2002, selling one for $318,000 in 2005.\(^5\)

Part of UIC’s mission was to provide “affordable” housing in the redevelopment area. This means homes priced in a range deemed “affordable” for people making one hundred percent or less of the city’s median income ($52,800 for a single person and $75,400 for a family of four in 2009). At least sixty-seven percent of the homes were sold to young singles instead of the families for which the policy was designed. Fifty “affordable” homes were resold for an average

\(^{52}\) *Chicago Sun-Times*, “They Hit Paydirt Too,” May 17, 2009.
profit of $63,710 and six resold for more than $100,000 over the purchase price. Some condos went to people who already owned homes, these were flipped within months. One condo was sold to Jeffrey Mauro, whose father co-owns New West Realty with Tom Mazola. The highest-income buyers of these units got taxpayer-financed subsidies while the lower-income buyers got nothing. This seems like abuse but fell within the guidelines of the city. Once properties were resold, they no longer had to follow any stipulations. The best Daley could do was to create a land trust in Chicago to keep units in the affordable range. In 2009, 31 of the 4,354 “affordable” homes built under Daley were in the trust.

Conclusion

For nearly one hundred years, the city was one step behind at Maxwell despite the appearance of control. They made it an official market in 1912 after it had functioned as such for twenty years, they changed the formal boundaries of the market in 1963 after construction of the Dan Ryan had bisected it for eight years, and they made ordinances that merely formalized what vendors had already been doing for decades. After the construction of UIC, the city shifted its policy. A long period of acquisitions, demolitions, and neglect of properties on the part of the city and University was used to create the “blight” that was used as a justification for removal. By the time that the MSHPC made its first bid for the historic register, the state board argued that there were not enough buildings left to warrant a designation. By the time they tried again in 2000, board members, who profited directly from the redevelopment, convinced others that there was nothing to preserve. Due to neglect and clearance, they were almost right, not much was left.

The work for redevelopment was done with public money. Profits were channeled to insiders and developers. The TIF means that until 2022, ninety-five percent of all property taxes

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from the area (estimated at $75 to $125 million) go directly to UI to further subsidize development. All of Daley’s friends profited directly from the redevelopment. What did the city lose? According to many, nothing. There were approximately 10 to 40 people showing up to protests organized by MSHPC by the time the market was removed and as it was decided no buildings would be saved.

Steven Balkin and Alfonso Morales provided an extended commentary on what they think we lost. The market, they said, provided a venue for the poorest residents of the city to make money. Vending was a response to economic restructuring, increasing unemployment, and under-employment that spared merchants the regulatory procedures and expenses involved in small business. Vending built job skills: most vendors would start small, move up to larger operations at the market, and eventually translate market experience into other successes. The market drew tourists and made money and nearly all of the profits were reinvested in Chicago’s local economy. The market redistributed wealth, as shoppers of all classes spent money at the market. The school could very easily have incorporated the market into its plans and students could have shopped there. The redevelopment redistributed taxpayer money back to the wealthy and provided them with a stable real estate investment opportunity. We lost an iconic cultural asset, the home of the Chicago Blues and the Maxwell Street Polish Sausage, and a market that was able to bring together people of all classes and races. Despite the reputation for criminality, only two police officers patrolled a market that drew well over 50,000 shoppers in its prime. Finally, the vendors lost their homes and spots in the market: only 450 vendors were allowed at the New Maxwell Street Market, no felons were allowed, the fees increased from $25 annually to $50 dollars daily, vending was limited to Sunday, and there are only a couple of cordoned off’
places to play music.\textsuperscript{55} Despite the efforts of several ad hoc groups and dedicated activists, including celebrities, professors, journalists, and cultural critics, Maxwell could not be saved, even in America’s most important city to the blues.

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