

Chinatown Journey: From Protesters To Developers

Asian Americans for Equality: advocates and landlords.

By DENNIS HEVESI

Down from the ramparts, fists unclenched, their protest signs long ago set aside, Asian Americans for Equality — leaders among a cadre of community groups that brought thousands of demonstrators into the streets of Chinatown and to the steps of City hall in the mid-1970's — is now a major landlord and residential developer.

Over the last 15 years, the organization has built or rehabilitated 43 buildings in Chinatown and on the Lower East Side, housing more than 500 low- to moderate-income families. It has renovated 36 one- to four-family homes for new buyers in Queens. Within six months, it expects to complete construction of three six-story buildings in Chinatown, providing 52 rental apartments for poor people.

Asian Americans for Equality says it has helped more than 1,500 immigrants families, not just from Asia, gain access to low-cost down payments and mortgages. And since last summer, it has served as the designated agency assisting thousands of Chinatown residents in applying for federal grants intended to stabilize housing occupancy in Lower Manhattan after the World Trade Center attacks.

A far cry from the days when one scholar researching radical groups in the

United States labeled some of the group's leaders as Maoist.

Christopher Kui, the executive director of Asian Americans for Equality since 1993, attests to its evolution from radical roots into a nuts-and-bolts builder that has not only cooperated with government housing programs but pioneered them in tandem with major banks and nonprofit housing syndicators.

"They've been willing to take risks with us on new program models," said

Jerilyn Perine, the city's commissioner of Housing Preservation and Development, "and it has sometimes made their work much tougher because they went first."

"The fact that they've been willing to do that has been really helpful," Commissioner Perine said. "It goes beyond just the buildings."

It was a natural progression, said Mr. Kui (pronounced koy), from

street protests against job discrimination in the construction industry and against police brutality to community organizing and local politics to counseling people living in squalid buildings and, eventually, to creating housing. Along the way there have been critics, particularly when the group ventured into politics.

Many Chinatown residents live in "horrible conditions," said Mr. Kui, in part — but only in part — because much of the community's housing stock dates to the 19th century and because its population density is the highest of any neighborhood in the city. "The density of Manhattan is 82 people per acre," he said. "For Chinatown, it's 189."

The group's housing work started,



Asian Americans for Equality, begun as a protest group, created its logo in the 90's.



Richard Perry/The New York Times

Christopher Kui, the executive director of Asian Americans for Equality, at Equality House on Eldridge Street, its first housing project.



Photographs by Nancy Siesel/The New York Times

New Norfolk Street apartments rise opposite earlier rental project.

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simply enough, with the notion of informing people of their rights. "In the early 80's, a lot of people came to us seeking housing assistance, complaining, for example, that they have no heat or hot water," Mr. Kui said. "They would ask, 'Can you help me apply for public housing?' And when they started applying, they were placed on waiting lists of 150,000 people."

"We visited their apartments and saw the conditions," Mr. Kui continued. "We decided we needed to build some affordable housing ourselves."

But it was a fire, on Jan. 21, 1985 — sparked by a faulty electric heater in a building without heat or hot water at 54 Eldridge Street — that immediately spurred Asian Americans for Equality into concrete housing work. "Two people were burned to death, and 125 people were displaced," Mr. Kui said. "We worked with the city to place people in shelters throughout the city, but a lot of folks wouldn't go because the shelters were in terrible condition, or they couldn't communicate and didn't want to leave Chinatown."

Initially, the organization planned to create a transitional shelter. But in the end, two vacant buildings held by the city for tax arrears, 176 and 180 Eldridge Street, two blocks from the fire site, would be renovated into a total of 60 apartments — one building for low-income families, the other for homeless individuals and families.

It was at that time, as part of an overhaul of the nation's tax code, that Congress passed the Federal Low-Income Housing Tax Credit — providing a write-off of about 90 percent of the construction costs for investors willing to provide financing to develop housing for families with incomes 60 percent below the median income in a given metropolitan area.

Total renovation costs for what would be called Equality House — the first Federal Low-Income Tax Credit project in New York City — came to 5.2 million.

The Enterprise Foundation, a pioneer in creating housing for poor people throughout the country, assumed the role of syndicator on the project, bringing in Fannie Mae, the federally chartered mortgage purchase corporation, as the primary investor.

"Half of the funding came from the low-income tax credit," Mr. Kui said. "The

other half was \$1 million from the New York State Department of Social Services, the rest from the New York State Housing Trust Fund. And H.P.D. gave us the buildings for \$1 each."

The senior vice president of the Enterprise Foundation, Bill Frey, called Equality House a breakthrough project. "It became the model that really has provided the initial way for us to do this around the city with 85 other nonprofits, creating about 13,000 units," he said.

Rents for a one-bedroom at Equality House when it opened in 1988 were between \$329 and \$356, and are currently \$459 to \$509; initial rents for two-bedrooms were \$400 to \$445, and are now \$485 to \$570. To be eligible for an apartment, if any were currently available, a family of four could have an income of no more than \$37,000.

For 81-year-old Luk Ng and his wife, Choi Ngor Ng, 65, Equality House is a godsend. "Where I was before," said Mr. Ng, sitting in his kitchen, potted plants all about, "it was very bad, dangerous."

Danger accompanied Mr. Ng to this country. In 1943, he left Canton Province as a merchant seaman on an oil tanker. "During the Second World War," he said through an interpreter, "the German planes bombed the tanker, hit the rear. It was sinking and the British saved us, brought us to Alaska."

Soon after, "on another oil tanker," Mr. Ng continued, "I came to New Jersey — I don't know where — and jumped ship. I paid someone like \$100 to drive me to Chinatown. There were daily raids by the immigration people; for some reason, I never got picked up." In 1959, Mr. Ng became a citizen. For decades, he worked as a waiter.

"We were living at 147 Elizabeth," Mr. Ng said, paying \$200 a month for part of a one bedroom apartment that shared a bathroom in the hallway with people living in the next apartment. "One of the reasons I was looking for something else was that the roofs were leaking, falling down, but the owner refused to fix it," he said. "No heat, hot water, My wife was very unhappy about these conditions."

Mr. Ng said he "heard about AAFE" (an acronym for Asian American Equality that rhymes with taffy) "in a Chinese daily newspaper, that they were having a lottery for Equality House. Somehow I got selected; I guess I was lucky."

Their one-bedroom apartment rented for \$303 when the Ngs moved in in the late 80's; the rent is now \$440. But with senior-citizen rental assistance, the Ngs pay only \$220 a month. "I'm very happy here in my golden days," Mr. Ng said.

As a gateway to America, Chinatown has long harbored a stream of immigrants flee-



Nancy Siesel/The New York Times

Mui San Sing, 71, in a squalid Kenmare Street walk-up holding four families. AAFE provided legal help to stop eviction proceedings.



AAFE built 48 condominiums on Suffolk Street. Pedro Velazquez paid \$145,000 for a three-bedroom duplex.



Photographs by Richard Perry/The New York Times

ing economic or political repression; many are poor, uneducated, unknowing of their new rights, forced into below-minimum-wage, 12-hour-a-day labor and resigned to living under code-scorning conditions.

Thousands are crammed into tenement buildings – 10, 12 or more individuals, or several families, sharing a single apartment in which the rooms have been divided by plywood partitions and raw-board bunk beds. The single kitchen is used by all; and the only bathroom is in the hallway outside the apartment, for use by all the tenants on the floor. Rents are usually about \$200 a month per person.

“There are bad landlords taking advantage of these very vulnerable, scared immigrants,” Mr. Kui said. “Also, it’s not uncommon that families renting a one- or two-bedroom apartment in a tenement building have to pay \$7,000 to \$10,000 in ‘key money,’ cash to the landlord, in order to just get an option to rent, because the competition for housing is so high in the community.”

And so, often, families double or triple up. “These are unrelated families, a common occurrence,” Mr. Kui said.

Muit San Sing, 71, his wife and adult daughter live on bunk beds behind plywood walls in a six-floor walk-up on Kenmare Street. They pay \$260 a month – their share of the total of \$1,097 paid by four families for the four-room apartment (there is no living room). They have lived there since 1993.

The apartment’s filth-encrusted walls are peeling in sheaths; roaches scurry.

Mr. Sing was a farmer in China, on “government-issued land,” he said. For 10 years, he was an elevator operator in Chinatown. “I am old, can’t work any more,” he said. He went to AAFE for legal counseling after the landlord, citing overcrowding and the apartment’s illegal partitions, began eviction proceedings.

Shellen Wu, a housing counselor with the group, said a settlement had been reached under which the Sings and one of the other families can stay. The organization is helping to relocate the two other families. Saying the landlord had agreed to fix up the apartment, Ms. Wu said, “We’ll see.”

With a broad grin, Mr. Sing said: “I think America is great, the best. Freedom! You can do everything. I have a Medicare card. In China, how would you get that?”

Asked about his dire living conditions, he said: “I just need a place to live. It would be better if I could get government housing.”

Chinatown – with hard to define borders edging, here and there, into Little Italy and the Lower East Side – has a population of approximately 85,000, of whom about 55,000 are Asian, according to AAFE’s estimations.

In recent years, it has felt the squeeze of gentrification, with trendy bars and restaurants sprinkling among its Chinese-lettered dumpling shops, souvenir shops and groceries. And while most substandard housing in the community falls under rent regulation, increased demand for market-rate housing has sent unregulated prices soaring.

Arthur Strickler, the district manager of Community Board 2, said new buildings in Chinatown command rents at least four times higher than regulated apartments, with studios going for as much as \$1,600 a month. According to Scott Durkin, chief operating officer of the Corcoran Group brokerage firm, the average price for a condominium in the area shot up about 28 percent in 2002 over 2001, with two-bedroom apartments selling for \$700,000 to \$900,000.

“Clever landlords,” Mr. Strickler said, “empty out units, do expensive renovations and rent out at market rates.”

Asian American for Equality has tried to relieve some of the squeeze. Two years ago, it constructed 48 condominiums in 12 town house buildings on what had been a vacant lot between 138 and 152 Suffolk Street. “We saw an opportunity to put together a homeownership project that is affordable to more moderate-income residents of the community,” Mr. Kui said. Of the 48 apartments, eight are three-bedrooms that sold for \$145,000 each, 40 are two-bedrooms that sold for between \$119,000 and \$129,000.

“There are so many sons and daughters of immigrants who grew up in the community and want to stay,” Mr. Kui said, “folks who are civil service, police, teachers, who want to keep their roots in the community.”

Police Officer Pedro Velazquez, 40, wanted to plant roots in the community. A native of Puerto Rico and a member of the force since 1985 – with a salary of about \$50,000 – Officer Velazquez had been paying rent of \$600 a month in the Bronx.

He hates to say it, but he was tired of street fights, burglaries and car break-ins in his old neighborhood, particularly several incidents in which he had to flash his badge or give chase while on his way to or from the subway he used to ride to the Ninth Precinct on the Lower East Side.

Officer Velazquez was online apartment searching when he came across AAFE's announcement of a lottery for apartments on Suffolk Street. "I think 2,000 people applied," he said. "I was No. 38."

Clapping his hands, Officer Velazquez said he paid \$145,000 for the three-bedroom, two-bath duplex at Suffolk Houses. "There's a lot of need for places like this," he said. "You know how much an apartment like this would cost around here? — \$500,000!"

"Now I walk to work," he said — not unlike many longer-term residents of Chinatown who live, work and shop in the neighborhood. That insularity, especially after the events of Sept. 11, has heightened the community's vulnerability.

There are two main industries in Chinatown — garment manufacturing and tourist-related stores and restaurants. After the terrorist attacks, approximately 65 of the community's 300 garment factories shut down, eliminating jobs for about 5,000 people, mostly women. "That happened because Chinatown was caught behind a frozen zone," said Robert Weber, the group's director of policy, "meaning that the police limited traffic access and parking in Chinatown for months following the disaster. This had an immediate negative impact on the garment industry, which depends on being able to quickly turn around clothing orders."

With most of those workers living and shopping in the community, other businesses immediately felt the impact. Approximately 3,000 more jobs were eventually lost, Mr. Weber said. And as unemployment benefits began expiring last summer, he said, more and more residents could not meet their rent obligations.

"What makes the situation worse is that if this loss of jobs and loss of revenues by businesses occurred somewhere else in the city," he said, "you probably would see a drop in rents and real estate prices. But that has not happened here because of the pressures of gentrification. It's a big squeeze."

In June, Asian Americans for Equality, which, with governmental and corporate support, now has 62 full-time staff members, was chosen by the Lower Manhattan Development Corporation to administer the process by which Chinatown residents facing rent troubles can apply for federal grants intended to stabilize housing occupancy after Sept. 11. "The grants provide a much needed tourniquet to the hemorrhaging incomes of people who lost their jobs," Mr. Weber said.



Photographs by Nancy Siesel/The New York Times

Some 11,000 requests have been filed for 52 units on Norfolk Street.

Still, some controversy has surrounded the program, largely because the grants offer the most aid to those living closest to the Trade Center site. Families in Battery Park City and parts of TriBeCa, where the median household income is \$125,000 are eligible for up to \$14,500. Those in Chinatown, where the median income is a third of that in TriBeCa, can receive a maximum of \$7,750.

The participation of Asian Americans for Equality in the grant program has resuscitated hints of the criticism it received in the early 1990's — that it was losing touch with its roots and constituency — particularly after it proposed redrawing the local City Council district away from the Lower East Side toward more affluent environs downtown.

"I think AAFE has aligned itself with business interests and political interests at the expense of Chinatown's residential and low-wage workers," said Margaret Fung, executive director of the Asian American Legal Defense and Education Fund. "They want to acquire properties or city-owned buildings so that they can be the developers, instead of some other group. They favor themselves."

Former City Councilwoman Kathryn E. Freed, now out of office because of term limits, was challenged by an AAFE official, Margaret Chin, in the 1990 election. Still she said recently: "My attitude as a council member was that I wasn't going to cut them off because we were not friends. I never got complaints from people in their buildings. I think they've done good work for the community; it doesn't mean they didn't get their piece of the pie."

The housing efforts of Asian Americans for Equality continue — not just in Chinatown.

In parts of Queens, including Flushing, Corona and College Point, the organization has purchased — for about \$40,000 each — 36 one- to four-family private homes that had been seized by the city because of unpaid taxes. And, after providing homeownership counseling and access to low-cost mortgages and down-payment and closing-cost assistance, it has sold the homes to existing tenants — often the former owners.

On Norfolk Street in Chinatown, AAFE is constructing three six-story buildings for poor people.

"The new project is called Norfolk Apartment II" said Mr. Kui. "It's 52 units on three separate sites along two blocks on Norfolk Street" — one of them across from the already occupied 24-unit Norfolk I.

The new buildings, with total construction costs of \$9.13 million — "again, a combination of the New York State Housing Trust Fund and the Federal Low-Income Housing Tax Credit, syndicated by the Enterprise Foundation," Mr. Kui said — will provide rental apartments for low- and very-low-income residents.

A low-income family of four, defined as earning no more than \$37,680, will pay \$715 a month for a two-bedroom apartment. A very-low-income family of four, earning no more than \$31,400, will pay \$600 for a two-bedroom. Construction should be completed in six months.

"We have received over 11,000 requests for applications for those 52 units," Mr. Kui said.