

# New Orleans housing plan strikes chord

NEW ORLEANS (AP) - Even before Hurricane Katrina hit, the city's public housing projects were sinkholes of crime and despair.

Federal housing officials now plan to tear down four flooded-out projects but some residents are suing and staging marches, saying the plan to demolish their homes is discriminatory.

It will take up to three years before the housing is rebuilt as mixed-income units, and those being displaced will have to look for private property rentals with housing vouchers. For some, it evokes the feelings of abandonment that they had after Katrina hit.

"Basically, you're telling low-income families, 'You cannot come back here. You have nowhere to come home to,'" said Cheryl Lynn Gaynor, 42, who lived in a housing project now slated for demolition and is now staying in Texas. "Where are we going to go? We're citizens of New Orleans."

Before Katrina, New Or-

leans had 5,100 families living in public housing. Roughly 88 percent were headed by women, and almost all were Black. Some worked, but many were paying no rent, earning too little to be required to do so under the public housing formula.

Only about 1,100 public housing apartments have been reopened since the hurricane hit last August. The U.S. Department of Housing and Urban Development, which took over the city's public housing in 2002 after a local board was accused of mismanagement, has announced that another 1,000 will be open by summer's end.

"This is never a painless thing," HUD Assistant Secretary Orlando Cabrera said. "We understand there are people who are going to disagree with us and that's OK. We're committed to the idea of restoring New Orleans to the city it was. That's what we're determined to do. It's going to take time and effort."

*"The residents feel that what is objectionable about public housing isn't the housing, it's the people who live there."*

— Loyola University law professor Bill Quigley

Katrina — which emptied the projects, crippled bus service and shuttered health care and other services for the poor — offers a chance to accelerate redevelopment into mixed-income developments, Cabrera said.

But Loyola University law professor Bill Quigley said the problem with redeveloping public housing is it rarely serves the poor, instead aiding developers who get prime pieces of real estate and tax breaks while the poor are shut out.

"Mixed-income housing" is a euphemism for "We're going to destroy low-income housing," said Quigley, who filed a lawsuit on behalf of residents seeking to block the demolition.

"The residents feel that

what is objectionable about public housing isn't the housing, it's the people who live there."

He and other local activists note that redevelopment of the St. Thomas housing project, which already was undergoing development before Katrina, mostly benefits wealthier residents. Public housing residents were given vouchers or moved to other housing projects before demolition.

Before redevelopment, there were more than 1,500 public housing apartments there. But of the less than 1,200 units eventually expected on the site, only about 180 are currently set aside for public housing residents.

Critics of the plan to demolish the four public housing projects have staged marches and set up a tent city to protest the decision to de-

molish the complexes.

Under United Nations laws, the plaintiffs say, the United States must "recognize the human right of displaced people to return home." The law also says "internally displaced people" must be given a say in the planning of their return, the suit contends.

James A.R. Nafziger, chairman of the executive committee of the International Law Association's American Branch, said the law concerning "internally displaced people" is a new area of international law.

"It's not law that is binding on any nation," said Nafziger, who said it will be up to a trial judge and appellate judges to determine whether the U.N. law applies.

Still, some neighbors say they're glad to see the old complexes go. Coma Lewis, a 68-year-old retired social worker, has lived in a home facing the now-shuttered St. Bernard housing project for 32 years.

Lewis said the redevelopment will give public housing residents a chance to re-

start their lives away from a place that exposed children to violence and became home to generations of poor New Orleanians.

"Unless they do something, it's not going to change," Lewis said. "You can pour all the money you want into this type of situation. It's like pouring water into a pail with no bottom."

Pamela Mahogany, who was a lifelong resident of St. Bernard, said the cost of living has jumped dramatically since Katrina. Charity Hospital, the city's main health care provider for the poor, is still closed too, she said.

"They don't open public housing. They don't open up Charity Hospital. They don't open up things for poor people, so what does that say?" Mahogany said.

Lewis, the neighbor across the street, isn't buying that argument.

"This has just gone on too long," she said, gesturing toward the decaying brick St. Bernard complex. "I'm African-American. I'm back here. No one has told me not to come back here because I own that home."

## Black franchisee claims McDonald's in violation

By Betty Pleasant

Special to Sentinel-Voice

LOS ANGELES (NNPA) - It's David and Goliath in the valley of Elah all over again, but this time it's a lone little Black fast-food franchisee doing battle against the corporate mega-giant McDonald's in the U.S. Central District Court in Los Angeles.

Discovery, depositions and the exchange of documents are currently underway in a multimillion-dollar lawsuit filed by Bob Johnson, a McDonald's franchisee for more than 25 years, against the Delaware-based McDonald's Corporation charging it with alleged fraud, unfair trade practices and breach of contract.

As men of substance are measured, Johnson ("David" in this scenario) is a rather large figure himself. He owns 10 McDonald's franchises — a hefty portion of the total number in the African-American community — including two in the Los Angeles International Airport terminals.

In addition to those two, Johnson owns the McDonald's in the Baldwin Hills and Fox Hills malls, the one in Inglewood, in

Compton, on Western Avenue, at Slauson and Western avenues, at Imperial Highway and Figueroa Avenue and at Avalon and Century boulevards. But the Ladera Heights resident's holdings are rendered minuscule by the biggest fast-food giant on the planet, which has 31,800 flagship restaurants in more than 100 countries around the world.

Nevertheless, Johnson has enlisted the services of Florida-based attorney Robert Zarco, internationally recognized slayer of franchise giants, to press his case against McDonald's, which he claims has defrauded him out of \$11 million from the operation of his two LAX restaurants.

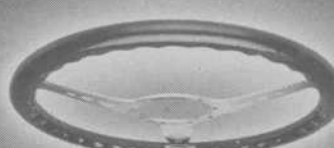
Legal counsel at McDonald's corporate headquarters did not return a call for comment. But according to Zarco, Johnson was already successfully operating multiple McDonald's franchises in the area when he was induced by Jeff Schwartz, a McDonald's vice president and regional manager, to take over the company's restaurants in LAX terminals No. 1 and No. 7, which were failing financially.

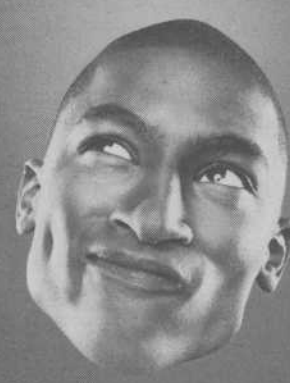
"Schwartz told my client that, under his leadership, the two LAX restaurants would produce a yearly cash flow of \$1.3 million, and based on that inducement, Mr. Johnson sold his lucrative Marina Del Rey McDonald's for half its \$2 million value and took over the two at the airport," Zarco said. "The projected cash flow did not happen, so we sued them for fraud in the inducement and for other actions."

Worse things, however, did happen. Johnson said McDonald's gave him a copy of the lengthy contract that existed between the city of Los Angeles and the corporation for the operation of the LAX restaurants. The contract included a disadvantaged business enterprise (DBE) condition requiring the restaurants to be operated by a minority business entity, which the previous owners were. Johnson said he studied the contract, found it to be acceptable and then signed on the dotted line, agreeing to abide by it and assuming the operation of the restaurants.

However, several months later, Johnson said he learned that the original contract be-

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