



Shakedown in Chicago

Protection Money...The Rackets...Shakedowns...Things such as these made Chicago famous once in the age of the speak-easy and the lady in red.

Today the gangsters of Chicago are mostly a memory, and you can visit Capone's downtown for a nostalgic tour of the excitement of that bygone era. But if you happen to own a unit down on the terminal market in Chicago, you'll probably skip Capone's. After all, why pay to see a shakedown when you are living one?

I know, I was there. There has been talk of a new Chicago market. And plans are pretty advanced. But what the market will cost and what will happen to the old South Water Market is still under discussion.

Discussion isn't exactly the correct word. City officials have decided that the city will steal the merchants' property at the South Water Market. The officials are terribly inconvenienced by the fact that the U.S. constitution prohibits this. After all, the Law Of The Land precludes government from taking private property "without just compensation."

The city officials, not the type to allow a technicality such as the Constitution to stand in their way, informed the market merchants of their intentions. The city has basically declared that the merchants' very valuable property is of no value at all.

See, the South Water Market is next door to University of Illinois at Chicago, and the university desperately wants the South Water Market property for expansion. But the university would rather not pay for the property, and the city would like to see a new market happen so development contracts can go to politically connected friends. So city and university officials are conspiring to squeeze the market merchants out of their property.

City officials let merchants know that they have power. They can block roads, prohibit trucks, enforce various ordinances and more. They can make that property worthless and cost market merchants a fortune.

The merchants held a meeting to discuss the city's plan for the market, and the very next day the city decided to give the market a taste of what defiance might be like. Suddenly, health inspectors were dispatched. Nothing major this time. Just disrupt people's business a little, order them to clean the store room on the third floor that no produce ever touches. Just enough to remind the merchants who's the boss.

A few days later the university closed down streets adjacent to university property near South Water Market. The city backed up the university and so over-the-road trucks couldn't get through to the market.

You know the score - it's like all those movies where the loan shark doesn't get paid. First he just knocks the sap around a bit; next visit he breaks his kneecaps; finally he kills him.

Of course, at least in the movies the poor fellow makes the choice of whether to deal with a loan shark. He knew the rules.

But in Chicago, the merchants are blameless. They've done nothing but build businesses, pay taxes and bring jobs to Chicago. They are simply dealing with their own government, and the government is behaving like a thug.

The city officials claim they want to help the merchants. They have a 60-acre site they had cleared for a Sears complex that was never built. In a grand "partnership" between the city, a development company and the merchants, they want to build a new market.

But the proposed facility has problems itself. It's on too small a site. The market is designed with 225-foot streets, but when you look at today's truck and pigs, you really need 250 feet. And, if you look at the future you'd be wise to build 300-foot streets or larger. In 1967, Hunts Point was opened in New York. The market took so long to develop that the joke was that it was the newest antiquated market in the world. Remember the joke. It will come in handy if they build this market as planned.

In addition the market seems way over-priced. Even after changing the design to give everyone just a shell where they have to completely finish their own units, the cost is still over \$60 a foot not counting the land. This is a good \$20 to \$30 a foot more than it should cost.

The other big issue is the fate of South Water. There are several fair ways of dealing with the issue. When the fate of the old Washington Market in New York was up in the air due to the building of Hunts Point, the city exercised its power of eminent domain to purchase the market, it received some federal money and built a housing project of the site. Then, those merchants who chose to do so moved to Hunts Point.

In Chicago, the fair thing would be for the state to exercise its power of eminent domain, buy the land, pay the owners and let those who want to move to a new market do so. Let the rest do what they want with

what is, after all, their own money. The university is afraid to go this route because it knows a fair court would find the South Water Market to be a valuable piece of prime urban property.

Up to this point it's been thought inconceivable that the market could move elsewhere. But the city of Chicago is going to learn that produce people are not like meat. The more you pound them, the tougher they get.

So, what the Chicago merchants should do is call the Governor of Indiana to begin discussions on the development of the "Midwestern Food Center," a produce, meat, fish and floral market to be built in Indiana, perhaps a thirty to forty-five minute drive from the Loop.

Don't be surprised if Chicago's attitude changes once the officials see serious efforts to move the market. Just go to the new Comiskey Park Stadium. The White Sox got that park because of a credible intent to move to Tampa. Cities don't like losing jobs and business.

And, of the present market? Well, merchants are being squeezed out. They need to file a lawsuit against the city and the university for conspiracy to steal the merchants' property. The city and university have already succeeded in depressing the property's market value. Who would buy or even mortgage a property that the city is actively trying to threaten?

But the battle isn't over yet. Hardball is a tough game. Produce people are good at throwing as well as catching.

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