

REPORT

Report of: Skokie Human Relations Commission
To: Skokie Board of Trustees

May 22, 1967

In November, 1965, this Commission requested from you and received approval to test for a one-year period a voluntary program to implement the official village policy of equal housing opportunity. Our program undertook, by education and persuasion of both home-owners and real estate brokers, to secure conformity with village policy to a degree broad enough to provide ample housing opportunities throughout the Village for the relatively few Negroes seeking homes in Skokie.

This program, which has come to be known as the "Skokie Plan", began in April, 1966, with the mailing of our booklet, "Your Home and Skokie's Future", to Skokie residents, and the trial year was therefore designated to end April 30, 1967. The purpose of this report is to convey to you the Commission's evaluation of our year of experience with this program and to make further recommendations based on this experience.

In February of this year the Commission agreed on four criteria by which it would judge the effectiveness of our program:

- (1) The trend in percentage of open listings.
- (2) The degree of good-faith compliance to their commitments shown by real-estate brokers, as shown by our checks.
- (3) The number of sales to Negroes through brokers.
- (4) The number of Negroes who moved into Skokie during the Plan's operation.

If we use the trend in open listings as a measure of the success of our educational program, we must conclude that this program had significant impact on community thinking. For the two months between June and October, 1966, during which we received data (there was a two-month interval during this period in which no data were collected because Gov. Kerner's Executive Order, which forbade discriminatory listings by brokers, was in force) only 11 of 66 listings reported were unrestricted- about 17%. These included homes which were listed open on specific instructions as well as those listed without instructions, which were, under the terms of our agreement with participating brokers, to be handled as open listings.

In contrast, during three of the four months between November, 1966 and March, 1967 (the last month for which we have data) 50% or more of the listings were unrestricted- in all, 15 out of 27 listings during those three months.

It is our conclusion, therefore, that there has been an increasing acceptance by home-owners of the concept of open housing. This acceptance had resulted not only from our own educational campaign of mailings to home-sellers and to teachers and of talks to local organizations, but also from the concurrent efforts of some of the local clergy with their individual congregations.

Turning now to the performance of real estate brokers, we have several sources of information on which to base our conclusions. During October and November, 1966, as a result of complaints from members of the Fair Housing group, we contacted 18 home-owners who had listed their homes with participating brokers, to see whether the latter were carrying out the instructions of the owners. In every case checked, we found that the brokers involved were in fact correctly reflecting the wishes of the owners.

A second source of information involved formal complaints of discrimination filed with the Commission, of which we received four during this period. Our investigation of these led to the conclusion that in two cases there was insufficient evidence to warrant further action, but in two other cases the evidence was sufficiently substantive to justify our passing them on to the Illinois Commission on Human Relations for further investigation.

A third source of information is afforded by more numerous letters charging lack of courtesy by brokers or their representative, rebuffs of various kinds, lack of ordinary diligence in finding suitable homes for Negro homeseekers, and similar complaints which were attitudinal in nature. While these letters did not involve specific provable acts of discrimination, they nevertheless indicated that Negroes were poorly received by the brokers involved, and were discouraged from seeking homes in Skokie.

The final point to be made with respect to broker performance is that during the trial year not a single Skokie home was sold to Negroes by a Skokie broker.

During this period (May 1, 1966 to April 30, 1967) three Negro families are known to have moved into Skokie. Two rented quarters and one purchased a home directly from the owner. This number is about the average which has prevailed in Skokie since the first Negro family arrived in 1961, but less than was to be expected in the face of the still small but accelerating movement of middle-class Negroes to the suburbs. By contrast, 10 Negro families moved into Highland Park in 1966, at least two as a result of sales by real estate brokers.

The failure of Skokie brokers to sell to Negro home-seekers during this period should be examined in the light of a number of relevant points:

- (1) Several Skokie homes were shown by brokers to Negroes, conforming to the size and price-range of the latter, and presumably sales might have been consummated had the Negroes so elected, but they made no offers for these homes.
- (2) The year was abnormal. During one portion, there was an exceedingly active demand for Skokie homes, so that good listings were on the market for only a short time. During the latter portion of the year, mortgage rates were high, mortgage money scarce, and listings declined steadily. In both sets of circumstances, Negro home-seekers were at a disadvantage, and their number was reduced through no fault of the brokers.
- (3) During two of the heaviest sales months- July and August- the Governor's Executive Order was in operation, and all listings were non-discriminatory. There was nevertheless no apparent effect on the sales of homes to Negroes in Skokie.
- (4) The total number of Negro Families seeking houses in Skokie during the year was small- approximately a dozen- and the number of sales opportunities here was further reduced by the availability of housing in other northern suburbs such as Highland Park.
- (5) Finally, normal relationships between brokers and Negro home-seekers were in many cases hampered by members of the Fair Housing groups operating here. These people opposed the provisions of our procedure which permitted restrictions by home-owners via instructions to their brokers. In addition, they objected to the Skokie Plan because they believed that success of a voluntary plan would impede adoption of fair housing legislation. They challenged the operability of the plan, and worked diligently to prevent its success. They reportedly discouraged Negroes from seeking homes in Skokie, spread word that this was "a closed town", and, when they accompanied Negroes to real estate offices, at times precipitated hostile reactions and instigated arguments which made usual sales procedures impossible.

In light of these factors, we cannot conclude that Skokie brokers were uniformly prejudiced and discriminatory in their dealings with Negro home-seekers. From the failure of any Skokie broker to consummate even one sale with a Negro in the face of increasing community willingness to sell to Negroes, however, we conclude that those brokers who had opportunities to sell homes to Negroes were not as whole-hearted in pursuing such sales as they would have been with white home-seekers. We believe that this lack of diligence stemmed from a reluctance to sell to Negroes in Skokie, for fear of economic reprisals by residents and other brokers. This fear, in turn, results from the fact that some Skokie brokers and many others who operate in Skokie but are not headquartered here did not agree to cooperate in the Skokie Plan, and were consequently

in a position to take advantage of such reprisals on cooperating brokers.

The voluntary character of the Skokie Plan with respect to brokers, and the inability of the Commission to persuade all brokers operating in Skokie to participate, have therefore proven to be a serious handicap to the implementation of equal housing opportunity via our program. A majority of the Commission sees no prospects of improvement in the performance of Skokie brokers in the face of this handicap.

For these reasons, the Commission at its April 27th meeting took the following actions:

- (1) It voted to discontinue the Skokie Plan as presently constituted i.e. as an attempt to induce brokers voluntarily to practice the principles of equal housing opportunity.
- (2) It voted to continue, and if possible to intensify, its educational program directed toward residents. The Commission remains convinced that fair housing is necessary for a healthy, peaceful and stable community, and that public acceptance of this principle must be induced by a long-continuing program of information and education. It therefore proposes to continue to circulate our pamphlet, with suitable modifications, and in particular to send it to home-sellers.
- (3) The Commission voted unanimously to ask the Board of Trustees for immediate legislation to make unlawful the solicitation of real estate sales on the ground of change of value because of present or prospective changes in the religious, racial or ethnic character of the area- legislation commonly known as "anti-block-busting" or "anti-panic-peddling" ordinances. We believe that Skokie, with 15 Negro families scattered throughout the village, is vulnerable to such practices by unscrupulous real estate agents. We have already had one such incident, which we were fortunately able to stop promptly, and we believe that we need legal support for proper protection of the village.
- (4) To make such an ordinance effective, the Commission voted to ask that the Board of Trustees likewise pass legislation which would license all persons who engage in the sale, rental or exchange of real estate in Skokie for compensation or commission, regardless of whether they do or do not reside or have offices in Skokie. The Commission believes that such licenses should be issued to qualified persons for a nominal fee, with special reciprocity arrangements, if feasible, for those who are headquartered in and licensed by other municipalities.

(5) A majority of the Commissioners present voted to ask for no local fair housing legislation at the present time. It believes that such legislation can be most effective on a state-wide or national basis, and believes that the current session of the state legislature may pass such legislation. If no such legislation is passed in the current session, however, the Commission will recommend a local ordinance to the Board of Trustees after July 1, and will further recommend that the Mayor and Board meet with their counterparts in neighboring communities and attempt to secure agreement to uniform ordinances covering a broad suburban region. The scope and degree of coverage which the Commission would recommend to the Board under these circumstances are currently under study by a sub-committee of the Commission.

In summary, this trial year has been a year of learning for the Commission and for the community. We have identified the strengths and weaknesses of the Skokie Plan, and determined what portions can be constructively continued and what portions offer insufficient promise for continuation. While our program failed to provide substantially improved equal housing opportunity in Skokie, it did improve the community attitudes to a point at which an effective fair-housing program is possible. Our experience does not permit any generalizations regarding the possibilities of success of all voluntary programs; we can only say that our program, with its particular handicaps and limitations of time and of broker participation, did not succeed in one of its major objectives and showed substantial success in another.

Finally, on behalf of the Commission, I would like to thank Mayor Smith and the Trustees for the backing they have always given us, and to express the hope that we may merit their future support.