

CENTRAL ADVISORY COUNCIL (CAC) 2012 STRATEGIES AND RECOMMENDATIONS REPORT

Submitted to
The Chicago Housing Authority

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PREFACE

Founded as a 501 (c) 3 organization in 1971, the Chicago Housing Authority Central Advisory Council (CAC) is the jurisdictional wide tenant organization duly recognized by the US Department of Housing and Urban Development. Through its fourteen Local Advisory Council (LAC) offices and seven mixed-income communities located throughout Chicago, the CAC represents tenants and provides input into the Chicago Housing Authority's (CHA) policies and matters that impact tenant rights and interests. The CAC's mission is to work towards improving the quality of life for all tenants in federally subsidized housing in Chicago.

Since the inception of the CHA Plan for Transformation in 2000, the CAC has played an active role each year to ensure tenants' rights were fully protected and to provide comments on CHA's Annual Plan, the Moving to Work (MTW) Agreement and the Housing Choice Voucher (HCV) Plan. In the spring of 2012, under new leadership at both the City of Chicago and the Chicago Housing Authority, CHA announced it would be embarking on a recalibration

of the original Plan for Transformation, what is now referenced as "Plan 2.0." With the support of the City of Chicago, the U.S Department of Housing and Urban Development (HUD), and the John D. & Catherine T. MacArthur Foundation, CHA indicated that it would explore new tools and strategies for completing initial goals and planning for the agency's future role in providing affordable housing options. It is within this context that the CAC retained Lucas Greene Associates, LLC and its partners to assist the CAC in preparing a written report documenting recommendations, issues, strategies, and feedback to help inform CHA as it formulates Plan 2.0.

This report has been prepared by Lucas Greene Associates, LLC in partnership with the Chicago Jobs Council, Heather D. Parish, Prim Lawrence Group, University of Illinois at Chicago Nathalie P. Voorhees Center for Neighborhood and Community Improvement and We the People Media (LGA Project Team). Funding for this report was provided by the Chicago Housing Authority on behalf of the CHA Central Advisory Council.

METHODOLOGY

The primary data gathered in this report has been provided through in-person and phone interviews with public housing resident leaders, stakeholders and public housing experts, along with a survey of current and former public housing residents and HCV residents. Select research data was also reviewed, which included but was not limited to: industry and housing association reports, literature review of best practices among public housing authorities, local and national reports on housing market trends and conditions, CHA data and reports, and relevant HUD reports. In addition, the LGA Project Team conducted site visits and a windshield survey at select CHA public housing developments. These references are noted in the appendix of the full report.

This report is presented in three parts. Section One provides an overview of national and local housing market conditions and their implications for Plan 2.0. Section Two provides an overview of current issues, stakeholder feedback, best practices from select public housing authorities and recommendations for Plan 2.0 within the following key areas: A) CHA Redevelopment and Preservation; B) Housing Reform and Program Operations; C) Funding and Choice Neighborhoods; D) HUD Section 3 Compliance/ Leveraging Section 3 Requirements to Create Resident Job Opportunities; E) Residents Services (Workforce Development and Education); and F) CHA Internal and External Communications. Section Three sets forth the report conclusions and next steps.

EXECUTIVE SUMMARY

As the Chicago Housing Authority (CHA) contemplates the next phase of the Plan for Transformation through its recalibration effort (Plan 2.0), the Central Advisory Council (CAC) acknowledges that this effort will be extremely challenging. Given the current economic crisis and its impact on the housing market, CHA is facing increasing demand for affordable housing in the midst of declining financial resources. The agency must also operate in a policy environment that is promoting a shift in the provision of public housing to a private real estate market model and an asset management approach.

The CAC is encouraged that CHA has chosen to seek input from a broad spectrum of stakeholders, partners, and residents in this planning effort. Residents, who are the primary users of CHA services, can provide critical and valuable input into the planning process. Based upon our extensive experience, the CAC supports a number of proposed strategies being considered by the CHA as part of the recalibration including the following:

- The use of project-based vouchers, in addition to the provision of hard units, to expand the availability of public housing options for residents, given decreasing public funding resources.
 - Modification of the 1/3 public housing, 1/3 affordable, and 1/3 market rate ratio at mixed-income mixed finance developments to enable the creation of more public housing replacement units and affordable housing units in response to growing market need.
 - Hiring of a third party neutral facilitator to assist in negotiations of the Memorandum of Understanding and Funding Agreement between the CAC and the CHA.
 - Creating streamlined communication and tracking for resident issues so that CHA will have a dedicated mechanism to track the process of resident complaints.
 - Quarterly forecasting meetings between CHA and the CAC to discuss upcoming procurements, contracts, policy changes, and procedures.
- However, there are ongoing issues that must be addressed as a part of this planning process. To this end, the CAC has developed a list of recommendations that it would like to see CHA incorporate into Plan 2.0 in response to the following issues and questions:
- **Real estate/development**—how CHA can better incorporate private real estate principles, maximize land assets and address the unmet demand for housing.
 - **Housing reform/program operations**—what reforms to internal operations and rent structure will make CHA more sustainable, efficient and effective.
 - **Funding/Choice Neighborhoods**—how CHA can realistically fund future activities, considering reduced funding and shifting funding streams.
 - **Social services/workforce development/education**—how CHA can most effectively provide services to residents, including voucher holders, to encourage those who are able to achieve economic independence and transition off of housing subsidy.
 - **Internal/external communications**—how CHA will communicate the changes associated with Plan 2.0 to all stakeholders, including residents and staff.

The complete set of issues and recommended strategies are presented in the full report, along with corresponding summary recommendations tables presented in the report appendix. **The CAC's key recommendations are summarized below:**

1. Real estate redevelopment efforts to create units should focus on preservation, specifically rehabilitation and reconfiguration of existing CHA units, which is more cost effective than new construction. This strategy should enable more public housing replacement units to be completed given reduced overall funding levels.

2. Existing public housing developments in community areas with large inventories of market rate housing, i.e., Cabrini, Lathrop Homes, and Henry Horner Superblock, should be rehabilitated to create affordable and public housing units for residents earning less than 80% of area median income only. Moreover, the CHA should require developers to explore a tiered rent schedule to make units affordable to households earning between 31% and 80% of area median income (\$22,740 and \$60,650 for a family of four) without subsidies.

3. CHA should work in conjunction with the CAC to create and monitor implementation of a long range capital improvement plan to establish priorities for the rehabilitation of existing family, scattered site, and senior developments given funding limitations, i.e., Cabrini Rowhouses, Lathrop Homes, Henry Horner Superblock, and Altgeld Gardens.

4. CHA must address construction quality issues at various sites. To address poor construction quality in previous phases, a physical needs assessment or property inspection by an independent third party should be conducted to determine latent defects. If deficiencies are found, CHA should file a lawsuit regarding latent defects. Revised procedures for

contractor selection and monitoring of rehabilitation work at existing sites should be established including the hiring of an independent third party inspector.

5. CHA should rescind its request to HUD for a waiver of 24 CFR Part 964 and allow public housing residents at mixed-income sites to form a resident council or join an adjacent or nearby resident council. Moreover, CHA must enforce the Relocations Rights Contract to ensure that residents have the ability to exercise their right to return to mixed-income mixed finance developments. CHA should also revise various occupancy policies such as One Strike and two persons per bedroom regardless of gender.

6. Revisit “One Strike Law” as it relates to public housing residents and inconsistencies in implementation throughout CHA’s portfolio. CHA should adopt the policy uniformly for all mixed-income mixed finance developments (including homeowners and renters regardless of income), traditional developments, and HCV residents.

7. CHA must leverage its dollars with other local, state, and federal sources, and participate in initiatives such as Choice neighborhoods, to rehabilitate traditional, scattered sites and senior developments in addition to mixed-income mixed finance sites.

8. An independent Organization of the Section 3 Advocate Monitor (OSAM) must be established to provide independent and neutral oversight and transparency for all Section 3 activities. The OSAM would work with the CAC and CHA to set Section 3 policy and address compliance issues.

9. The CAC, LACs and CHA should establish a business development strategy to promote and increase the number of resident-owned businesses, including worker-owned cooperatives. Specific components include establishing a fund for loans and direct grants and provision of business development services.

10. The CAC, LACs and CHA should develop a resident-led “Resident Services” approach and repurpose the use of funds that are currently spent on Family Works and other resources. This framework includes joint oversight and leadership, funding of site based coordinators, and proven service strategies to help residents improve skills to prepare them for post-secondary education and/or enter into permanent living wage employment.

11. Require community benefits agreement (CBA) for development projects. The CBA agreement should include but not be limited to a minimum per dollar requirement for hiring CHA residents and for contracting with Section 3 businesses (for example, one resident hired per \$1 million spent).

12. CHA should continue involving CAC leadership in the formulation and implementation of Plan 2.0, as well as the MTW Annual Plans and Capital Improvement Plans. Every effort should be made to solicit input from CHA residents and the general public regarding Plan 2.0 through various outreach and input gathering vehicles, e.g., surveys, focus groups, town hall meetings, robo calls, etc.

13. The CHA and CAC must work jointly to improve communications between parties. In addition to the third party facilitator, additional procedures must be developed to ensure open and productive two way communications, including but not limited to: monthly meetings with CHA and CAC leadership, protocols for scheduled meetings, written correspondence documenting meeting outcomes, decisions and next steps, and assigned liaisons.

1. NATIONAL AND LOCAL HOUSING MARKET CONDITIONS IMPACTING CHA'S PLAN 2.0

A. Overall Housing Market Conditions and Housing Demand

The housing market is very different than it was in 2000 when the CHA Plan for Transformation was approved. Then, the rental vacancy rate was very low—4.2% for the region and even lower in some parts of Chicago (e.g., 2.7% on the north side).¹ For-sale housing of all kinds was being built to meet projected increases in demand due to population growth.

Now, 12 years later, Chicago and the region look very different. The city lost around 200,000 people from 2000-2010—90% were African American—setting Chicago back to a pre-economic boom population of just below 2.7 million.² The for-sale market has been hurt by foreclosures, limited access to credit and over-building in some segments of the market. And while the estimated median annual income of \$75,800 is higher than in 2000, when adjusted for inflation, the real purchasing power is about \$14,000 less than a decade ago.³

For-sale housing

At the national level, existing home sales were up 5.4% in June 2012 as compared to a year ago. Most sales are single family homes rather than condominiums.⁴ While sales have increased, there still remains a healthy supply of properties to buy, particularly existing condominiums.⁵

Most analysts agree that the Chicago Metropolitan Area housing market is still not out of crisis. Not all agree, however, in what direction we are headed. On the one hand, home sales are up but on the other hand, so are foreclosures.⁶ Recent estimates have 44% of Cook County homeowners under water (i.e. they owe more on their mortgage than the home is worth).⁷

While there has been an increase in sales volume, the median sales price in Chicago has been declining or staying flat—until recently. June 2012 marked a 1.7% increase over the previous year, bringing the median sales price for the region to \$183,000. Activity

is expected to continue to pick up as mortgage interest rates have dropped (3.67% in June).⁸ Still, most analysts say we need to see several months like this before we can say the market is really improving.

The greatest sales activity this past year has been in housing priced at \$100,000 or less, while over 60% of the houses sold in the region were under \$200,000. This is not unusual when compared to national sales with 44% of homes sold in the range from \$100,000 to \$250,000. What is not known is how much of this is speculative—people buying for investment rather than to live in.

Clearly, more of the current for-sale housing is affordable to lower income first time buyers than in the past. However, they need good credit or cash to buy. They also have to be savvy about what they are buying—many properties, especially those owned by banks, are sold “as is” so a good deal may not be so good if repairs are needed.

Rental Housing

More people in the U.S. rent today than a decade ago. For some, it's because they lost their homes to foreclosure, while others are not confident enough to buy.

1. Smith et al. For Rent: Housing options in the Chicago Region. University of Illinois at Chicago. November 1999.
2. U.S. Census, 2010.
3. HUD calculation for the Chicago-Naperville-Joliet MSA, 2012.
4. National Association of Realtors. National Existing Home Sales. Data posted July 19, 2010. Accessed from <http://www.realtor.org/topics/existing-home-sales/data>
5. This is determined by the number of units on the market and the average days on market. It would take 12.7 months to sell all condos and 8.3 months to sell all single family homes on the market in the US. The condo supply has increased while the single family supply has decreased the past year.
6. Mary Ellen Podmolik “Chicago-area home price index hits post-crisis low: Delinquency and foreclosure rates increased in March,” *Chicago Tribune*, May 29, 2012. <http://www.chicagotribune.com/business/ct-biz-0530-home-prices--20120529,0,927769.story>.
7. Podmolik, Mary Ellen. 44% of Cook County homes with a mortgage are underwater. *Chicago Tribune*, May 24, 2012. http://articles.chicagotribune.com/2012-05-24/business/chi-44-of-cook-county-homes-with-a-mortgage-are-underwater-20120523_1_negative-equity-underwater-homeowners-zillow-chief-economist
8. Mary Ellen Podmolik. Chicago area's median home price rises 1.7 percent in June, *Chicago Tribune*, July 19, 2012 http://articles.chicagotribune.com/2012-07-19/business/ct-biz-0720-home-prices--20120719_1_monthly-average-commitment-rate-chicago-condo-sales-list-prices

As a result, vacancy rates have decreased slightly and in some markets, developers are building rental housing, though not necessarily affordable to lower income people.

According to the U.S. Census, 52% of Chicago households rent. The median rent in 2010 was \$885 (including utilities). Thirty percent of the units rented for between \$750 and \$999; however, 37% of the units rented for \$1,000 or higher per month while 33% rented for less than \$750. With increased demand, rents are expected to increase 4-5% this year.⁹

While not as tight as it was in 2000, Chicago’s rental vacancy rate is projected to go below 5% by the end of the year.¹⁰ At the same time, the city has been losing rental property due to foreclosure. From 2009-2011, foreclosure was filed on nearly 17,000 apartment buildings.¹¹ While not all were lost, nearly 52,000 units were affected (9% of Chicago’s rental units). Most of these units were in lower income communities like Austin and Englewood, but also in Rogers Park and South Shore where historically there has been a lot of rental housing.

On the development side, the 2012 National Apartment Index (NAI) projects 1,200 new rental units will come online by the end of year in Chicago, which is nearly twice the number that came online in 2011. While the exact rents are unknown, most likely these units will be at the higher end of the market given construction costs. According to the same report, Chicago is in the Top 10 markets for absorption in 2012 (approximately 4,000 units), which suggests there is demand for market rate rental units.

Housing Need

A constant challenge is affordability. Assuming that a family should pay no more than 30% of income for rent and utilities, the majority of renters in Chicago (54%) cannot afford their units (i.e., they are rent burdened). This rate is 17% higher than it was in 1999

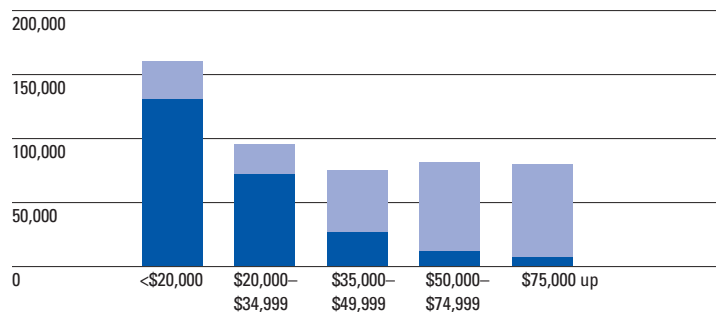
when CHA launched its plan. Most of these families are extremely low-income.

Part of the problem is the loss of affordable rental housing units. According to *“The State of Rental Housing in Cook County”* there was a shortage of 130,952 affordable rental units in Chicago as of 2009, an increase of 10 percent since 2005.¹² The report estimates that the number of affordable units will continue to decline, and the share of rent burdened households will range between 43.3 and 62.9 percent by 2020.

Income is another key part of the problem. Currently, about 257,000 low-income renters are rent burdened in Chicago. The majority are “extremely low income” (below \$20,000).

Another way to understand the affordability problem is by looking at the wages needed to afford rental housing. Using HUD’s Fair Market Rent (FMR) for 2012, no one can afford to rent housing in Chicago at the current minimum wage (\$8.85 / hour) unless

Table 1
Renters: %of Income Paid for Housing Costs by Income



Source: US Census, American Community Survey, 2006-2010

9. Marcus & Millichap, 2012 National Apartment Report, <http://www.ipsmanagement.cc/blog/marcus-millichaps-2012-national-apartment-index>

10. Marcus & Millichap, 2012.

11. Lawyers Committee for Better Housing, Three year impact assessment: Apartment Building Foreclosures and the Depletion of Rental Housing in Chicago, July 25, 2012.

12. Institute for Housing Studies at DePaul University, 2009.

Table 2
Wages Needed to Afford Rental Housing

Chicago Metropolitan Area	0 bdrm FMR	1 bdrm FMR	2 bdrm FMR	3 bdrm FMR	4 bdrm FMR
2012 HUD FMR	\$745	\$853	\$958	\$1,171	\$1,323
Housing Wage	\$14.33	\$16.40	\$18.42	\$22.52	\$25.44
Percent of income working at Minimum wage (\$8.85/hour)	174%	199%	223%	273%	308%
Percent of average income of Chicago area renters	92%	105%	118%	144%	163%

Source: National Low Income Housing Coalition, Out of Reach report, 2012

there were two to three full-time workers contributing (see Table 2). And even at the average income of a Chicago renter, current FMRs are not affordable.

Specific Population Needs

- **People with Disabilities.** Nearly 250,000 people 16 years of age and older with a disability live in Chicago. Very few are employed (18% compared to 62% of people without a disability) and of those working, the median annual earnings is about \$22,000 (compared to \$30,000 for people without a disability). For all, 29% are at or below the poverty level, which is nearly twice the rate of non-disabled people. The American Housing Survey estimates that about 51,000 renter households have 1 or more persons with a disability, and most (34,000) have a physical disability which may require some form of accommodation or accessible feature. Based on estimates from the 2009 American Housing Survey, 86% of the multi-family rental units and 92% of single family rental units in Chicago are not accessible to people in a wheel chair or with limited mobility because entering the building requires the use of steps.
- **Ageing Population.** Households headed by someone 65 years or older (elderly) have declined since 2000.¹³ Most elderly people currently own their

own homes. Of the 66,000 who rent, most are below 50% of area median income. According to the city’s Consolidated Plan, nearly 2/3 of elderly households have a housing problem—rent burden and/or poor housing conditions.¹⁴

- **Families.** Among the families with incomes below 50% of the AMI, nearly all are renters (about 88%).¹⁵ Most are small families (about 95,000 households have 2 to 4 people). Still, there are about 43,000 large families (5 or more people) earning less than \$37,000 and between 80-90% have some sort of housing problem including overcrowding.

Conclusion—Implications for Plan 2.0

Given the real shortage of affordable housing for very low-income families and the large number of rent burdened low-income families, more low cost rental housing is clearly needed in Chicago. This housing should target families of all sizes but especially larger ones not being accommodated in the current market (including CHA replacement units), as well as older people renting in the private market and people with disabilities of all age groups.

13. The 2006-10 American Community Survey estimates 182,000 households and the 2000 US Census estimated nearly 196,000 households headed by a person 65 years or older.
 14. 2010-2014 Consolidated Plan, City of Chicago. Data is provided by HUD using the 2000 census. While later data is available for eligible jurisdictions, it is not for public access.
 15. 2010-2014 Consolidated Plan.

Meeting these needs can be accomplished several ways: rehab existing public housing units, new construction, acquisition and rehab existing private market multifamily properties, project based vouchers and housing choice vouchers. It is critical that CHA focus on developing units that have good access to transportation, services and employment, and are in opportunity areas, which has not been the case with its growing portfolio of project based voucher units.

Finally, given the slow recovery of Chicago's housing market, new construction for-sale housing and particularly condominiums does not appear to be a good strategy for CHA if the goal is to produce mixed income housing. And while demand for new construction market rate rental is predicted by market analysts, it is not clear how much is needed when compared to clear evidence of demand at the lower income level.

B. Relevant National Public Housing Policy

For many years, the U.S. has been moving away from maintaining a permanent supply of publicly owned and operated housing for low income families and toward a private market approach. This includes the demolition of public housing and its redevelopment into mixed-income housing communities. Using private financing was a significant departure from the way traditional public housing was built. Not only was public funding now being used to generate private investment in public housing, it was also generating a lot of private real estate development—most of it not intended to benefit low-income families.

The Housing Choice Voucher (HCV) program is another private sector approach. The HCV allows tenants to rent in the private market and in theory live anywhere there is rental housing available. A variation on this is the Project-Based Voucher (PBV) program, which simply means the subsidy stays with the apartment when the tenant moves out. The PBV

assures the housing unit remains affordable while the HCV helps the tenant secure an affordable unit anywhere.

Along these lines, the US Department of Housing and Urban Development began looking at ways to increase funds available to local housing authorities so they can address the \$25.6 billion backlog of capital improvements needed. At about \$23,000 a unit, this amount is at least 10 times less than the cost of tearing down and building new replacement units.¹⁶

To address this problem, HUD has introduced the Rental Assistance Demonstration (RAD) program. The RAD aims to help HUD restructure its portfolio in such a way that the real estate it owns can be used to borrow money. In a way, it's like taking out a loan based on the value of a house—a quite common practice during the past decade—to then use to make improvements to it. To do this, HUD had to change the way it funds public housing. Instead of providing funds for capital and operations, HUD will now provide the equivalent amount as a “housing assistance payment” (HAP). This shift makes public housing look more like Section 8 Project-Based developments and should protect them from budget cuts, but more importantly, it is now possible to access private debt and equity capital.

HUD published the Final RAD Notice on Thursday, July 26, 2012.¹⁷ The Rental Assistance Demonstration will allow Public Housing Authorities (PHAs) to “volunteer” to shift toward either project-based vouchers or project-based rental assistance to fund the operation of their public housing. Existing Section 8 Moderate Rehab properties will convert under a non-competitive process.

The full details of the RAD program are in the Federal Register and additional background information can be found in Appendix A of this report.

¹⁶ US HUD, “HUD Notice, Rental Assistance Demonstration (RAD)—Partial Implementation and Request for Comments,” April 2012.

¹⁷ Full details available at <http://portal.hud.gov/hudportal/HUD?src=/RAD>.

It is important for all public housing residents and advocates to fully understand what is involved—the benefits and costs, potential risks and gains—since the first round of applications are due October 24, 2012. While voluntary, there are good reasons to believe that PHAs will apply and HUD will approve plans that are well reasoned in terms of the financing plan. The benefits to residents are assumed in the language of the RAD. However, it is up to residents and others to make sure residents are the beneficiaries and that public housing is preserved per HUD’s goal.

Conclusion—Implications for Plan 2.0

At this time, the CHA is seeking new funding streams to complete its plan for transformation. Clearly, there are few new sources of funds for public housing. The Rental Assistance Demonstration is not new funding. Instead, the RAD is a means for PHAs to use their properties to get access to private capital. Whether or not the CHA will shift its remaining public housing units to project based rental assistance through the RAD depends on many factors. A key factor is making a commitment to maintain public housing units, or at least the number of units as one-for-one replacement is required. This does not preclude doing mixed income housing—assuming this continues to be CHA’s goal—but it does change significantly how that mix is produced. Should CHA apply for the RAD, it is critical for residents and the public to be engaged early and in meaningful ways that not only to satisfy HUD’s requirements but also to assure residents in any and all buildings affected will be part of the decision making process.

C. Local Challenges and Opportunities for Plan 2.0

Challenges

Obviously, the economic crisis that caused the housing market problems we see today continue to affect

the CHA’s ability to do development. In the for-sale market, this includes access to capital—both for investors/developers and purchasers—and competition with existing homes on the market. Looking beyond these hurdles, several factors shape the ability to provide affordable housing in Chicago and meet the housing needs of current and future public housing tenants. The following help illustrate several challenges that the CHA faces, but also the city as a whole, in considering how best to formulate Plan 2.0.

1. Current rental market conditions limit options for voucher holders.

The primary concern is small bedroom sizes in general and limited options for families in opportunity areas. Overall, 75 percent of Chicago’s rental units are two bedrooms or smaller. Most of the larger rental units (3 or more bedrooms) in the city are located in communities that the CHA has designated a non-opportunity area, such as Pilsen, Little Village, New City, East and West Garfield Park and Pullman. (Map 1 and 2 in Appendix B)

2. Limited options for large families in replacement public housing in mixed-income communities.

Looking at the mix, excluding affordable and market rate housing in the new mixed-income communities, most of the larger rental units are for public housing tenants.¹⁸ However, this is still a small proportion of units. At Roosevelt Square, for example, only 23 of the 665 units (Phase 1 and 2) are 4 bedrooms—that is only 3% of the total units. Similar patterns are found at Oakwood Shores (3%) and Legends South (4%).

18. The table is based on data from the CHA website. CHA did not have the unit size for all mixed-income developments.

3. Current market rents in some mixed-income communities are above average for the city.

While this can be a positive sign of market recovery, it also can be a challenge for the existing mixed-income mixed finance developments both to lease up but also to maintain occupancy. Of particular concern are the large portion of units renting for \$1,500 or more, which is relatively high compared to the city average and the smaller portion of units in the \$750-\$1,499 range (see Table 4 below). On the positive side, these communities also have a higher portion of lower cost rental units—however, most are either public housing or Low Income Housing Tax Credit (LIHTC) units.

Monthly rent of \$1,500 requires an annual income of about \$60,000 to be affordable. Currently, there are relatively few households in this income bracket or higher than rent in Chicago (about 13% rent and 87% own). This is a very small market share.

Unlike subsidized families (excluding LIHTC units), if income goes down—due to loss of job or reduced hours—market rate rents cannot be easily reduced (if at all) without cutting into the return on investment of the developer, the operating budget and/or capital reserves. These concerns should also be taken into consideration for future development but also for developments that are switching from condominiums to market rate rental housing (e.g. Roosevelt Square).

Table 3
Bedroom size of Public Housing Units in Mixed-Income Developments (total units at site)

	Roosevelt Square	Oakwood Shores	Legends South
1-2 bedrooms	164 (584)	109 (429)	111 (256)
3 bedrooms	66 (237)	69 (218)	64 (143)
4 bedrooms	23 (25)	20 (20)	15 (15)

Source: CHA website, accessed July 30, 2012

4. Continued patterns of racial and economic segregation, particularly among voucher holders.

While CHA has made some progress in getting relocatees out into opportunity areas, the level of concentration continues to be high. About 70% of the approximately 3,600 CHA relocatees moved into areas where there already were large concentrations of voucher holders. While this may be by choice for some (e.g. to be near family, transit and social services), many of these communities are in poor health and have high poverty, crime and unemployment.¹⁹ Many of these communities also have relatively large portions subsidized housing. (Maps 3-4 in Appendix B)

Table 4
Distribution of Rent Charged in Select CHA Redevelopment Area, including public and affordable units, 2006-2010.

Gross Rent	ABLA	Henry Horner	Cabrini	City
Less than \$750	46%	49%	47%	33%
\$750 - \$999	21%	7%	10%	30%
\$1,000 to \$1,499	18%	22%	18%	26%
\$1,500 or more	15%	22%	25%	11%

Source: US Census, American Community Survey, 2006-2010

5. Interpreting the current condominium situation is complicated.

Prices and volume of activity in June 2012 shot up as compared to previous months, which showed condo prices at 1990s prices. It is unclear, however, if those units are being bought for investment or for habitation.²⁰

19. See Smith, J. Greenlee, A. Legenza, S. and Walz, K. 2010. *Are We Home Yet? Creating Real Choice for Housing Choice Voucher Families in Chicago*. Illinois Affordable Housing Action and Research Project. UIC Voorhees Center with Sargent Shriver National Poverty Law Center, Housing Action Illinois and Latinos Policy Forum. Available at <http://www.uic.edu/cuppa/voorheesctr/>

20. See for example “Developer Related Cos. wager on South Loop” in *Crain’s*, June 30, 2012.

Moreover, a lot of current condominium stock is being rented out. As of 2009, 44,000 renters lived in condominiums (8.2% in Chicago compared to 6.2% nationally). This rate has nearly doubled since 1999 (4.2%).

6. Foreclosed multifamily properties. While these buildings can create an opportunity, they currently are more of a challenge when planning for affordable housing development. On the one hand, many of these rental properties are located in communities where CHA will likely not develop because they are not opportunity areas or where CHA public or scattered site housing is located. The exception is on the south side, which has a high rate of foreclosed multifamily housing that includes both rental and condos. Many of these properties are where current relocatees and HCV holders live, and some have been affected by foreclosure, causing tenants to relocate. Until the multifamily foreclosure situation is stabilized, the CHA and city will need to watch the entire rental market to avoid hotspots but also to identify opportunities. This can include working with the Preservation Compact to develop strategies to preserve affordable housing that then may be included in CHA's portfolio.

7. Location of social services and transportation determine access to opportunity. A factor that affects a person's ability to improve their income is access to services and transportation. With the exception of Altgeld Gardens, much of CHA housing has always been accessible to downtown—the historic job center for Chicago. While the location of employment opportunities has shifted to the suburbs, many jobs remain in the city. Further, regardless of location, without public transit, most low-income people have limited mobility and therefore limited opportunity. (Maps 5-7 in Appendix B)

8. Location of and access to quality schools.

When looking at the location of public housing relative to public schools (including charter), there is no clear pattern to suggest that current public housing families have worse or better schools in their community. What we do know is that the Chicago Public School district has been closing schools near public housing on the basis of low enrollment or poor performance. In some cases, however, there have been new schools added that CHA children are not necessarily able to access. For example, Cabrini Green now has Walter Peyton High School, which is ranked 2nd in the state. Also nearby is Lincoln Park High School, which is ranked 8th in the state. However, as select enrollment schools, there is no guarantee that residents in the area will be able to send their children there. The same is true for public housing families on the near west side near Whitney Young Magnet High School, which is ranked 4th in the state. (Maps 8 and 9 in Appendix B)

9. Unemployment rates, particularly among African Americans, continue to challenge any effort to get people into employment or into better jobs. A new study shows the unemployment rate in Chicago fell more last year—1.7 percentage points, from 11.5 percent to 9.8 percent—than any comparable city between May 2011 and May 2012.²¹ Still, Chicago has the third highest unemployment rate in the nation among large cities. Chicago also has the third highest unemployment rate in the nation for African Americans at 19%—which is more than double the city's rate.²² A key concern when looking at this data is the population not

21. Austan Goolsbee, *Benchmarking Chicago 2011-2012: Labor Market Performance in Major Cities*, July 2012.

22. Algernon Austin, *Black metropolitan unemployment in 2011*. Economic Policy Institute, July 2012. Data is for 2010-2011.

accounted for—people who have been out of work so long they are no longer accounted for either because they are not eligible for unemployment anymore or never were.

Opportunities

Existing CHA units that are currently “off-line.”

Development is both expensive and dependent on many things falling into place. As research in this report demonstrates, rehabilitation of existing public housing units is generally more cost effective. According to CHA data analyzed by the *Chicago Reporter*, about 18% of the 21,204 units CHA has completed are unoccupied.²³ This is confirmed in CHA’s latest Moving to Work plan recently approved by HUD. The table below provides CHA’s accounting of most of this inventory by development. The reference to being in litigation does not necessarily mean an active court case. Instead, most are offline because “they’ve fallen into disrepair and could end up in litigation if they’re leased out.”²⁴ Another

concern is that some of these units became vacant because of “wrongful” evictions. Based on a review of 1,420 “one-strike” evictions in Chicago from January 1, 2005 to January 31, 2011, the *Chicago Reporter* discovered that nearly half—47%—were later found NOT guilty, their case was tossed out or no criminal case was ever filed. Many were at locations such as Cabrini Green and Altgeld Gardens that now have units offline.

Foreclosed single family housing. While foreclosures are a challenge in Chicago, they also present an opportunity—one that the CHA has already begun to invest in by purchasing single family homes to house larger families. Not only can this be more cost effective than new construction, it returns a vacant unit to active use by providing suitable housing for families with kids. And depending on location, it can help mix families into middle income communities in a more scattered way across the city. These units can also be added to the city’s Community Land Trust portfolio.

23. Angela Caputo, Home Evasion, *Chicago Reporter*, July/August 2012.

24. Home Evasion, 2012.

Table 5
Status of Offline CHA Units in 10 developments, 2012

Development	Offline	Litigation	Converted	Modification
Lathrop Homes	758 82%	747	11	0
Altgeld/Murray	677 35%	371	42	264
Cabrini Rowhouses	458 79%	452	6	0
3916 W Washington Av	181 100%	181	0	0
Lake Parc Place	136 50%	56	10	70
Dearborn Homes	125 20%	32	8	85
Judge Slater Apts	111 27%	103	5	3
1633 W Madison St	105 22%	0	5	100
Scattered Site North Central	65 12%	41	5	19
Scattered Site South East	87 20%	38	3	46
Total	2,703 74%	2,021	95	587

Source: *Chicago Reporter*, July/August 2012

Proposed Cook County Land Bank. While still in the formative stage, a land bank could allow the CHA to hold public land and other appropriate parcels until a development plan is finalized. This would allow more time for a process that engages public housing residents, the community and other stakeholders.

Building off the successes and “lessons learned” from the Opportunity Chicago program. The results are quite impressive, with 5,185 residents working after exiting the program during the five years it was in operation.²⁵ About one-fourth had been unemployed for at least two years prior to participating in the program. And of the total who found work, 54% were still employed two or more years out. The effort to bring together multiple agencies and funders to help CHA tenants gain employment was no small undertaking. The project evaluation points to the improved collaboration and coordination among the different actors in the workforce system. As a result, there is more opportunity to collectively influence: a) work force policy and practice, and more immediately, b) the newly created workforce development office created by the merger of Cook County and Chicago’s agencies and efforts underway to reinvent the City Colleges.

25. Opportunity Chicago 2006-10: Improving Access to Employment for Public Housing Residents in Chicago. Prepared for the Partnership for New Communities by Center for Urban Economic Development at University of Illinois-Chicago, EJP Consulting Group, and Abt Associates, July 2012.

2. CAC RECOMMENDATIONS TO INFORM PLAN 2.0

What follows are the research, relevant issues, recommended strategies and best practices that the CAC wants CHA to use to inform Plan 2.0 as it relates to six overarching issue areas: A) CHA Redevelopment and Preservation; B) Housing Reform and Program Operations; C) Funding and Choice Neighborhoods; D) HUD Section 3 Compliance/Leveraging Section 3 Requirements to Create Resident Job Opportunities; E) Residents Services (Workforce Development and Education); and F) CHA Internal and External Communications. Summary tables outlining the specific issues, recommendations and best practices under each of the six areas can be found in Appendix C.

A. CHA Redevelopment and Preservation

As CHA moves forward with its redevelopment and preservation efforts under Plan 2.0, the dominant value guiding its work should be “enabling public housing and low-income residents to maximize their housing choices.” In a recent CAC-commissioned survey of current and former public housing residents conducted by We The People Media (from here on referred to as the 2012 CAC Resident Survey), the majority of respondents felt that the city would benefit from more subsidized housing and homeownership opportunities including mixed-income communities where people of varied incomes live together, such as low income families, seniors and middle-income families. Moreover, 51.4% of the respondents agreed that mixed-income communities would benefit residents financially.

This approach also concurs with current research conducted by the National Low Income Housing Coalition (NLIHC). It found that choice was a central theme in the ongoing debate in federal housing policy regarding mobility versus preservation in the provision of affordable housing. Specifically, the research concludes that:

- The shortage of affordable housing must be addressed.
- Policy should err on the side of preservation.
- The voucher program should be improved.
- U.S. housing policy should not be based on the belief that it is problematic for too many poor and too many people of color to live near one another.

One of the major factors leading to an increased demand for affordable housing is the growing affordability gap. As indicated in research conducted in 2011 on America’s Rental Market by the Joint Center for Housing Studies at Harvard University, weak income gains and rising housing costs have contributed to a dramatic increase in the affordability gap. Specifically, the report states that: *“In 1960, 24 percent of renters were at least moderately burdened including 12 percent that were severely burdened. By 2000, these shares had reached 38 percent and 20 percent. And by 2009, the share of at least moderately cost-burdened renters soared to 49 percent while the share of severely burdened renters jumped to 26%.”* This suggests that the pool of market rate renters or buyers is not unlimited and may be shrinking, thereby further increasing the demand for more affordable housing options. It is also clear that one of CHA’s greatest challenges will be leveraging limited financial resources to achieve its objectives.

In addition to these broader concerns, **the CAC has identified the following specific issues regarding redevelopment and preservation** that should be addressed as part of the recalibration:

- Inability to move forward with traditional for-sale phases of the redevelopment effort due to existing market conditions
- Absence of alternative homeownership options.
- Lack of larger units (3 or more bedrooms) to accommodate families.

- Proposed changes in income mix of market, affordable and public housing units.
- Difficulty in serving prospective renters in mixed-income mixed finance developments who earn between 31% and 80% of AMI, (i.e., \$22,740 and \$60,650 for a family of four) without subsidies.
- Revised definition of an “Opportunity Area”.
- Excessive total development costs for the new construction of mixed-income mixed finance projects. Of the sixteen developments funded by the City of Chicago in 2010, total per unit development costs for four CHA sites averaged \$331,484 versus \$252,928 for non-CHA sites.
- Lack of involvement in redevelopment planning for traditional, scattered sites and senior housing.
- Poor quality of construction at rehabilitated units.
- Status of rehabilitation work at scattered sites and senior developments.
- Lack of housing for youth and ex-offenders.
- Status of redevelopment efforts at LeClaire Courts, Harold Ickes, Cabrini Rowhouses, Lathrop Homes, Henry Horner Superblock, Altgeld Gardens, and Lake Parc Place

CAC Recommendations to Maximize Public Housing Units and Ensure Quality Housing

- 1. Analyze existing housing need within communities by utilizing data from the City’s consolidated plan along with independent third party market studies, to determine all future mixed-income mixed finance development planning.**
 - Information gathered from these sources should be used to assess the most appropriate income mix and inform decision making regarding the overall financial viability of these proposed developments.

2. Establish the following priorities for redevelopment efforts to create units: a) rehabilitation and reconfiguration of existing CHA units, b) acquisition and rehab of other properties as proposed under the Property Investment Initiative, and c) new construction.

- There are insufficient financial resources to pursue a sole new construction strategy to complete the remaining mixed-income mixed finance developments.
- Rehabilitation of existing developments and/or the acquisition and rehabilitation of other properties in opportunity areas have proven to be more cost effective than new construction. As a result more public housing replacement units can be completed given reduced overall funding levels.
- Work with local non-profit and for-profit developers to utilize project-based vouchers in non-CHA transformation communities.

Per 2010 Census data, 65% of rental units in Chicago are occupied by residents earning less than \$50,000.

Approximately 74% of Chicago renters who earn less than \$50,000 are cost burdened and pay more than 30% of their income toward housing related expenses. This suggests that there is an overwhelming need for mixed-income communities comprised of public housing and affordable housing units that serve residents with incomes at 60% or less of AMI.

BEST PRACTICE

The Charlotte Housing Authority creates mixed-income communities by focusing on **1) rehabilitation of existing developments, especially those in opportunity areas; 2) acquiring and/or rehabbing properties in opportunity areas to reduce overall development costs; 3) selling current PHA assets and utilizing funds to construct units in opportunity areas.**

3. Utilize alternative resident ownership models, i.e., co-ops, mutual housing associations, community land trusts, lease purchase, and land contracts for market rate, affordable and public housing units.

- Given the constraints in securing financing for traditional fee simple ownership, alternative homeownership strategies should be considered in order to move forward with the for-sale phases of these developments.
- In future phases, for-sale developments can be structured to include both traditional homeownership and alternative resident ownership options for all income levels.

4. Expand Choose to Own Homeownership Program to provide incentives for public housing residents to purchase units within the mixed-income mixed finance developments.

- CHA should request waivers as required from HUD to expand the Choose to Own Program to allow the use of land contracts and lease purchase options.
- CHA should also explore the use of additional subsidies to provide purchaser write-downs similar to Find Your Own Place and New Homes for Chicago.

5. Limit new developments to 3 stories or less and/or rescind CHA's policy regarding 3-bedroom units over the third floor to increase the number of larger family units.

- In areas with higher density, priority should be given to the development of larger family units through the rehabilitation of existing properties or the new construction of low rise structures.
- In the event that midrise structures are the only available option, a percentage of larger family units (3 or more bedrooms) should be allowed on each floor of the development.
- As an alternative, CHA should consider issuing a Request for Proposal to provide project-based vouchers for developers who acquire foreclosed single family homes to create larger family units.

6. Where viable, increase the number of market rate and affordable units without decreasing or demolishing the number of existing public housing units.

- This strategy would increase the percentage of public housing units to affordable and market rate units within a specific development. CHA's current policy requires the construction of one affordable and one market rate unit for every one unit of public housing.

BEST PRACTICE

The San Francisco Housing Authority employs a redevelopment strategy that employs: **1) one-for-one replacement of public housing units within a mixed-income community that includes below market rate and market rate units, and 2) creating mixed-income communities by adding to existing public housing units.**

7. Lower rent levels with a tiered rent structure to make units affordable to those between 31% and 80% of AMI, (i.e., \$22,740 and \$60,650 for a family of four).

- Rent levels can be set at or below the following tiers: 30%, 40%, 50%, 60%, and 80%.
- Developments may require additional upfront developer subsidies to reduce overall debt service.
- Tiered rents enable a small percentage of very low and low income residents to rent units without ongoing tenant subsidies.
- Unlike public housing subsidies where the tenant's portion of rent increases with income, tiered rents in a low income housing tax credit development will enable unsubsidized tenants to increase their income up to 140% of AMI before affecting tax benefits to investors.
- A preference for tiered rent schedules can be incorporated into Request for Qualifications and Request for Proposals for developers.

Table 6 provides a comparison of a typical rental schedule for the Parkside development with a revised tiered rent schedule and its impact on monthly income for the Parkside 2A development.

BEST PRACTICE

The Madison County Housing Authority creates mixed-income communities by providing tiered rents in its developments at 30%, 40%, 50%, 60%, and/or market rate. It should be noted that some units are public housing or project-based Section 8 with rents set at 60% or less of AMI.

The typical rent schedule assumes an income mix of 18% market, 47% affordable and 35% public housing units. In this scenario, unsubsidized non-market rate units can serve residents earning between \$26,000 and \$45,800 depending on unit size and family size. The tiered rent schedule assumes that 87% of all units will be affordable to residents at or below 80% of area median income. In this scenario, unsubsidized non-market rate units can serve a broader range of households with incomes between \$14,400 and \$60,650. Both schedules assume that 87 units will be leased to residents earning less than 60% of area median income per the requirements of the low income housing tax credit program.

Table 6
Parkside 2A—Projected Rent Schedule

Unit Type	No. of Units*	Rent	Monthly Income	Minimum Income Required	Maximum Income Limit
One Bedroom - PH (30%)		\$400.00	\$ -	\$0	\$18,210
One Bedroom - PH (50%)		\$400.00	\$ -	\$0	\$30,350
One Bedroom - PH (60%)	3	\$400.00	\$1,200.00	\$0	\$36,420
One Bedroom - PH (80%)	2	\$400.00	\$800.00	\$0	\$48,550
One Bedroom – 30%		\$ -	\$ -		\$18,210
One Bedroom – 40%		\$ -	\$ -		\$24,280
One Bedroom – 50%	5	\$650.00	\$3,250.00	\$26,000	\$30,350
One Bedroom – 60%	26	\$800.00	\$20,800.00	\$32,000	\$36,420
One Bedroom - 80%					\$48,550
One Bedroom – Mkt	10	\$1,200.00	\$12,000.00	\$48,000	N/A
Two Bedrooms - PH (30%)		\$400.00	\$ -	\$0	\$22,740
Two Bedrooms - PH (50%)	8	\$400.00	\$3,200.00	\$0	\$37,900
Two Bedrooms - PH (60%)	21	\$400.00	\$8,400.00	\$0	\$45,480
Two Bedrooms - PH (80%)		\$400.00	\$ -	\$0	\$60,650
Two Bedrooms – 30%		\$ -	\$ -		\$22,740
Two Bedrooms – 40%		\$ -	\$ -		\$45,480
Two Bedrooms – 50%	5	\$800.00	\$4,000.00	\$32,000	\$37,900
Two Bedrooms – 60%	16	\$950.00	\$15,200.00	\$38,000	\$45,480
Two Bedrooms - 80%					\$60,650
Two Bedrooms – Mkt	10	\$1,500.00	\$15,000.00	\$60,000	N/A
Three Bedrooms – PH (30%)		\$400.00	\$ -	\$0	\$26,400
Three Bedrooms – PH (50%)		\$400.00	\$ -	\$0	\$35,200
Three Bedrooms – PH (60%)	1	\$400.00	\$400.00	\$0	\$52,800
Three Bedrooms –PH (80%)	3	\$400.00	\$1,200.00	\$0	\$70,400
Three Bedrooms - 60%	1	\$1,100.00	\$1,100.00	\$44,000	\$52,800
Four Bedrooms - PH (60%)	1	\$400.00	\$400.00	\$0	\$60,060
	112		\$86,950.00		

Table 6
Parkside 2A—Proposed Tiered Rent Schedule

Unit Type	No. of Units*	Rent	Monthly Income	Minimum Income Required	Maximum Income Limit
One Bedroom - PH (30%)	0	\$400.00	\$ -	0	\$18,210
One Bedroom - PH (50%)	11	\$400.00	\$4,400.00	0	\$30,350
One Bedroom - PH (60%)	4	\$400.00	\$1,600.00	0	\$36,420
One Bedroom - PH (80%)	0	\$400.00	\$ -	0	\$48,550
One Bedroom – 30%	2	\$360.00	\$720.00	\$14,400	\$18,210
One Bedroom – 40%	3	\$502.00	\$1,506.00	\$20,080	\$24,280
One Bedroom – 50%	6	\$645.00	\$3,870.00	\$25,800	\$30,350
One Bedroom – 60%	17	\$814.00	\$13,838.00	\$32,560	\$36,420
One Bedroom - 80%	3	\$1,005.00	\$3,015.00	\$40,200	\$48,550
One Bedroom – Mkt	7	\$1,200.00	\$8,400.00	\$48,000	N/A
Two Bedrooms - PH (30%)	0	\$400.00	\$ -	\$0	\$22,740
Two Bedrooms - PH (50%)	11	\$400.00	\$4,400.00	\$0	\$37,900
Two Bedrooms - PH (60%)	4	\$400.00	\$1,600.00	\$0	\$45,480
Two Bedrooms - PH (80%)	0	\$400.00	\$ -	\$0	\$60,650
Two Bedrooms – 30%	2	\$436.00	\$ 872.00	\$17,440	\$22,740
Two Bedrooms – 40%	3	\$606.00	\$ 1,818.00	\$24,240	\$45,480
Two Bedrooms – 50%	6	\$777.00	\$ 4,662.00	\$31,080	\$37,900
Two Bedrooms – 60%	17	\$947.00	16,099.00	\$37,880	\$45,480
Two Bedrooms - 80%	3	\$1,213.00	\$ 3,639.00	\$48,520	\$60,650
Two Bedrooms – Mkt	7	\$1,500.00	\$10,500.00	\$60,000	N/A
Three Bedrooms – PH	0	\$400.00	\$ -	\$0	\$26,400
Three Bedrooms– PH (50%)	3	\$400.00	\$1,200.00	\$0	\$35,200
Three Bedrooms– PH (60%)	2	\$400.00	\$800.00	\$0	\$52,800
Three Bedrooms– PH (80%)	0	\$400.00	\$ -	\$0	\$70,400
Three Bedrooms - 60%	0	\$1,100.00	\$ -	\$44,000	\$52,800
Four Bedrooms - PH (60%)	1	\$ 400.00	\$ 400.00	\$0	\$60,060
	112		\$ 83,339.00		

8. Redefine opportunity areas as communities with quality housing, access to employment, transportation, and other amenities.

- The current definition of opportunity areas should be expanded beyond income and race to include community characteristics and amenities.
- Community areas where CHA has made massive investments in mixed-income mixed finance developments are in transition and should be considered opportunity areas.
- Residents with a right to return should be encouraged to relocate to these areas in order to take advantage of various neighborhood improvements.

9. Utilize project-based vouchers to create mixed-income communities in opportunity areas.

- As HUD and public housing authorities move toward an asset management model, the use of project-based vouchers in existing units will be more cost effective than the rehabilitation or construction of hard public units.
- Every effort should be made to utilize project-based vouchers for dislocated public housing residents who desire to return to developments being undertaken in opportunity areas.

BEST PRACTICE

HUD Project-Based Vouchers Most properties that utilized project-based vouchers under old HUD insured multifamily programs have remained stable over the long term. However, some higher income residents have been forced out due to the requirement to pay 30% of their income toward housing related expenses. This should be rectified by setting maximum rents at or below market rate levels.

- Work with the City's Department of Housing and Economic Development and Illinois Housing Development Authority to require a minimum number of project-based vouchers in all local tax credit projects or land acquisition proposal for rental units.
- Work with non-profit development partners to locate and purchase appropriate rental units for project-based rental assistance.

10. To the greatest extent possible, retain ownership of public housing sites that have been demolished in opportunity areas and prioritize the development of public housing replacement units on the original footprint of these sites.

- In a survey conducted of current and former public housing residents, 42% agreed that public housing land should be used for affordable housing.
- Once the requirement for public housing replacement and affordable units has been satisfied, CHA should explore utilization of remaining land parcels to promote economic development opportunities for residents within the community.

11. Consider setting limits on return on investment, developer's fees, etc. to reduce overall development costs.

- CHA should place limits on developer and contractor fees that are at or slightly below requirements of the City of Chicago and the Illinois Housing Development Authority.
- These expectations should be incorporated into the RFQ and/or RFPs utilized to solicit developers and contractors. Information on a prospective developers' ability to complete a project in the most cost effective manner should be submitted and evaluated accordingly.

- In the future, CHA should consider using the RFQ to solicit a developer but retain the right to require the developer to solicit bids for general contractors for each phase of construction.
- The CAC requests an opportunity to review and provide input on all developer and contractor agreements no less than 30 days prior to formal approval by the appropriate committee of CHA’s Board of Commissioners.

BEST PRACTICE

The Indianapolis Housing Authority installed a solar panel farm as part of a \$10 million renovation of Laurelwood Apartments. Power generated will be sold by the PHA to Indiana Power and Light.

12. Employ a “green housing” redevelopment strategy in both new construction and rehabilitation.

- A green strategy would reduce costs and improve long-term viability.
- This strategy can also leverage additional financial resources. Potential revenue sources include but are not limited to: participation in voluntary carbon markets in which a green housing strategy would provide valuable offsets and potential revenue, e.g. New York Public Housing Authority and Indianapolis Housing Authority; Enterprise Energy Grant; Illinois Clean Energy Community Foundation; U.S. Department of Energy, etc.
- In addition, a green housing development strategy provides new employment opportunities for residents through development of resident operated social enterprises and or worker-owned cooperatives in businesses such as energy retrofit, solar panel installation, greenhouses, e.g. California Public Housing Authority, New York

Public Housing Authority, Evergreen Cooperatives in Cleveland, Ohio, etc.

13. Work in conjunction with the CAC to create and monitor implementation of a capital improvement plan every 3 to 5 years focusing on existing family, senior and scattered site developments.

- The CAC proposes to create a long range capital improvement planning committee of its members that will establish priorities for proposed redevelopment given funding limitations, and make recommendations to the CHA Board of Commissioners.
- The committee will work with CHA to assess market demand for units by community area based upon waiting lists, and assist in identifying potential funding sources for each development site.

14. Revise procedures for contractor selection and monitoring of rehabilitation work. To improve the quality of rehabilitation work at existing sites, including family, senior and scattered site developments, the following practices should be implemented:

- Expand bid evaluation criteria for contractor selection to place equal emphasis on past performance, price, and quality of work.
- File lawsuits against contractors for latent defects which occur after expiration of the warranty.
- Prohibit contractors with poor performance from bidding on future work.
- Retain independent third party inspectors to monitor construction and approve payments during rehabilitation and redevelopment.
- Use IHDA’s model - Issue an RFQ and create an approved vendor’s list of inspectors to avoid going through procurement for each assignment.

15. Preserve existing senior housing developments as public housing units.

- CHA should work with private property management firms to ensure uniform screening criteria at all senior developments.
- To reduce vacancies, CHA should explore the conversion of some of its senior housing portfolio to assisted living or supportive living facilities in order to distinguish these units from HUD Section 202 independent living developments.
- On-site supportive services should be provided to residents with mental disabilities.
- Seniors who are raising children should be required to transfer to a family development.
- CHA should also explore the conversion of a portion of its existing family housing developments into “grandfamilies” housing facilities.

BEST PRACTICE

The Miami-Dade Housing Authority secured Medicaid funding to convert Helen Sawyer Plaza, a 104 unit building, into an assisted living facility with full kitchen/resident dining area, community room, administrative offices and maintenance staff area.

16. Continue provision of project-based vouchers to permanent supportive service housing providers.

- CHA should continue to establish preferences for permanent supportive service housing providers who serve special needs populations, i.e., the homeless, ex-offenders, youth aging out of the foster care system, and the mentally challenged.
- Residents currently housed in existing CHA developments who have special needs should be

given priority to transfer to permanent supportive housing facilities.

17. Commence redevelopment of public housing replacement units at LeClaire Courts.

- As part of the redevelopment process, the CHA should explore the possibility of developing single family rental property on site which can be converted to homeownership at a future date.
- Moreover, if any portion of the existing site is disposed of through sale or land swap for commercial usage, proceeds should be used for the new construction of on-site public housing units.
- Additionally, if on-site development is delayed, CHA should work with local nonprofit housing developers to secure public housing replacement units within the community.
- CHA should create comprehensive support services for returning residents.

18. Expedite redevelopment of public housing replacement units at Harold Ickes Homes.

- CHA should make every effort to provide public housing replacement units on the original footprint of the site.
- If any portion of the existing site is disposed of through sale or land swap the proceeds should be used to: a) construct additional public housing replacement units on other sites in the immediate area; b) acquire blocks of condominium units in the South Loop to create replacement housing under the Property Investment Initiative, and c) create comprehensive support services for returning residents.

19. Complete the rehabilitation of the Cabrini Rowhouses and create public housing and affordable units for residents earning less than 80% of area median income, (i.e., \$60,650 for a family of four).

- All vacant and boarded units at Cabrini Rowhouses should undergo gut rehabilitation.
- Existing units should be reconfigured to reduce density, create larger family oriented units (3 Bedroom units), green space, and play areas.
- CHA should leverage capital program dollars with other financing sources, bonds and 4% low income housing tax credits to complete rehabilitation.
- A tiered rent structure can be utilized to make units affordable to low income families earning between 31% and 80% AMI without rental subsidies and enable households whose incomes exceed 80% AMI to remain in the development (see Recommendation #7 cited above).
- Pure public housing units should be provided for families earning less than 80% of area median income with a right to return.
- To create additional public housing replacement units, additional vacant parcels throughout the Near North Redevelopment area can be utilized.

20. Complete rehabilitation of Lathrop Homes and provide a majority of public housing units with some affordable set asides.

- All vacant and boarded units at Lathrop should undergo gut rehabilitation.
- Existing units should be reconfigured to reduce density, create larger family oriented units (3 and 4 bedroom units), and incorporate green and sustainable features.
- All public housing replacement units should be located both on site and within North side communities surrounding Lathrop.

- CHA should leverage capital program dollars with other financing sources, bonds and 4% low income housing tax credits to complete rehabilitation.
- Current residents should not be displaced during rehabilitation.
- A tiered rent structure can be utilized to make units affordable to low income families earning between 31% and 80% AMI without rental subsidies and enable households whose incomes exceed 80% AMI to remain in the development, e.g. see recommendation #7 cited above.
- Alternative housing options for residents who currently reside in the development but earn more than 80% AMI should be explored. If they prefer to remain in the development, they should be allowed to stay. Once a unit is vacated, it should be filled with either low or very low-income residents.
- Strategies to convert all or a portion of the development to homeownership should be explored to give all residents an option to purchase at a future date.

21. Complete rehabilitation of the Henry Horner Superblock and maintain a unit mix of 50% very low income for residents earning between 0% to 50% AMI, (i.e., less than \$37,500 for a family of four) and 50% low income for residents earning between 50%–80% AMI, (i.e., between \$37,500 and \$60,650).

- All existing units should be rehabilitated.
- CHA should leverage capital program dollars with other financing sources, bonds and 4% low income housing tax credits to complete rehabilitation.

- A tiered rent structure can be utilized to make units affordable to low income families earning between 31% and 80% AMI without rental subsidies and enable households whose incomes exceed 80% AMI to remain in the development, see recommendation #7 cited above.
- Alternative housing options for residents who currently reside in the development but earn more than 80% AMI should be explored. If they prefer to remain in the development, they should be allowed to stay. Once a unit is vacated, it should be filled with either low or very low income residents.

22. Complete redevelopment plans for Altgeld Gardens.

- To expedite ongoing redevelopment efforts, CHA should retain a contractor to complete the next phase of rehabilitation.
- Moreover, CHA should continue its ongoing plans for a Town Center development that includes a full service grocery store in the first phase.
- To address poor construction quality in previous phases, a physical needs assessment or property inspection by an independent third party should be conducted to determine latent defects. If deficiencies are found, CHA should file a lawsuit regarding latent defects against Walsh Construction.
- Given ongoing property management concerns, residents expressed a preference to retain the current temporary asset manager from CHA (Ms. Lewis).
- The LAC, working with CHA, should evaluate the performance of the property management firm and staff every 6 to 12 months.
- In the future, CHA and the LAC should also explore the possibility of creating a resident-controlled housing model such as a housing

cooperative or mutual housing association, etc. to lease property from CHA and operate.

23. Address construction quality issues at Lake Parc Place.

- A physical needs assessment or property inspection by an independent third party should be conducted to determine latent defects of completed work. If deficiencies are found, CHA should file a lawsuit regarding latent defects against the contractor
- For all future work, an independent third party inspector should be retained to monitor construction and approve payments during renovation.

24. Address construction quality issues at Rockwell Gardens.

- A physical needs assessment or property inspection by an independent third party should be conducted to determine latent defects of completed work. If deficiencies are found, CHA should file a lawsuit regarding latent defects against the contractor.



Rockwell Gardens
Construction Quality Issue: Mold in Unit Interior

- A mold inspection should be conducted to determine the extent of the damage and the proper steps for remediation in order to ensure that tenants are not exposed related health hazards.
- For all future work, an independent third party inspector should be retained to monitor construction and approve payments during renovation.
- Review potential conflicts of interest when the Developer also serves as the property manager. To this end, CHA should evaluate this practice and discontinue it to ensure ongoing accountability and responsiveness to tenant complaints.

B. Housing Reform and Program Operations

The CAC’s recommendations regarding housing reform and program operations are focused on three specific areas: resident representation and participation, occupancy policies, and rental structures.

The CAC agrees with U.S. HUD Secretary Donovan assertion that “*tenant involvement is fundamental in all public housing decisions.*” However, the actual practice by CHA has often rendered tenant input as merely secondary or formalistic, and in some instances, tenant input has been totally disregarded. Unfortunately, this has fueled ongoing tensions among tenants and CHA in executing the “Plan for Transformation.” Furthermore, as HUD and CHA move toward an asset based service model, the traditional resident participation structures are also changing and becoming more complex. It is within this context that the CAC continues to work with CHA on issues regarding the ongoing operations of traditional, scattered sites and senior properties as well as planning and implementation of mixed-income mixed finance sites.

Although mixed-income mixed finance communities were designed to promote interaction among residents from diverse backgrounds, this is proving to be

challenging. In fact, researchers at the University of Chicago as part of their Building Community in Mixed-income Developments report, found that “many lower-income residents felt stigmatized and socially isolated in the new development and that they felt more stressed over higher bills and tougher rules from property managers and condo associations.” To this end, the CAC supports all efforts to ensure representation among residents of mixed-income mixed finance communities as defined by 24 CFR Part 964.

As a part of Plan 2.0, CHA must also examine the effectiveness and inconsistencies in the implementation of various occupancy policies such as One Strike. For example, the Chicago Reporter found that CHA’s One Strike policy has been disproportionately enforced. The most one strike arrests occurred in three rapidly gentrifying wards that have seen the largest changes in household income over the past decade. It also found that the majority of One Strike cases brought against CHA residents in the last six years had nothing to do with the primary leaseholder. Over half of the cases were found not guilty, thrown out, and not prosecuted in criminal courts.

Given limited financial resources and increasing demand for affordable housing, CHA must carefully evaluate the utilization of its operating funds based upon local community area needs. CHA must strategically leverage its dollars to provide the most appropriate mix of public housing operating subsidies, housing choice vouchers, and project-based vouchers to expand housing options for residents.

In this context, **the CAC has identified the following specific issues and topic areas** that should be addressed as part of Plan 2.0:

- Resident Council representation at CHA Mixed-Income Mixed Finance Developments
- Effectiveness of the resident work requirement

during periods when there is record-high unemployment, especially for African-Americans.

- CHA's One Strike Policy
- Occupancy Policy regarding split families
- Occupancy Policy regarding 2 persons per bedroom regardless of gender.
- Resident Right to Return Procedures
- Rental Structure
- Concentration or saturation of subsidies in developments and community areas
- Use of PBVs/HCVs have inflated rents in certain areas and created disincentives to work.
- Restructuring of Working Groups
- Relationship between CAC and CHA
- Recognition and funding of a resident advisory board for HCV participants.

CAC Recommendations for Housing Reform and Efficient Program Operations

1. Rescind request to HUD for waiver of 24 CFR Part 964 and allow public housing residents at mixed-income sites to form a resident council or join an adjacent or nearby resident council.

- Allow public housing residents in mixed-income mixed finance developments to be full members of an existing CHA-recognized resident council.
- Mandate the establishment of tenant associations with membership open to all renters regardless of income as part of all mixed-income developments. The costs should be funded through building operations.
- Encourage creation of a community association comprised of all residents, both homeowners and renters, to build resident relationships and oversee common areas.
- Work with independent third party facilitators to conduct diversity training among residents

- Replace ombudsman with local community panels designed to use restorative justice to resolve conflicts within the community.
- In all future for-sale phases of mixed-income mixed finance developments, all public housing units incorporated into the homeownership phase of the development should be organized as leasehold cooperatives (co-ops) or mutual housing associations (MHAs) to provide residents with decision making authority on par with condominium owners. The co-op or MHA would own the condominium units designated for occupancy by public housing residents. Public housing residents would be shareholders in the co-op or MHA and elect a board of directors to represent their interests. The board of directors would control the votes of the co-op or MHA in order to elect resident representatives to the condominium board of directors.
- In future for-sale phases of the developments, restrict the ability of an individual or entity to purchase more than one unit.
- Increase the number of for-sale affordable housing units through Choose to Own and subsidies provided under New Homes for Chicago and Find Your Own Place.

2. Revise the work requirement to include the following:

- Relax its application and apply it uniformly to applicants at all developments—at a minimum don't use it as an automatic exclusion;
- Modify the requirement to account for high-rates of unemployment experienced by City residents;
- Improve residents' experience/access to employment services.

3. Revisit "One Strike Law" as it relates to public housing residents and inconsistencies in implementation throughout CHA's portfolio.

- Review recommendations from CAC’s legal counsel regarding implementation of the “One Strike” policy. Request waiver from HUD regarding policy.
- Adopt the policy uniformly for all mixed-income mixed finance developments (including homeowners and renters regardless of income), traditional developments, and HCV residents.
- Mandate that the one strike policy/zero tolerance policy be incorporated into the leases of affordable and market rate renters in mixed-income mixed finance developments.
- Mandate that the one strike/zero tolerance policy be incorporated into the initial by-laws and/or land covenant at mixed-income developments, requiring the condominium boards to issue 10-day notices to terminate residency if a homeowner or sub-leasee is arrested. Failure to do so would result in legal action against the condominium.
- All by-laws and rental leases should incorporate language to include an innocent tenant defense clause. That enables the head of household who was not arrested to plead their innocence even if a member of their household is arrested.
- The policy can be further revised to be applicable only to arrests for illegal activities that occur on the premises.
- Dismiss “One Strike” cases if resident found innocent in Civil Trial.

4. Revise occupancy policies regarding split families to reflect the following:

- Allow resident-requested split transfer for relocating families to enable the splitting family the option of receiving a public housing unit or an HCV.
- Allow split family transfers for overcrowded households not covered by the Relocation Rights Contract or Post 10/1/99 Relocation Rights Contract housing in instances where CHA does not have a unit large enough to accommodate the family.

5. Revise occupancy policy regarding two persons per bedroom regardless of gender. The following provisions should be added to the Occupancy Policy within the ACOP:

- Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and children under age five).
- Separate bedrooms may be allocated to minor children with an age difference of eight years or more.

BEST PRACTICE

The Charlotte Housing Authority’s general policy assigns one bedroom to two people within the following guidelines: a) Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and children under age five, b) Separate bedroom may be allocated to minor children with an age difference of eight years or more and 3) Live in attendants will generally be provided with a separate bedroom.

6. Enforce Relocation Rights Contract

- Provide a written response to the CAC regarding all inconsistencies and misconduct regarding leasing to residents who have lower priorities that have been reported to the HUD’s inspector General’s office.
- Provide funding to the CAC to identify, interview, and re-assess all residents with right to return, determine their current and desired housing options and to work directly with resident councils to locate residents with the right to return whose contact information is not current.
- Enroll those eligible for homeownership into the Choose to Own program.

- Provide vouchers for those who require permanent supportive housing and work with permanent supportive housing developers to secure units.
- Where an inadequate number of public housing replacement units have been constructed, ascertain availability of affordable housing units within the immediate community area. Provide vouchers for those willing to locate to housing within existing neighborhoods.
- Require developers seeking City assistance, i.e., zoning changes, funding, etc., to provide a to-be-determined percentage of units for public housing residents through PBVs or HCVs. The percentage would be determined by current poverty levels within the neighborhoods
- Place moratorium on any demolition throughout CHA.
- Work with families at least one year prior to project completion and occupancy to ensure residents are prepared to meet more stringent tenant selection criteria.
- Set up uniform tenant selection criteria/screening procedures and standardized property management practices for all properties, whether owned by CHA or private developers.
- Limit the number of years that background checks are conducted on families.
- Establish preference under right to return for those families experiencing overcrowding of units.

7. Revise current rental structure to address ongoing concerns with income based rents, flat rents, and project-based vouchers.

- Expand the number of affordable housing choices for residents with incomes to transition out of public housing units.
- Establish a range of public housing and affordable rents within developments at levels that encourage a diversity of incomes and do not create a disincentive to work or increase wages over time.

BEST PRACTICES

The Portland Housing Authority, dba Home Forward, eliminated deductions, allowances and a 27.5% tenant contribution was established.

The Charlotte Housing Authority developed: 1) Alternative Recertification Schedule, 2) Zero Income Rent Adjustments; 3) Rent simplification to an income-based stepped rent and 4) Incentive program that uses an escrow account to encourage residents to move off of assistance.

- In high cost areas, impose a flat rent based upon a discounted market rate rent on those families who are employed.
- Work with mixed-income developers in high cost areas to create a wider range of affordable units to accommodate current public housing residents who are paying excessive flat rents due to higher incomes.
- Eliminate reconciliation rent payments to mixed-income developers.
- Provide pure public housing units as required for families with incomes up to 80% of area median income (up to \$60,650 for a family of four) with a right to return. Develop alternative rent structures for elderly or disabled families.
- Simplify rent calculations to encourage self-sufficiency, i.e. combination of incentives such as escrow accounts, earned income disregards, fewer re-certifications and penalties (e.g., time limits, imputed income, etc.).
- Eliminate inconsistencies in how the application of earned income to rents is applied for short term versus long term (hardship) cases. Request waiver from HUD to eliminate the repayment of suspended minimum rent due to a short term temporary hardship.

8. Concentration or saturation of subsidies in developments and community areas.

- Limit use of HCVs in areas with high concentrations of developments of public housing units or PBVs.
- Expand use of PBVs in affordable housing developments in higher poverty areas that were previously financed with public subsidies and are experiencing distress.
- Re-evaluate the establishment of payment standards to minimize inflated rents for PBVs and HCVs.

9. Continue to work with the CAC to improve and address security concerns at all developments.

- Ensure that security cameras are maintained in an operable condition at developments.
- Provide video surveillance footage to CAC and LAC representatives in order to address various incident reports.
- Require contracted security firms to meet regularly with the CAC and LAC representatives



Lowden Homes
Inoperable Security Camera

to discuss and resolve various security issues at specific developments.

10. Restructure Working Groups.

- Revise the memorandum of understanding with the CAC/LACs regarding structure and decision making of the Working Groups.
- Establish consistent processes and procedures for all Working Group discussions.
- Work in conjunction with CAC legal counsel to re-assess the role of Business and Professional People for the Public Interest (BPI) in decision making regarding non-HOPE VI developments, i.e. Cabrini Rowhouses, Lathrop Homes.

11. Strengthen relationship between CAC and CHA.

- Revise memorandum of agreement between the CAC and CHA to expand the CAC's participation in the development of the revised ACOP and other policies and procedures before release for public comment.

12. Recognition of a Resident Advisory Board for HCV Participants.

- The CAC supports the recognition and funding of a resident advisory board for HCV participants.

C. Funding and Choice Neighborhoods

As HUD and CHA seek to manage limited capital resources and leverage funds for Plan 2.0, the CAC recognizes the need to be flexible and creative in order to ensure units are maintained, developed and serve more families. Along with other Public Housing Authorities around the country under MTW, CHA must explore operating efficiencies that result in costs savings, leverage capital resources and employ a variety of tools to meet critical capital needs.

The basic programmatic tenets of Choice Neighborhoods are consistent with community development best practices, which indicates that comprehensive planning should take into account both housing and neighborhood needs as part of the broader revitalization process and leverage other economic and community investments. Furthermore, the CAC agrees with Shelia Crowley, President and CEO of the National Low Income Housing Coalition (NLIHC) who stated that, “One-for-one replacement of affordable units is of primary importance in the effort to ensure low income people have access to safe, affordable housing. Efforts to revitalize the public housing stock through the HOPE VI program have resulted in the loss of well over 100,000 affordable homes. This was a tragic loss. I applaud HUD’s effort to right this wrong by requiring one-for-one replacement in CNI redevelopment.”(Source: NLIHC Press Release September 7, 2011)

In this context, the CAC has identified the following issues and topic areas that should be addressed as part of Plan 2.0:

- How to ensure continued excess funding for the CAC through the extension of the Plan for Transformation (Plan 2.0) as agreed to by CHA.
- Choice Neighborhoods
- Other Project Funding Sources

CAC Recommendations for Future Funding Activities

1. Continue excess funding for the CAC in Plan 2.0 as agreed to by CHA.

- Increase CAC funding levels from CHA to a minimum of \$1.4 million annually for Plan 2.0.
- Reverse transfer of CAC staff to CHA payroll. All CAC staff should be included in the CAC budget and paid by the CAC.
- Work with the CAC to develop a separate

Memorandum of Understanding to set forth the elements of their partnership agreement as required by 24 CFR 964.18.

- Work with the CAC to develop a separate Funding Agreement in accordance with 24 CFR 964.150 which guarantees resources to create a bonafide partnership among the duly elected resident councils, the housing authority and HUD. As a result, funding should not be tied to ground rules as proposed in the CHA Working Group on CAC Relations Recommendations dated June 1, 2012.
- Provide additional funding for technical assistance advisors for the CAC.
- Secure additional funding to convert LAC offices into Community Resource Centers.
- Continue to fund ROSS grants of \$350,000 to engage Family Works at scattered sites.

2. Choice Neighborhoods

- Establish working partnerships with Chicago Public Schools to address low performing schools around public housing sites in all Choice Neighborhoods grant applications; and to ensure that where selective enrollment schools are located near developments, CHA residents are able to have opportunities to attend those schools.
- Ensure resident input in the planning and implementation process for Choice Neighborhoods.
- Minimize competition for funding between various developments.
- Establish priorities given limited funding sources.

3. Other Project Funding

- Use CHA dollars to leverage other local, state and federal sources to complete both traditional, scattered sites and senior developments in addition to mixed-income sites, i.e., Replacement Housing Factor (RHF) funding to underwrite debt on redeveloped functionally obsolete public housing

BEST PRACTICES

San Francisco Public Housing Authority—The Eastern Bayview/Alice Griffith Comprehensive Transformation Plan focuses on the southeastern San Francisco community known as Eastern Bayview, which includes the targeted Alice Griffith site, a severely distressed public housing development and its surrounding neighborhood. All 256 units will be replaced along with 248 new low income housing tax credit units. An additional 310 market-rate, 31 inclusionary and 281 workforce units will also be developed for a total of 1,126 units. Of the 1,126 units, 870 units are available at or above 50 percent of AMI and 256 units below 50% of AMI. As part of a longer term plan, up to 7,850 units are projected to be developed in the neighborhood over the next 10-15 years. Additional economic development assistance will be funded by CP Development, an affiliate of Lennar Homes, through a Development and Disposition Agreement with the City of San Francisco. CP Development’s funds will be used for activities that include creating a Construction Assistance Fund and surety bond assistance program for local contractors. In addition, improved access to health care will occur through expansion of the Neighborhood’s Southeast Health Center and development of a senior center and aging campus. Educational enhancements will occur in the San Francisco Unified School District through fostering principal leadership, increasing teacher effectiveness, using data to drive instructional improvements and integrating education with wrap-around services via partnerships with family support nonprofits.

properties, MTW housing reserves, LIHTC, Bond financings, waiver of certain project-based voucher rules, NSP, etc.

- Work with the CAC to establish priorities for the submission of various grants to local, state and federal sources.
- Consider utilizing New Market Tax Credits for non-residential development, i.e., Altgeld Town Center and other LAC Community Centers.
- Explore the use of grants to promote “green” developments.

D. HUD Section 3 Compliance/Leveraging Section 3 Requirements to Create Resident Job Opportunities

In the context of a CHA work requirement in a labor market with persistently high unemployment rates—

8% or higher, and in some Chicago neighborhoods as high as 20%—using CHA’s investments in re/development and procurement expenditures as tools to employ job-ready residents is a timely strategy. The obvious starting point is the Section 3 program, however the CAC identified a number of problems with its implementation, and, in early 2012, and the U.S. Department of Housing and Urban Development (HUD) completed an audit of CHA’s Section 3 program highlighting non-compliance issues that need to be addressed to make it more effective. One step in this direction is the recent creation of a Section 3 Coordinator position at CHA. In addition to recommendations about leveraging Section 3 requirements for resident job opportunities, this section also outlines other actions that CHA can take to create jobs for residents.

The following are **specific issues regarding Section 3 that the CAC wants to be addressed** in Plan 2.0:

- Inconsistency in Section 3 goals for CHA residents only, versus broader community.
- CHA’s failure to provide contracting opportunities to Section 3 businesses.
- Lack of enforcement over contractors to subcontract with Section 3 businesses.
- Lack of enforcement and adequate oversight.
- Inability to address public housing residents’ obstacles to meaningful participation in the Section 3 program.
- Lack of accountability and transparency regarding use of educational fund.

The HUD Section 3 Letter of Findings of Noncompliance from January 2012 detailed a number of problems in CHA’s implementation of Section 3 requirements. The following are those that echo the issues listed above that were raised by the CAC:

- CHA is not in compliance with its Section 3 obligations related to internal hiring practices [HUD Section 3 Letter of Findings of Noncompliance, p. 10, and 1a.].
- CHA is not in compliance with its Section 3 obligations related to its contracting activities [p. 10-11, 1b.].
- CHA does not have procedures in place to inform Section 3 business concerns about contracting and subcontracting opportunities [p. 10, 2aii.].
- CHA lacks a mechanism to verify the Section 3 status of a given business concern [p. 11, 2e.].

Although not specifically tied to CHA’s implementation of Section 3 requirements, there is also an opportunity to leverage the CHA’s role as an “anchor

institution” in economically distressed neighborhoods in the City to assist with business development or other job creation opportunities. Similarly, CHA’s development projects should be leveraged to improve the pathway for CHA residents into the union apprenticeship systems that exist on those projects.

CHA residents and other stakeholders have also highlighted job creation and business development in recent public input processes. In the 2012 CAC Resident Survey, respondents expressed interest in getting help starting a business (25%) and a significant percentage (42%) were recently looking for work. Additional findings from the survey support the idea of focusing on CHA development-related activities to spur job opportunities for residents. Over 60% of respondents want CHA services and we can assume that, if residents turn to CHA for “services”, they would like to see CHA-generated employment opportunities. Over 44% of survey respondents indicated that they would like assistance with transportation, and focusing on development-specific job opportunities that are closer to where residents live could help alleviate the need for transportation assistance.

The CHA also held twenty-seven stakeholder input sessions that gathered information from community members, CHA contractors and local experts. Additional public input was collected through an online format. During the course of CHA’s 2012 Stakeholder Input Process, a number of comments were made regarding the CHA’s partnerships with other City entities and with the private sector. In some cases, what was underlying these comments were opportunities to leverage the City’s authority, as well as existing community efforts, to promote job creation, hiring and business development (see comments about Coordination and public-private partnerships on p. 8 of the Stakeholder input report).

CAC Recommendations to Leverage Section 3 Requirements (and other CHA actions) to Create Resident Job Opportunities

1. The CAC and CHA should establish a plan for hiring residents for jobs and internships at the CHA. The plan should include:

- Numeric goals for how many new CHA employees and interns will be CHA residents.
- CAC review of job descriptions for jobs and internships prior to posting.
- Minimum requirement that residents are notified at least a minimum number of days prior to the application closing date for jobs and internships.
- Minimum requirement that the CAC and LACs are provided with timely and accurate information regarding jobs and internships in advance of when the CHA publicly posts a job or internship opening.
- Specific notification strategies for residents.
- A procedure and timeframe for regular reporting and an independent review compliance with all aspects of the plan.

2. The priority for hiring “Section 3 residents” for job opportunities by vendors/contractors should be:

- First, current public housing residents or those with the right to return at the development/site where work is being done.
- Second, other public housing residents in the city.
- Third, non-public housing “Section 3 residents” that live within five miles of the development/site where work is being done.
- Fourth, non-public housing “Section 3 residents” in other areas of city.
- When both the CAC and the LAC confirm that the employer has worked with them to notify residents in the first two categories about job openings, and after the employer notifies the CAC and LACs that

they cannot find qualified candidates, the employer can recruit from the third and fourth categories. The OSAM (see recommendation below) should be given responsibility to work with the CAC and LACs to monitor and report compliance with this policy.

3. An independent Organization of the Section 3 Advocate Monitor (OSAM) must be established to provide independent and neutral oversight and transparency for all Section 3 activities. CHA should contract with a neutral entity that is given authority and responsibility that is clearly outlined in a contract with CHA. At a minimum, responsibilities under this contract should include:

- With CAC and CHA leadership, set Section 3 policy to address compliance issues.
- Regular communication (reporting, meetings, etc) with CAC/LACs on Section 3 compliance issues.

BEST PRACTICE

Kansas City Creation of Section 3 Office: Created a Section 3 Office within its City Human Relations Department to: link contractors with potential employees; alert Section 3 business concerns to opportunities for contracting; monitor and enforce compliance. The Section 3 office was important in ensuring that Section 3 residents were able to access economic opportunities created through local investments during the development boom. In 2006, the City met its goal of placing 50 Section 3 residents in full-time employment and awarded \$2 million in contracts to Section 3 business concerns.

- Monitor and publicly report compliance with all Section 3 related policies (including, but not limited to: internal hiring at CHA; hiring by vendors; use of the priority categories; etc)
 - Monitor and publicly report use of Section 3 fund.
 - Collect and track all job descriptions and implement a “surprise” monitoring of jobs after hiring to compare posted job description with actual job. Document findings from monitoring and publicly report.
 - Collect, document and follow up on complaints/ requests/questions related to Section 3
 - Serve as Section 3 liaison to/from residents, LACs, CAC and other community members.
 - Verify and update the existing Section 3 resident-owned business list and organize it using three categories: businesses in good standing; businesses that have ‘paperwork’ problems and are in need of technical assistance; and individuals that want to start a business.
 - Help vendors to comply with Section 3 and field questions/complaints regarding Section 3.
 - Conduct outreach to both Section 3 residents and businesses to make them aware of policies and procedures.
 - Conduct regular reviews/audits of compliance with Section 3 requirements and report all findings to the public.
- 4. The following accountability policies must be established for failure to comply with Section 3 requirements. Accountability policies must be implemented through contracts and there must be an independent review/ audit process. At a minimum, accountability policies should include the following:**
- Contractors must be required to provide certified payrolls to document Section 3 compliance prior to the disbursement of construction progress payments to the general contractor and to subcontractors.

BEST PRACTICE

Decatur, Illinois Housing Authority (DHA) Section 3 Coordinator and Subcommittee: Established on-site Section 3 Coordinator position, responsible for coordinating communications between DHA internal departments, contractors, Section 3 businesses, community members, residents, and resident councils. The established Section 3 Subcommittee is comprised of DHA staff, City staff, public housing residents, NAACP, and representatives from various employment training organizations. The Subcommittee set up Section 3 guidelines, program goals, monitoring routines, and training opportunities. The Subcommittee also had representation duties on DHA bid selection team for all contracts. Results included: 52% of employment opportunities in Phase I of DHA’s HOPE VI project went to Section 3 residents; and 15% of the demolition, 16% of the infrastructure, and 30% of the building and administration contracts went to Section 3 businesses. DHA identified that keys to success were: a) ensuring that community members (residents, developers, contractors, DHA staff, and advocates) understand Section 3 and obligations; including Section 3 as part of housing authority’s culture; b) and ensuring enforcement is meaningful, including contractor sanctions and suspensions.

- Withhold funds on various trade line items where the general contractors and/or subcontractors are not in compliance.
- Bar general contractors and/or subcontractors who fail to meet Section 3 compliance requirements from bidding on future contracts.
- Conduct regular independent review and make findings public.
- All the accountability requirements must be included in contracts with vendors.

5. CHA should actively advocate for improvements to federal policy for Section 3 which can support better Section 3 accountability and implementation in Chicago. The following are recommended by national advocates:

- HUD should offer training to grantees and establish incentives for HUD grantees (CHA) for successful completion of Section 3 implementation.

6. Require community benefits agreement (CBA) for development projects. At a minimum the CBA must include:

- Minimum per dollar requirements for hiring CHA residents and for contracting with Section 3 businesses (for example, one resident hired per \$1 million spent).
- An agreed definition of what counts as a full-time hire in order to avoid common loop-holes in hiring.
- CAC and LAC as signatories.
- Procedure for monitoring CBA compliance by the CAC, LAC and/or the OSAM.
- Demonstrated support from other relevant community members, including aldermen (for example, as signers to the CBA, or letter of support, or other demonstration).

Other elements of the CBA are negotiated for the specific project by the entities that sign the CBA.

- Include all HUD-assisted tenants in the preference system for Section 3. Revise regulations to use “hours worked” as the test of Section 3 compliance.

7. The CAC, CHA, Mayor’s Office and the Chicago & Cook County Building and Construction Trades Council should establish an agreement that outlines:

- Specific goals for apprenticeship programs to hire residents who are participating in apprenticeship-prep programs.
- Specific outreach activities that the building trades will work with the CAC/LACs to implement.
- Participation of the building trades in the development of community benefits agreements.

BEST PRACTICES

Brooklyn BUILD is a community benefits agreement on a community development project that includes targeted goals for hiring residents of local PHA developments.

Portland, OR incorporates excellent hiring requirements into a community workforce agreement that requires hiring from local training programs. While the agreement concerns publicly-funded energy efficiency projects, it is a best practice for requirements on any publicly-funded projects.

Community benefits agreements use “hours worked” or percentage of project work hours to ensure that residents are actually hired as employees.

BEST PRACTICES

Oakland Housing Authority (OHA) Construction Training Partnership: OHA focused on assisting residents with gaining the skills to gain construction jobs created by HOPE VI investment. OHA partnered with a local construction training umbrella organization, with links to local building trades unions, which were used to recruit participants into pre- and apprenticeship programs and construction jobs.

Illinois' Employment Opportunity Grant Program makes grants to community organizations (many in Chicago) that prepare individuals for union jobs.

The Wisconsin Regional Training Partnership is a non-profit in Milwaukee that matches participants of community-based workforce programs with union apprenticeship programs, and is designed to help unions and contractors meet hiring needs required under public contracts (i.e., Section 3, local hiring for school projects, etc.)

- Mechanism to monitor compliance with the agreement.

To support the agreement, the CHA must also:

- Consider whether any existing contracts for training can better focus on preparing CHA residents for apprenticeship programs.
- Maintain an updated list of community organizations that assist local residents to prepare for union-based apprenticeship programs and provide the list to the CAC, LACs, OSAM, the Mayor's office and the Building Trades Council.

8. Establish a staffing service using a social enterprise model for CHA residents to gain employment experience and prepare for permanent employment. One opportunity is to leverage CHA's entire purchasing and contracting to establish a 'CHA In-sourcing Initiative' and target the job opportunities to unemployed residents.

To take a comprehensive approach, the following steps must be taken:

- Assess the number and types of jobs created by procurement contracts across the entire CHA.
- Set a five-year goal that would result in at least 70% (for example) of all the entry-level jobs being filled by unemployed CHA residents. The goal could be phased in over the five year period (i.e. 30% first year, 40% second year, etc).
- Execute CHA contract with an experienced, non-profit, staffing firm (with a mission aligned with resident success) to manage: recruitment, hiring, assignments, work evaluation, reporting and compliance; and to help residents secure permanent full-time work. In addition to a staffing service for procurement contractors, the contract would outline permanent employment goals that must be reached by residents that use the staffing service. The staffing entity could also serve as a referral resource to other CHA contractors seeking qualified Section 3 residents for hiring.

BEST PRACTICES

Civic Staffing in Chicago is a staffing company and social enterprise with 40 years of staffing industry experience in many industries: light manufacturing, service, maintenance, construction, etc. They also have experience employing CHA residents through the Opportunity Chicago initiative.

Evergreen Cooperatives are worker-owned cooperatives in Cleveland Ohio that were developed as the result of a community development strategy (Greater University Circle Initiative) with both major public and private institutions in the target neighborhood (they are referred to as “anchor institutions”). The strategy included a focus on increasing economic opportunity and resulted in the creation of three worker-owned cooperatives that leverage the procurements that come out of the anchor institutions. The businesses are in the following areas: Evergreen Cooperative Laundry; Ohio Cooperative Solar; and Green City Growers Cooperative.

Deconstruction is an emerging industry and there are local and national examples of deconstruction trainings and social enterprises.

In Chicago, a partnership between Delta Institute and OAI, Inc. trains individuals and places them in local deconstruction jobs. The industry is small, but if CHA were to commit to deconstruction in its building/redevelopment practices, the market would grow.

On a smaller scale, industry-specific community-based social enterprises that hire CHA residents can be partnered with in the community or created (as a resident business, for example). There are Chicago community-based training and work programs in deconstruction, landscaping, and building maintenance that CHA and its residents can leverage. Building retrofits for energy efficiency is another area that is growing.

9. The CAC, LACs and CHA should establish a business development strategy to promote and increase the number of resident-owned businesses. At a minimum the strategy should include the following components:

- Establish a fund for loans and direct grants for startup costs for resident-owned businesses. Sources of funds should come from Section 3 penalties that are collected by the City for Section 3 requirements
- overseen by other city agencies.
- Contract with an outside entity to provide business development services for CHA residents. Rebid RFP No. 10-00648 Section 3/Resident Owned Business Program, where the CAC-designated representatives comprise at least one-third of the selection committee.
- Review service needs at CHA developments for business opportunities, and work with interested residents who want to start a business to provide any of those services. Examples include: building maintenance; landscaping; Resident Management Companies; security; and security camera monitoring.
- Promote Family Self-Sufficiency Program to residents as a strategy to save for business start-up; provide match resident savings (1-1) from the fund recommended above.

- Work with residents to establish worker-owned cooperatives that can be vendors to CHA. CHA should recruit other institutional partners near CHA Developments to maximize the business and employment opportunities for CHA and other community residents (other institutions could be public—i.e. CPS, CCC—or private—i.e. a local hospital or educational institution).

E. Residents Services (Workforce Development and Education)

CHA’s resident services must be effective in order to support residents’ efforts to obtain and maintain employment. The work requirement is the policy “stick” that the CHA uses to promote employment to residents, and appropriate employment supports can provide additional motivation to residents. The CAC strongly supports business development and job creation strategies (outlined above) as strategies to improve employment for CHA residents. It is also worth noting that the CHA’s approach to resident services in the recalibrated plan is occurring in an environment in which federal and state funding for workforce and social services for low-income job seekers and their families is declining—and often threatened with elimination. In the CHA’s summary of its stakeholder input process, there was significant caution expressed about any expectation that other public systems or community organizations have capacity to serve CHA residents (see, p. 8 and p. 10 of CHA’s Stakeholder Input Report). Moreover, the conclusion of the Opportunity Chicago initiative in this context creates a service-delivery challenge—the CHA has knowledge of successful workforce strategies for CHA residents, but will need to carry lessons learned and the necessary leadership forward with less private support.

In addition to the public funding and leadership challenges for resident services, the persistently high

unemployment rate noted above will mean that even the most motivated job seekers amongst the CHA population may need to seek out assistance to find work or ways to increase their skills and experience in order to be competitive for available jobs. It is also worth highlighting that what it takes to be self-sufficient in Chicago— one adult with two children must earn \$24.80 per hour in full-time employment to meet their basic needs without any assistance²⁶—will continue to pose economic challenges for employed CHA residents.

The CAC has identified the following issues that it would like to be considered in the CHA’s Plan 2.0:

- Many residents are unaware of the services that are available: summer jobs; transitional jobs; City Colleges of Chicago tuition; Family Works; etc. There is no requirement/accountability for Family Works providers to inform residents of available services.
- Inconsistency in quality of services: not every organization is good at all of the services they are contracted to provide, which results in inappropriate or inadequate matching of services to resident needs; the services administered by management companies have an inconsistent reputation.
- The return (to residents) on the annual \$26 million investment in Family Works is not clear: residents receive “certificates” and “temporary” jobs, but receive few permanent jobs that result in increased family income and/or an opportunity for an individual to work in a job that improves their individual development and community.
- In some cases, expenditures for Family Works contracts displaced services provided by LACs and, in turn, jobs for residents; at the same time, Family Works contractors continue to rely on volunteer work (information, etc) from the LACs.

26. Social IMPACT Research Center, Self-Sufficiency Standard for Chicago.

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- Motivation/incentives for residents to participate in services limits service effectiveness.
 - CHA and the CAC should work together to revise and improve current City Colleges of Chicago tuition program, in order to increase the number of CHA residents who can participate in the program.
 - CHA and the CAC should work together to recruit and hire CHA residents in order to maximize outreach to CHA residents regarding the tuition program. These efforts will increase participation in the program, as well as self-sufficiency of participants.

The issues highlighted by the CAC were augmented by resident input gleaned from the 2012 CAC Resident Survey. Only about one-third (35%) of survey respondents had received CHA services, but, of those that did, almost all of them (98%) used Family Works. This signifies that the effectiveness of Family Works is critical because it is the access point for residents.

While the CHA's stakeholder input process included many ideas about how to leverage non-CHA systems and services for residents, only small numbers of respondents to the survey were using community organizations (15%) or City Colleges of Chicago (11%). While CHA is looking to rely on external resources for resident services, the survey results may indicate that there are barriers to residents accessing those services.

While motivation of residents to access services was an issue raised by the CAC and emerged in the stakeholder input process, the respondents to the resident survey revealed that job-seeking residents use a variety of approaches to search for employment. The individual approaches used the most include—the internet (77%) and personal networks (over 66%), i.e. friend, neighbor, family

member. Nearly 56% used a CHA service to look for a job, further reinforcing that CHA-provided services are an important access point for residents.

Overall, a strong majority of survey respondents (60%) identified that they want CHA services, and assistance with transportation was identified as a needed service by the highest number (45%) of survey respondents. Assistance with job search (34%), access to education/training (32%) and assistance with accessing health care (30%) were significant needs, as well. Approximately one quarter of survey respondents wanted help starting a business or legal assistance. These results depict that residents need assistance with a range of personal issues. While not everyone identified employment assistance, many of the needs identified have a strong impact on employment success—especially health, legal and transportation issues. Additional survey questions revealed that respondents rely on public transportation as a way to travel to/from work or services. Thus, CHA-development-based strategies will be a key strategy to avoid transportation “barriers” for service- and job-seeking residents.

A final piece of context that the CAC noted, and was also reflected in the CHA Stakeholder Input report, is that CHA residents who need services are not all in need of the same kinds of services. Regarding the need to more effectively help residents find and keep employment, the CHA should approach service provision with residents flexibly and think about the resident population in three general categories: residents who are working; residents who are job-ready, but are unable to find work; and residents who have barriers (including motivation issues) that prevent them from successfully connecting to employment and/or employment programs.

CAC Recommendations to Expand and Improve Resident Services

1. The CAC, LACs and CHA should work together to develop a resident-led “Resident Services” approach and re-purpose the use of funding that is currently spent on Family Works. The basic framework for reorienting the \$26 million investment should include:

- The creation of **joint oversight and leadership** between the CHA and CAC for resident service strategies—both for the re-purposing of the \$26 million allocated to Family Works and other resources. The joint oversight and leadership must be structured to ensure that new strategies can continue when CHA leadership changes.
- Funding for **site-based coordinators** to be hired by CAC/LACs who provide information about appropriate services and employment opportunities at CHA.
- Funding and technical assistance for **residents to establish businesses**, particularly businesses that can provide improved services at CHA developments (i.e. building maintenance, landscaping, security, etc.) and that are required to hire residents.
- Service **strategies that are proven to help residents enter into permanent living wage employment**. For example, current funding for training CHA residents for building maintenance could be continued, but should be directly connected to preparing people for employment at: resident-owned business; other CHA vendors; and/or in union apprenticeships.
- Service **strategies that have proven to help residents improve skills that prepare them for post-secondary education** programs that result in a marketable credential, including associates’ and bachelors’ degrees. For example, literacy programs that are tied to real work experience and

BEST PRACTICES

Opportunity Chicago Transitional Jobs (TJ) Programs: Approximately 1,800 residents participated in TJ programs funded through Opportunity Chicago. 80% of those that participated in subsidized placements transitioned into unsubsidized employment. Between September 2006 and June 2011, 91% of those residents that found permanent work had retained their jobs at 30-days, and 62% at one year. Residents found jobs in health care/social assistance; administrative services; retail; and accommodation and food services.

Opportunity Chicago TJ Literacy Pilot (2011): In 2011 Opportunity Chicago piloted four TJ program models with literacy component for residents with reading levels between 6th and 8th grade. Every model showed successful reading and math level gains.

have financial incentives (i.e., stipends or pay wages) have shown to be successful in terms of both literacy gains and program completion and retention. If there is less funding for services, the focus should be on young adults and heads of household that lack the literacy/math skills to succeed in post-secondary programs (whether degree or credential).

- Resources for **youth programming**, including financial assistance to families to pay for: after-school programs; summer programs; and cost of private high schools for 8th grade graduates and high school students; recreation services at every development; and services that

are coordinated by CPS to engage high school students in college prep, gifted programs, and opportunities for secondary/post-secondary co-enrollment.

- Resources for **development-specific family initiatives**, including: events for fathers and families; coordination between LACs, local community groups and local fatherhood initiatives, such as Fathers, Families, and Healthy Communities; and, where identified by the LAC, funding specific services for families.

BEST PRACTICES

New York City Housing Authority (NYCHA) Fatherhood Initiative

The goal of the NYCHA Fatherhood Initiative is to provide an atmosphere within NYCHA Community Centers in which fathers can gain parenting skills and sustainable life skills, while participating in an array of cultural, educational, recreational and social events which foster engagement between dads and their children. NYCHA is in the early stages of implementing an Early Literacy component to the fatherhood initiative. This component will feature literacy skills and reading technique training for fathers who participate in the workshops, with the intention of enabling them to employ these methods as they read to their children.

2. Together, CAC/CHA should establish agreements between CHA and “sister” agencies of the City.

With City Colleges of Chicago: There have been changes made to the adult and remedial education programs through the Reinvention initiative. Ensure that CHA residents can access any expanded programs and services that transition students with low basic skills to occupational programs with credentials/degrees: Use funds subject to the inter-governmental agreement for:

- Tuition for college-ready residents;
- Testing/materials/books/et for residents in bridge educational programs;
- Support services for residents in college level or bridge programs;
- Contract with an organization to recruit and hire mentors in the community;
- Offset any of the reductions to Pell grants that result from changes in the program.

An Agreement with CCC must also detail:

- A point of contact for information regarding use of funds, in order to avoid mis-information to residents (both those who are interested in using resources and those that are current students). The point of contact should also provide up-to-date, accurate information about financial aid policies and what is required of students to maintain financial aid (i.e. not dropping classes; not having a criminal background; not failing classes; etc).
- Outreach strategies coordinated with (or by) the CAC/LACs to residents to increase the number of CHA residents participating in college programs, as well as, how new “wellness centers” can be accessible to CHA residents.
- How the City Colleges and Windows of Opportunity coordinate, including strategies for informing residents about college opportunities.

With Chicago Public Schools that outlines the following: specific ways that CHA and CPS will coordinate to engage high school students in pre-college programs, including dual enrollment, gifted programs, and other youth internship programs; and how residents of CHA developments can qualify for and access selective enrollment schools in their neighborhoods.

With the Chicago Department of Family and Support Services to outline a priority of service for CHA jobseekers and specific outreach strategies by delegate agencies to CHA developments.

With the Chicago Cook Workforce Partnership to outline a priority of service for CHA jobseekers and specific outreach strategies by workforce agency and/or its providers to CHA developments.

BEST PRACTICES

City Colleges Reinvention: Bridge programs, Wellness centers
Bridge educational programs are a national model for accelerating learning and getting adult learners quickly into credit-bearing coursework. City Colleges of Chicago is currently developing bridge programs in healthcare for every college. Chicago also has strong bridge programs at Instituto del Progreso Latino, Jane Addams Resource Corporation (JARC), Daley College (manufacturing), Erie Neighborhood House, and Central States SER.

The Opportunity Chicago cross-agency collaboration resulted in a priority of service for CHA residents in public workforce programs funded by DFSS.

F. CHA Internal and External Communications

For the new Plan for Transformation 2.0, the CAC wants to be sure that issues around internal and external communications are addressed in order to not repeat mistakes made in the past. Specifically, the CAC wants to provide CHA with recommendations that will help the agency more effectively communicate all of the changes that will come out of the new Plan 2.0, so that all stakeholders—particularly residents and staff—have a full understanding of CHA’s new direction and the impact it will have on the lives of public housing and HCV residents. Based on first-hand experiences of the CAC and feedback it has received from LACs and residents, **there are four overarching communications-related issues that the CAC wants CHA to address:**

- Insufficient Resident Input into Plan for Transformation During its Formative Stages and Implementation
- Poor CHA Communications with CAC, LACs and Residents
- Inconsistent Communication/Information Dissemination at Working Group Meetings at Housing Developments
- Negative Public Perceptions/Media Image of the CAC and CHA Residents

The CAC recognizes that these four issues are rooted in long-standing communications issues that began before the Plan for Transformation was first introduced in 2000, and have become more visible in their manifestations over the last 12 years. While the CAC is recommending strategies for CHA to consider incorporating into Plan 2.0 to address these four overarching issues, the CAC also feels it is important to provide supporting context to help inform CHA of the opportunity to correct past actions

that often led to adversarial circumstances. By doing this, the CAC is hopeful that it can work together with CHA to address and resolve these issues in order to strengthen our collective efforts to provide quality housing and related amenities to Chicago residents most in need.

Communicating the intent of the Plan for Transformation to CHA residents has been problematic from the beginning of its implementation in 2000. This was further evidenced by some of the results of the 2012 CAC Residents Survey. When asked if they have heard of the CHA Plan for Transformation, 201 (40%) out of 503 respondents to this question said that they had not heard of the Plan. Moreover, while the 2012 CHA Stakeholder Input Report referred to residents as CHA's "...most important stakeholders...", the results of the 2012 CAC Resident Survey indicate otherwise. When asked if they believed residents are CHA's primary stakeholders, 208 (41.2%) out of 505 respondents agreed that residents are CHA's primary stakeholders, 28.3% indicated that residents were not CHA's primary stakeholders and 30.5% had no opinion. For an agency whose charge is to develop, manage and oversee public and subsidized housing, these findings are telling. *To this end, Plan 2.0 offers the opportunity to fundamentally change the nature of the relationship and create a positive dynamic between CHA, the CAC, LAC and the residents moving forward.*

Upon review of the report "*CHA Working Group on CAC Relations, Recommendations June 2012,*" the CAC is encouraged by some of the key recommendations to improve CHA's communications with the CAC, LACs and residents, namely:

- **Hiring of a Consultant/3rd Party Neutral Facilitator** to facilitate CHA-CAC conversations on the Plan 2.0 on a quarterly basis, and the overall

strategy for the CHA and CAC to work together. This 3rd Party Neutral Facilitator would also assist the CAC in keeping meetings on task and provide reports to ensure that both parties remain focused. CHA is recommending that the CAC be involved in the procurement of the 3rd Party Neutral Facilitator to ensure our input in the selection process. *In fact, CHA is working with the CAC now to shape the scope of work for the RFP and the CAC is in the process of identifying representatives that will serve on the RFP evaluation committee. CHA also asked for the CAC's input on firms that should be added to the bidder's list for RFP distribution*

- **Creating Streamlined Communication and Tracking for Resident Issues**, so that CHA will have a dedicated mechanism to track the process (and hopefully resolution) of resident complaints.
- **Scheduling Quarterly Forecasting Meetings** to advise the CAC on upcoming procurements and contracts, policy changes and procedures in an effort to present Board items to the CAC in advance, to the greatest extent possible, to ensure that the CAC can provide feedback and considerations.

We are also encouraged that CHA solicited resident input during the stakeholder meetings that helped to shape these working group recommendations. However, the CAC is troubled by the fact that CHA did not share a draft of the working group recommendations report before it was finalized. In addition, the overall tone of the report implies that the CAC needs to be trained and worked with to resolve communication and trust issues, when CHA should also share responsibility for the deterioration of the relationship,

ias well as participation in any recommended trainings. It would be more helpful for the report to have a conciliatory tone to foster relationship-building that goes both ways. There is also a particular point in the report under the Scheduling of Quarterly Forecasting Meetings recommendation where the anticipated result is stated as follows: “The CAC will receive information further in advance, and therefore will have a limited basis to argue that it was not advised of upcoming projects.” This last statement is troubling and implies that the CAC has not been justified in raising issues about upcoming procurements, when in reality, the underlying issue is that CHA has not provided information in advance for the CAC to respond to. *The CAC believes that better communication and transparency will result from implementing the working group report recommendations highlighted above, and thereby strengthen CHA’s relations with its constituents.*

With respect to communication issues at mixed-income developments, a number of stakeholders interviewed during the 2012 CHA Stakeholder Input Process stressed the importance of open communication with residents. Some noteworthy comments from the report include the following:

- Set clear expectations for all residents of mixed-income developments, including about how to resolve conflict.
- Be consistent and honest with residents about what service providers and property managers can and cannot do, and about expectations of residents; follow through on promises.

Communications dynamics within some of the working groups at mixed-income developments has not been productive due to breakdowns in information dissemination regarding the status of redevelopment progress and resident occupancy. The CAC is hopeful

that CHA will also use this as an opportune moment to implement measures to improve communication and accountability in the working group process.

With respect to communications at Senior housing developments, both the CAC and CHA need to be more mindful about translating all communications into multiple languages to mirror the current populations that live in these developments. There are seniors from Russian, Polish, Hispanic and Asian communities that live in CHA developments that we also need to ensure are informed about the CAC’s 2012 strategies and recommendations, as well as the CHA’s Plan 2.0 recommendations. Therefore, it is imperative that both CHA and the CAC have access to translators that we can work with on a regular basis in this regard, for both the senior developments and other CHA developments that serve multi-ethnic populations.

With respect to external communications and perceptions, the CAC is concerned about the negative images and perceptions perpetuated about CHA residents in general. Often, the reporting of violent crimes is associated with or near neighborhoods where a concentration of CHA or HCV residents live. As a result, the general public has developed a negative image of CHA and public housing. In reality, the majority of CHA and HCV residents are law-abiding citizens that want to live in safe, healthy communities like everyone else. However, due to limited mobility and access to housing in lower crime neighborhoods, these law-abiding residents are subject more often to conditions of violent crime, and often become unintended victims. The CAC believes that the general public has a very imbalanced view of public housing residents, and that they may be able to change these misperceptions if the CAC and its efforts were more visible.

It is important to note here that CHA as an agency also suffers from having a negative image in the eye of the general public and the media, and recognizes the need to work with the CAC in this regard. In fact,

the CHA Working Group on CHA Relations report cites that the “...CHA and CAC’s relationship has deteriorated, and there is not a positive way to share accomplishments with each other and the general public.” The need for more positive messaging in the public is also supported by comments made by stakeholders that participated in CHA’s Stakeholder Input Process. In response, the CHA working group is recommending that the agency implement two strategies:

- **Public Relations and Messaging Support—** CHA would develop verbiage to include in press releases regarding its working relationship with the CAC as it relates to ideas, plans, etc., in order to leverage the CAC’s involvement with CHA. Where appropriate, CHA would also include information from the CAC in CHA communication vehicles.
- **CAC External Communications Procedure—** CHA would establish a protocol to include information generated by the agency in the CAC’s communication platforms, e.g., online videos, newsletters, etc., to highlight, for example, how the CAC and CHA worked together to solve a problem with special attention given to positive outcomes that resulted.

The CAC is encouraged by these recommendations and believes it is a step in the right direction. We hope CHA will work with the CAC hand in hand to develop a more positive working relationship that will result in more positive results to be shared with residents and the general public, and thereby result in positive images reported in the media for the benefit of us all.

Specific issues raised by the CAC under the four overarching communications areas can be found in the summary recommendations table in Appendix C. The CAC had these specific issues in mind when

formulating the following **recommended strategies** that we hope CHA will incorporate into Plan 2.0. We believe these strategies also complement the recommended strategies highlighted above as put forth by the CHA Working Group on CAC Relations and the CHA Stakeholder Input Process.

BEST PRACTICE

CHA 2012 Stakeholder Input Process— Between January and May 2012, CHA conducted a series of focus groups and input sessions with a wide range of stakeholders and residents to identify lessons learned and suggestions for the future that could be used to help shape Plan 2.0. Specifically, CHA conducted: a) 27 stakeholder input sessions which engaged more than 300 professionals; b) four resident input meetings across the city that were attended by 807 public housing and housing choice voucher residents; and c) an online conversation with individuals from across the city and beyond about their thoughts and suggestions for CHA and its direction for the future. The latter engaged a total of 312 users that contributed 88 ideas and 240 comments in topic areas from Citizen Participation and Communication to Sustainable Strategies. The CAC believes that CHA’s 2012 Stakeholder Input Process is a best practice that should be replicated periodically to gauge residents, key stakeholders and the general public about their understanding of CHA’s plan and progress, and solicit constructive feedback for improvement.

CAC Recommendations for Improved CHA Internal/External Communications

Resident Involvement in Plan 2.0 Formulation and Implementation

1. Involve CAC leadership when formulating Plan 2.0 recommendations and workplans from the beginning.
2. Involve CAC leadership in any future annual reviews of Plan 2.0, as well as when formulating MTW Annual Plans and Capital Improvement Plans.
3. Host at least five Plan 2.0 public comment meetings in different parts of the city to optimize input from public housing residents—including scattered site and HCV populations—and the general public. There should be translation services provided to those attendees who request it.
4. Lengthen the public comment review period for all public comment processes to at least 45 days. (Also applies for MTW annual plans, capital improvements plans, etc.)

BEST PRACTICE

City of Chicago budget hearings are held in multiple locations throughout the city to inform residents and solicit input. In addition, the Chicago Transit Authority and Chicago Park District hold public meetings in multiple locations throughout the city to optimize input from residents. Finally, the CHA 2012 stakeholder input process engaged a wide range of stakeholders, as well as residents at four meetings across the city; this effort is worthy of replication for all documents and initiatives that require a public comment review period.

5. Hire an independent 3rd party contractor to document public comments and summarize/interpret key findings.
6. Employ social media to conduct surveys with residents and solicit their feedback, as well as communicate Plan 2.0 changes and on-going planning/implementation. Consider utilizing robo calls to increase survey participation and attendance at public comment meetings.

CHA Communications with the CAC, LACs and Residents

7. Publish in-house newsletters to inform residents of Plan 2.0 changes and progress.
8. Work with CAC to jointly select and/or fund a 3rd party facilitator to create communication protocols to make meetings more productive.
9. Where appropriate, work with CAC to develop communication protocols for scheduled meetings (e.g., conduct prep meeting with CAC Executive Committee to develop agenda and discuss format for reference materials).
10. After every meeting, provide written correspondence to the CAC documenting meeting outcomes, decisions and next steps. The CAC will respond to confirm accuracy and outline next steps for follow up.
11. Develop open system with two-way communication stream between residents/CAC and CHA, which may include but not be limited to the following: assigned liaisons, schedule standing meetings, facilitate relationship-building exercises/discussions to build mutual trust, etc.
12. Where appropriate, audio/video record tenant services meetings, Board of Commissioners and Committee meetings, and make these audio and video recordings available for review on CHA's website.

13. Reinststitute practice of providing written answers to questions raised in tenant services meetings at the following meeting, and also read these responses during the meeting.
14. Distribute full listing of CHA Resident Services staff with assigned office hours to residents, so that they can use this list to call the appropriate staff person for help. CHA staff should also hold office hours on site at least one day a week to respond to resident requests.
15. Communicate a clearer message about relocation and present residents with all available options.
16. Identify most appropriate methods to solicit resident input (e.g., resident survey by We The People Media, focus groups, town hall meetings, using robo calls to increase turnout).
17. Based on results from (i) above, use identified methods (e.g. Conduct focus groups and town hall meetings) on a regular basis at key locations throughout the city to solicit input and communicate Plan 2.0 changes and on-going planning/implementation.
18. To the extent possible, all written and verbal communications need to be translated into languages that can be understood by the various multi-ethnic populations that reside in public housing, e.g., Russian, Polish, Spanish and relevant Asian dialects.
19. Use monthly meetings with CAC leadership to report on progress being made on Plan 2.0, discuss issues and challenges being encountered and work with the CAC to jointly formulate actions to resolve the issues and challenges discussed.

Communications at Working Group Meetings

20. Schedule standing meetings with LACs/working groups to review construction, rehab and resident occupancy status tied to contract performance of developer/property manager.

BEST PRACTICES

The San Antonio Housing Authority (SAHA) conducts annual customer satisfaction surveys and has refined the surveys over several years. Now they can see accurately if things like maintenance improve.

SAHA is also beginning to use robo calls to increase participation.

21. Hire an independent 3rd party to facilitate working group meetings and monitor contract performance.
22. Institute penalty fees for contractor non-compliance and failure to conduct meetings as scheduled.
23. Incorporate all working group discussions, including LAC objections and issues, into direct correspondence to HUD. The CAC and LAC should also submit correspondence stating objections and issues directly to HUD.

Changing Public Perceptions/Media Image

24. The CAC will convene separate public meetings with CHA, CHA and HCV residents, and key stakeholders to present and discuss the CAC's Plan 2.0 recommendations.
25. The CAC will develop a media strategy in partnership with We The People Media and Community Media Workshop to place human interest stories about CHA residents and circumstances being faced in key media outlets. The CAC welcomes partnering with CHA in this regard.

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26. CHA and CAC should work together to produce reports that contain data to combat public misperceptions of CHA residents and their connection to crime (e.g., ¾ of housing subsidies go to new homeowners, highlight number of residents that work, etc.)
 27. When appropriate, the CAC may host joint events with CHA to re-brand image, e.g., CHA Seniors Ethnic Festival, Father's Day Picnics, Mother's Day Picnics, Bud Billiken Day Parade.

BEST PRACTICES

The CEO of the San Antonio Housing Authority (SAHA) has regular monthly meetings with resident leadership with a tight agenda. In addition, SAHA publishes a quarterly print magazine for residents, and includes noteworthy items in monthly rent statement mailings. SAHA also publishes a resident handbook. Finally, SAHA staff and resident leaders travel together to conferences and relevant events, such as the NAHRO conference.

SAHA Commissioner Yolanda Hotman recommends that the CAC work to develop relationships with CHA senior staff, and work through CHA to build relationships with other city agencies and departments.

3. CONCLUSION AND NEXT STEPS

The CAC is encouraged about having the opportunity to present its recommendations to the Chicago Housing Authority regarding the recalibration of the Plan for Transformation. As CHA seeks input from its partners and stakeholders, it is critically important that input from the residents be incorporated into any strategies that the agency undertakes in the future. Residents, the primary consumer of CHA services, can provide critical observations and insights to assist CHA achieve its goals and objectives moving forward.

In reviewing and considering recommendations from stakeholders, partners, and residents, the CAC

suggests that CHA do so with an open mind and broad perspective. CHA should also make every effort to seek out and explore best practices from both large and smaller public housing authorities around the country.

The CAC is hopeful that CHA will seriously consider the recommendations that have been set forth in this report. To this end, the CAC will be formally presenting its recommendations to CHA leadership, staff, and other key stakeholders prior to CHA finalizing its recommendations for Plan 2.0. Once finalized, the CAC is also prepared to continue working closely with CHA as Plan 2.0 is implemented

APPENDICES

APPENDIX A

Rental Assistance Demonstration (RAD) – Background Information

Using RAD as a way to increase funds available to local housing authorities to address the backlog in capital improvements is neither a new concern nor a new approach to solve these problems. Under the current administration, HUD introduced Preservation, Enhancement and Transition of Rental Assistance Act (PETRA), which was not enacted after much debate.¹ RAD was then introduced in 2011 and according to the National Low-Income Housing Coalition (NLIHC) it is “an improvement over earlier plans offered by the Administration.” While NLIHC supported this plan, it also has raised several concerns and offered comments when it was released for comment in April 2012.²

PHAs wishing to convert public housing would do so through a competitive process beginning in the fall of 2012 with the first round of applications due October 24, 2012. The demonstration will continue until 2015 and will allow up to 60,000 public housing units to be converted per PHA (based on size and region). The selection criteria focus on four areas: capital need, green building, choice mobility and “priority projects.”³ For all, one-for-one replacement is required.

The annual funding from HUD will be capped at the PHA’s current funding level; however, the HAP will be adjusted annually so that tenant payment is not impacted (i.e. it stays at 30% of income or whatever minimum is required). The PBV will be for 15 years, then subject to renewal. The PHA must convert or “substantially convert all the covered units in the project,” which means it cannot leave out units in a building or sections of a development if part of the project. Also, residents of RAD-converted public housing properties will have the same rights after conversion that they had pre-conversion (see Section 6, Housing Act of 1937).

Many concerns were addressed in the final RAD notice. However, there remain some key issues that will affect the future of public housing in our communities including:⁴

1. While the RAD waives the current cap of no more than 20% PBVs per building/development, it sets a new cap for public housing at 50%. However, HUD also says that it will not displace anyone. Instead, as tenants move out, replacement tenants must be one of the following:
 - a. an elderly or disabled person, or
 - b. a household agreeing to participate in a supportive services program

¹ The Clinton Administration also tried this with HUD’s Blueprint for Reinvention introduced in 1994. While never enacted as proposed, the proposal signaled a clear preference for converting public housing subsidy.

² Additional details and concerns can be found in the National Low Income Housing Coalition’s letter to HUD’s General Council on April 23, 2012, available at <http://nlihc.org/>.

³ HUD Powerpoint RAD final Notice Overview, July 26, 2012.

http://portal.hud.gov/hudportal/documents/huddoc?id=RAD_Notice_PPT_7-26-12.pdf

⁴ See National Low Income Housing Coalition for details at <http://nlihc.org/article/final-rental-assistance-demonstration-program-notice-announced>.

If not, then the PHA will lose the PBV housing assistance payment contract. The concern raised by the NLIHC is that “this provision creates uncertainty about a reliable, long-term and stable income stream that is likely to discourage investor or lender interest.” It also restricts who can live in public housing, which may encourage investor interest. It could also encourage PHAs to shift toward market rate tenants assuming there is interest in living in a mixed-income site.

2. The RAD conversion application is considered to be a “significant amendment” to the Public Housing Agency Plan. A concern is that public input comes too late in the process. A significant amendment requires consultation with the Resident Advisory Board (RAB), a 45 day public notice, a public hearing, and outreach to secure significant public participation. As proposed, this process does not have to take place until the PHA submits its Financing Plan, which is after HUD has tentatively approved its RAD proposal. This appears to also ignore the requirement that the PHA meet at least two times with residents in specific developments to be converted.

The final notice does say that the amendment must indicate the number of units, bedroom distribution and type of units to be converted, and any change in the number of units and bedroom distribution resulting from the conversion. And if this changes after the plan is approved, then the conversion plan must undergo the significant amendment process.

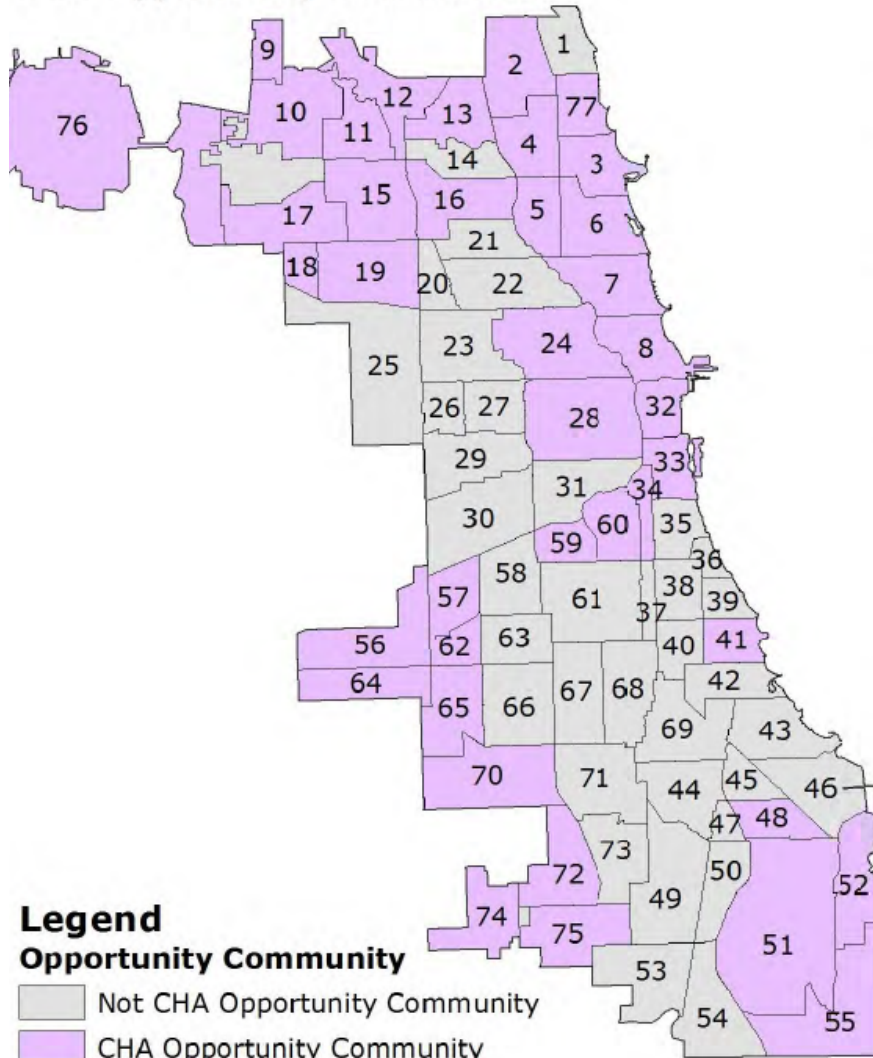
3. While the RAD continues to allow \$25 per unit to be allocated per occupied unit annually for resident participation, it now also allows a PHA to hold back \$10 of that amount instead of giving it to resident councils. This is contrary to PIH Notice 2001-3 which requires the full \$25 to be allocated to resident councils.

APPENDIX B

Maps Showing Local Challenges – Section I (C)

1. CHA designated Opportunity Areas

CHA Opportunity Communities



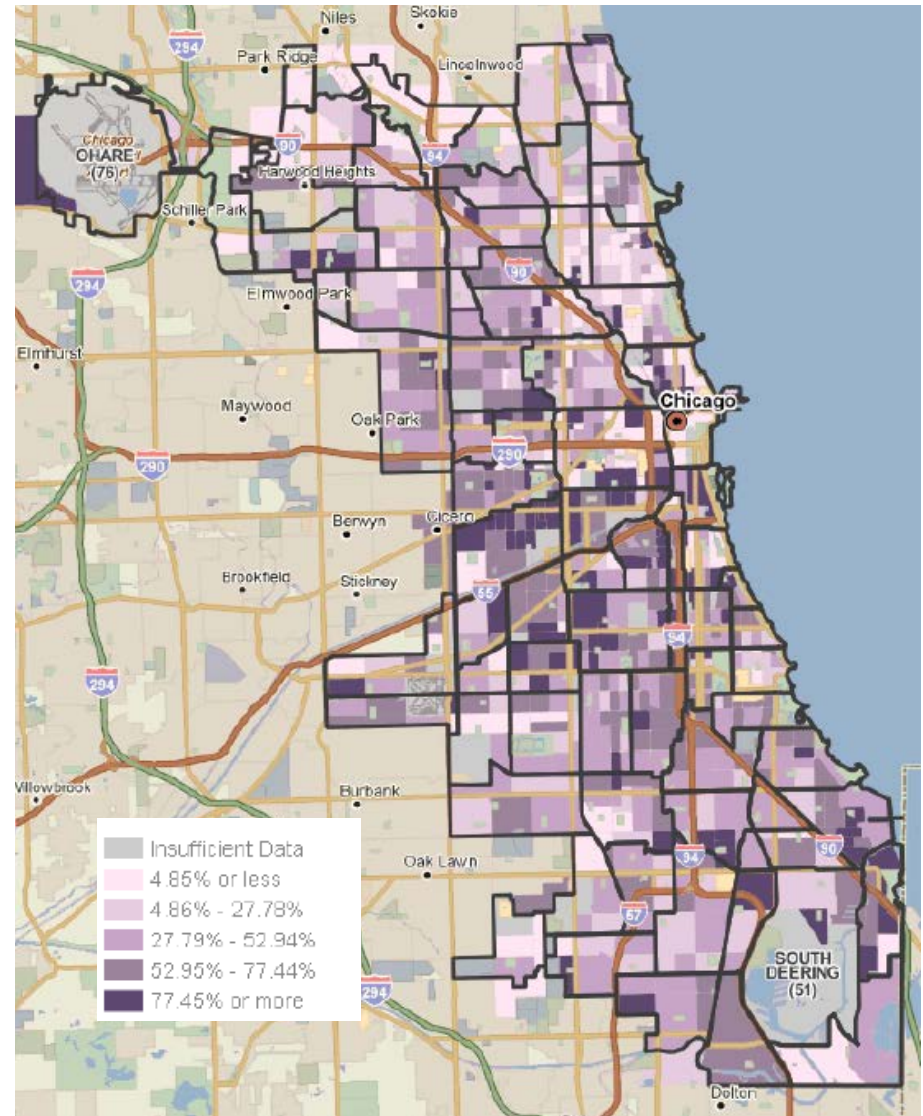
Legend

Opportunity Community

- Not CHA Opportunity Community
- CHA Opportunity Community

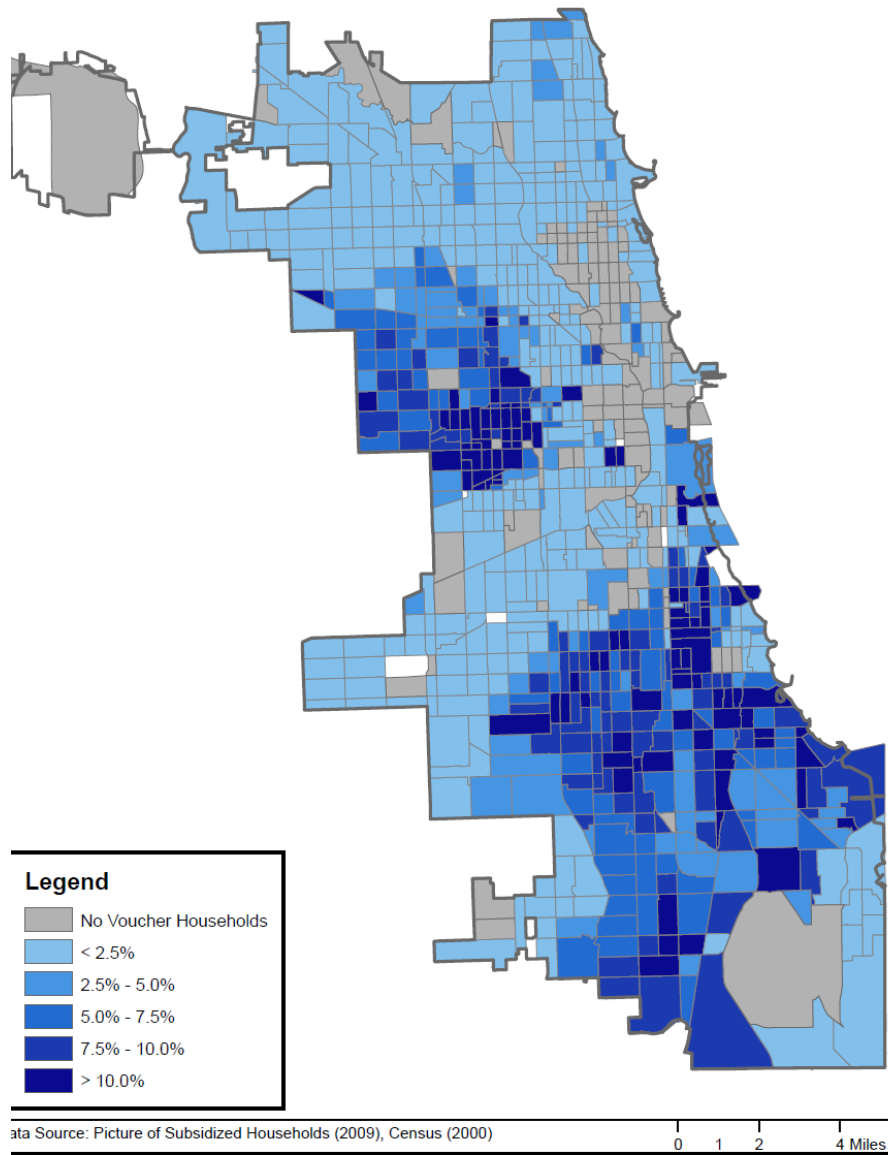
Data Source: Chicago Housing Authority
Illinois Assisted Housing Action Research Project (2000)

2. Distribution of 3 bedroom units renting for less than \$1000, 2010

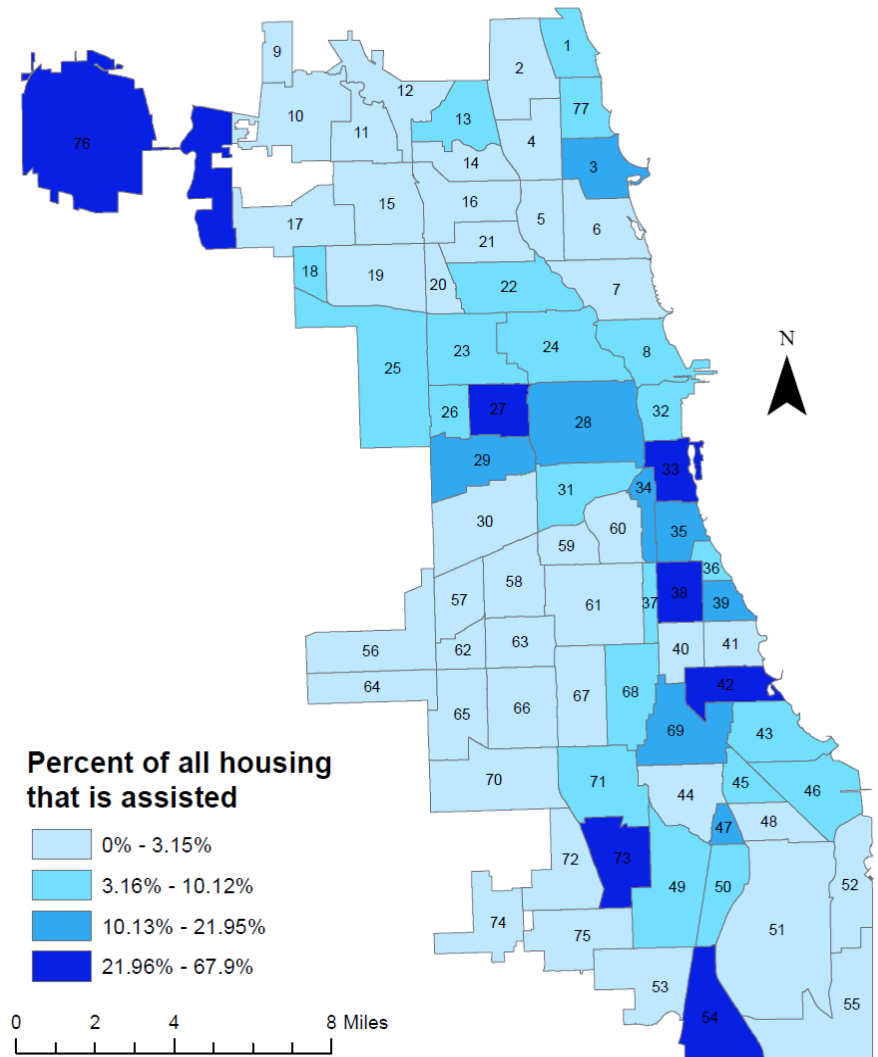


Source: US Census, 2012; Policy Map, 2012

3. Housing Choice Vouchers as percent of housing units, 2009

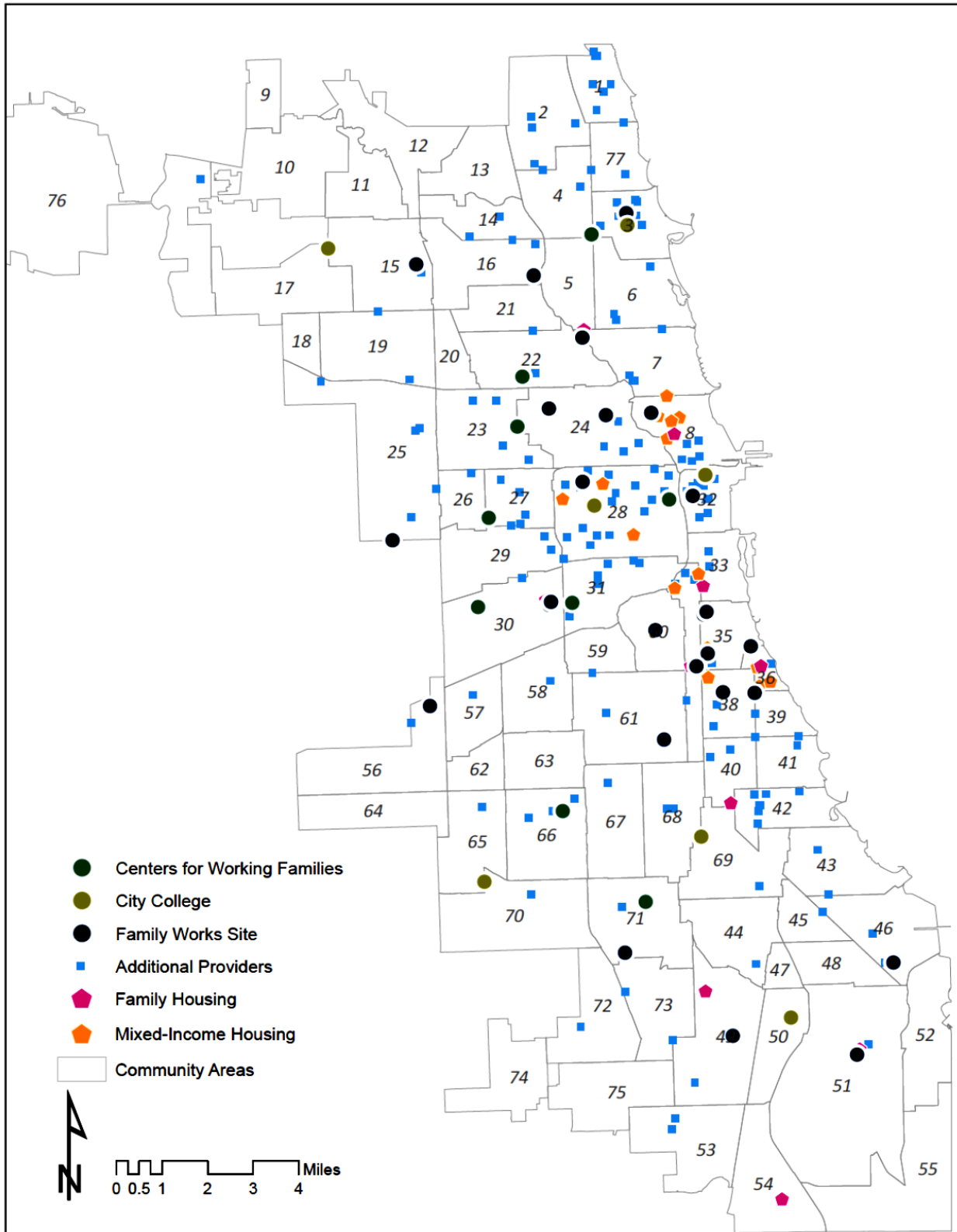


4. Assisted Housing (all types excluding vouchers) by community area, 2012



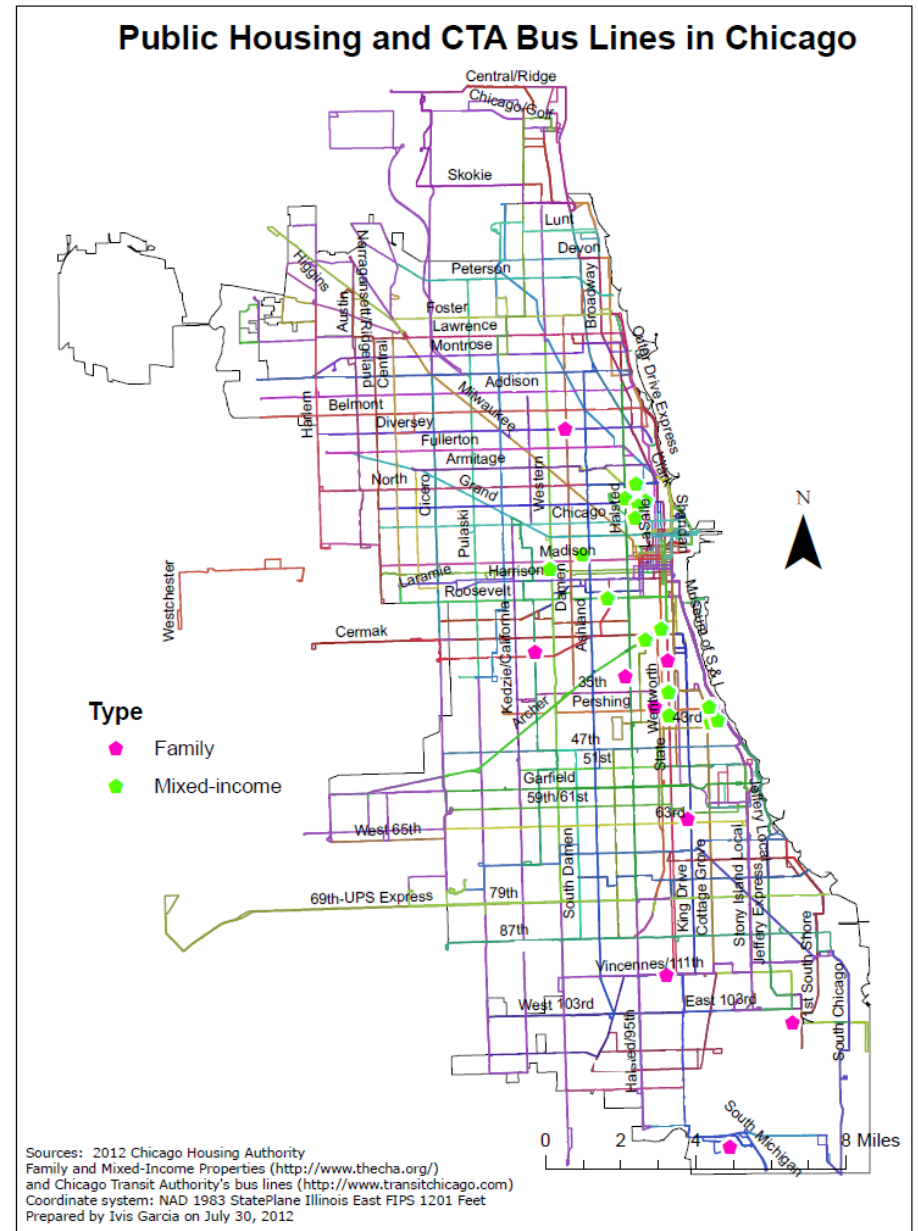
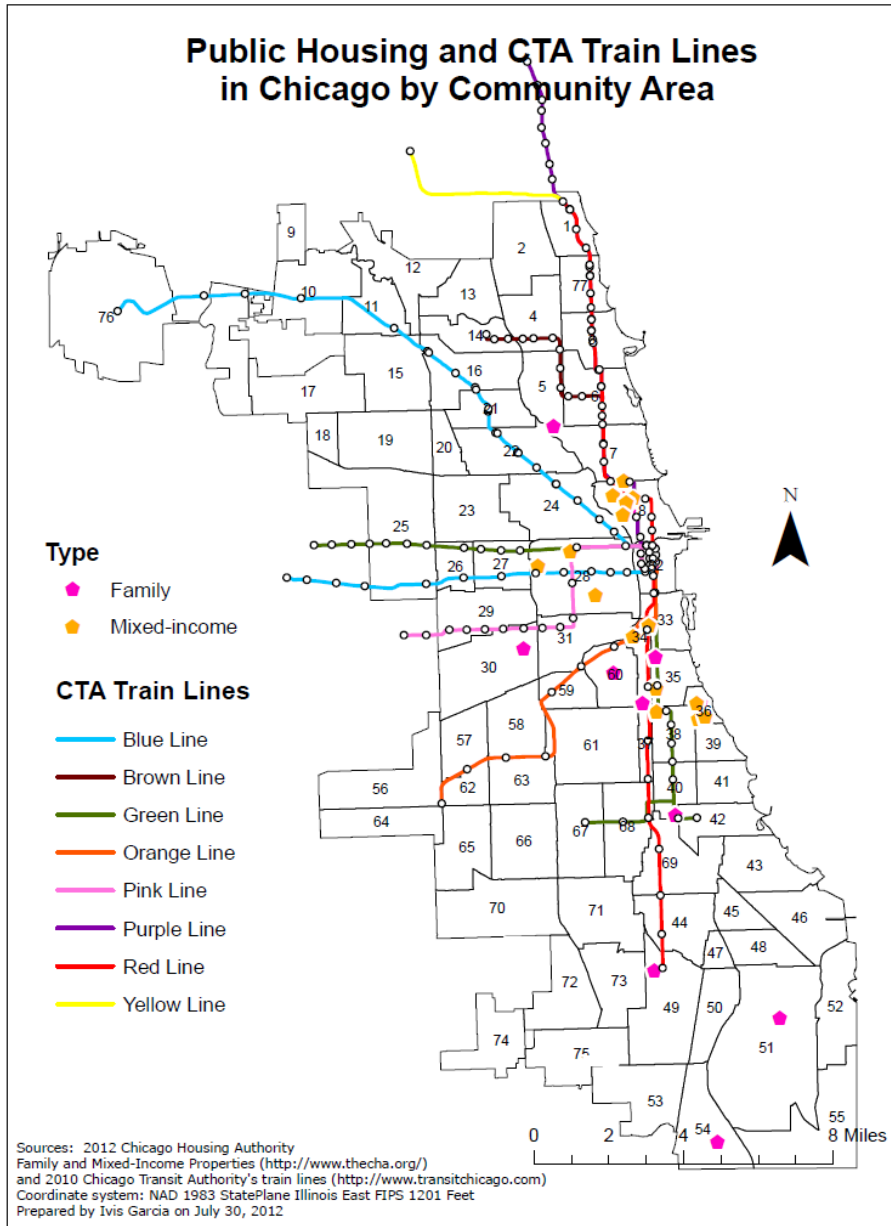
Data collected by the Institute for Housing Studies at DePaul University from several sources (Illinois Housing Development Authority, Chicago Department of Housing and Economic Development, Department of Housing and Urban Development and American Community Survey 2005-2009)
 Data Availability: DHED-2Q2010, HUD-4Q2010, IHDA-3Q2011
 Coordinate system: NAD 1983 State Plane Illinois East FIPS 1201 Feet
 Prepared by Ivís Garcia on July 31, 2012

5. Location of Social Services in relation to CHA housing in Chicago, 2012

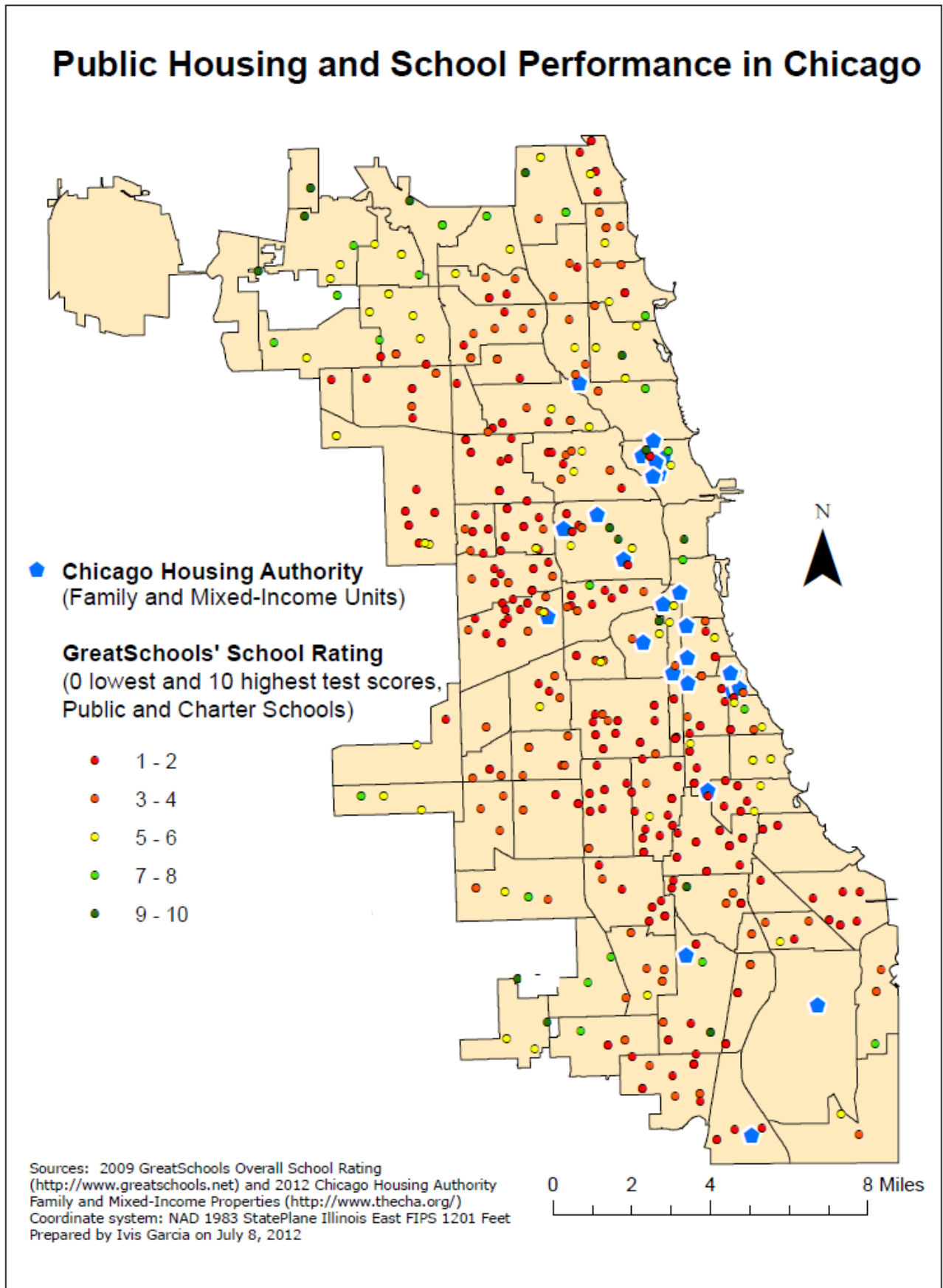


6. CTA train lines relative to CHA Public Housing developments, 2012

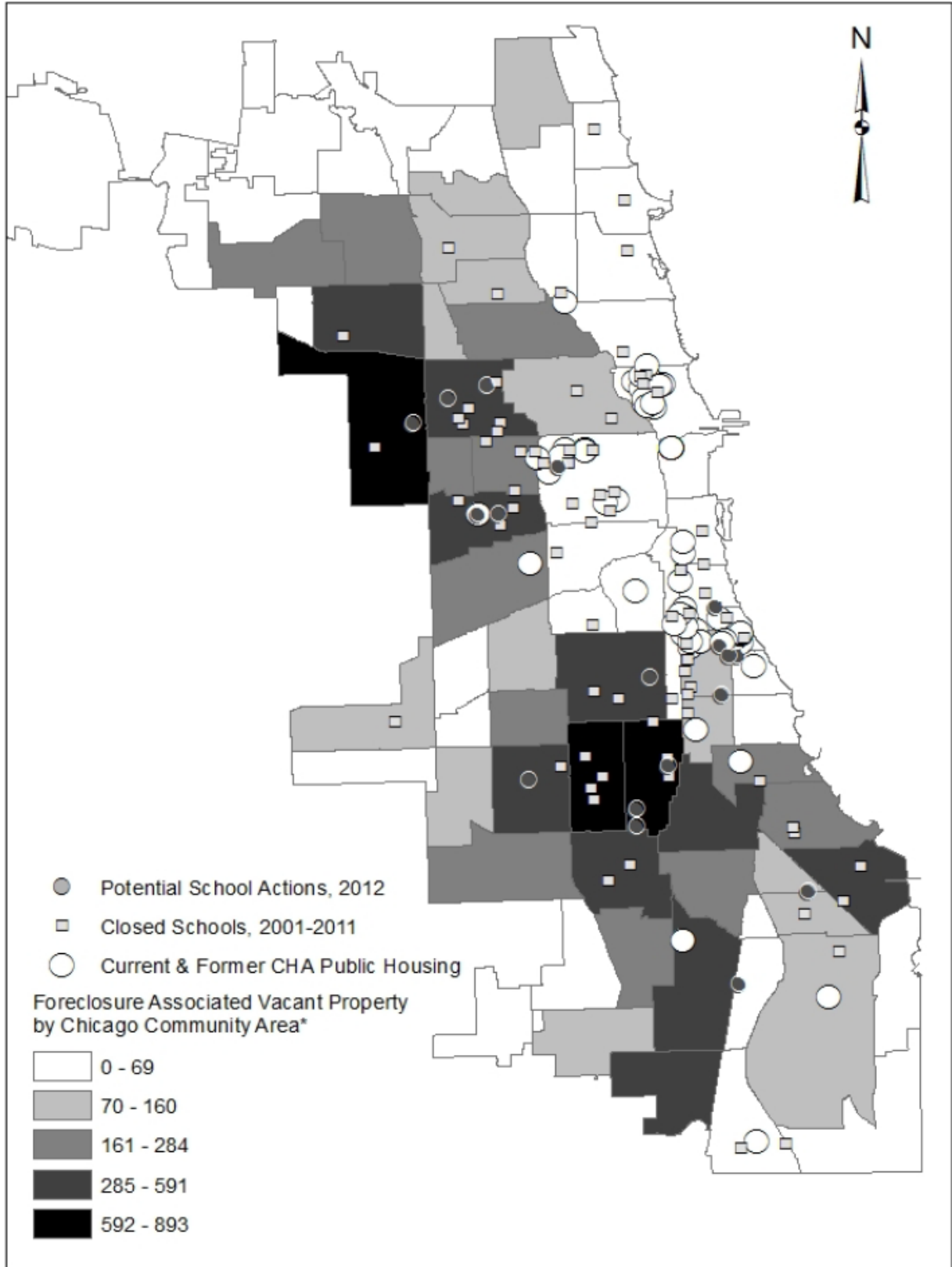
7. CTA bus routes relative to CHA Public Housing developments, 2012



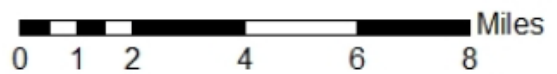
8. Quality of Chicago Public Schools and location of CHA public housing, 2011



9. School closing (past and proposed) relative to CHA Public Housing and Foreclosure, 2012



* Source: Woodstock Institute, 2011



APPENDIX C

Summary Tables of Recommendations by Overarching Issue Area

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CHA Plan 2.0 - Summary of REAL ESTATE /DEVELOPMENT - Issues, Recommendations and Best Practices

How CHA can better incorporate private real estate principles, maximize land assets, and address the unmet demand for housing?

REVISED: August 20, 2012

<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices</i>
REAL ESTATE/DEVELOPMENT		
<i>Mixed-Income Mixed Finance Housing</i>		
<p>A. Inability to move forward with traditional for sale component due to existing market conditions.</p>	<ol style="list-style-type: none"> Analyze existing housing need by community, i.e., data from the City’s consolidated plan along with independent third party market studies, to determine all future mixed-income development planning. Use this information to determine the most appropriate income mix within these proposed developments. <p><i>Rationale:</i></p> <ul style="list-style-type: none"> <i>Due to the number of Chicago renters who earn under \$35,000 who are cost burdened, there is an overwhelming need for mixed-income communities comprised of public housing and affordable housing units and serve residents with incomes between 0% and 80% AMI.</i> <i>There is not an unlimited pool of market rate renters.</i> <ol style="list-style-type: none"> Establish the following priorities for redevelopment efforts to create mixed-income units: 1) rehabilitation and reconfiguration of existing CHA units, 2) acquisition and rehab of other properties as proposed under the Property Investment Initiative, and 3) new construction. <p><i>Rationale:</i></p> <ul style="list-style-type: none"> <i>Not enough financial resources to pursue a new construction strategy to complete remaining developments.</i> 	<p><u>Charlotte Housing Authority:</u> Creates mixed-income communities by focusing on 1) rehabilitation of existing developments, especially those in opportunity areas; 2) acquiring and/or rehabbing properties in opportunity areas to reduce overall development costs; 3) selling current PHA assets and utilizing funds to construct units in opportunity areas.</p>

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	<ul style="list-style-type: none"> • <i>Rehabilitation strategies are more cost effective than new construction; as a result more replacement units can be completed given reduced overall funding levels.</i> • <i>Chicago is the 4th most costly market for new construction.</i> 	
<p>B. Absence of alternative homeownership options.</p>	<p>3. Utilize alternative homeownership models, i.e., co-ops, mutual housing associations, lease purchase, land contracts, community land trusts, etc. for both market rate, affordable housing and public housing units.</p> <p>4. Expand Choose to Own to allow purchases with land contracts, lease purchase, etc. Request waivers from HUD as required.</p> <p><i>Rationale:</i></p> <ul style="list-style-type: none"> • <i>More than 50% of homeowners earning up to \$75,000 are cost burdened.</i> • <i>There is not an unlimited pool of market rate homebuyers.</i> • <i>Alternative homeownership models must be utilized to move any of the for-sale phases of the developments forward.</i> • <i>The market is probably not going to rebound to past levels since this model was built on fraudulent activity.</i> 	
<p>C. Lack of larger units (3 or more bedrooms) to accommodate families.</p>	<p>5. Limit new developments to 3 stories or less or rescind CHA's policy regarding 3 bedroom units over the third</p>	

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<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices</i>
	<p>floor to increase the number of larger family units. Obtain waiver from HUD as required.</p> <p><i>Rationale:</i></p> <ul style="list-style-type: none"> • <i>Decreases cost of construction, specifically infrastructure costs for enclosed parking and elevators.</i> 	
<p>D. Proposed changes in income mix, i.e., ratio of market rate to public housing (80%/20%) and elimination of affordable units.</p> <ul style="list-style-type: none"> • The 80% market/20% public housing model does not appear to be feasible for Chicago. This model typically works in very high cost areas, such as New York, where market rate rents are over \$2,000 per month. 	<p>6. Where viable, increase the number of market rate and affordable units without decreasing or demolishing the number of existing public housing stock.</p> <p><i>Rationale:</i></p> <ul style="list-style-type: none"> • <i>Will increase the percentage of public housing units to affordable and market rate units within a development. At current policy, one would need to construction 2 units for every 1 unit of public housing, which is probably not feasible on most sites.</i> 	<p><u>San Francisco Housing Authority:</u> Creates mixed-income communities by employing a redevelopment strategy of; 1) one-for-one replace of public housing units within a mixed-income community that includes below market rate and market rate homes; 2) Creating mixed-income communities by adding to existing public housing units.</p>
<p>E. Difficulty serving prospective renters or buyers between 31% and 80% of AMI, i.e., \$22, 740 and \$60,650 for a family of four) without subsidies.</p> <ul style="list-style-type: none"> • Renters in affordable units are cost burdened (paying more than 35% of the income toward housing related expenses) creating turnover. • Increasing use of Section 8 vouchers to fill vacancies in affordable units. 	<p>7. Lower rent levels and sales prices with various vehicles, i.e., tiered rent structure, mortgage rate buy-downs, to make units affordable to those between 31% and 80% of AMI, (i.e., \$22, 740 and \$60,650 for a family of four). For example, tiered rents for a three bedroom apartment could be set at or below the following four tiers, (30% - \$568, 40% - \$758, 50% - \$948, 60% - \$1,137)</p> <p><i>Rationale:</i></p> <ul style="list-style-type: none"> • <i>Since CHA typically targets families with incomes</i> 	<p><u>Madison County Housing Authority:</u> Creates mixed-income communities including public housing units, multiple income layers for tax credit units and market rate units.</p> <p><u>USA Properties Fund, Roseville CA:</u> Develops mixed-income communities with 80% affordable and 20% market rate and multiple income layers for tax credit units and market rate units.</p>

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	<p><i>below 30% of AMI, affordable units priced at lower fixed rent levels will enable families with incomes over 31% AMI to remain in the community as their income rises and decrease rent burdens.</i></p> <ul style="list-style-type: none"> • <i>If tax credits are used, once a residents income increases over 140% of median before tax benefits are lost.</i> 	
<p>F. CHA’s definition of an opportunity area, where less than 24.9 % of residents live in poverty needs to be revised.</p>	<p>8. Redefine opportunity area as communities with quality housing, access to employment, transportation, and other amenities.</p> <p>9. Utilize project based vouchers to create mixed-income communities in opportunity areas.</p> <p><i>Rationale:</i></p> <ul style="list-style-type: none"> • <i>PBVs in existing units are more cost effective than the rehab or construction of hard units.</i> • <i>Most properties that utilized PBVs under old HUD insured multifamily programs have remained stable over the long term. Some higher income residents have been forced out due to the requirement to pay 30% of their income toward housing related expenses. This could be rectified by setting maximum rents at or below market rate levels.</i> • <i>Must give priority to returning residents.</i> <p>10. To the greatest extent possible, retain ownership of</p>	

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<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices</i>
	<p>public housing sites that have been demolished in opportunity areas and prioritize the development of public housing replacement units on the original footprint of these sites.</p>	
<p>G. Excessive total development costs</p>	<p>11. Consider setting limits on return on investment, developer’s fees, etc. to reduce overall development costs.</p> <p>12. Employ a “green housing” redevelopment strategy in both new construction and rehabilitation.</p> <p><i>Rationale:</i></p> <ul style="list-style-type: none"> • <i>A green strategy would reduce costs and improve long-term viability. This strategy can also leverages additional financial resources through participation in voluntary carbon markets in which green would provide valuable offsets and potential revenue, e.g. New York Public Housing Authority and Indianapolis Housing Authority. In addition green housing development strategy provides new employment opportunities for residents through development of resident operated social enterprises and or worker-owned cooperatives in businesses such as energy retrofit, solar panel installation, greenhouses, e.g. California Public Housing Authority, New York Public Housing Authority, Evergreen Cooperative in Cleveland, Ohio, etc.</i> 	<p><u>Indianapolis Housing Authority:</u> Installed solar panel farm as part of \$10 million renovation of Laurelwood Apartments. Power generated will be sold by the PHA to Indiana Power and Light.</p>
<p><i>Traditional/Scattered Sites/Senior Housing</i></p>		
<p>H. Redevelopment</p>	<p>13. Work in conjunction with the CAC to create and monitor</p>	

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<ul style="list-style-type: none"> • CAC not directly involved in discussions regarding future plans for traditional housing properties. • CAC not consulted on certain orders entered in the Gautreaux litigation. • Vacant and boarded units awaiting renovation work, although CHA has indicated that rehabilitation of all scattered sites units has been completed. 	<p>implementation of a capital improvement plan every 3 to 5 years focusing on existing family developments and scattered site developments, which are vacant and boarded.</p> <ul style="list-style-type: none"> • Work with CHA to assess market demand for units by community area and waiting list. • Identify potential funding sources for each potential development site. • Create long range capital improvement planning committee of the CAC that will establish priorities for proposed redevelopment given funding limitations and make recommendations to CHA board of commissioners. 	
<p>I. Quality of construction at rehabilitated units</p> <ul style="list-style-type: none"> • Improve quality of inspections of the rehabilitation of traditional, scattered site, and senior units • Complete a review to determine quality of rehabilitation work completed at senior units, scattered sites and other family units. • Work with CAC to assess completed work and target future federal funds to address issues associated with prior rehabilitated units. • Gut rehabilitation not completed, i.e., upgrade of heating, plumbing and electrical systems. Rehab work more cosmetic in nature. • Recent contracts awarded to Old Veterans Construction for work at Sullivan Apartments and Slater Apartments. 	<p>14. Revise procedures for contractor selections and monitoring of rehabilitation work.</p> <ul style="list-style-type: none"> • Expand bid evaluation criteria for contractor selection to place equal emphasis on past performance, price, and quality of work. • File lawsuits against contractors for latent defects which occur after expiration of the warranty period. • Prohibit contractors with poor performance from bidding on future work. • Retain independent third party inspectors to monitor construction and approve payments during rehabilitation and redevelopment. • Use IHDA’s model and issue an RFQ and create an approved vendor’s list of inspectors to avoid going through procurement for each assignment. 	<p><u>New York City Housing Authority</u> Through the Construction Management/BUILD program, the NYCHA retains the services of construction management firms to provide pre construction, construction management, and subcontractor pre-qualification for major capital projects. There is also a separate Vice President for Quality Assurance within the Capital Projects division of the NYCHA.</p>

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J. Senior Housing	<p>15. Preserve existing senior housing developments as public housing units.</p> <ul style="list-style-type: none"> • Work with private property management firms to insure uniform screening criteria at all senior developments. • Explore conversion of a portion of the senior housing portfolio to assisted living or supportive living facilities to distinguish units from HUD Section 202 developments. • Provide on-site supportive services to residents with mental disabilities. • Require senior who are raising children to transfer to family developments. • Explore conversion of a portion of the existing family housing developments into "grandfamilies" housing facilities. 	<p><u>Miami-Dade Housing Authority.</u> Secured Medicaid funding to convert Helen Sawyer Plaza , a 104 unit building, into an assisted living facility with renovated apartments with full kitchen with resident dining area, community room, administrative offices and maintenance staff area.</p>
J. Housing for youth and ex-offenders	<p>16. Continue provision of project based vouchers to permanent supportive service housing providers.</p> <ul style="list-style-type: none"> • Establish preferences for permanent supportive service housing providers which server ex-offenders and mentally challenged. • Give priority to residents with special needs, who are currently housed within existing CHA developments, to transfer to permanent supportive housing facilities. 	
<i>Site Specific Issues</i>		
<p>LeClaire Courts Replacement Units</p> <ul style="list-style-type: none"> • Expedite construction of public housing units using 	<p>17. Commence redevelopment of public housing replacement units at LeClaire Courts.</p>	

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Issues	Recommendations	Best Practices
<p>capital funds ASAP.</p> <ul style="list-style-type: none"> Notify LeClaire Working group of any changes to the plans as agreed upon. 	<ul style="list-style-type: none"> Explore possibility of developing single family rental property, which can be converted to homeownership at a future date. If any portion of the existing site is disposed of through sale or land swap for commercial usage, use proceeds for new construction of on-site public housing units. Work with local nonprofit housing developers to secure public housing replacement units within their developments. 	
<p>Ickes Replacement Units</p> <ul style="list-style-type: none"> Include a sufficient number of public housing units in the redevelopment plan to accommodate all Ickes 10/99 residents who retained the right to return under the Relocation Rights Contract. Request timetable for construction start Expedite construction of public housing units. Revisit involvement of BPI in new development. 	<p>18. Expedite redevelopment of public housing replacement units at Harold Ickes.</p> <ul style="list-style-type: none"> Provide public housing units on the original footprint of the site. If any portion of the existing site is disposed of through sale or land swap, use proceeds or land a) to construct additional public housing replacement units on other sites within the immediate area, b) acquire blocks of condominium units in South Loop to create replacement housing under Property Investment Initiative, and c) create comprehensive support services for returning residents. 	
<p>Cabrini Rowhouses</p> <ul style="list-style-type: none"> Retain contractor to expedite second phase of rehabilitation 	<p>19. Complete the rehabilitation of the Cabrini Rowhouses and create public housing and affordable units for residents earning less than 80% of area median income, (i.e., \$60,650 for a family of four).</p> <ul style="list-style-type: none"> Complete gut rehabilitation of existing structures and 	

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	<p>create public housing and affordable units for residents earning less than 80% of area median income, (i.e., \$60,650 for a family of four).</p> <ul style="list-style-type: none"> • Provide pure public housing units for families earning less than 80% of area median income with a right to return. • Create a tiered rent structure to make units affordable to low income families earning between 31% and 80% AMI, (i.e., \$22,740 and \$60,650 for a family of four)without rental subsidies and enable households whose income exceed 80% AMI, i.e., greater than \$60,650 for a family of four, to remain in development. For example, rents for a three bedroom apartment could be set at or below the following four tiers, (30% - \$568, 40% - \$758, 50% - \$948, 60% - \$1,137) • Reconfigure existing units to reduce density, create larger family oriented units (3 Bedroom units), create green space and play areas. • Leverage CHA capital advance dollars with other financing sources, bonds and 4% low income housing tax credits to complete rehabilitation. • Utilize additional vacant parcels throughout the Near North Redevelopment area to bring back additional public housing units. 	
<p>Lathrop Homes</p> <ul style="list-style-type: none"> • Obtain list of Lathrop Homes buildings that CHA has determined as of /3/11 cannot be rehabilitated. 	<p>20. Complete rehabilitation of Lathrop Homes and provide a majority of public housing units with some affordable set</p>	<p>Charlotte Housing Authority (See above)</p>

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Issues	Recommendations	Best Practices
<ul style="list-style-type: none"> • Obtain list of any Lathrop Homes buildings that CHA has identified as building that CHA is and or will recommend to be rehabilitated, • Request copy of any report or notice issued by the City’s Building Department that identifies of list building code violations • Retain Contractor to expedite rehabilitation on some public housing units this year approx. 250. • Lathrop Community Partners selected as developer without consent of the LAC. • Working group moving forward with plans to create a mixed-income community of 1,200 units including 400 units each of public housing, affordable, and market rate housing even though consensus was not reached with the LAC. • No clear direction on number of rental and for-sale units. 	<p>asides.</p> <ul style="list-style-type: none"> • Complete gut rehabilitation of existing structures and provide a majority of public housing units with some affordable set asides. Reconfigure existing units to reduce density, create larger family oriented units (3 and 4 Bedroom units) and incorporate green and sustainable features... • Set rents significantly below market rates to be affordable to families earning between 31% and 80% of AMI (i.e., \$22,740 and \$60,650 for a family of four) without rental subsidies. For example, rents for a three bedroom apartment could be set at or below the following four tiers, (30% - \$568, 40% - \$758, 50% - \$948, 60% - \$1,137). • Leverage CHA capital advance dollars with other financing sources, bonds and 4% low income housing tax credits to complete rehabilitation. • Provide residents with an option to purchase. 	<p>San Francisco Housing Authority(See above)</p>
<p>Henry Horner Superblock</p> <ul style="list-style-type: none"> • Rescind pending proposal to restructure the Homer Superblock as requested by the Horner LAC and plaintiffs in the Horner Consent Decrees • Work with Horner LAC and Horner Plaintiff to address concerns through other means which do not include demolition of any public housing units or the permanent relocation of public housing residents. 	<p>21. Complete rehabilitation of existing structures and maintain unit mix of 50% very low income for resident earning between 0% to 50% AMI, (i.e., less than\$37,500 for a family of four) and 50% low income for residents earning between 50% - 80% AMI, (i.e., between \$37,500 and \$60,650).</p> <ul style="list-style-type: none"> • Explore alternative housing options for residents who currently reside in development but earn more than 	

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	<p>80% AMI. If they prefer to remain in development, they should be allowed to stay. Once unit is vacated, it will be filled with either low or very low residents.</p> <ul style="list-style-type: none"> • Create tiered rent structure to make units affordable to low income families earning between 31% and 80% AMI, (i.e., \$22,740 and \$60,650 for a family of four) without rental subsidies and enable households whose income exceed 80% AMI, i.e., greater than \$60,650 for a family of four, to remain in development. For example, rents for a three bedroom apartment could be set at or below the following four tiers, (30% - \$568, 40% - \$758, 50% - \$948, 60% - \$1,137) • Leverage CHA capital dollars with other financial sources, bonds and 4% low income housing tax credits to complete rehabilitation. 	
<p>Altgeld Gardens</p> <ul style="list-style-type: none"> • Retain contractor to complete redevelopment plan for Phase 5 of 786 units. • Funding of remaining rehabilitation work • Poor quality of completed rehabilitation work in previous phases by Walsh Construction • Extreme dissatisfaction with property management firm, East Lake Management. • Status of Town Center development • Lawsuits (Environmental, Walsh Construction – Section 3) 	<p>22. Complete redevelopment plans for Altgeld Gardens.</p> <ul style="list-style-type: none"> • Explore the possibility of created resident controlled housing, cooperative, mutual housing association, etc. to lease property from CHA and operate. • Include full service grocery store in first phase of Town Center development. • Retain current temporary asset manager from CHA (Lewis) • Conduct physical needs assessment or property inspection of completed phases to determine latent defects. 	

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	<ul style="list-style-type: none"> • File a lawsuit regarding latent defects against Walsh Construction. • Work with CHA to evaluate performance of property management firm and staff every 6 to 12 months. 	
<p>Lake Parc Place</p> <ul style="list-style-type: none"> • Poor quality of completed rehabilitation work by Habitat. • Gut rehabilitation not completed, i.e., upgrade of heating, plumbing and electrical systems. Rehab work more cosmetic in nature. • Recent contract awarded to Old Veterans Construction for ADA work. • Construction payout meetings have been cancelled. • Working group meetings have been cancelled. 	<p>23. Address construction quality issues at Lake Parc Place.</p> <ul style="list-style-type: none"> • Conduct physical needs assessment or property inspection of completed phases to determine latent defects. • File a lawsuit regarding latent defects against contractor. • Retain independent third party inspector to monitor construction and approve payments during renovation. 	
<p>Rockwell Gardens</p> <ul style="list-style-type: none"> • Poor quality of completed work by East Lake Management • Evidence of mold. • Conflict of interest due to East Lake serving in two capacities, as developer and property manager. 	<p>24. Address construction quality issues at Lake Parc Place.</p> <ul style="list-style-type: none"> • Conduct physical needs assessment or property inspection of completed phases to determine latent defects. • File a lawsuit regarding latent defects against contractor. • Conduct mold inspection to determine the extent of damage and the proper steps for remediation in order that tenants are not exposed to related health hazards. • Retain independent third party inspector to monitor construction and approve payments during 	

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<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices</i>
	<p>renovation.</p> <ul style="list-style-type: none">• Review potential conflicts of interest when the Developer also serves as the property manager. To this end, CHA should evaluate this practice and discontinue to ensure ongoing accountability and responsiveness to tenant complaints.	

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CHA Plan 2.0 - Summary of HOUSING REFORM/PROGRAM OPERATIONS - Issues, Recommendations and Best Practices

What reforms to internal operations and rent structure will make CHA more sustainable, efficient, and effective?

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<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices</i>
HOUSING REFORM/PROGRAM OPERATIONS		
<p>A. Resident Council representation at CHA Mixed Income/Mixed Finance Developments</p> <ul style="list-style-type: none"> • Resident Council representation at CHA mixed income/mixed finance developments. • Public housing residents and renters regardless of income are not a part of the homeowner and condo associations at the mixed income developments. • Residents leery of Ombudsman Department implemented by CHA to handle public housing resident issues at mixed income developments. • Feeling of isolation amount residents who live in mixed income developments. • Residents who have temporary Section 8s are termed refugees. 	<p>1. Rescind request to HUD for waiver of 24 CFR Part 964 and allow public housing residents at mixed income sites to form a resident council or join an adjacent or nearby resident council.</p> <ul style="list-style-type: none"> • Allow public housing residents in mixed income/mixed finance developments to be full members of an existing CHA recognized resident council. • Mandate establishment of tenant associations with membership open to all renters regardless of income as part of all mixed income developments. Costs would be funded building operations. • Encourage creation of a community association comprised of all residents, both homeowners and renters, to build resident relationships and oversee common areas. • Work with independent third party facilitators to conduct diversity training among residents • Replace ombudsman with local community panels designed to use restorative justice to resolve conflicts within the community. • In all future for sale phases of mixed income/mixed finance developments, all public housing units incorporated into the homeownership phase of the development should be organized as leasehold 	

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	<p>cooperatives or mutual housing associations to provide residents with decision making authority with condominium owners. The co-op or MHA would own the condominium units designated for occupancy by public housing residents. Public housing residents would be shareholders in the co-op and MHA and elect a board of directors to represent their interest. The board of directors would control the votes of the co-op or MHA to determine elect resident representatives to the condominium boards of directors.</p> <ul style="list-style-type: none"> • In future for-sale phases of the developments, restrict the ability of an individual or entity to purchase more than one unit. • Increase the number of for sale affordable housing units through Choose to Own and subsidies provided under New Homes for Chicago and Find Your Own Place. 	
<p>B. Work Requirement</p>	<p>2. Revise the work requirement to include the following:</p> <ul style="list-style-type: none"> • Relax its application and apply it uniformly to applicants at all developments—at a minimum don't use it as an automatic exclusion; • Modify the requirement to account for high-rates of unemployment experienced by City residents; • Improve residents' experience/access to employment services. 	

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<p>C. CHA's One Strike Policy</p> <ul style="list-style-type: none"> • Revisit One Strike Law" as it related to public housing residents • Compare actual One Strike law and CHA's implementation of the policy – Appears to be inconsistent from development to development. • Dismiss One Strike case if resident found innocent in Civil Trial • One Strike cases generated by property management are problematic. 	<p>3. Revisit "One Strike Law" as it relates to public housing residents and inconsistencies in implementation throughout CHA's portfolio.</p> <ul style="list-style-type: none"> • Review recommendations from CAC's legal counsel regarding implementation of policy. Request waiver from HUD regarding policy. • Policy must be adopted uniformly for all mixed income/mixed finance developments (including homeowners and renter regardless of income), traditional developments, and HCV residents. • Mandate that the one strike policy/zero tolerance policy be incorporated into the leases of affordable and market rate renters in mixed income/mixed finance developments. • Mandate that the one strike/zero tolerance policy be incorporated into the initial by-laws and/or land covenant at mixed income developments requiring the condominium boards to issue 10 day notices to terminate residency of a homeowner or sublease is arrested. Failure to do so will result in legal action against the condominium. • All by-laws and rental leases should incorporate language to include an innocent tenant defense clause. That enables the head of household who was not arrested to plead their innocence even if a member of their household is arrested. 	

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	<ul style="list-style-type: none"> • The policy can be further revised to be applicable only to arrests for illegal activities that occur on the premises. 	
D. Occupancy Policy regarding split families	<p>4. Revise occupancy policy regarding split families to reflect the following:</p> <ul style="list-style-type: none"> • Allow resident requested split transfer for relocating families to enable the splitting family the option of receiving a public housing unit or an HCV. • Allow split family transfers for overcrowded families not covered by the Relocation Rights Contract or Post 10/1/99 Relocation Right Contract housing if CHA does not have a unit large enough to accommodate the family. 	
E. Occupancy Policy regarding 2 persons per bedroom regardless of gender.	<p>5. Revise occupancy policy regarding two persons per bedroom regardless of gender.</p> <ul style="list-style-type: none"> • Make formal request to amend ACOP to change occupancy policy to reflect housing occupancy policy of Charlotte Housing Authority (See best practices). • Add following provisions to ACOP: a) Separate bedrooms should be allocated for person of the opposite sex (other than adults who have a spousal relationship and children under age five and b) Separate bedroom may be allocated to minor children with an age difference of eight years or more. 	<p><u>Charlotte Housing Authority</u> General policy assigns one bedroom to two people within the following guidelines:</p> <ul style="list-style-type: none"> • Separate bedrooms should be allocated for person of the opposite sex (other than adults who have a spousal relationship and children under age five. • Separate bedroom may be allocated to minor children with an age difference of eight years or more. • Live in attendants will general be provided with a separate bedroom.

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<p>F. Resident Right to Return Procedures</p> <ul style="list-style-type: none"> • Failure to enforce Relocation Rights Contract • Inconsistencies and/or misconduct in leasing to residents who have lower priorities. 	<p>6. Enforce Relocation Rights Contract.</p> <ul style="list-style-type: none"> • Provide written response to CAC regarding all inconsistencies and misconduct that has been reported to the HUD’s inspector General’s office • Provide funding to CAC to identify, interview, and re-assess all residents with right to return and determine current and desired housing options and to work directly with resident councils to locate residents with the right to return whose contact information is not current. • Enroll those eligible for homeownership into Choose to Own. • Provide vouchers for those who require permanent supportive housing and work with permanent supportive housing developers to secure units. • Where inadequate replacement housing has been constructed, ascertain availability of affordable housing units within the area. Provide vouchers for those willing to locate to housing in existing neighborhoods. • Require developers seeking City assistance, i.e., zoning changes, funding, etc., to provide a to-be-determined percentage of units for public housing residents through PBVs or HCVs. The percentage would be determined by current poverty levels within the neighborhoods 	

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	<ul style="list-style-type: none"> • Place moratorium on any demolition throughout CHA. • Work with families at least one year prior to project completion and occupancy to ensure residents are prepared to meet more stringent tenant selection criteria. • Set up uniform tenant selection criteria/screening procedures and standardized property management practices for all properties whether owned by CHA or private developers. • Limit the number of years that background checks are conducted on families. • Establish preference under right to return for those families experiencing overcrowding of units. 	
<p>G. Rental Structure</p> <ul style="list-style-type: none"> • Income based rents create a disincentive for residents to earn more money. • Flat rents, which are set at current market rate levels in opportunity areas, make it difficult for working public housing residents to obtain affordable housing in the area. • Project Based vouchers have inflated rents in lower income areas 	<p>7. Revise current rental structure to address ongoing concerns with income based rents, flat rents, and project based vouchers.</p> <ul style="list-style-type: none"> • Expand number of affordable housing choices/units for residents with incomes to transition out of public housing units. • Establish a range of public housing and affordable rents within developments at levels that encourage a diversity of incomes and do not create a disincentive to work or increase wages over time. • In high cost areas, impose a flat rent based upon a discounted market rate rent on those families who 	

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<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices</i>
	<p>are employed.</p> <ul style="list-style-type: none"> • Work with mixed income developers in high cost areas to create a wider range of affordable units to accommodate current public housing residents who are paying excessive flat rents due to higher incomes. • Eliminate reconciliation rent payments to mixed-income developers. • Provide pure public housing units as required for families with incomes up to 80% of area median income (up to \$60,650 for a family of four) with a right to return. • Simplify rent calculations to encourage self-sufficiency, i.e. combination of incentives such as escrow accounts, earned income disregards, fewer re-certifications and penalties (e.g., time limits, imputed income, etc.). • Eliminate inconsistencies in how the application of earned income to rents is applied for short term versus long term (hardship) cases. Request waiver from HUD to eliminate the repayment of suspended minimum rent due to a short term temporary hardship. 	
<p>H. Concentration or saturation of subsidies in developments and community areas</p> <ul style="list-style-type: none"> • Use of PBVs/HCVs have inflated rents in certain 	<p>8. Address concentration or saturation of subsidies in development and community areas.</p> <ul style="list-style-type: none"> • Limit use of HCVs in areas with high concentrations 	

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<p>areas and created disincentives to work.</p>	<p>of developments of public housing units or PBVs.</p> <ul style="list-style-type: none"> • Expand use of PBVs in affordable housing developments in higher poverty areas that were previously financed with public subsidies and are experiencing distress. • Re-evaluate the establishment of payment standards to minimize inflated rents for PBVs and HCVs. 	
<p>I. Ongoing Security Concerns</p>	<p>9. Continue to work with the CAC to improve and address security concerns at all developments.</p> <ul style="list-style-type: none"> • Ensure that security cameras are maintained in an operable condition at developments. • Provide video surveillance footage to CAC and LAC representatives in order to address various incident reports • Require contracted security firms to meet regularly with the CAC and LAC representatives to discuss and resolve various security issues at specific developments. • Work in conjunction with CAC legal counsel to re-assess the role of Business and Professional People for the Public Interest (BPI) in decision making regarding non-HOPE VI developments, i.e.,. Cabrini Rowhouses, Lathrop Homes. 	
<p>J. Restructuring of Working Groups</p> <ul style="list-style-type: none"> • Existing structure of Working Groups does not 	<p>10. Restructure Working Groups.</p> <ul style="list-style-type: none"> • Revise memorandum of understanding with 	

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<p>represent the best interest of tenants.</p> <ul style="list-style-type: none"> • Inability to reach consensus on various decisions. • Lack of consistency in decision making process between Working Groups. • CHA representatives at Working Group do not have authority to make decisions and negotiate on behalf of CHA. • Discussions at Working Group regarding specific development issue have been implemented as agency wide policy without further input or feedback from the Working Groups, i.e., CHA will no longer allow 3 bedroom or larger units to be constructed in midrise buildings. 	<p>CAC/LACs regarding structure and decision making of Working Groups.</p> <ul style="list-style-type: none"> • Establish consistent processes and procedures for all Working Group discussions. • Work in conjunction with CAC legal counsel to re-assess the role of Business and Professional People for the Public Interest (BPI) in decision making regarding non-HOPE VI developments, i.e. Cabrini Rowhouses, Lathrop Homes. 	
<p>K. Relationship between CAC and CHA</p> <ul style="list-style-type: none"> • CAC does not participate in internal discussions with staff during the development of ACOP and other policies. 	<p>11. Strengthen relationship between CAC and CHA.</p> <ul style="list-style-type: none"> • Revise memorandum of agreement between CAC and CHA to expand the CAC’s participation in the development of the revised ACOP and other policies and procedures before release for public comment. 	
<p>L. Resident Advisory Board for HCV participants</p>	<p>12. CAC supports the recognition and funding of a resident advisory board for HCV participants.</p>	

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CHA Plan 2.0 - Summary of FUNDING/CHOICE NEIGHBORHOODS - Issues, Recommendations and Best Practices

How CHA can realistically fund future activities, considering reduced funding and shifting funding streams?

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<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices</i>
FUNDING/CHOICE NEIGHBORHOODS		
<p>A. Funding of CAC through Plan for Transformation</p>	<p>1. Continue excess funding for the CAC through the extension of the Plan for Transformation as agreed to by CHA.</p> <ul style="list-style-type: none"> • Increase CAC funding levels from CHA to a minimum of \$1.4 million for duration of the Plan for Transformation. • Reverse transfer of CAC staff to CHA payroll. All CAC staff should be included in CAC budget and paid by the CAC. • Provide additional funding for technical assistance advisors for the CAC. • Secure additional funding to convert LAC offices into Community Resource Centers. • Continue to fund ROSS grants of \$350,000 to engage Family Works at scattered sites. 	
<p>B. Choice Neighborhoods/Other Project Funding</p> <ul style="list-style-type: none"> • Competition for funding between various developments • Need to establish priorities given limited funding sources. 	<p>2. Choice Neighborhoods</p> <ul style="list-style-type: none"> • Establish working partnerships with Chicago Public Schools to address low performing schools around public housing sites in any Choice Neighborhood grant applications; and to ensure that where selective enrollment schools are located near developments, CHA residents are able to have opportunities to attend those schools. • Ensure resident input in the planning and implementation process for Choice Neighborhoods. • Minimize completion for funding between various developments. 	

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<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices</i>
	<ul style="list-style-type: none">• Establish priorities given limited funding sources. <p>3. Other Project Funding Sources</p> <ul style="list-style-type: none">• Use CHA dollars to leverage with other local, state, and federal sources to complete both traditional, scattered sites and senior developments in addition to mixed income sites.• Work with CAC to establish priorities for the submission of various grants to local, state and federal sources.• Consider utilizing New Market Tax Credits for non-residential development, i.e., Altgeld Town Center.• Explore use of grants to promote “green” developments.	

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CHA Plan 2.0 - Summary of SOCIAL SERVICES/WORKFORCE DEVELOPMENT/EDUCATION - Issues, Recommendations and Best Practices

How CHA can most effectively provide services to residents, including voucher holders, to encourage those who are able to achieve economic independence and transition off of housing subsidy?

REVISED: August 20, 2012

<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices/ Examples</i>
Leveraging Section 3 Requirements for Jobs and Business Opportunities for CHA Residents		
<p>HUD Section 3 Letter of Findings of Noncompliance</p> <ul style="list-style-type: none"> • “CHA is not in compliance with its Section 3 obligations related to internal hiring practices.” <p><i>“It does not appear that CHA takes Section 3 into consideration as to its own internal hiring practices. The Department of Human Resources- Talent Acquisition and Recruitment Guide provided by CHA does not address hiring or training of Section 3 residents....there is no numeric goal, guidance, or formalized preference system utilized in connection with CHA’s hiring of Section 3 residents....CHA does not appear to have a Section 3 resident outreach program in connection with its internal hiring and does not correspond with Resident Services, the department that acts as a liaison between contractors and the CHA’s public housing residents.”</i></p> <p><i>–p.9 HUD Sec. 3 Letter of Finding of Compliance and Noncompliance to CHA</i></p>	<p>1. CAC and CHA establish a plan for hiring residents for jobs and internships <u>at the CHA</u>. The plan should include:</p> <ul style="list-style-type: none"> • Numeric goal for how many new CHA employees and interns should be CHA residents. • CAC review of job descriptions for jobs and internships prior to posting. • Minimum requirement that residents are notified at least a minimum number of days prior to the application closing date for jobs and internships. • Minimum requirement that the CAC and LACs are provided with timely and accurate information regarding job and internships in advance of when the CHA posts a job or internship opening. in order to use all of their communications. • Specific notification strategies for residents. • A procedure and timeframe for regular reporting and an independent review compliance with all aspects of the plan. 	
<p>CAC Issue: Inconsistency in Section 3 goals for CHA residents only versus broader community.</p> <p><i>“No position or office is assigned with the task of handling Section 3 issues related to non-public housing “section 3 residents”.–p.9 HUD Sec. 3 Compliance Letter to CHA</i></p>	<p>2. The priority for hiring “Section 3 residents” for job opportunities <u>by vendors/contractors</u> should be: [I’m not sure this is allowed by HUD rule; check the HUD letter]</p> <ul style="list-style-type: none"> • First, current public housing residents or those with the right to return at the development/site where work is being done. • Second, other public housing residents in the city. 	

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<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices/ Examples</i>
	<ul style="list-style-type: none"> • When both the CAC and the LAC confirm that the employer has worked with them to notify residents in the first two categories about job openings and after the employer notifies the CAC and LACs that they cannot find qualified candidates, an employer can recruit from the third and fourth categories. • Third, non-public housing “section 3 residents” that live within five miles of the development/site where work is being done. • Fourth, non-public housing “section 3” residents in other areas of city <p>The OSAM should be given responsibility to work with the CAC and LACs to monitor and report compliance with this policy.</p>	
<p>HUD Section 3 Letter of Findings of Noncompliance</p> <ul style="list-style-type: none"> • “CHA is not in compliance with its Section 3 obligations related to its contracting activities.” • “CHA does not have procedures in place to inform Section 3 business concerns about contracting and subcontracting opportunities.” • “CHA lacks a mechanism to verify the Section 3 status of a given business concern.” <p>Related Issues Identified by CAC:</p> <ul style="list-style-type: none"> • CHA’s failure to provide contracting opportunities to Section 3 businesses. 	<p>3. An independent Organization of the Section 3 Advocate Monitor (OSAM) must be established to provide independent and neutral oversight and transparency for all Section 3 activities. CHA should contract with neutral entity that is given authority and responsibility that is spelled out in a contract with CHA. AT a minimum, responsibilities under this contract should include:</p> <ul style="list-style-type: none"> • With CAC and CHA leadership set Section 3 policy to address compliance issues. • Regular communication (reporting, meetings, etc) with CAC/LACs on section 3 compliance issues. • Monitor and publicly report compliance with all 	<p>Kansas City Creation of Section 3 Office Created a Section 3 office within its City Human Relations dept. to:</p> <ul style="list-style-type: none"> • link contractors with potential employees • alert Sec. 3 business concerns to opportunities for contracting • monitor and enforce compliance <p>Section 3 office was important in ensuring that Section 3 residents were able to access economic opportunities created through local investments during development boom. In 2006, the city met its goal of placing 50 Section 3</p>

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Issues	Recommendations	Best Practices/ Examples
<ul style="list-style-type: none"> • Lack of enforcement over contractors to subcontract with Section 3 businesses. • Lack of enforcement and adequate oversight. • Lack of enforcement over contractors to subcontract with Section 3 businesses. • Inability to address public housing residents’ obstacles to meaningful participation in the Section 3 program. • Lack of accountability and transparency regarding use of educational fund. <p>Relevant content from HUD Section 3 Letter</p> <p><i>“While the CHA had awarded several hundred million dollars in Section 3 covered contracts in the years 2008, 2009, and 2010, it had not awarded any of these contracts to Sec. 3 business concerns.” –p. 1</i></p> <p><i>“The CHA did not conduct any systematic outreach efforts directed to Sec.3 business concerns between 2008 and 2010. Nor did it engage in any efforts to inform its contractors of their Sec. 3 obligations related to their subcontracting activities.” –p. 6</i></p> <p><i>“Several of CHA’s contractors that were interviewed understood their responsibility to hire Sec. 3 residents. However, they were unaware both as to what a Sec. 3</i></p>	<p>section 3 related policies (including, but not limited to: internal hiring at CJC; hiring by vendors; use of the priority categories; etc)</p> <ul style="list-style-type: none"> • Monitor and publicly report use of Section 3 fund • Collect and track all job descriptions and implement a “surprise” monitoring of jobs after hiring to compare posted job description with actual job. Document findings from monitoring and publicly report. • Collect, document and follow up on complaints/requests/etc. related to Section 3 • Serve as Section 3 liaison to/from residents, LACs, CAC and other community members. • Verify and update the existing Section 3 Resident-owned business list and organize it with three categories: those in good standing; those that have ‘paperwork’ problems and need TA; and those that want to start up businesses. • Help vendors to comply and field questions/complaints regarding Section 3. • Conduct outreach to both Section 3 residents and businesses • Conduct regular reviews/audits of compliance with section 3 requirements and report all findings to the public. <p>4. The following accountability policies must be established for failure to comply with Section 3 requirements; they</p>	<p>residents in full-time employment and awarded \$2 million in contracts to Sec. 3 business concerns.</p> <p>This is a national best practice cited by the Center on Budget and Policy Priorities in its recommendations to Congress to require each HUD grantee establish a Section 3 coordinator position, to make Sec 3 residents aware of job openings, facilitate qualification process, and interact with contractors.</p> <p>Decatur, Illinois Housing Authority (DHA) Sec. 3 Coordinator and Subcommittee</p> <ul style="list-style-type: none"> • Established on-site Section 3 Coordinator position, responsible for coordinating communications between DHA internal departments, contractors, Sec. 3 businesses, community members, residents, and resident councils. • Established Section 3 subcommittee: DHA staff, City staff, public housing residents, NAACP, reps. from various employment training organizations. Subcommittee set up Sec. 3 guidelines, program goals, monitoring routines, and training opportunities. Also, representation duties on DHA bid selection team for all contracts. • Integrate employment and training opportunities with social services and case management services. • Results: With regard to the new hire employment opportunities that were associated with Phase I of DHA’s HOPEVI project, a notable 52% went to Section 3 residents.⁷⁹ With regard to contracting opportunities, 15% of the demolition, 16% of the infrastructure, and 30%

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<p><i>business concern constitutes and their obligation to subcontract with them to the greatest extent feasible.” (contractors and private management companies) p.6</i></p> <p><i>“They (CHA managers) stated that CHA’s lack of procedure to verify whether a given contractor was a Sec. 3 business concern constituted an obstacle in and of itself.” –p.7</i></p> <p><i>“Rather than subcontracting with Sec 3 business concerns, contractors are immediately giving to the Sec. 3 Fund at contract execution. Contractor not required to show it was not feasible to meet Sec 3 hiring or contracting goals.” –p.7</i></p> <p><i>“CHA and the contractor negotiate the contractor’s Section 3 obligations at the time that the contract is executed. Therefore, the contractor is not required to make a specific showing that it is infeasible under a given contract to meet the Section 3 hiring or contracting goals.”–p.7</i></p> <p>Currently, CHA does not routinely include Section 3 clause in its bid solicitations and contracts. CHA does not make it clear to contractors that they have an obligation to subcontract with Sec. 3 business concerns to greatest extent possible. CHA contractors are not required to document their efforts to hire or subcontract Sec. 3 residents/businesses.</p> <p><i>“The compliance review established that the CHA does not</i></p>	<p>must be implemented through contracts; and there must be an independent review/audit process. At a minimum, accountability policies should include:</p> <ul style="list-style-type: none"> • Contractors must be required to provide certified payrolls to document Section 3 compliance prior to the disbursement of construction progress payments to the general contractor and to subcontractors. • Withhold funds on various trade line items where the general contractors and/or subcontractors are not in compliance. • Bar general contractors and/or subcontractors who fail to meet Section 3 compliance requirements from bidding on future contracts. • Conduct regular independent review and make findings public. <p>All the accountability requirements must be included in contracts with vendors.</p> <p>5. Require community benefits agreement (CBA)for development projects. At a minimum the CBA must include:</p> <ul style="list-style-type: none"> • Minimum per dollar requirements for hiring CHA residents and for contracting with Section 3 businesses (for example, one resident hired per million spent). • An agreed definition of what counts as a full-time hire 	<p>of the building and administration contracts went to Section 3 businesses.</p> <ul style="list-style-type: none"> • Keys to success: ensure community members (residents, developers, contractors, DHA staff, and advocates) understand Sec. 3 and obligations; include Sec. 3 as part of housing authority’s culture; ensure enforcement is meaningful, including contractor sanctions and suspensions. <p>For a description of the action that Decatur Housing Authority took to obtain contractor compliance with Section 3, see http://www.hud.gov/offices/fheo/section3/compliance.cfm. <i>An Advocate’s Guide to the HUD Section 3 Program, Creating Jobs and Economic Opportunity</i>, National Housing Law Project, 2009</p> <p>http://www.nhlp.org/files/03%20Sec.%203%20Guide.pdf</p> <p>Brooklyn BUILD is a community benefits agreement on a community development project that include residents of local PHA developments.</p> <p>Portland OR incorporates excellent hiring requirements into a community workforce agreement that requires hiring from local training programs. While the agreement concerns publicly-funded energy efficiency projects, it is a best practice for requirements on any publicly-funded projects.</p>

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<p><i>routinely include the Section 3 clause in its bid solicitations and contracts...” p.5 HUD Sec. 3 Compliance Letter to CHA</i></p> <p><i>“CHA and the contractor negotiate the contractor’s Section 3 obligations at the time that the contract is executed. Therefore, the contractor is not required to make a specific showing that it is infeasible under a given contract to meet the Section 3 hiring or contracting goals.”–p.7</i></p> <p><i>“Several of CHA’s contractors that were interviewed understood their responsibility to hire Sec. 3 residents. However, they were unaware both as to what a Sec. 3 business concern constitutes and their obligation to subcontract with them to the greatest extent feasible.” (contractors and private management companies) -p.6</i></p> <p><i>“They (CHA managers) stated that CHA’s lack of procedure to verify whether a given contractor was a Sec. 3 business concern constituted an obstacle in and of itself.” –p.7</i></p> <p>Rather than subcontracting with Sec 3 business concerns, contractors are immediately giving to the Sec. 3 Fund at contract execution. Contractors not required to show it was not feasible to meet Sec 3 hiring or contracting goals.</p> <p><i>“CHA and the contractor negotiate the contractor’s Section 3 obligations at the time that the contract is executed.</i></p>	<p>in order to avoid common loop-holes in hiring.</p> <ul style="list-style-type: none"> • CAC and LAC as signatories. • Procedure for monitoring CBA compliance by the CAC, LAC and/or the OSAM. • Demonstrated support from other relevant community members, including aldermen (for example, as signers to the CBA, or letter of support, or other demonstration). <p>Other elements of the CBA are negotiated for the specific project by the entities that sign the CBA.</p> <p>6. CHA should advocate for improvements to federal policy for Section 3 which can support better Section 3 accountability and implementation in Chicago. The following are recommended by the Center on Budget & Policy Priorities:</p> <ul style="list-style-type: none"> • HUD should offer training to grantees and establish incentives for HUD grantees (CHA) for successful completion of Section 3 implementation. • Include all HUD-assisted tenants in the preference system for Sec. 3. Currently, Sec. 3 gives public housing tenants special preference over other recipients of HUD-funded housing assistance and over other low-income people. And recipients of HUD-funded housing assistance (Sec 8 vouchers, project-based Sec 8 units) do not have preference 	<p>Community benefits agreements use “hours worked” or percentage of project work hours to ensure that residents are actually hired as employees.</p>

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<p><i>Therefore, the contractor is not required to make a specific showing that it is infeasible under a given contract to meet the Section 3 hiring or contracting goals.”-p.7</i></p>	<p>over unassisted low-income residents. CBPP recommends that priority is given to recipients of any form of federal rental assistance, including Sec 8 voucher holders and residents of project-based Sec. 8 units.</p> <ul style="list-style-type: none"> • Revise regulations to use “hours worked” as the test of Section 3 compliance. Currently, regulations specify only that new hires must be “full time employees” and no guidance is provided for when employees must be hired for the project. Nothing prohibits grantees for hiring residents on the final day of the project for the sole purpose of “complying” with the policy. An hours worked standard would require PHAs to verify that residents actually did work for contractors. 	
<p>Other CHA actions to create jobs for residents</p>		
<p>Union rules which eliminate public housing residents from applying for jobs on PHA sites.</p>	<p>7. The CAC, CHA, Mayor’s Office and the Chicago & Cook County Building and Construction Trades Council should establish an agreement that outlines:</p> <ul style="list-style-type: none"> • Specific goals for apprenticeship programs to hire residents who are participating in apprenticeship-prep programs. • Specific outreach activities that the building trades will work with the CAC/LACs to implement. • Participation of the building trades in the development of CBAs • Mechanism to monitor compliance with the 	<p>Oakland Housing Authority Construction Training Partnership OHA focused on assisting residents with gaining the skills to gain construction jobs created by HOPE VI investment. OHA partnered with local construction training umbrella organization, with links to local building trades unions, which were used to recruit participants into pre- and apprenticeship programs and construction jobs.</p> <p>Illinois’ Employment Opportunity Grant Program makes grants to community organizations (many in Chicago) that</p>

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	<p>agreement</p> <p>To support the agreement, the CHA must also:</p> <ul style="list-style-type: none"> • Consider whether any existing contracts for training can better focus on preparing CHA residents for apprenticeship programs. • Maintain an updated list of community organizations that assist local residents to prepare for union-based apprenticeship programs and provide the list to the CAC, LACs, OSAM, the Mayor’s office and the Building Trades Council. 	<p>prepare individuals for union jobs.</p> <p>The Wisconsin Regional Training Partnership is a non-profit in Milwaukee that matches participants of community-based workforce programs with union apprenticeship programs, and is designed to help unions and contractors meet hiring needs required under public contracts (i.e. Section 3; local hiring for school projects; etc)</p>
<p>Resident business development and other job creation strategies (could help to support Section 3 requirements, but also good ideas)</p>	<p>8. Establish a staffing service on a social enterprise model for CHA residents to gain employment experience and prepare for permanent employment.</p> <p>One opportunity is to leverage CHA’s entire purchasing and contracting to establish a ‘CHA In-sourcing Initiative’ and the job opportunities for unemployed residents. To take a comprehensive approach, the following steps must be taken:</p> <ul style="list-style-type: none"> • Assess of the number and types of jobs created by procurement contracts across the entire CHA. • Set a five-year goal that would result in at least 70% (for example) of all the entry-level jobs being filled by unemployed CHA residents. The goal could be phased in over the five year period (i.e. 30% first year, 40% second year, etc). 	<p>Civic Staffing, Chicago Civic Staffing is staffing company and social enterprise with 40 years of staffing industry experience in many industries: light manufacturing, service, maintenance, construction, etc. They also have experience employing CHA residents through the Opportunity Chicago initiative.</p> <p>Evergreen Cooperatives are worker owned cooperatives in Cleveland Ohio that were developed as the result of a community development strategy (Greater University Circle Initiative) with both major public and private institutions in the target neighborhood (they are referred to as “anchor institutions”). The strategy included a focus on increasing economic opportunity and resulted in the creation of three worker-owned cooperatives that leverage the procurement of the anchor institutions. The businesses are in the</p>

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	<ul style="list-style-type: none"> CHA contract with an experienced, non-profit, staffing firm (with a mission aligned with resident success) to manage: recruitment, hiring, assignments, work evaluation, reporting, compliance; and to help residents secure permanent full-time work. In addition to staffing service for procurement contractors, contract would outline permanent employment goals that must be reached for residents that use the staffing service. The staffing entity could also serve as a referral resource to other CHA contractors seeking qualified section 3 residents for hiring. <p>On a smaller scale, industry-specific community-based social enterprises that hire CHA residents can be partnered with in the community or created (as a resident business, for example). Opportunities for deconstruction, landscaping, and building maintenance already exist in Chicago to partner with or be modeled after. Building retrofits for energy efficiency is another area that is growing.</p> <p>9. The CAC, LACs and CHA should establish a business development strategy to promote and increase the number of resident-owned businesses. At a minimum the strategy should include the following components:</p>	<p>following areas: Evergreen Cooperative Laundry; Ohio Cooperative Solar; and Green City Growers Cooperative.</p> <p>Deconstruction is an emerging industry and there are local and national examples of deconstruction trainings and social enterprises. In Chicago, a partnership between Delta Institute and OAI, Inc. trains individuals and places them in local deconstruction jobs. The industry is small, but if CHA were to commit deconstruction in their building/redevelopment practices the market would grow.</p> <p>There are a number of community-based social enterprises in Chicago that can be leveraged, including Civic Staffing; Inspiration Kitchens, and Cleanslate.</p> <p>CHA’s Family Self Sufficiency program includes an escrow savings account, in which an amount equitable to their monthly rent increase (due to increased household income from wages) is set aside each month. When participants meet goals and graduate from program, eligible to receive payout of the escrow accrued. We don’t know how this is working.</p> <p>New York City Resident Economic Empowerment and Sustainability (REES) “Zone Model”: place-based service coordination model provides financial literacy/asset building and resident business development services. REES is</p>

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	<ul style="list-style-type: none"> • Establish a fund for loans and direct grants for start up costs for resident-owned businesses. Sources of funds should come from Section 3 penalties that are collected by the City for section 3 requirements overseen by other city agencies. • Contract with an outside entity to provide business development services for CHA residents. Rebid RFP No. 10-00648 Section 3/Resident Owned Business Program, where the CAC-designated representatives comprise at least one third of the selection committee. • Resident Management Companies • Review of service needs at CHA developments for business opportunities, and work with interested residents who want to start a business to provide any of those services; examples include: building maintenance; landscaping; security; and security camera monitoring. • Promote Family Self-Sufficiency program to residents as a strategy to save for business start-up; provide match resident savings (1-1) from the fund recommended above. • Work with residents to establish worker-owned cooperatives that can be vendors to CHA. CHA should recruit other institutional partners near CHA Developments to maximize the business and employment opportunities for CHA and other 	<p>launching a resident business development functional area. Seeking to expand partners to include providers who support resident business development creation.</p> <p>Seattle Tenant Trust Accounts</p> <p>Massachusetts MTW: MTW focuses on stipend to assist with monthly rent; flexible supports budget and individual escrow. Supports budget (deposit rental subsidy funds not used for rent/escrow account) used for services and goods- daycare, trans., car repair, etc. (Moving to Work Promises Practices, HUD.gov, p3)</p>

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	community residents (other institutions could be public—i.e. CPS, CCC—or private—i.e. a local hospital or educational institution)	

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<i>Reform of Resident Services</i>		
<p>Family Works issues identified (that also apply to other resident services)</p> <ul style="list-style-type: none"> • Many residents don't know about the services that are available: summer jobs; transitional jobs; city college tuition; Family Works; etc. There's no requirement/accountability for FW providers to tell people what is available. • Inconsistency in quality of services: not every organization is good at all of the services they are supposed to provide • Inappropriate or inadequate matching of services to resident needs. • Services run by management companies – inconsistent reputation • Return on annual \$26m investment in Family Works not clear to residents: lots of "certificates" and "temporary" jobs, but few permanent jobs that result in a family's budget being better and/or an opportunity for an individual to work at a job that improves their housing development. • In some cases expenditures for Family Works contracts displaced services provided by LACs and, in turn, jobs for residents; at the same time FW contractors continue to rely on volunteer work (information, etc) by LACs • Motivation/Incentives to participate in services limits 	<p>1. CAC, LACs and CHA develop a resident-led "Resident Services" approach and re-purpose the use of funding that is currently spent on Family Works.</p> <p>The basic framework for reorienting the \$26 million investment should be:</p> <ul style="list-style-type: none"> • Create <i>joint oversight and leadership</i> between the CHA/CAC for resident service strategies—both the re-purposing of the \$26 m spent on FW and other resources. • Funding for <i>site-based coordinators</i> to be hired by CAC/LACs who provide information and referrals for residents about/to appropriate services and employment opportunities that are available through CHA. • Funding and technical assistance for <i>residents to establish businesses</i>, particularly businesses that can provide improved services at CHA developments (i.e. building maintenance, landscaping, security, etc) and that are required to hire residents. • <i>Service strategies that have proven to help residents get into permanent living wage employment.</i> For example, current funding for training CHA residents for building maintenance could be continued, but should be directly connected to preparing people for jobs at: resident-owned business; other CHA vendors; 	<p>Site based coordinators: previous practice</p> <p>Resident businesses:</p> <p>The Neighborhood Job Start grant program in Summer 2010 focused a number of grants on youth and CHA received funding. As will other programs, CHA was delayed in recruiting and serving young people.</p> <p>CHA Learn and Earn provides youth, ages 13-15, with academic enrichment, career exploration, field trips in the summer</p> <p>NYCHA Fatherhood Initiative: The goal of the NYCHA Fatherhood Initiative is to provide an atmosphere within NYCHA Community Centers in which fathers can gain parenting skills and sustainable life skills while participating in an array of cultural, educational, recreational and social events which foster engagement between dads and their children. NYCHA is in the early stages of implementing an Early Literacy component to the fatherhood initiative. This component will feature literacy skills and reading technique training for fathers who participate in the workshops with the intention of enabling them to employ these methods as they</p>

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<p>their effectiveness</p>	<p>and/or in union apprenticeships.</p> <ul style="list-style-type: none"> • <i>Service strategies that have proven to help residents improve skills that prepare them for post-secondary education</i> programs that result in a marketable credential, including associates' and bachelors' degrees. For example, literacy programs that are tied to real work experience and have financial incentives (i.e. stipends or pay wages) have shown to be successful in terms of both literacy gains and program completion and retention. If there is less funding for services, the focus should be on young adults and heads of household that lack the literacy/math skills to succeed in post-secondary programs (whether degree or credential). • Resources for <i>youth programming</i>, including financial assistance to families to pay for: after-school programs; summer programs; and costs of private high schools for 8th grade graduates and high school students; recreation services at every development; and services that are coordinated by CPS to engage high school students in college prep, gifted programs, and opportunities for secondary/post-secondary co-enrollment. • Resources for <i>development-specific family initiatives</i>, including: events for fathers and families; coordination between LACs, local community groups and local fatherhood initiatives, such as Fathers, 	<p>read to their children.</p> <p>Opportunity Chicago TJ programs</p> <ul style="list-style-type: none"> • Approx. 1800 residents participated • 70% placed into subsidized jobs and 80% transitioned to unsubsidized employment • 91% 30-day employment retention and 62% one year retention (Sept 2006-June 2011). • Employment in health care/social assistance; administrative services; retail; accommodation and food services <p>Opportunity Chicago TJ Literacy Pilot (2011)</p> <ul style="list-style-type: none"> • TJ program with literacy component for residents with reading levels at 6th and 8th grade • 4 program models • Successful reading and math level gains, so residents are prepared to enroll in City Colleges classes

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	<p>Families, and Healthy Communities; and, where identified by the LAC, funding specific services for families.</p>	
<p>City College Tuition Program Work with CAC to revise and improve current City College tuition program to increase the number of CHA residents who can participate in the program.(In 2009-2010, approx. 832 residents enrolled, according to HUD Sec 3 letter)</p> <p>Work with CAC to recruit and hire CHA residents to maximize outreach to CHA residents and increase participation and self-sufficiency through this educational program.</p>	<p>2. Together, CAC/CHA establish agreements between CHA and “sister” agencies of the City:</p> <p><i>With City Colleges of Chicago:</i> There have been changes made to the adult and remedial education programs through the Reinvention initiative. Ensure that CHA residents can access any expanded programs and services that transition students with low basic skills to occupational programs with credentials/degrees: Use funds subject to the inter-governmental agreement for:</p> <ul style="list-style-type: none"> • College tuition for college-ready residents • Testing/materials/books/etc for residents in bridge educational programs • Support services for residents in college level or bridge programs. • Contract with an organization to recruit and hire mentors in the community. • Offset any of the reductions to Pell grants that result from changes in the program. <p>Agreement with CCC must also detail outreach strategies to residents to increase the number of CHA residents participating in the program, as well as, how new</p>	<p>City College Reinvention: bridge programs; wellness centers; Bridge educational programs are a national model for accelerating learning and getting adult learners quickly into credit-bearing coursework. City Colleges of Chicago is currently developing bridge programs in healthcare for every college. Chicago also has strong bridge programs at Instituto del Progreso Latino, Jane Addams Resource Corporation (JARC), Daley College (manufacturing), Erie Neighborhood House, and Central States SER.</p> <p>Opportunity Chicago cross-agency collaboration resulted in a priority of service for CHA residents in public workforce programs funded by DFSS</p> <p>Center for Budget and Policy Priorities recommends that local housing authorities build job training and employment services capacity to facilitate compliance with Sec. 3 and enhance long-term employability of residents. This should be done by partnering with the local workforce system. <i>CBPP report, p11</i></p>

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	<p>“wellness centers” can be accessible to CHA residents.</p> <p><i>With Chicago Public Schools</i> that outlines the following: specific ways that CHA and CPS will coordinate to engage high school students in pre-college programs, including dual enrollment, gifted programs, and other youth internship programs; and how residents of CHA developments can qualify for and access selective enrollment schools in their neighborhoods.</p> <p><i>With the Chicago Department of Family and Support Services:</i> to outline a priority of service for CHA jobseekers and specific outreach strategies by delegate agencies to CHA developments.</p> <p><i>With the Chicago Cook Workforce Board</i> to outline a priority of service for CHA jobseekers and specific outreach strategies by workforce agency and/or its providers to CHA developments.</p>	

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INTERNAL/EXTERNAL COMMUNICATIONS		
<p>A. RESIDENT INPUT INTO PLAN FOR TRANSFORMATION FORMULATION</p> <ul style="list-style-type: none"> • No resident input sought by CHA when formulating the draft plan; Residents only see draft plan when released for public comment period (this applies to Capital Improvements and MTW Annual Plans also). • CHA waits until the very last minute to establish the public comment period and release plan for review; CHA then expects a quick turnaround time on public comments. • Public review comment period is too short; needs to be extended to at least 45 days. • CHA does poor job of marketing the Plan and the public comment period to residents and general public, as well as how comments can be made. 	<ol style="list-style-type: none"> 1. CAC leadership should be involved with formulating Plan 2.0 recommendations and workplans from the beginning. 2. CAC leadership should be involved in any future annual reviews of Plan 2.0, as well as when formulating of MTW Annual Plans and Capital Improvement Plans. 3. CHA should host at least 5 Plan 2.0 public comment meetings in different parts of the city to optimize input from public housing residents - including scattered site and HCV populations - and the general public. There should be translation services provided to those attendees who request it. 4. CHA should lengthen public comment review period for all public comment processes to at least 45 days. (Also applies for MTW annual plans, capital improvements plans, etc.) 5. An independent 3rd party contractor should be hired to document public comments and summarize/interpret key findings. 6. Employ social media to conduct survey and solicit resident feedback, and to communicate Plan 2.0 changes and on-going planning/implementation. 7. Publish in-house newsletter to inform residents of Plan 2.0 changes and progress. 	<p><u>Chicago Municipal Agencies:</u></p> <ul style="list-style-type: none"> • City of Chicago budget hearings are held in multiple locations throughout the city to inform residents and solicit input. • Chicago Transit Authority and Chicago Park District hold public meetings in multiple locations of the city to optimize input from residents. <p><u>San Antonio Housing Authority</u> (Per Yolanda Hotman, Resident Commissioner):</p> <ul style="list-style-type: none"> • SAHA has no grand transformation ongoing, has not installed work/education/drug testing requirements, and in general gives long lead time for new policies and is responsive to residents. She said “residents always have a seat at the table” and cited a recently installed non-smoking policy, for which they gave 6 months notice, and listened to residents’ recommendations on the issue, creating designated smoking areas in response. • SAHA conducts annual customer satisfaction surveys, has refined the surveys over several years, now they can see accurately if things like maintenance improve. • SAHA beginning to use robo calls to increase participation
<p>B. CHA COMMUNICATIONS WITH CAC/LACs/Residents</p>	<ol style="list-style-type: none"> 8. CHA and CAC should work together to jointly select 	<p><u>San Antonio Housing Authority:</u></p>

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<ul style="list-style-type: none"> • CHA does poor job marketing meetings and soliciting input from residents in general. • CHA staff does not provide materials for review ahead of time. • CHA tends to come in with no plans for structured discussion (e.g., no agenda provided). • When materials are provided, they may not be in a form that is easy to understand/digest. • CHA staff does not always model transparency in their communications with CHA residents and CAC/LAC leadership. • Condescending treatment of CAC/LAC members by CHA staff. • CAC/LAC members not always prepared to fully participate. • CHA does not communicate well with residents with respect to their options regarding relocation. • Very difficult for residents to access CHA staff when they need help. Always get voice mail and messages often go unreturned. 	<p>and/or fund a 3rd party facilitator to create communication protocols to make meetings more productive.</p> <p>9. CAC will work with CHA to develop communication protocols for scheduled meetings (e.g., prep meeting with CAC Executive Committee to develop agenda and discuss format for reference materials).</p> <p>10. After every meeting, CHA staff must provide written correspondence to CAC documenting meeting outcomes, decisions and next steps. CAC should respond to confirm accuracy and outline next steps for follow up.</p> <p>11. Develop open system with two-way communication stream between residents/CAC and CHA (need to flush out more – assigned liaison, schedule standing meetings, etc., exercises/discussions to build mutual trust).</p> <p>12. Where appropriate, CHA should audio/video record tenant services meetings, Board of Commissioners and Committee meetings, and make these audio and video recordings available for review on CHA’s website.</p> <p>13. CHA should reinstitute practice of providing written answers to questions raised in tenant services meetings at the following meeting, and also read these responses during the meeting.</p> <p>14. A full listing of CHA Resident Services staff should be distributed with assigned office hours that residents</p>	<ul style="list-style-type: none"> • SAHA CEO has regular monthly meetings with resident leadership with a tight agenda. • SAHA publishes quarterly print magazine for residents • SAHA includes items in monthly rent statement mailings • SAHA publishes a resident handbook • SAHA staff and resident leaders travel together to conferences, relevant events such NAHRO

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	<p>can call them for help. CHA staff should also hold office hours on site at least one day a week to respond to resident requests.</p> <p>15. CHA needs to have a clearer message about relocation and present residents with all available options.</p> <p>16. CHA should identify most appropriate methods to solicit resident input (e.g., resident survey by We The People Media, focus groups, town hall meetings).</p> <p>17. Based on results from 16 above, CHA should use identified methods (e.g. Conduct focus groups and town hall meetings) on a regular basis at key locations throughout the city to solicit input and communicate Plan 2.0 changes and on-going planning/implementation.</p> <p>18. To the extent possible, all written and verbal communications need to be translated into languages that can be understood by the various multi-ethnic populations that reside in public housing, e.g., Russian, Polish, Spanish and relevant Asian dialects.</p> <p>19. Use monthly meetings with CAC leadership to report on progress being made on Plan 2.0, discuss issues and challenges being encountered and work with the CAC to jointly formulate actions to resolve the issues and challenges discussed.</p>	
<p>C. WORKING GROUP MEETINGS AT DEVELOPMENTS</p> <ul style="list-style-type: none"> Print outs of resident occupancy status have been provided inconsistently or no longer provided at all. 	<p>20. Schedule standing meetings with LACs/working groups to review construction, rehab and resident occupancy status tied to contract performance of</p>	<p><u>San Antonio Housing Authority:</u></p> <ul style="list-style-type: none"> To keep planning meetings from drifting onto management issues, SAHA – which isn't doing large scale

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<ul style="list-style-type: none"> • Meetings have been cancelled without any notice given to LAC/residents. • When consensus not reached, CHA does not always incorporate LAC issues and objections into correspondence with HUD. 	<p>developer/property manager.</p> <p>21. An independent 3rd party should be brought into facilitate working group meetings and monitor contract performance.</p> <p>22. CHA should institute penalty fees for contractor non-compliance and failure to conduct meetings as scheduled.</p> <p>23. CHA must incorporate all working group discussions, including LAC objections and issues, into direct correspondence to HUD. The CAC and LAC should also submit correspondence stating objections and issues directly to HUD.</p>	<p>reconstruction - posts names and numbers of key staff in all developments</p> <ul style="list-style-type: none"> • Monthly SAHA board committee meetings are held in the community, especially places “where something has happened.” • SAHA Managers have posted office hours
<p>D. PUBLIC PERCEPTIONS/MEDIA IMAGE</p> <ul style="list-style-type: none"> • CAC misunderstood by and not visible to general public. • Media image and portraits of CHA residents are overwhelmingly negative. • Perceptions of crime in the city often tied to CHA residents. • Misperception that CHA residents are living “for free under entitlements.” • There are negative perceptions of CHA residents held by African Americans who live in communities where CHA residents relocate. 	<p>24. Convene public meeting with CHA and HCV residents, and key stakeholders to present and discuss CAC Plan 2.0 recommendations.</p> <p>25. Develop media strategy in partnership with We The People Media and Community Media Workshop to place human interest stories about CHA residents and circumstances being faced.</p> <p>26. CHA and CAC should work together to produce reports that contain data to combat public misperceptions of CHA residents and their connection to crime (e.g., ¾ of housing subsidies go to new homeowners, highlight # of residents that work, etc.)</p> <p>27. Hold Joint Events with CHA to Re-Brand Image, CHA Seniors Ethnic Festival, Father’s Day Picnics, Mother’s</p>	<p><u>San Antonio Housing Authority:</u></p> <ul style="list-style-type: none"> • San Antonio Commissioner Hotman recommended getting involved in public housing-related groups (NAHRO etc) RATHER than crafting an independent media identity. • Hotman recommended working to develop relationships with senior staff, working through CHA to build relationships with other city agencies, departments.

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How will CHA communicate the changes associated with Plan 2.0 to all stakeholders, including residents and staff?

REVISED: August 20, 2012

<i>Issues</i>	<i>Recommendations</i>	<i>Best Practices</i>
	Day Picnics, Bud Billiken Day Parade.	

APPENDIX D

2012 CAC-Commissioned Resident Survey Conducted By We The People Media: Report Summary and Maps of Survey Locations

2012 Resident Survey

Prepared by We The People Media

8/4/2012

Executive Summary

Methodology

The following survey of public housing residents was conducted both on-line and in print from May 7 through June 1. The Central Advisory Council of Chicago commissioned the survey from We The People Media, a not-for-profit organization which conducts research and operates an on-line news outlet for articles written by residents of low-income communities. Local Advisory Councils in Oakwood Shores, Cabrini-Green Row Houses, Dearborn Homes, Princeton Park, Altgeld Gardens, Lathrop Homes, Trumbull Park, Lowden Homes, Wentworth Gardens, ABLA Homes, West Haven Homes, Washington Park Homes, Scattered Sites and senior buildings throughout the South, West and North sides assisted with distribution and collection of the print version. The on-line marketing strategy included making multiple postings on the Facebook pages for current and former residents from Robert Taylor Homes (6,000 members), Cabrini-Green (1,800 members), Lathrop Homes (600 members), Ickes Homes (590 members) and Ida B Wells Homes (130 members). The marketing campaign received a major boost when Salim Muwakkil urged his listeners on the “Salim Muwakkil Show” on WVON AM to fill out the survey. The survey offered two prizes – a laptop computer and a cash award – to entrants; one resident of a family public housing development and one resident of a senior building were selected in a random drawing conducted on July 12 in We The People Media’s office.

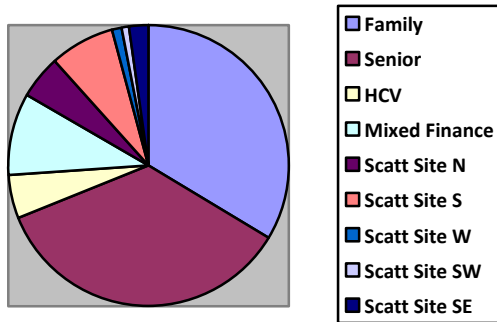
The Respondents

Five hundred and forty-two (542) respondents completed the survey. The overwhelming majority of respondents were public housing residents or former residents from family, senior and scattered site public housing developments as well as mixed-finance developments on the North, South and West sides. A small number of Housing Choice Voucher holders participated in the survey as well. Maps are attached to this summary to show the distribution of respondents.

- The average age of the respondents was 56.8 years.
- 78.0% of respondents were women.

- At Least 79.6% of respondents **were** public housing residents.

The high response rate, geographic distribution, correlation between the demographics of the respondents and the general profile of CHA residents all indicate the survey is an authentic snapshot of the opinions and perspectives of the public housing resident population.



The Plan for Transformation

A major section of the survey was dedicated to the Chicago Housing Authority’s Plan for Transformation and its goals for the city. More than 12 years after the Plan for Transformation was initiated, public housing residents have a vague but positive impression of its effects. On the other hand, residents strongly support the creation of more subsidized housing and more home ownership in the city:

- A surprisingly low number – just 60.0% of respondents – indicated they had heard of CHA's Plan for Transformation.
- Respondents continue to believe the city will benefit from more subsidized housing and more homeownership – scoring more subsidized housing at 7.9 and more home ownership at 7.6 on a scale of 1 to 10 with 1 representing “terrible for the city” and 10 representing “great for the city.”
- Respondents are open-minded about the potential uses of public housing land. Overwhelming majorities indicated support for using the land to create more affordable housing (78%) or to train and employ residents (74.8%) and there was even a majority (60.2%) who agreed that public housing land should be used for commercial businesses. Minorities supported using the land for market-rate rentals (44.4%) and for-sale housing (43.7%).

Services and Training

Respondents were asked a number of questions about services, training and employment. These data challenge prevailing stereotypes and show that residents are motivated to seek out services and proactively create their own opportunities.

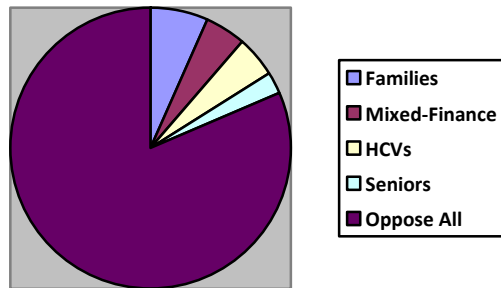
- A strong majority, 60.1%, of resident respondents indicated they wanted CHA services, with 44.8 % of those wanting services reporting that they need help with transportation and 34.4% requesting job search services. Residents also expressed interest in getting help with health care, educational programs, legal services, money management assistance and help starting a business.
- 53.2% of the respondents who identified themselves as women with children in their household indicated they had looked for work in the past year. The average age for these respondents was 41.98 years.
- Just 35.5% of resident respondents indicated they had received CHA services. Almost all of the respondents who received services participated in the Family Works program.
- Residents strongly support the idea of requiring CHA’s contractors to hire residents or partner with resident-owned businesses – 77.1% of respondents agreed with this concept.
- Transportation is a major obstacle for respondents seeking employment. Most respondents indicated they were willing to travel reasonable distances to a job but a large majority, 58.9%, indicated they must work close to a bus line or other CTA facilities.

CHA Policies

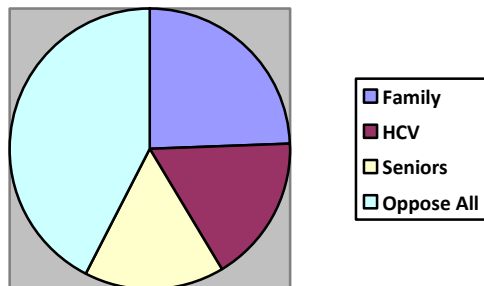
The Central Advisory Council asked We The People Media to gauge residents’ reactions to a number of policies that are being used by the CHA as well as other public housing agencies around the country. In particular, the CAC chartered We The People Media to ask respondents about the potential expansion of drug testing and work/education rules – both of which are currently being used in CHA’s mixed-income developments. In 2011, CHA staff announced plans to expand drug testing and work/education rule requirements beyond mixed-income areas, but the move provoked public protests from residents and

was ultimately rejected by the CHA Board. Resident leaders also wanted to measure reactions to an idea which has not yet been tried in Chicago – term limits, by which public housing residents would have to move out after a set number of years.

- When asked whether public housing residents should be “Required to work or go to school a certain number of hours per month,” respondents gave a mixed review. Close to a majority of respondents, 47.8%, support work/education rules for Family Public Housing residents and 35.2%, support work/education rules for HCV holders, but a large proportion of respondents, 43.9%, oppose work/education requirements for any CHA population.
- The prospect of term limits for any public housing type is extremely unpopular with the respondents. 86.4 % of respondents do not support term limits for any CHA population.



- Drug testing remains a contentious but mostly unpopular policy. Just over one-third of respondents, 33.7%, agree that residents of family public housing should be tested but a strong majority of respondents, 58.2%, do not support drug testing for any resident population.

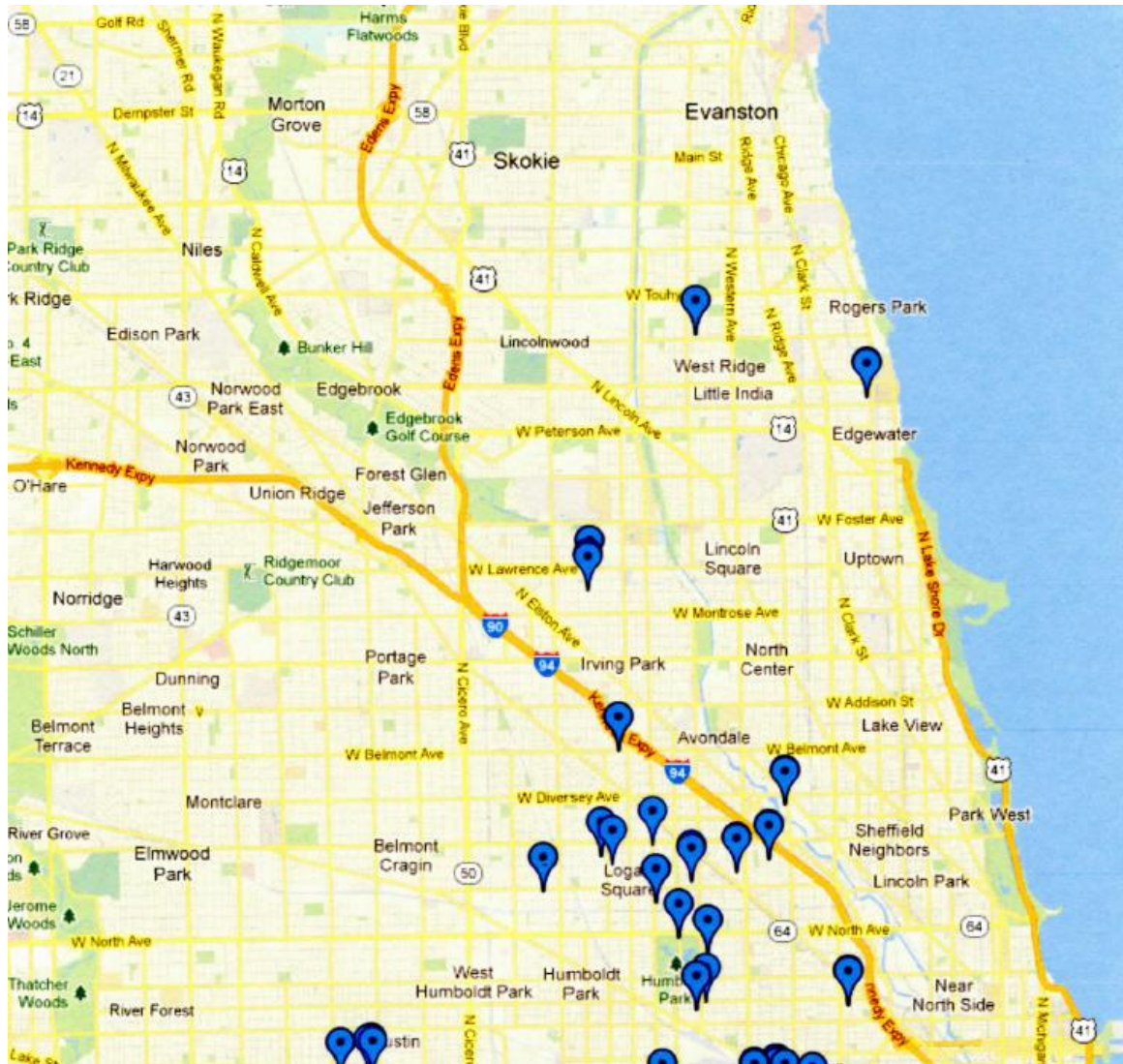


Conclusion

The results of this survey are being shared with key actors shaping the public housing world – residents, elected officials, business leaders, philanthropies and academic institutions as well as media outlets. Resident leaders will use the results to represent their constituencies and inform their conversations with officials at the Chicago Housing Authority, the U.S. Department of Housing and Urban Development and other relevant entities.



Locations of Survey Respondents – Far South



Locations of Survey Respondents – North/ Northwest



Locations of Survey Respondents - All

APPENDIX E

Research Resources: Documents, Site Visits, Interviews, Best Practice

Reference Documents

- www.huduser.org/portal/bestpractices/home.html
- CHA FY2011 Moving to Work Annual Report
- Amended FY 2012 Moving to Work Annual Plan
- Report to Congress, “*Moving to Work: Interim Policy Applications and the Future of the Demonstration*,” Dept. of Housing and Urban Development, Office of Public and Indian Housing, Office of Policy and Research Development, August 2010.
- FY2011 Admissions and Continued Occupancy Policy (ACOP)
- CHA Leaseholder Housing Choice and Relocation Rights Contract
- CHA Comprehensive Annual Financial Report for period ending December 31, 2010
- 2011 Moving to Work Conference Report
- Housing Occupancy Plan for the City of Charlotte North Carolina
- Charlotte Housing Authority Moving Forward Program Early Implementation and Baseline Data Evaluation
- Recommendations of the Resident Participation Focus Group of the Public Housing Administrative Reform Initiative
- Converting Public Housing Developments to Cooperatives: The Experience of Three Developments
- Preserving Public Housing Through Conversion to Long Term Section 8 Housing Assistance Payment (HAP) Contracts
- 24 CFR Part 964 Tenant Participation and Tenant Opportunities in Public Housing
- CHA Plan for Transformation Summary Agreements
- “*CHA Transforming its Plan for Transformation*” by Natalie Moore, WBEZ Public Radio, March 8, 2012
- Public comments to FY2009 MTW Annual Plan to the Amended and Restated MTW Agreement
- National Center on Poverty Law - Comments on CHA’s Plan for Transformation List of Waivers and Requests
- Joint Motion of the Plaintiffs and the CHA to Approve the Renovation of the Horner Superblock
- Plaintiffs Response to CHA’s Motion to Further Implement or Modify the Amended Consent Decree
- Draft Memorandum from CAC to Lewis Jordan on Land Transfer and Rehabilitation of Row Houses
- Center on Budget and Policy Priorities – House Bill could increase Rents for Nearly 500,000 on the Nation’s Poorest Households, February 22, 2012

- Letter from HUD regarding Section 3 Letter of Finding of Compliance and NonCompliance dated January 5, 2012
- CAC Summary of Major Public Housing Issues dated 3/29/11
- *An Advocate's Guide to the HUD Section 3 Program, Creating Jobs and Economic Opportunity*, National Housing Law Project, 2009.
<http://www.nhlp.org/files/03%20Sec.%203%20Guide.pdf>
- Center on Budget and Policy Priorities- *Reforming HUD's "Section 3" Requirements Can Leverage Federal Investments in Housing to Expand Economic Opportunity*, Barbara Sard and Micah Kubic, June 10, 2009
- National Low Income Housing Coalition, *Affordable Housing and Self-Sufficiency Improvement Act/Housing Reform Bill*, June 2012
- HUD, Office of Public and Indian Housing, Office of Policy Research and Development, *Report to Congress, Moving to Work: Interim Policy Applications and the Future of the Demonstration*, August 2010.
- Moving to Work Promising Practices papers from HUD for the following PHAs: Atlanta, Cambridge, Massachusetts, Minneapolis, Oakland, Philadelphia, Pittsburgh, Portland, San Antonio, Seattle.
- Project Match, *Surprising Diversity in Financial Stability: A Cluster Analysis of Center for Working Families Clients in 12 Low-Income Chicago Communities*, September 2010
- Opportunity Chicago, draft Final Evaluation, June 2012
- *Summary of HUD Section 3 Listening Forum*, August 2010 (provided by contact at Community Legal Services in Pittsburgh)
- CHA, *CHA's Section 3 Program*, Powerpoint presentation at Tenant Services & Finance Committee, August 2011

On-Site Visits Completed:

- Altgeld Gardens
- Cabrini Green Rowhouses
- Lathrop Homes
- Rockwell Gardens

Drive-Bys Completed:

- ABLA/Brooks
- Henry Horner Homes Superblock
- Lowden Homes
- Trumbull Homes
- Wentworth Gardens

Conversations with LAC Leadership:

- Mary Baldwin, Rockwell Gardens
- Robert Davidson, Lathrop Homes
- Myra King, Trumbull-Lowden Homes (CAC Chairperson)
- Francine Washington, Scattered Sites South/Washington Park

- Bernadette Williams, Altgeld Gardens – Murray Homes

CAC Plan 2.0 Committee Issues-Recommendations Strategy Meetings:

- June 4 - Real Estate/Development
- June 8 – Housing Reform/Program Operations, Funding/Choice Neighborhoods
- June 18 – Social Services/Workforce Development/Education Pt 1
- June 22 – Internal/External Communications
- June 25 – Social Services/Workforce Development/Education Pt 2
- **CAC Plan 2.0 Committee Members:**
 - Myra King, CAC Chairperson (Trumbull-Lowden)
 - Francine Washington, CAC Vice Chairperson (Scattered Sites South/Washington Park)
 - Tracey Champion, CAC Treasurer (Scattered Sites West/North Lawndale)
 - Carol Steele, CAC Secretary (Cabrini Green)
 - Otta Henderson, Senior North/CAC Chaplain
 - Shahshak Levi, Robert Taylor A President-at-Large
 - Charles Price, Cabrini Green
 - Betty Thompson, Scattered Sites South/Washington Park
 - Bernadette Williams, Altgeld-Murray

Best Practices Research Conducted

Real Estate/Development:

- Atlanta Public Housing Authority
- Charlotte Public Housing Authority
- Indianapolis Public Housing Authority
- Hartford Public Housing Authority
- Houston Public Housing Authority
- Louisville Public Housing Authority
- New York Public Housing Authority
- Oakland Public Housing Authority
- San Antonio Public Housing Authority
- San Francisco Public Housing Authority

Housing Reform/Program Operations:

- Atlanta Public Housing Authority
- Charlotte Public Housing Authority
- Indianapolis Public Housing Authority
- Hartford Public Housing Authority
- Houston Public Housing Authority
- Louisville Public Housing Authority
- New York Public Housing Authority
- SanAntonio Public Housing Authority

- San Francisco Public Housing Authority

Funding/Choice Neighborhoods:

- San Francisco Public Housing Authority
- New York Public Housing Authority

Social Services/Workforce Development/Education:

- Atlanta Housing Authority - Comprehensive support services program
- Chicago Housing Authority - Opportunity Chicago Transitional Jobs(TJ) Program and TJ/Literacy Pilot Program
- Decatur, Illinois Housing Authority - Section 3 Coordinator and Subcommittee
- Kansas City Public Housing Authority - Section 3 office within City Human Relations Department
- Massachusetts Public Housing Authority - Moving to Work self-sufficiency practices
- New York City Public Housing Authority - Resident Economic Empowerment and Sustainability (REES) "Zone Model"
- New York City Housing Authority - Fatherhood Initiative
- Oakland Housing Authority - Construction Training Partnership
- Philadelphia Housing Authority - Pre-apprenticeship program, Sec. 3 compliance program
- Portland Housing Authority - Self-sufficiency program
- San Antonio Housing Authority - MTW self-sufficiency practices
- Seattle Housing Authority - Tenant Trust Accounts
- Brooklyn Build (Brooklyn United for Innovative Local Development) - Community Benefits Agreement on a community development project that includes residents of local PHA developments
- Chicago - Neighborhood Job Start for summer youth employment
- Civic Staffing, Chicago - Staffing company and social enterprise to inform job creation strategy for CHA residents
- Evergreen Cooperatives, Cleveland, OH - Worker-owned cooperatives
- Portland, OR - Community workforce agreements on publicly-funded energy-efficiency projects
- Wisconsin Regional Training Partnership (non-profit) - Helps to match participants of community-based workforce programs with union apprenticeship programs

Internal/External Communications:

- San Antonio Housing Authority
- City of Chicago – Budget Hearings process
- Chicago Park District – Public Hearings process
- Chicago Transit Authority – Public Hearings process

CAC Plan 2.0 Consultant Team Members

- Lucas Greene Associates, LLC – Linda K. Greene
- Prim Lawrence Group – Teresa R. Prim

- Nathalie P. Voorhees Center for Neighborhood and Community Improvement at UIC – Janet Smith and Yittayih Zelalem
- Chicago Jobs Council – Carrie Thomas and Liz Czarnecki
- Heather D. Parish, Strategies for Community Economic Development and Finance
- We The People Media – Ethan Michaeli

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