

Does CHA want residents to return to revitalized communities?

By Ethan Michaeli
Publisher, *Residents' Journal*

(Editor's note: The following article first appeared in the March–April 2004 issue of Residents' Journal, a bi-monthly magazine written, produced, and distributed entirely by Chicago public housing residents. It is reprinted here with permission.)

Bill Wilen thinks he's found a "smoking gun" in his current legal battle with the Chicago Housing Authority.

Wilen, an attorney with the Sargent Shriver National Center on Poverty Law who has been an advocate for residents for decades, recently received a package of documents related to the ongoing redevelopment of the Henry Horner Homes on the Near West Side. Among those documents was one that appeared strange.

The paper in question has a header that indicates it is the goals for the "Supportive Services for CHA Horner/West Haven Residents." To translate from CHA terminology, Supportive Services, also known as "Service Connectors," refers specifically to those private contractors whose job it is to connect residents with programs including jobs training and drug treatment.

The Service Connectors have been charged with a critical task in the ongoing process of demolishing CHA buildings and replacing them with so-called 'mixed-income communities' under CHA's Plan for Transformation. The Service Connectors are supposed to prepare residents to return to the mixed-income communities which are planned to replace most CHA sites. For residents who have moved into the private

market as well as those who are in other public housing units, the Service Connectors have the primary responsibility of fulfilling CHA's promise that any resident who follows the rules and wants to return to the developments will be able to do so.

But on the document that Wilen received in his package, one of the outcomes reads: "15% of families with a Right to Return meet site-specific criteria." To continue translating from CHA-speak, the former residents of the developments who have chosen to come back to the mixed-income communities are said to have a 'Right of Return.' 'Site-specific criteria,' meanwhile, refers to those standards that residents will have to meet to actually be accepted by the developers who run the mixed-income communities.

So to Wilen, the statement "15% of families with a Right to Return meet site-specific criteria" means that CHA only expects a tiny fraction of the residents who have chosen to return to actually make the developers' cut.

Worse yet, Wilen surmised that this statement really referred to the whole Plan for Transformation, since Horner is governed by a federal court decree that has nothing to do with the Plan for Transformation. In fact, the Horner redevelopment started almost five years before the plan. Though a mixed-income community is being built at Horner, the federal court decree has different terms and standards.

Wilen, who is also involved in a general lawsuit against CHA filed by a team of public advocates, recognized "Right of Return" and "site-specific criteria" as terms of the Plan for Transformation. He guessed the document that he received had been adapted from another document that referred to all the developments in the city, not just Horner.

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Average housing values increased in 13 of the 20 HOPE VI neighborhoods, ranging from a minimum of 11 percent in Tucson to a maximum of 215 percent in Chicago (Henry Horner)

CHA reform at Horner Homes a housing model

By Rita McLennon and William Wilen

(Editor's note: The following article was printed in the "Voice of the the People" section of the Chicago Tribune's March 22 edition.)

Chicago has a successful model for public housing redevelopment. The Chicago Housing Authority's Plan for Transformation, a radical plan to reform public housing in Chicago, is both ambitious and desperately needed. The goal to build mixed-income, mixed-race communities is good for residents and communities; it is a sign of a healthy and vibrant city. Achieving this goal has proven to be a very complex and difficult task. Not surprisingly, the implementation of the plan has run into problems.

The good news, however, is that CHA already has found the solutions to many of these problems at Henry Horner Homes, a major West Side housing redevelopment that began, before the plan, in 1991 and is ongoing. Chicago can build on the extraordinary record established by CHA and the Horner residents, a model for public housing redevelopment.

A recent report from the federal General Accounting Office praises Horner as a national model. The cooperation of CHA and Horner residents in every aspect of planning and implementing the redevelopment of the community has been essential to building a flourishing neighborhood with new opportunities for overcoming poverty.

The Horner experience teaches the following lessons about the problems that have arisen in implementing the plan:

- The demolition of existing buildings and the relocation of residents under the plan are going too fast. The result is unprepared tenants moving to communities marked with similar racial and economic isolation. At Horner, however, CHA, in consultation with residents, paced the demolition in a way that helped tenants remain in their current apartments until their new on-site homes were constructed and make informed decisions about their moves.
- The implementation of the plan does not include adequate social services

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COMING SOON

THE SHRIVER CENTER'S
2004 LANDAU HOUSING POLICY LUNCHEON

featuring the presentation of the annual

Landau Housing Justice Award

Howard Landau, who was a successful commercial real estate developer in Chicago, spent much of his life sharing his success with others less fortunate. In response to decreasing availability of affordable housing in the City, Landau helped create in 1989 Community Ventures, a program at the Jewish Council on Urban Affairs. The program's goal is to link investors with community-based housing projects.

Mr. Landau was also a longtime supporter of the Sargent Shriver National Center on Poverty Law, and, with support from the Landau Family Foundation, the Shriver Center continues to lead the push for more affordable, safe, and decent housing.

This newsletter updates information on housing issues on which the Shriver Center focuses. From representing public housing residents to protecting the rights of all renters, the Shriver Center, as in all its work, seeks to develop innovative responses to pressing housing issues.

For additional information, visit www.povertylaw.org.

Horner

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to help uprooted families get situated in new work, community, and home situations. By contrast, the Horner process involved this kind of social services.

- Under the plan, CHA is not effectively keeping track of where relocated families are and how they are doing. Without this essential information, CHA cannot assess the success of the plan or give temporarily relocated tenants the choices guaranteed to them under the plan about returning to the revitalized neighborhoods from which they come. The Horner process, however, includes well-kept records of the whereabouts and situations of each relocated resident.
- Under the plan, the developers of the renovated communities are creating unfair barriers to some residents' eligibility to return. For example, in some developments, an old criminal record bars a return to the new community no matter how long ago

Praise for architecture at Horner redevelopment

(Editor's note: The following is an excerpt from a review by Jason Westrope published on March 4 in the Chicago Journal. The full article is available at www.chicago-journal.com.)

The Chicago Housing Authority's community involvement process revealed a desire among public housing residents to have homes that looked 'just like everyone else's.' It is logical that many who had not previously had the option of living in Chicago's fine brick town houses would desire the kind of housing they might see favored in established, more affluent neighborhoods. For some, the embodiment of stability and security, if not wealth, is often found in anachronistic architectural elements that many forward-looking designers groan at: cast-stone lintels and sills, wrought-iron railings, and traditional-looking brick construction. But we should not assume that members of the new mixed-income communities would not expect the same set of architectural styles available in the wider community—including more Modernist examples.

Though the impact will be dramatic, the concepts employed in these redevelopments are simple and clear-headed urban design strategies used throughout the last century (and earlier) to define urban places and make them more beautiful, safe, and functional. Connected street grids, new infrastructure,

sidewalk beautification, landscaped parks, mixed-use corridors, and conveniently located mass transit are all historically proven ways to generate investment and promote healthy neighborhoods.

Both the Horner and ABLA Homes will have significant rehabilitative effects in their respective communities. As for design, Horner's attempt to bring more unique, lively, and novel images of housing to these long-injured neighborhoods is the more appropriate and exciting. Ultimately, this diversity may provide a level of visual, spatial, and functional variety that energizes citizens, giving them pride in their new community and more truly reflecting the diversity of the people living behind the front stoops.

In the end, the benefits of reclaiming neighborhood streets and integrating affordable housing types into diverse communities outweigh issues of aesthetics. Though we should be careful not to experiment with the lives of those least empowered to defend their own sensibilities, we should also be mindful not to stick them with outdated images of an idealized past. The only way to balance these goals appropriately is to provide mixed-income residents with the same choices available to everyone else. That way, everyone can decide for themselves what a house 'just like everyone else's' actually looks like."

it was incurred or whether it has been offset by recent productive conduct. At Horner, however, the residents support criteria that are fair and yet offer real opportunities for them to improve their lives.

The nation is looking to Chicago to create a model for effective public housing reform that improves lives and builds communities. As the GAO affirmed, CHA and the Horner community have already gone a long way toward creating that model. It should be a template for solving many of the problems that have emerged in the implementation of the Plan for Transformation.

Illinois Legislative Update

- The **Residential Tenants Rights to Repair Act** (S.B. 2988) would provide tenants with a self-help remedy for minor or inexpensive apartment repairs. Tenants must provide a detailed written list of necessary repairs to their landlord, who then has 14 days upon receipt of the letter to respond. After (and only after) 14 days, the tenant would be entitled to make the repairs and deduct the costs from the rent. Such expenses must not exceed \$500 or half of the monthly rent, whichever is less.
- The **Source of Income Protection under the Illinois Human Rights Act** (H.B. 4439 and S.B. 2467) would amend the Illinois Human Rights Act by adding a new category of persons protected

The implementation of the plan does not include adequate social services to help uprooted families get situated in new work, community, and home situations. By contrast, the Horner process involved this kind of social services.

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When budget cuts hit homes Bush administration's proposal guts national housing policy

By Katherine Walz, staff attorney

We thought it was safe. After the Millennial Housing Commission, a nonpartisan group created by Congress, touted in 2002 the Housing Choice Voucher program as a successful, cost-effective initiative that should be the linchpin of national housing policy.

After earlier efforts by the Bush administration to make the Housing Choice Voucher program a block grant to states and reduce allocations for HOPE VI, and other public housing programs fizzled.

We are yet again working to save a program that is so vital to many low-income families nationwide.

The Bush administration's 2005 budget proposal would eliminate HOPE VI funding, almost wipe out public housing operating costs, and reduce funding for Housing Choice Vouchers by more than \$1 billion.

The administration's housing agenda ignores a great deal of research that suggests a positive correlation between stable and affordable housing and employment. Studies of welfare-to-work programs in Ohio, Georgia, Minnesota, and California show that families with subsidized housing are more likely to stay on the job, work longer hours, and earn more.

The proposed budget cuts would mean less support to over a half-million families—or 30 percent of families now using vouchers—by 2009, according to estimates by the Center on Budget and Policy Priorities.

The budget proposal also includes a radical restructuring of the program, driven by the same administration rhetoric used to tout passage of the No Child Left Behind law. Under the Flexible Voucher Program, the voucher program would become a block grant to local public housing authorities, erode decades-old protections for low-income families, and likely expose the

program to future disinvestment.

In states similar to Illinois, where the state housing authority act does not even mention housing choice vouchers, there is little oversight of local housing authorities, and there are no uniform standards on voucher administration, restructuring is likely to create chaos for voucher recipients, landlords, and housing authorities.

In the end, the push for more “flexibility” will reduce the program's attractiveness and harm low-income families, especially seniors and the disabled, groups that represent nearly

federal housing program for the homeless, to programs to assist ex-offenders.

Let's be clear. The goal, helping former prisoners to reintegrate into their communities, is laudable. But paying for such programs should not come at the cost of diverting an estimated \$68 million from the homeless.

The proposed budget would eliminate the HOPE VI program. Many housing advocates have justifiably criticized the HOPE VI program; they question if public families will actually benefit from massive redevelopment. But eliminating the funding will only contribute to the decline of the public housing communities and leave housing authorities in the midst of

The administration's housing agenda ignores a great deal of research that suggests a positive correlation between stable and affordable housing and employment.

40 percent of Illinois voucher users.

There is also the possibility that too few landlords—especially in job-rich, low-poverty areas—will accept vouchers as cash strapped housing authorities become forced to offer only below-market rents.

Cost cutting housing authorities take advantage of the new program flexibility by increasing the amount families contribute to rent and by targeting programs to higher-income families. Families fortunate enough to still have vouchers will have to stay in their housing authority's jurisdiction for one year—unable to take advantage of the program's hallmark: the flexibility to move anywhere in the country and still use the voucher.

The president's budget plan also includes deep cuts in other critical housing programs and diverts resources from needy populations. For example, the budget proposal would redirect the increased funding appropriated last year to McKinney-Vento, the largest

rebuilding without the dollars necessary to supply decent housing to the nation's poorest families. Rather than eliminate HOPE VI, give it guidance with statutory or regulatory language requiring oversight and some assurance that poor families will receive the new housing.

Public housing authorities face an estimated \$20 billion cut in operating expenses and \$21 billion cut in capital expenses. With an estimated \$20 billion backlog already existing in unmet capital and maintenance expenses, housing authorities will face further deterioration of their properties.

We must move the debate beyond the administration's tunnel-vision discussion of program flexibility. Stable, decent, and affordable housing has an impact on families' health, education, employment, physical and emotional well-being. Only a comprehensive, fully funded national housing policy will begin to meet these needs.

Legislation

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from discrimination in residential real estate transactions: legal source of income. While landlords would still be able to use the same legitimate criteria in screening every tenant (such as rent payment history, criminal record, and references), this bill would prohibit landlords from categorically refusing to rent to recipients of any form of legal income.

• The **Rental Housing Support Act** (H.B. 4100) would create a state-level program to provide rental subsidies to landlords to make their rent affordable to tenants making less than 30 percent of the area median income. Using funds collected from state fees on real estate documents, this bill would create a fund to which local governments, housing authorities, or nonprofits could apply based on an already successful Chicago model. With a proposed \$10 state charge on

recordings, the counties could keep \$1, and the rental subsidy program would generate \$34 million—enough money to fund at least 4,000 units.

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Residents' Journal

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He suspected, therefore, that the CHA is setting a goal that only a few residents will be able to return to the developments.

"If they're saying now that it's only 15 percent, that's their goal, then that tells me they don't expect many people to come back," Wilen told me recently.

"Why isn't the goal 90 percent?"

CHA confirmed Wilen's suspicions - kind of. In a telephone interview, CHA's Managing Director of Resident Services, Meghan Harte, explained that the document Wilen received was indeed sent to him in error, and she said that it had been a draft of goals for the Service Connectors for all the developments in the Plan for Transformation, not for Horner.

But Harte emphasized that the goal of having 15 percent of residents who have the Right to Return was just for one year - not for the overall Plan for Transformation. The goal was set low, Harte explained, because the mixed-income communities are not built yet, and probably won't be built for a few more years. CHA will increase the goals for the service connectors in coming years, especially as the mixed-income communities come closer to completion.

"This is not CHA saying that we only think 15 percent of residents will return to public housing," she said.

Harte noted that 90 percent of residents have filled out surveys which indicate they would like to return to the mixed-income communities. To that end, Harte said the CHA will try to fulfill the residents' choices.

"I don't think that it would be an acceptable result for the CHA if the majority of families don't choose to return," Harte said.

"At the end of the day, it's individual residents' opinions that matter."

So the document does not appear to be a smoking gun, after all.

But Wilen may have a point anyway. Very few housing authorities which have torn down old developments and replaced them with mixed-income communities have been successful in getting residents to return.

In a 2002 report, the Urban Institute, a Washington, D.C.-based think tank, studied HOPE VI, the federal program that funds the redevelopment process. The Urban Institute found that just 14 percent of residents returned to the mixed-income communities, while 37 percent went to other public housing developments and 35 percent used Housing Choice Vouchers (formerly known as Section 8s) to enter the private market.

Just a few months ago, the General

The CHA staff should not try and re-invent the wheel. Even if the CHA staff can't or won't learn from other cities, the GAO report indicates they have models just a few blocks from their offices.

Accounting Office, an arm of the federal government that does independent research, did its own report on HOPE VI. The GAO found that the results on HOPE VI developments varied greatly. Some had a high degree of resident involvement, some didn't. Some HOPE VI neighborhoods saw their property values rise, some didn't. Some HOPE VI sites saw many residents return and others did not.

GAO found one development that had high levels of resident involvement, rapidly rising property values and a high number of former residents returning.

That development was Henry Horner Homes in Chicago, the same development where Wilen is the lawyer for the residents. Here's what the GAO wrote about Horner's rising property values:

"Average housing values increased in 13 of the 20 HOPE VI neighborhoods, ranging from a minimum of 11 percent in Tucson to a maximum of 215 percent in Chicago (Henry Horner). It is generally accepted among researchers that housing values represent the best available index of expectations regarding future economic activity in an area."

Almost 15 years ago, Wilen started representing a group of Horner residents that sued the CHA for failing to maintain the buildings to the point that they needed to be demolished.

The case was settled in 1995, with all parties agreeing to the demolition of a number of Horner high-rises and the construction of a mixed-income community. Under the agreement, all the residents of Horner have an automatic right to return, unless they commit a serious felony or damage the property.

The settlement institutionalized the legal conflict. Every step of the process at Horner must be approved by all the parties - the resident leadership, the CHA and the property manager. A federal court judge oversees the whole process, and makes a decision when the parties don't agree.

By coordinating the building closures with the construction of the new housing, most of the residents don't even have to leave the neighborhood while they are waiting for their replacement housing. Wilen estimates that 95 percent of the residents who want to return to the new development, renamed West Haven, have returned.

"Families aren't returning. They are there already," Wilen explained.

Wilen, therefore, is on solid ground when he calls Horner a model for other redevelopment projects. And he is likewise on solid ground when he criticizes the CHA's plan to allow the developers to make the ultimate decision over who gets into the new mixed-income properties. Wilen noted that if the public housing residents who left the complexes don't meet the 'site-specific criteria,' the developer can fill the public housing units in the mixed-income communities with other families.

"When a family gets within striking distance of coming back, they're turned over to the developer," Wilen said.

"It seems like the CHA is very happy with the idea that most of the families are not coming back."

CHA's Harte disagreed with Wilen's criticism. She claimed that having the developers decide who can come back to the mixed-income communities is logical.

"The developer owns the units. We own the land but the developer will own the units," she said.

"Our goal is to assist the residents with getting services and helping them to present themselves in the best possible light."

But when she was asked whether they looked at other HOPE VI sites at other cities to see whether this approach was successful in terms of getting families to return, Harte said they haven't:

"We haven't compared ourselves to other cities because we don't think we are other cities."

That is a serious error. Other cities can offer valuable insights on how to make this system work, and can likewise point out how to avoid errors. The CHA staff should not try and re-invent the wheel. Even if the CHA staff can't or won't learn from other cities, the GAO report indicates they have models just a few blocks from their offices.

Failing to avoid the mistakes of the past will produce more mixed-income communities that have excluded the families whose sacrifice allowed their construction.

Failing to ensure that families who want to return can return will only bolster those advocates and tenants who believe that the Plan for Transformation is an effort to steal attractive tracts of land from low-income African Americans.