

METROPOLITAN PLANNING COUNCIL



A significant goal of the Chicago Housing Authority (CHA) Plan for Transformation is to create job opportunities and promote self-sufficiency for families living in public housing. While the historic \$1.6 billion in redevelopment activities may occur within the Plan’s original ten-year timeframe, it is reasonable to expect the equally daunting community revitalization and social service work to continue past that time horizon. While there will always be a need for increased city and philanthropic resources for this work, there has been considerable investment, as the CHA and its partners aim to offer a variety of services to residents.

With this report, MPC aims to provide available data on the status of these efforts, while revisiting guiding principles outlined by the Council in 2000:

- **Ensure quality supportive services are accessible to residents**
- **Handle relocation fairly and compassionately and on a realistic timetable**
- **Institute strong accountability mechanisms⁵**

SELECTED SERVICES AND PROGRAMS	TARGET POPULATION ⁶
Relocation services	Families in the process of relocating due to rehabilitation or redevelopment activity
Service Connectors	Families living in family properties not scheduled for imminent demolition Families living in scattered-sites Families relocated using Housing Choice Vouchers (HCVs), either permanently or temporarily ²
Services through development partners	Families that have chosen to live in mixed-income communities
Family Self Sufficiency, Housing Opportunity, Chose to Own programs	HCV holders
Resident Service Coordinators	Seniors
Transitional Housing	Non-leaseholders

In 2004, the CHA spent more than \$53 million on “Tenant Services” for the almost 140,000 people (52,000 households) living in public housing or in private housing using Housing Choice Vouchers (HCVs) in Chicago.³ Among the households utilizing HCVs, 2,273 used them to relocate during the current redevelopment process.

Through a reformed management model, instead of providing social services directly — as was the case before the onset of the Plan for Transformation in 1999 — the CHA now contracts with specialized public, private and nonprofit agencies. The success of this model requires close coordination of development efforts, service delivery, property management, and resident engagement, with the CHA providing oversight in its new asset manager role.⁴

To address the lack of data currently available to the public, the CHA has indicated they will soon release additional data on the performance of key programs such as the Service Connector. MPC urges this public report to include numbers on resident participation, type of job placements, increases in family incomes, and other crucial indicators. At that time, it will be possible to issue a better informed analysis of progress to date, as well as to identify future challenges and opportunities.

TABLE 1. RELOCATION ACTIVITY 2000-2004						
	Families Using Housing Choice Vouchers (HCVs)		Families Moving into Public Housing		Families moving into Private (non subsidized) Housing	Total
	Temporary	Permanent	Temporary	Permanent		
2000	371		372			743
2001	305		233	68	0	606
2002	122	386	453	47	32	1,040
2003	603	92	199	7	30	931
2004	306	88	116	56	5	571
	2,273		1,551		67	3,891

Source: CHA, *Moving To Work Annual Reports FY2000-FY2004*

RELOCATION SERVICES AND THE SERVICE CONNECTOR PROGRAM

Since 2000, 3,891 families have been moved out of multi-family developments and relocated (temporarily or permanently) in the private market using HCVs or in existing CHA properties (new, rehabilitated or make-ready).⁶ In mid-2001, the CHA created a new Relocation Department to manage this process, including the services provided to residents.

The relocation process includes a team assigned to help each family pursue its housing choice. The team, led at each site by a CHA relocation project manager, includes:

- CHA staff, to manage and supervise the process;
- Relocation coaches focused on outreach;
- Mobility counseling agencies, helping families using HCVs find homes in the private market;
- Local Advisory Council (LAC) members, who facilitate relationships between residents and CHA staff;

- Property managers in charge of monitoring residents' lease-compliance; and
- Service Connectors that refer residents to appropriate service providers (*see below*).⁷

Overall, relocation services are designed to provide information and guidance to residents throughout the relocation process, which can entail up to 16 steps from initial move-out to final move-in. Residents have access to mobility counseling, workshops on their rights and responsibilities as tenants in the private market, support to remain lease-compliant (including classes on budgeting and property maintenance), and, when appropriate, advice on how to meet the requirements of mixed-income communities.

Currently, the relocation agencies providing services to residents include:

- Changing Patterns for Families, Inc.
- Employment and Employer Services
- Housing Choice Partners of Illinois

- Northeastern Illinois University
- Leadership Council for Metropolitan Open Communities⁸
- Uhlich Children's Advantage Network

When necessary, these lead agencies establish joint ventures with supportive services providers.

Based on its own internal evaluation and with external input from advocates, researchers and an independent monitor, the CHA has evolved its relocation services considerably since the launch of the Plan in 1999 in order to increase quality choices and services to residents. For example, to reduce the number of families moving to high-poverty, segregated communities, the CHA provides a financial incentive to relocation agencies to show families homes in opportunity areas. CHA has also set in motion improved outreach and communication strategies, such as relocation fairs and Housing Opportunity Process (HOP) information sessions. In 2004, the CHA launched the Web site rightmoves.net to help relocating residents find quality housing in the private market.

A key element of the Plan’s relocation process is the **Service Connector program**, which CHA sub-contracts to the Chicago Dept. of Human Services (CDHS). In 2003, the CHA board increased the annual budget from \$17 million over 15 months to \$20.5 million per year. A key objective of the program is to assist relocated families achieve their self-sufficiency goals and adapt to life in the communities into which they have chosen to move (permanently or temporarily).⁹ Whether a family chooses the private market, a renovated public housing development, or an apartment within a mixed-income community as its home, Service Connectors are charged with helping the household remain lease-compliant and stable, as well as socially and economically integrated into their current and future communities.

The Service Connector program was designed to achieve four major results, each of them including specific goals which are detailed in Table 2.

The expanded Service Connector Program has been operating since

2003, serving approximately 11,000 families through 10 community-based agencies with offices serving every Chicago neighborhood and all CHA family properties. Current Service Connector agencies are:

- Centers for New Horizons
- Chicago Connections
- Employment & Employer Services
- Housing Resource Center
- Leclaire Hearst
- Marcy-Newberry Association
- Roseland Christian
- The Woodlawn Organization
- Universal Family Connections
- West Englewood

Staff have an average caseload of 55 residents, an improvement from the 1:139 ratio under the initial budget. Due to the fact that the program is voluntary and ratios have been calculated based on a 100 percent participation, actual caseloads are likely to be even lower.

The ambitious goals of the Service Connector program in 2004 included contacting 100 percent of families and connecting 20 percent of individuals to permanent jobs.

The only recent data available about Service Connector performance are those provided by the *CHA FY2004 Annual Report*. In reference to the program, the report states: “CHA contracted service providers opened 8,496 cases in FY2004, and provided 10,899 referrals to services.” In terms of results, the report notes that “in FY2004, the CHA assisted 933 residents in obtaining full and part-time jobs through the ... program.”

These numbers fall short of the expected job-placement benchmark for the program, as noted above. However, they are consistent with national trends that show that promoting self-sufficiency, and especially job placement, among low-income residents facing multiple social and economic challenges is one of the most difficult tasks of public housing transformation initiatives. Job-placement strategies require attention to issues far beyond the social

TABLE 2. SERVICE CONNECTOR PROGRAM: EXPECTED RESULTS AND GOALS

Families Are Stable	Families have access to education, substance abuse treatment, medical care, child care, and other support services they may need.
Families Have More Housing Choices	Families become and/or remain lease compliant, and those who will relocate are able to achieve the housing of their choice.
Families Have Increased Household Income	Families increase their financial resources and assets and experience advancement toward stable employment: jobs with career trajectories, living wages, health benefits.
Families Are Involved In Their Communities	Families are aware of the resources in their communities, experience satisfaction in their neighborhood, and reap the benefits of being a citizen of Chicago.

Source: CDHS, *Service Connector Program Guide, 2005 Update*

services scope. These include physical location of families, resident incentives and disincentives to work, economy and structure of the job market, residents' skill levels vis-à-vis employers' requirements, or physical and mental health barriers, to name a few. Furthermore, studies show that significant amounts of human and capital resources are required, even to achieve modest goals.¹⁰

Despite these challenges the Service Connector goals for 2005 have been increased. For instance, by the end of the year, CDHS hopes to have placed 35 percent of residents in permanent jobs, with 50 percent of these placements being stable.

More detailed and timely information is needed in order to accurately assess and refine relocation services and the Service Connector program.

SERVICES FOR RESIDENTS IN MIXED-INCOME COMMUNITIES

All renters interested in living in mixed-income communities, including CHA families, need to meet a series of requirements and must fulfill these criteria for as long as they live in the community. General guidelines (see Table 3) are contained in the Minimum Tenant Selection Plan for Mixed-Income Communities. Each community may add specific requirements to this

minimum and/or make these criteria more restrictive.

CHA families waiting to make their final move into mixed-income communities are assisted by a team of service providers and counselors to meet these requirements. Families unable to fulfill some of these criteria may be admitted if they prove that they are engaged in activities likely to result in meeting the requirements, and will have a minimum of one year after move-in to completely fulfill them.¹¹ Once they move into their new mixed-income communities, families receive continued services contracted or managed by the development partners

TABLE 3. MINIMUM CRITERIA FOR CHA RESIDENTS AND OTHER RENTERS LIVING OR APPLYING TO LIVE IN MIXED-INCOME COMMUNITIES

Maximum Income	Should not exceed maximum permitted by law and financing programs used.
Minimum Rent	\$25 for public housing rental units; hardship exemptions may be granted to eligible households.
Minimum Age	Head of household must be at least 18 years old.
Credit/Financial Standing	Current in rent and utility bills; no bankruptcies within past 2 years; no debt owed to any public housing program.
Residential History	Management will verify past two years of residential history, including lease violations.
Employment and Economic Self-Sufficiency	Head or co-head of household must work 120 hours a month (30 hours a week) and all other household members age 18 or older must be engaged in one or a combination of the following activities: employment, enrollment and regular attendance in an economic self-sufficiency program; verified job search and/or employment counseling; basic skills training; enrollment and consistent attendance in a regular program of education (GED, secondary or post-secondary education; English proficiency; literacy).*
Criminal History	Three-year criminal background check of all household members 18 years old and older; special screenings for drug-related activity, sex offenders, irresponsible alcohol use, arson, and other criminal activities.
School Enrollment and Child Care	Family members between six and 16 years old must attend school regularly; adequate supervision or day care must be provided to children under 13.

Source: CHA, *Minimum Tenant Selection Plan for Mixed-Income/Mixed-Finance Communities* (2004)

* Exemptions: full-time students; individuals age 62 or older; disabled with verification of inability to work; primary caregivers of disabled individuals with verification of disability and caregiver status; adults staying at home to care for young children – provided there are at least two adults in the household and one of them meets work requirements; individuals retired and receiving a pension.

(which include private firms and nonprofit organizations).

A component of the CHA's initial selection process for the development teams of the new mixed-income sites was their ability to support former CHA residents integrating into the new communities. Once selected, all parties agreed that resident services and outreach efforts focused on engaging public housing residents in the relocation process should start well (typically one year) before new homes are ready for occupancy. During this period, and in collaboration with Service Connectors, the development teams and their partners assist prospective residents in meeting employment, lease compliance, credit and other specific requirements for occupancy at their sites. After relocation into the new community, relocation services staff engage residents in asset building, employment gains, educational activities, and other initiatives that contribute to housing retention and the development of a healthy, sustainable, mixed-income community.

As the first homes affordable to public housing residents become available within mixed-income communities, different models are being planned and tested throughout the city. Although each model is adapted to the specific community, common minimum tenant selection criteria and similar self-sufficiency goals allow practitioners to share experiences and exchange lessons learned.

- Holsten Real Estate Group, a large and experienced local firm, is responsible for housing development, property management, and service coordination at a number of sites. This includes

North Town Village (in the Near North area) and **Hilliard Apartments** (in the South loop), where Holsten is undertaking this coordinated effort. Holsten, with its partners Kimball-Hill and Cabrini Green LAC-CDC, is already planning supportive services for **ParkSide of Old Town**, a roughly 700-unit mixed-income community to be developed in the Near North area.

- Other private firms such as The Renaissance Companies have created a nonprofit arm to provide social services in their properties. Renaissance Social Services, Inc., serves **Renaissance North**, a 59-unit mixed-income development near the former Cabrini-Green.

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- In **Westhaven Park** (on the former Henry Horner site), the development/property management team is partnering with TASC and Project Match, two nonprofit organizations that offer needs assessments along with self-sufficiency and community-building programs to residents.

- In **West End** (formerly Rockwell Gardens), East Lake Development, a private firm, has signed a contract with Marcy-Newberry (the current Service Connector) to provide services for residents of this mixed-income community. Leadership for Greater Chicago is also collaborating in a pilot project to provide training to residents and connect them to jobs.

- Developers at **Roosevelt Square** (on the former ABLA site) have entered into a partnership with Heartland Human Care Services (HHCS), the human service partner of Heartland Alliance. HHCS will provide on-site case management services to assist residents in meeting the tenant selection criteria and prepare to move into the new mixed-income development. HHCS is also providing a transitional jobs program to assist individuals in re-entering the workforce and achieving self-sufficiency goals.

- In **Park Boulevard** (on the former Stateway Gardens site), a nonprofit organization has been created to manage services for residents. Its main contractor for service provision is The Family Institute.

- At **Oakwood Shores** (on the former Madden/Wells site), The Community Builders, a national nonprofit, is developing the new rental housing, managing these properties, and orchestrating the delivery of resident services in collaboration with UJIMA, a nonprofit community-based formed by public housing tenants to conduct on-site outreach. UJIMA is planning to expand activities

to residents off-site from Madden/Wells in the near future.

- At **Lake Park Crescent**, in the lakefront section of North Kenwood-Oakland, a Service Collaborative has been formed by three founding members: the developer, Draper & Kramer; and two centennial institutions, the Abraham Lincoln Centre and the Field Museum via its Center for Cultural Understanding and Change.
- **Legends South** (on the former Robert Taylor Homes site) will be served by the social services arm of Interstate Realty Management, which is already working with relocated residents eligible to return to this mixed-income community.
- As in the case of **Roosevelt Square**, services for residents of the 137-unit Jazz on the Boulevard community (Oakland), will be coordinated by HHCS, the human service partner of Heartland Alliance.

OTHER SERVICES

General services for HCV families

The HCV Program at large offers services to its more than 34,000 participating households as they move toward economic independence.

1. The **Family Self-Sufficiency (FSS) Program** helps families move toward financial independence. Participating families establish and work toward individualized goals related to employment access and retention, credit, edu-

cation and/or homebuying. In 2004, there were 1,525 program participants.

2. Through the **Choose to Own Home Ownership Program**, participants can pay a portion of their mortgage using the voucher that would otherwise subsidize their rent payment. In 2004, 429 families applied for the program and 41 purchased homes.
3. The **Housing Opportunity Program** focuses on HCV families interested in moving to “opportunity areas” (census tracts where less than 23.49 percent of families live below the poverty level). In 2004, 1,361 families participated in the program, and 545 moved to opportunity areas.¹²

Services for Seniors (“Resident Service Coordinators”)

Through partnerships with the Chicago Dept. on Aging and property management companies, the CHA’s Senior Resident Service Coordinators (RSCs) provide screening for benefit programs, monitor resident health needs, and coordinate activities. In 2004, the program provided direct services to residents 66,535 times, at an average of almost 10 times per senior household.

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Initiative to assist non-leaseholders

The CHA obtained a waiver from HUD to use \$2 million to create 200 transitional housing apartments (including supportive services) for non-leaseholders living in CHA high-rises who would otherwise become homeless after the demolition of these properties.

RECOMMENDATIONS

The system of supportive services designed to serve CHA residents is a complex network that relies on the coordination of multiple partners, activities and roles. Since the Plan’s inception in 1999, services to residents have expanded in an effort to provide families improved opportunities to reach and sustain self-sufficiency. In this section, MPC outlines some policy recommendations based on lessons learned which can strengthen the system and help achieve its long-term success.

Careful **coordination** is needed to avoid duplication or gaps in services to residents, and to guarantee smooth transitions as residents navigate the system, moving from one status or community to another. Coordinating roles is challenging, since the system is designed to accommodate different and sometimes competing objectives. For instance, property managers and service providers have somewhat conflicting loyalties, with property managers requesting as much information as possible about tenants from service providers, who owe strict confidentiality to residents. The objectives of relocation agencies (which receive incentives for relocating families with HCVs in opportunity areas, frequently located far away from CHA sites) might conflict with

those of the mixed-income development teams (who need to do extra outreach to contact relocated families living in opportunity areas in order to offer them the new units). Also, due to the fact that relocated residents can choose up to three possible communities to return to, at any given time up to three service and outreach teams may be working with a single family, which can lead to duplication and confusion if there is not adequate communication among the different parties.

Strong coordination should be combined with **effective accountability** mechanisms. Accountability and coordination should operate *vertically* (with CHA supervising and providing leadership, intermediate contractors managing the programs, and agencies on the ground providing referrals and direct services); *horizontally* (promoting system-wide exchange of information and lessons learned); *chronologically* (from beginning to end of the relocation process; and *periodically* (once families have settled into on their ultimate communities).

Compatible **tracking systems** are a key element to guarantee coordination and information exchange among partners. CHA has profoundly renovated and enhanced its internal IT systems, which are utilized daily by more than 1,300 users, yet there is still room for improvement. For instance, CHA recently introduced a new database system that allows service providers to input information but preempts them from retrieving system-wide data. This useful feature was available in the previous system, and allowed contractors to access real-time information without having to wait for CHA reports. Also, delays in provid-

ing lists of prospective mixed-income housing residents to on-site property managers and counselors results in overly tight timelines to assist families meet the property's admission requirements.

It is unrealistic to assume that family self-sufficiency and community stability fall under the same timetable as the Plan's bricks and mortar redevelopment activity.

There is a critical need for **sustainable, long-term funding strategies** for the Plan's supportive services. These strategies should specially address the capacity-building needs of organizations working on the ground with residents. Significant commitments of funding and investments have been made by public agencies, philanthropic organizations, and private firms. Yet, federal funding, which accounts for most of the service dollars invested in the Plan, has been severely cut in the last years.¹³ In Chicago, part of the service funding gaps are being filled by philanthropic organizations such as the John D. and Catherine T. MacArthur Foundation, which has granted \$250,000 for a year to four mixed-income sites: Lake Park Crescent, Park Boulevard, Oakwood Shores, and Westhaven. Yet, long-term strategies will require ways of guaranteeing a constant funding stream for services at these developments.¹⁴

As pointed out previously, more **information on the performance** of service programs is badly needed to better gauge success and address

challenges. For example, as seen above, the Service Connector program has received \$37.5 million for the period 2003-2005 and includes an ambitious set of indicators and benchmarks to gauge success. After almost two years in operation, now is the time to make public quantitative and qualitative data on the performance of the program and answer numerous questions about participation levels, number and quality of job placements, earning increases, and resident satisfaction. CHA is currently working on a progress report on the performance of service.

Another information gap refers to the **future of the family properties** to be rehabbed or redeveloped as 100 percent public housing, which will account for more than 6,800 units at the end of the Plan. There is no current information about specific supportive service models for these properties, which will presumably house families unable to meet the specific requirements of the mixed-income communities and are located in high-poverty or otherwise isolated areas.

CONCLUSIONS

It is unrealistic to assume that family self-sufficiency and community stability fall under the same timetable as the Plan's bricks and mortar redevelopment activity.

While the physical infrastructure work is more costly and visible, the city, CHA and all stakeholders must stay focused on expanding sustainable funding streams and accountability mechanisms to refine its evolving resident service strategy. Effective coordination is crucial to

guarantee effective service provision for all CHA residents. Equally important, adequate internal information exchange and periodic public reports on performance are badly needed. More data on the status of the Plan's services at its midpoint would help address current challenges and better plan future phases, building on the many lessons learned in the first five years of the historic CHA Plan for Transformation.

From relocated families waiting for their new homes to be developed, to residents living permanently in family properties, to seniors, CHA tenants have new opportunities to access services to advance on the path to self-sufficiency.

Information about the outcomes of service provision programs is scarce, but the available data offers a glimpse of the challenges associated with implementing comprehensive self-sufficiency strategies for public housing residents. For instance, CHA Annual Reports show that between 2000 and 2004 the average annual income of CHA families increased from \$9,882 to \$11,719. The percentage of employed families living in family properties slightly increased from 31 percent to 37 percent, although the total number of

employed households actually diminished (from 4,019 in 2000 to 3,569 in 2004). Self-sufficiency indicators for HCV families show that the percentage of households receiving wage income was stagnant at 30 percent during the same period, and that residents experienced a reduction in average earnings (from \$9,909 in December 2000 to \$9,073 in December 2004).¹⁵

Since the inception of the Plan for Transformation, the CHA has taken significant steps to transform itself and its supportive service system, offering an array of programs to all residents via an extensive network of contractors and providers. Furthermore, Mayor Daley has directed all of his department heads to support the Plan and coordinate services accordingly. The Chicago Dept. of Human Services now administers the service contracts for CHA residents as it does for all city residents. From relocated families waiting for their new homes to be developed, to residents living permanently in family properties, to seniors, CHA tenants have new opportunities to access services to advance on the path to self-sufficiency. The viability of these opportunities no longer hinges on the CHA alone, but on the entire city's social service and workforce structure, the philanthropic community, and the engagement of business and civic leaders.

ENDNOTES

- 1 Note that these categories are fluid: residents can move from one to another.
- 2 Families and individuals that were issued a HCV after Oct 1, 1999 to relocate.
- 3 CHA FY2004 Annual Report, Appendix H: Financial Statements.
- 4 See "Forum on community building and mixed-income housing draws more than 200 attendees" available at <http://www.metroplanning.org/our-work/articleDetail.asp?objectID=2604>
- 5 MPC Transformation Plan Update October 2000 (Fact Sheet #1), available at <http://www.metroplanning.org/resources/176intro.asp?objectID=176>
- 6 A small percentage of families have relocated to unsubsidized private homes.
- 7 For more information, see the CHA FY2005 Annual Plan for Transformation (Year 6).
- 8 The Leadership Council for Metropolitan Open Communities (LCMOC) is implementing a special mobility program, Gatreux II, which helps families move into "opportunity areas" defined as census tracts with no more than 23.49 percent families living below poverty level, and no more than 30 percent African-American population. LCMOC's contract will expire in October 2005.
- 9 The 11,000 households served by this program include more than families relocated temporarily: residents with stable residency in buildings not scheduled for imminent demolition and residents living in scattered-sites can also participate.
- 10 See for example, "Promoting Work in Public Housing: The Effectiveness of Jobs-Plus" (March 2005) by Howard S. Bloom, James A. Riccio and Nandita Verma of MDRC, or "How Are HOPE VI Families Faring? Income and Employment" (October 2004) by Diane K. Levy and Deborah R. Kaye of the Urban Institute.
- 11 Once admitted, family members "working to meet" the criteria have one year (extendable) to fulfill them. The answer to the question of what will happen to families unable to meet those requirements within the timeframe remains unclear.
- 12 For more information about these programs, see the CHA Moving To Work Annual Reports FY2004 available at www.thecha.org
- 13 For example, the HOPE VI program, a federal initiative which funds development and Community Supportive Services in mixed-income housing, has been reduced from \$625 million to \$149 and is currently slated to be zeroed out. The Resident Opportunity and Self-Sufficiency (ROSS) program, another key piece of HUD's budget for services in public housing, has been proposed for a reduction from \$52.5 to \$24 million next year.
- 14 For some examples of innovative service funding solutions in multi-family housing, see the article "Footing the bill for vital services for affordable workforce housing residents" at <http://www.metroplanning.org/articleDetail.asp?objectID=2747>
- 15 Note that these are aggregated numbers and cannot gauge the effect of certain programs, such as the Service Connector, on subsets of residents receiving services.

For a more comprehensive analysis of the CHA's historic Plan for Transformation, visit MPC's Web site, www.metroplanning.org. MPC Fact Sheets and other research papers that examine various components of the Plan are available.

For more information about MPC's Public Housing in the Public Interest program, contact Robin Snyderman, housing director, at 312.863.6007 or rsnyderman@metroplanning.org, or Roberto Requejo, housing associate, at 312.863.6015 or rrequejo@metroplanning.org.

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