

# Moving To Work

## ANNUAL REPORT

FY2008





## Message from the Chairperson of the Board of Commissioners



It is with great pleasure that I present this report detailing the activities of the Chicago Housing Authority (CHA) during the 2008 fiscal year. FY2008 was a year marked with progress and steadfast determination to complete the most ambitious public housing revitalization effort this nation has seen.

To date, CHA has redeveloped or rehabilitated 16,936 units of public housing across family, senior, scattered site, and mixed-income/mixed-finance developments – marking 68% completion of a planned 25,000 units at the end of the Plan for Transformation. Construction activity continued as planned throughout the year, with

1,593 units under construction and two real estate transaction closings conducted.

An undertaking as large and complex as the Plan for Transformation must be continually analyzed and adjusted to meet the needs of those we serve. Despite the unpredictability of the real estate market here in Chicago as in the rest of the country, CHA continues to work with our partners to identify and implement strategies that will ensure the completion of the Plan. Employing creative strategies such as the new home buyer assistance program, Find Your Place in Chicago, or partnering with banks to streamline financing, illustrates the tenacious and innovative spirit with which CHA continues to progress toward completing the Plan.

In 2008, CHA received \$22,656,120 million in external funding from stakeholders, including a \$20 million HOPE VI Grant from HUD and contributions from partners in the philanthropic and business communities. In addition, CHA worked closely with HUD to address the true realities of construction costs that are unique to the city of Chicago.

CHA also welcomed the leadership of Lewis A. Jordan as the agency's Chief Executive Officer/President. Mr. Jordan has taken on this role with great audacity, implementing a strategic plan, years in the

making, which includes innovative ways to manage our new portfolio of assets, and requires added accountability from our staff, vendors and leaseholders. Mr. Jordan's contributions coupled with the continued commitment of Mayor Richard M. Daley will continue to guide CHA to more notable accomplishments in FY2009.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Nesbitt", written in a cursive style.

Martin Nesbitt, Chairperson

Chicago Housing Authority Board of Commissioners

## Message from the Chief Executive Officer



In many ways, FY2008 was a challenging year for not only the Chicago Housing Authority (CHA), but also the nation. I am proud to report that despite the tough economic climate, CHA is rising above those challenges to create vibrant mixed-income/mixed-finance neighborhoods, help low-income residents achieve self-sufficiency, and provide affordable housing options to the city in a time of need. The ultimate goals of rebuilding 25,000 public housing units and ending years of isolation remain unchanged.

The close of FY2008 marked the end of the ninth year of the Plan for Transformation – a year in which CHA delivered 764 units of public

housing. With 16,936 units delivered to date, the Plan is on track with nearly 68% units complete.

For the first time in almost 10 years, CHA opened the wait list for the Housing Choice Voucher (HCV) Program. To inform the public and ensure a diverse pool of applicants, CHA teamed up with Chicago Public Libraries, Chicago Park District, Chicago Public Schools along with hundreds of community-based and social organizations to launch a four-week, multi-lingual “Rentbetter” campaign. The response was tremendous with more than 232,000 unique registration forms submitted and 40,000 applicants assigned a position on the Housing Choice Voucher Wait List.

The HCV Program continued to introduce program participants to opportunities that improved their professional and economic stature. The Family Self-Sufficiency (FSS) Program saw 95 graduates achieve their stated objectives. Over five years, these FSS participants doubled their income to an average of \$28,000 and 10 graduates increased their income so much that they no longer needed voucher assistance.

In general, public housing residents have proven resilient in the shrinking job market, with more than 37% working. That number

increases to 44% and 49% in scattered site and mixed-income/mixed-finance developments, respectively.

Many stakeholders helped CHA move forward in FY2008, including the continued guidance and support of Mayor Richard M. Daley, HUD, and other public and private partners in the Plan. I thank them, as well as residents, for their assistance. CHA and our partners remain committed to relentlessly pursuing the goals set forth in the Plan for Transformation. I look forward to more success in FY2009.

Sincerely,

A handwritten signature in black ink, appearing to read "Lewis A. Jordan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lewis A. Jordan, Chief Executive Officer  
Chicago Housing Authority

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## **COLLABORATIONS**



## INTRODUCTION

On June 26, 2008, the Chicago Housing Authority (CHA) executed a new Amended and Restated Moving to Work (MTW) Agreement (MTW Agreement) with the U.S. Department of Housing and Urban Development (HUD). By signing on to the new MTW Agreement, CHA's participation in the MTW Demonstration Program was extended through 2018, which signified a renewed dedication toward meeting the goals set forth in the Plan for Transformation (Plan). FY2008 constituted the ninth year of the Plan, and CHA continued to make measurable progress towards achieving its stated goals, including but not limited to: revitalizing of its housing stock, increasing opportunities for residents to attain self-sufficiency, and becoming a more cost effective housing authority. The MTW Agreement permits CHA to implement funding flexibility and cost effective strategies to improve housing for low-income families.

Pursuant to the requirements of the MTW Agreement, CHA submits to HUD an MTW Annual Plan that describes CHA's activities for the upcoming fiscal year. Subsequently, CHA submits an MTW Annual Report that details the progress CHA has made towards the goals discussed in the Annual Plan for the reporting year. Some of CHA's accomplishments for FY2008, which are further detailed in this report, are listed below.

### **Highlights of the FY2008 Annual Report**

#### **Chapter 1: Renewal of Chicago's Public Housing**

- Completed 764 revitalized public housing units for a Plan-to-date total of 16,936 units, 68% of the 25,000 unit goal.
- Delivered 328 public housing units at eight mixed-income/mixed-finance communities.
- Completed two real estate transaction closings, for a Plan-to-date total of 54 closings.
- Broke ground at Westhaven Park Phase IIC rental, a new mixed-income/mixed-finance community replacing Governor Henry Horner Homes.
- Rehabilitated 350 traditional family public housing units at Altgeld Gardens, Bridgeport Homes, Dearborn Homes, Lawndale Gardens, and Washington Park Low-Rises.
- Completed the rehabilitation of 86 public housing units at Larrabee Apartments and Flannery Apartments, which are both senior designated housing properties.

#### **Chapter 2: Increasing Housing Opportunities Through CHA's Housing Choice Voucher Program**

- Provided 36,447 Housing Choice Vouchers (HCV).
- Opened the HCV Wait List for the first time since FY1999, which resulted in CHA accepting more than 230,000 registration forms, and out of those forms, assigning 40,000 applicants a position on the HCV Wait List.
- Revised the Administrative Plan for the HCV Program to eliminate differences in interpretation of CHA policy and program

administration, to reduce program costs, and to comply with HUD regulations and federal, state, and local laws.

- Ninety-five (95) individuals graduated from the HCV Family Self-Sufficiency Program.
- Thirty-nine (39) families purchased a home through the Choose To Own Home Ownership Program, bringing the grand total of homes purchased to 276 since the start of the program.

### **Chapter 3: Supporting Residents through Relocation**

- CHA completed building closure or consolidation activities at: Grace Abbott Homes, Harold Ickes Homes, and Ida B. Wells Homes.
- CHA moved 273 residents out of dilapidated housing through building consolidation closure activity. Of these residents, 130 had their Right of Return satisfied by moving into permanent housing.
- Since the beginning of the Plan, 52% of 10-1-99 families have satisfied their right of return.

### **Chapter 4: Achieving Economic and Social Self-Sufficiency**

- CHA partnered with several external agencies to provide 271 residents transitional jobs placements in FY2008.
- CHA and City Colleges of Chicago (CCC) continued its partnership to augment job skills and meet the changing demands of the job market. During FY2008, 343 residents enrolled in and 254 completed programs offered by CCC and supported by CHA funding.

- Partnered with Windows of Opportunity to provide educational scholarships to qualified CHA residents and HCV Program participants.
- At least 1,800 CHA youth participated in the Chicago Park District's summer day camp program.
- Collaborated with the City of Chicago Department of Public Health (CDPH) to provide CHA residents with access to alcohol and substance abuse assessments, treatment, and follow-up services.

### **Chapter 5: Promoting Economic Opportunities**

- Engaged in outreach activities to inform vendors certified as Minority, Women, and Disadvantaged Business Enterprises about opportunities to contract with CHA.
- Encouraged vendors receiving contracts to commit to more than the minimum requirements for providing employment and job training opportunities to Section 3 residents.
- Placed 225 CHA residents in jobs through the Section 3 Program.

### **Chapter 6: Operation of Chicago's Public Housing**

- Maintained partnerships with third-party property management companies and resident management companies to effectively run the day-to-day operations at each of CHA's public housing sites.
- Continued quality control inspections to ensure that living conditions in CHA properties are safe and sanitary.
- Communicated with residents about scheduled CHA activities, issues, and plans for redevelopment, rehabilitation, and relocation throughout the year.

- Conducted procedural training on CHA's admissions and continued occupancy policies to keep property managers and CHA staff abreast of recent revisions.
- Leased rehabilitated family public housing units at Altgeld Gardens/Phillip Murray Homes and Trumbull Park Homes to applicants off the wait list for the first time since the beginning of the Plan.

### **Chapter 7: Advancing the Vision for Change**

- Launched the OneCHA Campaign for the purpose of creating a unified organizational culture that values transparent communication, integrity, diversity, mutual respect, and collaborative execution of CHA strategies.
- Upgraded the Enterprise Resource and Planning (ERP) system, an online database that allows all CHA departments to track payments, budgets, and purchase orders.
- Received \$90.5 million of funding to date in additional resources, for revitalization of public housing, which included over \$22 million in resources raised during FY2008.
- Collaborated with over 160 partners in the public and private sector to further the goals of the Plan for Transformation.



# RENEWAL OF CHICAGO'S PUBLIC HOUSING

## Chapter 1





## CHAPTER 1: RENEWAL OF CHICAGO'S PUBLIC HOUSING

The Chicago Housing Authority (CHA) has significantly revitalized public housing across Chicago over the course of nine years of the Plan for Transformation (Plan). In FY2008, CHA continued its production of new public housing units. CHA delivered 764 redeveloped or rehabilitated public housing units, which represents 76% of the FY2008 unit delivery goal. The 764 units consist of both mixed-income/mixed-finance units, as well as CHA rehabilitated public housing units. The cumulative total thus far under the Plan is 16,936 units, which signifies 68% of the 25,000 public housing unit commitment goal. FY2008 accomplishments include:

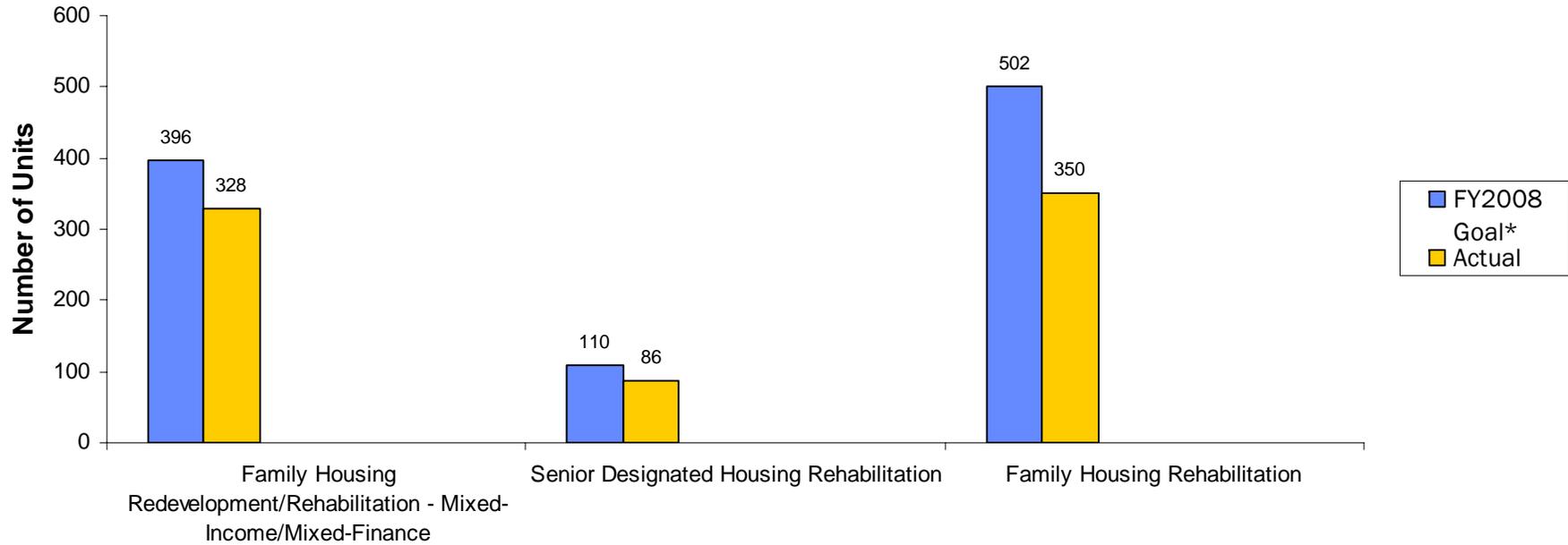
- Delivery of 328 public housing units at eight mixed-income/mixed-finance communities;
- Ground breaking at Westhaven Park Phase IIC rental, a new mixed-income/mixed-finance community replacing Governor Henry Horner Homes;
- Completion of two real estate transaction closings;
- Rehabilitation of 350 public housing units at traditional family public housing developments: Altgeld Gardens, Bridgeport Homes, Dearborn Homes, Lawndale Gardens, and Washington Park Low-Rises; and
- Rehabilitation of 86 public housing units at senior designated housing properties: Larrabee Apartments and Flannery Apartments.

- Awarded \$20 million 2008 HOPE VI Revitalization Grant for Stateway Gardens.

CHA has not veered from the challenge of transforming Chicago's public housing stock, even during the current downturn of our economy. After many years of continued progress, CHA faces several challenges to reaching its unit delivery goals. However, CHA staff has worked diligently to do everything within its control to deliver quality units in a timely and thorough manner. The current housing market conditions, rising cost of development and rehabilitation, compliance with accessibility requirements, and physical conditions have affected the projected unit delivery schedule.

The chart below reflects CHA's progress toward accomplishing its FY2008 unit delivery goals. More details on unit delivery and construction activity are found on the subsequent pages in this chapter.

## FY2008 Unit Completion



\*As indicated in the FY2008 Moving To Work Annual Plan.

CHA completed 76% of the units projected to be delivered in FY2008. Corresponding Asset Management Project (AMP) Numbers are located in Appendix 5: AMP Number Translation Table.

Unit Completion Plan to Date												
Category	Development Name	Actual Units Delivered FY2000 & Before	Actual Units Delivered FY2001	Actual Units Delivered FY2002	Actual Units Delivered FY2003	Actual Units Delivered FY2004	Actual Units Delivered FY2005	Actual Units Delivered FY2006	Actual Units Delivered FY2007	FY2008 Unit Delivery Goal*	Actual Units Delivered FY2008	Actual Total Units Delivered through FY2008
<b>Family Housing Redevelopment/Rehabilitation - Mixed-Income/Mixed-Finance</b>												
	<b>Family Housing Redevelopment - Mixed-Income/Mixed-Finance</b>	-	-	-	-	-	-	-	-	-	-	-
1	ABLA Homes	329	-	-	-	-	117	8	-	120	120	574
1	Frances Cabrini Extension North	44	32	53	57	20	70	-	22	99	35	333
5B	Wm. Green Homes/1230 N. Burling	-	-	-	-	-	-	-	-	-	-	-
5B	Frances Cabrini Extension South	-	-	-	-	-	-	-	-	-	-	-
1	Governor Henry Horner Homes	553	-	-	8	79	-	34	12	58	58	744
1	Lakefront Replacement Housing	90	16	-	15	62	16	15	2	13	13	229
4	Lathrop Homes	-	-	-	-	-	-	-	-	-	-	-
4	Lawdale Complex	-	-	-	-	-	-	-	-	-	-	-
4	LeClaire Courts Extension	-	-	-	-	-	-	-	-	-	-	-
5B	Rockwell Gardens	-	-	-	-	16	4	32	25	-	-	77
5B	Stateway Gardens	-	-	-	-	-	27	-	22	60	24	73
1 & 5B	Robert Taylor Homes	29	27	-	-	-	54	-	83	20	33	226
1	Madden Park/Ida B. Wells Homes and Extension/Clarence Darrow Homes	-	-	-	-	11	52	63	-	26	31	157
	<b>Family Housing Rehabilitation - Mixed-Income/Mixed-Finance</b>	-	-	-	-	-	-	-	-	-	-	-
1	Hillard Towers Apartments	-	-	-	94	59	-	152	-	-	-	305
1 & 5B	Washington Park Homes	-	-	-	-	6	-	-	46	-	-	52
-	Fountainview	-	-	-	-	-	-	-	-	-	14	14
	<b>TOTAL: Family Housing Redevelopment/Rehabilitation - Mixed-Income/Mixed-Finance</b>	<b>1,045</b>	<b>75</b>	<b>53</b>	<b>174</b>	<b>247</b>	<b>346</b>	<b>304</b>	<b>212</b>	<b>396</b>	<b>328</b>	<b>2,784</b>
<b>Senior Housing Rehabilitation</b>												
2	Phases I - IV	-	1,026	3,489	2,911	1,166	206	-	-	-	-	8,798
2	Phase V: Larrabee	-	-	-	-	-	-	-	-	83	61	61
2	Phase VI: Flannery	-	-	-	-	-	-	-	100	27	25	125
2	Phase VI: Britton Budd	-	-	-	-	-	-	-	-	-	-	-
2	Phase VII: Pomeroy, Kenmore	-	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL: Senior Housing Rehabilitation</b>	-	<b>1,026</b>	<b>3,489</b>	<b>2,911</b>	<b>1,166</b>	<b>206</b>	<b>0</b>	<b>100</b>	<b>110</b>	<b>86</b>	<b>8,984</b>
<b>Scattered Site Housing Rehabilitation</b>												
3	Scattered Sites North Central, Northeast, Southeast, Southwest, and West	-	688	1,063	654	77	36	7	-	-	-	2,525
4	Cabrini-Lincoln	-	18	-	-	-	-	-	-	-	-	18
	<b>TOTAL: Scattered Site Housing Rehabilitation</b>	-	<b>706</b>	<b>1,063</b>	<b>654</b>	<b>77</b>	<b>36</b>	<b>7</b>	-	-	-	<b>2,543</b>
<b>Family Housing Rehabilitation</b>												
5A	Altgeld Gardens/Phillip Murray Homes	-	-	-	-	-	101	286	314	132	128	829
4	Bridgeport Homes	-	-	-	15	10	-	35	32	19	19	111
5A	Dearborn Homes	-	-	-	-	-	-	-	78	124	124	202
4	Frances Cabrini Rowhouses	-	-	-	-	-	-	-	-	100	-	-
5A	Harold Ickes Homes	-	-	-	-	-	-	-	-	-	-	-
4	Lake Parc Place	-	-	-	21	279	-	-	-	-	-	300
4	Lawdale Gardens	-	-	-	-	-	-	-	47	61	15	62
4	Lowden Homes	-	-	-	5	49	39	34	-	-	-	127
5A	Trumbull Park Homes	-	-	-	-	27	162	245	-	-	-	434
4	Washington Park Low-Rises	-	-	-	-	45	32	65	11	66	64	217
4	Wentworth Gardens	-	-	-	-	-	130	127	86	-	-	343
	<b>TOTAL: Family Housing Rehabilitation</b>	-	-	-	<b>41</b>	<b>410</b>	<b>464</b>	<b>792</b>	<b>568</b>	<b>502</b>	<b>350</b>	<b>2,625</b>
<b>GRAND TOTALS</b>												
TOTAL NUMBER OF PUBLIC HOUSING UNITS		1,045	1,807	4,605	3,780	1,900	1,052	1,103	880	1,008	764	16,936
CUMULATIVE TOTAL NUMBER OF PUBLIC HOUSING UNITS		1,045	2,852	7,457	11,237	13,137	14,189	15,292	16,172	17,180	16,936	16,936
PERCENTAGE OF 25,000		4%	11%	30%	45%	53%	57%	61%	65%	69%	68%	68%

\*As indicated in the FY2008 Moving To Work Annual Plan.

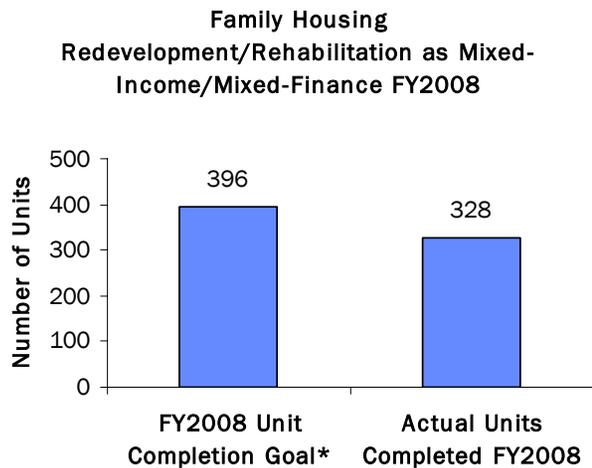
In FY2008, CHA had 1,593 units under construction, which represented more than 100% of the unit goal projected to be under construction. Actual units under construction included all units where construction activity occurred during FY2008 and where unit delivery either occurred in FY2008 or will occur thereafter. Corresponding AMP Numbers are located in Appendix 5: AMP Number Translation Table.

FY2008 Public Housing Unit Construction Schedule			
Category	Development Name	FY2008 Units Under Construction Goal*	Actual Units Under Construction FY2008
<b>Family Housing Redevelopment/Rehabilitation - Mixed-Income/Mixed-Finance</b>			
	<b>Family Housing Redevelopment - Mixed-Income/Mixed-Finance</b>		
1	ABLA Homes	120	<b>120</b>
1	Frances Cabrini Extension North	138	<b>99</b>
5B	Wm. Green Homes/1230 N. Burling	-	-
5B	Frances Cabrini Extension South	-	-
1	Governor Henry Horner Homes	108	<b>58</b>
1	Lakefront Replacement Housing	44	<b>13</b>
4	Lathrop Homes	-	-
4	Lawndale Complex	-	-
4	LeClaire Courts Extension	-	-
5B	Rockwell Gardens	67	-
5B	Stateway Gardens	92	<b>25</b>
1 & 5B	Robert Taylor Homes	74	<b>52</b>
1	Madden Park/Ilda B. Wells Homes and Extension/Clarence Darrow Homes	34	<b>81</b>
<b>Family Housing Rehabilitation - Mixed-Income/Mixed-Finance</b>			
1	Hilliard Towers Apartments	-	-
1 & 5B	Washington Park Homes	-	-
-	Fountainview	-	-
	<b>TOTAL: Family Housing Redevelopment/Rehabilitation - Mixed-Income/Mixed-Finance</b>	<b>677</b>	<b>448</b>
<b>Senior Housing Rehabilitation</b>			
2	Phases I - IV	-	-
2	Phase V: Larrabee	83	<b>86</b>
2	Phase VI: Flannery	27	<b>125</b>
2	Phase VI: Britton Budd	173	<b>172</b>
2	Phase VII: Pomeroy, Kenmore	-	-
	<b>TOTAL: Senior Housing Rehabilitation</b>	<b>283</b>	<b>383</b>
<b>Scattered Site Housing Rehabilitation</b>			
3	Scattered Sites North Central, Northeast, Southeast, Southwest, and West	-	-
4	Cabrini-Lincoln	-	-
	<b>TOTAL: Scattered Site Housing Rehabilitation</b>	-	-
<b>Family Housing Rehabilitation</b>			
5A	Altgeld Gardens/Phillip Murray Homes	132	<b>382</b>
4	Bridgeport Homes	19	<b>19</b>
5A	Dearborn Homes	124	<b>124</b>
4	Frances Cabrini Rowhouses	100	<b>146</b>
5A	Harold Ickes Homes	-	-
4	Lake Parc Place	-	-
4	Lawndale Gardens	61	<b>15</b>
4	Lowden Homes	-	-
5A	Trumbull Park Homes	-	-
4	Washington Park Low-Rises	66	<b>76</b>
4	Wentworth Gardens	-	-
	<b>TOTAL: Family Housing Rehabilitation</b>	<b>502</b>	<b>762</b>
<b>GRAND TOTALS</b>			
<b>TOTAL NUMBER OF PUBLIC HOUSING UNITS</b>		<b>1,462</b>	<b>1,593</b>

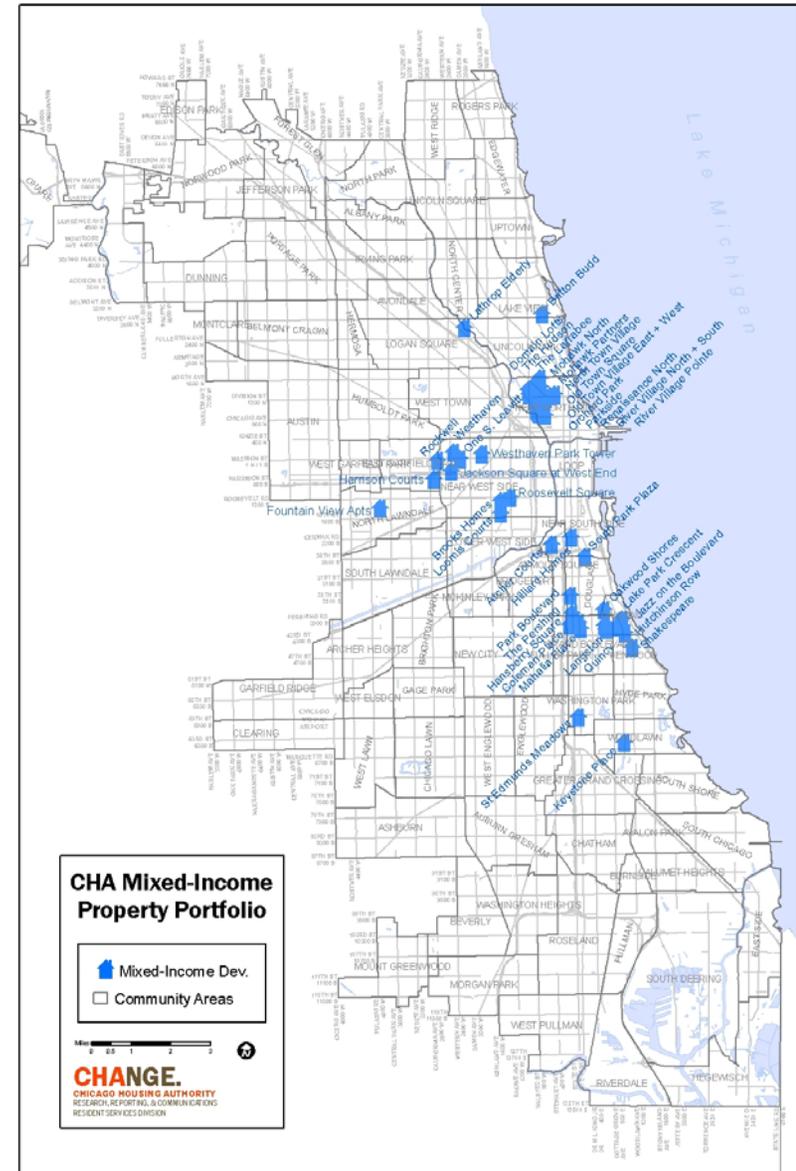
\*As indicated in the FY2008 Moving To Work Annual Plan.

## Family Housing Redevelopment/Rehabilitation as Mixed- Income/Mixed-Finance Communities

CHA upholds its commitment to transform and deliver public housing options for low-income residents in the city of Chicago. CHA has found that through the creation of mixed-income/mixed-finance communities, it is able to deconcentrate poverty across its public housing stock and allow public housing, affordable, and market-rate residents to cohesively exist together within the same community. The mixed-income/mixed-finance developers constructed 328 mixed-income/mixed-finance public housing units in FY2008, which represents 83% of the planned mixed-income/mixed-finance unit delivery goal stated in the FY2008 Moving to Work (MTW) Annual Plan.



\*As indicated in the FY2008 Moving To Work Annual Plan.



While CHA recognizes that each mixed-income/mixed-finance community is unique and requires narrowly tailored redevelopment plans, every mixed-income/mixed-finance community requires CHA to follow a series of interdependent steps, which are crucial to the development of each new community. Below is a description of the fundamental steps involved in the redevelopment process.

### **Create a Working Group**

The purpose of the working group is to combine and implement both the ideas and goals of several stakeholders into the revitalization of Chicago's public housing. The working groups at mixed-income/mixed-finance development sites may include, but are not limited to: public housing residents, the developer, CHA staff, community stakeholders, advocates, The Habitat Company, the City of Chicago, and the Gautreaux Plaintiff's Counsel.

### **Identify and Select a Master Developer and Create a Master Developer Agreement**

One of the main functions of the working group is to work with CHA in procuring a master developer through a competitive bidding process. Together, the working group and CHA solicit master developers by advertising a Request for Qualifications (RFQ). After considering the qualifications and selecting the master developer, CHA enters into a Master Developer Agreement (MDA). The MDA describes the project,

the responsibilities of the master developer, the responsibilities of CHA, and the timeline for both unit construction and delivery. In order to finalize and enact the MDA in its role as court appointed receiver, CHA Board of Commissioners (Board), The Habitat Company, and HUD must approve the terms of each MDA.

### **Create the Redevelopment Plans for the Mixed-Income/Mixed-Finance Communities**

To create the redevelopment plan for any mixed-income/mixed-finance community(s), the master developer must contract with an architect and possibly an urban planner. The working group reviews design proposals and gives constructive input as to what aspects of the redevelopment plans will be feasible and what areas need improvement. The final redevelopment plans for the mixed-income/mixed-finance community: explain the proposed building and land use; include the number of units that will be categorized as public housing, affordable, and market-rate; identify which buildings will be designated for residential or commercial use; and lay out where the common areas, parking lots, landscaping will be located and environmentally friendly features that will be incorporated.

### **Submit the Rental Term Sheet and Mixed-Finance Proposal**

CHA must submit a Rental Term Sheet and Mixed-Finance Proposal to HUD for approval for each phase of redevelopment. These documents

detail: building types, funding sources, names of major partners, non-residential and/or mixed-uses, overall unit count, and any other significant features for each phase (e.g. a land exchange, commercial facilities, scattered site acquisition and/or development).

### **Secure Supplemental Financing**

In order to implement the redevelopment plans for the mixed-income/mixed-finance community, CHA works with the master developer to secure additional financing to supplement the funds provided by HUD. This financing comes from a variety of public and private resources, which include, but are not limited to: private mortgages, Tax Increment Financing (TIF), federal Low-Income Housing Tax Credits (LIHTC), state tax credits, tax-exempt bonds, and HOPE VI grants. CHA and the master developer employ numerous strategies to secure additional financing, such as seeking funding on a phase-by-phase basis, during each stage of redevelopment.

### **Draft a Tenant Selection Plan and Lease**

The master developer in consultation with the working group is in charge of creating the criteria for admissions, as well as the continued occupancy policies for the future residents of the mixed-

income/mixed-finance community. The Tenant Selection Plan (TSP) and the Lease both incorporate the site-specific admissions and occupancy policies and are established through the joint efforts of the master developer and the working group. In FY2008, the master developer and the working group continued to use the Minimum Tenant Selection Plan for Mixed-Income/Mixed-Finance Communities (MTSP) developed by CHA as a guide for creating each site-specific TSP.

When the draft version of each TSP and Lease is finalized, CHA hosts a public comment hearing and conducts a 30-day public comment period, wherein the public has the opportunity to express their thoughts and concerns about the draft policies. Subsequently, these policies are submitted to the CHA Board for approval prior to implementation. The table below lists the mixed-income/mixed-finance communities for which CHA completed the aforementioned public consultation process and were CHA Board approved during FY2008.

FY2008 Tenant Selection Plans and Leases for Mixed-Income/Mixed-Finance Sites

AMP Number	Mixed-Income/Mixed-Finance Community	Original CHA Site
141000	Westhaven Park Phase IIC Rental	Governor Henry Horner Homes
Not Yet Assigned	Oakwood Shores 2B (One)	Madden Park/Ida B. Wells Homes and Extension/Clarence Darrow Homes

**Close and Demolish Building**

In order to begin the redevelopment process at a former CHA public housing development, all buildings on the site must be vacated and demolished. When a building is scheduled for closure, CHA works with residents to educate them about their options for temporary and permanent housing. Throughout the Plan one of the main goals for CHA is to create a comfortable and smooth transition for residents, as they move from their current units into temporary housing or into permanent homes. CHA public housing buildings are neither closed nor demolished until all residents are notified of the building’s impending closure and then relocated by CHA.<sup>1</sup> (Refer to Chapter 3: Supporting Residents through Relocation for a detailed explanation of the relocation process, as well as building closure and relocation activity conducted in FY2008.)

<sup>1</sup> Pursuant to the Relocation Rights Contract, residents may choose to relocate to another public housing unit, the private market using a Housing Choice Voucher, or to unsubsidized housing.

**Improve Infrastructure**

One aspect of the mixed-income/mixed-finance community redevelopment plan is the need to update infrastructure for the site. These improvements may include, but are not limited to: updated utilities, revised street grids, new alleys, landscaping, additional green space, upgrades to sewer and water lines, as well as new or upgraded public facilities, such as parks, schools, and police and fire stations. Throughout FY2008, CHA and master developers worked collaboratively with various City of Chicago Departments, sister agencies, and utility companies to accomplish the infrastructure improvement goals for each site undergoing construction.

**Close the Real Estate Transaction**

Since the beginning of the Plan, CHA has completed a grand total of 54 real estate transaction closings, two of which were completed in FY2008: Britton Budd Senior Apartments and Westhaven Park Phase IIC Rental. Additionally, CHA continued to prepare the necessary documents for the anticipated real estate transaction closings in FY2009. The real estate transaction closing is an important

achievement toward the progress of the Plan, because it demonstrates to the public the following:

- HUD has approved required documents (such as the Rental Term Sheet, the Mixed-Finance Proposal, the TSP, and the Lease);
- The financial papers and planning documents have been fully executed; and
- There is adequate funding available for the applicable phase of redevelopment.

### **Commence Construction**

Construction may begin when the real estate transaction closing is finalized. Typically, construction on a phase within a new mixed-income/mixed-finance community takes approximately 18 to 24 months from the date of the real estate transaction closing through the date of initial unit delivery.

### **Prepare for Leasing**

Part of the relocation process requires, prior to leasing, that CHA must inform its residents about both their relocation options and the process of relocating to a new unit. Upon unit completion, CHA receives a Certificate of Occupancy, which allows residents to begin living in the new development. CHA conducts its own physical inspection and review of the unit(s) before CHA deems the units

delivered. CHA provides the developer of the mixed-income/mixed-finance community the names of residents interested in living at that location so that the developer may commence their site-specific screening process. (Refer to Chapter 6: Operation of Chicago's Public Housing for a detailed explanation of leasing activity that occurred in FY2008.)

FY2008 redevelopment and unit delivery activity for the properties listed below is contained on the following pages:

**Grace Abbott Homes/Robert H. Brooks Homes and Extension/Loomis Courts/Jane Addams Homes (ABLA)**

**Frances Cabrini Extension North**

**Governor Henry Horner Homes**

**Hilliard Towers Apartments**

**Lakefront Replacement Housing**

**Madden Park Homes/Ida B. Wells Homes and Extension/Clarence Darrow Homes**

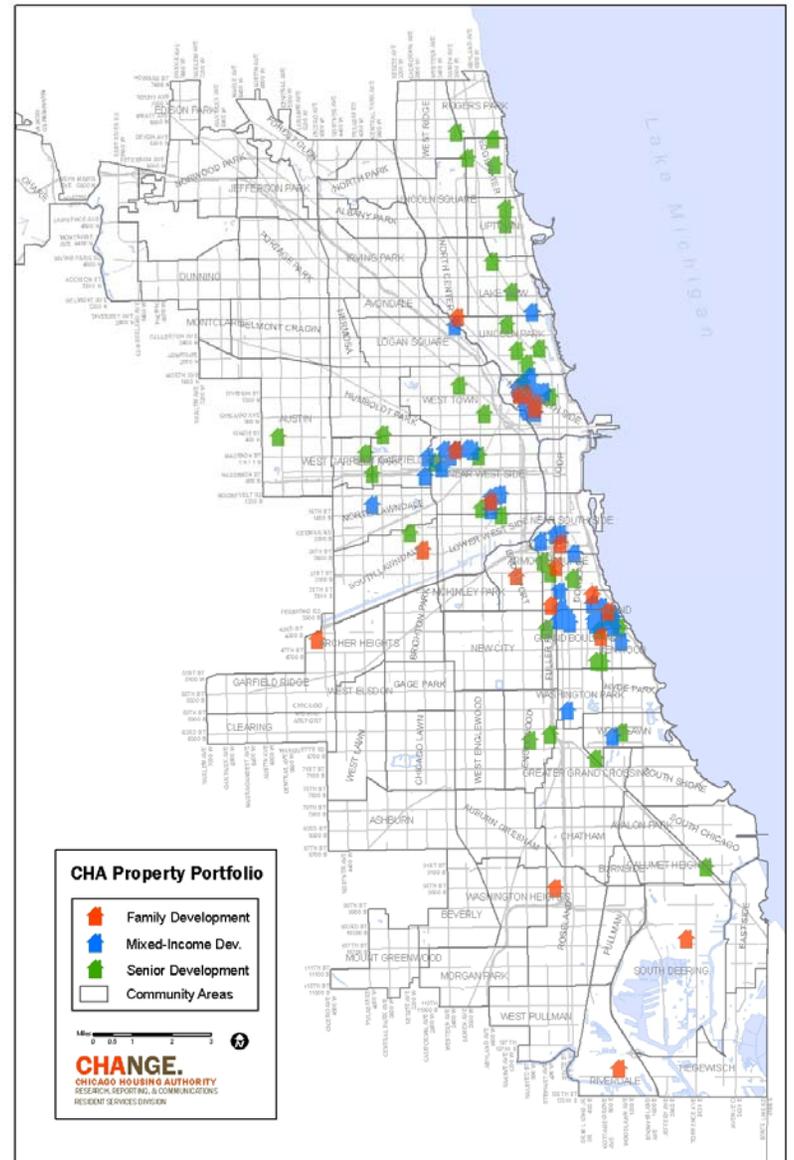
**Robert Taylor Homes**

**Rockwell Gardens**

**Stateway Gardens**

**Washington Park Homes**

**Fountainview**



## **Grace Abbott Homes/Robert H. Brooks Homes and Extension/Loomis Courts/Jane Addams Homes (ABLA)**

Street Boundaries: Cabrini/Blue Island/16<sup>th</sup>/Ashland

AMP Numbers: 001000, 116000, 133000

ABLA is one of the communities in the process of being redeveloped into mixed-income/mixed-finance housing. During FY2008, CHA delivered 120 public housing units at Roosevelt Square Phase II, which represents 100% of the FY2008 unit delivery goal. Roosevelt Square is a community replacing ABLA, and is currently comprised of six phases of new construction.

### **Roosevelt Square Phase II Rental and For-Sale**

AMP Numbers: 116000, 133000

Roosevelt Square Phase II has both a Rental and For-Sale component. The home ownership phase, known as Roosevelt Square Phase II For-Sale, will consist of a total of 247 units, comprised of 179 market-rate units, 59 affordable units, and nine Choose To Own units<sup>2</sup> for participants of the Choose To Own Home Ownership Program. (Refer to Chapter 2: Increasing Housing Opportunities through CHA's Housing Choice Voucher Program for more information on the Choose to Own Home Ownership Program.) The planned

housing types include: six-flats, five-story condominium buildings, and town houses. This phase has remained in the planning stages because of insufficient pre-sales due to the downturn in the real estate market. Occupancy at Roosevelt Square Phase II For-Sale will begin approximately 15 months after the commencement of construction. This plan also includes a 600 square foot ground-level retail space.

The second component, Roosevelt Square Phase II Rental, will be composed of 185 units, including 128 public housing units, 55 affordable units, and two management/employee units. Construction began on this phase in August 2007 and occupancy began in February 2008. There is also a 5,000 square foot ground-level retail space in Roosevelt Square Phase II Rental under construction.

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<sup>2</sup> The Choose to Own Home Ownership Program is a home ownership program that allows families to use their Housing Choice Voucher subsidy towards their mortgage costs, instead of using the voucher to rent an apartment.

## **Frances Cabrini Extension North**

Street Boundaries: Sedgewick/Larrabee/Division/Oak

AMP Numbers: 092000, 089000, 091000, 126000, 131000, 138000

Frances Cabrini Extension North is in the process of being redeveloped into various mixed-income/mixed-finance communities. In FY2008, CHA delivered an additional 35 public housing units in replacement of Frances Cabrini Extension North, bringing the total to 333 public housing units delivered under the Plan. CHA did not meet its FY2008 unit delivery goal for Frances Cabrini Extension North due to slower construction than originally projected. The remaining units are now scheduled for delivery in FY2009. During the year, CHA worked on several phases of development at Frances Cabrini Extension North, both in the planning and construction stages.

## **Parkside of Old Town Phase I Condominium**

AMP Numbers: 126000, 131000

Construction of Parkside of Old Town Phase I Condominium began in late FY2007 and continued throughout FY2008. The developer completed construction on 35 public housing units in this phase in FY2008 bringing the total to date to 45 public housing units. There are a total of 280 units in this phase, which consist of 72 public housing units, 14 affordable units, and 194 market-rate units. This phase consists of two and three-story town houses, as well as two mid-rise buildings. At the close of FY2008, there were 119 units occupied, including 24 public housing units. The final 27 public

housing units remain under construction and are projected for delivery in FY2009.



*Parkside of Old Town Condominium*

### **Parkside of Old Town Phase IB Rental**

*AMP Numbers: Not Yet Assigned*

Construction of Parkside of Old Town Phase IB Rental continued throughout FY2008. This phase includes a total of 111 rental units, which consist of 35 public housing units, 48 affordable units, and 28 market-rate units. One eight-story mid-rise building with 105 units and six attached town houses will be built in this phase. There is one commercial space that is approximately 1,281 square feet and occupancy efforts are underway.



*Parkside of Old Town Rental*

### **Parkside of Old Town Phase 2A-1 Rental**

*AMP Numbers: Not Yet Assigned*

Construction plans for Parkside of Old Town Phase 2A-1 Rental were finalized in FY2008. In this phase there will be one eight-story mid-

rise building. The developer will construct 111 rental units, comprised of 39 public housing units, 53 affordable units, and 19 market-rate units.

#### **Parkside Ribbon Cutting**

In April 2008, local elected officials, developers, CHA residents, and CHA staff gathered to celebrate a historic moment for the city of Chicago, the ribbon cutting ceremony for Parkside of Old Town. Parkside of Old Town is the first on-site development to replace Frances Cabrini Extension North. This new mixed-income/mixed-finance community is being constructed on land that was previously occupied by dilapidated high-rises.

This latest accomplishment enables CHA to take a monumental step forward in the development of modern public housing by making good on its grand plan to transform its public housing developments into mixed-income/mixed-finance communities. It is anticipated that once complete, Parkside of Old Town, bound by Division Street (North), Seward Park (East), Oak Street (South), and Larrabee Street (West), will consist of 740 units of condominiums and town houses of which 217 will be public housing, 127 affordable, and 396 market-rate.

Frances Cabrini Extension North is one part of the development commonly known as Cabrini-Green. What once was a national icon of urban decay has been transformed into a community replete with amenities. The area now boasts a grocery store, the new 18<sup>th</sup> street police station, the Near North Public Library, the economically and racially diverse Walter Payton College Preparatory high school, and commercial retail.

## **Governor Henry Horner Homes**

Street Boundaries: Lake/Washington/Hermitage/Oakley

AMP Numbers: 093000, 132000, 141000

Westhaven Park is the name of the mixed-income/mixed-finance community that is replacing Governor Henry Horner Homes. CHA has demonstrated its commitment to replace Governor Henry Horner Homes through the execution of the Plan and has delivered a total of 744 public housing units to date. In FY2008, CHA met its yearly unit delivery goal and completed 58 public housing units as planned. CHA continued to work on planning for the retail space for both Westhaven Park's Rental and For-Sale Phases. The developer has proposed four commercial units in a four-story building, as well as two commercial spaces in the high-rise condominium building. Below is a description of the work conducted at Westhaven Park in FY2008.

### **Westhaven Park Phase IIB**

AMP Number: 132000

CHA delivered 12 public housing units in FY2007 and the remaining 58 public housing units at Westhaven Park Phase IIB in July 2008. This 127 unit rental phase consists of 70 public housing, 27 affordable, and 30 market-rate units. Phase IIB consists of row-houses and walk-up buildings, which range from five to nine units each. As of September 2008, all units had been delivered and leased to qualified public housing residents. However, the developer has had difficulty selling the for-sale units planned for the Phase IIB

For-Sale development, due to the slow down of the real estate market.



### **Westhaven Park Phase IIC**

AMP Number: 141000

The Westhaven development team conducted a real estate transaction closing for Westhaven Park Phase IIC Rental in late December 2008 and commenced construction in January 2009. The Westhaven Park Phase IIC Rental will provide 92 units, made up of 46 public housing, 32 affordable, and 14 market-rate units. Westhaven Park Phase IIC Rental will consist of a variety of building types, including a mix of walk-up and elevator buildings.

## Hilliard Towers Apartments

Street Boundaries: Cullerton/Cermak/State/Clark  
AMP Numbers: 099000, 134000, 100000, 135000

CHA completed revitalization of Hilliard Towers Apartments in FY2006. This was a significant milestone, because it is the first site where CHA replaced a former public housing development completely with a mixed-income/mixed-finance community under the Plan. In total, CHA delivered 305 public housing units at Hilliard Towers Apartments, which includes both senior designated and traditional family housing. Within the two 16-story senior designated housing buildings, there are 188 public housing units and 164 affordable rental units. The mixed-income/mixed-finance family housing is located within two 22-story buildings containing a total of 117 public housing units and 185 affordable rental units. In FY2008, the Chicago Architecture Foundation awarded to both CHA and Holsten Real Estate Development Corporation the Patron of the Year Award for the outstanding architecture at Hilliard Towers Apartments.

Hilliard Towers Apartments, designed by renowned architect Bertrand Goldberg, was restored through rehabilitation efforts to its current beautiful and historic architectural design. Hilliard Towers Apartments was listed on the National Register of Historic Places, which allowed the developer to utilize historic preservation tax credits as part of the financing plan. The collaboration of CHA, the developer, the City of Chicago, HUD, as well as other private lenders

and equity investors contributed greatly to the success of Hilliard Towers Apartments revitalization.



*Hilliard Towers Apartments*

## **Lakefront Replacement Housing**

Street Boundaries: Various

AMP Numbers: 105000, 140000, 119000

Lake Park Crescent, a mixed-income/mixed-finance community, is an important component of the Plan to deliver public housing units at Lakefront Replacement Housing. CHA acquired 13 public housing units in FY2008, or 100% of the FY2008 goal. The Lake Park Crescent development will create new public housing in a variety of building types including: a high-rise condominium building, a mid-rise elevator building, multi-level town houses, traditional three- and six-flats, and rowhouses. Below is a brief description of activities that took place at Lake Park Crescent during FY2008.

### **Lake Park Crescent IA For-Sale**

AMP Number: 140000

Lake Park Crescent IA For-Sale is comprised of 13 public housing units, 20 affordable units, and 35 market-rate units. CHA acquired 13 public housing units by August 2008. This development consists of three and six-story rowhouses. Occupancy began at this phase in May 2008 and all 13 public housing units are occupied. In an effort to help sell home ownership units in this phase, the "Find Your Place in Chicago" campaign, supported by the Partnership for New Communities, offered a \$10,000 incentive to home buyers to purchase a home at Lake Park Crescent.

### **Find Your Place in Chicago Campaign**

In FY2008, the City of Chicago, the Partnership for New Communities, the John D. and Catherine T. MacArthur Foundation, CHA, and a number of partners launched the Find Your Place in Chicago campaign to encourage home buyers to purchase homes in Plan for Transformation communities or Chicago Department of Community Development (formerly Chicago Department of Housing) sites throughout the city. The campaign consists of price reductions, down-payment assistance, and \$1 million in financial aid provided by The Partnership for New Communities, Harris Bank, and private developers. All of the homes have been built with city assistance such as direct financial subsidies and federal or state tax credits.

The Partnership for New Communities set the goal to sell 100 new homes in seven Plan for Transformation communities. The Partnership for New Communities provides \$10,000 in financial aid to buyers in these communities. As of the end of the FY2008 reporting period, 39 real estate transaction closings or contracts and ten additional reservations have resulted from this endeavor. CHA executive staff and campaign partners hope that as sales increase, the Plan for Transformation will continue to be viewed as an active and viable asset to the existing communities and the city as a whole.

In addition to the \$10,000 provided by the Partnership for New Communities, which was increased to \$20,000 during the Christmas holiday, there are incentives available for sellers, partner banks, and employees of employer-assisted housing programs. Further, qualified buyers can receive tax smart mortgages, the Federal Income Tax Credit (FITC), and access to other state and federal grant programs may be available to those with incomes of less than 80% of Area Median Income (AMI). The marketing campaign consisted of radio, print, and transit ads as well as employer-assisted housing tours of the neighborhoods. Also, prospective buyers were invited to attend brown bag informational series. Program officials conducted interviews with local radio shows, and a cable show and website were produced

## **Lake Park Crescent IIA**

*AMP Number: 128000*

Lake Park Crescent IIA is being developed in two phases: a rental phase and a for-sale phase. When complete, Lake Park Crescent IIA Rental will provide 47 public housing, 49 affordable, and 21 market-rate units. Lake Park Crescent IIA For-Sale will contain 36 affordable units and 116 market-rate units. In FY2008, CHA held monthly working group meetings to plan the development of this phase; however, as a result of current housing market conditions, the developer revised the unit delivery timeline.

## **Madden Park Homes/Ida B. Wells Homes and Extension/Clarence Darrow Homes**

Street Boundaries: 35<sup>th</sup>/Pershing/Martin Luther King Drive/Lake Park  
*AMP Numbers: 017000, 113000, 137000, 130000*

By the end of the Plan, CHA will have redeveloped Madden Park Homes, Ida B. Wells Homes and Extension, and Clarence Darrow Homes into a mixed-income/mixed-finance community known as Oakwood Shores. During FY2008, 31 public housing units were delivered, which represents more than 100% of the FY2008 unit commitment goal. Oakwood Shores Phase 1 For-Sale was the winner of the 2008 Charter Award by the Congress for the New Urbanism (CNU), which acknowledged the thriving neighborhood renewal. CHA made significant progress at Oakwood Shores in FY2008 and a brief explanation by phase is described below.

### **Oakwood Shores Phase 2B(One)**

*AMP Numbers: Not Yet Assigned*

In FY2008, CHA continued to work on the real estate transaction closing for Oakwood Shores Phase 2B(One). According to the working group's plan for this phase, construction is projected to begin in FY2009 and unit delivery is scheduled for FY2010. Oakwood Shores Phase 2B(One) will be comprised of town houses, six-unit walk-up apartment buildings, and one six-story mid-rise building. A total of 75 units, consisting of 29 public housing units, 26 affordable units, and 20 market-rate units are planned.

### **Oakwood Shores Phase 2A Rental**

*AMP Numbers: 137000*

When complete, Oakwood Shores Phase 2A Rental will contain 199 units, made up of 81 public housing, 61 affordable, and 57 market-rate units. This phase consists of town houses, six-unit walk-up apartment buildings, and one six-story mid-rise building. The Chicago Department of Transportation (CDOT) completed the installation of new streets needed for occupancy, which began in late FY2008. To date, 49 units and a management office are currently occupied, including 19 of the 31 public housing units delivered, 15 of the 20 delivered affordable units, and 15 of the 20 delivered market-rate units.



Oakwood Shores

## **Robert Taylor Homes**

Street Boundaries: 39<sup>th</sup>/54<sup>th</sup>/State/Federal

AMP Numbers: 117000, 127000, 021000, 139000

The redevelopment of Robert Taylor Homes into a mixed-income/mixed-finance community, with both on and off-site replacement housing, is known as Legends South. The developer was ahead of projections and delivered 33 public housing units at Coleman Place, also known as Robert Taylor Phase C2, in FY2008. The Hansberry Square community center was completed and is open for all Legends South developments. The community center offers computer classes and an after-school program to residents while serving as a meeting place for community organizations. Below is a brief description of the activities that occurred in different phases of Legends South in FY2008.



*Legends South*

## **Legends South Phase A2 Rental**

AMP Numbers: *Not Yet Assigned*

Considerable effort by CHA and the development team was made in FY2008 to finalize the plans for Legends South Phase A2 Rental. For example, CHA approved the development budget and proposed the Predevelopment Loan Agreement and a Right of Entry Agreement. The developer also applied for LIHTC from the Chicago Department of Community Development (formerly Chicago Department of Housing) and submitted an application for Illinois Housing Development Authority (IHDA) tax credits in December 2008. When complete, this phase will be comprised of 60 public housing units, 50 affordable units, and 28 market-rate units located in a variety of building types including town houses and buildings with two, three, six, eight, nine, or 12-units.

## **Legends South Phase C-2**

AMP Numbers: 139000

Legends South Phase C-2, known as Coleman Place, contains 52 public housing units, 43 affordable units, and 23 market-rate units. By the end of FY2008, the developer had delivered 75 units (33 public housing units, 28 affordable units, and 14 market-rate units) spread across eight buildings of various types. Occupancy began in August 2008 and will be complete in early FY2009.

## **Rockwell Gardens**

Street Boundaries: Madison/Van Buren/Western/Rockwell

AMP Numbers: 112000, 107000, 106000, 120000

CHA will deliver public housing units to replace Rockwell Gardens by the end of the Plan. To date, the developer has created 134 new rental housing units as part of the HOPE VI Revitalization Program at Rockwell Gardens, which includes 71 public housing units, 53 affordable units, and 10 market-rate units. Below is a brief description of the activities conducted during FY2008.

## **Jackson Square at West End**

AMP Numbers: 120000

The on-site redevelopment of Rockwell Gardens into a mixed-income/mixed-finance community is known as Jackson Square at West End. In FY2007 and FY2008, the developer constructed 31 of the 66 housing units planned for the home ownership component. These units are spread among a variety of low-rise buildings. At year's end, the developer had sold eight units. Due to the slow down in the housing market resulting in few home sales, the developer is pursuing temporary rental of the for-sale units, as well as a rent-to-own program. CHA also worked on a land swap with the City of Chicago and the Chicago Park District in order to create a new park for this revitalized community.



## **Rockwell Gardens Phase 2 Rental**

AMP Numbers: Not Yet Assigned

The developer finalized the plans for Rockwell Gardens Phase 2 Rental in FY2008. This phase will deliver 112 units and will contain 65 public housing units, 33 affordable units, and 14 market-rate units spread across two- and three-flats, as well as four-, six-, eight-, 10-, and 12-unit structures. In July 2008, the Rockwell Phase 2 Tax Increment Financing (TIF) application was approved by the Chicago Community Development Commission. Resident leaders hosted resident meetings in September and December 2008 to discuss development plans.

## **Stateway Gardens**

Street Boundaries: 35<sup>th</sup>/39<sup>th</sup>/State/Federal

AMP Numbers: 125000, 115000

In FY2008, CHA collaborated with many City of Chicago departments and external partners in order to revitalize the community surrounding Park Boulevard, in the mixed-income/mixed-finance community being built to replace Stateway Gardens. This year, the engineering design for the State Street Improvement Project was completed; however, funding approval remains pending. In addition, renovation of the Illinois Institute of Technology's (IIT) Technology Park and Campus, as well as the renovation of the Historic Overton Hygiene building continued in FY2008.

## **Park Boulevard Phase 1B**

AMP Numbers: 125000

Park Boulevard Phase 1B will contain 311 total housing units, which will consist of 100 public housing units, 72 affordable units, and 139 market-rate units. In FY2008, CHA delivered 24 public housing units in this phase. Due to the slow home ownership market, fewer public housing rental units were constructed and delivered in FY2008. By the end of FY2008, 46 public housing units have been constructed in this phase and are fully occupied. Park Boulevard Phase 1B will provide a variety of housing options that include mid-rise buildings, three-, five-, and six-flats, town houses, and single family homes. There is retail commercial space located within three of the buildings

located along State and 35<sup>th</sup> Streets. In the two completed buildings, ground-level retail space, totaling over 10,000 square feet, was leased to National City Bank, Starbucks, Fed-Ex Kinkos, and Jimmy Johns.

## **Park Boulevard Phase 2A**

AMP Numbers: Not Yet Assigned

In September 2008, the U.S. Department of Housing and Urban Development (HUD) awarded CHA a \$20 million 2008 HOPE VI Revitalization Grant for Stateway Gardens' Park Boulevard Phase 2 development project. This grant will allow CHA to further the redevelopment of this mixed-income/mixed-finance community.

## Washington Park Homes

Street Boundaries: Various

AMP Numbers: 039000, 108000, 122000

CHA continued planning both the redevelopment and the rehabilitation of a vibrant mixed-income/mixed-finance community to replace Washington Park Homes. To date, CHA has delivered 52 public housing units located at St. Edmunds Meadows and Keystone Place as part of the replacement of Washington Park Homes. CHA completed the construction of St. Edmund's Meadows in FY2007, which includes 14 rehabilitated public housing units. St. Edmund's Meadows is made up of three and four bedroom rental units within rowhouses and three-story walk-up style buildings. CHA also completed construction of Keystone Place in FY2007, which includes 38 public housing units. Keystone Place is made up of a range between one and four bedroom rental units located within three-, five- and six-flat style homes.

In FY2008, CHA worked on the plans for the development of a mixed-use project on vacant CHA land located at 45th Street and Cottage Grove. A minimum of 40 public housing units will be developed in association with this project, commonly referred to as the "45th and Cottage Grove" project. A Request for Qualifications (RFQ) is anticipated to be released in early FY2009 to select a master developer for the project.



## **Fountainview**

Street Boundaries: Douglas/Independence/13<sup>th</sup>/Ridgeway

*AMP Number: 124000*

CHA attained a substantial milestone with the completion of unit delivery at Fountainview in June 2008. Fountainview is comprised of 14 public housing, 26 affordable, and five market-rate units. Of the total 45 units, nine are accessible and adaptable for people with disabilities. Each unit at Fountainview was wired for both cable television and high speed internet. As part of a welcome-to-the-community, One Economy Corporation, a not-for-profit organization that focuses on technology education for low-income individuals, donated a free computer to each of the 45 families at Fountainview. Each family was also offered free computer training at Lawndale Christian Development Corporation's computer center.

## **Additional Properties to be Redeveloped**

Over the course of the Plan, CHA has learned that collaborative planning helps ensure efficient execution of redevelopment plans. In FY2008, CHA continued development planning for the following properties: Frances Cabrini Extension South, Lathrop Homes, Lawndale Complex, and William Green Homes/1230 North Burling. CHA did not conduct redevelopment activity at LeClaire Courts Extension.

### **Frances Cabrini Extension South**

Street Boundaries: Hudson/Chicago/Sedgwick/Wendell

*AMP Number: Not Yet Assigned*

CHA continued its redevelopment planning efforts for Frances Cabrini Extension South in FY2008. CHA collaborated with the Cabrini Green Local Advisory Counsel (LAC), and the working group to discuss the development alternatives for the site, as well as the resident impact. The current plans call for a mixed-income/mixed-finance community that will be comprised of public housing units, affordable units, and market-rate units.

### **Lathrop Homes**

Street Boundaries: Clybourn/Damen/River North

*AMP Number: 022000*

In FY2008, CHA collaborated with both The Habitat Company and HUD to assess the costs associated with the redevelopment of Lathrop Homes, as well as the applicable state and federal historical preservation requirements. By the end of the Plan, CHA will redevelop Lathrop Homes into a mixed-income/mixed-finance community.

### **Lawndale Complex**

Street Boundaries: Roosevelt/Ogden/Talman/Fairfield

*AMP Number: Not Yet Assigned*

Under the Housing for Chicagoans Everywhere Program, a developer submitted a proposal to redevelop up to five acres of Lawndale Complex. In FY2008, CHA reviewed and evaluated the proposal, which entails constructing a small mixed-income community. CHA plans to award the project to the developer in early FY2009. Meanwhile, a comprehensive redevelopment strategy is being planned in cooperation with CHA, The Habitat Company, and the Chicago Department of Community Development (formerly the Chicago Department of Planning and Development and Chicago Department of Housing).

### Housing for Chicagoans Everywhere

CHA continues to move forward with the Housing for Chicagoans Everywhere (HCE) Program, where interested developers, development teams, and/or business owners are given the opportunity to participate in the creation of mixed-income/ mixed-finance communities. This mixed-finance method uses a combination of private and public funds for development and involves thorough examination of the developer/ development teams. Selected respondents receive monetary assistance and/or land from CHA in return for setting aside no more than 30% of the units in each development project for public housing families.

The HCE Program proves beneficial to all participants as it allows pre-qualified developers, interested in developing on CHA land (up to five acres), a means to complete project funding or recapitalize on an existing venture. In addition, the participation in the program is a draw to developers who wish to include a low-income category in their venture in order to meet requirements and/or criteria in other governmental assistance programs, such as the LIHTC Program. In FY2008, CHA released a RFP to the HCE Program pre-qualified developers for the revitalization of the vacant land once occupied by Maplewood Courts. CHA staff evaluated the proposals received and anticipates awarding the project to a developer in early FY2009.

### William Green Homes/1230 North Burling

Street Boundaries: Larrabee/Halsted/Clybourn/Division

AMP Number: 004000

In FY2008, CHA worked with the working group to review planning concepts, to determine the number of units to return to the site, and to develop the RFQ for William Green Homes/1230 North Burling. CHA also collaborated with the Cabrini Green Local Advisory Counsel (LAC) in an effort to garner resident feedback on the redevelopment strategies.

### LeClaire Courts Extension

Street Boundaries: 42<sup>nd</sup>/Laramie/44<sup>th</sup>/Cicero

AMP Number: 024000

In FY2008, CHA did not conduct activity at LeClaire Courts Extension.

## **Senior, Scattered Site, and Family Housing Rehabilitation**

For the past nine years, CHA has maintained its commitment to provide a variety of housing options for public housing residents through the process of rehabilitation at senior designated housing properties, scattered sites, and traditional family public housing developments. CHA achieved 100% completion of rehabilitated scattered site units that were promised in the Plan several years ago and units continue to undergo modernization activity, where necessary. In FY2008, CHA rehabilitated 86 senior designated housing units and 350 traditional family public housing units in furtherance of meeting the unit delivery goals of the Plan. Although there are numerous steps entailed in the rehabilitation process that can differ from site to site, below is an overview of the steps that CHA follows in order to complete rehabilitation activities at CHA properties.

### **Working Group**

Similar to mixed-income/mixed-finance communities, most family housing rehabilitation sites have working groups to assist with the rehabilitation process. The working group for each site encompasses parties interested in the rehabilitation. These parties include public housing residents, CHA staff, architects, and members of the community.

### **Financial Structuring**

The primary sources of funding for rehabilitation are CHA capital funds. Bond refund proceeds are also utilized as an additional source of capital for rehabilitation. CHA determines where rehabilitation funds will be allocated each year through the capital budget and must approve each financial transaction for rehabilitation before the payments may be made. As a result of the considerable amount of rehabilitation being conducted, there are multiple financial transactions required for each rehabilitation site. These transactions ensure that the appropriate financial resources are in place and allow each site's rehabilitation to be comprehensive.

### **Rehabilitation Plan**

At each family housing rehabilitation site, the working group creates a rehabilitation plan that takes into consideration both the condition of the current buildings and the future housing needs at the site. CHA collaborates with the working group to guarantee that the final site design is distinctive and fulfills the site's requirements.

### **Construction**

Through the Plan, CHA has the unique opportunity to substantially rehabilitate a portion of its housing stock that has endured decades of wear and tear. The substantial rehabilitation activity requires quality craftsmanship to complete extensive system improvements,

interior work, and exterior work, such as tuck-pointing, façade restoration, roofing, plumbing, and window replacement. CHA must also ensure that the revitalization complies with federal, state, and local laws and regulations for accessibility and adaptability of units for people with disabilities. Therefore, CHA must sometimes combine two or more units during rehabilitation in order to construct the requisite number of accessible or adaptable units.

### **Relocation and Leasing**

In an effort to minimize the need for off-site relocation at the rehabilitation properties, CHA concentrates construction activity in phases, by focusing on a few vacant buildings at a time. Whenever possible, CHA moves residents directly to their newly rehabilitated units after construction is complete; therefore, eliminating the need for residents to move into temporary housing. Rehabilitated units are occupied in accordance to the priorities and categories outlined in the Relocation Rights Contract (RRC) and the FY2007 Admissions and Continued Occupancy Policy (ACOP).

### **Capital Maintenance**

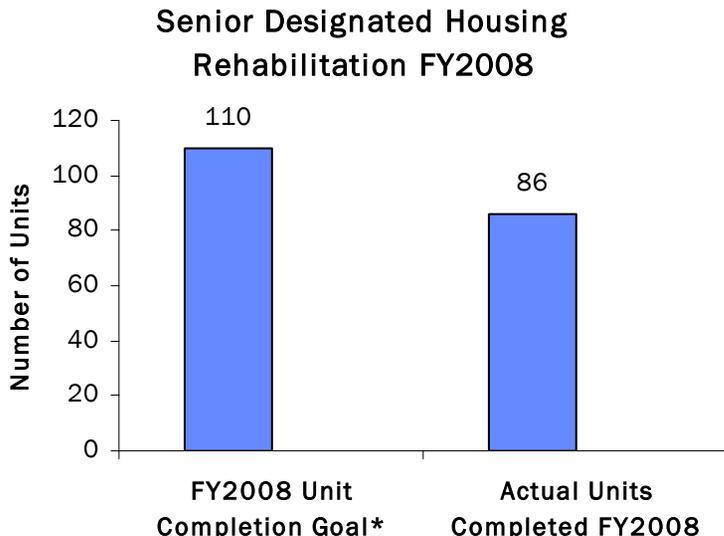
CHA recognized that in order to keep the newly revitalized housing in its utmost quality condition, CHA must develop an organized plan to conduct ongoing capital maintenance activities on all CHA real estate assets. In FY2008, CHA supported asset management efforts by

establishing a capital plan and development budget and reporting practices that promoted adequate capital spending levels in furtherance of maintaining CHA's real estate assets. CHA continued to address investment needs in order to properly maintain these real estate assets. As a result of the long-term capital maintenance activities, CHA demonstrates that it has taken proactive steps to promote maintenance activities and reinvest in existing capital assets to ensure the health and safety of the residents utilizing those assets.

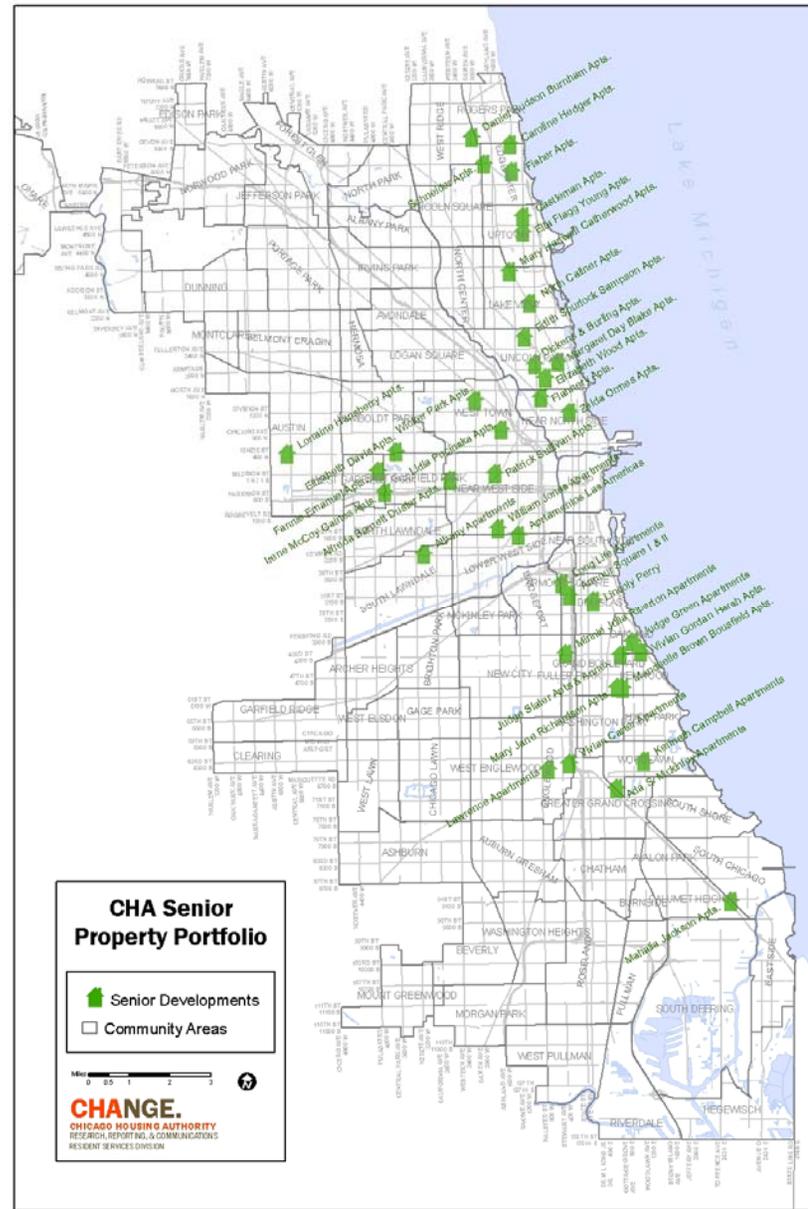
## **Senior Designated Housing Properties Rehabilitation**

CHA's objective in rehabilitating senior designated housing properties is to provide senior residents with the opportunity to live independently and thrive by taking advantage of the programs and social activities made available to them. As of December 31, 2008, CHA had rehabilitated a total of 8,984 senior designated housing units. In FY2008, CHA completed 61 units at Larrabee Apartments. However, CHA did not meet the unit delivery goal at Larrabee Apartments due to a delay in window installation. The rehabilitation of interior units at Larrabee Apartments included: new kitchen cabinets and appliances, bathroom fixtures, interior doors, hardware, painting, and flooring. Building system renovations were also conducted and were comprised of a new boiler, while the common

areas received new flooring, painting, and landscaping. In addition, exterior improvements at Larrabee Apartments were made, such as new windows and concrete façade repair. CHA also successfully completed rehabilitation efforts at Flannery Apartments and delivered the final 25 public housing units, bringing the number of public housing units to 125. The following chart compares the unit delivery goal with the actual number of rehabilitated units completed in FY2008.



\*As indicated in the FY2008 Moving To Work Annual Plan.



CHA also conducted rehabilitation activities at several senior designated housing buildings in FY2008. CHA oversaw retrofitting units in order to comply with current federal, state, and local accessibility and adaptability regulations at: Albany Terrace Apartments, Alfreda Barnett Duster, Armour Square, Campbell Apartments, Edith Spurlock Sampson Apartments, Elizabeth Davis Apartments, Ella Flagg Young, Minnie Ripperton Apartments, Hattie Callner, Irene McCoy Gaines Apartments, Judge Slater Annex, Maria Diaz Martinez Apartments, and Vivian Carter Apartments. In FY2008, CHA completed a total of 223 mobility units and 74 sensory units. Accessible routes and parking for the disabled were also provided at the sites mentioned above. These retrofitted units include features such as accessible grab bars, lowered cabinets, as well as audio/visual alarms.

Rehabilitation efforts in FY2008 were not limited to unit interiors. At Armour Square, CHA upgraded the security system with key card access and an automatic door. At Patrick Sullivan Apartments, CHA worked to secure the concrete panels to the exterior of the building, which involved work from both the exterior of the building as well as the interior of the units. As a result, the unit interiors received finish upgrades at the window wall, new molding, and new paint.

## **Scattered Site Housing Rehabilitation**

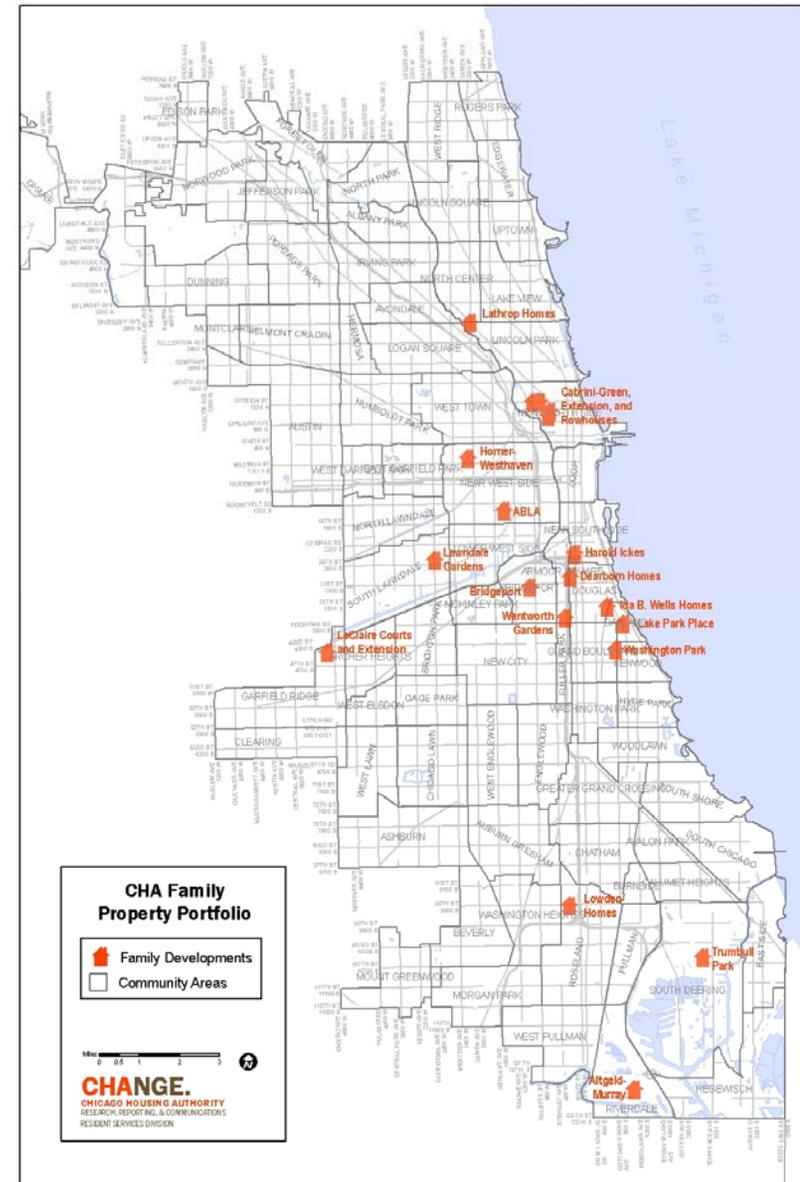
CHA completed the rehabilitation of scattered site public housing units in FY2006. CHA delivered 2,543 scattered site units, spread across the five regional areas within the scattered site portfolio: North Central, Northeast, Southeast, Southwest, and West. At the beginning of the Plan, CHA determined that because each scattered site unit varied in its stage of deterioration, the most practical strategy would be to create a site-specific rehabilitation plan that was customized based on the age and physical conditions of the units. Individual units at scattered sites received new paint, flooring, kitchen cabinets and appliances, bathrooms sinks and fixtures, lighting, and closets. The structural renovations included upgrades to mechanical, electrical, and other infrastructure improvements as needed. The exteriors of scattered site housing received restoration of building façades, tuck pointing, revitalized common areas, and landscaping improvements. CHA also worked with CDOT in order to oversee that street improvements, such as new sidewalks and street lights, were made at scattered sites.

In FY2008, CHA extended efforts to comply with federal, state, and local regulations that govern accessibility and adaptability of units for people with disabilities by initiating its program to retrofit scattered site units. In an effort to coordinate rehabilitation activities, CHA conducted regular meetings throughout FY2008 with both private



## Family Housing Rehabilitation

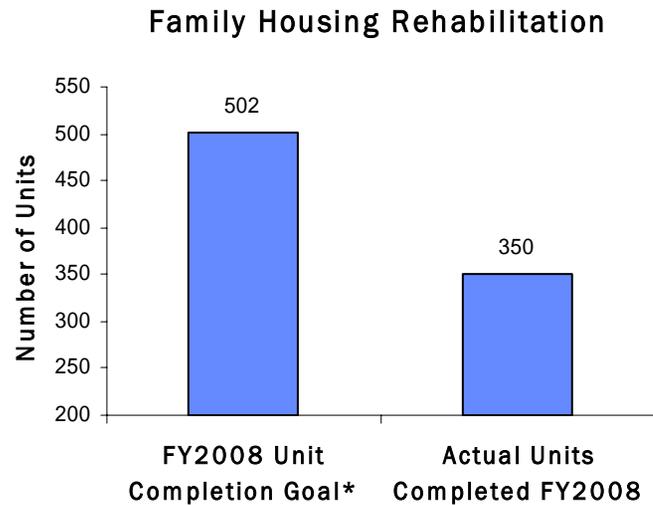
Family housing rehabilitation consists of making renovations to individual units, building exteriors, landscaping, and common areas of traditional family public housing. CHA completed all rehabilitation work at Bridgeport Homes in FY2008. Additionally, throughout the year, rehabilitation activity occurred at Altgeld Gardens, Bridgeport Homes, Dearborn Homes, Frances Cabrini Rowhouses, Lawndale Gardens, and Washington Park Low-Rises. CHA was unable to meet the planned unit delivery goal for family housing rehabilitated units for several reasons, including, but not limited to: loss of units due to combining multiple units to increase bedroom sizes, manpower and material procurement issues, re-sequencing of work because of physical conditions, as well as contract performance issues.



### Completed Family Housing Rehabilitation

Prior to FY2008, CHA had completed rehabilitation efforts at the following traditional family public housing developments: Lake Parc Place, Lowden Homes, Trumbull Park Homes, and Wentworth Gardens. In FY2008, CHA completed constructing of both a laundry and daycare facility at Trumbull Park Homes. Throughout the year, CHA continued to lease and maintain the rehabilitated units at these sites.

The chart below compares the unit delivery goal with the actual number of rehabilitated units completed in FY2008.



\*As indicated in the FY2008 Moving To Work Annual Plan.

The following pages contain information on revitalization activity that occurred in FY2008 at:

**Altgeld Gardens and Phillip Murray Homes**

**Bridgeport Homes**

**Dearborn Homes**

**Frances Cabrini Rowhouses**

**Lawndale Gardens**

**Washington Park Low-Rises**

## **Altgeld Gardens and Phillip Murray Homes**

Street Boundaries: St. Lawrence/130<sup>th</sup>/Doty/133<sup>rd</sup>

AMP Numbers: 002000, 002100, 002300

CHA successfully delivered 128 rehabilitated public housing units in FY2008 at Altgeld Gardens/Phillip Murray Homes, bringing the total number of revitalized units to 829 since the inception of the Plan. CHA originally planned to rehabilitate 132 public housing units in FY2008; however, four of the units were combined in order to create four bedroom units to accommodate larger families. Throughout FY2008, CHA worked on revitalizing Altgeld Gardens Phase 3/Blocks 4, 5, and 6, which included improvements to building exteriors, building interiors, site utilities, and the retrofitting of accessible units. Building renovation and redevelopment included new mechanical and electrical systems, building façade restoration, tuck pointing, as well as new windows and exterior doors. Newly rehabilitated units received new central air conditioning and heating systems, new ranges, refrigerators and range hoods, new solid wood interior doors, new kitchen cabinets and counter tops, as well as new flooring. Exterior improvements were made to parking lots, exterior lighting, landscaping, a recreation area and playground, sidewalks, and a new roof was installed. Over the course of the Phase 3 work, telephone, cable, and 911 Emergency lines were relocated from existing aerial lines to the already in place underground infrastructure for those utilities.

Community representatives from the Local Advisory Council (LAC) as well as property management were sent weekly minutes and notices for all construction-related developments, closures, outages, and parking restrictions. All were invited to weekly construction meetings to discuss the ongoing activity.

CHA also began working on a Smart Homes Program at Altgeld Gardens and Phillip Murray Homes. The Smart Homes Program is a system developed by CHA to provide meters and sensors to allow CHA to monitor energy usage and prevent vandalism to assets in all of the residential units and properties. All previous and current phases of construction at Altgeld Gardens and Phillip Murray Homes include Smart Homes equipment infrastructure.

## **Bridgeport Homes**

Street Boundaries: Lituanica/31<sup>st</sup>/Halsted/32<sup>nd</sup>

AMP Number: 003000

CHA completed the rehabilitation at Bridgeport Homes and delivered the final 19 rehabilitated public housing units in FY2008. CHA successfully delivered a total of 111 rehabilitated public housing units at Bridgeport Homes. The scope of the interior renovation included new kitchens with appliances, bathrooms, new doors and hardware, drywall installation, painting, and new flooring. The 13 buildings that make up Bridgeport Homes received upgraded

electrical and plumbing systems. Exterior renovations included new exterior doors and hardware, sidewalks, park benches, and landscaping.

## **Dearborn Homes**

Street Boundaries: 30<sup>th</sup>/Federal/27<sup>th</sup>/State

*AMP Number: 013000*

CHA revitalized 124 public housing units at Dearborn Homes in FY2008. Newly rehabilitated units received central air conditioning and heating systems, new kitchen cabinets and appliances, new counter tops, and solid wood interior doors. Building renovations included a new roof, new mechanical and electrical systems, building façade restoration, tuck pointing, and installation of new windows and exterior doors. Site improvements have included exterior lighting, landscaping, sidewalks, and recreation areas. The project also includes the construction of a water main that will serve the entire development and a storm water detention system. CHA held weekly construction progress meetings with representatives from property management in order to discuss and resolve issues expeditiously.

## **Frances Cabrini Rowhouses**

Street Boundaries: Chicago/Hudson/Oak/Larrabee

*AMP Number: 091000*

Rehabilitation activities continued at Frances Cabrini Rowhouses in FY2008. However, CHA did not meet the unit delivery goal in FY2008 due to contractor performance. Renovated units received new kitchen cabinets and appliances, as well as new interior doors and drywall installation. The buildings received upgraded mechanical, electrical, and plumbing systems. When complete, the exterior of the Frances Cabrini Rowhouses buildings will have received a new roof, new windows, masonry tuck pointing, sidewalks, new trash enclosures, and landscaping.

## **Lawndale Gardens**

Street Boundaries: California/26<sup>th</sup>/Washtenaw/25<sup>th</sup>

*AMP Number: 095000*

CHA completed rehabilitation of 15 public housing units in FY2008 bringing the total number of units delivered to 62. CHA plans to complete construction on the final 63 units in FY2009, for a total unit delivery of 125 units. Renovated units received new kitchens and appliances, bathrooms, as well as new interior doors and hardware, drywall installation, painting, and flooring. The buildings also received upgraded electrical and plumbing systems, as well as a new roof. When complete, the exterior work will include new sidewalks, park benches, and landscaping.

## **Washington Park Low-Rises**

Street Boundaries: Various

AMP Number: *Not Yet Assigned*

CHA continued to make vast improvements to Washington Park Low-Rises. CHA completed the rehabilitation of 64 public housing units in FY2008. The remaining two units that were part of the FY2008 goal will be rehabilitated in FY2009. The rehabilitated units received new doors, kitchen cabinets and appliances, and bathrooms. The exterior renovation included new windows, drywall, site lighting, and sidewalks. The buildings also received upgraded mechanical, electrical and plumbing systems. In an effort to keep participants informed of scheduled activities, CHA met regularly with the LAC, the project team, and the property management company.

FY2009. Additionally, CHA coordinated efforts with the Chicago Police Department to provide additional security to the residents living at Harold Ickes Homes. CHA also held several on-site meetings with residents throughout FY2008, to discuss the housing options available and future plans for the development. These meetings were well attended, and CHA Chief Executive Officer, Lewis A. Jordan, was present at several meetings. Families had the opportunity to take advantage of a voluntary move option and either chose to remain at one of three remaining building on-site, move to the private market utilizing a temporary or permanent HCV or to another revitalized property.

## **Properties to be Redeveloped or Rehabilitated**

### **Harold Ickes Homes**

Street Boundaries: Cermak/State/25<sup>th</sup>/Federal

AMP Number: *016000*

CHA continued to evaluate options for Harold Ickes Homes in FY2008. Due to low occupancy rates, CHA wanted to ensure the safety and well-being of the residents and began consolidating residents into three buildings. In FY2008, CHA closed two buildings, and will complete the closure of three more buildings in early

# INCREASING HOUSING OPPORTUNITIES THROUGH CHA'S HOUSING CHOICE VOUCHER PROGRAM

## Chapter 2



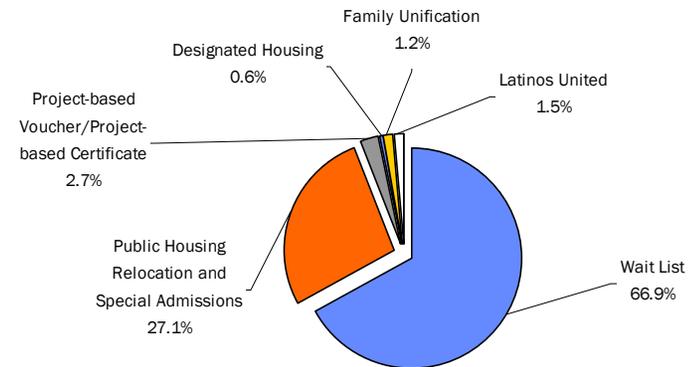


## CHAPTER 2: INCREASING HOUSING OPPORTUNITIES THROUGH CHA'S HOUSING CHOICE VOUCHER PROGRAM

CHA provides low-income individuals and families increased housing choices through its Housing Choice Voucher (HCV) Program. Voucher assistance is available in the form of both tenant-based and project-based vouchers. Tenant-based vouchers are issued by CHA to HCV Program participants to rent units in the private market and are portable. Project-based vouchers are issued directly to the property owner, remain with the unit, and cannot be transferred with tenants when they move to a different building. HCV Program participants paid between 30% and 40% of their annual adjusted gross income for rent. CHA subsidized the remaining amount of rent via a monthly Housing Assistance Payment (HAP) paid by CHA on behalf of the individual participant or family. Without this type of rental assistance, these homes would have been out of the families' economic reach.

In FY2008, 36,447 HCVs were leased across all the programs (e.g. tenant-based vouchers, project-based vouchers, moderate rehabilitation vouchers) to assist individuals and families in meeting their monthly housing obligations. The pie chart demonstrates how CHA HCVs were allocated as of December 31, 2008.

**Voucher Allocation**  
Breakdown by Voucher Type as of December 31, 2008



### HCV Program Management Benchmarks and Performance

CHA assesses its performance in management of the HCV Program by measuring activities in 12 categories. CHA HCV Program Management Benchmarks for FY2008 were initially established in the FY2008 MTW Annual Plan. CHA staff worked on achieving the benchmarks throughout FY2008.

The following table indicates the progress in meeting the performance benchmarks.

HCV Program Management Benchmarks		
Category	FY2008 Benchmark	FY2008 Performance
<b>Lease Up</b>	Ninety-eight percent (98%) of all HCV and Moderate Rehabilitation vouchers that are allocated for more than one year will be leased in accordance with the approved leasing schedule.	102% of the units that were allocated for more than one year were leased up in conformance with the approved leasing schedule.
<b>Selection from the Wait List</b>	The CHA will continue to focus on supporting existing HCV Program participants and relocating families as well as conducting emergency moves. Should any applicants be selected from the wait list in FY2008, at least 98% will be selected in accordance with the prescribed policies.	100% of the families chosen from the wait list were selected in accordance with the prescribed policies.
<b>Payment Standards</b>	Payment standards are used to confirm that rents paid by HCV Program participants are equivalent to the rents for non-subsidized units in Chicago. HUD publishes the Fair Market Rent (FMR), which is the average monthly rent for a unit type based on location and size (number of bedrooms). HUD also requires payment standards to be set between 90% and 110% of the FMR. The CHA will continue to abide by these standards in FY2008.	CHA maintained its compliance by maintaining payment standards between 90% and 110% of the HUD published FMR.
<b>Rent Reasonableness</b>	Ninety-five percent (95%) of HCV Program participants' rent will be based on current rent for comparable unsubsidized units. A rent reasonableness review will be conducted on 100% of new units, as well as on units for which an owner requests a rent increase. Quality control reviews will be conducted monthly by an independent consultant with a goal to maintain an error rate of five percent or less.	Rent reasonableness reviews were conducted on all required units. Due to the bifurcation of the administration of HCV contracts, CHA is conducting a quality control review of the rent reasonableness data.
<b>Determination of Adjusted Income</b>	Before calculating their contribution to rent, all families receiving vouchers will have their income adjusted to allow for deductions such as dependents, child care costs, and disability assistance. At least 90% of income verifications sampled by quality control reviewers will be completed properly at the time of admission and re-examination.	CHA did not meet this benchmark in FY2008; however, CHA has instituted corrective action in order to meet this standard going forward.
<b>Correct Tenant Rent Calculations</b>	Out of the files reviewed in FY2008, at least 98% of participants will have their rent contribution calculated accurately in accordance with their income.	100% of program participants' files that were reviewed, had their rent contribution calculated accurately in accordance with their income.

HCV Program Management Benchmarks (continued)		
Category	FY2008 Benchmark	FY2008 Performance
Utility Allowance Schedule	Utility rate data is reviewed annually to determine if an adjustment is needed for program participants' utility allowances. If, as a result of the review, there is a change of ten percent or more in the utility rate, the utility allowance will be adjusted.	CHA reviewed utility rate data and made adjustments, where necessary, for program participants' utility allowances.
Annual Re-Examinations	Re-examinations are conducted biennially with all voucher holders to review their eligibility for continued program participation. At least 95% of participant re-examinations due in FY2008 will be completed.	95% of program participant re-examinations that were due in FY2008 were completed.
Pre-Contract Housing Quality Standards (HQS) Inspections	The CHA inspects private market rental units in the HCV Program using HQS established by HUD. At least 98% of newly leased units will pass a HQS inspection on or before the beginning of a lease or HAP contract date.	99% of newly leased units passed a HQS inspection on or before the beginning of the lease or HAP contract date.
Annual HQS Inspections	At least 95% of all units under HAP contracts will be inspected annually.	89% of all units under HAP contracts were inspected. During FY2008, CHA discovered errors in both human and system processes and have implemented corrective measures to meet this standard going forward.
HQS Enforcement	100% of units cited for HQS life-threatening deficiencies will be corrected within 24 hours, have the HAP stopped within 24 hours, or the owner will be notified of intent to terminate the HAP contract no later than the first day of the following month. HUD's high-performance benchmark requires the CHA to respond to HQS life-threatening deficiencies within 24 hours.	100% of units cited for HQS life-threatening deficiencies were corrected within 24 hours, had the HAP stopped within 24 hours, or notified the owner of the intent to terminate the HAP contract no later than the first day of the following month.
	At least 96% of units cited for non-life threatening HQS deficiencies will be corrected within 30 days. Those cited for HQS deficiencies, but not corrected within the timeframe, will have HAP discontinued or notifications of intent to terminate the HAP contract will be sent no later than the first day of the following month.	100% of units cited for non-life threatening HQS deficiencies were corrected within 30 days. Those cited for HQS deficiencies, but not corrected within the timeframe, had their HAP discontinued or notifications of intent to terminate the HAP contract were sent no later than the first day of the following month.
HQS Quality Control Inspections	Per quarter, at least ten quality control inspections of participant units will be conducted by each HQS Quality Control Inspector.	At least ten quality control inspections of participant units were conducted by each HQS Quality Control Inspector.

## Tenant-Based Voucher Program

Throughout FY2008, tenant-based vouchers were leased to individuals and families selected from the HCV Wait List or to families

relocating from public housing under the Plan. HCV Program staff used established eligibility criteria to determine who would be admitted to the HCV Program, and individuals and families deemed

eligible were issued a voucher. Once the family found a rental unit of interest, they worked directly with the landlord to rent the unit. Units had to pass a pre-contract (initial) HQS inspection, designed to ensure that the unit met HUD's minimum health and safety performance standards, before the family was permitted to sign the lease and move into their new home.

HCV Program staff evaluated the rent requested by the landlord to determine whether the rent was reasonable, or in other words, not excessively high for comparable units in the same neighborhood. HCV Program staff utilized a sample of market rents for similar homes and apartments in the neighborhood that were comparable in bedroom size, amenities, age, quality, housing services, maintenance, and utilities provided by the landlord.

### **Wait List Activity**

In FY2007, CHA invited over 8,000 applicants off the HCV Wait List to be screened for program eligibility. At that time, CHA realized that in FY2008 the wait list would be depleted, because all the families on it would already have been served. Resultantly, CHA determined, for the first time since FY1999, there was a need to open the HCV Wait List to new applicants in FY2008. From April 17 through May 15, 2008, CHA accepted registration forms for the HCV Wait List. The RentBetter Wait List campaign was a massive city-wide effort. Registration forms were available at all branches of the Chicago

Public Library, Chicago Department of Family and Support Services (formerly the Chicago Department of Human Services Centers), Chicago Park District Field Houses, the City Colleges of Chicago, and many community-based providers and elementary schools. Also, during the campaign, interested individuals registered for the wait list electronically on the RentBetter website. Faster than a paper registration, applicants received an immediate electronic confirmation that their registration form had been received.

More than 232,000 unique applications were received and placed into an electronic database from which a computer randomly selected 40,000 applicants. The applicants were then randomly assigned a position on the HCV Wait List. The lottery process was used to allow everyone who submitted a registration form an equal chance for a place on the wait list. Applicants placed on the wait list received a registration number and will be called from the list for screening in numerical order. (Refer to Appendix D: Housing Choice Voucher (HCV) Program Demographic Information for more information about the HCV Wait List.)



CHA collaborated with various city departments to promote the RentBetter Wait List campaign throughout the Greater Chicago area.

### **Voucher Leasing Activity**

The target lease up rate for tenant-based vouchers in FY2008 was 98%. CHA ended FY2008 with a lease up rate of 102%. This rate was due, in part, to a lower attrition rate resulting from the current economic and housing market conditions.

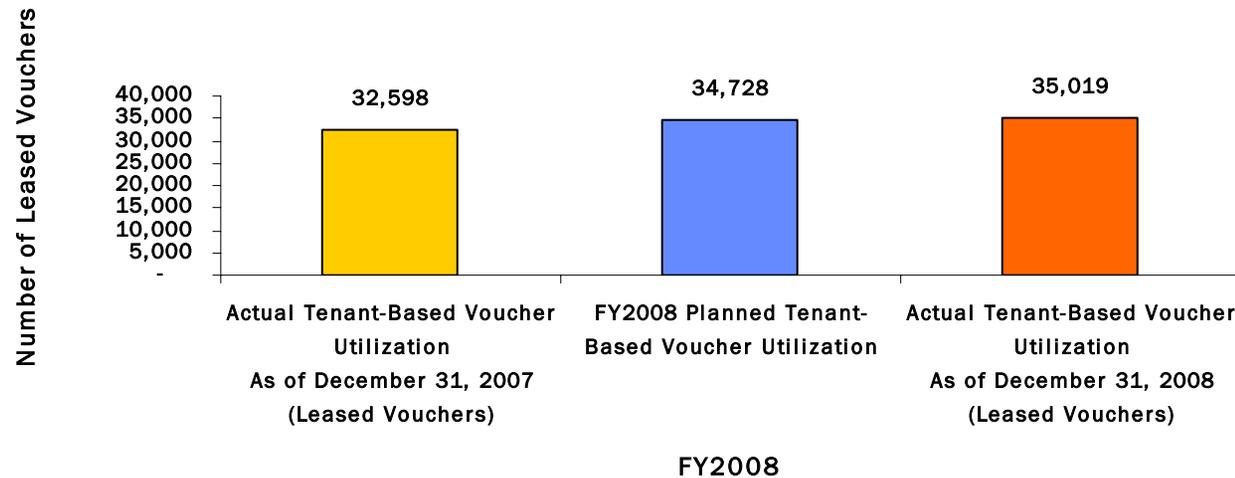
In FY2008, 2,235 applicants from the HCV Wait List were admitted to the HCV Program. Leasing activity conducted for new admissions during FY2008 is presented in the following table.

FY2008 Voucher Leasing Activity	
Applicants invited from the HCV Wait List	2,380
Applicants invited from other programs <sup>1</sup>	2,072
Initial interviews scheduled <i>(includes initial and rescheduled interviews)</i>	5,350
Initial interviews conducted	3,969
Number of applicants determined eligible <i>(includes applicants who were interviewed in FY2007)</i>	3,306
Vouchers issued <i>(includes vouchers re-issued to participants who did not find a unit in FY2007)</i>	4,515
Requests for inspections received <i>(includes applicants who were invited from the wait list in FY2007, but did not submit the request until FY2008)</i>	4,115
New HAP contracts executed	2,643

<sup>1</sup>This includes applicants from the public housing relocation program, special admissions, and moderate conversion.

CHA had 35,019 tenant-based vouchers leased as of December 31, 2008. In one year, the total number of leased tenant-based vouchers increased by seven percent from FY2007 levels where 32,598 vouchers were leased. CHA anticipates that all vouchers allocated by HUD during the Plan to assist with relocation activities will be leased to families and individuals on the HCV Wait List.

### Tenant-Based Voucher Utilization FY2007 to FY2008 Comparison



## Management Initiatives

CHA pursued a number of sound program management strategies and initiatives in FY2008 to improve the administration of the HCV Program, reduce costs, and ensure decent, safe, and quality housing for HCV Program participants. For example, CHA bifurcated the administration of its HCV Program by entering into contracts with two third-party administrators in FY2008. CHA assigned each contractor

responsibility for a portion of activities required to operate the HCV Program. One expected outcome of these new contracts is an improved customer service call center that will provide for shorter hold times, returned phone calls, and faster resolution of issues. It is anticipated that landlords will also realize quicker resolution of their issues, including unit inspections and requests for rent increases. Other expected outcomes of the new contracts include new service

delivery models, which will allow CHA to assess benefits to HCV Program participants over time. Moreover, CHA updated its administrative policies to assist in streamlining the HCV Program and collaborated with the Chicago Police Department (CPD), City of Chicago, and community members to increase safety and security in neighborhoods and at properties where HCV Program participants reside.

### **Administrative Plan for the HCV Program**

In FY2008, CHA revised the Administrative Plan for its HCV Program to eliminate differences in interpretation of CHA policy and program administration by third-party contractors. Ultimately, the policy revisions will better assist CHA in reducing program costs to serve more families, and eliminating disparities between the Administrative Plan and HUD regulations, as well as federal, state, and local laws. The proposed Administrative Plan was released for a 30-day public comment period in November 2008, and after consideration of the public comments received, it was presented to CHA's Board for approval in December 2008. Below is a summary of the significant policy changes and additions made to the Administrative Plan in FY2008.

#### *Fair Housing and Equal Opportunity*

- Addition of policies oriented to protect victims of domestic violence, sexual violence, stalking, dating violence, and sexual

abuse as required under the federal Violence against Women Reauthorization Act (VAWA) and the Illinois Safe Homes Act.

#### *Applications, Wait List, and Tenant Selection*

- Establishment of a lottery system to place applicants on the HCV Wait List and selection from the wait list in numerical order based on assigned lottery number.
- Creation of an exception to adding new applications to a closed wait list only in the event there are not sufficient families on the wait list eligible for special programs (e.g. mainstream program for the disabled and family unification program).
- Establishment of the following wait list selection preferences: families terminated from the HCV Program due to insufficient funding; victims of federally declared natural disasters affecting Chicago; families eligible for assistance under VAWA; and families living in a CHA Section 8 moderate rehabilitation project who are either over-housed or under-housed. Families that qualify for a preference will be selected ahead of families that do not.
- Clarification that families who qualify for a specified category of program funding (e.g. mainstream program for the disabled and family unification program) may be selected ahead of families that do not qualify for the special program funding.

### *Subsidy Standards and Voucher Issuance*

- Change to the subsidy standards for which a family qualifies. Under the new subsidy standards the number of bedrooms stated on the voucher will be based on occupancy by two persons per bedroom. (e.g. A four person family will receive a two-bedroom voucher.) The new subsidy standards will apply to new admissions and current program participants only at the time that they move. All other HCV Program participants will continue to have their subsidy calculated using the old standards. Exceptions to the new subsidy standard are determined by CHA and must be justified. Reasons may include, but are not limited to: a need for an additional bedroom for verifiable medical reasons such as special equipment or a need for a separate bedroom for a live-in aide.
- Change in the initial voucher term to 90 calendar days, except for public housing relocatees. The initial term for public housing relocatees is six months. Extensions may be requested; however, CHA will only grant extensions as a reasonable accommodation for a person with disabilities or if the voucher holder was unable to lease the voucher for reasons beyond the family's control, as determined by CHA, including, but not limited to the following: serious illness or death in the family, obstacles due to employment, or family size that make finding a unit difficult. In these cases,

extensions will not exceed an additional 60 days; whereas for public housing relocatees, extensions will not exceed an additional six months.

### *Income and Rent*

- Increase in the minimum rent from \$50 to \$75. CHA may grant a suspension from the minimum rent due to financial hardship. If the hardship is for a period of 90 days or less, the suspended minimum rent must be repaid under a repayment agreement. If the hardship is for a period over 90 days, the family is not required to repay the money.

### *Moving with Continued Assistance*

- Establishment of one elective move limit during any 12-month period. No limitation on required moves (e.g. to protect the health and safety of a family member).

### *Re-examinations*

- Elimination of interim re-examinations for increases in income. Interim re-examinations of family income and composition will only be required if there is a decrease in family income or when a family is required to move because the family is under-housed.
- Change in timing of regular re-examinations of family income and composition for the elderly and disabled households from every 24 months to at least every 36 months.

### *Owner or Family Debts to CHA*

- Establishment that owners must pay debts to CHA within 30 days. If the owner fails to repay, CHA will reduce future HAPs by the amount owed or terminate the HAP contract. CHA may also ban the owner from future participation in the HCV Program, and pursue other modes of collection.
- Statement that if amounts owed are less than \$5,000, families must pay within 30 days or enter into a repayment agreement. For amounts greater than \$5,000, CHA will pursue other modes of collection. If the family refuses to repay the debt, to enter into a repayment agreement, or breaches a repayment agreement, CHA will initiate termination of housing assistance.

### **Intergovernmental Affairs**

In its effort to ensure decent, safe, and quality housing for HCV Program participants, CHA once again worked with governmental entities, property owners, and HCV Program participants to improve the lives of families and the communities in which they live. CHA partnered with local elected officials, the CPD, the Chicago Departments of Buildings, Law, Revenue, Community Development (formerly the Department of Housing), and Streets and Sanitation to take a proactive approach to end illegal activities at problem properties. Several initiatives conducted in FY2008 include the

Landlord Forums, District Problem Buildings Committee, and the Drug/Gang House Enforcement Initiative.

In addition, monthly meetings were held in FY2008 with Aldermen in specific wards who had expressed a concern with an increase in illegal activity within their wards. During these meetings, problem properties were identified and submitted to CHA staff for follow-up and resolution. CHA staff follow-up activities on the complaints received included: notifying owners by telephone and written correspondence detailing the nature of the complaints; scheduling complaint inspections, if necessary, to evaluate the site and neighborhood conditions; and working with CPD to obtain criminal reports for preparation of hearings. In FY2008, 142 meetings were held and over 150 complaints were received and addressed.

### **Bridging the Gap Forum**

Bridging the Gap events were first held in FY2004 and were created as a way to bring together community residents, HCV Program participants, property owners, and government officials to discuss issues and solutions and to work toward common goals. CHA collaborates with the Chicago Alternative Policing Strategy (CAPS), elected officials, community representatives, and sponsors to organize an event at least once a year. In May 2008, CHA hosted the third annual “Bridging the Gap” forum in the Rogers Park neighborhood. The topic was the “Foreclosure Crisis in Chicago – What You Can Do,” and a panel of experts from both the private and

public sectors were on hand to provide information and answer questions. The attendees learned about foreclosure prevention, strategies for property owners undergoing foreclosures, and tenant protection for renters caught in post-foreclosure eviction.

### **Inquiry Management System**

CHA established the Inquiry Management System (IMS) to ensure consistent practices in expediting the resolution of serious situations. The system clarifies tasks and persons responsible for doing them as well as establishes accountability in assignments. Situations that pose a threat to the health or safety of participant families, other situations requiring police involvement (e.g. violent criminal activity, severe building code violations, etc.), and serious fraud cases involving landlord-tenant association and/or involving large amounts of money are tracked in IMS. CHA utilized IMS to ensure landlords are providing quality housing to HCV families, because it is used to monitor alleged high profile complaints. Seventy-six (76) new cases were opened in the IMS in FY2008, based on inquiries made by HUD, CHA staff, elected officials, other government agencies, media, and neighborhood organizations. CHA utilized the system to respond to, track, and report these situations efficiently and expeditiously. CHA sent follow-up letters and notices of termination in order to resolve cases.

## **Resources for HCV Program Participants**

Through a variety of different vehicles, CHA offered resources to HCV Program participants in FY2008. Participants could visit one of the three neighborhood Satellite Offices or take a Family Obligation Workshop to acquire important information about the HCV Program. Likewise, by accessing CHA's website or reading one of the publications distributed in FY2008, participants could stay informed and learn about all the program offerings and services available. Lastly, a number of resources, such as accessible unit search assistance and unit modification grants, were presented to HCV Program participants with disabilities.

### **Satellite Offices**

Over the last two years, CHA has revamped the HCV Satellite Offices in an effort to improve customer service for voucher holders. These offices give HCV Program participants the opportunity to receive information or seek assistance closer to their homes instead of having to travel to the central office. To better accommodate landlords and HCV Program participants, CHA enhanced staff and resources at its three satellite offices located on the west, southwest, and south sides of Chicago. Changes made in FY2008 included opening on the first and third Saturday of every month, an expanded collection of documents in the Resource Area, and more service offerings at each site. Services offered at the Satellite Offices for HCV

Program participants included: re-examination interviews, one-on-one information sessions with HCV Program staff, Family Obligation Workshops, information sessions for the Housing Opportunity Program, the Family Self-Sufficiency Program, and the Choose to Own Home Ownership Program, as well as job recruitment and Job Club Workshops. Landlords were also able to visit the Satellite Offices for problem resolution, to attend workshops, and to drop off paperwork. Lastly, applicants from the HCV Wait List were able to attend a Housing Search Assistance Workshop or have their eligibility screening interviews at two of the Satellite Offices.

#### **Satellite Office Locations**

West Satellite Office

3333 W. Arthington Street, Suite 220

Chicago, IL 60624

South Satellite Office

1741-49 E. 75<sup>th</sup> Street

Chicago, IL 60649

Southwest Satellite Office

1550 W. 88<sup>th</sup> Street, 1<sup>st</sup> Floor

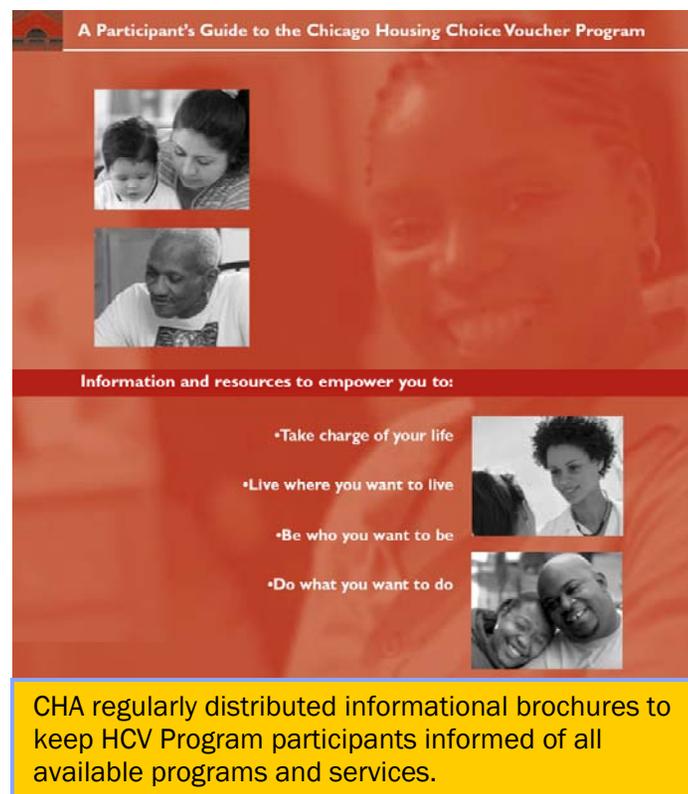
Chicago, IL 60620

#### **HCV Program Website**

CHA began to make significant improvements and enhancements to the website [www.thecha.org](http://www.thecha.org) during FY2008. The new website will be launched in FY2009 and will encompass both information and tools available on the existing CHA website and on the former HCV Program website, [www.chacinc.com](http://www.chacinc.com). By combining the websites, CHA anticipates clarifying for the public, HCV Program participants, and public housing residents that both the public housing program and the HCV Program are under the management of CHA. In FY2008, the HCV Program website functioned as a tool for HCV Program participants, landlords, and applicants. Participants had access to necessary documents, forms, and information about special programs and counseling. In addition, participants were able to use the “Find a Place to Live” link to locate available rental units where HCVs were accepted. The feature allows HCV Program participants to search units by size, area, and rent amount, and provides information on unit and neighborhood amenities as well as accessible features. Aside from obtaining information about program specifics, landlords used the website to upload the data for their vacant units and registered for workshops and training sessions.

## Publications

CHA used two publications in FY2008 to reach and inform HCV Program participants, “Going Places” and “A Participant’s Guide to the Chicago Housing Choice Voucher Program.” “Going Places” is a newsletter sent to all HCV Program participants on a quarterly basis. In FY2008, each edition contained articles aimed at increasing participants’ knowledge of the HCV Program and being a good tenant. “Going Places” featured numerous articles on career opportunities and financial matters, as well as listed the schedules for the Housing Opportunity Program, Choose to Own Home Ownership Program, and Family Self-Sufficiency Program informational sessions and the Explore Chicago Tours. CHA’s second publication, “A Participant’s Guide to the Chicago Housing Choice Voucher Program,” was distributed at informational sessions and re-examinations. The Guide provides an overview of all the programs and services available to assist participants in reaching their self-sufficiency goals. The Guide contains in-depth information about the Family Self-Sufficiency Program, Housing Opportunity Program, and Choose to Own Home Ownership as well as other available resources. It also educates HCV Program participants about legal issues such as fair housing, reasonable accommodations, lead-based paint and legislation protecting the housing rights of victims of domestic violence. Both “Going Places” and the Guide were accessible on the HCV Program website.



## Family Obligation Workshops

CHA hosted Family Obligation Workshops at the HCV Satellite Offices in FY2008. Family Obligation Workshops were established as a forum to provide participants with an in depth review of the Family Obligations Agreement, which outlines the obligations they must meet to remain compliant with the rules and responsibilities of the HCV Program. In addition to the obligations, CHA reviewed other topics of interest for HCV Program participants, such as: housekeeping, HQS,

landlord responsibilities, fraud, community involvement, security deposits, and pest control. All HCV Program participants were encouraged to attend, in particular those with questions about the Program or with lease compliance problems.

### **Housing Opportunities for HCV Program Participants with Disabilities**

Throughout FY2008, CHA actively assisted HCV Program participants with disabilities in finding and/or modifying housing units to meet their needs. First, CHA encouraged landlords and property owners to identify their units with accessible features on the HCV Program website. The property listing feature on the website helps participants quickly locate housing that is accessible and best meets their individual needs. CHA provided information to landlords about the benefits of modifying their units to be accessible as well as recruited landlords with accessible units. Assistance for HCV Program participants with disabilities in FY2008 also included: referral of participants and property owners to Access Living, an advocacy group that promotes the independence and inclusion of people with disabilities; assistance with accessible unit search; transportation services for unit search; and approval of reasonable accommodation requests, as needed.

During FY2008, CHA informed both participants and landlords about the Modification Fund (Fund), which is administered by Access Living.

Through the Fund, CHA offers grants up to \$5,000 to HCV Program participants with disabilities to finance modifications to their unit, making their homes accessible. Ninety-eight (98) people applied for a grant from the Fund, 85 were approved for grants, and 65 modifications were completed and paid for through the Fund in FY2008. The average grant was for approximately \$2,500. HCV Program participants used the grants to add or enhance accessibility features in the unit. Work completed included: installation of exterior or interior motorized lifts, widening of doorways, building entrance ramps, making bathroom and kitchen modifications, and installing flashing door bells and/or fire alarms for a person with a hearing disability. In addition to administering the Fund, Access Living also reviewed and approved requests for modification repairs; referred applicants for additional funding; and worked with HCV Program participants with disabilities to resolve their needs and concerns regarding the HCV Program.

### **Special Programs for HCV Program Participants**

CHA administers three specialized programs for HCV Program participants: the Housing Opportunity Program, the HCV Family Self-Sufficiency Program, and the Choose to Own Home Ownership Program. Each program serves to assist HCV Program participants to

reach short and long-term goals. In FY2008, these programs continued to operate successfully and enabled participants to obtain better housing and economic self-sufficiency.

### **Housing Opportunity Program**

The purpose of the Housing Opportunity Program is to provide a mechanism for HCV Program participants to explore a variety of communities and housing options to select the one that best meets their needs and lifestyle. Through the Housing Opportunity Program, CHA helped families explore their housing options and move to an Opportunity Community Area in Chicago. Opportunity Community Areas were once identified as low-poverty areas; however, CHA recognized that the value of a community lies in its quality of life features. The 77 community areas in Chicago were ranked one through 77 based on a variety of characteristics, such as school drop out rates, school student achievement test scores, employment rates, commercial development, and incidence of violent crime. The top 40 are considered Opportunity Community Areas. The 20 highest-ranking communities are considered Tier 1 Opportunity Community Areas, and the 20 communities with the next highest rankings are Tier 2 Opportunity Community Areas. The classifications are used as a tool to assist families in broadening their housing search and making good housing choices in Opportunity Community Areas that tend to be safer, have lower poverty rates, and have better neighborhood services and public schools.

The Housing Opportunity Program is a voluntary program for HCV Program participants. Those interested attended a Housing Opportunity Program information session where they were briefed about the benefits of the Program and the resources available to them if they decided to participate. In FY2008, more than 7,000 families received information on the Program. Families who decided to take part in the Housing Opportunity Program were assigned a Family Advocate who helped them identify their housing and service needs and wants, and then assisted the family in locating appropriate housing in an Opportunity Community Area. In FY2008, Family Advocates worked with families before, during, and after their move and helped them overcome obstacles to securing housing such as credit issues and a need for transportation to view units. Housing Opportunity Program participants received: a free credit report, landlord referrals, and unit listings; workshops on landlord/tenant rights and open houses exclusively for Housing Opportunity Program participants; opportunities to take Explore Chicago Tours; and the opportunity, if qualified, to access the security deposit loan fund. CHA provided more than \$50,000 in zero interest loans to families for security deposits during FY2008.

FY2008 Housing Opportunity Program Activity		
Category	FY2008 Goal	FY2008 Actual
Number of families briefed on the Housing Opportunity Program	8,000	7,198
Number of families enrolled in the Housing Opportunity Program	1,000	372

Ninety-four (94) families made the decision to move to Opportunity Community Areas in FY2008. Families enrolled in the Housing Opportunity Program in FY2008 who did not move to an Opportunity Community Area may not have done so for a variety of reasons specific to each family. The most common reason is that families chose not to move far away from familiar neighborhoods and support systems.

### *Explore Chicago Tours*

CHA offered Explore Chicago Tours to all HCV Program participants. During each tour attendees visited several Opportunity Community Areas. Tours were hosted by current HCV Program participants who reside in the neighborhoods being toured. Guides provided attendees detailed information on each community's housing, schools, and services. By participating in these tours, families learned about Chicago's Opportunity Community Areas in order to help them narrow their housing search to communities that best satisfied their needs. CHA conducted ten Explore Chicago Tours in FY2008, and 81 HCV Program participants attended.



Explore Chicago Tours helped HCV Program participants make an informed decision on whether to move to one of Chicago's Opportunity Community Areas.

### **HCV Family Self-Sufficiency Program**

HCV Program participants with the goal to become more financially independent can take part in the HCV Family Self-Sufficiency (FSS) Program. The HCV FSS Program uses goal setting, individual counseling, and financial incentives to empower families to make positive life changes over the course of five years. In FY2008, participants created and worked toward completing their personalized five-year action plans, which outline the activities and services necessary to meet their educational, career, and/or financial goals. Family Advocates mentored and advised participants, as well as monitored their progress towards attaining their goals. Participants were referred by their Family Advocate to services

tailored to their needs, such as skills assessment testing, GED preparation, vocational training, career planning, computer literacy and skills training, money management workshops, child care referrals, and a host of employment services.

HCV FSS Program participants experienced an increase in their income, as a result of attaining their financial independence goals. CHA deposited an amount matching the increase in earned income into an interest-bearing escrow account, as an incentive for HCV FSS Program participants to keep working towards their goals and seek increased income. Once HCV FSS Program participants achieved all of their established goals and graduated from the program, they received all of the money in the escrow account, plus interest. FSS graduates have used their savings for down payments on homes, to purchase cars, to pay off debt, or to start their own businesses. There were 1,350 individuals enrolled in the HCV FSS Program on December 31, 2008. Of these participants, 54% had an escrow balance and earned income, exceeding the goal of 45% for FY2008.

Ninety-five (95) HCV FSS Program participants completed their action plans and graduated from the program in FY2008. These graduates shared more than \$757,000 in savings and had numerous accomplishments such as: earning a high school diploma, accelerated degree, or other certificate; obtaining U.S. Citizenship; and becoming first-time home owners. The average income of

FY2008 HCV FSS Program graduates more than doubled, from \$13,995 when they started the HCV FSS Program to more than \$27,927 at graduation. Ten (10) FSS graduates attained a desirable form of financial independence, no longer requiring subsidized housing assistance. Since the HCV FSS Program's inception, 495 participants have graduated.

### **Family Self Sufficiency Program**

The HCV FSS Program is designed to assist participants improve their quality of life and meet their FSS objectives. Throughout the five-year program, the participants progress is assessed and monitored to ensure the targeted goals are achieved. Once objectives are met, participants graduate. A few highlights of FY2008 HCV FSS graduate achievements are as follows:

- The HCV FSS Program enabled Yvonne Glenn to earn a Bachelors Degree in Education. She is currently pursuing a Master's Degree in Education at National Louis University and works as a 7<sup>th</sup> grade Math and Science Teacher at Chicago International Charter School.
- Regina Bejarano enhanced her life through the HCV FSS Program by enrolling in credit counseling and home ownership classes. As a result, within the same year, Regina was able to purchase her first home. In addition, Regina attended a citizenship program and is now a U.S. Citizen.
- After joining the HCV FSS Program, Dorothea Harden trained at the Neighborhood Training Resource Center to become proficient in computer networking. When finished, she gained employment as an instructor and an IT technician. Ms. Harden also coordinates a voluntary program called Free Gig and, as a result of her efforts, she no longer needs subsidized housing assistance.



HCV FSS graduates are better equipped and empowered to make positive changes on their path to self-sufficiency.

### *Employment Support*

CHA focuses much of its support to HCV FSS Program participants on services related to employment, because gainful employment is a stepping stone to financial independence. To prepare Family Advocates to assist HCV FSS Program participants in achieving their career goals, Family Advocates received a career coach training and completed a certified Illinois workNet Advisor course on how to better conduct job searches and locate education, training, and other career services. Throughout the year, CHA provided monthly employment-oriented newsletters, hosted job recruitment sessions, held training/entrepreneurship workshops, and Family Advocates made

thousands of job lead referrals. In addition, CHA continued to hold Job Club Workshops conducted by HCV Program staff, where participants learned skills that prepared them for the workplace. Topics covered at these Workshops included: salary negotiation, free training programs, cover letters, interviewing skills, resume preparing, and employment gaps.

### *Choose to Own Home Ownership Program*

Each year, CHA boasts the successes of its Choose to Own Home Ownership Program. Since its inception in FY2002, 276 qualified families have purchased a new single-family home, town house, condominium, or cooperative through their participation in the program. In FY2008, 39 families purchased a home, of which 57% purchased in a community with a lower poverty rate and 65% purchased in a community where the poverty rate is less than 24%. Eight (8) of the 39 families were relocatees from public housing.

CHA pays a portion of Choose to Own Home Ownership Program participants' monthly mortgage in the same way a HCV Program participant's rent is subsidized. By dedicating the money previously used for both the rent and the HAP to a mortgage, home ownership is accessible. In addition to the financial support, the Choose to Own Home Ownership Program includes home buyer specialists who help families navigate the home buying process and provide referrals to lenders and pro bono lawyers to assist with the closing.

During FY2008, the Choose to Own Home Ownership Program was open to HCV Program participants who: were in compliance with the rules of the HCV Program; were first-time homebuyers or had not owned a residence in the last three years; earned at least \$10,300 annually; were continuously employed for at least one year prior to application, and; had good credit. Participating families attended pre-purchase counseling to learn about the home buying process and home ownership responsibilities, as well as the services available to them. Once accepted, families in the Choose to Own Home Ownership Program proceeded to search for and identify a home. Upon passing a HQS inspection and a traditional home inspection, the family obtained mortgage financing and closed on the property. After closing, the family had to attend post-purchase counseling sessions on topics such as post-purchase legal matters, property taxes, estate planning, foreclosure prevention, and property maintenance. New home owners were also required to establish both emergency repair reserves and maintenance savings accounts.

CHA pays the HAP towards the family's mortgage each month for a period of up to 15 years, unless the participant is an elderly or disabled participant, in which case there is no limit on the number of years of assistance. At the end of the 15 years, the home owner must be able to assume the entire mortgage and CHA strives to prepare them for this responsibility. In FY2008, CHA implemented additional tracking mechanisms in relation to participants' efforts and

progress toward acquiring increased income. This type of tracking is helpful in determining how much more per month a participant needs to earn in order to pay their entire mortgage payment and avoid foreclosure once they are out of the program.

In FY2008, CHA held information sessions about the Choose to Own Home Ownership Program for HCV Program participants and public housing residents, realtors, developers, not-for-profit organizations, lenders, public and community-based organizations, and faith-based organizations. These sessions were held monthly at the three HCV Satellite Offices and at CHA's central administrative office. In addition, CHA held sessions at the Latin United Community Housing Association (LUCHA), which provides housing counseling to residents from the Humboldt Park, Logan Square, and West Town neighborhoods of Chicago, and at Neighborhood Housing Services of Chicago, Inc., a non-for-profit that offers Chicago residents support in the areas of community development, lending, real estate development, and home ownership education.

FY2008 Choose to Own Home Ownership Program Activity		
Category	FY2008 Goal	FY2008 Actual
Number of applicants in the program	300	223
Number of participants completing pre-purchase counseling	70	53
Number of participants pre-qualified by a lender	50	46
Number families closing on a home	40	39

## **Landlord and Property Owner Outreach**

Throughout FY2008, CHA reached out to the numerous landlords of HCV units and informed them about the incentives and benefits of renting units to HCV Program participants as well as available training opportunities. CHA maintained open communication with landlords through the Owner Resource Council, the online newsletter, and landlord forums. In addition, Landlord Outreach Specialists worked to recruit more landlords and units to CHA HCV Program.

### **Incentives and Benefits for Property Owners and Landlords**

CHA offered an array of incentives and benefits to landlords participating in the HCV Program. The most attractive benefit was having a steady rental income stream, the Housing Assistance Payment (HAP), directly deposited into their account. In FY2008, landlords were able to participate in open houses to market their units and list their available rental units on the HCV Program website. This function allowed landlords to advertise their unit directly to HCV Program participants with the anticipation that the unit will be vacant for as little time as possible.

Moreover, CHA offered landlords a chance to participate in the Chicago HCV Property Tax Savings Program (Tax Savings Program). The Tax Savings Program was created in FY2003 as a tax abatement

incentive program for owners with properties in low-poverty areas to lease to families with vouchers. Landlords were eligible to receive a reduction of up to 19% in the equalized assessed valuation of each property. To qualify for the Tax Savings Program, there must be at least one HCV Program participant leasing a unit in the building at the beginning of the tax year. The property must be located within a census tract with a poverty level below ten percent, and the unit must be up to code and have passed the most recent HQS inspection.

### **Landlord Training**

Landlords participating in the HCV Program had access to numerous training opportunities in FY2008. Workshops, training sessions, and informative seminars were advertised at the HCV Satellite Offices, in the “Owner News” newsletter, and on the HCV Program website. Each month in FY2008, CHA hosted trainings for new and current landlords, which provided them with the tools to be better property managers. Topics covered included: safer pest control, owner responsibilities, HQS, and general HCV Program information.

For landlords new to the HCV Program, CHA continued to host monthly orientation sessions in FY2008. The comprehensive two-hour course used an owner-focused curriculum to help landlords and property managers understand how CHA’s HCV Program works. Subjects addressed included: key provisions of the HAP Contract, owner rights and responsibilities, program participant rights and

obligations, the inspection process, rent determination, HAP abatements, and contract terminations.

Furthermore, CHA advised landlords about the highly regarded property management training provided by the Community Investment Corporation. Designed to provide landlords with a foundation for success in the industry, this training program included a special segment on the HCV Program. Other topics covered in this training were: communication with tenants, landlord/tenant law, fair housing, tenant screening and selection, budgeting, developing and implementing a building maintenance schedule, tax assessments and the appeal process, preparing to apply for a commercial loan, and conflict resolution strategies. Upon completion, attendees received a certificate for their participation.

### **Owner Resource Council**

The Owner Resource Council is a committee of 12 HCV Program landlords and property managers that lease units to HCV Program participants. The purpose of the Council is to have a forum for landlords and property managers to openly discuss with CHA new procedures and policies, owner concerns, and to resolve conflicts collaboratively. The Owner Resource Council met in FY2008. Several topics were discussed such as recommendations on technology improvements, the reorganization of CHA's HCV Program

administration, and the new FamilyWorks service delivery model for public housing residents.



Lewis A. Jordan, CHA Chief Executive Officer, spoke to landlords and property owners at the first Property Investors Symposium held in November 2008.

### **Communication to Landlords**

CHA utilized two important vehicles to communicate with landlords in FY2008. First, "Owner News," an online newsletter for HCV landlords, provided information on: upcoming trainings, workshops, and events; ways to increase the profitability of their properties; reminders about important programmatic deadlines; and tips to best advertise their units. Secondly, CHA held the first semi-annual Property Investors Symposium with over 550 landlords and property owners in attendance. Guest speakers included Congressman Danny K. Davis,

Lewis A. Jordan, CHA CEO, and Carl N. Pettigrew of New Venture Realty.

## Landlord Outreach Specialists

Landlord Outreach Specialists conducted a series of activities to recruit new landlords with units in low-poverty areas to CHA's HCV Program. Throughout FY2008, the Specialists had one-on-one meetings with potential landlords, attended conferences and workshops to make new contacts, and conducted neighborhood surveys to gather possible leads. Moreover, the Specialists participated in public speaking events to establish contacts with landlords and reviewed both newspaper and online ads for rental units and contacted the landlords listed to invite them to participate in CHA's HCV Program. Through these efforts, Landlord Outreach Specialists added 783 new landlords to the HCV Program and 788 new HCV units in low-poverty areas.

May 2008  
Volume 13 • Number 5

### Owner News

For property owners and managers participating in the Chicago Housing Choice Voucher Program

#### Bridging the Gap III: Foreclosure Crisis in Illinois—What You Can Do

The Bridging the Gap series was created as a way to bring together community residents, voucher holders, property owners, and government officials to discuss issues and to work toward common solutions and goals. This month, CHA, Mutual Bank and the Chicago Alternative Policing Strategy (CAPS), will host the third annual "Bridging the Gap in Rogers Park" forum. The topic will be foreclosures, a crisis that is having a devastating impact on both the national and local housing economy.

Here in Cook County, homeowners are losing their property due to financial hardship at an alarming rate. Last year, the number of listed foreclosed homes in the Chicago area doubled the normal rate, and experts have predicted an additional 10-15% increase in foreclosures for 2008.

At Bridging the Gap, a panel of experts from both the private and public sector will provide insight and information on prevention, strategies for property owners undergoing foreclosures, tenant protection, and options available for veterans returning from service. There will also be a discussion of scams, including what to look for and how to avoid being scammed.

The forum will be held on Tuesday, May 6, 2008, from 6:30 p.m. to 8:30 p.m. at the St. Scholastica Academy Auditorium, located at 7416 N. Ridgely Avenue in Chicago. The event is free and open to the public. To register, contact Mary Jo Depesch of Family Matters at 773-465-6011, ext. 110.

#### Registration for Voucher Program Wait List Will Be Open Through May 15

For the first time in more than a decade, the wait list for the Chicago Housing Choice Program is open. Almost all of the families on the current waiting list have been served, so now the Chicago Housing Authority is creating a new one, using a lottery process. Families and individuals who wish to be placed on the new waiting list must fill out and submit a registration form by the May 15 deadline.

Names of families and individuals who submit a fully completed registration form by the May 15 deadline will be entered into an electronic database from which a computer will randomly select the names of 40,000 applicants and then randomly assign them a position on the Chicago Housing Choice Program waiting list. Through this lottery process, everyone who submits a registration form will have an equal chance to be selected for a place on the waiting list—whether they submit it on the first day or the last day of the registration period.

The best way to register for a chance at voucher program assistance is to go to the web site, [www.rentchoice.org](http://www.rentchoice.org), and submit a form electronically. It's fast, and those who use the web site will receive an immediate electronic confirmation that their registration form has been received. Registration forms will also be accepted by mail. People who wish to register by mail may pick up a registration form from any branch of the Chicago Public Library, City of Chicago Department of Human Services Centers, Chicago Park District Field Houses and the City Colleges of Chicago. Photographs of the registration form will also be accepted.

Each applicant who submits a registration form

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#### Guidelines for Using Your Own Lease

Although the majority of property owners and managers participating in the Chicago Housing Choice Program choose to use the City of Chicago's standard form of Apartment Lease, voucher program rules do not prohibit owners from using their own lease. Some landlords prefer to use their own lease in order to incorporate certain policies that they have established for their rental properties, such as housekeeping standards, no smoking and pet policies. Landlords who own or manage properties in multiple jurisdictions often use their own form of lease for consistency.

If you are considering using your own lease, here are some guidelines you should follow. First, the term of the initial lease must be for at least one year. Second, when customizing your lease, it is a good idea to consult an attorney or familiarize yourself with fair housing laws to ensure that your lease does not contain any illegal or discriminatory language or clauses. The majority of illegal language that CHAC finds in leases has been added by landlords, often unwittingly, to standard lease forms as a rider or addendum. For example, it is illegal for property owners and managers to deny housing or services to tenants based on race, color, religion, national origin, ancestry, family composition or status, sex or disability. Also, in Chicago it is illegal for landlords to discriminate against families who are receiving voucher pro-

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#### HAP Schedule

Following is the schedule for the main Housing Assistance Payment (HAP) and supplemental check runs for May. The interim check runs provide expedited payment to landlords who are entitled to adjustments and/or first HAP checks.

Mail Date:  
5/02/08 (Interim)  
5/08/08 (Interim)  
5/15/08 (Interim)  
5/22/08 (Main)

Post Office Box 1406 • Chicago, Illinois 60690-1406 • 312.935.2600 • TTY: 312.461.0079 • [www.chacinc.com](http://www.chacinc.com)

CHA relayed relevant information to HCV landlords through "Owner News", the HCV online newsletter.

## Project-Based Voucher Program

CHA utilized the project-based voucher (PBV) program to offer increased affordable housing options to low-income individuals and families in the Chicago metropolitan area. In FY2008, CHA awarded PBVs to developers and owners looking to either rehabilitate or construct affordable housing units. CHA worked with its partners from the Chicago Supportive Housing Initiative and the Regional

Housing Initiative, as well as directly with developers and owners of affordable housing. CHA entered into HAP contracts with these developers and owners, who then leased the PBV units to eligible individuals and families. PBVs are attached to a unit and held by the developer or owner of the building. When a tenant of a PBV unit terminates their tenancy, the voucher remains with the unit unlike tenant-based vouchers which move with the tenant. A family who moves from a PBV unit will not receive continued housing assistance when they move to a different building.

### **Wait List Activity**

PBV units were leased to applicants on the HCV Wait List who indicated an interest in participating in the PBV Program. During the RentBetter Wait List campaign, applicants were asked to specify whether they were interested in renting a PBV unit as opposed to receiving a tenant-based voucher. Applicants with an interest in PBV units are called off the wait list for screening in numerical order. Once applicants from the HCV Wait List with an interest in a PBV unit have been exhausted and PBV units remain vacant, developers will open site-based wait lists for their new development and screen applicants for eligibility. Tenants of PBV units must meet the requirements of both the HCV Program and the development's site specific tenant selection criteria.

### **Voucher Leasing Activity**

CHA anticipated that 2,530 moderate rehabilitation and PBVs would be allocated in FY2008. As of December 31, 2008, 90% of the 2,424 allocated moderate rehabilitation and PBVs were leased. This is an increase of 21% from December 31, 2007, when 1,996 moderate rehabilitation and PBVs had been leased. The 1,084 PBVs allocated as of December 31, 2008 include those previously under HAP contracts and new FY2008 developments under a HAP contract or under Agreement to Enter into a HAP (AHAP) Contracts and under construction.

<b>Project-Based Voucher Utilization as of December 31, 2008</b>		
<b>Type</b>	<b>Leased</b>	<b>Allocated</b>
Moderate Rehabilitation	1,192	1,340
Project-Based Vouchers	983	1,084

### **Chicago Supportive Housing Initiative**

During FY2008, CHA continued its participation in the Chicago Supportive Housing Initiative (Initiative). The Initiative is a collaboration between CHA, the Chicago Department of Community Development (formerly the Chicago Department of Housing, the Chicago Department of Planning and Development, and the Mayor's Office of Workforce Development), and the Chicago Department of Family and Support Services (formerly the Chicago Department of Human Services) to provide PBVs to developers of affordable housing. The Initiative has two primary goals: 1) preserve existing

Single Room Occupancy (SRO) units and encourage the creation of more SRO units in Chicago; and 2) foster the development of permanent affordable housing with on-site social services to address lease-compliance issues that can affect low income or public housing residents. In FY2008, CHA worked directly with developers to improve their social service plans, service delivery, and create accountability measures to use in reporting.

### **Regional Housing Initiative**

Over six years ago, CHA, the Cook County Housing Authority, the Illinois Housing Development Authority (IHDA), the Lake County Housing Authority, and the Metropolitan Planning Council (MPC) identified the need to address the geographic mismatch between growth in jobs and availability of affordable housing in the Chicago region. The Regional Housing Initiative (RHI) was created in FY2002 to provide a steady stream of rental income, in the form of PBVs, to developers and owners of affordable mixed-income rental housing located near jobs and transportation corridors. Since RHI's creation, the McHenry County Housing Authority and the Joliet Housing Authority have joined the effort to expand quality, affordable housing options to a greater number of individuals and families in need.

CHA committed 219 PBVs to the RHI voucher pool when it joined the consortium. To date 53 CHA PBVs have been issued under HAP contracts. Developers and owners who have been awarded RHI

vouchers get an increased chance of obtaining Low-Income Housing Tax Credits (LIHTC) from IHDA, because RHI developers receive extra points in IHDA's scoring process. In FY2008, the RHI Selection Committee released a Request for Proposals (RFP) to solicit new housing proposals from developers. Under the rolling RFP process, developers and owners were able to submit proposals any time during the year, and the RHI Selection Committee reviewed and evaluated each as they were received. Moreover, the RHI partners worked with developers and property owners to market and lease units at their developments. CHA referred potential applicants from the HCV Wait List interested in a PBV to the Cook County Housing Authority for screening for RHI developments.

### **Other Project-Based Voucher Issuance for Development**

Aside from its participation in the Chicago Supportive Housing Initiative and RHI, CHA also provides PBVs directly to developers. CHA considered requests for PBV assistance from developers in conjunction with the City of Chicago's LIHTC program and other sources of public funding that were competitively awarded in accordance with federal and state regulations. CHA awarded 92 new PBVs in FY2008 for the development of new affordable housing.

Throughout FY2008, CHA and its partners worked collaboratively on the PBV projects listed in the table below.

FY2008 PBV Projects				
FY2008 Regional Housing Initiative Activity				
Project Name	Planned Total Number of Units	Planned Number of PBV Units	Project Description	Status of Project
Casa Morelos	45	9	New construction of a seven-story mid-rise in the Pilsen neighborhood of Chicago	Under construction
Colonial Apartments	320	80	Rehabilitation of 40 eight-unit walk-up buildings in McHenry County	Project was delayed due to financing issues but is expected to close in FY2009
Pacesetter 1	130	26	Rehabilitation of 12 two-story buildings & new construction of one three-story & one four-story mixed-use building in Cook County	Under construction
Spaulding Apartments	36	9	Five-story existing family elevator building	Project is 100% leased
Woodstock Commons II	107	26	New construction of six three-story buildings in Lake County	Project was delayed due to financing issues but is expected to close in FY2009
Spaulding Trumbull Apartments	26	13	Rehabilitation of two former CHA-owned three-story buildings	Construction complete and the 13 PBV units have been leased
Washington Park SRO	63	32	Rehabilitation of a five-story former YMCA building	Construction complete and the 32 PBV SRO units have been leased
FY2008 Other Project-Based Voucher Activity				
Project Name	Planned Total Number of Units	Planned Number of PBV Units	Project Description	Status of Project
Casa Maravilla	73	15	New construction of one five story- senior building	Under construction
Cleveland Towers	107	50	New construction of one 14-story senior building	Project was terminated due to the developer's inability to reconcile financial gaps in the project budget
Eastgate Village Seniors Residence	117	35	New construction of one nine-story senior building	Under construction
Rosa Parks Apartments	94	26	New construction of eight scattered site walk-up buildings	Under construction
Wilson Yards	80	16	New construction of one seven-story mid-rise	Under construction

# SUPPORTING RESIDENTS THROUGH RELOCATION

## Chapter 3





## CHAPTER 3: SUPPORTING RESIDENTS THROUGH RELOCATION

When CHA began the Plan for Transformation (Plan) it entered into a Relocation Rights Contract with residents who were occupants of CHA housing as of October 1, 1999 (10/01/99 Residents). Lease compliant 10/01/99 Residents retain a Right of Return to a CHA housing unit, after rehabilitation or redevelopment activity has occurred. A resident's Right of Return is considered satisfied if a resident either elects to: 1) receive a permanent Housing Choice Voucher (HCV), or 2) move into a CHA public housing unit as their permanent housing choice or died/evicted. Now nine years into the Plan, CHA has successfully satisfied the Right of Return for approximately 52% of affected CHA residents. In FY2008 alone, nearly 800 CHA families satisfied their Right of Return by receiving a permanent HCV or moving into a public housing unit.

In working to house residents in safe, decent, and affordable housing, CHA continued to provide a variety of programs and services to residents as they transitioned through the relocation process and were connected to permanent housing options. CHA kept residents apprised of impending building closure dates and relocation activity through resident meetings and formal notices. Additionally, residents had the opportunity to learn about the different housing options and neighborhood amenities where vacant units were located, by

attending open houses, relocation fairs, and housing tours in revitalized CHA communities.

Throughout the relocation process, residents had access to relocation service providers who were available to assist in meeting individual needs as they moved down the path toward housing permanency and to address any concerns residents had in relation to their move. (Refer to Chapter 4: Achieving Economic and Social Self-Sufficiency for more information on services provided through the relocation process.)



CHA worked diligently throughout the year to assist residents relocating from traditional public housing and transitioning into permanent homes.

## **Assisting Residents Transition into Their Permanent Home**

Key elements involved in successfully transitioning residents into permanent housing throughout FY2008 included: 1) building consolidation and closure; 2) move activity; 3) voluntary moves, and 4) management of the housing offer process.

### **Building Consolidation and Closure**

In order to see the public housing revitalization goals laid out in the Plan come to fruition, CHA must vacate and close buildings at sites where demolition will occur. CHA uses its MTW Annual Plan as a guide in determining the location(s) at which building closure should occur in any given year. During FY2008, CHA completed building closure or consolidation activities at: Grace Abbott Homes; Harold Ickes Homes, and Ida B. Wells Homes. At year's end, CHA saw 273 public housing residents move out of dilapidated public housing through the aforementioned building consolidation closure activity.

### **Voluntary Move Activity**

In FY2008, residents living at developments that have yet to begin relocation had the opportunity to voluntarily move to the private market utilizing a temporary or permanent HCV or to another rehabilitated or redeveloped property. CHA offered voluntary moves to residents at: Grace Abbott Homes (prior to commencement of

FY2008 scheduled relocation activity), Harold Ickes Homes, Lathrop Homes, and LeClaire Courts Extension.

### **Housing Offer Process**

CHA continues to work diligently to meet its objective of satisfying the Right of Return for the remaining 48% of 10/01/99 residents who have not been placed into permanent housing. During FY2008, CHA conducted two major activities in furtherance of this endeavor. First, for those 10/01/99 residents who no longer receive a subsidy but have not satisfied their Right of Return, CHA began a project with an outside firm to update their contact information. The updated contact information will be used to send communications to residents to inform them of their Right to Return to housing and determine if they still wish to return to public housing. In addition, this project also identified individuals who may have passed away or became incarcerated since leaving public housing. With this updated information, CHA has better positioned itself to identify the true population of residents still interested in CHA housing and eligible for occupancy.

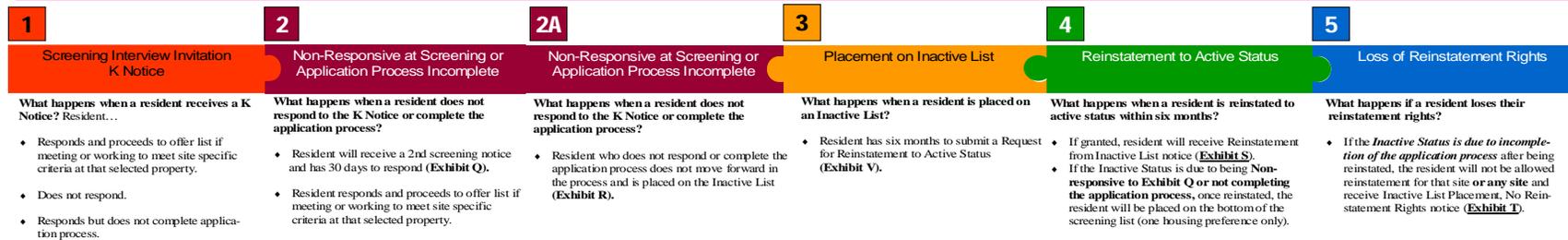
Second, CHA amended the Relocation Rights Contract and the accompanying Housing Offer Process to include consequences for non-responsive residents. Under the new provisions, residents who do not respond to screening offers or fail to complete the application process may lose their Right of Return to permanent replacement

housing. The purpose of the change is to ensure that residents are transitioned through the relocation process under the Plan and moved into permanent replacement housing as soon as possible. The new provisions encourage residents to respond to CHA communications in an effort to stay abreast of available housing options and not risk losing their Right of Return.

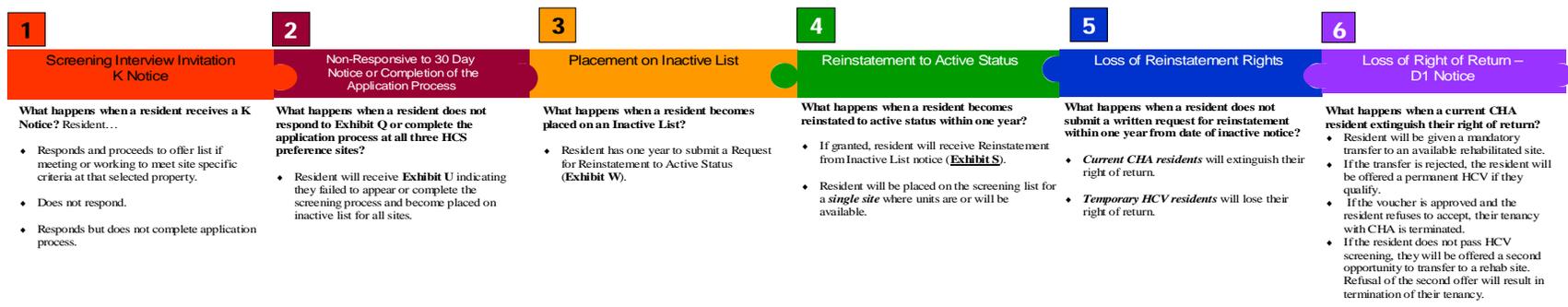
The following page illustrates this new Housing Offer Process. The effect of both the aforementioned strategies will allow CHA to update and cleanse the list of 10/01/99 residents to reflect the most current numbers of individuals whose Right of Return has not yet been satisfied.

The following flow chart describes each step in the Housing Offer Process, for all Non-Responsive Residents at CHA properties being revitalized.

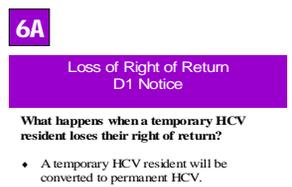
**START** **HOUSING OFFER PROCESS FOR NON-RESPONSIVE RESIDENTS (At Screening)** **CHANGE**  
**NON-RESPONSIVE AT SINGLE SITE**



**NON-RESPONSIVE AT ALL THREE SITES**



**NON-RESPONSIVE AT ALL THREE SITES (cont'd)**



**NOTICES:**  
 Exhibit D1 = Loss of Right of Return  
 Exhibit K = Screening Interview Invitation  
 Exhibit Q = 30 Day Notice of Inactive List Placement  
 Exhibit R = Placement on Inactive List  
 Exhibit S = Reinstatement from Inactive List  
 Exhibit T = Inactive List Placement, No Reinstatement Rights  
 Exhibit U = CHA's Inactive for All Sites One Year Reinstatement  
 Exhibit V = Request for Reinstatement to Active Status—Six Month (form to be completed by resident)  
 Exhibit W = Request for Reinstatement to Active Status—One Year (form to be completed by resident)

**PLEASE NOTE:**  
 This document highlights the major steps in the new Housing Offer Process at screening. It does not include every detail of the Housing Offer Process. The purpose of this document is to help CHA residents better understand the Housing Offer Process new screening process.

# ACHIEVING ECONOMIC AND SOCIAL SELF-SUFFICIENCY

## Chapter 4





## **CHAPTER 4: ACHIEVING ECONOMIC AND SOCIAL SELF-SUFFICIENCY**

CHA's Resident Services Division supports residents as they select the most appropriate housing choice and strive to become self-sufficient and economically independent contributing members of their communities. CHA expects all youth to fully engage in school and out-of-school time activities, leading to high school graduation, post-secondary education, and successful employment. CHA believes seniors should age in place, by continuing to live in their own homes as long as possible, and have access to full and accurate information about services and resources that are available to them. And finally, CHA expects all eligible adults to seek employment, or actively engage in direct efforts that lead to employment and assume personal responsibility for the economic well-being of their families.

CHA assists residents in moving toward self-sufficiency by offering a wide range of services to help residents with varying levels of need obtain education, employment, housing counseling, childcare, substance abuse treatment, transportation, etc. Throughout FY2008, these services were provided to residents by CHA directly as well as through intergovernmental agreements and contracts between CHA and external agencies. The exact level and mix of services are constantly evaluated and tweaked to better address the evolving needs of CHA's ever changing population.

### **Youth Opportunities**

#### **After School Matters**

Although CHA offered employment initiatives to residents of all ages throughout FY2008, teen residents were connected with special opportunities through a CHA partnership with After School Matters (ASM), which offered internships in the NeighborSports Program and pre-apprenticeship learning opportunities for teens in areas ranging from web design and performance arts to carpentry and clothing design. These employment opportunities were advertised through flyers and posters distributed to LAC presidents and service providers, and discussed at the monthly Tenant Services meeting and Property Management's Area Supervisor's meeting.

In FY2008, CHA's support for the summer jobs program through ASM expanded from 200 to 370 jobs. Most of these provided a \$400 stipend for 14- and 15-year-olds and ran for six weeks, five days per week, four hours each day, at twelve sites within CHA's family developments. ASM exceeded the initial commitment with a final total of 989 teen residents participating in their summer programs.

Older teens had the opportunity to apply for internships that paid \$7.75 an hour. In FY2008, 37 youths received a summer internship through the ASM-CHA partnership with Mayor Daley's NeighborSports

Program. NeighborSports is a six-week, 25 hour per week, program at Chicago Park District field house sites. Additionally in FY2008, 1,104 CHA teens participated in ASM after-school programming during the fall session.

### **School and Career Readiness Program**

In partnership with the Chicago Department of Family Support and Services (formerly the Chicago Department of Children and Youth Services), CHA launched the School and Career Readiness Pilot Program in the summer of FY2008. Targeting CHA teens between the ages of 13 and 15, four community-based organizations piloted this program at six CHA sites, serving a total of 140 CHA teens. With a program duration of six weeks, participants met Monday through Friday from approximately 9:00 a.m. to 3:00 p.m. In partnership with Sylvan Learning Center, the morning consisted of academic activities to strengthen reading, writing, math, and study skills as well as character building exercises. The afternoon focused on career exploration and exposure with field trips to area businesses and guest speakers representing various industries. Each CHA teen also had the opportunity to earn up to \$600 by successfully completing each week of the program.



CHA youth participated in the Siemens Foundation Program, which provides support of education initiatives in the areas of science, technology, engineering, and math.

### **Chicago Park District Programs**

During FY2008, CHA maintained its partnership with the Chicago Park District, and leveraged access to the Park District's services for CHA residents. The Chicago Park District offered neighborhood park programs to CHA residents for nominal fees. In FY2008, CHA and the Chicago Park District were concerned by the ever-increasing need for youth programming when school is not in session. Thus, CHA contracted with the Chicago Park District to ensure summer day camp slots were set aside for CHA youth. Information about the vouchers were sent to CHA parents with children between the ages of six and

twelve years. Presentations about the opportunity were made to the CAC, informational messages were left on CHA's hotlines, and it was discussed on CHA's radio talk program CHA-T. During the summer, nearly 1,800 CHA youth participated in the Chicago Park District's summer day camp program that enriched the minds and bodies of CHA youth through sports, arts, educational, and performance activities.

### **Overnight Summer Camp**

In addition to daytime summer programs, CHA youth between the ages of eight and fifteen were afforded the opportunity to participate in overnight summer camping excursions sponsored by Chicago Youth Centers. The camps are dedicated to the needs of low-income, at-risk youth, and offer the opportunity to leave the city to appreciate the natural world and discover more about themselves. In FY2008, tuition-free slots were available to CHA residents through the Chicago Youth Centers at Camp Rosenthal in Dowagiac, MI, where 118 CHA youth took advantage of the opportunity to attend.

### **Youth Summit**

On Tuesday, December 30<sup>th</sup>, 2008 over 150 CHA teens participated in a one-day youth summit on the campus of the Illinois Institute of Technology (IIT). In partnership with the Chicago Department of Family and Support Services (formerly the Department of Children

and Youth Services) and the Chicago Department of Public Health, the goal of the summit was to equip CHA teens with information that would help them make better decisions about their health. Dr. Terry Mason, Commissioner of Public Health, gave a stark presentation on Sexually Transmitted Infections (STIs), and a young lady living with HIV provided a cautionary tale that provoked many thoughtful questions and responses from the teens.

The teens had an opportunity to take what they learned that day and created "Public Service Announcements" in break-out groups, which were presented to all summit attendees. Utilizing handheld devices as part of a crowd response system, the teens answered trivia questions throughout the day and completed an evaluation. When asked if they learned something during the summit, 97% responded "yes" and 85% said that they would share what they had learned.

### **Next Step: College Prep**

In partnership with Siemens Building Technologies and its Building Education program and Windows of Opportunity, Inc., CHA offered the "Next Step: College Prep" program to youth in FY2008. Funded through this public-private partnership, high school juniors and seniors living in CHA properties or using Housing Choice Vouchers applied for the program with the goal to succeed and attend college. For seven weeks during the summer, these students spent time in a classroom to improve their math and reading scores while learning

valuable life skills, all in preparation for success in college. In August 2008, CHA celebrated the achievements of the 24 students with a graduation ceremony.

### **Scholarships**

Windows of Opportunity, Inc. helps raise money for college scholarships for students whose families receive CHA housing subsidies. CHA partnered with Windows of Opportunity and provided scholarships to applicants who were:

- Legal and current CHA residents or relocated HCV Program participants at the time of application;
- High school graduates or GED recipients;
- Had a minimum G.P.A. of 2.0 on a 4.0 scale; and
- Accepted or currently enrolled in an accredited post-secondary institution.

During FY2008, Windows of Opportunity awarded 70 scholarships ranging from \$500-\$2,500 to CHA residents or HCV Program participants. In addition to the Windows of Opportunity scholarships, Columbia College awarded one graduating high school senior in CHA a full-tuition scholarship to Columbia College, and Roosevelt University provides annual scholarship opportunities for CHA residents.

CHA also partnered with the Posse Foundation to further scholarship opportunities for CHA residents. The Posse Foundation recruits public high school students with academic and leadership potential who may be typically overlooked through the traditional college selection process. Posse Scholars receive full tuition scholarships for four years at partner colleges and universities.

### **Holiday Initiatives**

CHA's annual youth holiday initiatives aimed to provide residents with a healthy, happy, and safe holiday season. CHA's holiday initiatives included:

- The Chicago Bulls sponsored a holiday party for 400 CHA youth at the John G. Shedd Aquarium, where attendees learned more about marine life and enjoyed a screening of a movie in 4D. Additionally, through the generosity of Bulls player Luol Deng, each received a gift at the conclusion of the event. CHA also provided a \$25 gift certificate from Wal-Mart for each participant, while the Bulls Organization also gave each child tickets to an upcoming home basketball game and the Shedd Aquarium provided a future free admission.
- United Airlines and the Chicago Bears purchased holiday gifts and sponsored a party at Soldier Field in the United Club for 66 CHA families. Participants received gifts, met members of the Chicago

Bears, and had the opportunity to participate in fun interactive activities including a football obstacle course.

- Brian Urlacher of the Chicago Bears personally sponsored a shopping spree for 51 CHA families. Each recipient family received a \$500 gift card to purchase items for their household or holiday gifts from a local Target store.
- The Chicago Bulls invited 50 CHA children to participate in a holiday party at the Bulls practice facility located in Deerfield, Illinois. Each member of the Chicago Bulls was present, including rookie phenomenon Derrick Rose, and all signed autographs and gave each child tickets to an upcoming Bulls home game.
- The Chicago White Sox invited 75 CHA youth to participate in their annual kids holiday party, sponsored by Jim Thome, at U.S. Cellular Field. Each participant had an opportunity to try out interactive games and received a gift bag. Participation in this event as well as the aforementioned Bulls party was limited to CHA children who were either on the school honor roll or had perfect attendance.
- For the Thanksgiving Holiday, 2,000 CHA families living in traditional public housing, mixed-income/mixed-finance

communities, and HCV Program participants, received a \$25 gift certificate to ALDI grocery stores.

## **Senior Services**

CHA offered a wide variety of programs and services to residents living in senior buildings throughout FY2008. Resident Service Coordinators involved seniors in social activities and provided benefits screenings to ensure seniors took advantage of all the services available to them. The health and wellness of CHA's seniors is of primary concern, and the Resident Service Coordination Program helps track the services provided to seniors and allows more efficient service delivery to residents in CHA's senior buildings.

### **Resident Service Coordinators**

In FY2008, CHA Resident Service Coordinators (RSC) worked in collaboration with the following organizations: Chicago Department of Family and Supportive Services (formerly The Chicago Department of Senior Services), Social Security Administration, Chicago Police Department, Regional Transit Authority, Community Care Program, Stroger Hospital of Cook County, Chicago Department of Public Health, Chicago Public Library, Para-Transit, Department of Public Aid, Greater Chicago Food Depository, H.O.M.E., Stanley Steamer services, SBC, ComEd, Elderly in Distress, CEDA, Council for Jewish Elderly,

Catholic Charities and Illinois Department of Revenue. To ensure the health and well-being of CHA seniors, RSC activities included:

- credit fraud workshops;
- computer classes;
- English as a Second Language assistance; and
- Commonwealth Edison (ComEd) utility savings program.

In addition, the RSC continued to conduct well-being checks, facilitate case management and public benefits referrals, organize social enrichment activities for CHA senior residents, field requests for information, and offer assistance to seniors with lease compliance issues.

### **Social Activities**

CHA's Senior Supportive Services Department continued to provide seniors living in public housing with the resources needed to maintain a viable, independent lifestyle throughout FY2008. Senior Supportive Services offered a multitude of programs and services geared toward vital and active living including leisure, education, socialization, and volunteer opportunities. For example, arts and crafts, bingo, computer instruction, trips to music concerts, poetry readings, movie days, bake and rummage sales, fish fries, chili cook-off, dances, holiday themed parties, talent shows, and cultural events.

CHA also hosted its annual Senior Gala in December, bringing together CHA seniors from all across the city to mingle with their peers and share in the spirit of the season. CHA staff provided their services on a voluntary basis to ensure the success of the Gala. CHA provided transportation, a banquet dinner, and goody bags to the nearly 2,000 seniors who attended the Gala.

### **Additional Services**

In addition to social activities, in FY2008 CHA's Senior Supportive Services Department ensured senior residents had access to free benefits screenings to identify available resources, which enable seniors to maintain self-sufficiency throughout their golden years. During FY2008, RSC referred seniors to the following programs:

- House cleaning services, such as carpet cleaning providers;
- Legal Aid, which provides legal assistance to low-income Chicagoans; and
- Public benefit programs, in order to be evaluated for food stamps and social security.

### **Health and Wellness**

During FY2008, health and wellness seminars were conducted to benefit CHA seniors. Seminar topics included: Alzheimer's awareness, proper nutrition, fitness benefits, HIV prevention, and healthy living. The RSC also made available to senior residents on-

site flu shots, exercise classes, healthy cooking seminars, and seasonal walking clubs. In addition, CHA collaborated with the Chicago Department of Family and Supportive Services so that CHA senior residents could take advantage of Meals on Wheels and the Golden Diner Program.

In FY2008, CHA conducted nearly 100,000 (96,844) well-being checks on senior residents, during extreme weather. Also, CHA staff distributed weather-related literature to seniors and assessed heating vents and air conditioners in their units to ensure that more efficient heating and cooling systems were in use. Finally, the Chicago Fire Department offered its safety and prevention training to senior residents, showing them how to prevent fires and actions to take in case of fire.



CHA seniors participating in a health and wellness seminar.

## **CHA's Service Provision Network for Adults**

This last section highlights the social and workforce development services offered by CHA and its contractors to help adult residents work toward self-sufficiency and prepare families to make their final housing choice under the Relocation Rights Contract. This section covers the FamilyWorks program, CHA's comprehensive case management program, Community and Supportive Services Providers, and Relocation Providers, CHA's network of providers that support residents throughout the relocation process. This combined group of providers help prepare residents to meet the site-specific criteria at the mixed-income/mixed-finance communities into which families may choose to move, as well as assisting residents achieve personal goals that support self-sufficiency. Depending on the site, Community and Supportive Services providers and FamilyWorks agencies also provide post-occupancy support on an as needed basis for families that have returned to CHA housing.

### **FamilyWorks Program**

During the first quarter of 2008, CHA continued to provide case management services to CHA families through the Service Connector program, originally administered through an Intergovernmental Agreement (IGA) with the former Chicago Department of Human Services (CDHS). On April 1, 2008, the Service Connector program, which had been in place since 2001, was replaced by a new program

model called FamilyWorks. The FamilyWorks program is designed to better meet residents' needs at this stage of the Plan for Transformation. FamilyWorks focuses on identifiable outcomes with an intensive concentration on permanent housing choices, lease compliance, employment preparation, and employment retention. CDHS continued administration of the FamilyWorks program until October 31, 2008. Effective November 1, 2008, CHA began contracting directly with the six (6) FamilyWorks providers. By the end of FY2008, FamilyWorks was operating at 26 sites throughout Chicago.

FamilyWorks differs from Service Connector in that its more comprehensive design better promotes the Moving to Work objectives that promote self-sufficiency among assisted families, achieve programmatic efficiency, and increase housing choice for low-income households. Goals and residents' progress toward them are tracked in a customized, web-based management tracking system. Some of the benchmarks CHA will be able to fully report on in FY2009 include job readiness training, employment retention, attainment of GED, and child participation in after school programs.

### **Heartland Human Care Services**

Heartland Human Care Services (Heartland) is one of six organizations that contract with CHA to provide supportive services to CHA residents. One program administered by Heartland is CabriniWorks. The CabriniWorks paradigm provides current or former CHA residents of Frances Cabrini Extensions North and South and the William Green homes, who are involved in the relocation process of the Plan with access to the following resources: supportive case management, financial education, utility assistance, child care, tutoring, and mentoring activities. The overarching goal of CabriniWorks is to assist CHA residents with lease compliance issues by helping them to meet admissions criteria for mixed-income/ mixed-finance communities, for rehabilitated units, or for the Housing Choice Voucher Program. Case Managers also team up with clinical and employment specialists to assist residents in the areas of substance abuse counseling and workforce development.

### **Community & Supportive Services Providers**

The goal to change the face of public housing spelled out in the Plan is being met as public housing residents are relocated to vibrant new mixed-income/mixed-finance communities throughout Chicago. FamilyWorks providers are poised to help prepare residents to move to new housing; but, during the transition to FamilyWorks, CHA continued to work with a handful of Community and Supportive Services (CSS) providers at HOPE VI redevelopment sites. CSS Providers assisted residents relocate back to newly developed mixed-income developments.

Similar to the minimum leasing requirements of public housing, each mixed-income/mixed-finance community has its own admissions criteria that families must meet in order to qualify for a unit. The CSS Providers assisted individuals and families in meeting the site-specific admissions criteria and helped residents maintain the necessary lease compliance to remain in their units after move-in. CSS Providers entered data on their activities into an electronic data management system maintained by CHA. CHA reviewed monthly reports on each provider to ensure that they were properly serving residents. As with all services, CHA continues to evaluate the effectiveness of all programs and will continue to make changes to the FamilyWorks program and CSS providers to further reduce any remaining duplication of services.

### **Relocation Service Providers**

CHA also contracts with Relocation Service Providers who assist families as they move out of developments that are closing into alternative housing. These Relocation Service Providers take residents on tours of other CHA developments, neighborhoods and apartments, including units in opportunity and low-poverty areas in Chicago, to encourage movement into these communities.

### **Public Housing Family Self-Sufficiency Program**

The Public Housing Family Self-Sufficiency Program (FSS) is a 5-year asset-building program during which participants work with a case manager to achieve employment and self-sufficiency goals. Over the course of the five years, as participants' rent increases due to increased earnings, CHA applies a formula that essentially places the difference of the starting rent and the increased rent into an escrow account. Upon completing their goals after five years, the family receives the money that was placed in escrow, plus interest. Heartland Human Care Services administers the Public Housing FSS program.

Quarterly, FSS coordinators meet with program participants to discuss and revise goals and other financial issues. Financial education courses are also offered to FSS participants at multiple sites on evenings and weekends. Participants must attend five classes in order to successfully complete the financial education course. Participants also receive their escrow statements and Heartland's newsletter "Money Talks" each quarter. Periodic celebrations are held to recognize the achievement of residents' major goals.

In FY2008, CHA continued to offer the FSS Program to assist families in traditional public housing and mixed-income/mixed-finance communities attain financial independence. CHA's Public Housing

FSS program began in FY2006; that year HUD funded 50 slots for families in mixed-income/mixed-finance communities. In FY2007 and continuing into FY2008, the MacArthur Foundation awarded CHA funds to expand the program to include an additional 125 families living in Altgeld Gardens, Lowden Homes, and Trumbull Park. In FY2008, 95 families participated in the public housing FSS program. These participants have accumulated over \$66,000 in escrow due to increases in earnings and rent.

In FY2008, residents were notified of the FSS expansion through door-to-door efforts by resident outreach workers, and property management and FamilyWorks referrals. The FSS team gave informational sessions about the program and distributed flyers at multiple LAC meetings at each site and posted them in developments, libraries, Chicago Park District offices and other locations, and FamilyWorks providers hosted open house events on the program. Finally, the FSS team met with property managers at each expansion site, and the property management companies at Trumbull Park Homes, Lowden Homes, and Altgeld Gardens have included information about FSS in the publications they send to residents. In 2009, the FSS program will be available to public housing residents residing in any CHA development.

## **Job Preparedness for CHA Residents**

In addition to the FamilyWorks program, CHA continued to employ multiple approaches to meet the educational, job skills training, and employment needs of residents. The following initiatives coupled with the redesign of the FamilyWorks program, serve as the foundation on which CHA continued to build its workforce development structure in FY2008.

### **Opportunity Chicago**

Opportunity Chicago is a broad initiative that greatly increases resident employment and job training opportunities. CHA partnered with the Partnership for New Communities, City Colleges of Chicago, Chicago Department of Family and Support Services (formerly the Chicago Department of Human Services), and the Chicago Department of Community Development (formerly the Mayor's Office of Workforce Development) to create Opportunity Chicago beginning in FY2006 with a goal to place 5,000 residents in jobs in five years. At the end of the third year, through the collective efforts of the initiative partners, there have been 4,280 job placements representing 3,330 unique individuals.

Examples of programs CHA residents engaged in during FY2008 through Opportunity Chicago included Transitional Jobs, Contextualized Literacy, technical training, GED preparation, and

Adult Basic Education (ABE). In FY2008 alone, 915 CHA residents found employment, of which 462 were individuals not previously placed in employment by CHA or its contractors.

### **City Colleges of Chicago**

CHA and City Colleges of Chicago (City Colleges) continued their partnership, to address the needs of CHA residents to augment job skills to meet changing demands of the current job market. Under the program, residents are eligible for cost-free education at all of the seven City Colleges. During FY2008, 548 residents or HCV Program participants attended an orientation, while 343 residents enrolled in the programs offered by City Colleges through CHA. Different tracks were offered for residents. One track seeks to improve residents' remedial reading and math skills, while another trains residents for specific careers in a variety of occupations including nursing, transportation, or the hospitality industries. In FY2008, 254 residents completed their City Colleges training program.

### **Workforce Investment Act Programs**

In FY2008, CHA continued its partnership with the Chicago Department of Community Development (formerly the Mayor's Office of Workforce Development) and City Colleges to offer public housing residents Workforce Investment Act (WIA) services which consist of three service types: core, intensive, and training. Core services

include: 1) resume and interview prep, 2) career planning, 3) assessments, and 4) referrals. WIA intensive services consist of comprehensive skills assessments, aptitude tests, identification of barriers to employment, career counseling, and job retention and career advancement assistance. Residents utilized WIA Individual Training Accounts (ITA) to access technical training at any of the City Colleges and other eligible provider sites in Chicago. In FY2008, 107 residents accessed WIA services.

### **Transitional Jobs**

CHA contracted with several external agencies to offer transitional jobs to residents in FY2008. Participants attended an orientation session and then residents were placed in subsidized employment whereby CHA paid part or all of each resident's salary. The transitional jobs programs enable residents to obtain on-the-job training and valuable job experience and move toward permanent job placement. In FY2008, 271 residents received a subsidized employment placement and 81 received an unsubsidized employment placement after enrolling in a transitional jobs program.

## **Other CHA Supportive Services or Special Initiatives**

Not only does CHA provide residents access to social services, but it also seeks to strengthen the communities in which residents live through external partnerships, to the benefit of all Chicagoans. Although each collaboration in FY2008 played a different role in the well-being of residents, all were carried out with the purpose of promoting participation in community activities. A few examples of external partnerships are listed below.

### **Summer Nutrition Program**

In FY2008, CHA partnered with Chicago Department of Family and Support Services (formerly the Department of Children and Youth Services) to manage the Summer Nutrition Program, formerly known as the Summer Food Program. City-wide, the Summer Nutrition Program has 500 locations throughout Chicago and is open to low-income children through the age of 18. Nearly 50 of these locations are at or adjacent to CHA developments. The Summer Nutrition Program provides nutritious meals to children and youth during the summer when school is not in session and programs offered through the schools to feed low-income youth are not available. CHA youth are eligible for a free daily breakfast and lunch at Summer Nutrition Program locations. During the summer of FY2008, 77,660 free

breakfasts and 121,256 free lunches were distributed. In addition, 21,159 afternoon snacks were served during the summer of FY2008.

### **Winter Utility Assistance**

In order to offset the cost of rising utility bills, CHA gave subsidies to families and seniors in FY2008 to pay for or restore utility service. In addition to receiving utility assistance from CHA, residents were also encouraged to contact federal, state, and local utility allowance and energy assistance programs offered by agencies such as the Community Economic Development Association (CEDA), which administers the Low-Income Home Energy Assistance Program (LIHEAP), the Illinois Department of Health and Family Services, and 311, which directs callers to the Homeless Prevention Fund and other resources.

In FY2008, CHA collaborated with ComEd to create a program called All Clear that provided assistance to CHA residents and HCV Program participants with a Right of Return to public housing who had past-due utility debt up to \$500. The intent of the program was to help those residents who had gotten a little behind in their utility payments to clear their debt and get back on track with keeping current with their utility bills, which is a lease requirement. Under All Clear, CHA and ComEd paid half of the total past due balance once an eligible participant paid half of the total past due amount less late fees.

### **Social Support Initiatives for Substance Abuse**

CHA and the Chicago Department of Public Health (CDPH) continued their partnership to provide CHA residents with free alcohol and substance abuse assessments, access to treatment, and follow-up services. With joint funding from CHA and CDPH, Caritas provides services to address substance abuse issues and allow residents to remove barriers to self-sufficiency. During FY2008, nearly 100 residents (93) were referred to the CHA-CDPH Substance Abuse Assessment and Referral program for assistance with alcohol or drug addiction or abuse, and utilized Caritas' services. This program is undergoing an outside evaluation in FY2009 to determine impact.

### **Good Neighbor Program**

In the fourth quarter of FY2008, CHA implemented Good Neighbor Workshops to provide public housing residents with the necessary tools to maintain their household and finances, and foster positive and lasting relationships within their communities. Workshops are designed for residents in the process of relocating, as well as residents permanently housed who may need assistance.

### **Illinois Action for Children**

Since FY2007, CHA has had an agreement with Illinois Action for Children (IAFC) to provide child care resource and referral services to CHA families. IAFC is the only state funded Child Care Assistance

Program for Cook County and the Chicago-land area, and maintains an extensive database (with more than 7,000 agencies) and resources of child care and early education programs. Under the agreement, IAFC conducts home visits to families and provides individualized referrals to child care resources, as well as support for parents in order to develop parenting skills and improve young children's language and literacy. In FY2008, IAFC exceeded its annual goal of 900 home visits and engaged over 100 families in individual Community Connections Activities. In addition, IAFC completed over 400 enhanced child care referrals. In the last quarter of FY2008, IAFC established additional staffing at walk-in desks for CHA residents at community offices in an effort to continue increased enhanced referral activity.

### **Office of the Ombudsman**

In compliance with the provisions laid out in the Amended and Restated MTW Agreement, in August 2008 CHA's Resident Services Division created an Office of the Ombudsman. This office is uniquely designed to meet the needs and address the distinct challenges faced by CHA public housing residents living within mixed-income/mixed-finance communities. Notices regarding the Office of the Ombudsman were disseminated to affected public housing residents in the second half of the year, informing each of the services, offerings, and functional parameters of the new Office. During FY2008, an Ombudsman was appointed to lead the office.

Additionally, commencing in FY2009, the Ombudsman will hold biennial meetings near each mixed-income/mixed-finance community as a venue for families living in public housing units in mixed-income communities to have their voices heard and concerns addressed.

# PROMOTING ECONOMIC OPPORTUNITIES

## Chapter 5





## CHAPTER 5: PROMOTING ECONOMIC OPPORTUNITIES

CHA utilizes its procurement-related policies and programs to promote economic opportunities. The Minority, Women, and Disadvantaged Business Enterprises (M/W/DBE) Policy enables M/W/DBEs the opportunity to perform contracts for CHA, thereby enhancing the businesses' capacity to create jobs and be profitable. Likewise, by requiring vendors to offer employment opportunities to residents via the Section 3 Policy and Program, CHA is able to offer residents a way to benefit from the large amount of business generated as a result of the Plan for Transformation. In FY2008, CHA remained steadfast in its commitment to creating opportunities for economic growth for a wide range of Chicagoans.

### BuySpeed Online

CHA created an e-procurement system, BuySpeed Online, to facilitate communication between the Chicago Housing Authority and vendors via CHA's website. The system allows interested vendors to learn about current bid opportunities. The business owner can also register their business online, and current vendors can review and update their status.

Vendors having technical problems in the areas of online registration, updating and maintaining company information, and reviewing and downloading CHA bid opportunities can contact CHA staff for support or download the available training aids. In the spirit of fair business practices, CHA has situated computer kiosks outside of the Procurement and Contracts department for those business owners and/ or vendors without internet access. These kiosks are monitored by CHA staff daily.

### Minority, Women, and Disadvantaged Business Enterprises

Vendors are active partners with CHA in the execution of the Plan for Transformation. CHA recognizes the importance of M/W/DBE as partners and strives to give each the maximum opportunity to participate in the performance of contracts. Any time CHA conducts business with an outside vendor, the vendors are made aware of CHA's M/W/DBE Policy. Contractors and their subcontractors or suppliers were required to take necessary and reasonable steps to ensure that M/W/DBEs had the maximum opportunity to compete for and perform contracts financed in whole or in part by federal funds. The M/W/DBE Policy was communicated to vendors at regular pre-award and interim contract reviews and is available on CHA's website ([www.thecha.org](http://www.thecha.org)). Vendor compliance with commitments was monitored by CHA staff through both site visits and audits. If a vendor was found to not be meeting its commitment, the vendor was notified about their compliance violation and funds could have been withheld until evidence of compliance was shown.

M/W/DBEs also learned about contracting opportunities with CHA through CHA's website, as well as through outreach activities

engaged in by CHA staff during FY2008. CHA staff members attended events such as the City Treasurer's Small Business Expo, the Illinois Hispanic Chamber of Commerce Hispanic Business Expo, the Annual Entrepreneurial Woman's Conference, and the Women's

Business and Buyers Mart, to encourage businesses to register as CHA vendors and to seek contracts as either the main vendor or subcontractors. Moreover, CHA staff informed M/W/DBEs about CHA's vendor solicitation processes.

As illustrated below, CHA exceeded the overall M/W/DBE requirements by over \$350,000.

Total Awards and M/W/DBE Commitment January 1 - December 31, 2008								
Contract Type	Contract Amount	Awards (\$)	Participation Requirement (Percent)	Participation Requirement (Dollars)	Committed (Percent)	Committed (Dollar)	Variance (Percent)	Variance (Dollar)
Construction	Under \$25,000	\$0	0%	\$0	0%	\$0	0%	\$0
Construction	\$25,000-\$200,000	\$0	25%	\$0	0%	\$0	0%	\$0
Construction	\$200,001-\$500,000	\$0	30%	\$0	0%	\$0	0%	\$0
Construction	\$500,001-\$1,000,000	\$0	35%	\$0	0%	\$0	0%	\$0
Construction	Over \$1,000,000	\$8,830,107	40%	\$3,532,043	39%	\$3,404,268	1%	-\$127,775
Service Supply and Delivery	Over \$25,000	\$33,780,620	20%	\$2,484,698	24%	\$2,991,853	4%	\$507,154
<b>Total Awards</b>		<b>\$42,610,727</b>		<b>\$6,016,741</b>		<b>\$6,396,121</b>		<b>\$379,380</b>

Note: In FY2008, \$21,357,129 was awarded to not-for-profits in which M/W/DBE waivers were granted; therefore, M/W/DBE does not apply and was subtracted from the "Awards" amount. The resultant amount formed the basis for calculating the "Requirement" and "Commitment" figures.

### Section 3

CHA ensures compliance with Section 3 of the Housing and Urban Development Act of 1968, as amended by Section 915 of the Housing and Community Act of 1992, through the implementation and management of the Section 3 Program. The goal of the Section 3 Program is to increase the number of opportunities available to low and very-low income individuals to become economically self-

sufficient. Vendors that receive contracts for CHA projects financed with HUD funds are required to comply with the Section 3 Policy by providing employment, job training, and other economic opportunities to residents.

CHA advised its vendors about Section 3 Program regulations and ensured their adherence to the policy guidelines throughout FY2008. Similar to M/W/DBE requirements, vendors were informed of the

Section 3 Program requirements at both bid solicitations and during pre-bid and pre-construction meetings. During the pre-bid meetings, vendors were encouraged to start crafting their approach to fulfilling the Section 3 requirement for their proposals. The Section 3 Policy and terms and definitions pertinent to the Section 3 Program were also accessible on CHA website. Third-party property management companies received training on CHA procurement policies and practices, including compliance with Section 3. CHA staff monitored Section 3 participation by performing regular interim contract reviews and site visits to verify the participation of Section 3 residents. Section 3 residents are divided up by tiers: Tier 1 - public housing residents; Tier 2 - former public housing residents living in the private market with a Housing Choice Voucher (HCV); Tier 3 - all HCV Program participants who live in Chicago; and Tier 4 - all low-income residents who live in Chicago.

Vendors that did not hire Section 3 residents were able to comply with the Section 3 requirements by contributing cash to the Section 3 Compliance Fund. The Fund was maintained by CHA and is used to provide CHA residents with employment, job training, scholarships, as well as child care and transportation subsidies. If a vendor failed to comply with Section 3 Program requirements, they were notified of the issue. Failure to remedy non-compliance could result in the withholding of funds until evidence of compliance was demonstrated.

One of the goals of CHA is for residents to be employed; therefore, CHA's preference is for vendors to comply with Section 3 by hiring residents to perform work under the contract. CHA requested vendors who received contracts in FY2008 to be creative and commit to more than the minimum compliance requirements. Vendors were encouraged to provide as many employment opportunities to Section 3 residents as possible, and to make these opportunities significant. Employment timeframes were extended when feasible, and/or opportunities were focused on increasing skill sets in order to make a resident more marketable for future employment. Overall, in FY2008 there was a heightened awareness about the Section 3 Program and its importance. A working group was created to evaluate the Section 3 Program for areas of improvement and make recommendations on how to enhance the program in FY2009 and beyond.

Residents were also informed about the Section 3 Program in FY2008. CHA residents who were lease compliant and income eligible qualified to be part of the Section 3 Program. Public housing residents learned about the Section 3 Program at: the Resident Forum, held in April 2008; informational sessions held at Altgeld Gardens/Phillip Murray Homes, Governor Henry Horner Homes, Ida B. Wells Homes and Extension, Lowden Homes, Trumbull Park, and Wentworth Gardens; and through flyers distributed by Local Advisory Councils. CHA staff also conducted and/or attended ten job fairs in FY2008 to inform public housing residents, HCV Program

participants, low-income individuals, and employers about CHA's Section 3 Program. Interested residents contacted CHA and were subsequently interviewed and screened. CHA staff identified their interests and skill set in order to better match them to potential job opportunities, as well as coached them in interviewing skills and etiquette. As employment opportunities arose, CHA contacted residents to be interviewed by the vendor and coordinated the interviewing process. In FY2008, there were 225 job placements through the Section 3 Program with employers in the following fields: security, health care, general contracting and construction, housing and supportive services, and consulting.



CHA participates in a variety of job fairs to expand awareness in the community on placements available through the Section 3 Program.

# OPERATION OF CHICAGO'S PUBLIC HOUSING

## Chapter 6





## CHAPTER 6: OPERATION OF CHICAGO'S PUBLIC HOUSING

In order to ensure the achievements of the Plan for Transformation (Plan) continue to provide safe and desirable affordable housing opportunities for many decades, CHA focused on effective asset and property management structures in FY2008. CHA maintains contracts with property management companies and resident management corporations to manage the day-to-day operations at each development. These companies effectively deliver property management services according to HUD requirements and CHA performance benchmark standards throughout the year.

Property managers are measured on the following benchmark standards: work orders, rent collection, annual re-examination, building/unit inspections, and vacant unit turnaround. Additionally, CHA and property management partners continued to: increase safety and security, enhance quality of life, work within their budgets, and streamline wait list procedures as well as the screening and lease up process to fill units more quickly.

### **Management of Assets**

In FY2008, CHA implemented a new organizational structure that emphasizes Asset Management with a new Executive Vice

President/Chief Operating Officer, and a team of four Senior Vice Presidents assigned to lead the following four areas: (1) Senior Designated Housing Properties and Commercial Portfolio, (2) Traditional Family Public Housing & Scattered Site Portfolio, (3) Mixed-Income/Mixed-Finance Portfolio, and (4) the Housing Choice Voucher (HCV) Portfolio.

### **FY2008 Property Management Benchmarks and Performance**

Property management companies working with CHA adhered to performance benchmark standards established by CHA. Each year, property management companies created and implemented a management plan that incorporated these benchmarks. CHA utilizes a range of enforcement mechanisms if a property management company failed to meet the established benchmarks. On the following pages is a table containing both the FY2008 Property Management Benchmarks, as outlined in the FY2008 Moving To Work (MTW) Annual Plan, and CHA's FY2008 performance regarding these benchmarks.

FY2008 Property Management Benchmarks & Performance			
Category	Benchmark	Traditional Family/Scattered Site/Senior Portfolio Performance	Mixed-Income Portfolio Performance
<b>Emergency Work Orders</b>	Complete 100% of emergency orders within 24 hours. Emergency work orders are issued for deficiencies that present an immediate danger or hazard to person(s) or property.	100%	In FY2008, property management companies tracked work orders using their own system of record. Of the 1,040 emergency work orders received, 100% were completed in 24 hours. Beginning in 2009, they will start using CHA's asset management software system for work order completion and tracking.
<b>Non-Emergency Work Orders</b>	Complete non-emergency work orders at each development within 25 days.	3 Days	In FY2008, property management companies tracked work orders using their own system of record. Of the 5,332 non-emergency work orders received, 99.8% were completed within 30 days. Beginning in FY2009, they will start using CHA's asset management software system for work order completion and tracking.
<b>Outstanding Non-Emergency Work Orders</b>	Limit the number of outstanding non-emergency work orders to less than two percent of the total number of non-emergency work orders by the end of FY2008. However, due to pending rehabilitation or demolition, some work orders may be deferred for modernization.	Less than 1%.	In FY2008, property management companies tracked work orders using their own system of record. Beginning in 2009, they will start using CHA's asset management software system for work order completion and tracking.
<b>Outstanding Re-examinations</b>	100% of the required re-examinations will be completed in FY2008.	100% Completed 0% Outstanding	97% of all re-examinations were completed; 3% were outstanding. Outstanding re-examinations were processed for legal action.
<b>Rent Collections</b>	At least 98% of the rent billed in FY2008 will be collected or referred for legal review. As residents relocate, any outstanding balances are transferred to the receiving property, which negatively impacts the receiving property's financials.	100%	94% of rent billed in the mixed-income portfolio was collected. All unpaid renters are processed for eviction.

FY2008 Property Management Benchmarks & Performance			
Category	Benchmark	Traditional Family/Scattered Site/Senior Portfolio Performance	Mixed-Income Portfolio Performance
<b>Income Verification*</b>	<p>Reduce income verification errors by 80% of FY2007 levels. Five percent (5%) of each Traditional Family/Senior site and ten percent (10%) of the files at each Mixed Income site will be reviewed, and where deficiencies are noted, an action plan will be instituted to bring the site into full compliance.</p> <p>To ensure that property managers conduct income verification appropriately, the CHA Asset Management Department will introduce a new Property Management Procedural Manual and retrain property managers on the verification process. CHA quality control specialists will audit five percent of the resident file folders to ensure that property managers follow the income verification process.</p>	<p>5% of files were reviewed. Of the files reviewed, 90% of the incomes were verified accurately. Action plans were put in place where deficiencies were noted.</p>	<p>In FY2008, 10% of the files were reviewed at each property. Of the files reviewed, 81% of the incomes were verified accurately. Corrective action plans were put in place where deficiencies were noted.</p>
<b>Rent Calculation*</b>	<p>Reduce calculation verification errors by 80% of FY2007 levels. Five percent (5%) of files at each Traditional Family/Senior site and ten percent (10%) of the files at each Mixed Income site will be reviewed, and where deficiencies are noted, an action plan will be instituted to bring the site into full compliance. CHA requires that all personnel responsible for calculating rent must be certified to perform rent calculations. CHA quality control specialists will audit re-examination files to ensure that property management staff correctly calculate rent.</p>	<p>5% of files were reviewed. Of the files reviewed, 85% of the rents were calculated accurately. Immediate corrections were put in place where deficiencies were identified.</p>	<p>In FY2008, 10% of the files were reviewed at each property. Of the files reviewed, 52% of the rents were calculated accurately. Immediate corrections were put in place where deficiencies were identified.</p>

\*Benchmark for the Traditional Family Portfolio file review has been adjusted in order to achieve a higher quality and more thorough review process.

FY2008 Property Management Benchmarks & Performance			
Category	Benchmark	Traditional Family/Scattered Site/Senior Portfolio Performance	Mixed-Income Portfolio Performance
Unit Inspections	Inspect 100% of units annually.	100%	100%
Building System Inspection	Inspect 100% of buildings systems annually.	100%	100%
Vacant Unit Turnaround Time	CHA will track turnaround time for vacant units in rehabilitated or redeveloped properties. Once an available revitalized unit for leasing becomes vacant, the property management company will promptly place the unit back in to the available housing stock for lease-up within 30 days or less.	453 Days Vacant unit turnaround time is based on rehabilitated units. Vacant unit turnaround time is adversely affected by CHA's commitment to 10/1/99 residents. CHA is required to adhere to the Relocation Rights Contract. As a result, the unit turnaround time is delayed significantly. The average has improved versus last year, as data integrity improvements have been made.	In FY2008, firms tracked vacant unit turnaround time using their own system of record. Beginning in FY2009, they will start using CHA's asset management software system for vacant unit turnaround tracking.

### Quality Control

In conjunction with the re-alignment of the management of CHA's assets, Quality Control Analysts have been assigned to specific portfolios, which have allowed increased attention to the property specific conditions associated with each site. Although the federal quality control standards mandated by HUD are uniform across each CHA portfolio, the ways in which the standards are met can differ by the unique circumstances of each property and building type.

Toward this end, Quality Control Analysts made site visits, inspected buildings, units, and common areas, and completed file audits throughout FY2008. If a CHA property failed to meet the standards outlined in the FY2008 Property Management Benchmarks, Quality Control Analysts returned to the property within 72 hours to ensure that issues of concern had been addressed.

Quality Control Analysts inspect properties in accordance with HUD's Uniform Physical Conditions Standards (UPCS) and CHA established

standards. For example, these inspections include: cleanliness of common areas, working smoke detectors, operable light fixtures, and broken electrical covers. Additionally, occupied units were randomly selected for inspection. Residents in the selected units were notified within 48 hours of the inspection, and Quality Control Analysts examined these units to ensure that living conditions were safe and sanitary.



CHA is committed to ensuring that its housing stock consists of safe and sanitary units through quality control inspections.

Quality Control Analysts in conjunction with asset managers also conducted close-out audits. After an initial inspection, property management companies were notified of any deficiencies the Quality Control Analysts uncovered during the inspection. Property managers formulated a corrective action plan to outline the actions they planned to undertake to address these issues, and submitted the plan to CHA. Close-out audits were performed when Quality Control Analysts revisited a property and confirmed that the corrective action plan was implemented. Once it was determined that all issues were resolved, the close-out audit was deemed complete.

### **Policy and Procedure Training**

Trainings offered in FY2008 to property managers and CHA's Asset Management Department covered system usage, eviction process, admissions and continued occupancy policies and procedures, public housing management, as well as techniques to meet and/ or exceed FY2008 Property Management Benchmarks. Specifically, FY2008 trainings included:

- Uniform Physical Conditions Standards (UPCS) Training
- Public Housing Rent Calculation Certification Training
- Public Housing Management Certification Training
- Admissions and Continued Occupancy Policy and Procedure (ACOP) Training
- FEMA Emergency Management Training

- Public Indian Housing Information Center (PIC)/Earned Income Verification (EIV) Training

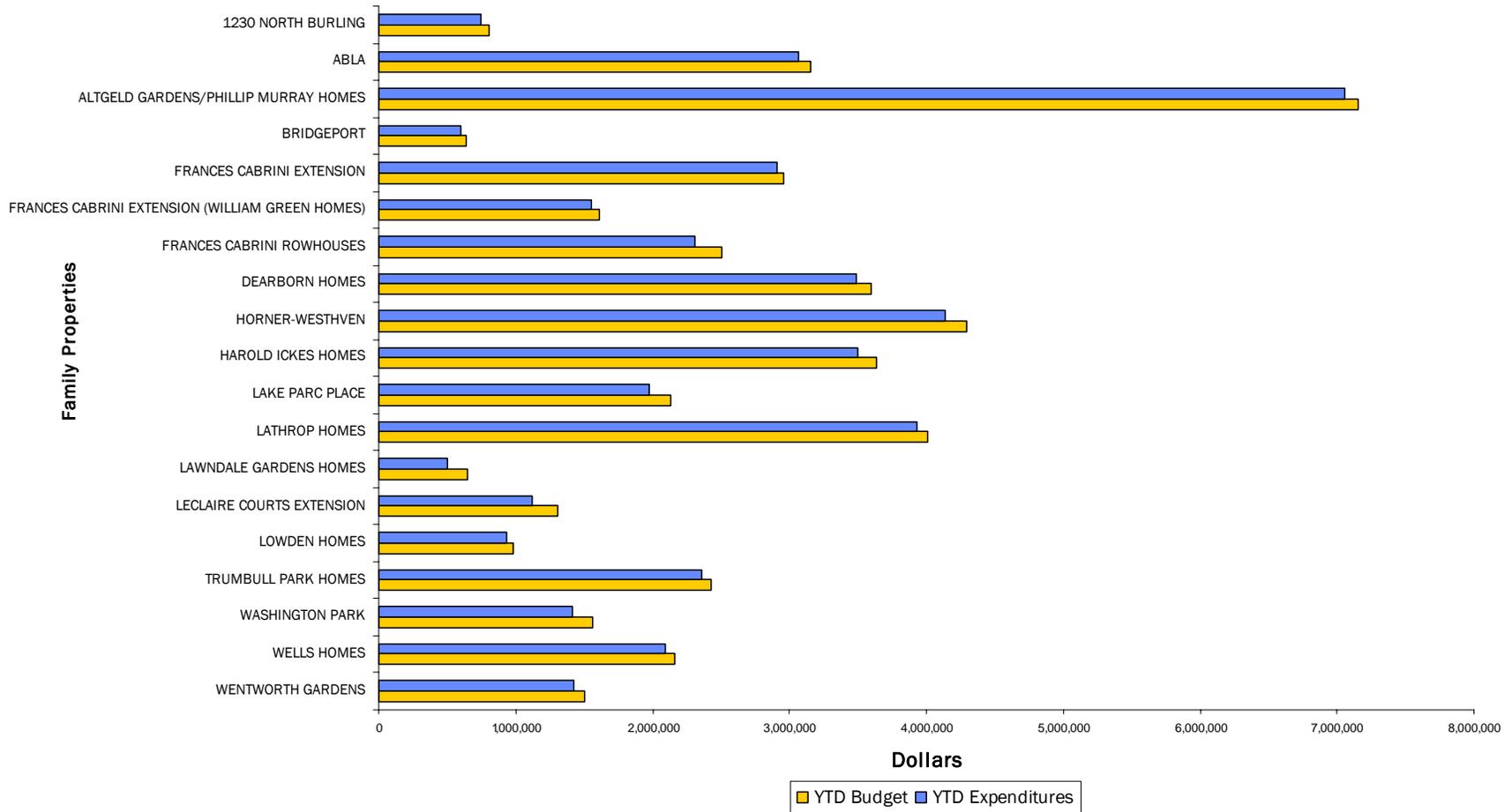
### **Property Budgets**

One of the foundations of the asset management business model is the creation of property-based budgets. Each year, property management companies complete a management plan detailing the company's plan for operating each property effectively and within budgetary guidelines. Budgets and corresponding management plans are formed giving consideration to various factors such as the number of units, upkeep and maintenance, and the scale of relocation. During FY2008, CHA worked closely with property management to facilitate the work outlined in each management plan.

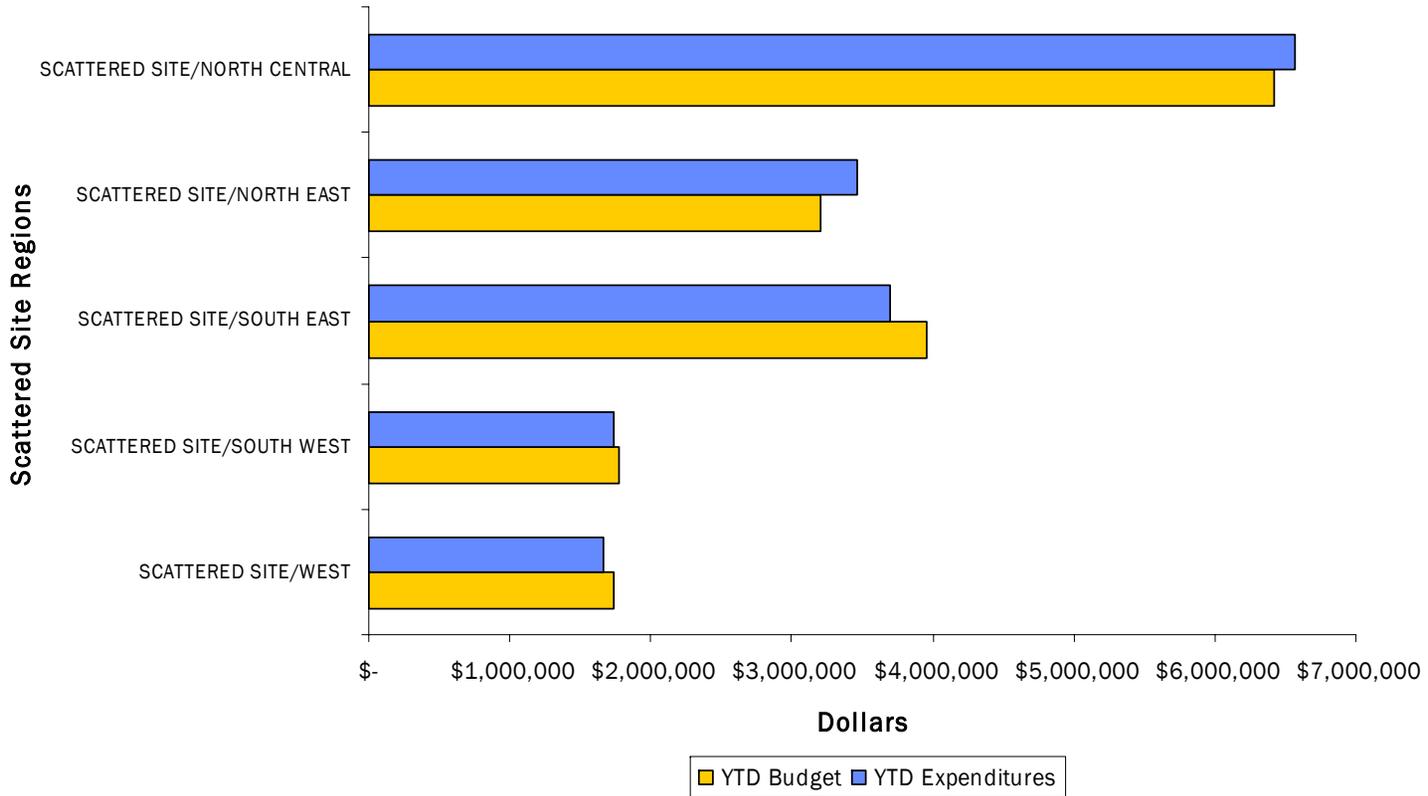
Circumstances arise during the course of the fiscal year that may impact a property management company's ability to perform within the company's set budget. In such cases, CHA's Asset Management Department determines whether or not additional funds are necessary to maintain the safety and quality of life at a given property.

The following pages contain charts outlining the FY2008 budgets and expenditures for each of CHA asset management portfolios.

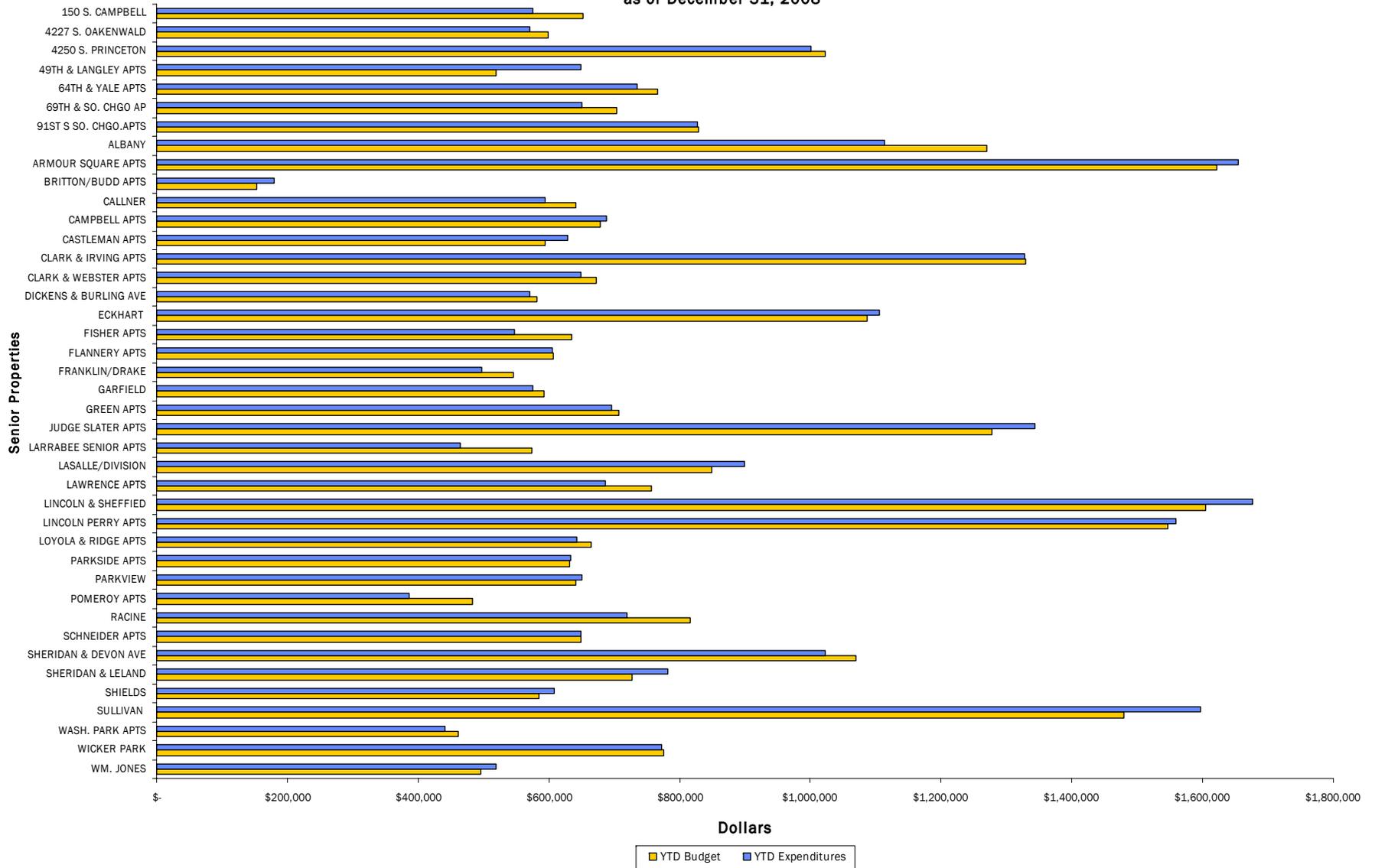
**Family Portfolio Properties' Budgets  
Budget vs. Actual Expenditures  
as of December 31, 2008**



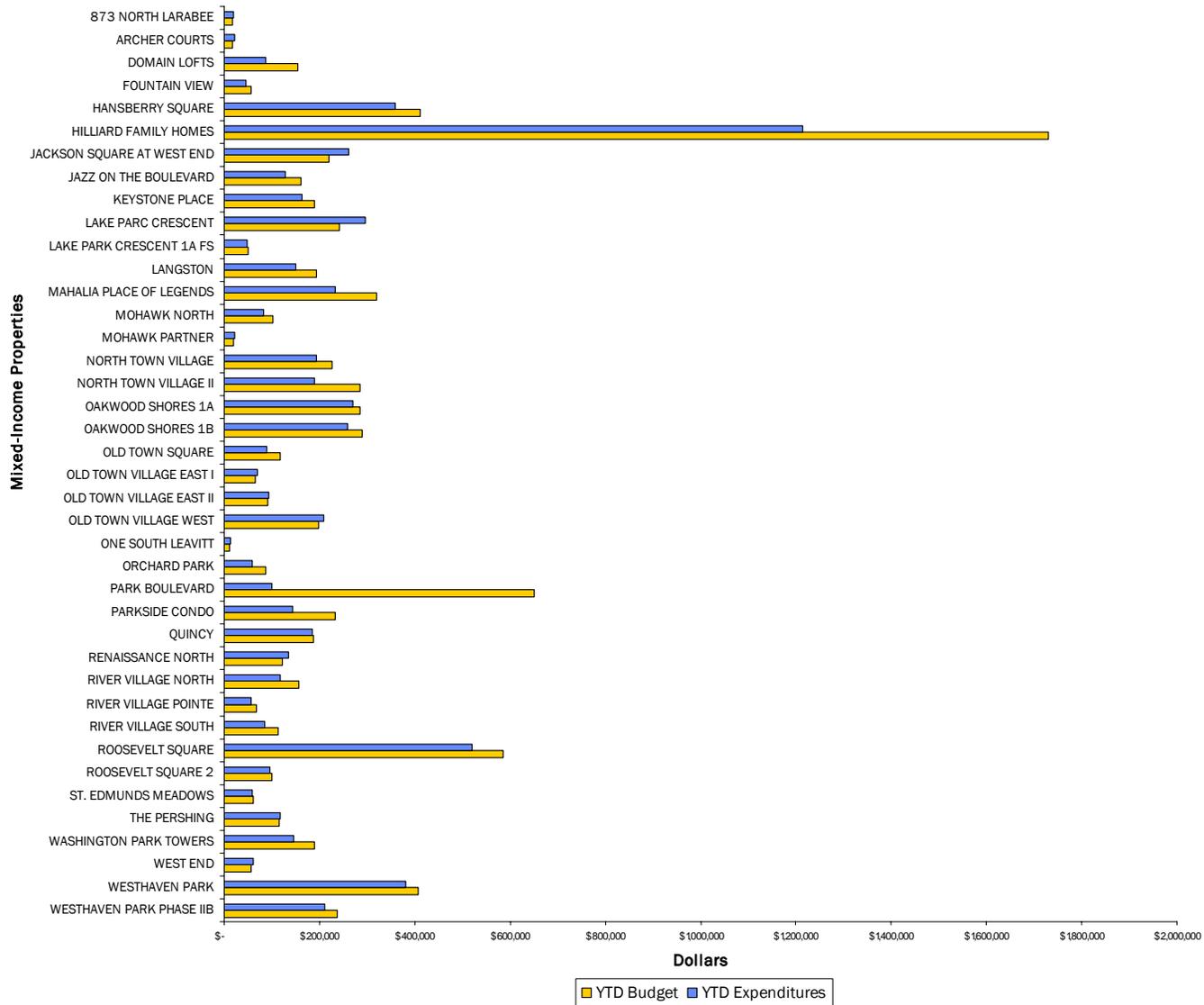
**Scattered Site Portfolio Properties' Budgets  
Budget vs. Actual Expenditures  
as of December 31, 2008**



**Senior Portfolio Properties' Budgets  
Budget vs. Actual Expenditures  
as of December 31, 2008**



**Mixed-Income Portfolio Properties' Budgets  
Budget vs. Actual Expenditures  
as of December 31, 2008**



## **Leasing Redeveloped and Rehabilitated Units**

### **Wait List Activities**

In FY2008, CHA conducted several wait list management activities, including utilizing a more streamlined approach to applicant screening as implemented in FY2007, updating wait lists to ensure the most recent applicant contact information is available when a unit is ready to lease, and opening the Housing Choice Voucher (HCV) Wait List to new applicants. (Refer to Chapter 2: Increasing Housing Opportunities through CHA's Housing Choice Voucher Program.) Throughout FY2008, CHA also accepted applications for senior designated housing properties and community-area scattered site housing.

The improved applicant screening process continues to make internal wait list management more efficient, allowing for the more timely outreach and screening of applicants on the wait list. The software system prevents property managers from completing actions until the applicant's name is released by CHA's Occupancy Department, ensuring applicants are screened by property managers in the order of their wait list ranking. CHA's Occupancy Department also meets with property managers to conduct Move-In Reviews to evaluate the final status of applicants and verify that property managers complied with outreach and screening requirements and properly documented these activities. The revised and streamlined process increased the

number of applicants screened from a maximum of 50 at a time to as many as 800, depending on the leasing needs. The process also shortened the period of applicant outreach and screening from an average of 60 to 90 days to an average of 15 to 30 days. During FY2008, CHA expanded the use of this new applicant screening procedure to the Community-Wide (traditional family) Wait List and continued with implementation at its Senior Site-Based Wait List properties.

### **Community-Wide Wait List**

In FY2008, CHA was unable to accept new applications for the Community-Wide Wait List for traditional family or rehabilitated public housing units due to the continued revitalization and relocation efforts in support of the Plan. However, the Community-Wide Wait List was updated in the second quarter of FY2008 in order to obtain current contact and important demographic information for applicants and to remove applicants from the Community-Wide Wait List who were non-responsive, ineligible, or no longer interested in CHA housing opportunities. Applicants had until June 30, 2008 to update their records with CHA. In cases where applicants were purged from the wait list due to non-responsiveness, each has the opportunity to be reinstated if they contact CHA's Occupancy Department within one year of the efforts to update their applicant file. In addition to ensuring outreach efforts are made to the correct address and phone number, yielding greater responsiveness from

applicants and timely leasing of available units. During FY2009, CHA foresees re-opening the Community-Wide Wait List to new applicants.

### **Senior Site-Based Wait Lists**

During FY2008, CHA continued to accept applications for the Senior Site-Based Wait Lists, and applicant screening and leasing was increased in accordance with applicable policies and procedures. CHA's Occupancy Department continued with a procedure initiated during FY2006 that requires property managers at senior designated housing buildings to request applicant names from CHA, promoting better wait list management. In the fourth quarter, CHA's Occupancy Department began the process of updating and purging the Senior Site-Based Wait Lists in order to obtain accurate and updated applicant data, remove applicants who can no longer be reached by CHA, and inform applicants of new policy changes made to the Senior Site-Based Wait Lists.

### **Community-Area Wait Lists**

Pursuant to the Gautreaux Consent Decree, CHA continued to monitor the mix of residents housed in its scattered site housing portfolio, throughout FY2008. Extensive outreach efforts were employed in an effort to fill community-area scattered site vacancies with current wait list applicants as well as new applicants.

Additionally, CHA's Occupancy Department continued to implement innovative strategies in furtherance of shortening the lease up process from the Community-Area Wait List. Strategies included, but were not limited to: 1) streamlining the Applicant Outreach and Lease-Up Process to a ten to 15 day business cycle; 2) providing property management companies with guidelines to minimize issues that could delay the lease up process; 3) prioritizing application entry of properties currently leasing; and 4) remaining in communication with property managers in order to resolve and/or mitigate lease up issues.

### **Leasing at Mixed-Income/Mixed-Finance Communities and Rehabilitated Family Housing**

CHA actively leased revitalized units during FY2008. For the first time under the Plan, CHA pulled applicants from the Community-Wide Wait List to fill rehabilitated family units at Altgeld Gardens/Phillip Murray Homes and Trumbull Park Homes. The priorities for leasing redeveloped and rehabilitated family housing units are outlined in the Relocation Rights Contract. CHA had fulfilled all rights for the priorities at these sites and was able to lease units to families that had been on the Community-Wide Wait List since it was closed at the beginning of the Plan. Rehabilitated scattered site units, on the other hand, are leased in accordance with the Gautreaux Consent Decree and require that CHA lease units to families from the Community-

Wide (traditional family) Wait List, Community-Area Wait Lists, and from CHA Transfer Wait List.



Leasing activity took place at Trumbull Park Homes during FY2008.

### **Leasing at Senior Designated Housing Properties**

During FY2008, 15,287 applicants' names were pulled from the Senior Site-Based Wait List for screening. Of these applicants, 1,139 moved into the senior designated housing units. By the end of FY2008, 91% of the units at CHA's senior designated housing properties were leased.

To achieve this, CHA implemented a multi-media advertising campaign to attract seniors to CHA properties, particularly those with high vacancy rates. Building upon the successful FY2007 radio campaign, CHA contracted with Clear Channel Communications to launch two radio marketing campaigns during prime FY2008 leasing seasons, one in the spring and one in the fall. The Clear Channel radio campaign included two open houses, with radio personality, Herb Kent, a former CHA resident. To increase the awareness even further, CHA overlaid a concurrent marketing campaign with the Chicago Transit Authority, advertising on targeted CTA trains and buses.

On top of these marketing programs, CHA also worked to streamline the wait list, outreach, and screening procedures in order to better respond to applicant interest and ultimately, lease units more efficiently.

### **FY2005 Senior Designated Housing Properties Plan Update**

The FY2005 Senior Designated Housing Plan (SDHP) was approved by HUD on March 14, 2005. The SDHP allows CHA to exclusively lease units in senior designated housing properties to families meeting certain characteristics. Families that meet these characteristics are those in which the head of household, co-head of household, or spouse is age 62 years or older. Although residents

may not move into units at senior designated housing properties until they are 62 or older, individuals ages 60 and 61 are encouraged to apply for units at senior designated housing properties and remain on Senior Site-Based Wait Lists until they reach 62, the age of eligibility.

Throughout FY2008, CHA continued assisting residents in senior designated housing properties that were affected by the age guidelines listed in the SDHP. CHA continues in its efforts to communicate with impacted residents via telephone and face-to-face visits. Impacted residents are allowed to request a transfer to a unit at one of CHA's family properties, if they so choose; while impacted applicants are contacted as opportunities become available within the alternative housing choice programs they selected at the time the SDHP was implemented. Some of the options given to both residents and applicants impacted by the SDHP include, but are not limited to: CHA's family properties; the Housing Choice Voucher (HCV) Program to rent a unit in the private market; and referral to an affordable unit in a mixed-income/mixed-finance community.

## **Admissions and Continued Occupancy Policies**

The Plan is a progressive approach to public housing that requires CHA policies and procedures to remain relevant for applicants and

residents as times change. In addition to keeping the Plan pertinent in an ever-changing public housing environment, CHA must abide by all applicable local, state, and federal laws relative to public housing administration.

### **Work Requirement**

As part of the FY2007 Admissions and Continued Occupancy Policy (FY2007 ACOP), CHA underwent extensive best practices research to develop a work requirement. CHA's Work Requirement was created to encourage and support residents on their road to attaining economic self-sufficiency by requiring non-exempt residents living in traditional family public housing who are between the ages of 18 and 62 years to work at least 15 hours each week for the first year and a half of implementation, and 20 hours per week thereafter. Certain residents are exempt from the Work Requirement including those who are age 62 years or older, single parents who are the primary, full-time caretaker for children age one and under, or blind or disabled residents. If residents are exempt from the Work Requirement, they must also certify that they are unable to comply. Residents may apply for Safe Harbor, a 90-day exemption from the Work Requirement. Residents who are looking or preparing for work in an accredited school, GED or literacy program, those with an internship, or those participating in a job readiness program, training program, or work experience opportunity, may request Safe Harbor.

In FY2008, an amendment to the Work Requirement was developed. The following changes went into effect on January 1, 2009:

- Victims of violence may apply for Safe Harbor, a temporary exemption from the Work Requirement.
- CHA clarified that the Work Requirement applies to residents and adult family members listed on the lease to correspond with the FY2007 Residential Lease Agreement (FY2007 Lease). Also under the proposed amendment,
- Volunteer time or community service count toward 50% of the hours required for work for three years instead of two.
- CHA removed the exemption from the Work Requirement for the primary caregiver of a child or children under the age of 13 if another adult in the household meets the Work Requirement.
- CHA clarified that Safe Harbor ends 90 days from the date of request, not from the date of approval.

### **Procedures and Training**

In FY2008, CHA revised 20 procedures to fall in line with the FY2007 ACOP and FY2007 Lease. CHA also created two new procedures: the Work Requirement Procedure and the Violence Against Women Act Procedure. CHA created the Work Requirement Procedure to outline how to verify compliance with the Work Requirement, as well as how to verify exemptions and Safe Harbor eligibility so that CHA staff and property management companies can institute this new policy.

Additionally, CHA created the Violence Against Women Act procedure to describe CHA's process for addressing domestic violence, sexual violence, dating violence, and stalking issues raised by applicants and residents in mixed-income/mixed-finance communities as well as traditional family and senior designated housing properties. In both September and October 2008, over 350 people, including CHA staff, property management, FamilyWorks providers, and Local Advisory Council (LAC) representatives were trained on the FY2007 ACOP, the FY2007 Lease, the FY2007 Pet Policy and Procedure, and all new and revised procedures.

### **Mixed-Income/Mixed-Finance Housing: Leases and Tenant Selection Plans**

Residents who live in mixed-income/mixed-finance communities with site-specific Tenant Selection Plans (TSPs) and leases may be subject to rules and requirements that differ in some aspects from CHA's current ACOP, Lease, and Pet Policy as established in FY2007. Each mixed-income/mixed-finance community has different policies, leases, and TSPs that are formulated by the developer and the working group.

Prior to making such site-specific modifications for mixed-income/mixed-finance developments, the draft lease and TSP are issued for a 30-day public comment period and hearing and must be approved by CHA Board before becoming effective. (Refer to Chapter

1: Renewal of Chicago's Public Housing, for a complete list of the mixed-income/mixed-finance community TSPs and leases approved in FY2008.)

## **Resident Safety and Security**

During FY2008, CHA remained committed to providing residents with safe and secure surroundings, employing measures such as private security companies, camera surveillance, resident vigilance, and enhanced visitor policies. Not only did CHA create new security initiatives, but it also strove to improve and revise existing activities and services. Increased safety and security continues to contribute to an environment where resident confidence grows alongside increased community participation in neighborhood activities and events.

### **Visitor and Common Area Management System**

In FY2008, CHA continued the implementation of the Visitor and Common Area Management System (VCMS). VCMS uses a camera to monitor traffic in senior designated housing properties, making it easier for security staff to prevent unwanted visitors thereby greatly decreasing opportunities for criminal activities on-site. The system was so successful in the buildings in which it was installed, that in FY2007 a goal was set to implement the system at every senior

designated housing building in FY2008. To prepare for this full implementation, CHA solicited vendors who sell VCMS, and the system was expanded to all senior designated housing buildings by year end.

In tangent with camera observation activities, CHA maintained the use of its TC Scan Visitor Entry System (Visitor Entry System) at select senior designated and traditional family housing properties that have a single point of entry (e.g. Lake Parc Place, Harold Ickes Homes, and Horner Annex). Using the Visitor Entry System, visitors were required to: present both a proper form of identification and the name of the resident to which he/she was visiting; receive and keep on their person a temporary visitor pass, which was issued upon identity confirmation; and finally, log out of the building upon completion of their visit. When properly implemented, this system better enabled CHA to track and monitor visitor traffic in and out of CHA buildings.

To further enhance safety and security, CHA continued to require parking decals for residents. Individuals were again required to provide proof of residence before a decal was issued for their vehicle. Vehicles parked in the designated parking area without decals, were towed. This initiative enhanced security by reducing the number of unwanted individuals and vehicles on CHA properties, lowering the chances of criminal activity on-site, throughout FY2008.

### **Tenant Safety Patrol Program**

The Tenant Safety Patrol Program (TSPP) is another initiative aimed at increasing resident safety and security. The TSPP is a resident volunteer group that serves both family and senior designated housing properties. During FY2008, CHA kicked off a re-vamped TSPP, which allowed for greater accountability from property management companies in the management of the resident volunteers. In prior years, the TSPP was managed by CHA's Resident Services Division. In FY2008, CHA turned the administration of the TSPP over to the property management companies, who are better situated to oversee the success of the Program.

In FY2008, the TSPP underwent improvements developed during the previous fiscal year. As a result of being managed directly by the on-site property management company, TSPP volunteers were more effective because they were better integrated into the overall operational strategy in place at the property they patrolled.

In addition, the TSPP was restructured to clarify the following expectations of program volunteers: 1) volunteers perform property patrols and report public safety concerns; 2) TSPP volunteers monitor common areas; 3) volunteers conduct "safety zone" patrols in conjunction with school patrols that are conducted in or adjacent to developments; and, 4) TSPP volunteers maintain partnerships with Local Advisory Councils, law enforcement, and CHA to address public

safety issues. In addition, patrol participants are now expected to consistently track and report their activities. By meeting these expectations, participating residents continued to receive incentives for their volunteer efforts in the form of partial rent credit. The Tenant Safety and Patrol Program continued to be a valuable resource in improving safety and living conditions across CHA developments throughout FY2008.

### **Private Security Services**

As required by contract, property managers employ private security services at senior designated housing properties. In FY2007, all senior designated housing properties employed new security companies which focused on revised training to keep senior residents safer. In FY2008, security guards continued to be stationed at the front desk of each senior designated housing property for at least one eight-hour shift per day.

### **Emergency Services**

The Emergency Services Hotline was yet another resource used to increase resident safety in FY2008. The calls received by the Emergency Services Hotline were taken by Emergency Services dispatchers who are highly trained and well-versed in dealing with a variety of emergencies.

In addition to the Emergency Services Hotline, in FY2008 CHA continued with a pilot program launched in FY2007, the Events Manager Database, which manages data collected on incoming and outgoing calls to the Hotline. The database was improved, and used to monitor calls in real time and provide information about building failures and breakdowns. Working in concert with the Events Manager Database, the Active Voice Response System (AVR) allowed residents to respond to a call from Operation Center staff. Like the Events Manager database, AVR continues being tested and improved.

### **Visitors Policy**

CHA continued to implement its Visitors Policy, amended in FY2007. Visitors to any CHA public housing development may be required to show government-issued photo identification. The Visitors Policy states that a guest may visit for a total of 30 calendar days in a calendar year; however, each visit cannot exceed seven consecutive calendar days. These visitor policies continued to be enforced to keep all residents safe and prevent damage to CHA properties by non-CHA residents. Residents are responsible for the conduct of their visitors. CHA may ban visitors for anti-social behavior, including criminal activity eviction offenses that occur on CHA property. Residents were notified in writing if one of their guests had been banned and were required to sign an agreement stating that they would not allow the banned visitor into their unit. In FY2008, CHA revised its Visitors Procedure to fall in line with this policy. The

procedure outlines the manner in which residents may request an extension of a visit, how the property manager can track the length of time a visitor is at a CHA unit, as well as the steps to take when a visitor is banned from entering CHA properties. All property managers as well as representatives from CHA staff were trained on this policy in FY2008.

### **Criminal Activity Eviction**

CHA has created and enforces a Criminal Activity Eviction (CAE) Policy at the behest of HUD. The CAE Policy is incorporated into each resident's lease, and is enforced by property managers. During FY2008, CHA's CAE Department in conjunction with property managers worked diligently to facilitate the resolution of CAE cases in an expeditious manner. Furthermore, CHA continued to partner with the Chicago Police Department in order to mitigate criminal activity on CHA properties throughout the year.

<b>Criminal Activity Evictions FY2008</b>	<b>Total</b>
Judgments for CHA Pending Eviction	68
Judgments for Residents	18
Agreed Orders	46
Cases Dismissed	15
Cases Cancelled	23
Criminal Activity Evictions	56
Move Outs	17

# ADVANCING THE VISION FOR CHANGE

## Chapter 7





## **CHAPTER 7: ADVANCING THE VISION FOR CHANGE**

Throughout FY2008, CHA made significant steps in advancing the goals stated under the Plan for Transformation (Plan), which will transform ultimately public housing in Chicago. In an effort to increase efficiency in administration, CHA restructured internally, as well as continued to follow the policies and procedures that are inherent to maximizing productivity. In FY2008, CHA also remained steadfast in securing additional funding, as well as renewing existing grants, in order to successfully continue revitalizing public housing. Lastly, CHA worked to build and maintain strategic partnerships and conducted outreach activities to the Latino communities across Chicago.

### **CHA Staff**

Recognizing that human capital is the most important resource at CHA, executive leadership focused on streamlining the organizational structure in FY2008. The purpose of the reorganization was to make CHA a more efficient housing authority with an asset management focus. In line with the new organizational structure, in FY2008, CHA launched the OneCHA Campaign, which is an internal initiative towards a unified organizational culture that values transparent communication, integrity, diversity, mutual respect, and the

collaborative, urgent execution of CHA strategies. Sponsored by CHA's Organizational Effectiveness Division, the OneCHA Campaign has incorporated seminars, trainings, and retreats for CHA staff, with the purpose of advancing the mission of OneCHA as well as providing opportunities for skill development. For example, the OneCHA Campaign featured Continuous Improvement Circles sessions throughout FY2008. During these sessions, CHA staff collaborated to create plans for improving inter-departmental processes for greater efficiency in day-to-day operations and enhanced communication. CHA also began the Young Leaders Collective, an affinity group created for interested employees to both learn and develop as their careers grow at CHA. In FY2008, the Young Leaders Collective conducted a Household Items Drive and delivered gift baskets during the holiday season to families living at Altgeld Gardens/Phillip Murray Homes.

The diligent work conducted by CHA staff over the past nine years is demonstrated through the continued successful achievements and progress accomplished under the Plan. In FY2008, CHA honored the contributions made by CHA employees at its Annual Employee Leadership Awards ceremony. CHA staff from the following departments were recognized at the FY2008 ceremony: ITS, Human Resources, and Asset Management. For the fifth consecutive year,

CHA was presented with an APEX Award, which recognized both the FY2007 MTW Annual Report and the FY2008 MTW Annual Plan, for Government Agency Communications publication excellence. Also in FY2008, three CHA employees were recognized, two as finalists and one as the winner, for outstanding public service by the Kathy Osterman 40<sup>th</sup> Annual Award Program.

### **Organizational Effectiveness**

The newly formed Organizational Effectiveness Division seeks to develop a world class workforce that will create dynamic self-sufficient communities. The division is accountable for providing resources that will enable CHA to achieve optimal effectiveness. The logo OneCHA was developed to remind staff that CHA is one unified culture.

Organizational Effectiveness staff created several programs to provide CHA employees with enrichment and educational resources. In FY2008, employees attended OneCHA seminars where they learned effective ways to deal with conflict resolution and other issues in the workplace. A newly created Learning Resource Center will serve as a repository for educational, motivational, and personal development books, resources, and tools. Meanwhile, staff devised a new CHA Student Internship Program to establish a vehicle for attracting, fostering, and retaining new talent for employment opportunities within CHA. Other initiatives for FY2009 include a conversational series “Courageous Conversations” featuring historians, authors, and advocates of public housing. These lectures will serve to educate CHA employees on the history of public housing.

## **Enterprise Resource Planning**

CHA’s Enterprise Resource and Planning (ERP) System, CHAMP, is an online database that merges the finance, procurement, human resources, and payroll database systems. CHA originally implemented the ERP System in FY2006, and upgraded the system in late FY2008. To ensure a smooth transition to the new ERP System for CHA staff, a CHA-wide training was conducted to minimize difficulties with year end closing, and an information technology team was available to provide support to CHA staff. One benefit of the upgraded System is that it is extremely user friendly and allows all CHA departments to both monitor and track payments, respective budgets, and the status of purchase orders.

## **Finance**

As an integral part of CHA successfully meeting its financial goals under the Plan, CHA’s Finance Division utilized prudence in fiscal management through the use of block grant project-based budgeting and accounting principles in FY2008. The Finance Division’s effective implementation of budget management policies has had greater benefits for CHA than solely financial success. CHA’s budget is a comprehensive tool that is utilized as a policy document, financial plan, operations guide, and communications device.

Reflecting on CHA's competent use of financial strategies, in FY2008, CHA's Office of Budget and Management again received the Distinguished Budget Presentation Award. This award is given by the Government Finance Officers Association (GFOA) to organizations that demonstrate excellence in governmental budgeting.



CHA staff is composed of diverse and qualified professionals who excel at their work. In FY2008, CHA's Office of Budget Management received the Distinguished Budget Presentation Management Award for its exceptional work in budget management.

### **Block Grant Budgeting/Single Fund Flexibility**

In FY2008, CHA took advantage of the flexibility granted through the use of block grant budgeting by subsidizing various activities, which

furthered redevelopment and rehabilitation activity, as well as promoted efficient administration of housing assistance to CHA residents under the Plan. Throughout FY2008, CHA used its MTW block grant flexibility to enhance and/or accelerate the capital program, and supplement subsidies where operating and capital levels were inadequate to sustain program levels. For instance, CHA used Housing Choice Voucher funds to cover finance gaps.

### **Budget Management**

One strategy utilized by CHA to prioritize authority-wide activities is the use of a Five-Year Operating and Capital Budget Forecast. CHA used this forecast in FY2008 to assess the FY2009 budget projections and to determine whether there would be areas in need of revenue. Each CHA department was given the task to create a FY2009 budget, based on historical financial data for the department. Once the budget request was submitted, a budget analyst reviewed each line item and made adjustments, if necessary, in order to stay in tune with the FY2009 anticipated available funds.

### **Project-Based Budgeting and Accounting**

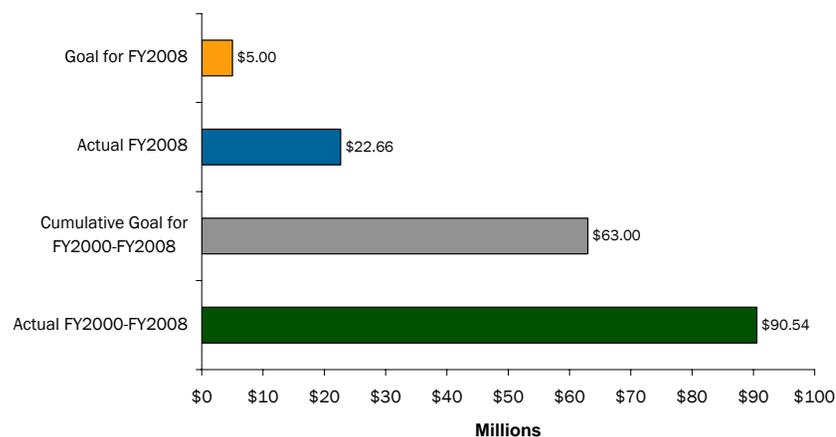
A Project-Based Budgeting and Accounting (PBBA) structure requires that CHA develop and oversee budgets at the project-level, rather than the authority-wide level. Each CHA property has a specific Asset Management Project (AMP) number assigned to it, which identifies

the site and the proper budget associated with it. Implemented by CHA in FY2008, the PBBA structure allows CHA to track the operational expenses at the AMP level. To determine the success of the PBBA structure, CHA looks at how much profit each AMP returns. Consequently, under the PBBA system, CHA has been able to be more efficient at financial management.

## External Funding Through Resource Development

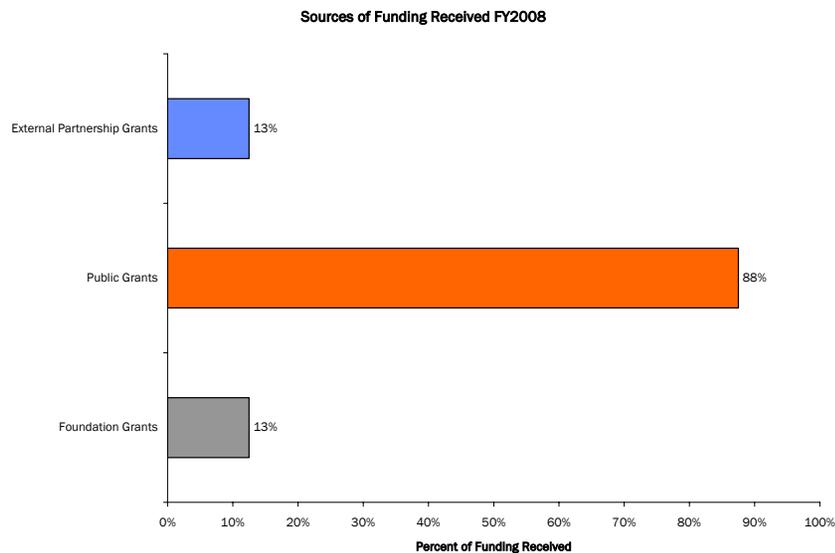
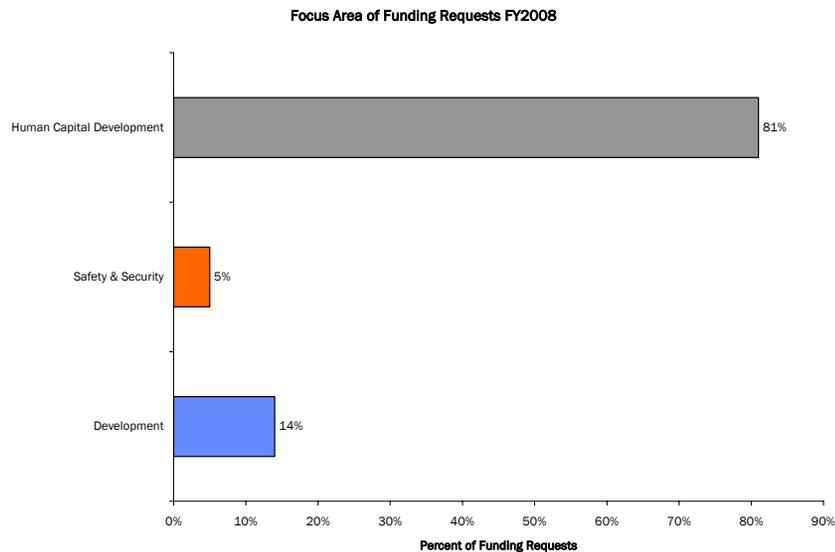
The acquisition of outside funding is critically important for meeting the established goals laid out in the Plan, because the funding provides CHA with additional financial security to off-set expenses resulting from implementing activities under the Plan. Since the inception of the Plan, CHA has garnered over \$90 million in funding outside of the resources provided by HUD. This money has been utilized for increasing human capital, expanding supportive services for residents, and both redeveloping and rehabilitating CHA's public housing stock. The FY2008 goal to acquire new resources was \$5 million.

**New Resources Acquired through External Funding  
FY2000 - FY2008**



### Funding Received

In order to complete the Plan, it is critical for CHA to collaborate with government agencies, not-for-profit organizations, and private entities in an effort to receive funds supplemental to that provided by HUD. In FY2008, CHA received seven public grants, one of which was obtained through external partnerships, one foundation grant, and one \$20 million HOPE VI grant from HUD. In total CHA received \$22,656,120 in additional resources during the year.



In FY2008, CHA received several grants to be used to provide resident services and promote economic self-sufficiency, which include, but are not limited to:

- A Resident Opportunity and Self-Sufficiency (ROSS) Family Home Ownership Grant in the amount of \$999,593 that funds the implementation of technology-based workforce development initiatives for a minimum of 500 residents;
- A Public Housing Family Self-Sufficiency Grant, supporting 50 residents at mixed-income/mixed-finance communities to undergo job training, placement, and financial education, in the amount of \$53,044;
- A HCV Family Self-Sufficiency Grant in the amount of \$517,044 to fund 11 staff positions in the HCV Choose To Own Home Ownership Program to provide support and counseling services for about 1,500 HCV Program participants;
- A John D. and Catherine T. MacArthur Foundation Grant in the amount of \$100,000 towards reorganization of resources and data management in CHA's Resident Services Division;
- A Victim's Assistance Grant, intended to provide support services for CHA residents who are victims of violent crimes on CHA properties, in the amount of \$27,000; and
- An Earnfare Program Grant in the amount of \$16,808 awarded to state employers by the Illinois Department of Human Services (IDHS) for the purpose of offering eligible participants

opportunities to gain work experience and to earn cash assistance.

### **Grant Management**

Grant funding provides opportunities to further CHA's goals of revitalizing public housing. In FY2008, CHA's Grants Administration Department monitored the current grants utilized by CHA, which include, but are not limited to: HOPE VI Revitalization Grants, ROSS Grants, and MacArthur Foundation Grants. The monies from these grants afforded CHA the ability to conduct building demolition, redevelopment and rehabilitation activities, and/or contribute toward resident self-sufficiency initiatives. CHA's Grants Administration Department worked in conjunction with various CHA departments to ensure that CHA adhered to the grant guidelines and regulations, and continued to submit timely applications and reports for both new and current grants. Furthermore, CHA's Grants Administration Department conducted site visits of the Victim's Assistance Program Office, the Elderly Service and Persons with Disabilities Grant site of Trumbull Park, as well as HOPE VI Community Supportive Services Revitalization Program sites, and all program sites that utilize grant monies. CHA monitors grant and sub-grant supported activities to ensure: 1) compliance with applicable federal requirements; and 2) achievement of performance goals.

### **Building Strategic Partnerships**

One central goal outlined in the Plan is CHA's responsibility of building and maintaining partnerships with external organizations. In FY2008, over 160 partners in the public and private sector collaborated with CHA. (Refer to the Collaborations page found at the end of this MTW Annual Report for a complete list of CHA collaborations in FY2008.)

Some of CHA's collaborative efforts with the City of Chicago, which occurred during FY2008, are highlighted below:

- The Mayor's Office and the Chicago Park District enhanced the lives of CHA residents by providing educational and social activities through the camp program.
- The Chicago Police Department and Chicago Alternative Policing Strategy (CAPS) hosted programs about public safety for public housing residents.
- The Chicago Department of Family and Support Services (formerly the Chicago Department of Human Services), the Social Security Administration, the Chicago Police Department, the Regional Transit Authority, and the Community Care Program worked with CHA to inform residents about senior health and well-being issues.
- Opportunity Chicago continued to provide education, training, and employment opportunities to CHA residents.
- The Chicago Department of Community Development (formerly the Chicago Department of Planning and Development) remained

committed to promoting affordable housing development and sustainability for city of Chicago residents.

- The Chicago Department of Community Development (formerly the Mayor's Office of Workforce Development) in connection with Opportunity Chicago created strategies for CHA residents to receive job training and employment opportunities through Workforce Investment Act (WIA) Programming.
- Windows of Opportunity in conjunction with CHA's Grant Administration Department sponsored the Night with the Stars fundraising event in December 2008. Throughout the year over \$223,000 was raised by Windows through a variety of events. Monies raised were used toward the allocation of scholarships. During FY2008, 74 scholarships were awarded to public housing residents pursuing higher education.

### **Latino Outreach Activities**

CHA has an executive level Special Assistant for Latino Affairs who works directly with the CEO to highlight the importance of Latino Affairs for CHA. During FY2008, CHA affirmatively translated vital and important documents regarding housing opportunities, changes in the terms and/or conditions of occupancy, and resident notices into Spanish. CHA also was equipped to receive inquiries in Spanish through the bilingual call centers. In tangent with resident outreach activities, CHA worked actively with the Human Resources to recruit bilingual staff. For example, CHA promotes job opportunities in five

public forums serving Latino population, and in and the Latino presses. Additionally, CHA worked regularly with community organizations along with City of Chicago departments and officials to communicate the ways in which the Latino population could be better served. CHA worked diligently throughout FY2008 to comprehensively improve the quality of life for Latino families and individuals residing in CHA public housing.

CHA sustained its efforts to reach out to Latino and Spanish-speaking households, in FY2008, to enhance their involvement in traditional family public housing, senior designated housing properties, and mixed-income/mixed-finance communities. CHA operated three Latino Site Offices that served as information hubs for Latino and Spanish-speaking applicants and residents to inquire about CHA housing and related programs. Moreover, property management companies continued to employ bilingual staff at sites with more than 10% Spanish speaking households. In FY2008, through the Latino Site Offices, over 5,498 persons inquired into the HCV Program, and of those, 3,309 received assistance with their HCV applications.

CHA also worked with third-party organizations, such as the Spanish Coalition for Housing and the two HCV Contract Administrators, in order to assist Latino and Spanish-speaking families in seeking alternative housing options. In an effort to educate these families on home ownership opportunities, CHA assisted them in finding

workshops, counseling, and available grants. Also, when the HCV Wait List reopened in April 2008, CHA publicized this event widely in the Latino and Spanish-speaking community and facilitated the application process by translating the registration materials and website into Spanish. CHA staff also attended housing fairs, where they promoted the bilingual (Spanish) call center, which is available to address inquiries and promote housing opportunities.

In FY2008, CHA continued to incorporate all relevant aspects of the Latino Consent Decree into its activities even though CHA is no longer required to comply with the provisions of the decree. In addition to continuing its efforts to expand the diversity of CHA staff, CHA actively seeks to increase the number of Latino vendors who do business with CHA.

### **CHA Latino Site Office Locations**

The Chicago Housing Authority has contracted with the Spanish Coalition for Housing to manage three Latino Site Offices. The Coalition assists CHA with bilingual marketing and outreach to the Latino population throughout Chicago, as well as connects individuals to relocation services and housing opportunities at Plan for Transformation communities. All three sites are staffed with bilingual counselors who aid public housing residents, HCV Program participants, and the community-at-large with credit counseling, affordable housing resources, and financial literacy tools. The sites also assist seniors interested in housing at CHA senior designated housing properties along with CHA applicants interested in updating their wait list information.

The three sites are located at:

- Humboldt Park Latino Site, 4035 W. North Ave., Chicago, IL 60639
- Pilsen Latino Site Office, 1915 S. Blue Island, Chicago, IL 60608
- South Chicago Latino Site Office, 9117 S. Brandon, Chicago, IL 60617

## ADVANCING THE VISION FOR CHANGE

## Appendices

1. MOVING TO WORK ANNUAL REPORT CROSSWALK
2. PUBLIC HOUSING STOCK AND DEMOGRAPHIC INFORMATION
3. PUBLIC HOUSING WAIT LISTS DEMOGRAPHIC INFORMATION
4. HOUSING CHOICE VOUCHER PROGRAM DEMOGRAPHIC INFORMATION
5. AMP NUMBER TRANSLATION TABLE
6. FY2008 STRUCTURAL DEMOLITION
7. FY2008 DISPOSITION
8. CAPITAL EXPENDITURES FY2008
9. FINANCIAL STATEMENTS
10. OMB CIRCULAR A 133 INDEPENDENT AUDIT
11. FY2008 MOVING TO WORK ANNUAL REPORT REQUIRED CERTIFICATIONS



## APPENDIX 1: MOVING TO WORK ANNUAL REPORT CROSSWALK

CHA's Moving to Work (MTW) Crosswalk contains the reporting requirement for the FY2008 MTW Annual Report and sets out each location within this document where the requirement has been discussed. The reporting requirements provide the U.S. Department of Housing and Urban Development as well as other stakeholders with information to track CHA's progress in meeting the goals of the Plan for Transformation.

Category	Requirement	Location
<b>Households Served</b>	A. Number and characteristics of households served at the end of the year. I. Include unit size, family type, income group, housing type, race & ethnicity.	Appendix 2: Public Housing Stock and Demographic Information Appendix 4: Housing Choice Voucher Program Demographic
	B. Number and characteristics of households on wait lists.	Appendix 3: Public Housing Wait List Demographic Information Appendix 4: Housing Choice Voucher Program Demographic
	C. Changes in tenant and wait list numbers and characteristics and related narrative discussion.	Chapter 2: Increasing Housing Opportunities through CHA's Housing Choice Voucher Program Chapter 6: Operation of Chicago's Public Housing Appendix 2: Public Housing Stock and Demographic Information Appendix 3: Public Housing Wait List Demographic Information Appendix 4: Housing Choice Voucher Program Demographic
<b>Occupancy Policies</b>	A. Changes in rent policy, if any.	Chapter 6: Operation of Chicago's Public Housing
	B. Changes in concentration of lower-income families by program.	Chapter 1: Renewal of Chicago's Public Housing Chapter 2: Increasing Housing Opportunities through CHA's Housing Choice Voucher Program Chapter 4: Achieving Economic and Social Self-Sufficiency Appendix 2: Public Housing Stock and Demographic Information
	C. Narrative discussion/explanation of changes in occupancy policy.	Chapter 4: Achieving Economic and Social Self-Sufficiency Chapter 6: Operation of Chicago's Public Housing
<b>Relocation</b>	A. Report on relocation activities for previous year.	Chapter 3: Supporting Residents Through Relocation
	B. Report on building closures for previous year.	Chapter 3: Supporting Residents Through Relocation
<b>Capital Improvements and Development</b>	A. Actual delivery of units in previous year.	Chapter 1: Renewal of Chicago's Public Housing
	B. Actual units under construction for current year.	Chapter 1: Renewal of Chicago's Public Housing
	C. Narrative on progress of capital plan.	Chapter 1: Renewal of Chicago's Public Housing

Category	Requirement	Location
Capital Planning	A. Finance I. Identified planned vs. actual expenditures by property. II. Include narrative discussion/explanation of difference.	Appendix 8: Capital Expenditures
	B. Demolition and Disposition - Report on actual demolition and disposition for previous year.	Appendix 6: Structural Demolition Appendix 7: Disposition
	C. Report on home ownership activities for previous year.	Chapter 1: Renewal of Chicago's Public Housing Chapter 2: Increasing Housing Opportunities through CHA's Housing Choice Voucher Program
Management Information for PHA Units	A. Work orders: I. Emergency work orders. II. Non-emergency work-orders. III. Outstanding non-emergency work orders.	Chapter 6: Operation of Chicago's Public Housing
	B. Inspections: I. Percent of annual inspection of dwelling units. II. Percent of annual inspection of building systems.	Chapter 6: Operation of Chicago's Public Housing
	C. Income Verification and Rent Calculation: I. Increase in percent of correct income verification. II. Increase in percent of correct rent calculation. III. Percent outstanding recertifications. IV. Steps taken to reach goal.	Chapter 6: Operation of Chicago's Public Housing
	D. Other management achievements for previous year.	Chapter 6: Operation of Chicago's Public Housing
Security	A. Narrative on planned vs. actual activities and explanations of differences. Details may include: I. Report on One-Strike activities and coordination with local government on anti-crime strategies. II. Report on screening activities related to security for previous year. III. Report on lease enforcement activities related to security.	Chapter 2: Increasing Housing Opportunities through CHA's Housing Choice Voucher Program Chapter 6: Operation of Chicago's Public Housing
	Update of status of Senior Designated Housing Plan.	Chapter 6: Operation of Chicago's Public Housing
Senior Designated Housing Plan		

Category	Requirement	Location
<b>Sources and Amounts of Funding (cont'd)</b>	B. Narrative discussion/explanation of the difference.	Appendix 8: FY2008 Capital Expenditures Appendix 9: FY2008 Financial Statements
	C. Consolidated Financial Statement.	Appendix 8: FY2008 Capital Expenditures Appendix 9: FY2008 Financial Statements
<b>Uses of Funds</b>	A. Budgeted vs. actual expenditures by line item.	Appendix 8: FY2008 Capital Expenditures Appendix 9: FY2008 Financial Statements
	B. Narrative/explanation of difference and changes from the Plan.	Appendix 8: FY2008 Capital Expenditures Appendix 9: FY2008 Financial Statements
	C. Reserve balance at end of year and discussion of adequacy of reserves.	Appendix 9: FY2008 Financial Statements
<b>Other Information Required by HUD</b>	A. Results of latest completed 133 Audit (including program-specific OMB compliance supplement items as applicable).	Appendix 10: OMB Circular A-133 Independent Audit
	B. Required certifications and other submissions from which the CHA is not exempted by the MTW agreement.	Appendix 11: Moving to Work Annual Report Required Certifications
	C. Submissions required for the receipt of funds.	Appendix 9: FY2008 Financial Statements

## APPENDIX 2: PUBLIC HOUSING STOCK AND DEMOGRAPHIC INFORMATION

As the ninth year of the Plan for Transformation came to a close, CHA continued to make significant strides in advancing the quality of housing for low-income individuals living in public housing and participants of the HCV Program. CHA committed to rehabilitate and redevelop a total of 25,000 units for low-income individuals by the end of the Plan. To date, CHA has revitalized 16,936 units, demolished over 19,500 units of dilapidated housing, razed 339 buildings, and relocated residents between public housing and the HCV Program. These activities had an impact on the demographics of the resident population, the housing stock, and occupancy levels at CHA properties. CHA anticipates that these changes will continue until the Plan is complete.

The following tables illustrate the public housing stock and the demographics of CHA's public housing resident population as of December 31, 2008. The tables compare previous year's data against current year data. At the end of FY2007, fourth quarter data (December 31, 2007) was not available for all categories at the time of print, and third quarter data (September 30, 2007) was used in its place. This issue was resolved, and year end FY2007 data is presented for comparison in the tables below. The numbers in the Unknown/Under Reported/Over Reported category in each subsection of the table represent incomplete or inconsistent data

entered into CHA's asset management software system. The drastic decline in these numbers between FY2007 and FY2008 are a result of an increase in accurate data entry.

### Households Served in FY2008

As of December 31, 2008, CHA housed 29,755 residents in its public housing program, which represents a 7% increase from one year prior. There are 1,736 more residents in family housing and 281 more residents in senior designated housing properties. Similarly, the number of occupied units rose from 14,861 to 15,579. These increases in residents and occupied units were primarily due to the relocation of residents from temporary housing to permanent placement housing and the leasing of completed redeveloped and rehabilitated properties. Once the newly redeveloped/rehabilitated property was returned to the public housing stock, the leasing process began.

### Family Housing

During FY2008, there was a 6% decrease in the total number of units available for occupancy in family housing. One explanation for the decrease is that units that were taken offline for revitalization or demolition activity. Although there were fewer units available than in FY2007, occupancy rates increased by 6%. In that same vein, the

number of residents housed increased by 9%, the largest rise being in the age group 21 to 61. There was a minor increase in the average family size, from 2.68 to 2.74, which is attributable to the increase in both the occupancy level and the increase in the number of public housing residents in family housing. The changes in the racial and ethnic make up of residents in family housing consisted primarily of an increase in the number of White, Black, and Hispanic residents, the largest being a 10% increase in the number of Black residents. Ten percent (10%) of public housing households were employed during FY2008 than in FY2007. Public housing residents experienced a climb in annual income, the largest increase being in the income range between \$16,000 - 27,999; an increase of 20%. Income levels in the \$8,000 - 15,999 and \$28,000 - 35,999 brackets also saw double-digit increases of 18% and 12% respectively. The rise in incomes may be credited to the FamilyWorks Program and the public housing FSS Program, as well as intergovernmental agreements and contracts between CHA and external agencies. Also during FY2008, the number of residents receiving SSI and Social Security benefits increased by 11% and 10% respectively. The greatest change was in the number of family housing residents receiving General Assistance benefits, which increased by 39%.

### **Senior Designated Housing Properties**

Due to a marketing campaign ending in second quarter FY2008, there was a 3% increase in the number of occupied units and number of residents living in senior designated housing properties. These increments resulted in a slight increase in both the number of female and male residents, 3% and 4% respectively, in FY2008. An 18% increase was realized in the Asian/Pacific Islander population living in senior designated housing properties, and a 3% drop in the Native/Alaskan population. The number of employed senior residents rose by 16%, and the number of senior residents with annual incomes ranging from \$8,000 - 15,999 and \$16,000 - 27,999 increased by 16% and 8% respectively. The climb in employed seniors may be the result of Resident Service Coordinators being successful at getting seniors actively engaged in social activities and health screenings. When seniors are enriched socially, and living healthier life-styles, they may be more likely to stay in the work force. Lastly, seniors receiving TANF Assistance increased by 10%.

Family Housing Demographics from the Yardi Database*			
Housing Stock & Occupancy	12/31/2007	12/31/2008	%Change
Total Units	13,884	13,092	-6%
Occupied Units	7,235	7,700	6%
Total Number of Residents	19,375	21,111	9%
Average Family Size	2.68	2.74	2%
Unit Size (All Units)	12/31/2007	12/31/2008	%Change
0 Bedroom	11	11	0%
1 Bedroom	943	1,042	10%
2 Bedrooms	2,405	2,654	10%
3 Bedrooms	3,127	3,257	4%
4 Bedrooms	700	698	0%
5 Bedrooms	46	34	-26%
6 Bedrooms	3	4	33%
7+ Bedrooms	-	-	-
Unknown/Under Reported/Over Reported*	-	-	-
Gender (All Residents)	12/31/2007	12/31/2008	%Change
Female	12,449	13,709	10%
Male	6,863	7,381	8%
Unknown/Under Reported/Over Reported	63	21	-67%
Age (All Residents)	12/31/2007	12/31/2008	%Change
0-20	10,071	10,957	9%
21-61	7,889	8,728	11%
62 and over	1,352	1,405	4%
Unknown/Under Reported/Over Reported*	63	21	-67%
Race & Ethnicity (All Residents)	12/31/2007	12/31/2008	%Change
White	2,378	2,494	5%
Black	16,629	18,264	10%
Indian/Alaskan	94	96	2%
Asian/Pacific Islander	111	109	-2%
Unknown/Under Reported/Over Reported*	163	148	-9%
Hispanic**	2,299	2,464	7%

\* Demographics in the Yardi database may contain inconsistencies due to data conversion and data entry.

\*\*Hispanic is categorized as an ethnic code and may be listed in several race categories.

Senior Housing Demographics from the Yardi Database*			
Housing Stock & Occupancy	12/31/2007	12/31/2008	%Change
Total Units	8,904	9,029	1%
Occupied Units	7,626	7,879	3%
Total Number of Residents	8,363	8,644	3%
Average Family Size	1.10	1.10	0%
Unit Size (All Units)	12/31/2007	12/31/2008	%Change
0 Bedroom	781	893	14%
1 Bedroom	6,843	6,985	2%
2 Bedrooms	2	1	-50%
3 Bedrooms	-	-	-
4 Bedrooms	-	-	-
5 Bedrooms	-	-	-
6 Bedrooms	-	-	-
7+ Bedrooms	-	-	-
Unknown/Under Reported/Over Reported*	-	-	-
Gender (All Residents)	12/31/2007	12/31/2008	%Change
Female	4,170	4,306	3%
Male	4,158	4,338	4%
Unknown/Under Reported/Over Reported	35	0	-100%
Age (All Residents)	12/31/2007	12/31/2008	%Change
0-20	12	14	17%
21-61	952	815	-14%
62 and over	7,364	7,815	6%
Unknown/Under Reported/Over Reported*	35	0	-100%
Race & Ethnicity (All Residents)	12/31/2007	12/31/2008	%Change
White	2,250	2,326	3%
Black	5,048	5,132	2%
Indian/Alaskan	62	60	-3%
Asian/Pacific Islander	918	1,081	18%
Unknown/Under Reported/Over Reported*	85	45	-47%
Hispanic**	728	792	9%

\* Demographics in the Yardi database may contain inconsistencies due to data conversion and data entry.

\*\*Hispanic is categorized as an ethnic code and may be listed in several race categories.

Family Housing Demographics from the Yardi Database*			
Annual Income Range (Number of Households) & Average Annual Household Income	12/31/2007	12/31/2008	%Change
\$0-3,999	1,482	1,535	4%
\$4,000-7,999	1,788	1,847	3%
\$8,000-15,999	1,698	2,001	18%
\$16,000-27,999	1,178	1,417	20%
\$28,000-35,999	417	466	12%
\$36,000 and greater	391	406	4%
Average Annual Household Income (\$)	14,343	13,316	-7%
Unknown/Under Reported/Over Reported*	281	28	-90%
Selected Income Sources (Number of Households)	12/31/2007	12/31/2008	%Change
Employed	3,257	3,594	10%
SSI	2,555	2,824	11%
Social Security	1,604	1,772	10%
TANF Assistance***	1,344	1,461	9%
General Assistance	133	185	39%
Area Median Income (AMI) (All households)	12/31/2007	12/31/2008	%Change
Number of households with income <30% of AMI	5,504	6,007	9%
Number of households with income 30-50% of AMI	926	1,123	21%
Number of households with income 51-80% of AMI	394	426	8%
Number of households with income 81% or greater of AMI	131	115	-12%
Unknown/Under Reported/Over Reported*	280	29	-90%

\* Demographics in the Yardi database may contain inconsistencies due to data conversion and data entry.

\*\*\*TANF includes AFDC and Earn Fare

Senior Housing Demographics from the Yardi Database*			
Annual Income Range (Number of Households) & Average Annual Household Income	12/31/2007	12/31/2008	%Change
\$0-3,999	246	274	11%
\$4,000-7,999	3,365	3,013	-10%
\$8,000-15,999	3,358	3,909	16%
\$16,000-27,999	567	611	8%
\$28,000-35,999	46	49	7%
\$36,000 and greater	15	19	27%
Average Annual Household Income (\$)	9,880	10,097	2%
Unknown/Under Reported/Over Reported*	29	4	-86%
Selected Income Sources (Number of Households)	12/31/2007	12/31/2008	%Change
Employed	359	415	16%
SSI	3,865	3,949	2%
Social Security	5,092	5,363	5%
TANF Assistance***	517	570	10%
General Assistance	801	839	5%
Area Median Income (AMI) (All households)	12/31/2007	12/31/2008	%Change
Number of households with income <30% of AMI	6,988	7,223	3%
Number of households with income 30-50% of AMI	540	575	6%
Number of households with income 51-80% of AMI	64	69	8%
Number of households with income 81% or greater of AMI	5	8	60%
Unknown/Under Reported/Over Reported*	29	4	-86%

\* Demographics in the Yardi database may contain inconsistencies due to data conversion and data entry.

\*\*\*TANF includes AFDC and Earn Fare

### APPENDIX 3: PUBLIC HOUSING WAIT LISTS DEMOGRAPHIC INFORMATION

Chart below shows applicant data for the public housing program as of December 31, 2008. (Refer to Chapter 6: Operation of Chicago's Public Housing for more information on CHA wait list activity.)

Public Housing Wait Lists Demographics as of December 31, 2008 from the Yardi Database*								
Wait List	Total Applicants	Total Applications <sup>^</sup>	Total Persons	Area Median Income				Disabled
				Number of applicants with income <30% of AMI	Number of applicants with income 30-50% of AMI	Number of applicants with income 51-80% of AMI	Number of applicants with income 81% or greater of AMI	
Family Wait Lists	20,327	20,330	54,999	19,355	822	142	8	3,157
Senior Wait Lists	7,128	13,031	14,977	12,080	808	137	6	4,211
<b>Total</b>	<b>27,455</b>	<b>33,361</b>	<b>69,976</b>	<b>31,435</b>	<b>1,630</b>	<b>279</b>	<b>14</b>	<b>7,368</b>

Wait List	Race					Ethnicity	
	White	Black	Indian/ Alaskan	Asian/ Pacific Islander	Other	*Unknown	Hispanic**
Family Wait Lists	2,691	12,286	15	155	5,183	0	3,385
Senior Wait Lists	761	2,284	21	163	9,802	0	838
<b>Total</b>	<b>3,452</b>	<b>14,570</b>	<b>36</b>	<b>318</b>	<b>14,985</b>	<b>0</b>	<b>4,223</b>

Applicants previously categorized as "No Preference" were added to the Family Wait List when data was migrated in December 2005 from the antiquated system to the new asset management software system.

\*Demographics data in the Yardi database may contain inconsistencies due to data conversion and data entry.

\*\*Hispanic is categorized as an ethnic code and may be listed in several race categories as well.

<sup>^</sup> Total applications are different from total applicants. Total applicants are the distinct number of applicants, whereas, total applications includes multiple applications by a single applicant.

## APPENDIX 4: HOUSING CHOICE VOUCHER PROGRAM DEMOGRAPHIC INFORMATION

The charts below show participant, unit, and applicant data for CHA's HCV Program. (Refer to Chapter 2: Increasing Housing Opportunities Through CHA's Housing Choice Voucher Program for more information on CHA's HCV Program.)

Demographics of Current HCV Program Participants *			
as of December 31, 2008			
<b>Total HCV Program Participants</b>	<b>96,844</b>		
	<b>Heads of Household</b>	<b>Other Household Members</b>	<b>Total</b>
<b>Age</b>			
18 years and older	35,148	16,950	52,098
Under 18 years	5	44,629	44,634
Unknown Age	0	112	112
<b>Race</b>			
White	4,556	5,845	10,401
Black	30,482	55,170	85,652
Indian/Alaskan	33	39	72
Asian	58	54	112
Hawaiian/Pacific Islander	7	16	23
Multiple Races Selected	17	0	17
Unknown Race	0	567	567
<b>Ethnicity</b>			
Hispanic	3,669	5,594	9,263
Non-Hispanic	31,484	54,668	86,152
Unknown Ethnicity	0	1,429	1,429

\*The demographics are for the 35,153 families with vouchers that CHA administers. The 1,324 port-outs that are not administered although paid for by CHA, are not reflected in these demographics.

Demographics of Current HCV Program Participants as of December 31, 2008	
<b>Bedroom Breakdown</b>	<b>Total</b>
0 Bedroom	1,745
1 Bedroom	4,464
2 Bedrooms	9,939
3 Bedrooms	12,893
4 Bedrooms	4,279
5 Bedrooms	1,427
6 Bedrooms	316
7 Bedrooms	73
8 + Bedrooms	17
Unknown/Pending	0
<b>Income Ranges (All household members)</b>	<b>Total</b>
0.00 - .99	52,973
1.00 - 9,999	30,405
10,000 - 19,999	8,881
20,000 - 29,999	3,378
30,000 - 39,999	1,005
40,000 +	202
Unknown/Pending	0

Demographics of HCV Program General Wait List as of December 31, 2008	
<b>Total HCV Program Applicants</b>	<b>40,000</b>
	<b>Number of Applicants</b>
<b>Age Head of Household</b>	
Age 62 and over	2,539
Under age 62	37,079
Unknown Age	382
<b>Race/Ethnicity Head of Household</b>	
White	1,956
Black	32,911
American Indian or Alaska Native	303
Native Hawaiian or Other Pacific Islander	46
Asian	471
Hispanic	3,997
Unknown Race/Ethnicity	316
<b>Disabled Head of Household</b>	
Disabled	8,789

## APPENDIX 5: AMP NUMBER TRANSLATION TABLE

CORRESPONDING ASSET MANAGEMENT PROJECT NUMBERS		
Development Name	Page Number (s)	Page Number (s)
<b>Family Housing Redevelopment/Rehabilitation - Mixed-Income/Mixed-Finance</b>		
<b>Robert Taylor Homes</b>		
Hansberry Square	92	3, 4, 10, 19, 129
Langston	92	
Legends South Phase C-2 (Coleman Place)	19	
Legends South Phase A2 Rental	19	
Mahalia Place	92	
Quincy	92	
<b>Rockwell Gardens</b>		
Archer Courts 2	92	3, 4, 10, 20, 129
Jackson Square at West End	20	
One South Leavitt	92	
Rockwell Gardens Phase 2 Rental	20	
Rockwell Phase 1B	Not Yet Assigned	
West End Phase 2	Not Yet Assigned	
West End Phase 1a	92	
<b>Stateway Gardens</b>		
Park Boulevard Phase 1B	21, 92	3, 4, 11, 21, 128, 129
Park Boulevard Phase 2A	21	
Stateway Gardens Phase 2	128, 129	
The Pershing	92	
<b>Washington Park Homes</b>		
Keystone Place Rental	24	3, 4, 11, 24, 92, 95, 131
St. Edmunds Meadows	24, 92	
Washington Park Homes	3, 4, 11, 24, 92, 131	
Washington Park High-rises	Not Yet Assigned	
<b>Family Housing Rehabilitation</b>		
Dearborn Homes	1, 3, 4, 31, 33, 34, 35, 89, 129	
Frances Cabrini Rowhouses	3, 4, 31, 33, 35, 89, 129, 131	
Frank Lowden Homes	3, 4, 31, 77, 84, 89, 131	
Harold Ickes Homes	ii, 3, 4, 38, 62, 89	
Lawndale Gardens	i, 1, 3, 4, 31, 33, 37, 89, 131	
Trumbull Park Homes	iii, 3, 4, 31, 77, 84, 89, 94, 95, 97, 131	
Washington Park Low-Rises	i, 1, 3, 4, 31, 33, 36	
Wentworth Gardens	3, 4, 31, 84, 89, 105, 130, 131	
<b>Altgeld Gardens/Phillip Murray</b>		
Altgeld Gardens I		i, iii, 1, 3, 4, 31, 33, 34, 74, 81, 89, 94, 101, 128, 129
Altgeld Gardens II		i, iii, 1, 3, 4, 31, 34, 74, 81, 89, 94, 101, 128, 129
Phillip Murray Homes		i, iii, 1, 3, 4, 31, 34, 74, 81, 89, 94, 101, 128, 129
<b>Bridgeport Homes</b>		
Bridgeport Homes		i, 1, 3, 4, 33, 34, 35, 89, 128, 129
<b>Lake Parc Place</b>		
Lake Parc Place (Victor Olander Homes)		3, 4, 33, 89
Lake Parc Place (Victor Olander Extension)		3, 4, 33, 89
<b>Senior Designated Housing</b>		
Ada S. Dennison McKinley Apartments (formerly 69TH & So. Chicago. Apt)	29, 91	
Albany Terrace Apartments 3030 W. 21st	29, 91	
Alfreda Barnett Buster Apartments (formerly 150 S. Campbell)	29, 91	
Armour Square Apartments & Annex	29, 31, 91	
Bridgeport Homes (Elderly)	Not Yet Assigned	
Britton Budd Apartments	3, 4, 9, 91, 128	
Campbell Apartments	29, 91	

CORRESPONDING ASSET MANAGEMENT PROJECT NUMBERS		
Development Name	Page Number (s)	
<b>Family Housing Redevelopment/Rehabilitation - Mixed-Income/Mixed-Finance</b>		
Fountainview	3, 4, 10, 23, 92	
Frances Cabrini Extension South	3, 4, 24, 128, 129	
Lake Parc Place	3, 4	
Lathrop Homes	3, 4, 24, 62, 89	
Lawndale Complex	3, 4, 24, 123	
LeClaire Courts Extension	3, 4, 24, 25, 62, 89, 129	
William Green Homes/1230 N. Burling	3, 4, 24, 25, 89, 128, 129	
<b>ABLA Homes</b>		
ABLA	ii, 3, 4, 10, 11, 62, 65, 77, 92, 129	
Roosevelt Square Phase 1	3, 4, 10, 11, 62, 77, 92, 129	
Roosevelt Square Phase II Rental & For-Sale	92	
Roosevelt Square Phase II For-Sale	11, 92	
Roosevelt Square Phase II For-Sale	11, 92	
<b>Frances Cabrini Extension North</b>		
Clybourn/Larrabee	3, 4, 10, 12, 13	
Frances Cabrini Extension	3, 4	
Frances Cabrini Green	89	
Domain Lofts	4, 12, 13, 127	
Mohawk North Infill	92	
Mohawk Partners	92	
North Town Village 1	92	
North Town Village 2	92	
Old Town Square	92	
Old Town Village East 1 & 2	92	
Old Town Village West	92	
Orchard Park	92	
Parkside of Old Town Phase 1a (Condo)	12, 92	
Parkside of Old Town Phase 1b Rental	13, 92	
Parkside of Old Town Phase 2A-1 Rental	13, 92	
Renaissance North	92	
River Village North	92	
River Village South	92	
River Village Pointe	92	
873 N. Larrabee St.	92	
<b>Governor Henry Horner Homes</b>		
Governor Henry Horner Homes-Westhaven	i, 3, 4, 10, 14, 81, 89, 123, 126	
Westhaven Park Low-rise	15, 92	
Westhaven Park Phase 1	92	
Westhaven Park Phase II B	92	
Westhaven Park IIC Rental	14, 92	
	ii, iii, 1, 8, 9, 15	
<b>Hilliard Towers Apartments</b>		
Hilliard Tower Apartments (Family Holsten P1)	3, 4, 10, 15, 92	
Hilliard Tower Apartments (Family Holsten P2)	3, 4, 10, 15, 92	
<b>Lakefront Replacement Housing</b>		
Jazz on the Boulevard	3, 4, 10, 16	
Lake Park Crescent	92	
Lake Park Crescent Phase 1A For Sale	16, 92, 127, 129	
Lake Park Crescent Phase II A	16, 92, 127, 129	
	16, 92, 127, 129	
<b>Madden Park/Ida B. Wells Homes and Extension/Clarence Darrow Homes</b>		
Ida B. Wells Extension	ii, 3, 4, 10, 18, 62, 81, 89, 123, 124, 125	
Oakwood Shores Phase 1a	3, 4, 18, 62, 81	
Oakwood Shores Phase 2A Rental	92	
Oakwood Shores Phase 1 For Sale	18	
Oakwood Shores Phase 1b	18	
Oakwood Shores Phase 2B (One)	92	
Oakwood Shores Mercy Phase 2B	8, 18	
	Not Yet Assigned	

CORRESPONDING ASSET MANAGEMENT PROJECT NUMBERS		
Development Name	Page Number (e)	
<b>Senior Designated Housing (cont'd)</b>		
Caroline Hedger Apartments (formerly Sheridan & Devon) 6400 N. Sheridan Apartments	91	
Daniel Hudson Burnham Apartments (formerly Loyola & Ridge Apt)	91	
Edith Spurlock Sampson Apartments (formerly Lincoln & Sheffield) 2640 N. Sheffield Ave.	29, 91	
Edith Spurlock Sampson Apartments (formerly Lincoln & Sheffield Annex)		
2720 N. Sheffield Apartments	29, 91	
Elizabeth Davis Apartments formerly Franklin Boulevard Apartments)		
Callner Apartments	29, 91	
Elia Flag Young Apartments (formerly Sheridan & Leland) 4645 N. Sheridan Apartments	91	
Fannie Emanuel Apartments (formerly Parkview)	91	
Fisher Apartments	91	
Flannery Apartments	i. 1, 3, 4, 28, 91	
Green Apartments	91	
Harry Schneider	91	
Hattie Callner 855 W. Aldine	29, 91	
Hilliard Tower Apartments (Senior Holsten P1)	16	
Hilliard Tower Apartments (Senior Holsten P2)	16	
Irene McCoy Gaines Apartments (formerly Garfield Apartments)	29, 91	
Judge Slater Apartments & Annex	29, 91	
Kenmore Apartment 5040 N. Kenmore Apartments	Not Yet Assigned	
Larabee Senior Apartments 1845 N. Larabee Apartments	i. 1, 3, 27, 91	
Lawrence Apartments	91	
Lincoln Perry Annex	91	
Linda Pucinska Apartments (formerly Eckhart)	91	
Linda Pucinska Apartments (formerly Eckhart Annex)		
Long Life Apartments (formerly Shields)	91	
Mahalia Jackson Apartments (formerly 9141 & 9177 S. Chgo Apt)	91	
Margaret Day Blake Apartments (formerly Clark & Webster Apartments)	91	
Maria Diaz Martinez Apartments (formerly Dickens & Burling) 2111 N. Halsted Apartments	29, 91	
Mary Hartwell Catherwood Apartments (formerly Clark & Irving Apartments) 3930 N. Clark Apartments	91	
Mary Hartwell Catherwood Apartments (formerly Clark & Irving Annex) 3920-40 N. Clark Apartments		
Mary Jane Richardson-Jones Apartments (formerly 49th & Langley Apt)	91	
Minnie Ripperiton Apartments (formerly 4250 S. Princeton)	29, 91	
Parkside Apartments 5670 W. Lake Apartments	91	
Parmentos Las Americas	91	
Patrick Sullivan Apartments	29, 91	
Pomoroj Apartments 1039 W. Hollywood	3, 4, 91	
SS-NC-925 N. California Ave.	Not Yet Assigned	
SS-SE-6817 S Merrill Ave.	Not Yet Assigned	
Vivian Carter Apartments (formerly 64th & Yale Apartments)	29, 91	
Vivian Gordon Harsh Apartments (formerly 4227 S. Oakenwald)	91	
Washington Park Apartments 4949 S Cottage	91	
Washington Park Hyde- Elderly (B)	Not Yet Assigned	
Washington Hyde Park Tower	91	
Wicker Park Apartments & Annex	91	
William Castlemans Apartments	91	
William Jones Apartments	91	
Yates Garden Apartments	Not Yet Assigned	
Zelda Ormes Apartments (formerly LaSalle/Division) 116 Elm Apartments	91	
<b>Scattered Sites By Region</b>		
Scattered Sites North Central	29, 90	
Scattered Sites Northeast	29, 90	
Scattered Sites Southeast	29, 90	
Scattered Sites Southwest	29, 90	
Scattered Sites West	29, 90	
Cabrini/Lincoln	3, 4	
<b>Other Properties Owned or Managed by the CHA</b>		
LeClaire Courts (City-State)	Not Yet Assigned	

## APPENDIX 6: FY2008 STRUCTURAL DEMOLITION

Address	Demolition Planned for FY2008	Demolition Started in FY2008^^	Demolition Completed in FY2008^^	Variance (Completed in FY2008- Planned for FY2008)
<b>Grace Abbott Homes Rowhouses</b>				
1526-28 W. 13th ST	2	-	-	-2
1530 -40 W. 13th ST	6	-	-	-6
1530-40 W. HASTINGS ST	12	-	-	-12
1216-22 W. LAFLIN ST	4	-	-	-4
1217-23 W. LAFLIN ST	4	-	-	-4
1432-38 W. WASHBURNE AVE	4	-	-	-4
1440-50 W. WASHBURNE AVE	6	-	-	-6
1452-62 W. WASHBURNE AVE	6	-	-	-6
1510-20 W. WASHBURNE AVE	6	-	-	-6
1522-28 W. WASHBURNE AVE	4	-	-	-4
1527-37 W. WASHBURNE AVE	6	-	-	-6
1530-36 W. WASHBURNE AVE	4	-	-	-4
<b>Subtotal:</b>	<b>64</b>	<b>-</b>	<b>-</b>	<b>-64</b>
<b>Jane Addams Homes^</b>				
917 S. ADA ST	41	-	-	-41
<b>Subtotal:</b>	<b>41</b>	<b>-</b>	<b>-</b>	<b>-41</b>
<b>Frances Cabrini Extension North^</b>				
1015-17 N. LARRABEE ST	-	-	136	136
<b>Subtotal:</b>	<b>-</b>	<b>-</b>	<b>136</b>	<b>136</b>
<b>Frances Cabrini Extension South^</b>				
929 N. HUDSON AVE	68	68	68	-
939 N. HUDSON AVE	68	68	68	-
911 N. SEDGWICK ST	68	68	68	-
923 N. SEDGWICK ST	68	68	68	-
911 N. HUDSON AVE	65	65	65	-
862 N. SEDGWICK ST	65	65	65	-
<b>Subtotal:</b>	<b>402</b>	<b>402</b>	<b>402</b>	<b>-</b>

Address	Demolition Planned for FY2008	Demolition Started in FY2008^^	Demolition Completed in FY2008^^	Variance (Completed in FY2008- Planned for FY2008)
<b>William Green Homes^</b>				
1230 N. LARRABEE ST	134	-	-	-134
1230 N. BURLING ST	134	-	-	-134
<b>Subtotal:</b>	<b>268</b>	<b>-</b>	<b>-</b>	<b>-268</b>
<b>Governor Henry Horner Homes^</b>				
1936 W. WASHINGTON ST	65	65	65	-
<b>Subtotal:</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>-</b>
<b>Madden Park Homes</b>				
740 E. 37TH ST	6	6	6	-
3640 S. ELLIS AVE	4	4	4	-
3808 S. LAKE PARK AVE	6	6	6	-
3814 S. LAKE PARK AVE	6	6	6	-
3822 S. LAKE PARK AVE	6	6	6	-
3830 S. LAKE PARK AVE	6	6	6	-
<b>Subtotal:</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>-</b>
<b>Ida B. Wells Homes ^</b>				
555/565 E. 37TH PL	-	12	12	12
531-541 E. 37TH ST	-	6	6	6
548/552 E. 38TH ST	-	12	12	12
559-569 E. 37TH ST	-	6	6	6
3742/3748/3756 S. VINCENNES/556 E. 38TH ST/571 E. 37TH PL	-	30	30	30
3702-3708 S. VINCENNES AVE^	4	-	-	-4
3710-3726 S. VINCENNES AVE^	12	-	-	-12
3728-3734 S. VINCENNES AVE^	4	-	-	-4
3709-3725 S. RHODES AVE	-	10	10	10
501 E. 37TH PL	-	6	6	6
504/508 E. 37TH PL	-	12	12	12
510-516 E. 37TH PL/515-521 E. 37TH ST	-	10	10	10

Address	Demolition Planned for FY2008	Demolition Started in FY2008^^	Demolition Completed in FY2008^^	Variance (Completed in FY2008-Planned for FY2008)
<b>Ida B. Wells Homes^ (cont'd)</b>				
518-524 E. 37TH PL/523-529 E. 37TH ST	-	10	10	10
526/530 E. 37TH PL	-	12	12	12
532-538 E. 37TH PL/543-559 E. 37TH ST	-	10	10	10
536 E. 38TH ST/549 E. 37TH PL	-	30	30	30
548/552 E. 37TH PL	-	12	12	12
551-557E. 37TH ST/540-546 E 37TH PL	-	9	9	9
554-560 E. 37TH PL/ 571-577 E 37TH ST	-	10	10	10
562-568 E. 37TH PL/ 579-585 E 37TH ST	-	10	10	10
570/574 E. 37TH PL	-	12	12	12
587-597 E. 37TH ST	-	6	6	6
409-421 E. 37TH ST	-	24	24	24
408-420 E. 39TH ST	-	-	24	24
3707/3711 S. DR MARTIN LUTHER KING DRIVE	-	16	16	16
3715-3721 S. DR MARTIN LUTHER KING DRIVE	-	32	32	32
3723-31 S. DR MARTIN LUTHER KING DRIVE	-	40	40	40
3733-3741 S. DR MARTIN LUTHER KING DRIVE	-	40	40	40
3743-3751 S. DR MARTIN LUTHER KING DRIVE	-	40	40	40
3753-3761 S. DR MARTIN LUTHER KING DRIVE	-	40	40	40
3801-3809 S. DR MARTIN LUTHER KING DRIVE	-	-	48	48
3811-3821 S. DR MARTIN LUTHER KING DRIVE	-	-	32	32
3823-3831 S. DR MARTIN LUTHER KING DRIVE	-	-	40	40
3833-3841 S. DR MARTIN LUTHER KING DRIVE	-	-	40	40
3843-3849 S. DR MARTIN LUTHER KING DRIVE	-	-	32	32
3848-3852 S. VERNON AVE	-	-	16	16
<b>Subtotal:</b>	<b>20</b>	<b>457</b>	<b>689</b>	<b>669</b>
<b>Ida B. Wells Extension</b>				
540 E. 36TH ST	65	65	-	-65
574 E. 36TH ST	-	65	-	-
559 E. BROWNING AVE	65	65	-	-65

Address	Demolition Planned for FY2008	Demolition Started in FY2008^^	Demolition Completed in FY2008^^	Variance (Completed in FY2008-Planned for FY2008)
<b>Ida B. Wells Extension (cont'd)</b>				
511 E. BROWNING AVE	-	65	-	-
527 E. BROWNING AVE	65	65	-	-65
575 E. BROWNING AVE	-	65	-	-
<b>Subtotal:</b>	<b>195</b>	<b>390</b>	<b>-</b>	<b>-195</b>
<b>Washington Park Low-Rises^^^</b>				
6127-41 S. CALUMET AVE	8	8	8	-
6145-59 S. CALUMET AVE	8	8	8	-
4400-02 S. ST. LAWRENCE AVE	12	12	12	-
3909 S. INDIANA AVE	4	4	4	-
<b>Subtotal:</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>-</b>
<b>Grand Totals</b>	<b>1,121</b>	<b>1,380</b>	<b>1,358</b>	<b>237</b>

^ Footnotes

Jane Addams Homes: Subject to state historic preservation requirements.

Governor Henry Horner Homes: Subject to Agreed Order requirements.

Frances Cabrini Extension North: Subject to Consent Decree requirements.

Ida B. Wells: Subject to state historic preservation requirements.

William Green Homes and Frances Cabrini Extension South: Under litigation/negotiation.

Washington Park Low-Rises: The revitalization plan for this development includes both rehabilitation and redevelopment.

^^Demolition completed means the structural demolition is completed. Demolition started means structural demolition has started. All information is as of December 31, 2008.

^^^ Based on the current rehabilitation plans for this development, demolition of the listed units is required. The result will be a rehabilitated development with reduced density and improved appearance, infrastructure, building systems, and access for emergency services. Additional units may be demolished at this and other rehabilitation properties.

## APPENDIX 7: FY2008 DISPOSITION

FY2008 Property Disposition Activity					
Development	Northern Boundary	Southern Boundary	Eastern Boundary	Western Boundary	Type of Disposition
Britton Budd Senior Apartments	West Surf Street	Public alley north of Diversey Parkway	North Pine Grove Avenue	Public alley east of Cambridge Avenue	Pass title to land
Governor Henry Horner Homes	Lake Street	Washington Boulevard	Wolcott Avenue	Damen Avenue	Pass title to land
Governor Henry Horner Homes	Maypole Avenue	Public alley north of Washington Boulevard	Public alley east of Damen Avenue	Damen Avenue	Pass title to land
Lawndale Complex	12th Street	West 13th Street	South Talman Avenue	South Washtenaw Avenue	Ground Lease

## APPENDIX 8: FY2008 CAPITAL EXPENDITURES

CHICAGO HOUSING AUTHORITY  
BUDGET VS. ACTUAL VARIANCE ANALYSIS  
YEAR ENDED DECEMBER 31, 2008 (UNAUDITED)

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### CAPITAL EXPENDITURES ANALYSIS

The overall budget for the Capital Program is \$268.3 million versus actual expenses of \$239.1 million. The overall positive variance for the Capital Program is \$29.1 million (10.9%).

### FOOTNOTES:

(1) **Category 1 Existing Developments** - The year end expenditures for Category 1 are \$19.5 million (33.5%) under the annual budget. Key elements of the variances are as follows:

*Habitat Expenses* - The \$16.7 million positive variance is primarily due to rescheduling of real estate transaction closings and Habitat administrative and receiver fees being less than planned.

*Cabrini Homes* - The \$0.9 million positive variance is primarily due to expenditures for Cabrini Homes being incorrectly charged to William Green Homes. The expenditures will be reclassified as an adjustment in the 13<sup>th</sup> month.

*Madden Park /Wells* - The \$1.4 million positive variance is primarily due to a revision in the draw schedule as HUD approval of the final evidentiary came in June, 2008, which resulted in delays for MROP funds for Oakwood Shores Phase 2A. Also, demolition delays contributed to the positive variance.

*Lake Park Crescent* - The \$0.5 million positive variance is primarily due to the rescheduling of predevelopment activity for Lake Park Crescent from FY2008 to FY2009.

(2) **Category 2 Senior Housing** - The \$4.0 million positive variance is primarily due to year end expenditures being less than planned for Britton Budd Apartments. Also, there was less than anticipated rehabilitation work at various Senior Housing properties.

(3) **Category 4 Non 202 Family Properties** - The year end expenditures for Category 4 are \$5.5 million (13.1%) under the annual budget. Key elements of the variances are as follows:

*Cabrini Rowhouses* - The \$5.1 million positive variance is primarily due to construction delays which prevented the contractor from delivering units by year end.

Bridgeport - The \$0.6 million positive variance is primarily due to construction delays during the fourth quarter.

Wentworth Homes - The \$0.5 million positive variance is primarily due to delays in processing pending change orders at year end.

**(4)Category 5 202 Family Properties** – The year-to-date expenditures for Category 5 are \$3.9 million (4.4%) over the annual budget. Key elements of the variances are as follows:

Altgeld Gardens/Phillip Murray - The \$4.1 million negative variance is primarily due to the acceleration of rehab work by the contractor which resulted in expenditures being higher than planned.

Stateway Gardens - The \$1.6 million positive variance is primarily due to the lag time in submission of construction draws by the developer through December, as well as delays in processing construction draws pending resolution.

Cabrini Ext. William Green Homes - The \$0.9 million negative variance represents expenditures that were incorrectly charged to William Green Homes. Adjustments will be made for these expenditures in the 13<sup>th</sup> month.

**(5)Total Operations** – The year end expenditures for Total Operations are \$4.2 million (8.3%) under annual budget. Key elements of the variance are as follows:

Development Management Administrative- The \$0.6 million positive variance is due to less than anticipated expenses for tenants' services and outside consultant fees.

Remediation - The \$2.6 million positive variance is primarily due to less than anticipated remediation activities at various CHA properties.

Interest/Principal - The \$0.6 million positive variance is primarily due to the year end expenses being less than planned.

**CHICAGO HOUSING AUTHORITY  
BUDGET VS. ACTUAL VARIANCES  
CAPITAL PROGRAMS EXPENDITURES  
YEAR ENDED DECEMBER 31, 2008 (UNAUDITED)**

	Annual Capital Budget	Annual Expenditures	Variance	%
				Unspent
<b>CATEGORY 1:</b>				
Habitat Expenses	\$40,406,700	\$23,722,727	\$16,683,973	41.3
Henry Horner	1,366,022	1,612,153	(246,131)	(18.0)
Major Addams (125 N. Hoyne)	265,011	58,938	206,073	77.8
Cabrini Homes Ext.	3,034,344	2,106,743	927,601	30.6
ABLA	50,000	64,452	(14,452)	(28.9)
Madden Park/Wells	12,648,879	11,206,952	1,441,927	11.4
Lake Park Crescent	500,000	-	500,000	100.0
<b>Total</b>	<b>58,270,956</b>	<b>38,771,963</b>	<b>19,498,993</b>	<b>33.5</b>
<b>CATEGORY 2:</b>				
Senior Housing	27,066,274	23,094,864	3,971,410	14.7
<b>Total</b>	<b>27,066,274</b>	<b>23,094,864</b>	<b>3,971,410</b>	<b>14.7</b>
<b>CATEGORY 3:</b>				
Scattered Sites	924,897	1,049,508	(124,611)	(13.5)
<b>Total</b>	<b>924,897</b>	<b>1,049,508</b>	<b>(124,611)</b>	<b>(13.5)</b>
<b>CATEGORY 4:</b>				
Cabrini Rowhouses	23,165,542	18,100,572	5,064,970	21.9
Washington Park	11,393,401	11,649,734	(256,333)	(2.2)
Lawndale Gardens	2,183,319	2,649,228	(465,909)	(21.3)
Bridgeport	2,932,986	2,346,415	586,571	20.0
Wentworth Homes	2,232,484	1,704,776	527,708	23.6
LeClaire Extension	-	-	-	-
Lowden Homes	52,578	-	52,578	100.0
<b>Total</b>	<b>41,960,310</b>	<b>36,450,724</b>	<b>5,509,586</b>	<b>13.1</b>
<b>CATEGORY 5:</b>				
Category Wide	-	-	-	-
Altgeld Gardens/Phillip Murray	42,636,205	46,706,171	(4,069,966)	(9.5)
Dearborn Homes	32,940,044	33,399,869	(459,825)	(1.4)
Rockwell Gardens	96,540	97,132	(592)	(0.6)
Trumbull Park	4,266,388	4,193,797	72,591	1.7
Robert Taylor Homes	2,797,466	2,874,965	(77,499)	(2.8)
Stateway Gardens	6,918,289	5,343,348	1,574,941	22.8
Cabrini Ext. South William Green Homes	-	916,202	(916,202)	-
<b>Total</b>	<b>89,654,932</b>	<b>93,555,574</b>	<b>(3,900,642)</b>	<b>(4.4)</b>
<b>CITY/STATE:</b>				
City/State	-	-	-	-
<b>OPERATIONS:</b>				
Capital Construction (Administrative)	2,065,094	1,882,545	182,549	8.8
Development Management (Administrative)	3,045,081	2,417,939	627,142	20.6
Development Management (Remediation)	5,445,691	2,806,751	2,638,940	48.5
Extraordinary Maintenance	4,014,005	3,848,675	165,330	4.1
Interest/Principal	35,663,000	35,096,530	566,470	1.6
Make Ready	141,084	141,084	-	0.0
<b>Total</b>	<b>50,373,955</b>	<b>46,193,524</b>	<b>4,180,431</b>	<b>8.3</b>
<b>GRAND TOTAL</b>	<b>\$ 268,251,324</b>	<b>\$ 239,116,157</b>	<b>\$ 29,135,167</b>	<b>10.9</b>

## APPENDIX 9: FY2008 FINANCIAL STATEMENTS

**CHICAGO HOUSING AUTHORITY**  
**CONSOLIDATED BUDGET STATEMENT (UNAUDITED)**  
 Reserve Balances  
 December 31, 2008

**Net Change in Reserves**

GENERAL FUND (MTW Block Grant)	FY2008 Budgeted	FY2008 Actual	Variance
Total Revenue	\$ 790,135,324	\$ 833,086,220	\$ 42,950,896
Total Expenditures	\$ 790,135,324	\$ 928,297,401	\$ (138,162,077)
<b>Add-Back:</b>			
Depreciation	-	115,772,115	\$ 115,772,115
Loss on Disposition of Assets	-	995,874	995,874
Bond Issuance Cost Amortization	-	400,436	400,436
<b>Back-Out:</b>			
Other Non-Operating Revenue	-	34,589	34,589
<b>Total Net Change To Reserves</b>	<b>\$ -</b>	<b>\$ 21,922,655</b>	<b>\$ 21,922,655</b>

OTHER PROGRAMS	FY2008 Budgeted	FY2008 Actual	Variance
Total Revenue	\$ 65,300,436	\$ 58,929,638	\$ (6,370,798)
Total Expenditures	\$ 65,300,436	\$ 13,161,516	\$ 52,138,920
<b>Add-Back:</b>			
Depreciation	-	27,338	\$ 27,338
Loss on Disposition of Assets	-	288,467	\$ 288,467
Bond Issuance Cost Amortization	-	-	-
<b>Back-Out:</b>			
Other Non-Operating Revenue	-	220,188	\$ 220,188
<b>Total Net Change To Reserves</b>	<b>\$ -</b>	<b>\$ 45,863,739</b>	<b>\$ 45,863,739</b>

ALL PROGRAMS	FY2008 Budgeted	FY2008 Actual	Variance
Total Revenue	\$ 855,435,760	\$ 892,015,858	\$ 36,580,098
Total Expenditures	\$ 855,435,760	\$ 941,458,917	\$ (86,023,157)
<b>Add-Back:</b>			
Depreciation	-	115,799,453	\$ 115,799,453
Loss on Disposition of Assets	-	1,284,341	\$ 1,284,341
Bond Issuance Cost Amortization	-	400,436	\$ 400,436
<b>Back-Out:</b>			
Other Non-Operating Revenue	-	254,777	\$ 254,777
<b>Total Net Change To Reserves</b>	<b>\$ -</b>	<b>\$ 67,786,394</b>	<b>\$ 67,786,394</b>

**CHICAGO HOUSING AUTHORITY**  
**CONSOLIDATED BUDGET STATEMENT (UNAUDITED)**  
Reserve Balances  
December 31, 2008  
Narrative Discussion

<b>GENERAL FUND (MTW Block Grant)</b>		FY2008 Budgeted	FY2008 Actual	Variance	%
<b>Low Rent</b>					
Operating Subsidy	\$	153,304,270	\$ 153,530,308	\$ 226,038	0.1
Tenant Rental Income		36,312,215	38,013,120	1,700,905	4.7
Investment Income		2,144,637	2,089,949	(54,688)	(2.5)
Other Income		491,000	755,409	264,409	53.9
Other Non-Operating Revenue		-	34,589	34,589	-
<b>Capital</b>					
Capital Grant Funds		134,127,171	152,121,325	17,994,154	13.4
<b>HCV</b>					
Housing Assistance Subsidy-MTW		307,476,733	320,010,655	12,533,922	4.1
Housing Assistance Subsidy- MTW Block Grant		122,518,813	128,776,869	6,258,056	5.1
Housing Assistance Subsidy-Mainstream		497,082	414,106	(82,976)	(16.7)
Administrative Fees		29,923,602	27,584,247	(2,339,355)	(7.8)
Investment Income		3,339,801	9,755,643	6,415,842	192.1
<b>Total General Fund Revenues (MTW)</b>	<b>\$</b>	<b>790,135,324</b>	<b>\$ 833,086,220</b>	<b>\$ 42,950,896</b>	<b>5.4</b>

<b>OTHER PROGRAMS</b>		FY2008 Budgeted	FY2008 Actual	Variance	%
Section 8 (Non-MTW)		5,729,370	7,544,844	1,815,474	31.7
City State		1,049,390	1,531,584	482,194	45.9
Hope VI		45,908,244	40,272,522	(5,635,722)	(12.3)
Other Funding		12,613,432	9,580,688	(3,032,744)	(24.0)
<b>Total Other Program Revenues</b>	<b>\$</b>	<b>65,300,436</b>	<b>\$ 58,929,638</b>	<b>\$ (6,370,798)</b>	<b>(9.8)</b>

<b>TOTAL REVENUE SOURCES</b>		FY2008 Budgeted	FY2008 Actual	Variance	%
General Fund Revenues	\$	790,135,324	\$ 833,086,220	\$ 42,950,896	5.4
Other Program Revenues		65,300,436	58,929,638	(6,370,798)	(9.8)
<b>TOTAL REVENUES</b>	<b>\$</b>	<b>855,435,760</b>	<b>\$ 892,015,858</b>	<b>\$ 36,580,098</b>	<b>4.3</b>

**General Fund Narrative (MTW):**

1. Tenant Rent Income is slightly higher than budgeted due to vacancy reductions and additional leased mixed income units.
2. The increase in Other Income is due to greater than anticipated revenue from other income sources.
3. Capital Grant Funding increase is attributed to a \$25.8 million debt from an emergency advance issued in 1994 and 1996 that was forgiven by HUD.
4. The increase in Housing Assistance Subsidy revenue for MTW and Block Grant is due to differences in projected vs actual leased units.
5. The decrease in budgeted administrative fees for the Section 8 HCV Program is due to HUD's funding at an appropriation level of 91%.
6. The Investment Income increase is due to a higher portfolio balance than projected along with a higher percentage yield rate than estimated.

**Other Program Narrative:**

1. The increase in Housing Assistance Subsidy revenue for Non-MTW is due to differences in projected vs actual leased units.
2. Increase in City State funding is due to a differences in estimated subsidized tenant rent for LeClaire Courts property.
3. The Hope VI program funding reduction is due to a rescheduling of real estate closings and Habitat administrative and receiver fees being less than planned.
4. The decrease in Other Funding is related to timing differences between actual and planned revenue recognition for MacArthur Foundation grants and Family Self Sufficiency programs.

**CHICAGO HOUSING AUTHORITY**  
**CONSOLIDATED BUDGET STATEMENT (UNAUDITED)**

Budgeted vs Actual Funding Sources

31-Dec-08

Narrative Discussion

<b>GENERAL FUND (MTW Block Grant)</b>		<b>FY2008 Budgeted</b>	<b>FY2008 Actual</b>	<b>Variance</b>	<b>%</b>
<b>Low Rent</b>					
Administrative	\$ 61,135,357	\$ 67,892,186	\$ (6,756,829)	(11.1)	
Tenant Services	6,413,218	5,046,129	1,367,089	21.3	
Utilities	31,843,473	32,897,720	(1,054,247)	(3.3)	
Maintenance	66,579,739	92,571,952	(25,992,213)	(39.0)	
Protective Services	15,288,880	15,461,226	(172,346)	(1.1)	
General Expense	28,311,948	6,928,981	21,382,967	75.5	
Depreciation	-	115,772,115	(115,772,115)	-	
Interest Expense	460,508	4,809,098	(4,348,590)	(944.3)	
Loss on Disposition of Assets	-	995,874	(995,874)	-	
Bond Issuance Cost Amortization	-	400,436	(400,436)	-	
<b>Capital</b>					
Administrative	3,579,805	4,750,706	(1,170,901)	(32.7)	
Tenant Services	262,000	89,430	172,570	65.9	
Maintenance	-	4,206,043	(4,206,043)	-	
General Expense	1,268,370	(437,629)	1,705,999	134.5	
Interest Expense	35,663,000	11,989,597	23,673,403	66.4	
Equipment	2,250,000	243,455	2,006,545	89.2	
Capital Projects	172,665,512	195,250,187	(22,584,675)	(13.1)	
Contingency	635,993	620,281	15,712	2.5	
<b>HCV</b>					
Administrative	10,019,298	11,533,946	(1,514,648)	(15.1)	
Tenant Services	41,970,691	43,693,244	(1,722,553)	(4.1)	
Maintenance	1,618	5,047	(3,429)	(211.9)	
General Expense	4,237,883	292,235	3,945,648	93.1	
Housing Assistance Payments	307,548,033	313,285,142	(5,737,109)	(1.9)	
<b>Total General Fund Expenditures</b>	<b>\$ 790,135,324</b>	<b>\$ 928,297,401</b>	<b>(138,162,075)</b>	<b>(17.5)</b>	

<b>OTHER PROGRAMS</b>		<b>FY2008 Budgeted</b>	<b>FY2008 Actual</b>	<b>Variance</b>	<b>%</b>
<b>Section 8 (Non-MTW)</b>					
City State	5,729,370	6,953,577	(1,224,207)	(21.4)	
Hope VI	1,049,390	1,099,202	(49,812)	(4.7)	
Other Funding	45,908,244	3,368,164	42,540,080	92.7	
	12,613,432	1,740,573	10,872,859	86.2	
<b>Total Other Program Expenditures</b>	<b>65,300,436</b>	<b>13,161,516</b>	<b>52,138,920</b>	<b>79.8</b>	

TOTAL USES OF FUNDS	FY2008 Budgeted	FY2008 Actual	Variance	%
General Fund Expenditures	\$ 790,135,324	\$ 928,297,401	\$ (138,162,077)	(17.5)
Other Program Expenditures	65,300,436	13,161,516	52,138,920	79.8
<b>TOTAL EXPENDITURES</b>	<b>\$ 855,435,760</b>	<b>\$ 941,458,917</b>	<b>\$ (86,023,155)</b>	<b>(10.1)</b>

**General Fund Narrative (MTW):**

1. The increase in Administrative costs is due to additional personnel staff and all the associated sundry costs.
2. Tenant Service cost reduction is due to timing differences for proposed expenditures for tenant relocation and supportive services contracts for the Chicago Department of Human Services, Chicago Park District and various housing and supportive service agencies.
3. Maintenance cost difference is a result of timing issues as it relates to billing processes and spending for seasonal maintenance contracts for CHA's privately managed properties.
4. The General Expense variance reflects a decrease in general reserve liability insurance claims and other anticipated costs.
5. Interest Expense variance is attributed to differences between budgeted and actual capital lease expenditures connected with the mixed income developments.
6. The Housing Assistance Payment variance is the result of the actual number of leased units for the Section 8 HCV and Mod Rehab program (36,366) being higher than the budgeted amount (35,220).

**Other Program Narrative:**

1. The Housing Assistance Payment variance is the result of the actual number of leased units for the Section 8 HCV and Mod Rehab program (36,366) being higher than the budgeted amount (35,220).
2. The Hope VI program expenditure reduction is due to a rescheduling of real estate closings and Habitat administrative and receiver fees being less than planned.
3. The decrease in Other Funding is related to timing differences between actual and planned expenditures for MacArthur Foundation grants, primarily the Leadership Academy and Family Self Sufficiency programs.

**Level and Adequacy of Reserves**

SECTION 8 PROGRAM	FY2008 Actual
Section 8 Investment Reserve	\$ 119,673,633
Section 8 (MTW) Reserve	73,256,989
<b>Total Reserve Balances</b>	<b>\$ 192,930,622</b>

The CHA does not have any public housing (low rent) reserves. The CHA has adequate Section 8 reserves to support operations in FY2008. An adequate level of unreserved fund balance in the general fund is essential to mitigate current and future risks and to ensure that there is a sufficient level of reserves available to support current operations and service levels. This is also a crucial consideration in long-term financial planning. For these reasons, over 90% of CHA operating cash is unrestricted and available in the general fund in the event HUD subsidies are not received timely.

**CHICAGO HOUSING AUTHORITY  
STATEMENTS OF NET ASSETS  
PROPRIETARY FUND TYPE - ENTERPRISE FUND  
YEARS ENDED DECEMBER 31, 2008 AND 2007 (UNAUDITED)**

	2008	2007
<b>ASSETS:</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents, Unrestricted	\$ 52,684,132	\$ 118,191,243
Cash and Cash Equivalents, Restricted	1,310,941	1,727,719
Investments at Fair Value, Unrestricted	271,614,719	172,665,030
Tenant Accounts Receivable, Net of Allowance	1,005,272	884,463
Intergovernmental Receivable (HUD)	39,094,469	28,883,572
Intergovernmental Receivable (Other), Net of Allowance	-	-
Miscellaneous Receivable	582,300	816,926
Interest Receivable, Current Portion	1,703,415	1,633,770
Notes and Mortgages Receivable, Current Portion	296,845	149,689
Prepaid Expenses	12,310,819	5,091,999
Advances to Resident and Private Managers	39,000	39,000
<b>Total Current Assets</b>	<b>380,641,912</b>	<b>330,083,411</b>
<b>Noncurrent Assets:</b>		
Cash and Cash Equivalents, Restricted	9,695,741	6,882,460
Investments at Fair Value, Restricted	4,547,357	5,408,332
Pension Benefit Asset, Restricted	7,711,634	7,856,292
Notes and Mortgages Receivable, Net of Current Portion	261,042,299	210,006,941
Interest Receivable	18,535,017	13,195,790
Other Noncurrent Assets	2,976,281	3,398,335
Capital assets, not depreciated:		
Land	201,969,959	102,624,379
Construction in Progress	229,020,354	455,365,387
Capital assets, net of accumulated depreciation:		
Structures	1,057,325,690	887,438,873
Equipment	7,890,123	9,977,530
<b>Total Noncurrent Assets</b>	<b>1,800,714,455</b>	<b>1,702,154,319</b>
<b>Total Assets</b>	<b>2,181,356,367</b>	<b>2,032,237,730</b>
<b>LIABILITIES:</b>		
<b>Current Liabilities:</b>		
Accounts Payable	32,059,190	29,190,547
Intergovernmental Payable (HUD)	198,158	1,207,983
Accrued Wages & Payroll Taxes	1,617,816	990,733
Accrued Compensated Absences	1,301,499	1,410,507
Accrued Interest Payable	5,609,965	6,214,376
Accrued Liabilities	93,911,501	60,777,459
Tenant Security Deposits	1,451,764	1,224,786
Unearned Revenue	5,837,156	11,787,199
Insurance Reserves, Current Portion	4,199,034	4,946,863

Capital Lease Obligations, Current Portion	832,451	697,407
Current Maturities, Long-Term Debt and Current Portion of Net Unamortized Bond Premium	27,664,173	26,415,281
Other Current Liabilities	22,705,561	23,581,174
<b>Total Current Liabilities</b>	<b>197,388,268</b>	<b>168,444,315</b>
<b>Noncurrent Liabilities:</b>		
Family Self-Sufficiency Liability	3,030,877	2,331,820
Insurance Reserves, Net of Current Portion	15,598,384	16,421,112
Capital Lease Obligations, Net of Current Portion	90,948,351	78,166,930
Long-Term Debt, Net of Current Maturities and Current Portion of Net Unamortized Bond Premium	210,442,920	263,887,394
Other Noncurrent Liabilities	29,998,381	15,579,367
<b>Total Noncurrent Liabilities</b>	<b>350,018,913</b>	<b>376,386,623</b>
<b>Total Liabilities</b>	<b>547,407,181</b>	<b>544,830,938</b>
<b>NET ASSETS:</b>		
Invested in Capital Assets, Net of Related Debt Restricted for:	1,292,180,173	1,176,735,137
Capital Projects and Demolition Grants Unrestricted	7,130,148	3,695,864
	334,638,865	306,975,791
<b>Total Net Assets</b>	<b>\$ 1,633,949,186</b>	<b>\$ 1,487,406,792</b>

**APPENDIX 10: OMB CIRCULAR A-133 INDEPENDENT AUDIT**

SINGLE AUDIT REPORT  
Chicago Housing Authority  
Year Ended December 31, 2007  
With Report of Independent Auditors

0308-0973380

Chicago Housing Authority

Single Audit Report

Year Ended December 31, 2007

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0806-0973380



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## Report of Independent Auditors

The Board of Commissioners  
Chicago Housing Authority

We have audited the basic financial statements, not included herein, of the Proprietary Fund Type and Fiduciary Fund Type activities of the Chicago Housing Authority (the Authority) as of and for the years ended December 31, 2007 and 2006. These financial statements are the responsibility of the Authority's management. Our responsibility is to express opinions on these financial statements based on our audits. We did not audit the financial statements of the Chicago Housing Authority Employee's Retirement Plan (the Plan), which is shown as the Pension Trust Fund as of December 31, 2007 and 2006. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Plan, are based on the report of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Pension Trust Fund were not audited in accordance with *Government Auditing Standards*. We were not engaged to perform an audit of the Authority's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Proprietary Fund Type and Fiduciary Fund Type activities of the Chicago Housing Authority as of December 31, 2007 and 2006, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended, in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2008, on our consideration of the Chicago Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

The Management's Discussion and Analysis and the Schedule of Funding Progress on pages 22 through 33 and 73 included in the Comprehensive Annual Financial Report, not included herein, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

April 25, 2008

*Ernst & Young LLP*



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## Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance With *Government Auditing Standards*

The Board of Commissioners  
Chicago Housing Authority

We have audited the financial statements of the Proprietary Fund Type and Fiduciary Fund Type activities of the Chicago Housing Authority (the Authority) as of and for the year ended December 31, 2007, and have issued our report thereon dated April 25, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting, identified as item 2007-01.

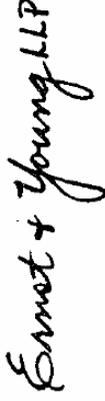
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Authority's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Authority's response, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



April 25, 2008

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# Single Audit Report

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In our opinion, except for the noncompliance described in the preceding paragraph, the Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2007. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2007-06 through 2007-09.

### **Internal Control Over Compliance**

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2007-02 through 2007-08 to be significant deficiencies.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider items 2007-02, 2007-03, 2007-04, and 2007-05 to be material weaknesses.

The Authority's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Authority's response, and accordingly, we express no opinion on it.

#### **Schedule of Expenditures of Federal Awards**

We have audited the basic financial statements, not included herein, of the Authority as of and for the year ended December 31, 2007, and have issued our report thereon dated April 25, 2008. Our audit was performed for the purpose of forming opinions on the financial statements that collectively compose the Authority's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the Board of Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Ernst & Young LLP*

July 5, 2008, except for the paragraph on the schedule of expenditures of federal awards, as to which the date is April 25, 2008

Chicago Housing Authority

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2007

Federal Department Program Title Pass-Through Entity Project Description	CFDA Number	Total Expenditures
10 U.S. Department of Agriculture		
Summer Food Service Program for Children		
Passed through Illinois State Board of Education	10.559	\$ 1,734,348
Total U.S. Department of Agriculture		<u>1,734,348</u>
14 U.S. Department of Housing and Urban Development		
Section 8 Project-Based Cluster		
Lower Income Housing Assistance Program – Section 8	14.856	6,742,262
Moderate Rehabilitation	14.182	1,407,085
Section 8 – Substantial Rehabilitation – City/State	14.182	9,547,398
Section 8 – Substantial Rehabilitation – Section 11b		<u>17,696,745</u>
Total Section 8 Project-Based Cluster		
Supportive Housing for Persons with Disabilities	14.181	440,222
Public and Indian Housing	14.850	169,395,301
Demolition and Revitalization of Severely Distressed Public Housing		
HOPE VI – 2002 Redevelopment Program	14.866	14,841,019
Habitat – MROP Grant	14.866	1,204,712
HOPE VI 2000 Demolition Grant	14.866	4,082
HOPE VI 2000 Demolition Grant	14.866	34,422
HOPE VI Mentoring Demo	14.866	111,085
HOPE VI 2001 Demolition Grant	14.866	1,734
HOPE VI 2001 Demolition Grant	14.866	672,713
HOPE VI 2001 Demolition Grant	14.866	1,278,318
HOPE VI 2001 Demolition Grant	14.866	1,481,036
HOPE VI 2001 Demolition Grant	14.866	(1,096)
HOPE VI 2001 Demolition Grant	14.866	22,961
HOPE VI 2001 Demolition Grant	14.866	(2,018,211)
HOPE VI 2001 Demolition Grant	14.866	2,322,510
HOPE VI 2001 Revitalization Grant	14.866	122,730
HOPE VI 2001 Revitalization Grant	14.866	46,087
HOPE VI 2000 Revitalization Grant	14.866	315,759

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Chicago Housing Authority

Schedule of Expenditures of Federal Awards (continued)

Federal Department Program Title Pass-Through Entity Project Description	CFDA Number	Total Expenditures
Demolition and Revitalization of Severely Distressed Public Housing (continued)		
HOPE VI 2000 Demolition Grant	14.866	\$ 1,226,922
HOPE VI 1996 Revitalization Grant	14.866	114,163
HOPE VI 1996 Revitalization Grant	14.866	(371,043)
HOPE VI 1996 Revitalization Grant	14.866	<u>11,599</u>
Total Demolition and Revitalization of Severely Distressed Public Housing		21,421,502
Resident Opportunity and Supportive Services – Service Coordinators		
	14.870	284,728
Section 8 Housing Choice Vouchers		
	14.871	434,434,639
Public Housing Capital Fund		
Public Housing Capital Fund – FY 2001	14.872	14,805
Public Housing Capital Fund – FY 2003	14.872	(102,302)
Public Housing Capital Fund – FY 2004 – 2	14.872	2,543,343
Public Housing Capital Fund – FY 2004 – RHF	14.872	(4,466,060)
Public Housing Capital Fund – FY 2005 – RHF	14.872	4,562,210
Public Housing Capital Fund – FY 2005	14.872	5,491,577
Public Housing Capital Fund – FY 2006 – RHF	14.872	(4,445,157)
Public Housing Capital Fund – FY 2006 – RHF	14.872	75,843,007
Public Housing Capital Fund – FY 2006 – RHF	14.872	16,123,935
Public Housing Capital Fund – FY 2006 – RHF	14.872	13,623,249
Total Public Housing Capital Fund		<u>109,188,607</u>
Total U.S. Department of Housing and Urban Development		<u>752,861,744</u>
16 U.S. Department of Justice		
Crime Victim Assistance		
Passed through The Illinois Office of Attorney General	16.575	26,000
Total U.S. Department of Justice		<u>26,000</u>
Total Expenditures of Federal Awards		<u>\$ 754,622,092</u>

Chicago Housing Authority

Notes to Schedule of Expenditures of Federal Awards

December 31, 2007

**1. Single Audit Reporting Entity**

The Chicago Housing Authority (the Authority) includes expenditures in its schedule of expenditures of federal awards (the Schedule) for all federal programs administered by the same funds, agencies, boards, and commissions, including component units, included in the Authority's reporting entity used for its basic financial statements.

**2. Basis of Accounting**

The Schedule has been presented on the accrual basis of accounting. Expenditures are recorded, accordingly, when incurred rather than when paid.

**3. Categorization of Expenditures**

The Schedule reflects federal expenditures for all individual grants that were active during the year. The categorization of expenditures by program included in the Schedule is based on the *Catalog of Federal Domestic Assistance* (CFDA). Changes in the categorization of expenditures occur based on revisions to the CFDA, which are issued annually. In accordance with the Authority's policy, the Schedule for the fiscal year ended December 31, 2007, reflects CFDA changes issued through December 2007.

**4. Expenditures to Subrecipients**

Of the federal expenditures presented in the Schedule, the Authority provided federal awards to subrecipients under CFDA 14.866, Demolition and Revitalization of Severely Distressed Public Housing, during the year ended December 31, 2007, as follows:

Other Program Title	CFDA No.	Grant Reference No.	Amount Provided to Subrecipients
Hope VI Community Supportive Services – 1994 Cabrini	14.866	IL06URD0021194	\$ 89,056
Hope VI Community Supportive Services – 1998 ABLA	14.866	IL06URD0021198	886,456
Hope VI Community Supportive Services – Madden/Wells	14.866	IL06URD0021100	309,066
Hope VI Community Supportive Services – 2001 Taylor A	14.866	IL06URD0021101	107,525
Hope VI Community Supportive Services – 1996 Taylor B	14.866	IL06URD0021196	52,925
Hope VI Community Supportive Services – 2001 Rockwell	14.866	IL06URD0021201	105,014

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Chicago Housing Authority

Schedule of Findings and Questioned Costs

December 31, 2007

**Part I – Summary of Auditor’s Results**

**Financial Statements Section**

Type of auditor’s report issued (unqualified, qualified, adverse, or disclaimer): Unqualified

Internal control over financial reporting:  
 Material weakness(es) identified? Yes X No  
 Significant deficiencies identified that are not considered to be material weaknesses? X Yes None Reported  
 Noncompliance material to financial statements noted? Yes X No

**Federal Awards Section**

Internal control over major programs:  
 Material weakness(es) identified? X Yes No  
 Significant deficiencies identified that are not considered to be material weaknesses? X Yes None Reported

Type of auditor’s report issued on compliance for major programs (unqualified, qualified, adverse, or disclaimer):  
CFDA 14.182/14.856 – Qualified  
CFDA 14.850 – Qualified  
CFDA 14.866 – Qualified  
CFDA 14.871 – Qualified  
CFDA 14.872 – Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133? X Yes No

Chicago Housing Authority

Schedule of Findings and Questioned Costs (continued)

Part I – Summary of Auditor’s Results (continued)

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
CFDA 14.182 and CFDA 14.856	Section 8 Project-Based Cluster
CFDA 14.850	Public and Indian Housing
CFDA 14.866	Demolition and Revitalization of Severely Distressed Public Housing
CFDA 14.871	Section 8 Housing Choice Vouchers
CFDA 14.872	Public Housing Capital Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

Yes  No

## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

#### Part II – Financial Statement Findings Section

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* require reporting in a Circular A-133 audit.

##### Finding 2007-01 Year-end Audit Adjustments

**Criteria or Specific Requirement:** Management is responsible for establishing and maintaining an effective and well-controlled financial statement close process. This is a critical component for the production of complete and accurate financial statements.

**Condition:** During the course of the audit, we came across differences in the amounts we believed should have been recorded in the general ledger and the amounts that actually were recorded by the Chicago Housing Authority (the Authority). These differences consisted of both errors and judgmental differences. As a result, we proposed six audit adjustments. The Authority posted one audit adjustment related to a reclassification in net assets between restricted and unrestricted assets. While three of the six audit adjustments consisted of reclassifications in the statement of net assets, we note that the magnitude of the amounts were significant to the Authority. Additionally, the remaining three audit adjustments, one of which was a recurring adjustment, would have had a negative impact to the statement of revenue, expenses, and changes in net assets of \$9.9 million, had they been recorded.

**Context:** There were numerous audit adjustments noted as a result of our procedures. The Authority recorded in the financial statements as of December 31, 2007, one of six audit adjustments.

**Effect:** A significant deficiency exists.

**Cause:** \$7.0 million of the \$9.9 million in adjustments referred to above is a judgmental difference that relates to an asset capitalization policy that has been in place for many years. Making the recommended entry would have been contradictory to the Authority's current approved policy. With this in mind no adjustment was made by the Authority. The remaining adjustments were the result of recording errors and were individually deemed immaterial by the Authority and thus no adjustment was made. These adjustments, individually or collectively, did not materially impact the fair representation of the financial position of the organization taken as a whole.

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## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

**Recommendation:** The appropriate processes and controls should be in place in the financial statement close process to prevent and detect errors. The Authority should continue to challenge its financial statement close process to ensure the completeness and accuracy of the financial statements. Additionally, management should also continually review its current policies and procedures to determine whether they are consistently following generally accepted accounting principles (GAAP) as facts and circumstances change, including those that concern the adoption of new accounting pronouncements.

**Views of Responsible Officials and Planned Corrective Actions:** We feel the Authority has appropriate controls for its financial statement close activities. They contain measures for detection and correction of processing and reporting errors. The goal of the Authority's control environment is to ensure the application of these procedures result in inclusion and accuracy of relevant financial information and its disclosure in accordance with established GAAP and emerging accounting pronouncements. Additionally, we agree with the recommendation that these processes be continually reviewed for updating as necessary. This is evident by the updates and changes made in our close routine. In the coming year, the Authority will consider preferences outlined by the auditors and update its policies and practices accordingly.

Regarding the \$9.9 million in unrecorded adjustments referred to above, one adjustment accounted for \$7.0 million. This adjustment, considered a judgmental difference by the audit firm, relates to a capitalization policy that has been in place for many years and, until this year, has not been considered deficient in any material respect by our predecessor audit firm or the current audit firm. This policy will be reviewed by the Authority in the coming year, and any changes deemed necessary will be made, including any adjustments to the financial statements.

**Conclusion:** The finding remains as stated.

Chicago Housing Authority

Schedule of Findings and Questioned Costs (continued)

**Part III – Federal Award Findings and Questioned Costs Section**

This section identifies the audit findings required to be reported by Circular A-133 Section 510(a) (for example, significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs), as well as any abuse findings involving federal awards that are material to a major program.

**Finding 2007-02 Davis-Bacon Requirements Not Met for Contract Provisions, Appropriate Wage Rate, and Completion of Required Payroll Records**

**U.S. Department of Housing and Urban Development**

**CFDA 14.866 – Demolition and Revitalization of Severely Distressed Public Housing**

**Program Year: 1996, 2000, 2001, 2002**

**Program No.: Various**

**CFDA 14.872 – Public Housing Capital Fund**

**Award Year: 2001, 2003, 2004, 2005, 2006**

**Award No.: Various**

**Criteria or Specific Requirement:** As stated in the requirements under Labor Title 29 CFR 5.5 “Contract provisions and related matters”:

(1) Minimum wages. (i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

(3) Payrolls and basic records. (i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid....

Chicago Housing Authority

Schedule of Findings and Questioned Costs (continued)

Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the (write in name of appropriate Federal agency) if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the (write in name of agency). The payrolls submitted shall set out accurately and completely all of the information required to be maintained under Sec. 5.5(a)(3)(i) of Regulations, 29 CFR part 5. This information may be submitted in any form desired.

(ii)(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following: (1) That the payroll for the payroll period contains the information required to be maintained under Sec. 5.5(a)(3)(i) of Regulations, 29 CFR part 5 and that such information is correct and complete;

And as stated in 29 CFR 5.6:

Enforcement. (a)(1) It shall be the responsibility of the Federal agency to ascertain whether the clauses required by Sec. 5.5 have been inserted in the contracts subject to the labor standards provisions of the Acts contained in Sec. 5.1. Agencies which do not directly enter into such contracts shall promulgate the necessary regulations or procedures to require the recipient of the Federal assistance to insert in its contracts the provisions of Sec. 5.5. No payment, advance, grant, loan, or guarantee of funds shall be approved by the Federal agency unless the agency insures that the clauses required by Sec. 5.5 and the appropriate wage determination of the Secretary of Labor are contained in such contracts.

(2) Payrolls and Statements of Compliance submitted pursuant to Sec. 5.5(a)(3)(ii) shall be preserved by the Federal agency for a period of 3 years from the date of completion of the contract and shall be produced at the request of the Department of Labor at any time during the 3-year period.

## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

***Condition:***

CFDA 14.866

We selected 25 laborers for testing controls and selected 25 laborers for testing compliance requirements under CFDA 14.866. These selections were obtained by selecting two contracts (0599 and 0600) and obtaining 25 weekly payrolls from these contracts, from which we selected one laborer for each payroll week. The Authority did not comply with the Davis-Bacon Act as follows:

- For 25 of 25 (100%) control selections, we were unable to verify whether the Authority properly monitored and provided reports on contractors and subcontractors' compliance towards meeting the US Department of Labor's Davis-Bacon Act requirements.
- One of 25 (4%) control selections did not have complete payroll information.
- For 13 of 25 (52%) compliance selections, the Statement of Compliance submitted to the Authority did not indicate 'how fringe benefits were paid.' Thus, we were unable to test for compliance with wages paid within the Department of Labor prevailing wage rate.
- For 13 of 25 (52%) compliance selections, the submitted Statement of Compliance was not signed by a principal of the firm.
- For 1 of 25 (4%) compliance selections, the certified payrolls were submitted to the Authority with incomplete information, specifically 'employee classification.'

CFDA 14.872

We selected 25 laborers for testing compliance requirements under CFDA 14.872. These selections were obtained by selecting two contracts (7043 and 7005) and obtaining 25 weekly payrolls from these contracts, from which we selected one laborer for each payroll week. The Authority did not comply with the Davis-Bacon Act in seven of 25 (28%) instances which can be categorized as follows:

- For 1 of 25 (4%) selections, the Statement of Compliance submitted to the Authority did not indicate 'how fringe benefits were paid.' Thus, we were unable to test for compliance with wages paid within the Department of Labor prevailing wage rate.
- For 4 of 25 (16%) selections, the submitted Statement of Compliance was not signed by a principal of the firm.
- One of 25 (4%) selections did not have the apprentice certificate on file.
- One of 25 (4%) selections had an actual pay rate that was below the prevailing wage rate contained in the wage determination of the Department of Labor.
- One of 25 (4%) selections contained wages earned in excess of hours worked.

## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

**Questioned Costs:** None

**Context:** CFDA 14.866 executed five contracts during 2007 totaling approximately \$28 million in federal dollars, and CFDA 14.872 executed 20 contracts during 2007 totaling approximately \$78 million in federal dollars.

**Effect:** The Authority is not in compliance with the provisions of the Davis-Bacon Act.

**Cause:** Lack of resources greatly diminished the ability required to cover the effective monitoring of all contracts. There were three officers and one senior manager hired in late 2007 and early 2008.

**Recommendation:** The Authority should strengthen existing policies, procedures, and internal controls to ensure compliance with the Davis-Bacon Act and provisions included in its government grant agreements.

**Views of Responsible Officials and Planned Corrective Actions:** The Department of Procurement and Contracts plans to strengthen existing policies, procedures, and internal controls in the following manner(s):

- As the resources have been increased with new hires in 2008, the large volume of contracts has been more equitably distributed amongst the Officers. As monitoring the contracts consists of various components (e.g., site visits, correspondence to advise of any deficiencies regarding M/W/DBE, Section 3 and Davis-Bacon, vendor meetings, and P-team meetings, in addition to the timely and frequent review of all payroll documentation, throughout the life of all projects), the division of labor, currently more reasonably arranged, will allow the Compliance Division to exhibit more effective and thorough monitoring efforts.
- In addition to more efficacious monitoring, there will be scheduled interdepartmental audits and reports to ensure the required documented Davis-Bacon compliance and enforcement procedures.

Chicago Housing Authority

Schedule of Findings and Questioned Costs (continued)

**Finding 2007-03 Non-Compliance With Eligibility Requirements per 24 CFR Part 982 and 24 CFR Part 5 and Special Tests and Provisions**

**U.S. Department of Housing and Urban Development  
CFDA 14.871 Section 8 Housing Choice Vouchers  
Program Year: January 1, 2007 through December 31, 2007  
Program No.: IL02-VO**

**Criteria or Specific Requirement:** The head of the household signs (a) one or more release forms to allow the Public Housing Agency (PHA) to obtain information from third parties, (b) a federally prescribed general release form for employment information, and (c) a privacy notice. Under some circumstances, other members of the family are required to sign these forms (24 CFR Sections 5.212 and 5.230).

The PHA must:

- a. As a condition of admission or continued occupancy, require the tenant and other family members to provide necessary information, documentation, and releases for the PHA to verify income eligibility (24 CFR Sections 5.230, 5.609, and 982.516).
- b. For both family income examinations and reexaminations, obtain and document in the family file third-party verification of (1) reported family annual income, (2) the value of assets, (3) expenses related to deductions from annual income, and (4) other factors that affect the determination of adjusted income or income-based rent (24 CFR Section 982.516).
- c. Determine income eligibility and calculate the tenant's rent payment using the documentation from third-party verification in accordance with 24 CFR part 5 subpart F (24 CFR Section 5.601 *et seq.*) (24 CFR Sections 982.201, 982.515, and 982.516).
- d. Select tenants from the HCVP waiting list (24 CFR Sections 982.202 through 982.207).
- e. Reexamine family income and composition at least once every 12 months and adjust the tenant rent and housing assistance payment as necessary using the documentation from third-party verification (24 CFR Section 982.516).

## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

In addition, the PHA must maintain an up-to-date utility allowance schedule. The PHA must review utility rate data for each utility category each year and must adjust its utility allowance schedule if there has been a rate change of 10 percent or more for a utility category or fuel type since the last time the utility allowance schedule was revised (24 CFR section 982.517).

***Condition:***

CFDA 14.871

We tested 25 tenants, out of a population of 36,422, for compliance with eligibility requirements and special tests and provisions (reasonable rent and utility allowance schedule). For 10 of 25 (40%) selections, the following exceptions were noted:

- For three of 25 (12%) selections, the Authority was unable to provide supporting documentation in order to verify whether the Authority was in compliance with eligibility requirements and special tests and provisions (utility allowance).
- For two of 25 (8%) selections, the annual income used to calculate the tenant's rent payment did not agree to third-party documentation included in the tenant's file.
- For five of 25 selections (20%), the tenant's utility allowance included in the HUD-50058 report was incorrectly reported.

***Questioned Costs:*** None

***Context:*** During fiscal year 2007, the Authority reported approximately 36,422 active tenants.

***Effect:*** The Authority is not in compliance with eligibility requirements and special tests and provisions of the federal program.

***Cause:*** The Authority had converted more than 5.8 million paper documents for the approximately 36,422 tenants to an electronic filing system in FileNet in the beginning of 2007. There were some challenges in capturing all the documents into the new electronic filing system. Yardi system software is used to calculate the tenant rent and housing assistance payment as well as store key information on the HUD-50058. The software provides the current utility allowance and payment standard when processing a HUD-50058. The HUD regulations and Authority's policy and procedure do not require the utility allowance or payment standard to be updated for transactions other than required reexaminations, transfer to a new unit or rent increase.

***Recommendation:*** The Authority should strengthen existing policies, procedures, and internal controls to ensure compliance with eligibility requirements and special tests and provisions of the federal program.

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## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

**Views of Responsible Officials and Planned Corrective Actions:** The Authority has reviewed and corrected deficiencies in the scanning process to reduce the possibility of having documents lost or difficult to read. The Authority uses the Quality Control process to identify weakness or deficiencies with the scanning process.

The two tenant files with calculation errors in tenant rent will be reviewed and corrected within thirty days. The quality control file review process is designed to identify potential errors. Housing Choice Voucher staff are required to attend training on proper calculation of tenant rent.

The five tenant files which used the current utility allowance instead of the previous utility allowance will be reviewed and corrected. The Authority will discuss a software modification to allow the staff to insert the correct utility allowance instead of a default to the current utility allowance.

**Finding 2007-04 Non-Compliance With Eligibility Requirements per 24 CFR Parts 880-884 and 886, and 24 CFR Part 5**

**U.S. Department of Housing and Urban Development  
CFDA 14.182 and CFDA 14.856 Section 8 Project-Based Cluster  
Program Year: January 1, 2007 through December 31, 2007  
Program No.: Various**

**Criteria or Specific Requirement:** The PHA or owner, as applicable, must:

- (1) Verify the eligibility of applicants by (a) obtaining signed applications that contain the information needed to determine eligibility (including designation as elderly, disabled, or homeless, if applicable), income, rent, and order of selection; (b) conducting verifications of family income and other pertinent information (such as assets, full-time student and immigration status, and unusual medical expenses) through third parties; (c) documenting inspections and tenant certifications, as appropriate; and, (d) determining that tenant income did not exceed the maximum limit set by HUD for the PHA's jurisdiction, as shown in HUD's published notice transmitting the Limits for Low-Income and Very Low-Income Families Under the Housing Act of 1937. For the Moderate Rehabilitation SRO Program, eligible individuals must be homeless upon entry into the program (24 CFR Sections 880.603, 881.601, 882.514, 882.808, 883.701, 884.214, 886.119, and 886.318).
- (2) Determine the total tenant rent payment in accordance with 24 CFR Section 5.613.
- (3) Select participants from the waiting list in accordance with the admission policies in its administrative plan and maintain documentation which shows that, at the time of admission, the family actually met the preference criteria that determined the family's place on the

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## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

waiting list. For the Moderate Rehabilitation SRO Program, eligible individuals may be referred to the PHA for eligibility determination as a result of the owner's/sponsor's outreach or through the PHA waiting list (24 CFR Sections 880.603, 881.601, 882.514, 882.808(b)(2), 883.701, 884.214, and 886 subparts A and C).

(4) Reexamine family income and composition at least once every 12 months and adjust the total rent payment and housing assistance payment, as necessary (24 CFR Sections 5.617, 880.603, 881.601, 882.515, 884.218, 886.124, and 886.324).

#### **Condition:**

CFDA 14.182 and 14.856

Fifty tenants, out of a population of 2,174, were tested for controls and compliance with eligibility requirements. The following results were noted:

- For 1 of 25 (4%) control selections, form HUD-50058 was not submitted in a timely manner.

For the 25 compliance selections, 7 tenants tested (28%) had various exceptions that can be categorized as follows:

- For 4 of 25 (16%) selections, the Authority was unable to provide evidence to support verification of the tenant's income as reported to HUD via form HUD-50058.
- For 2 of 25 (8%) selections, we were unable to agree the income verification support provided by the Authority to the income amount reported to HUD via form HUD-50058.
- For 2 of 25 (8%) selections, the Authority was unable to provide evidence that the tenant was properly notified of the changes in rent which occurred during 2007.
- For 1 of 25 (4%) selections, the Authority was unable to provide the detailed calculation for the 2007 tenant portion of rent. Therefore, we were unable to determine the propriety of the tenant rent portion submitted to HUD via form HUD-50058.
- For 4 of 25 (16%) selections, the Authority was unable to provide evidence to support that the family's income and composition was appropriately reexamined during the past 12 months.
- For 2 of 25 (8%) original selections, the tenant was inactive and improperly included in the active tenants list.

**Questioned Costs:** None

**Context:** During fiscal year 2007, the Authority reported approximately 2,174 active tenants.

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## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

**Effect:** The Authority is not in compliance with eligibility requirements of the federal program.

**Cause:** The Authority's HCV staff responsible for compliance with the eligibility requirements of 24 CFR Parts 880–884 on the administration for the Moderate Rehabilitation SRO Program and the Project-Based Program did not comply with the requirements as stated in the detailed audit findings.

**Recommendation:** The Authority should strengthen existing policies, procedures, and internal controls to ensure compliance with eligibility requirements of the federal program.

**Views of Responsible Officials and Planned Corrective Actions:** Supervisor and staff of the Moderate Rehabilitation Program and the Project Based-Program have taken or will take the following actions:

1. Appropriate corrections will be made in the tenant file.
2. We have increased the internal monitoring and/or quality control reviews to schedule for this area to ensure improvement and compliance.
3. The supervisor and staff will be required to attend additional training on proper procedures for processing the required tasks.
4. The supervisor and staff will be required to review the regulations to ensure compliance is met in the future.
5. Appropriate discipline action will be taken with the supervisor and staff.

#### **Finding 2007-05 Non-Compliance With Eligibility Requirements per 24 CFR Part 960 and 24 CFR Part 5**

**U.S. Department of Housing and Urban Development  
CFDA 14.850 Public and Indian Housing  
Program Year: January 1, 2007 through December 31, 2007  
Program No.: IL-02-001-07D**

**Criteria or Specific Requirement:** Most PHAs devise their own application forms that are filled out by the PHA staff during an interview with the tenant. The head of household signs (a) a certification that the information provided to the PHA is correct, (b) one or more release forms to allow the PHA to get information from third parties, (c) a federally prescribed general release form for employment information, and (d) a privacy notice. Under some circumstances, other members of the family may be required to sign these forms (24 CFR Sections 5.212, 5.230, and 5.601 through 5.615).  
The PHA must:

## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

- a. As a condition of admission or continued occupancy, require the tenant and other family members to provide necessary information, documentation, and releases for the PHA to verify income eligibility (24 CFR Sections 5.230, 5.609, and 960.259).
- b. For both family income examinations and reexaminations, obtain and document in the family file third-party verification of (1) reported family annual income, (2) the value of assets, (3) expenses related to deductions from annual income, and (4) other factors that affect the determination of adjusted income or income-based rent (24 CFR Section 960.259).
- c. Determine income eligibility and calculate the tenant's rent payment using the documentation from third-party verification in accordance with 24 CFR part 5, subpart F (24 CFR Sections 5.601 *et seq.*, and 24 CFR Sections 960.253, 960.255, and 960.259).
- d. Select tenants from the public housing waiting list (24 CFR Sections 960.206 and 960.208).
- e. Reexamine family income and composition at least once every 12 months and adjust the tenant rent and housing assistance payment as necessary using the documentation from third-party verification (24 CFR Sections 960.253, 960.257, and 960.259).

**Condition:** Fifty tenants were tested for controls and compliance with eligibility requirements. The following results were noted:

- For 13 of 25 (52%) control selections, the Authority did not submit the 2007 'Family Report,' Form HUD-50058, to HUD.

For the 25 compliance selections, 11 tenants tested (44%) had various exceptions that can be categorized as follows:

- Three of 25 (12%) selections, did not have a signed Form HUD-9886, 'Authorization for the Release of Information/Privacy Notice.'
- Two of 25 (8%) selections did not have a signed Lease Agreement.
- One of 25 (4%) selections did not have supporting third-party verification of the annual reexamination of income eligibility.
- For two of 25 (8%) selections, the rent amounts per the Lease Agreement did not agree to the rent amount per Form HUD-50058.
- Five of 25 (20%) selections did not have an annual reexamination of family and income completed at least once every 12 months.

**Questioned Costs:** None

**Context:** During fiscal year 2007, the Authority reported approximately 14,861 active tenants.

**Effect:** The Authority is not in compliance with eligibility requirements of the federal program.

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## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

**Cause:** HUD-50058 – The HUD-50058 was not submitted to HUD in 2007 because the Authority was undergoing a process of validating the building/unit and resident information in HUD's PIC system. The information was stale and in many instances inaccurate. HUD cleared all the information for the Authority's public housing residents from PIC, and the Authority continues to input and validate the information contained therein.

HUD-9886 – Because the HUD-9886 is effective for 15 months, property management staff may not have required a new HUD-9886 to be signed by the resident. It may also be a training issue for the privately managed site staff or a lack of due diligence by site staff.

**Signed Leases** – Because the public housing lease automatically renews, the privately managed property management staff may not have required a new lease to be signed by a continuing household. Additionally, it may be a training issue for the privately managed staff or a lack of due diligence by site staff.

**Verification Hierarchy** – The one instance of the verification hierarchy not being followed may be a training issue for the privately managed site staff or a lack of due diligence on the part of the site staff.

**Lease and HUD-50058 Inconsistencies** – The inconsistencies noted may be due to system glitches.

**Lack of Annual Reexamination** – The noted lack of an annual reexamination may be a training issue for the privately managed site staff or a lack of due diligence on the part of site staff.

**Recommendation:** The Authority should strengthen existing policies, procedures, and internal controls to ensure compliance with eligibility requirements of the federal program.

**Views of Responsible Officials and Planned Corrective Actions:** Asset Management requires the Area Supervisors for the private property management companies to certify annually that 100% of resident files have been audited. The certifications will be collected in January of the succeeding year. Once HUD has updated PIC accordingly, the Authority will ensure timely submissions of 50058s into the HUD system.

## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

The HUD-9886 is effective for a period of 15 months. Residents are expected to sign a new HUD-9886 annually during reexamination. Where a resident refused to sign the HUD-9886, the property manager should initiate lease termination for failure to sign the HUD-9886. The Authority's Quality Control Specialist inspect 5% of resident files annually to ensure that property management staff implements Authority guidelines. The Authority will begin to hold private property management firms in violation of their contract where it is determined they have failed to require residents to complete HUD-9886.

Property managers are instructed to re-sign leases annually. Notwithstanding, the public housing lease automatically renews annually unless it is terminated. Unlike leases in the private market, the public housing resident does not hold over after expiration because the public housing lease renews even if it is not reexecuted. The Authority's Quality Control Specialist inspect 5% of resident files annually to ensure that property management staff implements Authority guidelines.

Property managers are to follow the verification hierarchy: (1) UIV/EIV, (2) third-party written verification, (3) third-party oral verification, (4) tenant certification. The steps described above are to be documented in the Tenant File Folder. Where UIV/EIV or third-party written verification is not available, the last two steps (in order) are a last resort. The Authority's Quality Control Specialist inspect 5% of resident files annually to ensure that property management staff implements Authority guidelines.

Leases are generated from the property management software (Yardi). The amount of rent calculated in Yardi should automatically be inserted in the resident lease that is generated from Yardi. Property management staff is expected to monitor the information generated by the software to advise the Authority or any glitches. The Authority's Quality Control Specialist inspect 5% of resident files annually to ensure that property management staff implements Authority guidelines.

Except for in the instance where a household has selected to pay flat rent, income and household composition should be reviewed annually. Where a resident refuses to complete the annual income review, the property manager should initiate a lease termination action. Some instances have been noted when a resident moves and the annual reexamination date may be affected in Yardi. If a resident moves to a different development, the receiving property manager should conduct a complete reexamination of income and household composition before offering a new unit. In these instances, the annual reexamination date will be affected and may change from the original reexamination date (the resident may have more than one complete reexamination in one year).

Chicago Housing Authority

Schedule of Findings and Questioned Costs (continued)

This should not result in a resident household having less than one complete reexamination per year. The Authority's Quality Control Specialist inspect 5% of resident files annually to ensure that property management staff implements Authority guidelines. The Authority will begin to hold private property management firms in violation of their contract where it is determined they have failed to complete annual reexaminations.

**Finding 2007-06 Reporting Procedures Not Conducted in Accordance With Federal Requirements**

**U.S. Department of Housing and Urban Development**

**CFDA 14.866 – Demolition and Revitalization of Severely Distressed Public Housing**

**Program Year: 1996, 2000, 2001, 2002**

**Program No.: Various**

**CFDA 14.871 – Section 8 Housing Choice Vouchers**

**Program Year: January 1, 2007 through December 31, 2007**

**Program No.: IL02-VO**

***Criteria or Specific Requirement:***

CFDA 14.866

www.cfda.gov states the following requirement for Demolition and Revitalization of Severely Distressed Public Housing: "Quarterly Progress Report."

CFDA 14.871

24 CFR 908 states: "The purpose of this part is to require Housing Agencies that operate public housing, Indian housing, or Section 8 Rental Certificate, Rental Voucher, and Moderate Rehabilitation programs to submit certain data to HUD for those programs. This electronically submitted data is required for HUD Forms HUD-50058, Family Report, and HUD-50058-FSS, Family Self-Sufficiency Addendum."

***Condition:***

CFDA 14.866

- One of 12 (8%) quarterly progress reports tested had expenses that were under reported by \$16,747.

## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

#### CFDA 14.871

- For three of 50 (6%) selections tested, Form HUD-50058 was not submitted for fiscal year 2007.
- For two of 50 (4%) selections tested, data tested for Form HUD-50058 reporting could not be traced to the Authority's Yardi system report provided.

**Questioned Costs:** None

#### **Context:**

#### CFDA 14.866

- The Authority's Demolition and Revitalization of Severely Distressed Public Housing Program was required to submit quarterly reports for each of its 30 funds. We note that during 2007, the Authority submitted 120 reports. One of 12 reports tested was found to have included inaccurate data.

#### CFDA 14.871

- During 2007, the Authority's Section 8 Housing Choice Vouchers Program reported approximately 36,422 active tenants, all of whom are subject to submission of the Form HUD-50058 report; 3 of 50 tenants tested did not have a Form HUD-50058 report submitted for 2007.

**Effect:** The Authority is not in compliance with federal reporting requirements.

#### **Cause:**

#### CFDA 14.866

User Department staff did not record the \$16,747 because these expenses did not have corresponding HUD accounts identified at the time of HUD reporting. As a result, the \$16,747 total was excluded from the report pending further review. Responsible staff wanted to confirm that these were in fact grant costs before running the risk of reporting ineligible expenses to HUD and having to return grant funds.

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## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

#### CFDA 14.871

Upon review of the three cases that the Authority's HCV program did not submit a 50058 in fiscal year 2007, we determined the three cases did not need a HUD-50058 in 2007. Explanation is provided below.

- Sample #2 and Sample #3 (control testing): The tenants ported out from Chicago to other housing authorities. The cases were administered, for a period of time, by the Authority's HCV program until the families were absorbed into the respective housing authorities. The portability move-out form HUD-50058 reports for both tenants were completed in the previous system of record, ECS (on August 24, 2005, for Sample #2 and on January 11, 2005, for Sample #3), and the other housing authorities are currently handling these cases, according to the Public and Indian Housing Information Center (PIC). The MTCS Sent Date and the Approved Date were given a default value of October 18, 2005, when the data was transferred from ECS to Yardi. Once the portability move-out form HUD-50058 is submitted, the Authority did not need to submit any further form HUD-50058s for either tenant, but the accounts were monitored for the payment of HAP and administrative fees to the other housing authorities.
- Sample #23 (compliance testing): This tenant ported into Chicago from another housing authority through portability. That housing authority was billed for the administration of the tenant's case. The tenant's voucher was absorbed by the Authority on December 1, 2006, and the billing ended. On the date, the tenant's case was transferred to another property (different funding account) in the Yardi system, causing a new account number to be assigned. Under this account number, the tenant's annual reexamination form HUD-50058 report was processed on November 1, 2007, with an effective date of action of December 1, 2007.

Regarding the two cases where form HUD-50058 reports could not be traced to the Authority's Yardi system report, explanations are provided below.

- Sample #8 (compliance testing) was completed using the former system of record, ECS. This tenant's HUD-50058 was submitted to PIC from ECS and a duplicate HUD-50058 was created in Yardi to update the current system of record.
- Sample #10 (control testing) was completed in the Yardi system using a different account number, which the system had assigned to the tenant.

**Recommendation:** The Authority should strengthen existing policies, procedures, and internal controls to ensure compliance with federal reporting requirements.

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Chicago Housing Authority

Schedule of Findings and Questioned Costs (continued)

*Views of Responsible Officials and Planned Corrective Actions:*

CFDA 14.866

User Department has identified the CGP Majors and HUD accounts that were assigned to the expenscs. Expenses were included in a subsequent HUD report. Effective immediately, responsible staff will ensure the timely reconciliation of unidentified expenses and correct accordingly.

CFDA 14.871

For the tenants identified as Sample #2 and Sample #3 (control testing), their records should not have been in the database of active HCV participants for 2007. The criteria for pulling the sample information for audit purposes may not have been clearly defined in order to exclude inactive tenants.

For the tenant identified as Sample #23 (compliance testing), it is common for Yardi to allow multiple tenant ID numbers. The flaw in the Yardi system has been reported to the software company, and corrections to the system are being made in the upgraded version. Extensive manual controls are in place on a weekly and monthly basis to monitor this software error.

Internal control and monitoring reports are being revised to identify any potential issues with the proper submission of the HUD-50058.

**Finding 2007-07 Inspections Not Performed in Accordance With HUD Requirements**

**U.S. Department of Housing and Urban Development**

**CFDA 14.871 – Section 8 Housing Choice Vouchers**

**Program Year: January 1, 2007 through December 31, 2007**

**Program No.: IL02-VO**

**Criteria or Specific Requirement:** HUD 24 CFR Sections 982.158(d) and 982.405(b) state that the PHA must inspect the unit leased to a family at least annually to determine if the unit meets Housing Quality Standards (HQS), and the PHA must conduct quality control reinspections. The PHA must prepare a unit inspection report.

**Condition:** Two of 25 (8%) selections did not have an annual HQS inspection in fiscal year 2007.

**Questioned Costs:** None

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## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

**Context:** During 2007, there were 36,422 active tenants under the Section 8 New Construction and Substantial Rehabilitation Program.

**Effect:** The Authority is not in compliance with inspection requirements of the federal program.

**Cause:** Review of the two specified cases, identified as Sample #2 and Sample #23, yielded the following results:

- The case identified as Sample #2 appears to be a legitimate audit finding. This unit was not inspected in 2007. Further review of the case indicates that upon the conversion of the sampled tenant records from the Authority's previous management system (ECS) into Yardi in 2005 the accompanying inspection history from the tenant account did not properly transfer. Yardi Inspection functionality mandates that the previous years' annual inspection result become the basis for the current years' query. The Authority has struggled significantly with the integrity of inspections data in Yardi since the transition in October 2005. Reports were not designed to pick up these units, so the Authority has experienced some units that missed annual inspections. The Authority did however, become aware of this late inspection through PIC reports and inspected the unit on April 3, 2008.

- The case identified as Sample #23 has been in a Past status since November 2006, which means the tenant is no longer current on the program. The owner was last paid HAP in 2006. The Authority has completed the EOP to fully remove the tenant from the program.

**Recommendation:** The Authority should strengthen existing policies, procedures, and internal controls to ensure adequate documentation of inspection activities is maintained and to ensure compliance with federal inspection requirements.

**Views of Responsible Officials and Planned Corrective Actions:** Action has been taken to complete the End of Participation for Sample #23. Due to the bifurcation of the HCV program, maintenance of the HQS Inspection process has been extricated from Yardi and will be managed in a separate proprietary system (eMIMs) with another vendor. At this time the Authority does not retain any management control over this system.

## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

#### **Finding 2007-08 Non-Compliance With Wait List Requirements**

U.S. Department of Housing and Urban Development  
CFDA 14.850 – Public and Indian Housing  
Program Year: January 1, 2007 through December 31, 2007  
Program No.: IL02-001-07D

**Criteria or Specific Requirement:** The Authority is to comply with the following HUD Title 24 CFR requirements:

- 960.203 Standards for PHA tenant selection criteria
- 960.204 Denial of admission for criminal activity or drug abuse by household members
- 960.205 Drug use by applicants: Obtaining information from drug treatment facility
- 960.206 Waiting list: Local preferences in admission to public housing program

**Condition:** The wait list was tested for two areas: (1) wait list individuals who were placed into housing and removed from the wait list and (2) new applicants to the wait list. The following was noted:

- For 3 of 25 (12%) selections, we were unable to review evidence that the move-in tenant was appropriately selected from the wait list.
- For 1 of 25 (4%) selections, we were unable to obtain the tenant's application for admittance to the wait list.

**Questioned Costs:** None

**Context:** During 2007, the Authority placed 1,343 tenants in public housing under the Public and Indian Housing Program. Additionally, there were 5,022 new additions to the wait lists tested under the Public and Indian Housing Program.

**Effect:** The Authority cannot demonstrate that each applicant has been selected in accordance with the method specified in the administrative plan. Additionally, the Authority is not maintaining adequate records of tenant applications for admittance to the wait list.

## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

**Cause:** For the first finding, system limitations do not allow for historical view of wait lists (only real-time data available). Yardi currently does not have the ability to generate a report of the wait lists as they appeared at a particular point in time in the past. Yardi wait list reports are real-time data; therefore, they do not include the applicants who have been housed because, once housed, they are removed from the wait list. As a result, the Authority cannot reproduce the wait list retroactively in order to show that the applicant housed was indeed the next person on the wait list. In addition, lack of continuity and changes in personnel occur. Emails that included the list of applicants sent to the property manager at a particular point in time in the past were not saved or could not be found due to changes in staff.

For the second finding, current procedures do not give the Occupancy Department full control of applicant files. When a property manager begins to outreach to a particular applicant, it is currently the Authority's procedure to transfer the applicant file to the site's property management office (without keeping copies in the Occupancy Department), so that documentation regarding property manager's outreach and screening activities can be added to the file. If housed, the applicant file then becomes a resident file.

**Recommendation:** The Authority should strengthen existing policies, procedures, and internal controls to ensure compliance with the wait list requirements of the federal program.

**Views of Responsible Officials and Planned Corrective Actions:** For the first finding, the Authority will convert to an upgraded version of Yardi in 2009, which is expected to have the capacity to provide historical views of the wait lists. In the meantime, the Occupancy Department has begun saving the wait lists as they appear at the point in time when Occupancy staff pulls applicant names from them and forwards them to a property manager for screening. The Occupancy Department will save these historical wait lists in the Authority's public folders to ensure they can be easily found and retrieved even if there are changes in personnel.

For the second finding, the Occupancy Department will begin to keep copies of applications prior to sending applicant files to a property manager. Keeping copies of the applications will enable the Occupancy Department to (1) support that the addition of applicants to the waiting list is in accordance with the Authority's tenant selection policies and (2) support that the selection of tenants from the waiting list is in accordance with the Authority's tenant selection policies.

Chicago Housing Authority

Schedule of Findings and Questioned Costs (continued)

**Finding 2007-09 Expenses Not Supported per OMB Circular A-87 Requirements**

**United States Department of Housing and Urban Development  
CFDA 14.871 – Section 8 Housing Choice Vouchers  
Program Year: January 1, 2007 through December 31, 2007  
Program No.: IL02-VO**

**Criteria or Specific Requirement:** OMB Circular A-133 Compliance Requirements – Allowability of Costs – General for CFDA 14.871 Section 8 Housing Choice Voucher, general criteria (applicable to both direct and indirect costs) states:

“Costs documentation – Costs must be documented in accordance with OMB Circular A-102 Common rule for State, Local, and Indian Tribal Governments.”

Additionally, per OMB Circular No. A-87, Attachment A – General Principles for Determining Allowable Costs, paragraph C – Basic Guidelines:

“(1) Factors affecting allowability of costs. To be allowable under federal awards, cost must meet the following general criteria...

g. be determined in accordance with generally accepted accounting principles.”

**Condition:** Our review of 25 expenditures disclosed the following exception:

- One of 25 (4%) selections tested in the amount of \$97,745 was not expensed in accordance with generally accepted accounting principles with regard to the proper expense period.

**Questioned Costs: \$97,745**

**Context:** For 2007, the Authority reported expenditures of \$434,434,639 in the schedule of expenditures of federal awards for CFDA 14.871.

**Effect:** The Authority is not in compliance with allowable costs requirements per OMB Circular No. A-87.

**Cause:** In preparing the year-end accruals for 2006, this invoice was overlooked by the user departments in preparing their accruals.

## Chicago Housing Authority

### Schedule of Findings and Questioned Costs (continued)

**Recommendation:** The Authority should strengthen existing policies, procedures, and internal controls to ensure compliance with the federal allowable cost and period of availability requirements.

**Views of Responsible Officials and Planned Corrective Actions:** In 2007, the Authority implemented additional procedures to capture expenditures in the appropriate period. Some of the steps taken were: meetings with the various user departments to enhance their knowledge and stress the importance of accruals; review of the accruals by AP staff to ensure no duplication; and requiring department managers to approve all invoices and meetings with Procurement to track Purchase Orders established for these expenditures. The Authority will continue to strengthen and enforce these procedures for 2008.

Chicago Housing Authority

Summary Schedule of Prior Audit Findings as of July 5, 2008

For the Year Ended December 31, 2007

**Federal Award Findings and Questioned Costs  
Year Ended December 31, 2006**

Finding 2006-05 Davis-Bacon Requirements Not Met for Contract Provisions, Appropriate Wage Rate, and Completion of Required Payroll Records  
See Finding 2007-02

Finding 2006-06 Non-Compliance With Eligibility Requirements per 24 CFR 982.516  
See Findings 2007-03, 2007-04, and 2007-05

Finding 2006-07 Procurement Records Not in Compliance with 24 CFR 85  
Corrective action taken

Finding 2006-08 Reporting Procedures Not Conducted in Accordance with Federal Requirements  
See Finding 2007-06

Finding 2006-09 Inspections Not Performed in Accordance With HUD Requirements  
See Finding 2007-07

Finding 2006-10 Incomplete and Inaccurate Wait Lists  
See Finding 2007-08

Finding 2006-11 Non-Compliance With Housing Quality Standards HUD 24 CFR 982.404  
Corrective action taken

**Federal Award Findings and Questioned Costs  
Year Ended December 31, 2005**

Finding 2005-01  
Finding 2005-02  
Finding 2005-03  
Finding 2005-04  
Finding 2005-05  
Finding 2005-06  
Finding 2005-07  
Finding 2005-08  
Finding 2005-09

See Finding 2007-03, -04, and -05  
See Finding 2007-08  
See Finding 2007-09  
See Finding 2007-02  
Corrective action taken  
Corrective action taken  
Corrective action taken  
See Finding 2007-07  
Corrective action taken

# APPENDIX 11: FY2008 MOVING TO WORK ANNUAL REPORT REQUIRED CERTIFICATIONS



March 11, 2009

## ITEM NO. A1

### RECOMMENDATION TO APPROVE THE FY2008 MOVING TO WORK ANNUAL REPORT

To the Honorable Board of Commissioners,

#### RECOMMENDATION

It is recommended that the Board of Commissioners approve the attached FY2008 Moving to Work Annual Report and grant authorization to submit the document to the United States Department of Housing and Urban Development (HUD) for approval.

#### FUNDING

No CHA Funding is applicable to this request.

#### EXPLANATION

The Plan for Transformation was approved by HUD and incorporated into a Moving to Work (MTW) Agreement that was executed on February 6, 2000. On June 26, 2008, the CHA executed an Amended and Restated MTW Agreement (Restated Agreement) between itself and HUD, which supersedes the original MTW Agreement and extends the CHA's participation in the MTW program until 2018. Under the MTW Agreement, the CHA is required to produce and submit an Annual Report to HUD outlining the progress toward commitments made in the original Plan for Transformation and each Annual Plan. HUD requires this report to be submitted annually, along with a Board of Commissioners' resolution approving this report, no later than 90 days after the end of the CHA's fiscal year. The CHA must submit the FY2008 MTW Annual Report to HUD by March 31, 2009. The FY2008 MTW Annual Report provides information necessary for HUD to assess the CHA's performance in 2008 regarding both day-to-day operations and activities authorized by the MTW Demonstration Program.

Included with this resolution is the FY2008 MTW Annual Report for the Board of Commissioners' review and approval. Based upon the foregoing, it is in the best interest of the CHA to approve the FY2008 MTW Annual Report and grant authorization to the Chief Executive Officer, the Board Chairperson, or their designee to approve any final changes as deemed necessary to submit the FY2008 MTW Annual Report to HUD on the March 31, 2009 deadline.

## RESOLUTION NO. 2009-CHA-34

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated March 11, 2009, requesting approval of the FY2008 Moving to Work Annual Report, attached hereto.

### THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the attached FY2008 Moving to Work Annual Report and grants authorization to the Chief Executive Officer, the Board Chairperson, or their designee to make any final changes as deemed necessary.

THAT the Board of Commissioners grants authorization to submit the FY2008 Moving to Work Annual Report to the U.S. Department of Housing and Urban Development on March 31, 2009. Such approval shall constitute conclusive evidence of the Board's approval of any and all such changes.



**Certification of Payments  
to Influence Federal Transactions**

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

Applicant Name

Chicago Housing Authority

Program/Activity Receiving Federal Grant Funding

Public Housing/Housing Choice Voucher Programs

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.  
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Lewis A. Jordan

Signature



Title

Chief Executive Officer

Date (mm/dd/yyyy)

2/6/09

Previous edition is obsolete

form HUD 50071 (3/98)  
ref. Handbooks 7417.1, 7475.13, 7485.1, & 7485.3

**Certification for a Drug-Free Workplace**

U.S. Department of Housing and Urban Development

Applicant Name  
Chicago Housing Authority

Program/Activity Receiving Federal Grant Funding  
Public Housing/Housing Choice Voucher Programs

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

- I certify that the above named Applicant will or will continue to provide a drug-free workplace by:
- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
  - b. Establishing an on-going drug-free awareness program to inform employees ---
    - (1) The dangers of drug abuse in the workplace;
    - (2) The Applicant's policy of maintaining a drug-free workplace;
    - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
    - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
  - c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;
  - d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---
    - (1) Abide by the terms of the statement; and
    - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
    - e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
    - f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---
      - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
      - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
      - g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. **Sites for Work Performance.** The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above. Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here  if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.  
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.  
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official <i>Marilyn D. JEFFERSON</i>	Title <i>VICE-PRESIDENT, ORGANIZATIONAL EFFECTIVENESS</i>
Signature <i>Marilyn D. Jefferson</i>	Date <i>JAN 24, 2009</i>

form HUD-50070 (3/98)  
ref. Handbooks 7417.1, 7475.13, 7485.1 & 3

If an investigation confirms violation of the policy has occurred, the CHA will take corrective action. These measures may include, but are not limited to, written warning, counseling, oral reprimand, suspension, or dismissal of the employee engaging in such misconduct. A record of such disciplinary actions will be placed in the employee's personnel file.

**CONFIDENTIALITY**  
Complaints of harassment, investigation of complaints of harassment, and any corrective action taken in response will be kept confidential to the extent possible.

**NO RETALIATION**  
The CHA forbids any reprisal or retaliation against an employee for filing a good faith complaint of harassment or for supporting or assisting, in good faith, another employee in pursuing a complaint, or filing a discrimination charge. Anyone experiencing or witnessing any conduct he or she believes to be retaliatory should immediately report it to any of the individuals named above. The CHA will not retaliate or discriminate against any employee for exercising any rights under this policy. Retaliation is a violation of this policy.

**American with Disabilities (ADA)**  
The CHA is committed to complying fully with the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973, and all other state, federal and local laws ensuring equal opportunity in employment for qualified persons with disabilities. We continually review our hiring and selection procedures to assure they are consistent with equal opportunity, and it is our policy to fully explore reasonable accommodations in accordance with the law to enable disabled individuals to safely and effectively perform their jobs. This policy is neither exhaustive nor exclusive.

Reasonable accommodation is available to all disabled employees, where their disability affects the performance of job functions. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

The CHA is also committed to not discriminating against any qualified employees or applicants because they are related to or associated with a person with a disability. The CHA will follow any state or local law that provides individuals with disabilities greater protection than the ADA.

**Drug Free Environment**  
The CHA is a Drug Free Work Place and its Policy on drug and alcohol use is one of "Zero Tolerance." Employees must not appear for work with the presence of alcohol or under the influence of alcohol or illegal non-prescribed drugs in their systems. Employees are prohibited from possessing alcohol or illegal non-prescription drugs. Employees who take prescribed drugs that affect their cognitive abilities should not report to work and should use appropriate leaves. Employees who violate this Policy will be terminated.

Employees are required to participate in drug and alcohol testing at a CHA designated testing facilities in the following circumstances:

1. Upon the CHA's making a conditional offer of employment.
2. Upon re-employment or return from any period of continuous absence of thirty (30) calendar days or more.
3. In instances where the employee has been involved in an automobile accident during the course of employment, regardless of whether the automobile is a CHA vehicle or the employee's vehicle and regardless of whether the employee is injured, the employee must submit to a medical evaluation which includes drug and alcohol testing as immediately after the accident as practical under the particular circumstances, but in no event later than twenty-four (24) hours after the accident.
4. In instances where the employee has suffered an alleged accident, regardless of whether the employee is injured or not, the employee must submit to a medical evaluation which includes drug and alcohol testing immediately after the accident or as soon as practical under the particular circumstances, but in no event later than twenty-four (24) hours after the accident.
5. In instances where the employee's supervisor has a reasonable suspicion that, the employee is at work under the influence of drugs and/or alcohol.

Employees who occupy safety sensitive positions will be subject to random or periodic drug testing.

The CHA drug and alcohol testing vendors are N.I.D.A. accredited. Drug and alcohol test results are confidential and are not disclosed to third parties by the CHA, except upon express written authorization of the employee or as required by law. Employees who submit to drug and alcohol testing described above and whose test results show a positive result will be terminated. Employees who refuse to cooperate in the testing process will be terminated. Employees whose test results are positive may elect to have the sample re-tested at a different N.I.D.A. accredited laboratory at the employee's cost. Arrangements for re-testing must be made through the Director of Human Resources.

The CHA is committed to being a drug-free, healthful, and safe workplace. You are required to come to work in a mental and physical condition that will allow you to perform your job satisfactorily.

Under the Drug-Free Workplace Act, if you perform work for a government contract or grant, you must notify the CHA if you have a criminal conviction for drug-related activity that happened at work. You must make the report within five (5) days of the conviction.

If you have questions about this policy or issues related to drug or alcohol use at work, you can raise your concerns with your supervisor or the Human Resources Department without fear of reprisal.

### **Immigration Law Compliance**

The CHA is committed to complying with the immigration laws that require we employ only citizens and others who are authorized to work in the United States. The CHA does not, however, discriminate on the basis of national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Form I-9 and present documentation that establishes identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with the CHA within the past three (3) years, or if their previous I-9 is no longer retained or valid.

Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

### **Relationships in the Workplace**

When relatives or persons involved in a dating relationship work in the same area of an organization, it may cause problems at work. In addition to claims of favoritism and morale issues, personal conflicts from outside can sometimes carry over to work.

For this policy, we define a relative as any person who is related to you by blood or marriage, or whose relationship with you is similar to that of a relative. We define a dating relationship as a relationship that might reasonably be expected to lead to a consensual "romantic" relationship. This policy applies to all employees regardless of their gender or sexual orientation.

Our policy is that an employee may not directly work for a relative or supervise a relative. We also discourage a person in a dating relationship to supervise or to report for that person. The CHA also reserves the right to take quick action if an actual or potential conflict of interest arises involving relatives or persons involved in a dating relationship who are in positions at any level (higher or lower) in the same line of authority that may affect the review of employment decisions.

If two employees become relatives, or start a dating relationship and one of them supervises the other, the acting supervisor is required to tell management about the relationship. The two employees are to decide which one of them is to be transferred to another available position. If they do not make that decision within thirty (30) calendar days, the CHA will decide who to transfer or, if necessary, terminate.

There may also be situations when there is a conflict or the potential for conflict due to employee relationships, even if there is no direct reporting or authority involved. In that case, we may reassign or terminate his/her employment. If you are in a close personal relationship with another employee, we ask that you avoid displays of affection or excessive personal conversation at work.

### CHA Sites for Work Performance:

- Chicago Housing Authority**
- 1. 60 E. Van Buren St.  
Chicago, IL 60605
- 2. 35 S. Paulina  
Chicago, IL 60612
- 3. 2325 S. Federal  
Chicago, IL 60616
- 4. **Charles Hayes Family Investment Center**  
4859 S. Wabash Ave.  
Chicago, IL 60615
- HCV Satellite Offices**
- 5. 1550 W. 88<sup>th</sup> St.  
Chicago, IL 60620
- 6. 1749 E. 75<sup>th</sup> St.  
Chicago, IL 60649
- 7. 3333 W. Arthington St.  
Chicago, IL 60624

# COLLABORATIONS

The Chicago Housing Authority thanks the following organizations for collaborating with us on the Plan for Transformation.

Access Living	Cook County Sheriff's Department	Levy Foods
ACCIÓN	Corporation for a Skilled Workforce	Loyola University Chicago
After School Matters	DAH Consulting, Inc.	Lutheran Child and Family Services
Bank of America Corporation	DePaul University	Mayor's Office for People with Disabilities
Business and Professional People for the Public Interest	Dominican University	Mayor's Office of the City of Chicago
By the Hand Club For Kids	Dominick's	Metropolitan Family Services
Canon Corporation	Economic Law Project	Metropolitan Pier and Exposition Authority
Centers for New Horizons	Employability Plus	Metropolitan Planning Council
Central Advisory Council	Employment and Employer Services	Mid-America Institute on Poverty
Central States SER	Environmental Law and Policy Center	National ABLE Network
Chapin Hall	Fannie Mae	National Forum for Black Public Administrators
CHASE Bank	The Foundation Center	National Readiness Credential Program
Chicago Bears	Ford Foundation	Northeastern University of Illinois
Chicago Bulls	Freddie Mac	Norwegian American Hospital Foundation
Chicago Cares	Globetrotters International, Inc.	Operation Warm
Chicago Christian Industrial League	Grand Boulevard Federation	Partnership for New Communities
Chicago City Council	Greater Chicago Food Depository	Pediatric Case Management Services
Chicago Commission on Human Relations	The Habitat Company	The Posse Foundation
Chicago Community Trust	Harbor Quest	RAF Consulting, Inc.
Chicago Connections	Harris Bank	Roosevelt University
Chicago Department of Administrative Hearings	Healthcare Consortium of Illinois	The Rotary Foundation
Chicago Department of Budget and Management	Heartland Alliance	Sargent Shriver National Center on Poverty Law
Chicago Department of Family and Support Services	HighSight	SCR Medical Transportation
Chicago Department of Community Development	Hispanic American Construction Industry Association	Shorebank Neighborhood Institute
Chicago Department of Construction and Permits	The Home Depot	Siemens Building Technologies, Inc.
Chicago Department of Environment	Hospitality Academy at McCormick Place	Spanish Coalition for Housing
Chicago Department of General Services	Housing Choice Partners	Target Group, Inc.
Chicago Department of Public Health	Housing Opportunities and Maintenance for the Elderly (H.O.M.E.)	TEC Services, Inc.
Chicago Department of Transportation	Illinois Department of Children and Family Services	TCF Bank
Chicago Department of Water Management	Illinois Department of Human Services	Uhlich Children's Advantage Network
Chicago Federal Home Loan Bank	Illinois Environmental Protection Agency	Ujima
Chicago Fire Department	Illinois Facilities Fund	United Airlines
Chicago Historical Society	Illinois Hispanic Chamber of Commerce	United States Department of Housing and Urban Development (HUD)
Chicago History Museum	Illinois Housing Development Authority	United States Small Business Administration (SBA)
Chicago Lawyers Committee for Civil Rights Under Law	Illinois Institute of Technology	University of Chicago
Chicago Park District	Illinois Sports Facilities Authority	University of Illinois at Chicago
Chicago Police Department	The Jane Addams Hull House Association/Housing Resource Center	UPS
Chicago Public Building Commission	Jewel-Osco	Windows of Opportunity, Inc.
Chicago Public Library	Jewish Vocational Training Center	The Women's Business Development Center
Chicago Public Schools	Jobs for Youth	
Chicago State University	John D. and Catherine T. MacArthur Foundation	
Chicago Transit Authority	The John Marshall School of Law Fair Housing Legal Clinic	
Chicago White Sox	Latin United Community Housing Association	
Chicago Youth Programs	Latino Policy Forum	
Chicagoland Chamber of Commerce	Latinos United	
City Colleges of Chicago	Lawndale Christian Development Corporation	
City of Chicago's Office of Emergency Management and Communications	Lawyers' Committee for Civil Rights Under Law	
Columbia College	Leadership Council for Metropolitan Open Communities	
The Community Builders, Inc.	Leadership Greater Chicago	
Community Investment Corporation	Legal Assistance Foundation of Metropolitan Chicago	
Cook County Housing Authority		

# Moving To Work

## ANNUAL REPORT

**FY2008**

**Board of Commissioners**  
Martin Nesbitt, Chairperson  
Hallie Amey  
Dr. Mildred Harris  
Michael Ivers  
Samuel Mendenhall  
Bridget O'Keefe  
Carlos Ponce  
Sandra Young

**Chief Executive Officer**  
Lewis A. Jordan

**Chief Operations Officer**  
Kris Warren

**General Counsel**  
Scott W. Ammarell

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