

a vision for change

By Terry Peterson



Rendering of Roosevelt Square, a mixed-income community currently being built on Chicago's Near West Side.

Terry Peterson is the Chief Executive Officer of the Chicago Housing Authority.

a LOOK BACK Public housing in Chicago was once a path to renewal and self-sufficiency, a temporary stop on the journey to something better. In 1937, when the CHA was incorporated, its original residents were working families who were seeking refuge from the era's severe housing shortage resulting from the Great Depression and lack of new construction. The new public housing developments that were built under CHA's purview were generally regarded as a great improvement from the slum dwellings they replaced.

However, over the years, the buildings deteriorated. New sociological challenges, including the drug trade, along with federal housing policies becoming

more lenient, brought further decay to communities that were once a sanctuary for low-income families seeking temporary affordable housing. As the decades passed, separate services specifically for public housing residents were brought in to the housing developments – at one time, the CHA had its own health, daycare, police force and garbage collection services. These separate services, along with the continued method of concentrating low-income families in massive high-rise structures, resulted in further isolating public housing residents from the rest of Chicago. As the developments continued to decay, drugs, crime and substandard living conditions eventually became synonymous with Chicago public housing. By the early 1990's, years of mismanagement had left the CHA in utter turmoil. The situation became so dire that, in 1995, the U.S. Department of Housing and Urban Development (HUD) took control of the agency and installed a transition team to restore order to the CHA.

In 1998, HUD determined that the CHA had met the goals of the takeover agreement and removed the agency from its troubled housing list. The move returned control of the CHA back to the city of Chicago. Mayor Richard M. Daley dispatched a new team of executives with a clear cut set of goals: 1) overhaul the agency's finances; 2) provide residents with safe, secure, attractive housing in positive settings where they could improve their lives; and 3) end the years of isolation and integrate public housing into the greater Chicago area. This directive set the stage for CHA's *Plan for Transformation* and paved the way for a new era in public housing.

A NEW PLAN

On January 6, 2000, the CHA submitted its proposal for *The Plan for Transformation* to HUD. The Plan outlined major program changes, new policy directions, and organizational initiatives that CHA would undertake to revitalize its housing stock. The

RENEWING CHICAGO'S PUBLIC HOUSING

Chicago is currently in the midst of the largest overhaul of public housing in the nation's history. This massive revitalization of some of the most distressed public housing stock aims to completely transform isolated public housing developments full of crime, poverty, and despair into thriving mixed-income neighborhoods with nearby services and amenities. The ten-year **Plan for Transformation** currently being implemented by the Chicago Housing Authority is a blueprint to overhaul the physical structures as well as the mindset surrounding public housing. This effort involves immense participation and coordination among various private and public entities and demonstrates how the **Plan for Transformation** is serving as a catalyst for neighborhood revitalization in the city of Chicago.

proposal took a hard and honest look at what would be required of the city of Chicago to transform its abysmal public housing developments into safe, livable communities that would thrive for years to come. In February 2000, the federal government approved the CHA's 10-year *Plan for Transformation*, a once-in-a-lifetime opportunity to positively impact Chicago's future. The proposed changes would completely overhaul the way that the CHA would conduct its business, transform the failing buildings, and ensure that residents would be reintegrating into the fabric of the city.

The Plan is built around these core commitments:

- A \$1.5 billion capital program to build or rehab 25,000 public housing units, enough for all lease-compliant families and seniors who resided in CHA as of 10/1/99, as well as relocation services for residents opting for other housing choices;
- Create and implement a comprehensive redevelopment process to build brand new public housing units in attractive mixed income communities in revitalizing neighborhoods with abundant economic opportunities;
- Reduce administrative costs and transfer the management of CHA properties to professional property management companies; and
- Provide CHA residents access to needed social services through other public and private agencies, and expand access to regular city services, ultimately ending their isolation to the rest of the city.

By effectively implementing these strategies, the Plan ultimately aims to change the mindset, culture and image of Chicago public housing and give its residents real opportunities to move towards self-sufficiency.

IN THE MEANTIME

As the CHA rebuilds new buildings, it must demolish existing structures. During this process, residents must move at least once (out of their existing public housing unit and into a temporary unit) while their new unit is being built or rehabbed. All relocating families are given options regarding where they would like to go in the interim. They

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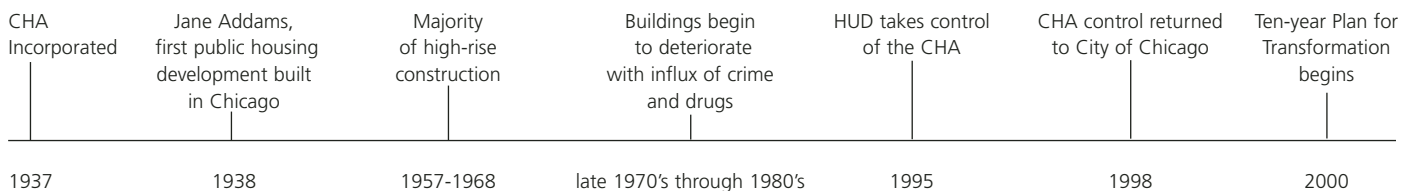
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may select a Housing Choice Voucher for use in the private market or may choose a temporary unit in their existing or another CHA housing development. Thus far, most residents have opted to move temporarily into the private market until their new unit is built. CHA negotiated a contract with all relocating residents to ensure that everyone who lived in CHA housing as of 10/1/99 has the option to return to a new or rehabbed unit, as long as they remain lease-compliant. This allows them the comfort of knowing that they will be able to return to a unit in CHA's portfolio should they choose to do so.

BUILDING SUCCESSFUL COMMUNITIES

The Plan is not just about new buildings. It's about revitalizing neighborhoods where families of all income levels can thrive – places where families can be proud to call home. Creating successful mixed-income buildings in some of the city's most deteriorated neighborhoods is certainly no small task. It takes an incredible amount of coordination - not only between the CHA and the developer but with all the involved city agencies, local government officials, community leaders, and resident leadership. As each entity has a stake in the success of these new communities, all of them are represented on what is known as the "Working Group" for the site. This group discusses all aspects of the mixed-income site including bedroom sizes, site amenities, and community resources.

Chicago Housing Authority Timeline



In addition to thoughtful planning and consideration of the actual housing site, resources beyond the federal funding are central to the Plan's success. Through the mayor's vision and commitment, the city is providing \$49 million in support through its infrastructure work on the new sites such as water, sewer and utility line installation along with new lighting, curbs, sidewalks, and streets. The Chicago Department of Planning and Development and Chicago Department of Housing have stepped up to implement sound community planning and Low Income Housing Tax Credits (LIHTC) to support the financing respectively. The support of other city agencies such as the Chicago Public Schools, Park District and Transportation Department has been vital when planning these new communities since the ultimate success of the sites also relies upon the proximity of these valuable resources.

And it's not only the city that has gotten involved with this massive effort. The philanthropic, educational, and business communities have also generously stepped forward to provide monetary and other resources to enable the CHA to improve as it moves forward to create thriving neighborhoods.

MIXED-INCOME DEVELOPMENTS AND NEIGHBORHOOD REVITALIZATION

Two examples of CHA housing sites that have spurred economic investment in their respective areas are also two of the oldest and largest – ABLA and Cabrini Green. Both sites are comprised of four smaller housing developments (ABLA is an acronym for the Abbott, Brooks, Loomis, and Addams sites, and Cabrini Green is comprised of the Francis Cabrini Rowhouses, William Green Homes, Cabrini Extension South and Cabrini Extension North). Located on the Near West Side, ABLA was among the very first public housing built in Chicago with the Jane Addams Homes which opened in 1938. Cabrini Green opened in 1942 with its first housing development, the Francis Cabrini Rowhouses.

The high-rise buildings that were later constructed on both of these major sites eventually became the manifestation of failed public housing policy. The concentration of low-income, non-working families into high-rise buildings in order to keep construction costs to a minimum ended up being a drastic error. The sociological impact, including the families' isolation to the surrounding community, as well as the physical impact to the buildings themselves was neglected during the planning process. With large families living in high-rise buildings, ele-

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Mixed-use retail and housing buildings that will be constructed as part of Roosevelt Square.

vators were pushed beyond their limit, play spaces were located far away from the family's unit, and the buildings were isolated on large tracts of land, set well apart from streets, sidewalks, and daily urban life. With the continued deterioration of the buildings, and CHA's high-rises eventually failing HUD's building "viability tests," redevelopment became the only alternative for most of the buildings.

The CHA applied for and received HOPE VI grants in 1996 and 1998 to revitalize the ABLA Homes. After years of planning and community collaboration, the CHA broke ground on the first phase of Roosevelt Square, the new mixed-income site that will eventually replace ABLA, which is currently under construction. The new low-rise development will contain a total of 2,441 units, approximately one-third of which will be reserved for public housing, one-third for affordable housing and one-third for market-rate families. All the units are designed to blend seamlessly into the neighborhood architecture and there is no physical difference between the three types of units. The site plan also provides some mixed-use buildings with living and retail space along the streetscape. Along with the new construction, the neighborhood is experiencing a resurgence in economic activity. The historic street grid is being re-established so that all buildings have front doors facing the street with new alleys in the rear. Additional new market-rate construction and new retail are well underway.

The neighborhood, located near the existing "Little Italy" community with its restaurants and bakeries, is in close proximity to expressways and public transit. Nearby, the University of Illinois provides job opportunities for residents. The Duncan YMCA/Chernin Center for Performing Arts is within walking distance of the development along with newly-constructed Fosco Park, a 57,000-square-foot new community center with daycare, after-school programs, a pool, and gym for all neighborhood residents. Additionally, construction on new police and fire stations will begin. As new units are completed at Roosevelt Square, the community around it will provide resources for families at all income levels.

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Old Town Square, a mixed-income community on Chicago's Near North Side with replacement housing for former Cabrini Green residents.

The redevelopment plans for Cabrini Green were guided by several programs that have been implemented over the past ten years, most notably the HOPE VI grant that CHA received for the site and the Near North Redevelopment Initiative (NNRI), a city-driven neighborhood plan. In 1994, CHA received \$50 million in federal HOPE VI funds to renew this severely distressed public housing community. Soon after, in 1996, the city adopted the NNRI, a neighborhood plan that took a holistic approach to community planning and encouraged partnerships with private business including professional real estate developers. As a result, 12 off-site small mixed-income communities have already been built nearby to house former Cabrini Green residents and plans for additional sites and units are currently underway. Along with the new mixed-income units, the NNRI yielded a new commercial district with a grocery store and other retail as well as a new police station, park, library and community center. Throughout 2005, construction is continuing on additional mixed-income communities including a large-scale development called Parkside of Old Town. This new community will be built on land that housed some of the old Cabrini Green buildings and provide safe and modern replacement housing for former Cabrini Green residents.

CHA's experiences with these and the eight other large mixed-income sites currently under construction across the city have proven that everyone has a role in making the *Plan for Transformation* a success. The CHA and the Chicago Department of Human Services (CDHS) currently run the city's Service Connector Program, which is a city-wide initiative to link public housing residents (those who remain in CHA developments and those who have temporarily moved to apartments in the private housing market) with social services such as job training, educational

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opportunities, drug treatment, and other services that they need to improve their lives and be successful. The city has recently announced a new program offering teachers and police officers financial incentives to purchase units in CHA mixed-income communities. Universities located near some of the mixed-income sites are offering forgivable loans to their employees in order to encourage them to purchase as well. Employers, faith-based institutions, and various community organizations are offering public housing residents additional resources that can help them be successful.

TODAY AND BEYOND

It would be untrue to say that the road has always been easy. It hasn't. A public housing revitalization plan of this magnitude has never before been implemented so we're learning more everyday as we

move through the process and then applying what we've learned. The Authority has dramatically shifted from its former role as a large municipal agency with multiple missions to a housing agency focused on creating viable mixed-income communities and connecting residents to resources that create self-empowerment and upward mobility. Thus far, we've completed almost 14,000 (or 56 percent) of the 25,000 units planned for redevelopment or rehabilitation. We're under construction at or near every single site that's planned for redevelopment. We've closed 27 mixed-income deals. Our families are accessing needed social services through the public and private social service agencies and the mixed-income developers have implemented supportive services for residents when they move into the new communities. And we're improving every day.

To call the CHA's *Plan for Transformation* extraordinary is an understatement. It is an ambitious effort to significantly change the way people think about and, more importantly, live in public housing. If successful, it will eliminate substandard living conditions and replace dilapidated high-rise buildings with new low-rise communities and economic opportunities for the poor. We're working hard every day to ensure that our goals are fulfilled. For us and the rest of Chicago, failure is not an option.



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