

Executive Summary



Chicago’s “Plan for Transformation” is by far the nation’s largest effort to revitalize public housing. Expending billions in federal, local, and private sector funds over nearly a decade (yet likely to continue for many more years), the Plan undertakes not only to rebuild buildings but to “rebuild” public housing families’ lives, thereby seeking to cure concentrated public housing poverty, long one of Chicago’s most intractable and debilitating ailments.

The Plan attempts to achieve this radical change through several initiatives pursued simultaneously. On the physical side, (1) a dozen major obsolete public housing developments—the majority of them notorious high-rise complexes—are to be torn down and replaced with economically integrated residential communities planned to include about 7,500 public housing apartments, and (2) ten “traditional”—100 percent public housing—developments with an aggregate of over 5,000 units are to be rehabilitated to a standard of quality sufficient to attract a mix of incomes. Some 12,000 units of senior and scattered-site family housing are also to be physically rehabilitated.

On the “people” side, the Plan promises to relocate “compassionately” the thousands of families necessarily displaced by the extensive demolition. It also promises to assure the delivery of social services of sufficient quality to all Chicago Housing Authority residents (relocated or not) to help them attain self-sufficiency and prevent traditional developments from again becoming home to concentrations of extreme poverty.

Assessment

Implementation of the Plan over its first decade presents a mixed picture. On the plus side, the Plan’s guiding vision is bold and expansive: to demolish scores of obsolete buildings that have been disastrous for both their residents and their adjacent communities; to replace these failed complexes with economically integrated residential communities that include but are not dominated by public housing; to “rebuild” residents’ lives with extensive social services to enable them at last to enter the economic mainstream; and to implement the Plan’s vision as a true civic endeavor, not as a solo venture of a local housing authority, with the City of Chicago, CHA, and the City’s business and philanthropic communities working together as partners.

Also on the plus side, notwithstanding the huge scope of the undertaking and the many challenges to its full realization, most of the mixed-income communities—replacing the now largely demolished public housing projects—have been well launched. Although much work remains to be done, public housing units in the new communities are not clustered in one section but are scattered among and are architecturally indistinguishable from market-rate and affordable rowhouses, townhomes, and elevator buildings—a radical departure from the generally isolated, often shoddily constructed, easily identifiable public housing they have replaced.

However, five specific challenges to the ultimate success of the mixed-income communities remain of concern: (1) the development of retail and service establishments and other needed facilities and services has been spotty; (2) the establishment of good local schools has not been satisfactory; (3) it is not clear that public housing residents of these communities are receiving adequate social services; (4) efforts to help develop a sense of “community” have lagged; and, (5) the current market downturn, virtually halting development of for-sale housing, has put at risk achievement of the originally planned income mix.

On the minus side, implementation of the “people” part of the Plan was badly flawed at the outset. In several respects relocation was handled poorly, with the result that several thousand families did

not receive the compassionate relocation assistance the Plan had promised. However, by mid-decade, having learned from its mistakes, the City and CHA had put in place a reasonably satisfactory set of relocation procedures.

Social services, too, were poorly conceived and poorly managed at the outset and—despite modifications over time—remained fundamentally unsatisfactory for some eight years. Although beginning in 2006, CHA received significant assistance from the business community to help residents meet the social service system’s important employment goals, data collection remained so weak that it was not possible for reviewers to make any evaluative statements about the quality of employment placements. In 2008, a new CHA management team at last replaced the poorly functioning social service system with a better one, which, however, is still too new to permit judgments about its effectiveness.

Finally, an exception to the exemplary vision of the Plan was the decision to rehabilitate ten traditional developments that would continue to be occupied exclusively by public housing families. Even if truly effective social services had been available (which was not the case), maintaining large enclaves of public housing poverty could only have “worked” if the City and CHA had focused with great intensity on security and management issues. In fact, insufficient attention to these matters, coupled with the social services failure, has resulted in the persistence at these developments of the very problems the Plan was designed to eliminate.

Recommendations

With many Plan years still to unfold, much physical work still to be performed, numerous families still to be moved, and thousands of relocated families living in public or subsidized housing in Chicago and environs, it is possible for the City, CHA, and the business and philanthropic communities to use the approaching tenth anniversary of the signing of the Plan for Transformation as an occasion to learn from past experience and to put that learning into practice over the Plan’s remaining years. Desiring to be helpful in that regard, BPI offers three major recommendations.

The first is a group of five measures designed to maximize the chances that the mixed-income communities will survive and thrive. One of these is to give high priority to neighborhood development—retail and service establishments, programming for children and youth, quality day care, parks and recreation facilities, and the like. The second is increased joint planning with Chicago Public Schools to the end that the mixed-income communities will be served by high-quality, local public schools. The third is to assure that quality social services are delivered to residents over a sufficiently long period to permit the Plan’s “rebuilding lives” goal to be achieved. The fourth is to focus on issues of “community”—such as tensions between renters and owners and the quality of on-site management. The fifth is to devote creative attention to achieving the planned income-mix in the face of the market challenges presented by the economic downturn.

The second BPI recommendation is to adopt as a long-term goal the conversion of all traditional developments to mixed-income communities—a goal toward which CHA is already moving in two cases. Over time, such conversion might be accomplished through four steps: (1) developing supportive housing for an appropriate segment of the resident population; (2) offering vouchers coupled with state-of-the-art mobility counseling to all residents; (3) assuring high-quality, long-term social services to the resident population, including a reassessment of work requirement provisions in light of the reality that nationwide roughly half of participants in work and training programs fail to become steady workers; and (4) wherever possible introducing non-public housing residents to the previously one hundred percent public housing sites, perhaps beginning with tax-credit units.

The third recommendation includes developing and offering a state-of-the-art mobility counseling program to all families still to be relocated, and as a matter of elemental fairness offering the improved program to all families who were relocated without the opportunity to be benefited by it. It also includes the further development and improvement of FamilyWorks through careful monitoring of outcomes, a willingness to make modifications as indicated, and a commitment to continuing its services for families who need them for a suitably long term.

Looking forward, it is encouraging that new CHA management has considerably strengthened Plan implementation over the past eighteen months, particularly by upgrading social services and by changing the Plan's long-term goal for two traditional developments to mixed-income. BPI believes that should the new management team follow the three recommendations made in this report, the mixed picture the Plan now presents could be changed to a largely positive one with significantly improved outcomes for both CHA residents and the larger communities in which they live.