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**TEN YEARS INTO CHA REBUILDING EFFORT, BPI REPORT FINDS
DRAMATIC IMPROVEMENTS FOR SOME, NOT OTHERS**

***BPI Praises City and CHA for Transformation at Mixed-Income Developments
but Finds Persisting Problems at Remaining "Projects"***

Ten years after Chicago began a systematic overhaul of its distressed public housing, the fate of residents differs starkly depending on where they live, a report released today has found.

Authored by Business and Professional People for the Public Interest (BPI), *The Third Side: A Mid-Course Report on Chicago's Transformation of Public Housing* praises the City and the Chicago Housing Authority (CHA) for their bold vision in converting some of the City's most infamous high-rise projects into economically integrated new communities that include but aren't dominated by public housing, and afford low-income residents opportunities for economic and social integration.

But the report also points out that many less-visible public housing developments continue to languish in the impoverished, crime-plagued conditions that existed in 1999, when the City and CHA launched their \$1.6 billion "Plan for Transformation." The full text of the report is available at www.bpichicago.org.

The BPI report represents the first comprehensive assessment of the CHA's Plan for Transformation after ten years—the original timetable for completion. An early and continuing supporter of the Plan, BPI finds that the decision to replace only some developments with mixed-income communities, while leaving concentrations of poor households at others, has resulted in glaring disparities in residents' life quality.

"Midway through the Plan for Transformation, we have a tale of two cities," said Hoy McConnell, BPI's Executive Director. "CHA families in new mixed-income communities now live in conditions indistinguishable from economically better-off neighbors. That's a major achievement that would

have been considered impossible 20 years ago. At the same time, far too many public housing families live in environments virtually identical to those that triggered the \$1.6 billion overhaul of public housing. That must change if Chicago is to uphold its promise to 'rebuild' the lives of all its public housing residents. As the Plan's 10th anniversary approaches, CHA'S new management is engaged in sober reflection about its efforts to date and in thoughtful planning for the future. We hope our findings are helpful in that process."

Among the positive findings of the BPI assessment:

- ***The bold vision of the Plan makes it by far the largest such "transformation" effort in the country.***
- ***The many mixed-income developments already launched have replaced the "humanitarian disasters" of failed high-rises with communities of hope.***
- ***A new CHA management team is moving forcefully to improve a flawed social services system.***

These positive findings are balanced by some negatives:

- ***The "traditional" 100 percent public housing projects (those not being converted to mixed-income communities) remain plagued by poverty and crime.***
- ***A flawed social services system, only recently improved, fell far short of the "rebuilding lives" promise of the Plan.***
- ***Many families who were relocated without adequate services during the Plan's early years have still not received the "make-up" assistance from CHA that fairness requires.***

To build on the first ten years of Plan achievements, while addressing the challenges that remain, the BPI report offers three major recommendations:

- ***Increase investment beyond bricks and mortar in mixed-income revitalization.*** The City and CHA have excelled at launching mixed-income communities that are architecturally attractive and do not distinguish between housing occupied by families of different income levels. But these sites need good schools, nearby retail investments, and more if they are to mature into thriving communities. BPI urges the City, CHA and developers to redouble efforts in these areas.
- ***Reduce concentrations of poverty in traditional family developments.*** To alleviate persisting isolation, poverty and crime in traditional, exclusively low-income developments, BPI urges CHA and the City to adopt the long-term goal of converting these developments to mixed-income. Steps toward this goal include offering supportive housing alternatives to some residents and enhanced counseling on moving to more economically integrated neighborhoods to others, while bolstering social services for those who remain and exploring new approaches to broaden the income mix at these developments.

- **Strengthen social services and enhance relocation.** BPI asks CHA to make a long-term commitment to provide social services to residents who need them and to take the steps necessary to ensure that FamilyWorks is effective, especially for those living in traditional developments. BPI also recommends that CHA adopt a regional “state-of-the-art” mobility program to maximize opportunities for both remaining residents and relocated families to find housing in racially and economically diverse neighborhoods.

BPI's involvement in Chicago's public housing began in the 1960s when it filed the landmark *Gautreaux* case that successfully challenged the CHA's policy of locating its developments in predominantly black neighborhoods.

“Given our historic commitment to the welfare of Chicago's public housing residents, we urgently want the Plan for Transformation to succeed,” said Alex Polikoff, Director of BPI's Public Housing Program. “That's why we have always supported the Plan, and why we wrote this report. The ultimate success of the Plan will be determined by the joint ability of the City, CHA and advocates such as ourselves to study and learn from both the successes and failures of the Plan's initial ten years. We believe the current leadership of CHA shares this view, and we hope our report will be helpful in that quest.”

About BPI

Founded in 1969, Business and Professional People for the Public Interest (BPI) is a public interest law and policy center that seeks out and addresses some of the Chicago region's most significant social justice challenges. Currently BPI works to increase and preserve affordable housing, transform public housing, and improve Chicago's public schools. BPI's staff of lawyers and policy specialists uses legal and policy research, advocacy, organizing, litigation, and collaboration with nonprofit, community, business and governmental organizations to accomplish its mission.

**A COPY OF BPI'S REPORT, *THE THIRD SIDE*, IS AVAILABLE ON-LINE AT
www.bpichicago.org**