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CHA Residents and the Plan for Transformation

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This series of policy briefs presents findings from more than a decade of research on the people who lived in Chicago Housing Authority properties when the agency launched its Plan for Transformation in October 1999. The ongoing, multiyear effort sought to improve resident well-being by renovating or demolishing decaying public housing properties and replacing them with new, mixed-income developments.

The quality of life for most former residents in our study has improved in important ways since we began tracking them in 2001. Most now live in substantially better housing and in safer communities with less violent crime and fewer signs of physical disorder. Those identified as most vulnerable and “hard to house” received intensive case management and supportive services, and today they are faring better in other significant ways, including improved physical and mental health and higher employment rates.

Still, significant challenges remain. Residents in our study continue to live in racially segregated communities with extremely concentrated poverty, limiting opportunities for them and their children. Voucher holders who moved to the private market struggle with high utility costs and unreliable landlords. Finally, the benefits of additional intensive services have not trickled down to the children

of vulnerable residents, who continue to suffer the consequences of growing up in communities mired in chronic violence and disorder.

The Plan for Transformation

With its 1999 Plan for Transformation, the Chicago Housing Authority (CHA) and the City of Chicago sought to undo the mistakes of decades of federal policy that had left too many cities blighted by large, decaying public housing properties (Turner, Popkin, and Rawlins 2008). The Plan unfolded over more than a decade, cost more than \$1 billion, created new partnerships with private developers, and markedly changed the landscape in many Chicago neighborhoods, where new townhomes replaced the prison-like high-rises that had become national symbols of failed federal housing policies. In some cases, the CHA's efforts have spurred other development nearby, and the neighborhoods around

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Cabrini-Green and the former ABLA Homes are now virtually unrecognizable, dotted with national retailers like Whole Foods and Target.¹ Beyond the visible effects, the transformation has wrought fundamental changes at the CHA itself, helping it leave behind a history of mismanagement and neglect and evolve into a relatively well-managed, very large housing authority.

The fate of CHA families, who were residents during the worst days of CHA housing and endured considerable upheaval as the agency redeveloped its housing, has been one of the most contentious aspects of the transformation process (Bennett et al. 2006; Popkin and Cunningham 2005; Venkatesh et al. 2004). There were legitimate reasons for concern: CHA residents were living in conditions resulting from a toxic mix of management neglect and crime. In the decade before the Transformation, we tracked the CHA's struggles to contain the physical decay, drug trafficking, and gang violence that overwhelmed its developments and spoke with residents trying to live in intolerable conditions. Sondra, a CHA resident we interviewed in 1998, described changes in the Ickes Homes where she had lived for many years:

“Only change I see is everything has doubled, gotten worse... You know, it's not a place you want to live any more... The gangbanging took over the neighborhood.” She went on to say that overwhelming stress had driven her to smoking two packs of cigarettes a day and that she was on medication for high blood pressure and anxiety. “If you're not a drug addict, you're going to end up on something because you got to have something, and sometimes you have to really, really not see... You got to turn and ... look the other way... it's rough.” (Popkin, Gwiasda, et al. 2000, 141)

As bad as their situation was, residents like Sondra were still reluctant to leave and feared

what many saw as their inevitable displacement (Popkin and Cunningham 2000). It was not at all clear that these residents would end up better off as a result of the transformation. Many required intensive assistance, which the CHA was ill equipped to provide, to avoid ending up in even worse situations (Popkin, Gwiasda, et al. 2000).

These fears, coupled with the agency's checkered history, placed the CHA's efforts under scrutiny from the U.S. Department of Housing and Urban Development (HUD), researchers, and advocates. In 1998, the MacArthur Foundation commissioned the Urban Institute to study the early stages of redevelopment in the Henry Horner Homes (Popkin, Buron, et al. 2000); after HUD approved the Plan for Transformation in 1999, MacArthur funded the Institute to assess the CHA's first large-scale relocation efforts. This research raised serious concerns about the CHA's relocation services and whether the agency and its providers had the capacity to address residents' deep needs (Popkin and Cunningham 2002, 2005). Not surprisingly, the early years of the Plan were marked by turmoil and controversy. Advocates sued the CHA in 2003; the resulting settlement required the agency to improve its relocation and supportive services for residents (Popkin 2006).

The Urban Institute Evaluation

In 2001, the Urban Institute launched the Chicago Panel Study, part of the five-city HOPE VI Panel Study (Popkin, Levy, and Buron 2009), to track outcomes for families from the Madden/Wells Homes, one of the largest and most costly of CHA's HOPE VI redevelopment efforts.² Relying on funding from a \$35 million HOPE VI grant awarded in 2000, the CHA began to convert the site into a mixed-income community using staged relocation (i.e., closing sections as new units became available). In summer 2001, we surveyed 198 Madden/Wells heads of household and supplemented our findings with several in-depth, qualitative interviews (for more

information, see the description of the Long-Term Outcomes for CHA Residents study on page 6).

Our initial research raised serious concerns about hard-to-house residents who were unlikely to meet the criteria for new, mixed-income housing or vouchers (Cunningham, Popkin, and Burt 2005); follow-up surveys and interviews in 2003 and 2005 found a substantial proportion of residents unable to relocate, still living in the remaining buildings in conditions that were growing steadily worse as the development emptied out. These particularly vulnerable residents faced numerous, complex barriers to moving toward self-sufficiency or even sustaining stable housing, including serious physical and mental health problems, weak (or nonexistent) employment histories and limited work skills, very low literacy levels, drug and alcohol abuse, family members' criminal histories, and serious credit problems (Popkin et al. 2008). Many relied on the CHA's distressed developments as housing of last resort.

In response to these concerns, in 2005 the CHA partnered with the Urban Institute, Heartland Human Care Services, and Housing Choice Partners to provide intensive services for the vulnerable families “left behind” at the end of the CHA's major relocation efforts. The Chicago Family Case Management Demonstration began serving 475 families in Madden/Wells and Dearborn Homes in March 2007 (Popkin et al. 2008). The Demonstration offered case management, clinical mental health counseling, transitional jobs, financial literacy workshops, substance abuse treatment, and enhanced mobility counseling.

Follow-up surveys were conducted independently for both Panel Study and Demonstration samples in summer 2009. In 2011, the two samples were combined into the larger Long-Term Outcomes for CHA Residents study, which consisted of a 10-year follow-up of Panel Study families and a 4-year follow-up of Demonstration participants. Although the different time frames for the two studies (particularly the fact that the CHA Panel Study

sample had relocated much earlier, mostly before 2007) made it unfeasible to use the Panel Study as a true comparison group to assess program impact for the Demonstration, we were able to draw on the Panel Study as a benchmark for Demonstration sample outcomes where possible. Unless otherwise noted, we report 2011 findings for the Long-Term Outcomes sample. All changes and differences reported in the briefs are statistically significant at the $p < .10$ level.

Most CHA Families Now Live in Better Housing in Safer Neighborhoods

- The most direct effect of the Plan for Transformation was a change in housing quality. When we began surveying residents in 2001, they lived in extremely distressed units with multiple hazards, such as lead paint, mold, inadequate heat, and infestations of cockroaches and other vermin. Overall, more than three-quarters of respondents reported having two or more housing condition problems. By 2011, just 25 percent reported such severe problems, and more than 75 percent reported that their housing is in better condition than their original unit. However, many families are moving relatively often with no perceptible improvement in housing or neighborhood quality. Many respondents are also experiencing material hardship, including food insecurity and trouble paying bills and utilities.
- Resident relocation patterns show that residents who moved from their extremely poor South Side Chicago public housing communities (both with poverty rates of over 70 percent and populations that were almost entirely African American)³ tended to relocate to areas in the West and South sides of Chicago that were less poor (average poverty rates of 41 percent) but still racially segregated. By resident accounts, these neighborhoods have higher rates of collective efficacy, less social disorder, and fewer signs of physical disorder (trash in

streets, graffiti, and vacant apartments or houses). Respondents clearly *feel safer*; the portions reporting shootings and violence as big neighborhood problems declined from over half of residents at baseline to about a quarter of residents in 2011.

However, many of these neighborhoods are still troubled: about a quarter of respondents indicate that groups just hanging out, people selling and using drugs, and shootings and violence are big problems in their new communities. In some neighborhoods—like Englewood, where a large number of sample members relocated—crime increased slightly between 2009 and 2011, as did resident reports of violence.

- The voucher program has grown by almost 50 percent (from 25,233 in 1999 to 37,783 in 2011) since the Plan for Transformation officially began.⁴ Although the individuals and families who took vouchers to find homes in the private market (about a third of our sample) have seen a substantial improvement in housing and neighborhood quality, the rapid expansion of the program (along with the housing market decline, the foreclosure crisis, and landlord disinvestment) may have contributed to a recent decline in reported housing quality.

Voucher holders in 2011 reported more housing problems than residents in mixed-income or traditional public housing. Interviews suggest that the quality of housing inspections may have suffered with the growth of the program and that voucher holders may also be reluctant to report problems to their landlords or the housing authority for fear the unit would not be fixed and they would have to move again. The neighborhoods where voucher holders live also face myriad challenges that have contributed to issues reported in 2011. Because many voucher recipients relocate in clusters to neighborhoods not far from demolished public housing developments

(Popkin et al. 2012), it is not surprising to find that these neighborhoods are plagued by many of the same problems seen in traditional public housing.

Intensive Services Increased Employment and Improved Mental Health Outcomes

- Demonstration participants, who were particularly vulnerable and hard to house in 2007, received intensive supportive services focused on improving family stability, mental health, and self-sufficiency. Our analysis finds significant gains in employment for working-age Demonstration participants living in traditional public housing (and subject to the CHA work requirement). In 2011, 51 percent of these individuals reported being employed, up 18 percentage points from 2007;⁵ approximately 70 percent reported working in the last year, a 25 percentage point increase from 2007. Employment services provided by the Demonstration, along with the CHA's work requirement, likely contributed to these gains.
- Increases in employment may also be linked to improved physical and mental health among Demonstration participants. In 2011, they were more likely to report good health than they were in 2007 and 2009; the portion of residents reporting their health as fair or poor declined from about 50 percent in 2007 and 2009 to 38 percent in 2011. In contrast, the health of Panel Study respondents—comparable CHA residents who did not receive intensive services—deteriorated steadily over the past decade, from 36 percent reporting fair or poor health in 2001 to 48 percent in 2011.
- Demonstration respondents also showed evidence of improved mental health in 2011. Most striking, Demonstration participants were significantly less likely to report symptoms of depression in 2011 (11 percent) than

in 2007 (17 percent). Again, the reduction was greatest among participants who moved to traditional public housing.⁶ Likewise, Demonstration participants have significant reductions in worry and anxiety since 2007, with the proportion reporting “worrying more than others” decreasing dramatically between 2009 and 2011. In contrast, the mental health of Panel Study respondents has deteriorated over time, with respondents in 2011 reporting higher levels of depression and worry than they did in 2001 and 2009.

- Despite these overall positive results, chronic disease remains a major challenge for both Panel Study and Demonstration participants. Just over half of respondents reported having been diagnosed with hypertension, more than a third reported having arthritis, one in five reporting having been diagnosed with diabetes, and nearly one in ten reporting having had a heart attack. Three-quarters of the respondents were overweight, and about half were obese.
- Mortality rates for these CHA residents are shockingly high. Between 2007 and 2011, 6 percent of the Demonstration sample died, a rate twice that of the general population (3 percent) and 1.5 times that of African American women nationally (3.9 percent). The death rate for the Panel Study remained at its 2009 high of 14 percent, approximately 75 percent higher than the rate for the general population and about 40 percent higher than the rate for African American women.

CHA's Children Are in Crisis

- The youth in our study who lived through CHA's Plan for Transformation remain in crisis; even those living in the most vulnerable families benefited only indirectly from Demonstration services. One-third of young adults (age 18 and older) are neither in school nor working; teens (age 13-17) are struggling with academic failure, delinquency, and trauma. According to their parents, just

under half of young children (0-12) and two-thirds of teenagers are not highly engaged in school. Further, more than 10 percent of young children and 33 percent of teens are not educationally on track (that is, their age is not appropriate for their grade).

- The youth and young adults in our sample also exhibit the short-term effects of growing up around violence, including high rates of criminal and delinquent behaviors. Parents report that in the prior year, 19 percent of teenagers and 11 percent of young adults engaged in two or more delinquent behaviors.⁷ This figure includes a third of teenagers who had been suspended from school, along with a fifth of teenagers and a quarter of young adults who had been in trouble with the police, been arrested, or gone to jail or juvenile court. In fact, there is little difference in the reported behaviors of young children and teenagers at baseline (2001/2007) who lived in desolate public housing and young children and teenagers in 2011 whose families relocated to rehabilitated or redeveloped public housing (traditional or mixed-income) or to the private market with housing choice vouchers.
- In 2011, fear and violence was affecting youth whose families had relocated with vouchers more than it was affecting those who had relocated to mixed-income or public housing. To manage their exposure to violence, some youth socially isolate themselves in their new neighborhoods, or their families continue to seek refuge by moving. Still, some children are witnesses, victims, and perpetrators of violence as they leave their protective networks and enter new communities.

Looking Forward

In 1999, the CHA was a historically troubled agency, just beginning to emerge from decades of managerial dysfunction—and some outright malfeasance—that had left its properties

extremely distressed. CHA's resident population was coping with the consequences of the agency's dysfunction as well as overwhelming crime that made life in its developments intolerable. Our research team, along with many other observers, was skeptical that the CHA's ambitious plans for physical transformation would really benefit the residents who had endured terrible conditions for far too long.

But after more than a decade of research, the housing authority is now functioning well. It has renovated its remaining traditional public housing and developed a comprehensive resident services system that serves as a model for other agencies across the nation. Most residents now live in better housing and safer neighborhoods; many residents who received intensive services have experienced gains in employment, physical health, and mental health.

While these victories are impressive, they are fragile. The CHA is now faced with maintaining its new and renovated properties, high property management standards, and, most important, its major investment in resident services in the face of steep budget cuts. Further, while our research points to many positive outcomes, it also highlights serious problems that remain, especially evidence that residents with vouchers are struggling in the private market and that many families are facing significant material hardship. And while CHA families in our study are faring better, they are still coping with extremely high rates of debilitating chronic illness, and even those who are employed have very low incomes and cycle in and out of the workforce. The stunningly high mortality rates are sad evidence of the toll that chronic stress and disease has taken on these residents.

Finally, even as their families' quality of life has improved overall, CHA's youth are struggling. Without intensive—and effective—intervention, these young people may end up as badly off as—or even worse off than—their parents. To address the crisis in its youth, the CHA is partnering with the Urban Institute on a new, innovative two-

generation intensive case management model. The national multisite Housing Opportunities and Services Together (HOST) Demonstration (Popkin et al. 2012) is testing the feasibility of providing intensive wraparound services to the most vulnerable public housing families; the

goal is to develop a “whole family” approach that will improve outcomes for both adults and children. The HOST model incorporates many elements of CHA’s successful Chicago Family Case Management Demonstration and adds providers who are targeting at-risk children and

youth with clinical support, goal setting, and case management. HOST and other two-generation strategies (Mosle and Patel 2012) offer real hope for helping change the sad and frustrating trajectory for too many children growing up in chronic disadvantage. ■

Notes

1. Advocates fear that these changes are making city communities unaffordable for low-income residents; many point to the fact that the transformation produced far fewer public housing units and far more residents using housing choice vouchers to rent homes in the private market (Popkin 2010; Vale and Graves 2010).
2. These developments include the Ida B. Wells Homes, a low-rise development first opened in 1941 to house black war workers; the Wells Extensions; Madden Homes; and the high-rise Darrow Homes.
3. The share of residents living in poverty and racial concentration is assessed at the census tract level. Census 2000 is the data source for the original developments. Current housing data are attained from the American Community Survey 5-year 2005–10 estimates (poverty rate) and Census 2010 (racial concentration).
4. Voucher program 1999 figure from Finkel and Buron (2001); 2011 figure from the Chicago Housing Authority (2012).
5. Changes between 2007 and 2009 were not statistically significant.
6. Changes between 2007 and 2009 were not statistically significant.
7. Respondents were asked if over the previous year their children had been involved in any of the following nine activities: being suspended or expelled from school, going to a juvenile court, having a problem with alcohol or drugs, getting into trouble with the police, doing something illegal for money, getting pregnant or getting someone else pregnant, being in a gang, being arrested, and being in jail or incarcerated.

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Long-Term Outcomes for CHA Residents

The Long-Term Outcomes for CHA Residents study builds on two major Urban Institute research initiatives that examined the effects of the Chicago Housing Authority's (CHA) Plan for Transformation on resident well-being:

- **The Chicago Panel Study** (The Panel Study), funded by the John D. and Catherine T. MacArthur Foundation, was a follow-up to the five-site HOPE VI Panel Study, which examined resident outcomes from 2001 to 2005. In Chicago, the Panel Study tracked residents from the CHA's Ida B. Wells Homes/Wells Extension and Madden Park Homes who relocated between 2001 and 2008. Researchers surveyed a random sample of 198 resident heads of household in 2001; follow-up waves were conducted with 174 residents in 2003, 165 residents in 2005, and 136 residents in 2009. A high mortality rate contributed to the sizable attrition between 2001 and 2009. The Urban Institute conducted in-depth, qualitative interviews with select residents to better understand the lives and challenges of these individuals and families.
- **The Chicago Family Case Management Demonstration Evaluation** (The Demonstration)—a partnership between the Urban Institute, the CHA, Heartland Human Care Services, and Housing Choice Partners—tested the feasibility of providing intensive case-management services, transitional jobs, financial literacy training, and relocation counseling to vulnerable public housing families. The demonstration ran from March 2007 to March 2010 and targeted approximately 475 households from the CHA's Dearborn Homes and Madden/Wells developments. Researchers administered resident surveys to the universe population in these sites: 331 residents in 2007 (response rate 77 percent) and 287 residents in 2009. Again, mortality contributed greatly to study attrition. In-depth interviews and an analysis of CHA administrative records, case manager reports, and publicly available data helped researchers contextualize survey findings. A supplemental process study, which relied primarily on in-depth administrative interviews, weekly service implementation monitoring, and regular meetings with project partners, assessed the efficacy and cost of the Demonstration's implementation. The Demonstration was funded by the John D. and Catherine T. MacArthur Foundation, the Annie E. Casey Foundation, the Rockefeller Foundation, the Partnership for New Communities, JPMorgan Chase, and the Chicago Housing Authority.

The Long-Term Outcomes study consists of 10- and 4-year follow-up surveys, respectively, and in-depth interviews with Panel Study and Demonstration participants. In summer and fall 2011, researchers surveyed 106 Panel Study respondents and 251 Demonstration respondents; 24 respondents were represented in both samples. Researchers supplemented this work with 31 in-depth, qualitative interviews with adults and youth. Administrative data specific to clients and to their neighborhood enriched the analysis. The principal investigator for the study is Susan J. Popkin, Ph.D., director of the Urban Institute's Program on Neighborhoods and Youth Development. Funding for this research was provided by the MacArthur Foundation and the Chicago Housing Authority.

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