ANNUAL REPORT
2013
PUBLIC BUILDING COMMISSION
"Making an Impact...Improving Communities"
Building Stronger Communities Together, One Partnership at a Time
2016 YEAR IN REVIEW
Dear Friends:

I am pleased to present this report submitted by the Chicago Housing Authority highlighting its work over the past year. In these pages, you will read an overview of innovation and success borne of the resolve to make a positive difference in the lives of residents and neighborhoods across our city.

Taking advantage of the recovering housing market, the Authority stepped up its development efforts, delivering nearly 800 new apartments this year with more than 250 nearing completion under the leadership of CEO Eugene Jones, Jr. and CHA Board Chairman John T. Hooker. Whether it is on former public housing sites or in diverse neighborhoods throughout the city, the CHA is committed to creating opportunities for affordable housing wherever possible.

The Authority’s strong community partnerships have made way for steady innovation and collaboration. From working across organizations to bring a new arts and recreation center and Mariano’s to Bronzeville, partnering with groups like The Resurrection Project to bring affordable housing to Pilsen and helping the Hispanic Housing Development Corporation preserve and expand affordable housing opportunities for veterans on the city’s Northwest Side, we are making a real difference.

Since its inception, the CHA’s mission has been rooted in building Chicago’s communities by creating greater access and opportunity through housing and economic development initiatives. I am confident CHA will continue to make great strides in improving the quality of life for residents and families everywhere.

Sincerely,

Mayor Rahm Emanuel
LETTER FROM THE CHAIRMAN

On behalf of the CHA’s Board of Commissioners, I am pleased to join CEO Eugene Jones, Jr. in presenting the 2016 Year in Review.

2016 was a productive year at CHA, with steady activity that, through creative partnerships and accelerated production, significantly enhanced housing opportunities throughout the city. To date, CHA has delivered or nearly completed a total of 23,423 public housing units, and, with the help of private sector and non-profit partners, added another 2,324 affordable housing units and 3,007 market-rate rental or for-sale apartments to the housing stock in communities across Chicago. CHA also made nearly 47,000 Housing Choice Vouchers (HCV) available to families and individuals including homeless veterans, the mentally ill and the physically disabled. By pursuing strategic partnerships throughout the city, CHA was able to create permanent housing for low income individuals and families in communities where none had existed before.

The accomplishments of the Authority, however, go beyond the important and fundamental production of housing. By partnering to bring assets like Mariano’s to Bronzeville, CHA helped to bring a grocer to an under-resourced neighborhood, while boosting area employment. Ninety-seven of the roughly 400 permanent employees hired were those renting through CHA. By partnering with individuals and organizations in the last year, CHA was also able to provide college scholarships to 230 individuals, which contributed to a total of 7,538 residents attending college – all of whom are staying the course.

As we approach the Authority’s 80th anniversary, and, at a time of change in the nation, I am confident that we will be able to continue our good work because the CHA has demonstrated its commitment to not only providing housing, but to creating real opportunity – a goal that I believe is valued by all.

Sincerely,

John T. Hooker
CHA Board Chairman
Dear Friends,

2016 was a year of success and innovation at CHA and I am happy to join the Mayor and our Board Chairman in presenting this report of the year’s activity. As you will read in these pages, the CHA has moved forward on every front, ramping up development activity, accelerating and innovating resident services and using Housing Choice Vouchers in a way that meets community needs.

Still adapting to a changing global economy and its challenges, our city, like all urban centers, faces challenges in meeting the demand for affordable housing. Fortunately, with the flexibility afforded to us by the U.S. Department of Housing and Urban Development’s (HUD) designation as a Moving to Work (MTW) Authority, we have been able to creatively use resources to provide housing opportunities and to help renters move towards greater economic security.

We are pleased to report that, as CHA continues to work toward meeting its goal of delivering the public housing units described in the Plan for Transformation (PFT), CHA is providing the city with more affordable housing than was available when PFT began in 2000. In the last year alone, over 1,000 public housing units have been delivered, or are in the final stages of completion, with the total number of public housing units to date at 23,423. CHA has also ensured the availability of an additional 2,324 affordable units as demand for affordable housing grows. Whereas in 2000 only 30,000 Housing Choice Vouchers (formerly known as Section 8) were available, today there are nearly 47,000 available and they are accepted in all 77 Chicago community areas.

Equally as important, the lives of individual residents have improved with 64 percent of all heads of households working and average income levels for work-able heads of households rising to an all-time high of $20,042 per year – a testament to CHA’s Resident Services division and their not-for-profit partners.

At the beginning of 2016, HUD awarded CHA a 10-year MTW extension that provides the CHA with unique flexibility to implement local strategies that better serve our mission and city.

HUD’s demonstrated confidence in the work being carried out in Chicago speaks not only to the efforts of the CHA, but to the strong partnerships forged with residents, businesses, communities, elected leaders and developers that are improving the quality of life for renters, neighbors and communities alike. In the coming year we will continue to strengthen and add to these collaborative relationships while also forging new ones that will ensure opportunities for housing, economic prosperity and family security continue to grow throughout Chicago. I look forward to working with all our partners to make these ambitions a reality.

Sincerely,
Eugene Jones, Jr.
CEO, Chicago Housing Authority
EXPANDING OPPORTUNITIES & STRENGTHENING COMMUNITIES
DEVELOPMENT
- Achieved 94% toward 25,000 unit Plan for Transformation goal
- Since 2000: 23,423 public housing, 2,324 affordable and 3,007 market rate housing units
- 1,037 public housing units for families, 692 affordable and 289 market rate housing units delivered or under construction

FINANCES
- Institutional Credit Rating of AA by Standard and Poor's - highest designation for any U.S. Public Housing Authority
- Invested almost $268 million in capital development and building improvements which in turn attracted $174 million in investment from other sources
- Spent approximately $109 million in reserves

HOUSING CHOICE VOUCHERS
- Increased the number of vouchers leased to 47,000 families with voucher holders living in all 77 community areas

RESIDENT SERVICES
- 7,538 CHA residents enrolled in college, including 635 at City Colleges of Chicago through Partners in Education
- $2.9 million earned by CHA youth in summer programming - a 45% increase over 2015
- Resident incomes rose to $20,042 with 64% of work-able population employed - a 3% increase over 2015
- 78 residents graduated from CHA's Family Self-Sufficiency program accumulating a total of $406,000 in escrow
- The Choose to Own Program surpassed its 500th home closing

A LOOK BACK AT 2016
EXPANDING HOUSING OPPORTUNITIES

The second-largest housing authority in the nation, CHA provides housing opportunities to more than 138,000 individuals through a combination of CHA-owned family properties, scattered sites, senior properties, mixed-income developments and other privately owned housing; and through the leasing of Housing Choice Vouchers. 2016 saw expansion and improvements in all of these programs.

On the construction, acquisition and rehabilitation side, in 2016 CHA and its partners continued accelerated pace of development with 1,037 new apartments for CHA residents either completed or in the final stages of completion as of December 31, 2016, the most since 2011. CHA successfully worked to make opportunities available at hundreds of locations across the city, including more than 650 mixed-income units in stable and inclusive communities. CHA also invested nearly $268 million in capital development and building improvements. Of that, $109 million was invested in mixed-income developments which, in turn, leveraged an additional $174 million from other public and private sources.

2016 HOUSING HIGHLIGHTS:

<table>
<thead>
<tr>
<th>Units Delivered and Near Completion 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing Type</strong></td>
</tr>
<tr>
<td>Mixed Income</td>
</tr>
<tr>
<td>Project-Based Rental Assistance/ Project-Based Voucher</td>
</tr>
<tr>
<td>Acquisition</td>
</tr>
<tr>
<td>Family Rehabilitation</td>
</tr>
<tr>
<td><strong>Total Units Delivered and Near Completion</strong></td>
</tr>
</tbody>
</table>
PROMISES MADE, PROMISES KEPT

2017 promises even more housing, with over 1,500 units planned for delivery or nearing completion next year. CHA will meet the 25,000 unit agreement made in 2000, with over 476 mixed-income units and 744 Project-Based Voucher assistance units to be delivered or under construction in 2017, with hundreds of additional housing opportunities on the way.

Tammy Wilson was paying too much for rent for a house in Englewood. So when CHA called her and said she had qualified for the wait list, she was stunned. Now, she lives in Casa Querétaro, a brand new, 45-unit complex of quality affordable apartments that has transformed a piece of vacant industrial land into a safe, clean, new apartment building for individuals and families.

Ms. Wilson, who is disabled and lives with her mother, has an accessible unit on the main floor, which has helped them immensely. She moved to Casa Querétaro in July.

“It was impossible to keep up with the rent,” she said of her other apartment. “They called at a time when we needed it, so that we wouldn’t have to go into a shelter. It was right on time.”
Through careful budgeting and resource allocation, in 2016 CHA was able to provide additional Housing Choice Vouchers to meet the growing demand for rental housing assistance. Working with advocacy groups, CHA provided an additional $1.3 million in project-based Veterans Affairs Supportive Housing (VASH) vouchers for homeless veterans; 325 additional vouchers to support housing for the chronically mentally ill; 100 vouchers for transition age youth and Chicagoans experiencing homelessness, and added approximately 1,100 vouchers for general use. There are now approximately 47,000 Housing Choice Vouchers in use across all 77 Chicago community areas, up 17,000 from the start of the Plan for Transformation in 2000.

This year, the CHA also held an Owner Symposium, attended by approximately 1,000 property owners and managers who had the opportunity to learn about the best in housing practices, network with experts and engage in innovative discussions about the property-management industry. This symposium allowed landlords and the CHA to share ideas and ensure that property owners understand their rights and responsibilities.

The CHA is equally committed to positive experiences and outcomes for both HCV landlords and residents and, thanks to new opportunities like the Inspection Excellence Program (IEP), incentives are being implemented to provide high-quality owners greater flexibility. Approximately one year into the IEP program, CHA has had a substantial increase in the number of units that are now on a biennial inspection schedule. At the end of 2015, only 1,276 units qualified for the program, compared to the end of 2016, when 5,930 units were receiving biennial inspections. When landlords are incentivized to pass inspections on their first try and meet enhanced inspection requirements, owners, HCV holders and communities benefit.

“I’ve been an inspector for about six months, and I plan to stay with it because I love what I do. Tenants deserve to live in safe and comfortable homes, and, as an inspector, I ensure that’s happening.”

- Keosha Thomas, passionate HCV inspector and role model for aspiring housing inspectors

Robert Floid Plump is a proud Vietnam veteran who was living in an unfinished Bronzeville basement when suddenly he was told he had to move. His landlord passed away over the summer, and the new owners were unable to pay to heat the entire building. That’s when Volunteers of America and CHA partnered up to make sure Plump was taken care of.

“I didn’t even have a clue until everybody helped me,” Plump said. “Volunteers of America helped me, CHA management helped me and then my family and friends helped me to move in. They all worked together in a positive way.”

Plump moved into a South Loop senior building on a Housing Choice Voucher in January. He loves his new neighborhood, loves being close to Downtown and is thankful for the assistance. He has a sense of stability that he has not had in many years. “The landlords are happy. My family is happy. Everybody seems to be happy, just like me,” he said.

“I didn’t even have a clue until everybody helped me,” Plump said. “Volunteers of America helped me, CHA management helped me and then my family and friends helped me to move in. They all worked together in a positive way.”

Plump moved into a South Loop senior building on a Housing Choice Voucher in January. He loves his new neighborhood, loves being close to Downtown and is thankful for the assistance. He has a sense of stability that he has not had in many years. “The landlords are happy. My family is happy. Everybody seems to be happy, just like me,” he said.
2000: 30,000 vouchers leased to HCV holders
2014: 37,000 vouchers leased to HCV holders
2015: 40,000 vouchers leased to HCV holders
2016: 46,000 vouchers leased to HCV holders
2017: 47,000 vouchers leased to HCV holders

77 Chicago community areas
COMMUNITY DEVELOPMENT & CAPITAL CONSTRUCTION
65th Infantry Regiment “Borinqueneers” Veterans Housing is part of the PRA Program and is ensuring veterans and their families have access to affordable housing.
- 1045 N. Sacramento Avenue, West Town
- 48 permanent affordable rental units for low income veterans and their families
- CHA Investment: The total estimated PRA HAP contract is $13.9 million

CHA invested $56 million in the rehabilitation of 218 units at Altgeld Gardens, one of CHA’s largest and most historic developments. In 2016, plans for a new Chicago Public Library branch were also announced, in addition to plans that call for a new Gautreaux Child Development Center and other community amenities.
- 969 E. 132nd Place, Riverdale
- Total rehab of 218 apartments in 25 buildings
- Total CHA Investment: $56 million
City Gardens is a mixed-income redevelopment project located in the East Garfield Park Community completed in 2016.
- Bounded by Jackson Boulevard, Van Buren Street, Rockwell and Maplewood Avenues, Near West Side
- 25 public housing units, 30 affordable, 21 market for a total of 76 units
- CHA Investment: $7.3 million  Total Investment: $29 million

Casa Querétaro is a mixed-income development in the Pilsen community and the first CHA venture in the predominately Latino community that provides affordable housing to working families in Pilsen.
- 2012 W. 17th Street, Pilsen
- 15 public housing units, 30 affordable for a total of 45 rental units
- CHA Investment: $4.5 million  Total Investment: $15 million
Crestwood Apartments is an existing six-story building containing 57 units in the Austin community area.
- 525 N. Austin Boulevard, Austin
- The Property Rental Assistance Program will assist all 57 units consisting of 40 studios, 16 one-bedrooms and one two-bedroom unit for seniors, with a 15-year term project based HAP contract
- CHA Investment: The total estimated PRA HAP contract is $8.93 million over 15 years

Jade Garden is part of the Property Rental Assistance (PRA) program and located in Chicago’s Chinatown community.
- 336 W. Cermak Road, Armour Square
- Rental units for low and moderate income families with a 20 year contract, with 25 units delivered in 2016
- CHA Investment: The total estimated PRA HAP contract is $12.1 million over 20 years
Milwaukee Avenue Apartments is a new construction, four-story building in Avondale containing 32 fully accessible units completed in 2016.

- 3064 N. Milwaukee Avenue, Avondale
- The Property Rental Assistance program will provide more affordable housing opportunities for people with disabilities. PRA will assist with 11 of the 32 apartments consisting of nine one-bedroom & two two-bedroom units for a 30-year term.
- CHA investment: The total estimated PRA HAP contract is $4.59 million over 30 years

PARKSIDE OF OLD TOWN

Terrace 459 at Parkside of Old Town is a new mixed-income construction and the latest development in the revitalization of Cabrini-Green.

- 459 W. Division Street, Near North Side
- Two buildings - 36 public housing, 27 affordable and 43 market rate units were completed.
- CHA Investment: $12.4M Total Investment: $41.3 million
ROSENWALD COURTS
Rosenwald Courts Developers, LLC

The historic Rosenwald Courts, a mixed-income redevelopment project, reopened this fall as an affordable apartment complex for seniors and families in the Bronzeville community.

• 47th Street and Michigan Avenue, Bronzeville
• 120 apartments for CHA seniors, 105 affordable, six market rate and eight apartments for on-site employees
• CHA Investment: $17.4 million Total Investment: $132 Million

PRESBYTERIAN HOMES
Chicago Housing Authority

Presbyterian Homes is a three-building portfolio CHA acquired to ensure the availability of affordable housing on Chicago’s North Side.

• 3801 N. Pine Grove Avenue, 416 W. Barry Street and 1950 W. Devon Avenue, Lakeview and Rogers Park
• 111 units for low-income renters
• CHA acquisition investment: $19 million
NEARING COMPLETION
AND UNDER CONSTRUCTION:

ACCESS HOUSING
Housing First Illinois (HFI)

Access Housing will consist of scattered site acquisition and rehabilitation/construction of 54 units in the Logan Square, Hermosa, Humboldt Park and West Town communities.
- All project sites are bounded by Diversey Avenue, North Avenue, California Avenue, and Kostner Avenue.
- The Property Rental Assistance program will assist 38 units consisting of 11 one-bedroom and 27 two-bedroom units for a 30-year term.
- CHA Investment: The total estimated PRA HAP contract is $18 million over 30 years.

CARLING HOTEL
The Michaels Development Company

The Carling Hotel in the Near North Side community area consists of 155 total SRO units. The developer aims to reconfigure to 78 modernized studio units.
- 1515 N. LaSalle Street, Near North Side
- The Property Rental Assistance program will assist 39 units for a 30-year term.
- CHA Investment: The total estimated PRA HAP contract is $17.9 million over 30 years.
Hilliard Senior Apartments consists of two 16-story buildings in the Near South Side community.
- Both project sites are bounded by Cullerton Street, Cermak Road, State Street and Clark Street.
- The Property Rental Assistance Program will ensure housing stability for senior residents and the long-term viability of the properties consisting of 162 one-bedroom units for a 30-year term.
- CHA Investment: The total estimated PRA HAP contract is $77 million over 30 years.

Clybourn 1200 is a mixed-use, mixed-income development that will offer public housing apartments alongside 17,000 square feet of commercial space.
- 1200 North Clybourn Avenue, Near North Side
- 26 public housing as part of 77 rental apartments total
- CHA investment: $8.1 million  Total investment: $42.1 million
St. Edmund’s Oasis is a mixed-income rental development and a part of replacement housing for the Washington Park community.

- 6100 S. Prairie Avenue, Washington Park
- 19 public housing and 39 affordable units for a total of 58 rental units on four separate parcels of land
- CHA investment: $5.8 million  Total investment: $20.5 million

Sterling Park Apartments is a mixed-income, adaptive re-use development of the historic Sears, Roebuck & Co.’s merchandising and research and development facility on the West Side of Chicago.

- 3333 W. Arthington Street, Homan Square
- 66 public housing and 115 affordable units for a total of 181 units
- CHA investment: $19.7 million  Total investment: $64 million

Xavier is a new construction family development on the Near North Side that is part of the Property Rental Assistance Program (PRA)

- 625 W. Division Street, Near North Side
- The Property Rental Assistance Program will assist nine studios, nine one-bedroom and six two-bedroom units for a total of 24 units in a 30-year term
- CHA Investment: The total estimated PRA HAP contract is $8.8 million over 30 years.
EXPANDING INDIVIDUAL OPPORTUNITIES:

CHA’s designation as a MTW Authority allows us to provide services to individuals and families as they strive for economic independence and a better life for their families.

This year CHA continued its robust programming for residents of all ages, partnering with the City’s Department of Health to expand services to seniors and families, partnering with non-profits to help residents prepare for and succeed in careers, and partnering with groups like Chicago City of Learning and Chicago Public Schools to make certain every child has access to essential 21st century job skills.

Of note, CHA designated 2016 as “Year of the Youth” during which special attention was given to the over 50,500 young people who reside in CHA dwellings or rent with the help of Housing Choice Vouchers.

Overall, CHA’s initiatives designed to help residents succeed have been gratifying:

• In 2016, for the first time, the average income of work-able heads of households was over $20,000, the highest level ever attained
• 1,518 residents in 2016 obtained employment opportunities through CHA workforce development opportunities.
• 94% were placed in high demand industries with an average wage of $18.35, an increase of 8.6% since 2015, including 266 Altgeld Gardens residents who obtained jobs in manufacturing and hospitality via the JobsPlus grant
• 78 residents graduated from CHA’s Family Self-Sufficiency program with a total of $406,000 in escrow, earning on average $6,300 in escrow per resident
• Over 226,263 Golden Diner meals were served to senior residents at CHA sites citywide, more than 1,500 seniors participated in music fests throughout the summer, and nearly 2,000 seniors attended the 2016 Senior Gala, an afternoon of entertainment and fine dining for CHA seniors

CHAngemaker: CHA resident Christine Magee, a participant in the CHA Family Self-Sufficiency (FSS) program, was highlighted in the New York Times for building $7,765 in escrow and improving her credit score from 540 to 720 in just two years. “Anybody would be crazy not to take advantage of this.” – Christine Magee, FSS Graduate

CHAngemaker: Susan Tovar, a mother of three, is among the recent CHA residents who purchased a new home as the agency’s “Choose to Own” (CTO) program celebrate its 500th closing. “My little one gets home from school, and goes right out to the backyard and play. I watch him through the window. That means so much to me.” – Susan Tovar, Homeowner
CHA values strong relationships with all CHA residents and resident leadership. It is a critical avenue to ensure transparency and accountability at CHA. Resident leadership includes:

• **Central Advisory Council**
The Central Advisory Council (CAC) and Local Advisory Councils (LAC) are the duly elected representatives in public housing that work with CHA on a variety of issues and programs.

In November, the CAC held its triennial elections for the Local Advisory Councils and the CAC, and hosted the elected members at a swearing-in luncheon. CAC members also attended a three-day training program in December to provide them with information on a range of topics from ethics to programs offered by CHA.

• **Housing Choice Voucher Participant Council**
In 2016, CHA resumed the council with 13 new HCV members who represent and act as liaisons for program participants in working with the CHA to give HCV families a platform to address their concerns and provide CHA with feedback.

• **Youth Council**
In partnership with Mikva Challenge, this 21 member council was comprised of CHA youth who advise CHA’s CEO on pressing issues important to young people. This was the inaugural year for this exciting and dynamic program and partnership.
In 2016, CHA launched two initiatives for its Section 3 resident-owned business program. In the spring, CHA embarked on the Section 3 Job Order Contracting (JOC) program that helps provide contracting opportunities for small businesses on CHA construction projects. The goal of the program is two-fold: to provide contracts and jobs and to help small, resident-owned firms build capacity so they are eventually able to bid on larger jobs outside of CHA. Additionally, this will provide CHA with a contract vehicle to complete smaller-scale capital improvement projects.

By year’s end, contracts had been awarded to 44 Section 3 businesses and CHA had invested almost $6 million, and 89 projects were either completed or underway, including work such as new flooring, kitchen cabinets, countertops and bathroom fixtures in 218 apartments; renovations to five senior building lobby and common areas; installation of new heating systems; repairs to existing mechanical, plumbing, electrical and fire suppression systems and at various properties; the retrofit of almost 3,000 light fixtures with new LED fixtures and the build-out of office space at 37th and State streets for the new Section 3 Field Office.

The Section 3 Field Office is a first for CHA and for any public housing agency in the country. This one-stop shop for all Section 3-related business is located on State Street in the new Park Boulevard community and is expected to open in Spring 2017. The office will offer hiring and contracting assistance, training and resources for residents and businesses, and business development programming. CHA’s commitment to Section 3 businesses is steadfast and will help small businesses build capacity and CHA expand the hiring and subcontracting pool so jobs are created.

Omari Stamps got his feet wet early in the carpentry business, learning the ropes as a teenager from his family that worked in construction. Then one day in 2013, he decided to take a leap of faith: he started his own business, Marsilino’s Carpentry. He applied for the Chicago Housing Authority’s Job Order Contracting (JOC) program. And he got it.

“Honestly, there are no words to describe that day,” Stamps said. “I was thrilled, amazed, excited, thankful.” The goal of the JOC program is to foster a partnering atmosphere by increasing participation in the Section 3 program.

Stamps, a native of the South Shore neighborhood, has been working with Gordian Group construction company at CHA’s Dearborn Homes for the last few months. He named the company after a close friend who died in 2015. “I couldn’t have asked for a better opportunity than this,” he said. 

CHAngemaker: Kenya Robertson is a South Side resident, CHA voucher holder and Section 3 business owner who received a CHA grant to start her business this year. She opened the FAM Entertainment Theater Company performing arts space, a collaborative with a mission to inspire women, artists and youth. “I am very excited! This has been a dream of mine for over 10 years.”

– Kenya Robertson, Section 3 Business Owner
While providing young people with opportunities has always been a priority for CHA, this year the agency launched an exciting new initiative focused exclusively on youth and their access to education, employment and leadership development opportunities. Activities included everything from CHA interns exploring professional career opportunities with employers across Chicago, to supplying 150 college-bound freshmen with essential supplies and active support for their college careers, to summer programs for nearly 5,000 youth who collectively earned more $2.9 million in wages.

Nearly 5,000 youth participated in CHA summer programs

Youth worked over 200,000 hours and spent 70,000 hours training in 21st century skills

CHA youth earned more than $2.9M in wages from internships and other summer learn/work opportunities at 340 work sites across the city – an increase of 45%

87 college students earned and learned as part of CHA’s largest internship cohort ever.

CHA awarded the most scholarships in its history and is in its 4th year of managing the scholarship program

230 scholarships, totaling $268,000, were granted to students representing 90 colleges nationwide

86% year-over-year scholarship recipients who receive scholarships of $3,500 or more continue to be enrolled or have graduated

CHAngemaker: Just a few months after wrapping up her internship at CHA over the summer, Daushay Campbell was offered a position at PricewaterhouseCoopers, among the most prestigious auditing firms in the world. “Don’t be afraid to go outside of the box,” said the Virginia State University student. “Most importantly, always follow your dreams. Whatever you think you can do – you can do!”

– Daushay Campbell, CHA Summer Intern
MIKVA CHA YOUTH COUNCIL & SUMMIT
Twenty-one young CHA residents collaborated with adult policy leaders to address challenges facing youth in Chicago. The seven week paid summer internship allowed youth to present policy recommendations and culminated with a citywide youth summit attend by over 100 teens.

CHA DOCUMENTARY FILMMAKING
Sixteen young women chose subjects and made films about their lives as part of a summer long film project in collaboration with DePaul University’s School of Cinematic Arts.

CHA DYN DESIGN LABS
CHA partnered with the Chicago City of Learning to bring digital learning to communities across the city. This year more than 3,000 young people took advantage of the opportunity to learn coding and other 21st century skills

BMO HARRIS FINANCIAL LITERACY AND LEADERSHIP INSTITUTE (FLLI)
Twenty-five CHA youth graduated from the BMO Harris Financial Literacy and Leadership Institute (FLLI) in the Department of Management at DePaul University’s Driehaus College of Business sponsored by the Chicago Housing Authority

SPRINGBOARD TO SUCCESS (S2S) HELPS MAKE IT POSSIBLE
In 2015, CHA’s nonprofit arm S2S was established to provide CHA with the flexibility to pursue private resources that create a pipeline of programmatic opportunities for youth, many bolstering the robust “Year of the Youth” campaign. This year S2S raised over $240,000 to support the interests and ambitions of CHA residents.
CHA has kept its promise to end the isolation of residents and housing by constructing or rehabbing new housing in mixed-income environments and partnering to create housing in communities that greatly benefit from new affordable or public housing. But our commitment goes further, extending to the creation of new economic and community assets in neighborhoods that had effectively been deprived of investment for decades. While over the past decade CHA has done much to enliven corridors along Roosevelt Road, Division Street and South State Street, 2016 was a time for new and bold moves.

**THE ARTS AND RECREATION CENTER AT ELLIS PARK**
CHA partnered with the Chicago Park District, the City of Chicago and The Community Builders to create the Arts and Recreation Center at Ellis Park in Bronzeville at 3520 S. Cottage Grove Avenue - a new $17.5 million state-of-the-art arts and recreation center that boasts a full-size gymnasium with two basketball courts, an indoor pool, a fitness center and studio, meeting halls and rooms for art and education. The 32,482 square foot space serves families in the Oakland, Douglas and the Bronzeville communities.

**NEW MARIANO’S OPENS IN BRONZEVILLE**
Fresh and exciting options are now available in Bronzeville for residents looking for both fresh produce and quality employment. In October, a new and highly anticipated Mariano’s opened its doors, and hired roughly 400 people, including 97 CHA residents. Located at 3859 S. Dr. Martin Luther King Drive, on land formerly owned by the CHA. The new store covers more than 74,000 square feet, featuring products from approximately 50 local suppliers and artwork from Chicago-based artists.

**CHAngemaker:** Armeker Wright, an Oakwood Shores resident who lives just one block from the new grocer now works as a baker. “This is down the block from my house, and I don’t have to worry about transportation. I don’t have to worry about my kids because I am right here,” says Wright. “This is a beautiful place to be, and I am so excited that Mariano’s chose me to be one of their bakers.”

- Armeker Wright, Mariano’s employee
CLOSING THE DIGITAL DIVIDE
In 2016 CHA and Comcast invested $125,000 to support enhanced digital learning opportunities that include a computer lab at Major Adams Community Center, a new mobile learning lab that will travel the city year-round, digital literacy training courses and 100 free laptops for HCV and CHA residents. CHA, with the help of CHA service providers, also supports nine Digital Resource Centers across the city that are open to the public, offer 21st century programs, and are frequented by nearly 2,000 residents annually.

This year these resource centers connected over 75 youth to the citywide Code 60+ challenge which connects youth to free programming and coding activities outside of the classroom.

XS TENNIS
In 2016 construction moved forward on a 112,000-square-foot facility at 54th and State streets on the site of the former Robert Taylor Homes in the Washington Park neighborhood. When finished in the fall of 2017, the $16.9 million project will connect more than 5,000 students to the sport of tennis and feature 10 courts, a fitness center, a running track and classrooms to support recreational and educational opportunities for area residents.

CHA AND CHICAGO PUBLIC LIBRARY (CPL) PARTNERSHIP
This year CHA and CPL announced an innovative interagency partnership that will provide three new mixed-income housing developments with co-located libraries. Inspired by the vision of Mayor Rahm Emanuel, the city is coordinating a design competition that calls on architectural firms to create a lasting legacy of public art in the new designs. The three developments are:
- West Ridge, 6800 N. Western Avenue
- Irving Park, 4022 N. Elston Avenue
- Near West Side, near Taylor and Aberdeen streets
Diversity is important to CHA and the City of Chicago, and CHA recognizes the importance of ensuring that jobs, contracts and other economic opportunities are available to all residents of Chicago, including CHA residents. The Authority is committed to not only meeting but exceeding MBE/WBE/DBE and Section 3 participation goals. Section 3, which refers to Section 3 of the HUD Act of 1968, requires that employment and other economic opportunities generated by federal financial assistance for housing and community development programs are directed toward low-income and very low-income persons, including CHA residents and resident-owned businesses. MBE/WBE/DBE requirements ensure that minority and women-owned and disadvantaged businesses participate in contract opportunities. 

In 2016, CHA exceeded the 30 percent goal for Section 3 hiring with a total of 46.74 percent of the hiring going to Section 3 participants. Additionally, the goal for Section 3 businesses to receive CHA contracts was 29.32%, well above the 10 percent goal.

CHA's longstanding commitment to providing opportunities to MBE/WBE/DBE business was also evident in the participation rate for these businesses.

<table>
<thead>
<tr>
<th>Type of Contract</th>
<th>Contract Amount ($)</th>
<th>MBE/WBE/DBE Participation Goals (%)</th>
<th>YTD MBE/WBE/DBE Participation Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>$25,000 - $200,000</td>
<td>25.0%</td>
<td>36.8%</td>
</tr>
<tr>
<td></td>
<td>$200,001 - $500,000</td>
<td>30.0%</td>
<td>32.6%</td>
</tr>
<tr>
<td></td>
<td>$500,001 - 1,000,000</td>
<td>35.0%</td>
<td>79.1%</td>
</tr>
<tr>
<td></td>
<td>$1,000,001 +</td>
<td>40.0%</td>
<td>40.1%</td>
</tr>
<tr>
<td>Professional Services and Supply &amp; Delivery</td>
<td>$25,000 +</td>
<td>20.0%</td>
<td>32.5%</td>
</tr>
</tbody>
</table>
CHA is proud of its partnerships and relationships with our stakeholders who help inform our work so that CHA programs are aligned with the needs of the diverse communities we serve. Our interaction with community members and organizations is at the heart of our work. From community and resident meetings to CHA monthly board meetings, we value the input and feedback we receive.

In 2016, CHA partnered with a number of organizations and programs to support residents and provide meaningful opportunities for low income Chicagoans. Highlights include:

• The formation of the Community Alliance, a partnership with Erie Neighborhood House and Spanish Coalition for Housing to increase awareness of CHA’s programs and activities across the city through a series of monthly workshops that cover the many aspects of CHA programs and how they benefit residents and Section 3 business owners.

• CEO Eugene Jones, Jr. spoke at City Club of Chicago to a sold-out audience where he outlined how the Authority is creating opportunities for residents and changing Chicago’s neighborhoods through holistic development strategies that were set in motion over a decade ago.

• CHA joined the Chicago Department of Public Health (CDPH) and more than 400 community leaders and organizations to unveil Healthy Chicago 2.0, a new four-year plan to improve health and well-being of Chicago residents. CHA was integral in the development of the plan and will work hard to ensure its implementation, helping to provide greater health equity across Chicago.

• CHA joined the Girls on the Run organization for the first time in 2016 and implemented a 12-week after-school program for 3rd, 4th, and 5th grade girls in the Altgeld Gardens community, joining key funder Cigna Foundation and CHA partner TCA’s Health & Wellness Collaborative, the principal program organizer. Girls on the Run lessons encourage positive emotional, social, mental and physical development.
The CHA Board of Commissioners is the governing body that determines policies and approves decisions that chart the direction of CHA’s current and future programs.

The 10-member Board is appointed by the Mayor and approved by the Chicago City Council. All commissioners must be residents of Chicago, and at least three commissioners must be CHA residents. Board members bring a variety of experience, talent and civic and community connections as they work to guide the CHA to fulfill its mission. CHA will benefit from the presence of the first Hispanic CHA resident to serve on the board, Cristina Matos who joined the board in late 2016.

JOHN T. HOOKER
Chairman

CRAIG CHICO
Vice Chairman

MATTHEW BREWER
Chairperson

MARK COZZI
Chairperson

DR. MILDRED HARRIS
Chairperson

MEGHAN HARTE
Chairperson

JOHN G. MARKOWSKI
Chairperson

CRISTINA MATOS
Chairperson

FRANCINE WASHINGTON
Chairperson
CHA started the year with nearly $154 million in reserves. Through its aggressive approach to the development of housing and support for community assets, in 2016 CHA invested $109 million of reserve funds in housing and community anchors in neighborhoods across the city.

CHA continued to benefit from Rental Assistance Demonstration program (RAD), for use in the building and rehab of Lathrop Homes, Fannie Emanuel and Caroline Hedger Apartments, among others. This program will help CHA plan for the long-term viability of its portfolio of apartments.

CHA closed out the year with reserves of roughly $77 million, all of which will be expended by the end of 2017, bringing the reserves to the level that HUD sets for a public agency of this size. Every allocated dollar has not only been spent, but has leveraged even more investment for better housing and stronger neighborhoods.

The Authority’s 2016 financial statements have been audited by Ernst & Young LLP, a firm of licensed certified public accountants. The purpose of the independent audit is to provide reasonable assurance that the financial statements of the Authority for the fiscal year ended December 31, 2016 are free of any material misstatements. The independent audit involved 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. The financial statements are included in the annual Comprehensive Annual Financial Report or CAFR, which includes the HUD-required Financial Data Schedule (FDS) created to standardize financial information reported by Public Housing Authorities (PHAs).
### CHICAGO HOUSING AUTHORITY

**STATEMENTS OF NET POSITION**

**PROPRIETARY FUND TYPE - ENTERPRISE FUND**

**DECEMBER 31, 2016 AND 2015**

#### ASSETS:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents, Unrestricted</td>
<td>$116,557,327</td>
<td>$90,174,955</td>
</tr>
<tr>
<td>Cash and Cash Equivalents, Restricted</td>
<td>28,275,560</td>
<td>19,647,136</td>
</tr>
<tr>
<td>Investments at Fair Value, Unrestricted</td>
<td>226,031,460</td>
<td>370,284,321</td>
</tr>
<tr>
<td>Tenant Accounts Receivable, Net of Allowance</td>
<td>2,729,005</td>
<td>1,602,858</td>
</tr>
<tr>
<td>Intergovernmental Receivable (HUD and Other)</td>
<td>38,070,164</td>
<td>29,979,311</td>
</tr>
<tr>
<td>Miscellaneous Receivable</td>
<td>3,773,174</td>
<td>4,279,396</td>
</tr>
<tr>
<td>Interest Receivable, Current Portion</td>
<td>523,610</td>
<td>1,602,858</td>
</tr>
<tr>
<td>Notes and Mortgages Receivable, Current Portion</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>4,291,844</td>
<td>4,291,844</td>
</tr>
<tr>
<td>Advances to Resident and Private Managers</td>
<td>39,000</td>
<td>39,000</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>420,291,144</td>
<td>521,003,398</td>
</tr>
<tr>
<td><strong>Noncurrent Assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents, Restricted</td>
<td>30,877,949</td>
<td>27,119,815</td>
</tr>
<tr>
<td>Investments at Fair Value, Restricted</td>
<td>73,119,004</td>
<td>5,954,184</td>
</tr>
<tr>
<td>Net Pension Asset, Restricted</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Notes and Mortgages Receivable</td>
<td>463,714,433</td>
<td>4,237,123,126</td>
</tr>
<tr>
<td>Interest Receivable</td>
<td>155,249</td>
<td>55,027</td>
</tr>
<tr>
<td>Other Noncurrent Assets</td>
<td>12,497,958</td>
<td>10,629,659</td>
</tr>
<tr>
<td>Capital Assets, not Depreciated:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>257,744,913</td>
<td>257,622,153</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>108,628,985</td>
<td>104,014,279</td>
</tr>
<tr>
<td>Capital Assets, Net of Accumulated Depreciation:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structures and Capital Leases</td>
<td>921,115,987</td>
<td>910,640,695</td>
</tr>
<tr>
<td>Equipment</td>
<td>4,684,800</td>
<td>2,990,599</td>
</tr>
<tr>
<td><strong>Total Noncurrent Assets</strong></td>
<td>2,933,830,422</td>
<td>2,265,010,865</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>2,293,830,422</td>
<td>2,265,010,865</td>
</tr>
</tbody>
</table>

#### DEFERRED OUTFLOWS OF RESOURCES:

- Deferred Amount on Pension: 10,844,676 16,224,988

#### LIABILITIES:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>29,614,713</td>
<td>45,996,525</td>
</tr>
<tr>
<td>Intergovernmental Payable (HUD)</td>
<td>322,137</td>
<td>272,407</td>
</tr>
<tr>
<td>Accrued Wages &amp; Payroll Taxes</td>
<td>860,466</td>
<td>986,336</td>
</tr>
<tr>
<td>Accrued Compensated Absences</td>
<td>1,357,456</td>
<td>1,252,040</td>
</tr>
<tr>
<td>Accrued Liabilities</td>
<td>51,729,904</td>
<td>54,169,817</td>
</tr>
<tr>
<td>Tenant Security Deposits</td>
<td>2,708,614</td>
<td>2,495,446</td>
</tr>
<tr>
<td>Unearned Revenue</td>
<td>48,608,968</td>
<td>10,915,282</td>
</tr>
<tr>
<td>Insurance Reserves, Current Portion</td>
<td>2,092,796</td>
<td>2,443,160</td>
</tr>
<tr>
<td>Capital Lease Obligations, Current Portion</td>
<td>1,970,242</td>
<td>1,804,059</td>
</tr>
<tr>
<td>Current Maturities, Long-Term Debt and Current Portion of Net Unamortized Bond Premium</td>
<td>23,635,000</td>
<td>1,250,000</td>
</tr>
<tr>
<td>Other Current Liabilities</td>
<td>20,084,682</td>
<td>20,382,593</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>183,164,978</td>
<td>141,967,665</td>
</tr>
<tr>
<td><strong>Noncurrent Liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family Self-Sufficiency Liability</td>
<td>1,031,807</td>
<td>1,682,739</td>
</tr>
<tr>
<td>Insurance Reserves, Net of Current Portion</td>
<td>14,209,913</td>
<td>6,325,354</td>
</tr>
<tr>
<td>Net Pension Liability</td>
<td>3,083,695</td>
<td>6,465,956</td>
</tr>
<tr>
<td>Capital Lease Obligations, Net of Current Portion</td>
<td>146,082,000</td>
<td>136,738,760</td>
</tr>
<tr>
<td>Long-Term Debt, Net of Current Maturities and Current Portion of Net Unamortized Bond Premium</td>
<td>15,895,000</td>
<td>17,180,000</td>
</tr>
<tr>
<td>Other Noncurrent Liabilities</td>
<td>43,438,953</td>
<td>48,698,776</td>
</tr>
<tr>
<td><strong>Total Noncurrent Liabilities</strong></td>
<td>223,741,368</td>
<td>217,091,585</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>406,906,346</td>
<td>359,059,250</td>
</tr>
</tbody>
</table>

#### DEFERRED INFLOWS OF RESOURCES:

- Deferred Amount on Pension: 6,059,581 6,636,338

#### NET POSITION:

- Net Investment in Capital Assets: 1,105,592,443 1,119,603,817
- Restricted for:
  - Demolition Grants | 7,161,692 | 5,472,087 |
  - Unrestricted | 778,955,036 | 790,464,361 |
- **Total Net Position** | $1,891,709,171 | $1,915,540,265 |
### CHICAGO HOUSING AUTHORITY

#### STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

**PROPRIETARY FUND TYPE - ENTERPRISE FUND**

**YEARS ENDED DECEMBER 31, 2016 AND 2015**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tenant Rent, Net of Allowance</td>
<td>$ 51,198,078</td>
<td>$ 50,262,310</td>
</tr>
<tr>
<td>Other Tenant Revenue</td>
<td>231,277</td>
<td>472,101</td>
</tr>
<tr>
<td>Administrative Fees</td>
<td>44,640,833</td>
<td>38,295,128</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>8,922,319</td>
<td>3,654,119</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td><strong>104,992,507</strong></td>
<td><strong>92,683,658</strong></td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative</td>
<td>111,582,251</td>
<td>78,039,801</td>
</tr>
<tr>
<td>Tenant Services</td>
<td>40,909,355</td>
<td>62,140,313</td>
</tr>
<tr>
<td>Utilities</td>
<td>23,437,195</td>
<td>24,443,996</td>
</tr>
<tr>
<td>Maintenance</td>
<td>54,938,684</td>
<td>63,710,710</td>
</tr>
<tr>
<td>Protective Services</td>
<td>33,181,359</td>
<td>30,621,162</td>
</tr>
<tr>
<td>General</td>
<td>18,881,431</td>
<td>12,006,568</td>
</tr>
<tr>
<td>Depreciation</td>
<td>132,507,865</td>
<td>146,147,778</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>415,438,140</strong></td>
<td><strong>417,110,328</strong></td>
</tr>
<tr>
<td><strong>OPERATING LOSS</strong></td>
<td><strong>(310,445,633)</strong></td>
<td><strong>(324,426,670)</strong></td>
</tr>
<tr>
<td><strong>NONOPERATING REVENUES (EXPENSES):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental Revenue (HUD)</td>
<td>664,174,029</td>
<td>660,566,851</td>
</tr>
<tr>
<td>Intergovernmental Revenue (Other)</td>
<td>(41,873)</td>
<td>26,250</td>
</tr>
<tr>
<td>Nonintergovernmental Revenue</td>
<td>1,160,000</td>
<td>909,005</td>
</tr>
<tr>
<td>Investment Income</td>
<td>4,229,832</td>
<td>3,277,292</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>(11,357,846)</td>
<td>(11,471,369)</td>
</tr>
<tr>
<td>Housing Assistance Payments</td>
<td>(454,383,708)</td>
<td>(430,597,718)</td>
</tr>
<tr>
<td>(Loss) Gain on Disposition of Assets</td>
<td>(13,724,184)</td>
<td>5,487,763</td>
</tr>
<tr>
<td>Other Nonoperating Revenue</td>
<td>3,138,316</td>
<td>1,825,438</td>
</tr>
<tr>
<td><strong>Net Nonoperating Revenues</strong></td>
<td><strong>193,194,566</strong></td>
<td><strong>230,723,512</strong></td>
</tr>
<tr>
<td><strong>LOSS BEFORE CAPITAL CONTRIBUTIONS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental Capital Contributions (HUD and Other)</td>
<td>93,419,973</td>
<td>53,682,863</td>
</tr>
<tr>
<td><strong>CHANGE IN NET POSITION</strong></td>
<td><strong>(23,831,094)</strong></td>
<td><strong>(40,020,295)</strong></td>
</tr>
<tr>
<td><strong>TOTAL NET POSITION, JANUARY 1</strong></td>
<td><strong>1,915,540,265</strong></td>
<td><strong>1,955,560,560</strong></td>
</tr>
<tr>
<td><strong>TOTAL NET POSITION, DECEMBER 31</strong></td>
<td><strong>$ 1,891,709,171</strong></td>
<td><strong>$ 1,915,540,265</strong></td>
</tr>
</tbody>
</table>

The notes to the basic financial statements are an integral part of these statements.