



May 31, 2023

The Honorable Congresswoman Maxine Waters
Ranking Member
House Financial Services Committee
2129 Rayburn House Office Building
Washington, DC 20515

Dear Congresswoman Waters,

The Chicago Housing Authority (CHA) appreciates your efforts and advocacy on behalf of people in need of affordable housing, and we thank you for the opportunity to respond to your questions. CHA shares your commitment and is focused on building strong communities where mixed-use elements create more opportunities for families to grow. To these ends, we have a strong partnership with our local Congressional delegation to ensure that CHA's investments in housing serve families and seniors and contribute to a more equitable Chicago.

Throughout Chicago, CHA uses all available tools to accelerate the pace of affordable housing in new mixed-use, mixed-income communities. Chicago's history has demonstrated what happens when public housing policy is used to intentionally isolate and concentrate primarily Black families in high-poverty areas. It led to decades of mismanagement and declining federal resources, resulting in a public housing system largely in disrepair and neighborhoods without access to opportunities. This local history informs the development decisions we make today. We know that children who grow up in neighborhoods with more economic connectedness have better outcomes. This is especially true for families who need housing assistance. That is why CHA works with partners to create sustainable, mixed-use, mixed-income communities offering quality housing for low-income residents alongside the resources necessary for everyone to feel welcome and thrive.

Regarding the issues raised in your letter, CHA's development transactions are directly related to affordable housing and advance our ability to accomplish our mission. Further, CHA adheres to all of HUD's disposition requirements.

The completed Chicago Fire ground lease for a training facility and youth academy came after extensive public engagement and has the support and direct involvement of the resident leadership in the ABLA community. The lease agreement is final, and the facility is now under construction. The deal resulted in nearly \$50 million in new resources that will be used to repair and renovate nearby aged CHA housing and community buildings, as well as job and career opportunities and youth programming. CHA submitted a Section 18 disposition application on September 21, 2022, and HUD concluded the application met all the criteria outlined in Section 18 of the U.S. Housing Act 1937, 24 CFR 970, as well as PIH Notice 2021-07. Therefore, HUD approved the application on March 6, 2023.

The proposed new housing development at 54th and Dearborn will activate a small vacant parcel of irregularly shaped land that never had any housing on it. This proposal supports CHA's longstanding pledge to bring both market-rate and affordable apartments back to the general area formerly occupied by the Robert Taylor Homes. We believe this overall project will serve as a catalyst for future development by the adjacent private owner. CHA will also seek the appropriate approvals from HUD's Special Application Center.

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The following are responses to the questions you provided to CHA:

1. *How does CHA expect the disposition of land at the former ABLA Homes site to affirmatively further fair housing?*

For context, the ABLA Homes site on Chicago's Near West Side originally consisted of various public housing high rises and townhome complexes that included Abbot, Brooks, Loomis, and Addams buildings, collectively referred to as ABLA. Some of these sites were demolished in the early 2000s, and others remain, like ABLA Brooks Homes and Loomis Courts. A Fair Housing review would have been done when the former public housing high rises were demolished. CHA and development partner Related Midwest have been returning housing to these vacant land parcels throughout the area under the Roosevelt Square development phases.

As you know, Fair Housing policies explicitly include replacing segregated living patterns with integrated and balanced living patterns and transforming racially or ethnically concentrated poverty areas into areas of opportunity. Census tract data show that the ABLA Brooks Homes area (immediately adjacent to the Chicago Fire ground lease site) has a subsidized housing saturation rate of 46%. The larger area surrounding the former ABLA site has affordable housing units that are predominantly CHA and direct HUD-assisted developments, and there is a need for inclusive resources and investments on Chicago's Near West Side. Therefore, CHA has been pursuing mixed-income housing with Roosevelt Square development phases.

The partnership with the Chicago Fire presents an opportunity to invest in families residing in CHA housing and the broader Near West Side community. The market-rate lease payments will secure substantial funds to improve aged public housing at ABLA Brooks Homes and project-based rental assisted housing at Loomis Courts, while also creating employment opportunities that will benefit residents and community members. As a result of the completed lease, CHA is already planning significant rehabilitation work at ABLA Brooks Homes to preserve this 80-year-old 330-unit public housing campus for years to come.

This deal does not change or hamper CHA's commitment to return housing to the area. The land being leased for the training facility is surrounded by other neighboring CHA-owned parcels already built with mixed-income housing or slated for the next phases. CHA will continue to pursue units for public, affordable, and market-rate housing on CHA land. For example, in January, CHA and Related Midwest broke ground on Roosevelt Square Phase 3B, the largest rental phase to date, which includes 222 new homes, 184 renovated apartments, and the National Public Housing Museum. Roosevelt Square Phase 3B represents a \$175 million investment in affordable housing in the community. Additionally, CHA and Related Midwest conducted a feasibility study to demonstrate that the committed replacement units can be located on available vacant CHA-owned land on the remaining parcels throughout the Roosevelt Square redevelopment area. Moreover, CHA units can be part of private developments and housing on city-owned parcels. The Chicago Fire lease does not stop these ongoing efforts to build the committed housing within this area, and Fire's new training facility and youth programming will complement these development efforts.

Furthermore, CHA is committed to affirmatively furthering Fair Housing and has worked closely with its local and regional partners to address Fair Housing issues using the resources available to our agency. CHA fully supports HUD's efforts to promote equity in housing and is expanding housing options for residents to achieve this goal.

2. *What proposals did CHA receive for the use of the land at the former ABLA Homes site, and what was the process for receiving and approving such proposals?*

The land under a lease agreement with the Chicago Fire was part of a larger development agreement with Related Midwest. When there is a master development agreement in place, CHA and our development partner have the discretion to consider unsolicited proposals that are viable and enhance existing plans. The land leased to Chicago Fire was part of a much later development phase and was

not intended to be used entirely for housing. Related Midwest supported CHA's decision to pursue a market-rate lease agreement that would create investments in adjacent aging CHA housing sites.

3. *Of CHA's mixed-income developments located in and around the former ABLA Homes site, how many units and at what income levels are households currently served by this housing stock? What percent of the housing stock is accessible to people with disabilities? How many family-sized units are located in the area?*

CHA-subsidized housing units are reserved for households at or below 80% of Chicago's Area Median Income (AMI); however, 85% of CHA's resident population is at or below 30% AMI, and 96% of CHA's resident population is at or below 50% AMI. Affordable housing units in the Chicago area are available to individuals at or below 80% AMI, with most serving a population that is 60% or below AMI.

Regarding accessibility, all CHA public housing developments meet the minimum number of units required in accordance with the Uniform Federal Accessibility Standards and, in many cases, may exceed the minimum requirements. Recognizing that there are many kinds of disabilities and that not all require a physically accessible unit, CHA allows applicants with disabilities to select any waitlist and site that can meet their needs. Throughout our portfolio, CHA staff members provide support to applicants and current residents with mobility and accessibility needs. Roughly 35% of families in our housing programs report at least one household member as having a disability of some kind.

Please see the chart for unit information on CHA and HUD-assisted housing in the general area of the former ABLA Homes. As additional relevant context, a balanced development approach is required because the larger area surrounding the general ABLA site has a concentration of housing units that are predominantly CHA and direct HUD-assisted developments.

ABLA General Area Housing Investments					
CHA Mixed-Income Developments					
New Construction Rental--Completed	Target Population	Total Units	CHA	Affordable	Market Rate
Roosevelt Square I	Family	184	125	59	0
Roosevelt Square IIA	Family	177	120	57	0
Casa Queretaro	Family	45	15	30	0
Taylor Street Apartments	Family	73	37	29	7
New Construction Rental--Under Construction					
Roosevelt Square 3B	Family	207	75	40	92
National Public Housing Museum	Family	15	5	10	0
New Construction Homeownership--Completed					
Roosevelt Square I For Sale	Family	233	7	67	159
CHA-Owned Housing					
Brooks Homes	Family	330	330	N/A	N/A
Loomis Courts	Family	124	124	N/A	N/A
William Jones Apartments	Senior	114	114	N/A	N/A
Other HUD-Supported Affordable Housing					
Circle Park Apartments	Family	418	N/A	418	N/A
Newberry Park	Family	84	N/A	84	N/A
Congressman George Collins Apartments	Senior	195	N/A	195	N/A
Barbara Jean Wright Apartments	Family	272	82 (PBV)	169	21
Total		2,471	1,034	1,158	279
In addition to the above site-based housing subsidies, 1,568 households receive tenant-based vouchers in the Near West Side community area.					

4. How much total vacant land does CHA currently have and what are CHA's plans for this land? Does CHA plan to submit any additional Section 18 applications?

CHA has about 100 acres of vacant land that may require a Section 18 application prior to development. Section 18 applications are common in the creation of mixed-income, mixed-use developments. The following mixed-income housing developments in CHA's pipeline would likely require HUD's disposition approval for long-term ground leases. Construction is underway on several of these developments.

Development Pipeline – Planned Dispositions

Development Name	Address	Community Area	Type of Development
Oakwood Shores 3-1 *	616-630 E. Pershing Rd. & 552-564 E. 38th Street	Oakland	Mixed-income rental housing
Roosevelt Square 3B *	1255 W. Roosevelt	Near West Side	Mixed-income rental housing
Ogden Commons A1 *	1351 S. Washtenaw	North Lawndale	Mixed-income rental housing
Westhaven Park IID *	2059 W. Lake Street	Near West Side	Mixed-income rental housing
Oak & Larrabee 1	Oak & Larrabee	Near North Side	Mixed-income rental housing
Ogden Commons A2	13th and Washtenaw	North Lawndale	Mixed-income rental housing
Legends South A3	45th and State St.	Grand Boulevard	Mixed-income rental housing
Legends South Homeownership	44th and Dearborn St.	Grand Boulevard	Mixed-income for-sale housing
LeClaire 1A	Cicero & 44th	Garfield Ridge	Mixed-income rental housing
LeClaire 1B	Cicero & 44th	Garfield Ridge	Mixed-income rental housing
Lathrop 1C/D	2750 N. Hoyne	North Center	Mixed-income rental housing
Parkside 5	Cambridge & Hobbe	Near North Side	Mixed-income rental housing
Southbridge Phase 1C	2400 S. State Street	Near South Side	Mixed-income rental housing
Lake Park Crescent	42nd and Lake Park	Oakland	Mixed-income for-sale housing
* Underway			

Thank you again for the opportunity to respond to your questions. If you have further questions, please reach out to Daniel Cruz (dcruz@thecha.org), Chief of Staff.

Sincerely,



Tracey Scott
Chief Executive Officer

CC: The Honorable Patrick McHenry, Chairman