

**September 28, 2010**

**MEMORANDUM FOR:** *The Honorable Norma L. Shapiro*  
United States District Court  
Eastern District of Pennsylvania

**RESPECTFULLY SUBMITTED BY:** *Steven A. Fischer*  
Executive Director

**RE:** *Velez, et al. v. Cisneros, et al.*  
Civil Action Number 90-6449

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**ANNUAL REPORT 2009-2010**

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Annual Report for 2009-10**

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## INTRODUCTION

This reporting period marks 16 years for the Chester Housing Authority (“CHA”) Receivership. The financial condition is stable, management ratings have climbed steadily and public confidence is high. Over the course of the Receivership, the entire inventory has been rebuilt and restored. All this has been achieved while the organization itself has grown smaller and tighter. Funding realities had a lot to do with our shrinking the workforce but there is no denying that waste was prevalent and a better job could be done with reduced, more efficient departments.

The period was highlighted by the onset of new, non-Federal revenue streams which had been in the works for a few years. As they become regular income producers, moving forward, they will decrease our reliance on volatile Federal contributions subject to annual appropriations. These new financial resources, detailed later in the report, come to us in the form of commercial leasing, current and planned, and the sale of services featured at the CHA.

In brief review, the 1989 lawsuit by Public Housing Residents against the CHA led to the 1991 United States Department of Housing and Urban Development (“HUD”) dissolution of the CHA Board of Commissioners. HUD then assumed responsibility for the agency and, subsequently, was added as co-defendant in the case. Following a bench trial, *Judge Norma L. Shapiro* of the United States District Court for the Eastern District of Pennsylvania ruled that the failure of the CHA and HUD to rehabilitate abandoned units of public housing constituted an illegal *de facto* demolition (*Velez, et al. v. Cisneros, et al.* (“*Velez*”), Civil Action 90-6449). Delaware County Legal Aid filed a class action suit on behalf of the CHA Residents. *Lawrence J. Fox, Esquire* provided *pro bono* services and, still today, serves as Plaintiff’s counsel.

In 1994, HUD requested the Court appoint a judicial receiver to replace the HUD-appointed director. *Judge Shapiro* selected former New York City Housing Commissioner *Robert C. Rosenberg* as Federal District Court Receiver. From 1994

to 2005, Rosenberg took the CHA from a state of distress to a high performing agency. Four family housing developments were rebuilt or refurbished. Over \$109 million was invested in multi-use, mixed-income communities. A Police force was created as were Resident programs. A Sustainability Committee is comprised of local leaders committed to planning for the future. Commercial development, an Arts and Cultural Center and homeownership plans were put on the drawing board, the development of which the CHA remains intensively involved.

Current administration. March 2005 marked the end of Rosenberg's tenure as Receiver. *Judge Shapiro* installed an Executive Director to run the agency and appointed Rosenberg as Judicial Administrator for Development. Both continue to serve today. Judge Shapiro designates Chester Residents to serve as a Board of Commissioners. This Advisory Board meets monthly with the Executive Director and, a few times a year, with Judge Shapiro. In order of seniority, its current members are:

*Sheridan D. Jones, Jr.*, Chair (President, Grier's Janitorial Service)  
*Marshall Muhammad* (President, Marshall Muhammad Enterprises)  
*Sarai Cruz* (Pennsylvania Representative Thaddeus Kirkland and CHA Resident)  
*Darrell V. Jones* (Executive Director, NAACP-Chester Branch)  
*Sheila Church* (Program Director, ChesPenn Health Services)

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From July 2008 to the present, we have moved forward in a calculated and well organized fashion. Personnel has stabilized. Having Residents as our partners and *Building Community* our motto, our main goals remain:

- Improving our financial condition
- Image development – defining and communicating our role
- Appreciating the opportunity to serve
- Serving our customers
- Serving the greater community – business, education, government and the social services

This report will primarily outline the fiscal periods from July 1, 2008 to June 30, 2010. In some cases, because of the timing of the Court's order, it will also include activities of Summer 2010. Subsequent to the above dated submission to the Court and public distribution, I will make an oral presentation and invite comments and questions of Your Honor, Plaintiff's Counsel, Residents, staff and the general public at the hearing called for

**October 26, 2010, 1:00PM, United States District Court for the Eastern District of Pennsylvania, Courtroom 16-B** (see Appendix 1).

**MANAGEMENT REPORT CARD**

Numerous HUD reviews were conducted throughout the period. A delayed Independent Audit for the period ending June 30, 2009, was conducted. HUD rule changes were the cause for its delayed performance. Barbacane, Thornton & Company (BTC) of Wilmington, Delaware are expected to issue two (2) findings related to tenant files and the waiting list. Corrective actions have been drafted to be filed promptly. The 2010 Audit has been scheduled for field work later this year.

Public Housing. HUD's Real Estate Assessment Center conducted annual inspections and financial reviews but did not issue official rating scores in 2008 and 2009. Based on the financial submissions and physical inspections of those years, we anticipated improved scores higher than the 83 rating of 2007. In August 2010, the final property inspection was conducted for 2010. Financial reports were filed. We are eager to post our new rating. See Appendix 2 for press review on ‘High Marks.’

Public Housing Assessment System Scoring (2005-10):

2005 .....	75
2006 .....	79
2007 .....	83
2008 .....	HUD did not issue
2009 .....	HUD did not issue
2010 .....	not issued yet

Housing Choice Voucher Program. In 2009, for the second consecutive year, we achieved ‘High Performer’ status by scoring 93:

Section Eight Management Assessment Program Scoring (2005-10):

2005 .....	75
2006 .....	69
2007 .....	48
2008 .....	90
2009 .....	93
2010 .....	not issued yet

In addition to HUD and Independent audits as well as the public scrutiny an agency such as ours undergoes, the CHA self-imposes community and internal checks in its effort to raise the level of performance as in the initiation of comprehensive compliance and quality control.

## HUMAN RESOURCES

The CHA's most reliable source of support is its labor force which has been reduced by a whopping 34 percent since 2005. Since 2008, staff numbers have stabilized. Further cuts could render us less efficient unless resources are maximized:

	<u>Full-time</u>	<u>Part-time</u>	<u>Temporary</u>	<u>Total</u>
July 2010	40	24	0	64
July 2008	43	9	13	65
July 2007	61	11	8	80
July 2006	68	10	4	82
July 2005	83	13	1	97

We completed negotiation terms for a three-year collective bargaining agreement for the Laborers and Mechanics with the *Service Employees International Union, Local 32 BJ Mid-Atlantic District* for July 2010 – June 2013.

Negotiations for Administrative staff with *Teamsters Local 312* for a new term have been delayed at the Union's request. A CHA proposal for merit pay increases was not received with open arms. It is hoped that negotiations will resume shortly.

Open enrollment for employee health benefits took place in February.

*Safety Committee.* Staff persons representing different departments are appointed by the Executive Director each year. Current members are *Robin Freeman and Richard Goldstein (Co-Chairs), Latifah Dixon, Victor Martinez, and Thomas Watras*. The current Committee has been the busiest. In addition to rectifying issues raised in an old insurance audit (2004), it traveled to Lancaster for training and certification in safety committee dynamics, hazard identifications, accident investigation and emergency measures for the swine flu in October 2009. In November 2009, it arranged for on-site

Safety Leadership training provided by the Addis Group. It also sponsored on-site training on Heat Exhaustion by *Norman Wise* in June 2010, just in time for one of the hottest summers on record.

The Safety Committee implemented the following for the protection of CHA staff:

- Purchased and distributed disposable gloves for all CHA vehicle
- Purchased and distributed sanitizers for all CHA vehicles
- Purchased and distributed face masks and ear protection for Maintenance staff
- Assisted with fire/safety inspection prior to move-in to new Central Office building

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*Our employees are generous. Douglas Daniel, Crystal Harrison and Shanelle Johnson led the charge which resulted in 95 percent participation in the Live United campaign. See Appendix 3.*

Housing staff received regulatory, administrative plan and procedure training.

See Appendix 4 for organizational chart.

## **FINANCE**

The Finance Department, under the guidance of *Joseph Keller*, promotes the agency's best interest by providing professional services. They include systems for accounting, accounts payable, payroll, purchasing and accounts receivable to insure the value of public funds is maximized and the public trust maintained. It follows guidelines established by the Governmental Accounting Standards Board.

Efforts to improve the effectiveness and efficiency of the budget process during the last two annual budget periods included major adjustments to salaries and benefits. Significant improvement to the bottom line can be seen from 2008 to 2009. Newly created non-Federal revenue streams have also been developed during the 2009-10 period which should lead to further financial wellness.

The Finance Department provided excellent services to customers and properly accounted for all CHA and CHA-affiliate funds. Vendor checks were processed weekly, payroll bi-weekly and housing assistance payments monthly. Over 20,000 disbursements per year were made to Landlords and Vendors.

The Department continued to serve as fiscal agent for outside entities managing CHA-developed housing. In this capacity, it processed subsidy payments for Developer/Managers, housing assistance payments for Investors and oversaw budgets.

Grants compliance monitoring and reporting was also done by this Department in support of agency program initiatives. Monitoring activities are aligned with major compliance areas identified by the Office of Management and Budget ("OMB") Circular A-133 and in compliance with OMB Circular A-87, Cost Principles.

The Department continued its vital work on the HUD-mandated conversion to Asset Management by putting the final touches on its full conversion.

Energy Performance Contracting initiated during the prior reporting period has begun to reap the savings intended. Just prior to the completion of the first full year of a new heating system for the Ruth L. Bennett Homes and water-saving measures for the Bennett and the William Penn Homes, total energy cost savings calculated to \$333,918 as confirmed by HUD in July 2010.

The CHA operates on a fiscal year beginning July 1st and ending June 30th. It operated management budgets of approximately \$27 million. Aside from rents and business ventures, most income comes from HUD in the form of Public Housing Operating

Subsidy and Housing Assistance Payments. See Appendices 5 and 6 for Financial Statement and Grant and Subsidy schedule for the last two annual reporting periods.

**For eight (8) consecutive years, we have been proud to report no adverse findings revealed in any Independent Audit.**

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*New money.* The development of non-Federal income sources has been a priority. Some came to fruition the past two years and several others are in the hopper for the near future.

We have sold Police services, for example, to contractors and apartment managers. The creation of leasable space on CHA properties has gathered us one tenant on Avenue of the States with a second on the way. At 6 West 6<sup>th</sup> Street, where we demolished the old CHA Headquarters this year, new construction is slated for the development of substantial commercial space in the heart of Downtown. That project will also provide for sorely needed storage area for ourselves. A one-time effort to recoup losses at the proposed Wellington retail site resulted in a lease with the *Philadelphia Union*, Chester's new major league soccer team to provide parking.

The sum total of the above business ventures brings in several hundred thousand dollars per year with the promise of much more. For the next reporting period, I anticipate special financial reporting on this.

## HOUSING

The CHA administers and manages 2,305 units of subsidized housing, approximately 20 percent of the rental housing stock in Chester. This includes 739 units of Conventional Public Housing and 1,566 Housing Choice Vouchers. We supported 77 units of homeownership sold or under contract by this writing and were engaged in the development of an additional 125 units of rental housing and 23 units of homeownership. The 300-unit *Chester Towers* high rise, vacated and then demolished by 2007, will soon see its last replacement units completed.

### Housing Units under CHA Management:

<i>Chatham Estates</i> .....	110
<i>Heartley Homes</i> .....	10
<i>Ruth L. Bennett Homes</i> ...	261
<i>William Penn Homes</i> .....	<u>160</u>
	541

### Under Other Management:

<i>Chatham Senior</i> .....	40 (Pennrose)
<i>Chatham Terrace</i> .....	48 (Roizman: co-management)
<i>Matopos Senior</i> .....	82 (Roizman: co-management)
<i>Wellington Ridge</i> .....	<u>110</u> (Pennrose)
	280

### In Development:

<i>Edgmont</i> .....	87 (Roizman: co-management))
<i>Madison</i> .....	<u>38</u> (Roizman: co-management)
	125

Inventory lost to HOPE VI replaced by Homeownership:

<i>Wellington Ridge</i> .....	26
<i>Logan Terrace</i> .....	24
<i>Wellington Heights</i> .....	<u>27</u>
	77

### In Development:

<i>Wellington Heights</i> .....	<u>23</u>
	100

Here and there. During the past two fiscal years, 241 families entered our programs. That included **121** new Public Housing Residents and **120** imported voucher holders. We note here that 52 percent were working families. Average annual income: \$19,021.

Public Housing and Section 8 waiting lists stand closed, the perennial indicator of the greater need for affordable housing in Chester. Except for a brief period in 2008, waiting lists have been virtually inaccessible to the public since 2001.

## PUBLIC HOUSING

Under the direction of *Norman Wise*, *Douglas Daniel* oversees most Housing staff and Public Housing operations. *Mary Militello* is our Housing Choice Voucher Program (“HCVP”) Director.

Rent Collection. We cannot meet our financial obligations without receivables. As evident in the accompanying financial reports, collection rates are now in the 90 percentile range. At last report to the Court, the Executive Director challenged Residents and staff to mind this matter much more closely. They did their jobs well.

Maintenance. We were shocked and saddened by the sudden loss of 37-year old Maintenance Mechanic *Rolel Coleman* in 2010. Rolel was our Fleet Manager and Special Projects Coordinator.

Although we have enormous maintenance challenges still to conquer, we have taken steps toward providing families with greater quality service in a professional and timely manner. Recently developed has been our Consumer Maintenance Satisfaction Report. A Housing Assistant randomly contacts Residents who have recently submitted requests for maintenance. This has helped us discover first-hand Residents’ level of satisfaction and to gauge the need for staff training.

Maintenance staff, Managers and Executive leadership will retreat to the Pocono Mountains in September 2010 for a secluded training weekend. Reflections of the past five-year period and future planning will take place amidst friendly competition.

Equipment upgrades. Older and larger trucks have been disposed of for newer energy-efficient models.

Second Time Around. We continued to supplement our Department with temporary laborers, some of whom are young men exiting recent incarceration. Our unfunded program has produced some positive results including permanent full-time work.

Energy Awareness. All Residents were required to participate in training conducted by Honeywell, Inc. as part of its obligation under an energy performance contract. This training served as a transition to Resident-paid utilities and better energy conservation.

*Investment.* Capital improvements take place regularly, primarily with the use of the Capital Fund Program. Planned improvements for the year are outlined in the Annual Plan open to input from Residents and the public. Like operating subsidies, the Capital Fund has been underfunded in recent years. The much ballyhooed American Resource and Recovery Act (“ARRA”), popularly known as the Stimulus bill, brought us an additional \$4.25 million in Capital funding which helped catch-up efforts with the capital improvements backlog. These improvements will be detailed later in this Report.

#### HOUSING CHOICE VOUCHER PROGRAM (SECTION 8)

*Improved Housing Stock.* We continued to pursue our primary goal of providing affordable housing opportunities while improving the overall quality of the housing stock for the City of Chester. As of this writing, more than 300 families in the HCVP reside in either newly constructed or totally rehabilitated dwelling units of the past few years.

*Mobility.* An impressive 19 percent of program participants ported (relocated) to lower poverty neighborhoods outside of Chester. Most went to the immediate neighboring suburbs as well as Philadelphia, Delaware and New Jersey. Some ventured further, particularly to the South. We have consistently earned bonus points from HUD for this effort.

A prime example of mobilizing families from poverty-impacted areas was the Highland Gardens exodus. Earlier in the decade, 147 assisted households resided in the 4053 census tract. In support of the City’s revitalization efforts, just 17 assisted renters remain and we are providing mortgage subsidy for one homeowner. As outlined in the JAD’s report, the CHA contributed \$3.25 million toward the Highland Gardens homeownership initiative.

*Project-Based Assistance.* Just since 2008, 183 units of new construction and renovations have been added to the HCVP portfolio. Another 79 are scheduled to be added in September 2010. More units are anticipated in 2011.

*Quality of Life.* Since 2008, only four of approximately 1,100 assisted properties received nuisance citations. Three of the four resulted in eviction and program termination. The CHA, via swift response to neighborhood complaints, believes it has done its part to support the City’s quality of life initiatives. It can be noted here that most complaints to us regarding nuisances were determined not to be of households in our program. Thus, neighbors were advised to file complaints with the Chester Police Department.

*Homeownership.* As of June 2010, 32 families HCVP participants have increased earned income since enrolling in the *Family Self-Sufficiency* (“FSS”) program. In March 2010, we held a Homeownership night to encourage active participation in FSS. Four attendees expressed interest in purchasing a home within the next year. Two home closings were celebrated since the last reporting period, both in Chester, one each at the recently constructed Union Square and Wellington Heights developments. Since 2003, 15 HCVP participants have now become homeowners.

*Team Development.* Four staff members took national certification training in Washington, DC in 2009. In April 2010, in observance of National Fair Housing Month, an educator from Pennsylvania Realtors was brought in to review State and Federal fair housing laws. The plan is to continue to seek professional development opportunities for proficient staff that demonstrate leadership potential.

*Community Support.* Combinations of HCVP staff and investor landlords hosted three story hours for summer day campers and holiday celebrations. Children were treated to book readings staged with costume, music and Santa Claus bearing gifts. Many thanks from the children and all of us to Program Director *Mary Militello* and the *David Cimina* family.

*New “Digs.”* HCVP staff is pleased to occupy the second floor of the new CHA central offices. This clean, organized space will do wonders in welcoming and serving program applicants and participants.

Special Initiatives. A lot happens at the CHA beyond basic program responsibilities and expectations. The list is long. The following are the most high-profile in recent years but not everything:

*BikeWorks.* Donated used bicycles are amassed under the *William Penn* Community Center. Led by recent Swarthmore College graduate *Jeff Cao*, teams of volunteers from the *Delaware Valley Bicycle Club* and *Swarthmore College* teach Resident children how to do repairs. In the end, the Resident gets to keep the bike.

Upstairs in the Community Center, homework, chess and other educational activity also accompany the bike program. For this reason, BikeWorks is slated to be rolled into *Chester Housing Authority Tech* (“CHA Tech”) at the start of the upcoming school year. See Appendix 7.

Community Gardening. The *Ruth L. Bennett Homes* have been the setting for community gardening the past two years. Serious cooperation between the Bennett Resident Council and *Swarthmore College* students resulted in a successful first

year in which a harvest was realized and celebrated with just that, a harvest in the Fall, prepared with home-grown Bennett crops. The second year has featured much more production and a better looking site. See Appendix 8.

Camp Lotsa' Fun. The *William Penn* Community Center again featured a daytime learning experience for youngsters in 2009. For the third consecutive year, enrollment increased (to 42). The Archdiocese of Philadelphia again supplied healthy food. Another fabulous job was done by Chester-Upland School District employee *Sharon Young* pictured receiving recognition for her efforts in Appendix 9.

In Summer 2010, the *Booker T. Washington* Community Center took center stage as our community partner, the *Nia Center*, set up camp. Art, music, swimming, reading and writing, movies, meals, trips and more! Sharing the Center with our CHA Tech caused computer learning to also happen. Thank you *Delores Freeman-Clybourn* and staff for bringing summer fun and learning.

Career Days. Summer 2010 saw ten of the area's largest employers gather on the *William Penn* basketball court to meet Residents and receive resumes. Sponsored By State Representative *Thaddeus Kirkland*. A huge turnout and immediate follow-up by the *Philadelphia Union* soccer team with a jobs orientation prompted the scheduling of a second Day at the *Ruth L. Bennett* in Fall 2010.

Haiti Relief. Summer 2010 also saw CHA Residents come out in droves to donate shoes for disaster victims in Haiti. This effort was the result of a partnership formed with *Shoes 2 Share* of Wilmington, Delaware. See Appendix 10.

Holiday Spirit. Food drives were led by thoughtful staff assisted by many others among us. St. Luke's Greek Orthodox Church supplied upwards of 800 gifts to CHA children as it has done for more than a decade. This project is always coordinated enthusiastically by General Counsel *Maria Zissimos*.

## **POLICE**

Under the leadership of *Chief Rodney O'Neill*, the Chester Housing Police Department ("CHPD") is a vital deterrent to crime. It aims to make CHA properties an unwelcome place to conduct illegal business. This is accomplished by continually moving unwanted persons and not permitting them to congregate at or near CHA property. This takes targets away from criminal intent on shooting rival gang members and lessens the possibility of Residents being struck by stray bullets. It also helps minimize property damage.

*Cooperation.* Over the years, we have undertaken to improve relations with City Police so that all Residents can benefit from more secure, peaceful conditions. During this reporting period, we hired several City Police officers to fill part-time roles and found that to further bolster working relations. The City Police Department is currently assisting us to get access to Delaware County's Sector 3, the radio frequency on which City Police are dispatched. This will cause City Police not to be dispatched to calls that can be handled alone by the CHPD, obviously freeing up City Police for other duties.

CHPD veteran *Jeffrey Sewell* is now assigned to work with the Delaware County District Attorney along with City detectives when violent crimes occur on our properties. Officer Sewell's knowledge of our Residents and trouble spots has helped speed up investigations and remove violent offenders from our streets and housing units.

Cooperation between the two Departments was highlighted this Summer when violent developments moved the Mayor to declare a State of Emergency (see Appendix 11). In June, CHPD officer *Luis Rodriguez*, assisting City Police on a call on Chester's East Side, was struck by a bullet in his shoulder. Initial fears for Rodriguez's well-being were quelled as he recovered well and looked forward to his return to duty.

Residents and staff enjoy a higher level of safety because of our Police Department but it is not without great budgetary sacrifice. Over \$600,000 annually goes to bankroll the operation. The costs would be greater, however, without the Police. See Appendix 12 for CHPD Activity Log.

## **INFORMATION TECHNOLOGY (“IT”)**

*Rodney M. O'Neill*

This supportive system of the CHA, also under the supervision of Chief O'Neill, provides daily service to all CHA departments and offices at all sites. The recent move to new central offices enabled IT to streamline the Server Room. This has resulted in a more efficient use of resources and reduced calls for service from staff members.

Currently, IT is updating old computers for the Section 8 Department to enhance the level of service staff can provide. IT looks forward to the future update of the software used by that Department to a more user-friendly Windows-based system. This will require an 18-month-long changeover but will supply many more tools with which staff can work.

*The Final Move.* This year's relocation of central offices to its final destination was a burdensome experience for this department requiring seven-day work weeks for more than a month. Such a good job was done that staff simply slipped in and resumed business as usual in the nicer surroundings.

## LEGAL

The CHA employs full-time counsel to keep up with the demands of the transformation, particularly when it comes to development projects and the requirements imposed by the Receiver Court under which there is a heavy emphasis on *due process*. Since 1999, *Maria Zissimos* has served ably in this role in addition to overseeing Human Resources, Risk Management and Planning and Development.

Litigation. CHA and Chester Wellington Development Corp. v. Commonwealth Land Title Insurance Co. (“CLTIC”) and Brandywine Real Estate Management Services Corp. (“BREMS”), Delaware County CCP, No. 10-8747. The CHA terminated an Agreement of Purchase and Sale due to default against Brandywine Real Estate Management Services and has filed suit to request funds held in escrow and all interest against the escrow agent, CLTIC, and BREMS. See Appendix 13.

Evictions. In accordance with the terms of *Velez*, we continue to have Resident arbitration hearings scheduled periodically. The lists are generally short and mostly reflect the inability of Residents to prioritize rent payments. There were no habitability complaints reflecting proper maintenance of the housing. For the two-year period July 1, 2008 to June 30, 2010, we filed 51 Requests for Hearing (as compared to 94 Requests the prior year). Of the 51, Requests, 20 evictions were ordered by the Court and 13 were carried out by the Federal Marshall. It is important to note that far fewer Requests are being filed and the percentage of evictions granted has increased. This indicates greater program compliance by program participants (Residents) and a better job by staff in bringing cases.

Risk Management/Insurance Coverage. There are seven (7) pending coverage matters for which Notices of Claim have been filed. See Appendix 14 for complete report.

Non-profit subsidiaries. There have been five entities established during the Receivership.

(A) *Chester Housing Facilities Management, Inc.* Formed to create the CHPD.

(B) *Chester Housing Acquisition Corp.* Formed to acquire property.

(C) (D) *Chester Wellington Development Corp. (“CWDC”).* Formed to accept donations for *The Neighborhood House* which never came about. CHA disposed the retail site to this entity in 2001. In 2003, the Receiver requested CWDC apply and receive 501(c)(3) status. CWDC received an advanced ruling letter in June 2003. In October, 2003, the Receiver requested and CHA completed a name change for the CWDC in order to support the arts initiative. The new name is the *Chester Arts and Cultural Center*. It is

expected that this entity will be used to form the outside Arts board. CHA has an open receivable of \$20,053 in legal costs to recoup for the formation of this entity. At the time of the name change, the CHA retained the CWDC name and formed a new 510(c)(4) entity to continue its activities with the retail site disposition.

(E) *Chester Housing Community Corporation*. Formed to assist HOPE VI projects.

## **PLANNING AND DEVELOPMENT**

This Department continued to be run “by committee” led by Mary Zissimos with the key use of Architectural and Engineering consultants Remington, Vernick and Beach. Housing Operations Manager Norman Wise and the ED also play active roles. We ceased employing a Development Director in 2006.

The HUD-mandated Annual Plan which was last filed April 2010. This was also the year we filed a new Five-Year Plan. Both included Resident and community input.

Thanks to the ARRA, the list is long for capital improvements (See Appendix 15).

## CHESTER HOUSING AUTHORITY TECH

It began as an earnest effort to create in-house employment opportunities for program participants. It developed into a virtual school and Resident service initiative. The seed planted was the hiring of *Richard Goldstein* to manage business ventures with a focus on sustainability. This effort was dubbed the Section 3 Training Enterprise and later became known as Project X. After finding clients, training Residents to perform work and bringing in additional revenues, Goldstein was recruited by the JAD to coordinate the final year of the HOPE VI Community Supportive Services (“CSS”) program. This led to his appointment as the Project Coordinator for Neighborhood Networks (“NN”).

The fledgling computer learning centers, funded by a \$400,000 HUD grant in 2008, was off to a slow start under outside management. Goldstein had, by this time, spent almost a year familiarizing himself with the make-up of the CHA and gaining the confidence of Residents and staff. He quickly pushed the NN into high gear. Within months, laboratories were built, classes were all being held on-site at all three of our large family developments and a graduating class of 43 accepted tokens of their accomplishment in June 2010. An incredible amount of enthusiasm was on display that night including positive emotions toward CHAT staff comprised of Americorps members (also CHA Residents) and a diverse group of volunteers (CHA Residents, staff and students from Swarthmore College and Widener University).

Goldstein’s prior work with the CSS program opened another door. When the HOPE VI program parted company with its original evaluator in 2009, *April Young* of the Collins Center was brought in to do the final assessment. She expeditiously met with the senior services provider, the County Office of Services for the Aging, obtained feedback from almost all former *Chester Towers* Residents and moved to form a partnership with Goldstein and the CHA to address issues of sustainability going forward. In the meantime, NN was becoming a clearinghouse for all of the above components related to sustainability. A name change was subsequently approved by the NN administrative team. *Chester Housing Authority Tech*, or CHA Tech, or “CHAT” has become familiar to program participants around Chester and beyond as a place to learn and receive job preparation. CHAT has also attracted HUD’s attention and been named one of ten pilot programs across the country, putting it in the mix for further funding. The original three-year period of the NN grant was extended an additional year.

*Got time?* Another offshoot of the CHAT initiative has been the development of the *Community Time Exchange*. Derived in part from the work of Edgar Kahn, long associated with Swarthmore College, community Residents become members. They help fellow members by investing time and donating services. This makes them eligible to receive free services in return.

## BUILDING COMMUNITY

*Resident Councils.* Following training and elections, the Court swore in 15 Resident leaders as members of three Resident Councils in 2009. During the remainder of the reporting period, the *Ruth L. Bennett* Council was the most active. They claimed eligible funding from the CHA, established a newsletter and ran many community events and programs. The *William Penn* Council took charge in response to the violence which came to its streets by organizing rallies and marches. At the same time, it focused on the positive by hosting an employment initiative and adopting the BikeWorks program. The *Chatham Estates* Council has been inactive to this point. See Appendix 16.

*School's in.* Assisting our education system in its turnaround is in our Residents' best interest. The Executive Director joined forces with Chester Upland School District ("CUSD") Superintendent, *Dr. Gregory Thornton*, on various initiatives. The CUSD was an early partner in the program which became CHA Tech. In 2009, it started an off-campus program at the *William Penn*. 'A Home For You' teaches developmentally challenged students housekeeping. The lease was recently renewed. See Appendix 17.

*Scholarship.* The Sustainability Committee monitors the progress of five students awarded scholarships to the Pennsylvania Institute of Technology. *Sheila Church* of ChesPenn Health Services and newly appointed to the CHA Board chaired this Sub-Committee. *Dr. Judith Stang* provides key leadership. The students have completed their first year.

*Youth Court.* For the past two years, *Judge Shapiro* has hosted Chester High School students in her courtroom for Law Day Exercises. This local program, run by *Gregory Volz, Esquire*, has been lauded for its success.

*Resident Accolades.* Many Residents are regular community contributors. Noteworthy for their accomplishments are:

- *Tamika Friend* and *Donna Jacobs*, both William Penn Residents, became homeowners. Friend had been with us since 1998, Jacobs since 2005. Both purchased homes locally and did so without special assistance.
- *Ruth A. Minor, Chatham Senior Village*, graduated from Eastern University in 2010. In limited spare time, she runs a community garden, serves as an Executive member of the Sustainability Committee, mentors youngsters and worked at the Summer camp.
- *Portia L. West, Chatham Estates* was elected to the City Council.  
(see Appendix 15).

*Sadly*, we mourned the passing of *Helen Woods*, long-time *Chester Towers* Resident Council Vice President and *Matopos Senior* President. She was a passionate advocate for

senior citizens and a playwright of note. Her last production in this regard was the theatrical performance she authored for our *Ruth L. Bennett Day* in 2008. See Appendix 18.

## **LEGISLATIVE REVIEW**

The Bush years saw housing subsidies cut to as much as 24 percent at times, most years between 10 and 20 percent. In 2009, a new Administration came to power with the promise of a new day for housing. Its advocacy for 100 percent of subsidy brings hope. The Stimulus package was a forceful shot in the arm. Full advantage was taken by Housing Authorities.

The Public Housing industry campaigned hard for the opportunity to be key players in the Stimulus effort. It was awarded such and delivered handsomely as 99 percent of the funds allocated were obligated within a year and will be spent within three. Capital improvement backlogs were reduced significantly, employment opportunities soared (many for Public Housing and Section 8 Residents) and Housing Authorities were on display as local economic engines to be counted on.

The Obama Administration has put forward a proposal that, in its current form, could radically transform the way Public Housing is financed. Known as Preservation, Enhancement and Transformation of Rental Assistance (“PETRA”), it is modeled after the Section 8 program. It’s first brush with Congress did not go well, however, as HUD was sent back to reorganize.

Little, it seems, has been accomplished with the home foreclosure mess. This impairs the ability of families in our programs to advance as mortgages are hard to come by. As this report indicates, though, we had some success in this area as two Public Housing Residents made the jump to homeownership and homes are selling at the new *Wellington Heights*.

## **LOOKING AHEAD**

Each year we take small steps forward. The sum total of the last five has been significant. On the schedule for next year:

- Sale or lease of the Highland Avenue commercial site to a supermarket developer.
- Bid for State-wide contract administration of Project-Based Section 8 under the newly formed AHI.
- Expansion of CHA Tech as it takes under its umbrella small programs and blends them into a larger, more comprehensive effort to attract future funding.
- Redevelopment of 6 West 6<sup>th</sup> Street, the old CHA headquarters, into leasable space and CHA storage.
- Groundbreaking for a Cultural Center with a housing component adjacent to our new central offices.
- Seeing our scholarship students graduate.

## CLOSING

There is much to be proud of in the accomplishments of the Receivership. Staff, take pause to reflect on jobs well done. Residents, take heed in having reconnected yourselves to the business of the Housing Authority. The Court has counted on all of you and you have delivered.

Moving forward, responsibility for the community services we want to provide falls not on Washington or Harrisburg, but on us. Because of the progress of the past two decades and the promise of the next, we are poised to succeed.

### With Gratitude ...

to Residents and Staff who come together daily to further our goals;

to the team of Executives, smaller now, together for its sixth year, of which the ED still ranks as its junior member;

for the support provided by *Dennis Bellintier* and his team at HUD-Philadelphia;

to *Mayor Wendell Butler* for his support of our mission, and to his City team for their support of our efforts in Chester;

to our elected Commonwealth representatives, *Senate Majority Leader Dominic Pileggi* and *Representative Thaddeus Kirkland*, and to United States *Senators Arlen Specter* and *Robert Casey* and *Representative Robert Brady*;

to *Robert Rosenberg* for his continuing role in the rebuilding of the organization;

to *Your Honor*, for the opportunity to serve the Court and the people of Chester, for the confidence you have placed in me and for the benefit to me of your experience and wisdom.

**APPENDIX 1/  
Court Order  
October 1, 2010**

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**APPENDIX 2/**

***Once troubled, Chester's public housing is earning  
'High marks' by federal HUD standards***

**Chester Spirit**

**March 11-17, 2009**

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**APPENDIX 3/  
*Chester Housing Authority Back and Better Than Ever*  
April 15, 2009**

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**APPENDIX 4/  
Organizational Chart  
2010**

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**APPENDIX 5/  
Financial Statement  
2008-09**

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**APPENDIX 6/  
Grant and Subsidy Schedule  
2009-10**

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**APPENDIX 7/  
BikeWorks Collage  
2009-10**

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**APPENDIX 8/  
Community Gardening Snapshots  
2009-10**

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**APPENDIX 9/  
Camp Lotsa' Fun Director Sharon Young  
August 2009**

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**APPENDIX 10/  
Shoes 2 Share on Haiti Relief  
April 19, 2010**

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**APPENDIX 11/  
*City, Housing Authority Cops Team Up to Deter Violence*  
Delaware County times  
June 11, 2010**

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**APPENDIX 12/  
CHPD Activity Log  
2009-10**

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**APPENDIX 13/  
Insurance Claims Schedule**

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1. Martha Roten v. CHA and City of Chester, Delaware County Court of Common Pleas, Civil Action 07-14192. Alleged slip and fall. DOA November 13, 2005. Coverage counsel assigned. Matter settled May 5, 2010 for \$32,500.
2. Sheila Walls v. CHA, et al., Delaware C.C.P. April Term, No. 08-16706. Slip and fall at or about 1203 Tilghman Street, then known as Matopos Hills, DOA December 26, 2006. Representation letter received February 1, 2007. Matter Tendered to BOTSOS General Contractor, LLC May 9, 2009. Tender accepted by Selective Insurance Co. of America on behalf of BOTSOS. Matter settled for \$25,000 November 9, 2009 with no contribution from CHA.
3. Taunya Cottman. Slip and fall in front of 1406 Richardson Terrace, Ruth L. Bennett Homes. DOA June 26, 2008. Representation letter received August 15, 2008. No complaint to date. Matter investigated by insurance carrier. Matter settled July 2010 for \$20,000.
4. Emmanuel Gethers (minor). Slip and fall in front of 1406 Richardson Terrace, Ruth L. Bennett Homes. DOA June 28, 2008. Representation letter received September 4, 2008. No complaint to date. Matter investigated by insurance carrier. Matter settled for \$10,000. Awaiting Court settlement as case involves minor.
5. Morgan Sammons v. Jeffrey Sewell and CHA, Delaware C.C.P., No. 098-52417. Auto case filed May 15, 2009. On March 2, 2010 matter was tried in front of an Arbitration panel of the Delaware County Court. A defense verdict was entered. No appeal was taken by the Plaintiff.
6. Camille Raymond. Slip and fall on interior steps of 1418 Purnsley Terrace. Representation letter received July 27, 2009. No complaint to date. Matter Investigated by insurance carrier. Matter settled for \$15,000 August 2010.
7. Mildred McDowell v. CHA and City of Chester and Roizman & Associates, Inc. and Roizman Development, Inc. and Central Salvage Co., Delaware C.C.P. September Term, No. 09-55511. Slip and fall at the intersection of 10<sup>th</sup> and Madison Streets, August 1, 2008. Complaint served on CHA January 1, 2010. Matter tendered to Roizman and central Salvage. Ongoing.

**APPENDIX 14/  
Capital Improvements  
2009-10**

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**APPENDIX 15/  
*CHA Nixes Supermarket Developer; Sues Brandywine  
For Contract Breach and \$100,000*  
Chester Spirit  
June 2-8, 2010**

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**APPENDIX 16/**  
***Public Housing Resident Leaders Are Formally Installed***  
**Chester Spirit**  
**March 11-17, 2009**

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**APPENDIX 17/  
*Chester Upland Launches New Program*  
Delaware County Times  
January 27, 2010**

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**APPENDIX 18/  
A scene from Helen Woods' Ruth L. Bennett Production  
May 17, 2008**

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The CHA is grateful to the following individuals and organizations that helped further its goals for the year:

Avenue Pharmacy  
Frank **B**enditt General Contractors  
Bethany Baptist Church  
US Representative Robert **B**rady  
US Senator Robert **C**asey  
Center on Ethnic and Minority Aging  
Chester Arts Alive  
Chester Eastside Ministries  
Chester Economic Development Authority  
Chester Police Department  
Chester Upland School District  
David **C**imina Family  
City of Chester  
Collins Center for Public Policy  
Community Impact Legal Services  
SB Conrad  
Council of Large Public Housing Authorities  
County Office of Services for the Aging  
Crozer-Keystone Health Systems  
Cultural Alliance of Greater Philadelphia  
Delaware County Housing Authority  
Delaware County Property Investors Group  
Diversity Apprenticeship Program  
Domus Construction  
Chester **E**astside Ministries  
EducationWorks  
Lawrence J. **F**ox, Esquire  
Pennsylvania **H**ousing and Finance Agency  
United States Department of **H**ousing and Urban Development  
Jewish Employment Vocational Services  
PA Representative Thaddeus **K**irkland  
Norman Kranzdorf  
Legal Aid of Southeastern Pennsylvania  
Mount Pleasant Community Development Corporation  
John W. Nails, Esq.  
National Association for the Advancement of Colored People  
Nemex Landscaping  
Nia Center  
Pennrose Development  
PA Senator Dominic **P**ileggi  
Philadelphia Union  
Public Housing Authorities Directors Association  
Remington, Vernick & Beach

Roizman Development  
Rosenberg Housing Group  
St. Luke's Greek Orthodox Church  
US Senator Arlen Specter  
Dr. Judith A Stang  
Susquehanna Bank  
Swarthmore College  
The United Way  
Weed & Seed  
Widener University  
Wise Choice Scholarship