

**December 31, 2008**

**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

---

**ANNUAL REPORT 2007-2008**

**CONTENTS/  
Annual Report for 2007-08**

---

INTRODUCTION .....	1
MANAGEMENT REPORT CARD .....	3
HUMAN RESOURCES .....	5
FINANCE .....	6
HOUSING .....	8
SECURITY .....	12
INFORMATION SYSTEMS .....	13
LEGAL .....	14
PLANNING AND DEVELOPMENT .....	16
NEIGHBORHOOD NETWORKS .....	17
BUILDING COMMUNITY .....	18
LEGISLATIVE REVIEW .....	20
A LOOK AHEAD .....	21
CLOSING .....	22
PERSONAL THANKS .....	23
Court Order of October 6, 2008 .....	Appendix 1
SEMAP Letter of Appeal .....	Appendix 2
2008 Organizational Chart .....	Appendix 3
2008 Grant and Subsidy Schedule .....	Appendix 4
CHA Basketball Team .....	Appendix 5
CHA Drill Team .....	Appendix 6
Police Activity Log .....	Appendix 7
Street Violence Rally .....	Appendix 8
Insurance Claims Report .....	Appendix 9
Gregory L. Volz .....	Appendix 10
Neighborhood Networks Award .....	Appendix 11
Ruth L. Bennett Renaming .....	Appendix 12
Ruth A. Minor .....	Appendix 13
Delores Walker .....	Appendix 14
Portia L. West .....	Appendix 15

## INTRODUCTION

Another year into Judicial Receivership and the Chester Housing Authority ("CHA") continues to improve. Its financial condition is stable and management scores are on the upswing. For the first time ever, the CHA may boast "High Performer" status for both the Public Housing and Housing Choice Voucher Programs ("HCVP"), the first time ever for the HCVP.

The 1989 lawsuit by 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. After 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 remains 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. In total, over \$109 million was invested in multi-use, mixed-income communities. A Police force was created as were programs for Resident development. A Sustainability Committee, now chaired by *Dr. Judith Stang*, 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. Judge Shapiro designates Chester Residents to serve as a Board of Commissioners. This Advisory Board meets monthly with the Executive Director and, from time to time, with Judge Shapiro. Its current members are *Sarai Cruz, Joseph K. Edwards, Darrell V. Jones, Marshall Muhammad and Sheridan D. Jones, Jr.*, the Chair. Their dedication is highly valued.

-----

From July 2007 to the present time, we have accomplished much. A great amount of personnel changes have caused stress to the organization but brought acceptable results. Having Residents as our partners and *Building Community* our motto, our main goals remain:

- Improving our financial condition
- Addressing image
- Appreciating the opportunity to serve
- Satisfying our customers
- Satisfying the greater community

This report will primarily outline the fiscal period July 1, 2007 to June 30, 2008. In some cases, because of the timing of the Court's order, it will also include activities and events through December 2008. 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 February 9, 2009, 10:00AM, United States District Court for the Eastern District of Pennsylvania, Courtroom 10-A (see Appendix 1).

**MANAGEMENT REPORT CARD**

Multiple HUD reviews were conducted throughout the year which checked on prior periods. An independent audit could not be done due to still-incomplete HUD rule changes. Barbacane, Thornton & Company (BTC) of Wilmington, Delaware issued two findings for the fiscal year ended June 30, 2007 related to tenant files and the waiting list. Corrective actions were promptly filed and cleared.

Public Housing. HUD's Real Estate Assessment Center recently conducted annual inspections and reviews which should result in higher marks. The previous year our score rose to 84. A score of 90 is required to be labeled a high performer. Achieving 'high performer' status is a goal etched in our five-year plan. Last year, we predicted we were two years away. We may jump ahead of schedule:

Public Housing Assessment ("PHAS") Scores: 2005-08

2005 .....	75
2006 .....	79
2007 .....	84
2008 .....	?

Section 8. Two and three years ago, this CHA housing program received 'standard performer' ratings of 75 and 69. Though scoring was considered acceptable, too much effort was required to attain results and the potential for improvement did not exist. To meet goals and perform highly, personnel had to change. Since 2005, almost every key position in this department has turned over at least once. Such upheaval in personnel was bound to cause turbulence. It was decided, if we had to get worse before we could get better, so be it.

A score of 59 was assessed by HUD for 2007. We believed, even with inexperienced line staff, we had maintained acceptable standards. The score was appealed. We believed that a 20-point penalty wrongly lowered the score from 79. Our appeal (see Appendix 2) was denied. To make matters worse, a subsequent HUD confirmatory review pounded the score down further. HUD posted us at 48 for the year, rankling staff and sending reverberations throughout the organization.

By that time, we were halfway through the next fiscal year. New staff were doing well, gaining experience by the day. Our largest conference room was converted into a 'war room.' Files were examined for completeness, in assembly line fashion, while program participants were called in by the busloads, or so it seemed.

When it came to certify with HUD for the year's performance, Housing Director Norman Wise reported that scoring in the 70s, or even the 80s, our best showing in many years, was assured. Certification would be followed by another HUD on-site confirmatory review due to our 'troubled' status. HUD's October 2008 letter stated the following:

"This is to inform you of the Chester Housing Authority's final Section 8 Management Assessment Program ("SEMAP") score for the fiscal year ended June 30, 2008 and the grade for each indicator included in the SEMAP assessment. **The Authority's SEMAP score is 90 percent, thus your Authority's rating is 'High Performer.'**"

Section 8 Management Assessment Program ("SEMAP") Scores 2005-08:

2005 .....	75
2006 .....	69
2007 .....	48
2008 .....	90

In addition to the outside scrutiny a public agency must undergo, the CHA subjects itself to a host of community and internal checks in its effort to raise the level of performance in service to CHA Residents and the City of Chester. Housing staff hold Town Meetings where important information is imparted. Feedback, as to how we are doing in their eyes, is obtained from Residents. A Resident Advisory Board and Resident Councils rendered similar exchanges in smaller, more focused settings. The Executive Director also gets outside of our communities regularly to be part of City-wide discourse and to seek input on our performance. The new CHA is more of a local player.

## HUMAN RESOURCES

*Mary M. Zissimos, Esquire*

Our labor force is our most reliable source of support. Funding is tenuous, wholly inadequate in recent years. Nevertheless, staff show up everyday giving best efforts.

Funding cuts have resulted in a forced reduction of our workforce:

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

This was the third of a four-year collective bargaining agreement with the Teamsters, Local 312 representing our administrative unit. It was the second of a three-year deal with Laborers and Mechanics represented by the National Conference of Firemen and Oilers, Local 473.

Open enrollment for employee health benefits took place in February.

October Safety Committee training took place in Lansdale. The Committee sponsored a half-day Driver Awareness training given by our insurance carrier. The class, attended by our drivers and Police officers, proved useful.

Housing staff received regulatory, administrative plan and procedure training.

A collaboration with Community Impact legal Services offered Tenant's Rights and Responsibilities workshops for Housing Choice and Public Housing program participants.

See Appendix 3 for organizational chart.

## **FINANCE**

*Joseph J. Keller, Chief Financial Officer*

Mission. Promote the agency's best interest by providing professional financial services that include systems for accounting, accounts payable, payroll, purchasing and accounts receivable whereby fair and equitable treatment is the norm, the value of public funds is maximized and public trust is maintained and valued.

The Finance department follows guidelines established by the Governmental Accounting Standards Board ("GASB"). Staff conducted research and developed a plan for implementing changes required by the GASB.

As part of its effort to improve the effectiveness and efficiency of the budget process, the Finance department self-evaluated its methodology. Findings were strong and constructive, pointing to four primary areas for improvement. In the upcoming year, we will focus on salary and benefits control, reports and information, budget reporting structure and performance measures.

In Fiscal Year 2008, the Finance department provided excellent services to customers and properly accounted for all CHA funds. Vendor checks were processed weekly, payroll bi-weekly and housing assistance payments monthly. Over 19,000 disbursements were made.

The Finance department continued to serve as fiscal agent for outside entities managing CHA-developed housing. In this capacity, CHA staff process subsidy payments, housing assistance payments, oversee budgets and other related financial services.

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. Monitoring objectives are as follows:

- Determine whether program activities and costs are eligible under program regulations and grant agreement provisions.
- Determine that costs reported under grant program are consistent with OMB Circular A-87.
- Determine that grant funds are used exclusively during period for which funds were authorized.
- Control reliability and timeliness of grant financial reporting.

The department continued its vital work on the HUD-mandated conversion to asset management. The CHA is fully converted, fully prepared to report to HUD and ready for any HUD review.

This year, the Board and the Court authorized us to take on an Energy Performance Contract. Finance, designated the lead department by the Executive Director, conducted a unique procurement process to set up financing. By the year's end, this will have brought to the CHA a new heating system and about 2,000 water-saving fixtures.

Work by all CHA departments was performed in the face of severe cutbacks. The Finance department knows this best and continually delivered disheartening news to other departments. Alternative revenue sources must be and have been sought.

The CHA operates on a fiscal year beginning July 1st and ending June 30th. It operated management budgets of \$27 million. Aside from rents and business ventures, most income comes from HUD. For many years, HUD allocations have decreased. The past few years, the cuts have been the most acute. See Appendix 4 for 2008 Grant and Subsidy schedule.

**For six consecutive years, we have been proud to report no adverse findings revealed in any independent audit.** Once HUD authorizes a 2008 audit, we expect another good report.

## HOUSING

*Norman D. Wise, Housing Operations Director*

The CHA administered and managed 2,192 units of subsidized housing, about 20 percent of Chester's rental inventory. Conventional Public Housing numbered 629 units; Housing Choice Vouchers (Section 8) 1,563. We were associated with 50 units of affordable homeownership and engaged in the development of an additional 125 units of rental housing and 50 units of homeownership. By the beginning of this reporting period, the 300-unit *Chester Towers* high rise had been vacated and then demolished as part of the HOPE VI program. To date, 130 replacement rental units have been completed and are under co-management with Roizman Development, as will the subsequent phases of this HOPE VI, per agreements made at the inception of the Chester Towers Revitalization project. In addition, Roizman has completed and sold 24 units of homeownership.

### 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> .....	<u>24</u>
	<u>50</u>
<u>In Development:</u>	
<i>Wellington Heights</i> .....	<u>50</u>
	100

Comings and Goings. Entering our programs in 2007-08 were **178** families. That included **58** new Public Housing Residents and **120** imported voucher holders. Public Housing and Section 8 waiting lists have been closed for several years, an indication of the great need for additional affordable housing in Chester. A 60-day opening of the list in July-August 2008 resulted in its quick replenishment.

Under the direction of *Norman Wise*, *Douglas Daniel* oversees most Housing staff, Public Housing operations and has taken on an increased role in Section 8. *Mary Militello* is Section 8 Director. Four key hires this year showed great promise. The previous year's new policy of cross training Housing staff has shown its first benefits with this class.

Maintenance. Reductions in the maintenance force have brought our desired number down to 10 full-timers (currently working with eight). We make ends meet with a cast of temporary laborers. This serves several purposes, among them, opportunities for Residents lacking work experience to prove themselves. It also serves as a staging mechanism for building crews for business development. This has also been where we have practiced our "second time around" employment where we have given chances to young people coming out of incarceration. We are proud of the work several of those men have produced. Equipment upgrades have also helped us adapt to a smaller work force.

Housing Quality Standards. Since 2003, McCright and Associates, of Chattanooga, Tennessee has provided professional inspection services for Section 8 properties.

Investing in Mission. On the Public Housing side, 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 severely underfunded in recent years. Even so, some notable major improvements included a new heating system for the *Bennett Homes*, water saving fixtures for the *Bennett* and *Penn Homes* and *Chatham Estates*, exterior lighting for the *Bennett* and *Penn* and waterproofing for community space at the *Penn*.

On the Housing Choice side, staff offered classes and certified investors, ensuring good understanding of CHA program goals. Handbooks and newsletters keep communication flowing back and forth. This results in better housing and better landlord/tenant relationships and has a positive effect on neighborhoods.

Occupancy and Leasing. CHA-operated housing and assisted housing are in high demand as evidenced by long-closed waiting lists. In the post-*Velez* era, the CHA has become the proprietor and administrator of choice for needy families. High occupancy

and rapid turnover rates of available Public Housing units and full utilization of awarded Housing Choice funds characterize our programs. For the fifth consecutive year, we have maintained full utilization of Housing Choice program funds. We consistently expend 95 percent or more of our annual budget authority.

In addition to Public Housing, Pennrose and Roizman holdings and Chester Section 8 properties, we supported 120 outgoing portable vouchers, 101 of those to Delaware County, 19 dispersed elsewhere across the country as allowed by program rules. The base of tenants actually living in Chester has shrunk from more than 1,300 in 2003 to 1,053 at the close of our last fiscal year (June 2008). Violent crime and the search for a better school district were cited the most as reasons for moving out of Chester.

Special Initiatives. CHA staff takes pride in going beyond basic program expectations. The following were major endeavors taken on by Norman Wise and his shop:

Summer Basketball. Led by Occupancy Specialist *Duane Lee* as coach, an All-star team of CHA youngsters traveled first to Lancaster, Pennsylvania and later to Huntsville, Alabama for friendly competition and education. The extraordinary Alabama trip, which included enlightening visits to the Rosa Parks Museum in Montgomery and the Space Museum in Huntsville, was funded with the help of State Representative *Thaddeus Kirkland* through the Department of Community and Economic Development. See Appendix 5.

Dramaticq Impact is the name of newly formed CHA drill team under the direction of Groundskeeper and *William Penn* Resident *Seafus Richardson*. Uniquely costumed, our team was a smash hit at its first competition at Chester High School. They next competed in Atco, New Jersey, placing fifth. *Jamaal Singleton*, a 17-year old senior is coordinator of the open squad. Compliance Manager *Jeffrey Green* makes sure all goes well. See Appendix 6.

Camp Lotsa' Fun. The *William Penn* Community Center was again the setting for a 2008 learning experience for younger Residents. A second collaboration with the Archdiocese of Philadelphia brought healthy food and another fabulous job by Chester school teacher *Sharon Young* (recognized at last year's hearing) as Camp Director made this an enriching experience for 27 youngsters, double the 14 children of the previous year. We have really built something here.

Beautification. Swarthmore College provided an army of students to brighten up the *Bennett Homes* for a second straight year. This year they painted A-frames and porch railings.

Holiday Spirit. Food drives were led by thoughtful staff assisted by many others among us. *Renee Bradley, Crystal Harrison, Debbie Smith* and *Marsha Stanbach* were recognized for their 2007 efforts. Dramaticq Impact assisted in 2008 as community service is part of their program. A generous donation by Plaintiff's Counsel funded the effort.

St. Luke's Greek Orthodox Church supplied about 800 gifts to CHA children for the 10th year. This project is always coordinated by *Maria Zissimos*.

## **SECURITY**

*Rodney M. O'Neill, Chief*

The Chester Housing Police Department ("CHPD") is a deterrent to crime at CHA properties. Our Residents enjoy a higher level of security because of CHPD presence in their communities. Despite the Department being reduced to about half its earlier size due to budget cuts, the annual cost of maintaining around-the-clock police services today is still over \$600,000. Unfortunately, the cost would be much greater without them. See Appendix 7 for CHPD Activity Log.

Cooperation between the City of Chester Police and the CHPD is critical. Our officers and City Police work in tandem to curtail drug activity and violent crime. The eruption of gunfire in the vicinity of *William Penn Homes* over an extended period of time created fear. In response, the Executive Director was joined by *Mayor Butler, Councilmember Walker-Smith, Pastor Lilly* of White Rock Church and City and CHPD Police Chiefs for an October 24, 2007 rally at the corner of West 5th and Franklin Streets (see Appendix 8). An alarm was sounded that day that our neighborhood would not sit idly while shots were being fired around us. A joint undercover operation quieted things and eventually turned up key weapons.

In another show of Police cooperation, CHPD Officer *Timothy Langille* was recognized for bravery in his assistance to City Police.

In late 2007, the Executive Director requested a catastrophe plan be drafted and implemented. After conferring with the City's plan, Chief O'Neill produced and delivered that as an addendum to our Housing Police procedures by the year's end.

A camera was purchased this year. This will be used to photograph, print and issue Resident identification cards. This popular program among Residents will assist Police in moving loiterers and trespassers.

## **INFORMATION SYSTEMS**

*Rodney M. O'Neill*

This arm of the CHA is also under the supervision of Chief O'Neill. The office provides daily service to all CHA departments.

The Move. This year's temporary relocation of central offices due to the *Chester Towers* demolition was a large and expensive assignment with much of the burden falling on this department, called on to work seven-day weeks for a month. A permanent move of central offices will probably occur in 2010.

Once the move to temporary quarters was completed, this department took on the challenging task of replacing the computer system server. In its entirety, this project will run approximately two years. After a careful procurement process was conducted, the server was installed and synchronized over a weeklong period. Elite software and new work stations will follow.

## LEGAL

*Mary M. Zissimos, General Counsel*

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. None.

Evictions. In accordance with *Velez*, one to two days were scheduled each month for Resident arbitration heard by *The Honorable Seymour Kurland*. 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. From July 1, 2007 to June 30, 2008, 94 Requests for Hearings were filed. Six resulted in evictions ordered by the Court. Four were carried out by the Federal Marshall.

Personnel matter. *Jamilla Graves v. CHA, EEOC No. 17FA460867*. On January 7, 2004, we received notice of a claim of race discrimination by a former employee. The complainant, an African-American female whose termination was recommended by another African-American female, was terminated on October 27, 2003 for unsatisfactory work performance. The complainant claimed her manager referred to her as a Negro and a fool. A response letter was issued January 9, 2004 citing the Receiver's Order requiring Court approval prior to an investigation. **The matter was dismissed by the United States Equal Opportunity Commission on January 14, 2008 and no lawsuit was filed by the complainant during the requisite timeframe and the matter is over.**

Risk Management/Insurance Coverage.

(A) There are six (6) pending coverage matters for which Notices of Claim have been filed.

(B) December 28, 2007 total fire loss to 1404 Locke Terrace, *Ruth L. Bennett Homes*. Unit is being refurbished using insurance proceeds.

See Appendix 9 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**

*Mary M. Zissimos*

Tightness of budget had us continuing not to fill the former position of Director of Planning and Development. For two years now, we have run this department by committee. Led by Maria Zissimos, Joe Keller handles the financial reporting and Remington, Vernick and Beach are employed extensively for the construction contracting.

The HUD-mandated Annual Plan which was last filed April 2008. It included Resident and community input and City of Chester concurrence. Subsequent HUD approval was obtained.

In 2007-08 we accomplished the following:

### Capital Fund Program:

- Exterior lighting upgrades at *Bennett* and *Penn Homes* (ongoing).
- Storm door replacement at *Bennett* and *Penn Homes* (completed).
- Waterproofing of *Penn Community Center* (completed).
- Mechanical room and crawl space upgrades at *Bennett Homes* in preparation for new heating system (completed).
- **Energy Performance Contract.** New heating system for *Bennett Homes*. Water saving fixtures (sinks, toilets) for *Bennett* and *Penn Homes* and *Chatham Estates*.
- Applied for and received Neighborhood Networks grant of \$400,000 to complement HOPE VI development.

## **NEIGHBORHOOD NETWORKS**

The CHA, due to its participation in the HOPE VI program, is required to sponsor ongoing supportive community services. Without any reasonable amount of funding available from its budget, only an award from HUD's Neighborhood Networks would enable it to fulfill this requirement.

After two unsuccessful attempts in previous years, the Court's Judicial Administrator for Development, Mr. Rosenberg, sought the assistance of the CHA in locating the right grant writer. *Gregory L. Volz, Esquire* of the Community Economic Development Research Center in Chester was recommended and subsequently hired by Rosenberg. Volz also runs a Youth Court at Chester High School which has been supported by the CHA and gained accolades (see Appendix 10).

Volz set out to navigate complex HUD rules and guidelines and proved up to the task. A six-month process, with heavy involvement from CHA staff, resulted in the award of \$400,000 to fund Neighborhood Networks. This was the full amount of our request, the maximum permissible to a Housing Authority of our size.

The welcomed news came in September 2008. The CHA's \$400,000 was the sole award made in Pennsylvania and one of 39 nationwide. Volz had laid out unique programming with numerous community partners pledging \$485,000 in cash, in-kind services and supplies. EducationWorks of Lawrenceville, New Jersey will staff program services. Dr. Kathryn Atman, University of Pittsburgh, will incorporate goal setting as a program ingredient. Virginia Bernd will work with our Resident Councils to take ownership, provide leadership and assist with Resident recruitment for program jobs. Erica Weihermuller of the Chester Student Center will be Program Coordinator.

This three-year program was underway by November 2008. Plans are to be fully engaged with newly elected Resident Councils by January 2009. See Appendix 11 for news summary.

## **BUILDING COMMUNITY**

Ruth L. Bennett. The mending of community feelings was the goal as the Court approved the request of Matopos Hills Residents to bring *Ruth L. Bennett* back home. On May 17, 2008, dignitaries and Residents gave testimonials, sharing laughs and lamenting the old days of "The Bennett." It was a day of education as well. Much planning went into insuring that all who left that day would understand who Ruth Bennett was and how much she helped early 20th century women.

The Ruth L. Bennett Planning Committee was a model example of community leaders coming together for a passionate cause. It was led by Bennett Resident *Jonathan Whittington*. He was joined by *Matopos Senior Resident Helen Woods*, *Bennett Resident Gloria King*, *Delores Freeman*, *Barbara Gooby-Muhammad*, *Liz Muniz* and CHA staffers *Marjorie Watson* and *Officer Jeffrey Sewell*. A great friend to the CHA, *Delores Freeman* was selected for master of ceremonies and what a fabulous job she did. *Helen Woods*, the playwright, wrote an unforgettable performance featuring Residents and staff. See Appendix 12 for news summary.

Resident Advisory Board. In the absence of active Resident Councils, the Executive Director convened monthly meetings of a Resident Advisory Board to cause a flow of information from Residents to management. Any Resident was invited to attend. The meetings continued for about a year and grew steadily in attendance reaching about 20. At the same time, the Executive Director responded to the Court's long expressed insistence that there be active Resident Councils. He solicited the assistance of long-time housing activist *Barbara Gooby-Muhammad*. Resident leadership training took place and elections were planned. By December 2008, all CHA-managed communities had new Resident Councils as a result of well run campaigns and professionally monitored elections. The League of Women Voters and Community Impact Legal Services served as elections monitors.

School. 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 signed on to our Neighborhood Networks program as a key partner and financial contributor. A business academy will have High School students working in CHA offices. Future development projects are in discussion.

Scholarship. The Sustainability Committee commenced a process which will result in 15 full scholarships to the Pennsylvania Institute of Technology in Media. The CHA is indebted to the overwhelming generosity of *Jayne* and *Walter Garrison* for making this amazing opportunity available to CHA Residents. *Sheila Church* of ChesPenn Health

Services volunteered to chair this Subcommittee which has generated much excitement. Applications were due in November 2008. Selections are to be made by early 2009.

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

- Ruth A. Minor, *Chatham Senior Village*, graduated from Harcum College in 2007 and admitted to Eastern University in 2008. In limited spare time, she runs a community garden, serves as an Executive member of the Sustainability Committee and mentors youngsters (see Appendix 13).
- Delores Walker, *William Penn Homes*, recognized by Legal Aid of Southeastern Pennsylvania for outstanding service and advocacy on behalf of senior citizens in December 2007 (see Appendix 14).
- Portia L. West, *Chatham Estates*, honored for service to the community by The National Sorority of Phi Delta Kappa Xi Chapter at its Vital Issues breakfast in October 2008 (see Appendix 15).

Sadly. We mourned the passing of *McClure F. "Mackie" Collins*, longtime *Chester Towers* Resident Council President and passionate advocate/spokesperson for senior citizens. Mr. Collins was a retired school teacher.

*Earline Reid Mann* worked at the CHA for 38 years. She retired as Executive Director.

## LEGISLATIVE REVIEW

In 2008, Housing Authorities endured, hopefully, the final year of a steep downward funding spiral. For the better part of eight years, money for operations, capital improvements, grants and housing assistance fell below levels thought inconceivable. We operated, at times, with as little as 76 percent of eligible funding and never more than 84 percent since 2006.

Earlier this year, as we operated our public housing on 82 percent of needed subsidy, we welcomed a HUD announcement of 'newly discovered' funds which enabled the Department to fund us at 89 percent. A far cry from full funding but needed relief just the same.

A point to be mindful of was expressed boldly by Editor Wayne Sherwood in his October 2008 *Sherwood Report*. "HUD can cut PHA (Public Housing Authority) funding levels severely and then issue the PHAs bad report cards. But when it comes to the inevitable fall-out from these deep funding cuts, the blame falls solely on the management of the local PHAs, who are expected to maintain PHA performance regardless of the funding cuts ..."

"*America's Other Housing Crisis*," ran in the May 24, 2008 *Washington Post*, authored by Washington, DC Housing Director Michael Kelly. Kelly called out to the next Administration, "... whether Democrat or Republican - will have a full plate with the wars in Iraq and Afghanistan, health care, the economy and education. But public housing must also be a priority. As the government seeks to protect those Americans caught up in the subprime crisis, it must not forget the most vulnerable among us."

By November, the next Administration was known. Pundits believe the President-Elect views housing issues as important. The mortgage crisis and affordable housing should get a lot of play.

Much has been made of an economic stimulus package of \$700 billion or more. Housing directors are touting plans that address overdue capital improvements to public housing. Many projects, which could commence in 120-day periods, would provide instant stimulation to local economies. Funding five billion dollars (of a \$32 billion backlog) would be a high return inclusion in that package. "... roads and bridges aren't the only infrastructure systems that should benefit under this plan. There is a need for more affordable housing, especially for the working poor, and renovating rundown public housing with federal stimulus dollars would help meet that need. It would also put people to work and help rebuild neglected areas of many American cities," said the *Baltimore Sun*, December 8, 2008.

## A LOOK AHEAD

Political help may be on the way for domestic programming. Even if that proved true, resting solely on federal assistance would be a mistake. Diligence in obtaining maximum assistance is essential. But at the same time, we must also operate our business efficiently and explore develop alternative revenues. Plans for the coming year include:

- Sale of the Wellington commercial site is under contract and ready for 2009 development. A June 2008 meeting hosted by State Representative *Thaddeus Kirkland* including James Nevels, Chester's soccer stadium developer, Brandywine Financial, our commercial site developer and our Executive Director struck an alliance and tied together the stadium and CHA supermarket development. This partnership was solidified in November when the same group, with the addition of Court operative Norman Kranzdorf, was hosted by State Representative Dwight Evans. A crucial site visit by a reputable food store chain resulted.
- Utilization of unused scattered site structures and vacant lots for business development and job training.
- Final negotiations with Pennrose Development for CHA to manage *Chatham Senior Village* and *Wellington Ridge* on a fee-for-service basis.
- Provision of cleaning, landscaping and security services to interested clientele, maintenance services to Housing Choice investors and other business opportunities which may develop. So far, we have earned \$314,000 in outside revenues.
- Workforce development and neighborhood networks. A prior award will have Jewish Educational and Vocational Services train CHA Residents for jobs at the Wellington commercial site. Building on that, the Neighborhood Networks program will establish learning sites for adults and children in each of our community centers beginning in early 2009.
- A partnership with health care provider Keystone Mercy produced an health spa at the *Bennett Homes* in October 2008. We hope regular on-site health services for women will grow out of that.
- A partnership with Swarthmore College and the Greater Philadelphia Federation of Settlements has led to grant money awarded for gardening at the *Bennett Homes*.
- The new *Booker T. Wassington Community Center* will officially open in early 2009. It has already established its Resident-run Board of Directors.
- A partnership with the Wallingford Arts Center will result in Resident-created murals in our community centers. The first is planned for completion in February 2009.

## **CLOSING**

Recent national elections may result in fresh approaches to our industry. The unfortunate debacle in which homeowners find themselves, will cause unprecedented attention to be paid. The safety nets of Public Housing and Section 8 or combinations thereof, like mixed-finance development, should garner attention secondarily.

In Chester, recent years' homeownership development, of which the CHA has been at the forefront, has been successful. Buyers remain in their homes and the value of their assets have risen. One property at a time, the CHA rental stock has been overhauled and improvement has come to the administration of the Section 8 program. All of that aside, a depressed economy will require great diligence in operating our programs and taking on new initiatives.

There is reason to take pride this year's record and in the overall accomplishments of the Receivership. Staff should take momentary pause and reflect on a job well done. Residents should take satisfaction in having organized themselves. They have positioned themselves as better partners in the management of our communities.

Moving forward, responsibility for our programs and for all we want to accomplish, falls not on hopes from funders but on the CHA itself. Because of the progress of the past year and the promise of the next, we stand a better chance to succeed.

**PERSONAL THANKS ...**

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

to the team of Executives, together many years now, of which the Executive Director is the most junior member;

for the support and guidance provided by *Dennis Bellingtier* and his HUD Philadelphia staff;

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 *Senators Arlen Specter* and *Robert Casey* and *Representative Robert Brady* at the national level;

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

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

**APPENDIX 1/  
Court Order  
October 6, 2008**

---

**APPENDIX 2/  
Letter of Appeal - 2007 SEMAP Score  
December 13, 2007**

---

**APPENDIX 3/  
Organizational Chart  
2008**

---

**APPENDIX 4/  
Grant and Subsidy Schedule  
2007-08**

---

GRANT AND SUBSIDY SCHEDULE

HUD Public Housing Operating Subsidy (CY 2008) .....	\$ 2,982,205
HUD Housing Choice Voucher Program (FY 2008) .....	13,508,761
HUD Capital Fund Program (2005-08) .....	5,254,354
HUD Neighborhood Networks Grant (2008 award) .....	400,000
PA Community Economic Development (2008 award) .....	<u>5,000</u>
	<b>22,645,320</b>
-----	
HOPE VI-Chester Towers Revitalization (2004 award) .....	20,000,000
Replacement Housing Factor Funding (2002-08) .....	<u>13,514,870</u>
	<b><u>33,514,870</u></b>
<b>GRAND TOTAL .....</b>	<b>\$55,665,190</b>

**APPENDIX 5/  
CHA Basketball All-Stars  
*Lanaster Intelligencer Journal*  
July 10, 2008**

---

**APPENDIX 6/  
CHA Award-Winning Drill Team  
*Chester Spirit*  
November 19, 2008**

---

**APPENDIX 7/  
CHPD Activity Log  
2007-08**

---

**APPENDIX 8/  
Street Violence Rally  
*Delaware County Times*  
October 30, 2007**

---

**APPENDIX 9/  
Insurance Claims Schedule**

---

1. Dawn Thompson v. CHA and the City of Chester, Delaware County Court of Common Pleas, Civil Action No. 06-16358. Alleged slip and fall on West 5th Street. DOA March 1, 2005. Representation letter received March 14, 2005. Complaint received November 30, 2006. Coverage counsel assigned. Arbitration scheduled September 23, 2008. Matter was settled for \$2,500.
2. 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. Discovery ongoing.
3. Sandra Jackson v. Andrew Touhy, CHA, et al., Delaware County Court of Common Pleas, Civil Action 08-50072. Automobile accident case. DOA January 21, 2006. Complaint filed January 16, 2008. Coverage counsel assigned. Arbitration scheduled October 7, 2008. Matter settled for \$3,000.
4. Sheila Walls. Slip and fall at or about 1203 Tilghman Street, Matopos Hills, DOA December 26, 2006. Representation letter received February 1, 2007. No complaint received to date. Coverage counsel would be assigned.
5. 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. Coverage counsel would be assigned.
6. 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. Coverage counsel would be assigned.
7. Fire damage. 1404 Locke Terrace, Matopos Hills, Date of loss December 28, 2007. Total fire loss. Unit being refurbished using insurance proceeds. Ongoing.

**APPENDIX 10/  
Gregory L. Volz Award for work with Youth Court  
October 11, 2007**

---

Pictured from left to right: David Trevaskis, Esquire, *Pro Bono* Coordinator,  
Pennsylvania Bar Association  
Gregory L. Volz, Esquire  
David Robbins, Esquire, President, Community Economic  
Development Resource Center  
Wanda Moore, Director, Peace in the Streets  
Steven A. Fischer, Executive Director, Chester Housing  
Authority

**APPENDIX 11/  
Neighborhood Networks Award  
*Chester Spirit*  
October 1, 2008**

---

**APPENDIX 12/  
Ruth L. Bennett Renaming  
*Delaware County Times*  
May 16, 2008**

---

**APPENDIX 13/  
Ruth A. Minor  
*Harcum College Commencement  
Ruth's Kids***

---

**APPENDIX 14/  
Delores Walker  
Community Service Recognition  
December 4, 2007**

---

**APPENDIX 15/  
Portia L. West  
Community Service Recognition  
October 18, 2008**

---

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

US Representative Robert **B**rady  
Brandywine Financial  
US Senator Bob **C**asey  
Center on Ethnic and Minority Aging  
Chester Arts Alive  
Chester Community Improvement Project  
Chester Economic Development Authority  
Chester Upland School District  
City of Chester  
City Team Ministries  
Community Economic Development Resource Center  
Community Impact Legal Services  
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  
Lawrence J. **F**ox, Esquire  
Freeman Gallery  
Pennsylvania **H**ousing and Finance Agency  
United States Department of **H**ousing and Urban Development  
Institute for Leadership Education and Development  
Jewish Employment Vocational Services  
PA Representative Thaddeus **K**irkland  
Norman Kranzdorf  
Legal Aid of Southeastern Pennsylvania  
Mothers In Charge  
National Association for the Advancement of Colored People  
Nemex Landscaping  
Pennrose Development  
Philadelphia Housing Authority  
PA Senator Dominic **P**ileggi  
Public Housing Authorities Directors Association  
Remington, Vernick & Beach

Roizman Development  
Rosenberg Housing Group  
US Senator Arlen Specter  
Susquehanna Bank  
Swarthmore College Lang Center  
The United Way  
The Unity Center  
Weed & Seed  
Widener University  
Wise Choice Scholarship