



Public Housing Deconcentration Strategies

Conducted for the Housing Authority of Champaign County

Department of Urban and Regional Planning
University of Illinois at Urbana-Champaign

December 17, 2004

UP 474

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Executive Summary

Since the demolition of the Pruitt-Igoe towers in St. Louis, public housing authorities across the nation have recognized the need for a new approach to public housing. Unfortunately, the desire to expedite the process may preclude thoughtful analysis on where to best site these developments.

This report focuses on three elements: whether scattered site public housing should be pursued, what constitutes an appropriate site for this endeavor, and available funding opportunities for scattered site housing.

Crucial elements for success of scattered site public housing include:

- Proximity to employment, education and social services
- Incremental responsibility
- Development of strong social networks among neighborhood residents

Introduction

In the fall of 2004, seven graduate and undergraduate students (Liz Davis, Jeff Engstrom, and Elaina Osterbur will be referred to as Team 1 and Jennifer Forbes, Tim Macholl, Samantha Baacke, and Gretchen Minneman will be referred to as Team 2 henceforth) were assigned a service-learning project. The purpose of this project was to explore possibilities of de-concentrating poverty in the Champaign County areas of Champaign, Urbana, and Rantoul. Mahomet, Savoy, and St. Joseph were regarded as potential sites for public housing. Public housing could be either through the housing choice voucher program, rehabilitation of existing housing, or new construction funded through the U.S. Department of Housing and Urban Development (HUD).

Team 1 Meeting with Matt Hogan

Matt Hogan, Special Projects Coordinator of the Housing Authority of Champaign County (HACC) indicated that there are approximately 200 families on the public housing waiting list and 1,100 on the housing choice voucher waiting list. The supply of current public housing is approximately 200 units and there are 1,200 vouchers. Persons on the waiting list cannot be moved until someone who is currently occupying public housing or holding a voucher moves to unsubsidized living space. There are, however, approximately four families evicted per month in both public housing and voucher programs.

Matt Hogan indicated that there are three families on a waiting list in Mahomet in need of public housing. Mahomet does not currently support public housing, and as such, does not have housing available for those on the waiting list. It was our assignment to explore Mahomet's potential for offering public housing. Hogan further advised the team to research public housing options in Savoy and St. Joseph, as well.

Team 2 Meeting with Matt Hogan

Team 2 met with Matt Hogan on November 5, 2004. According to Hogan, HACC plans to eliminate all its family sites within the next five years. The housing authority receives \$2200 per unit through the Replacement Housing Factor (RHF) Funding program, and Mr. Hogan indicated to us that HACC would like to investigate how other housing authorities have utilized these funds and identify possible supplemental funding sources that can be used in conjunction with RHF funding. HACC is aware of the use of low-interest loans, Community Development

Block Grant (CDBG) funds, and HOME funds. Currently, Urbana has applied \$1.3 million in HOME funds for the redevelopment of the Lakeside Terrace project, and Champaign has committed \$400,000 in CDBG funds to the redevelopment of Birch Village. Mr. Hogan indicated that both cities would be willing to apply, in conjunction with HACC, for more CDBG and HOME funds that could be used to supplement the RHF funding. Mr. Hogan provided the HOPE VI Revitalization Grant application and a list of housing authorities that have qualified for RHF funding. Team 2 contacted several of these housing authorities and researched possible supplemental funding sources, including the use of Low Income Housing Tax Credit (LIHTC) program, HOPE VI funds, CDBG funds, and HOME funds to assist in the construction or acquisition of public housing units.

Objective

The objective of this study is to research Champaign County to decentralize poverty from the confines of Champaign-Urbana and focuses on three central topics: whether the Housing Authority of Champaign County (HACC) should pursue scattered site public housing; what constitutes an appropriate site for this endeavor; and available funding opportunities for scattered site housing.

Assumptions

HACC staff chose three locations for analysis: Mahomet, to the west of Champaign-Urbana; St. Joseph, which lies to the east of the Urbana; and Savoy, which is contiguous with the Champaign city boundaries to the south. After careful demographic, spatial, and economic analysis, Savoy was eliminated from further study due to its contiguous nature to Champaign. However, this bears no relationship to the probability of Savoy's success as a scattered site housing location; in fact, the village bears a greater likelihood of success due to this factor. Because of Savoy's dissimilarity, therefore, research in this report focused on Mahomet and St. Joseph.

Additionally, the authors believe this project can proceed in two directions: eligible residents currently residing in these communities could be provided with new housing options, or residents currently located in Champaign-Urbana could be relocated into outlying communities. Due to the small scope of the first option, it appears likely that HACC could seek the second

option at some point. For this reason, the authors have operated under the assumption that both outcomes are likely to occur.

Public Housing Options

Housing Choice Vouchers

The housing choice voucher program was instituted to decentralize poverty. The housing choice voucher program assists very-low income families, older adults, and people with disabilities. This program empowers recipients because it allows them to seek out appropriate housing for themselves. Recipients have more options for housing within better school districts and are able to attain better quality housing. The aim is to distribute poverty throughout the county.

Rehabilitation

Rehabilitation of existing housing is the process of updating or repairing existing housing structures. Rehabilitation of existing housing, however, is generally not an option for most grant opportunities. Therefore, rehabilitation is not a viable option.

New construction

New public housing construction is the process of acquiring land and building a structure to house individuals who cannot otherwise afford housing. Public housing is construction in many forms such as single residential homes, condominiums, or apartments. Public housing is generally provided to the recipient at no-cost or subsidized cost.

Demographics of Champaign County¹

Overview

Champaign County consists of several communities, but for this study only Champaign, Urbana, Rantoul, Mahomet, and St. Joseph were considered. The population of Champaign County, according to 2003 estimates, is approximately 186,800. Approximately 21 percent of the population are persons under 18 years old and 9.7 percent of the population are persons 65 years old and over. There are 77,236 housing units in the Champaign County area. Homeownership rates are approximately 55.7 percent. The median value of owner-occupied

¹ U.S. Census Bureau <http://www.census.gov>

housing units (2000 rates) is \$94,700. The median household income is \$37,780.

Approximately 16.1 percent of Champaign County residents live below poverty. Table 1 illustrates neighborhood profiles of areas in Champaign County selected for our study.

Who are the poor?²

Nationwide, the official poverty rate in 2003 was 12.5 percent, up from 12.1 percent in 2002. Broken down by race/ethnicity, of the over 35 million people living in poverty 10.6 percent are white, 24.3 percent are black, 11.8 percent are Asian, and 22.5 percent are Hispanic. The poverty rates for both the black and Hispanic populations exceed the national average. Many of those who live in poverty are families, most of which are female-headed households (28 percent). Champaign County has a higher than national average poverty rate. As such, it would behoove the County to not only find affordable housing for those at or below poverty level, but to also research ways in which to remedy their poverty situation.

As Table 1 illustrates, all the areas selected for this study fall well below the county and national poverty rates. However, based on the maps (Appendix), Champaign and Urbana have concentrated pockets of poverty. The question of why such segregation has occurred in the Champaign-Urbana area needs to be asked. Below are theoretical perspectives that might help explain the phenomenon.

Site Locations

Mahomet

Mahomet is a bedroom community of 4,877 which is located approximately 12 miles to the west of Champaign. Both the 2000 Census and a survey of local businesses indicate that the majority of Mahomet residents travel to Champaign-Urbana for employment.

Demographics³

- The majority of Mahomet residents are predominately well educated, professional, and white. White/Caucasian is the overwhelmingly predominant race, with 98.2 percent of residents listing this as their race. Asians make up the second most-common race, comprising six-tenths of the population. Only one-tenth of a percent—seven

² U.S. Census Income, Poverty and Health Insurance Coverage in the United States: 2003

³ U.S. Census Bureau, 2000 Census, Summary Tape 1

individuals—indicated “Black” as their race; residents identifying themselves as “Latino or Hispanic” make up nine-tenths of the population.

- Average commute time to work is 23 minutes, which indicates that the majority of residents travel to Champaign-Urbana or surrounding areas for employment and are thus not employed within the Mahomet area. However, this statistic should be lengthened to account for those residents who may have farther to travel to work and for days (e.g., winter) in which travel time is greater.

Education

- Educationally, the general population of Mahomet is well educated, exceeding state averages in both residents with high school diplomas or higher and residents with bachelor’s degrees or higher.
- The percentage of low-income students enrolled in the Mahomet-Seymour (M-S) school district is significantly lower than state averages. Since 1999, the percentage of low-income students has slightly increased in schools overall within Illinois, but has dropped in M-S. For example, in 2001-2002 (most current figures available), Illinois counted 37.5 percent of students enrolled in public schools to be low-income, while Mahomet counted only 7.3 percent. Drop-out rates, chronic truancy rates, student mobility rates, and the graduation rate are all higher in M-S than state averages overall.⁴

Income and Industry/Occupation

- Median household income in Mahomet is \$57,574, which is significantly higher than the state median household income of \$46,590.
- Industry sectors with the highest proportion of employment are education, health, and social services (31 percent), professional services (10 percent), and FIRE (financial, insurance, and real estate) at eight percent. Nearly half of Mahomet residents are in professional or management positions (46 percent), with sales (29 percent) and service (12 percent) occupations comprising the top three professions.⁵

⁴ Ibid.

⁵ U.S. Census Bureau, 2000 Census, Summary Tape 3

Housing Conditions

- Median home value in Mahomet is \$113,600, which is significantly lower than the median home value for the state at \$130,800.
- Owner-occupied housing represents the majority of homeowner tenure; renters comprise 18 percent of housing in this locale.

St. Joseph

St. Joseph is also a bedroom community located along Interstate 74 to the east of Urbana. It comprises approximately the same demographics as Mahomet.

Demographics⁶

- Like Mahomet, St. Joseph is a fairly homogenous community with an overwhelming majority (98 percent) of white residents.

Education⁷

- The majority of St. Joseph residents reported having either a high school diploma or equivalent (30 percent) or “some college” (26 percent). Approximately 36 percent of residents have a higher education degree, ranging from the two-year associate level to a graduate or professional education.
- The St. Joseph school district generally exceeds state standards for the Illinois Standards Achievement Test (ISAT). Class sizes and teacher-to-student ratio are higher than state averages.⁸

Income and Industry/Occupation⁹

- A review of the St. Joseph Chamber of Commerce’s Membership List¹⁰ indicates that the majority of employers in the village are small, family-owned establishments.
- The majority (34 percent) of employed residents are in management or professional positions, with sales and service positions comprising the majority of occupations. The majority of residents are engaged in education, health, and social services, as well as retail and the manufacturing sectors.

⁶ U.S. Census Bureau, 2000 Census, Summary Tape 1

⁷ U.S. Census Bureau, 2000 Census, Summary Tape 3 unless otherwise noted

⁸ St. Joseph Community School District #169. 2002. Illinois District Report Card, <http://webserver.stjoe.k12.il.us/reportcards/>

⁹ Ibid, unless otherwise noted.

¹⁰ St. Joseph Chamber of Commerce, Membership List, <http://www.prairienet.org/sjcoc/page3.html>

- Average commute time to work is 21 minutes, which indicates—like Mahomet—that the majority of residents travel to Champaign-Urbana or surrounding areas for employment and are not employed within the St. Joseph area. However, this statistic should be lengthened to account for those residents who may have farther to travel to work and for days (e.g., winter) in which travel time is greater.
- Slightly more than half (63 percent) of households enjoy an income of \$35,000 or greater; median income is \$53,424. This is especially meaningful in conjunction with the average commute time, as well as occupation and industry data, which indicates that the higher standard of living and income is due to employment within Champaign and Urbana.
- The community enjoys a two percent unemployment rate, with slightly more than 70 percent of the municipality engaged in the workforce. Poverty is also low, with only 2.8 percent of families reporting poverty conditions; this equates to 24 families within the community at or below the poverty level.

Housing Conditions¹¹

- St. Joseph has enjoyed a stable housing construction market since the post-World War II era. Construction has remained steady for each decade, indicating that a variety of housing age and styles are available, and that St. Joseph is viewed as a desirable place to live by both those in and outside of the community.

Section 8 Data Analysis

Location Analysis

One way to find out where low-income residents would like to live is to look at where Section 8 Voucher recipients are currently located. These residents virtually had free reign in deciding where to live, and probably chose neighborhoods that suite their lifestyle the best. We should begin with a disclaimer; we don't know how the process works as well as the HACC, and there may be some steering involved in terms of where Section 8 recipients live, and they may not have found willing landlords in the areas they where preferred to live the most. Also, they are limited to census tracts which have poverty rates below 20 percent, which may also preclude

¹¹ U.S. Census Bureau, 2000 Census, Summary Tape 3

them from choosing their ideal neighborhoods. These issues aside, it is still instructive to examine where Section 8 recipients choose to live.

Our data was provided with both addresses and census tracts. Due to time constraints, we were unable to map out the residences by address; there was just too much data. Thus, our analysis is based on which census tract the residents reside in. In the city of Urbana, most of the residents are concentrated in the southeast quadrant of the city. There are some inexpensive apartments in these tracts, but also some newer, upscale subdivisions as well. In Champaign, the Section 8 voucher recipients prefer the north side. This could be because they are excluded from pretty much every other area of the city. They cannot live in Campustown because the cost of rental has been driven up by student demand. The south and west sides are dominated by single-detached housing subdivisions.

Finally, we turn our attention to Savoy, Rantoul, and Mahomet. Savoy has only six Section 8 households, which is disproportionate to its poverty rate. Rantoul has a higher proportion, most of which live on the north half of town. Mahomet is an interesting case. It shares a very large census tract with the outskirts of Champaign, and in that tract resides one Section 8 household. Other than this one family, there are no other Section 8 residents that choose to reside in Mahomet.

Looking at our results, it appears that most Section 8 residents prefer urban environments to smaller towns outside of the city. This follows our main argument that public housing residents would not benefit from living in towns like Mahomet or St. Joseph. There could be other factors at play as well. Landlords in those towns may refuse to accept Section 8 vouchers, or voucher holders might not find apartments in those areas which are as nice as what they can afford in the city. We propose the main problem is that low-income residents prefer not to live in smaller satellite towns because these towns lack the urban amenities those residents rely upon.

Social Capital and Neighborhood Amenities

Low-income residents depend upon some amenities more than average residents. They may not have access to vehicles, so they need access to their basic needs either within walking distance, or by using transit. This is one of the main reasons we do not think smaller towns such as Mahomet and St. Joseph are equipped to handle public housing. Champaign and Urbana both have access to mass transit. Rantoul may not have a transit system, but it appears to have enough of the urban amenities needed by low-income residents.

Aside from transit, other amenities are essential to residents of public housing. Childcare and good schools are essential, especially for single-parent families. Local grocery and drug stores within walking distance are important for residents who cannot afford to drive as often as they need to eat. Public institutions like parks, libraries, and recreation centers are important for the social development of children. Scattered site housing units should go into areas that are within walking distance (approximately a quarter mile) of a variety of essential amenities. They should also be placed near land uses that help to build social capital.

Robert Putnam's book *Bowling Alone* traces the history of community involvement over the past century, and especially focuses on the decline of social capital over the last thirty years. Social capital is "the connection among individuals—social networks and the norms of reciprocity and trustworthiness that arise from them."¹² Putnam explains why social capital is important and cataloguing why it has been in decline recently. Social capital comes in two flavors: bonding capital is created when we make connections with groups consisting of individuals we share traits with. One example of this is in ethnic enclaves, where more successful members will provide support for less fortunate members in terms of loans, childcare and handouts.¹³ They do this expecting that someone (not necessarily the person they are helping now) will return the favor if they ever need it. Bridging social capital creates networks for "linkages to external assets and for information diffusion."¹⁴ Bridging capital provides the connections to get ahead in life.

Putnam also calls for an increase in spiritual and cultural involvement. This indicates that religious and cultural institutions are vital to social capital. Putnam also calls for "more integrated [read: mixed-use] and pedestrian-friendly areas, and that the design of our communities and the availability of public space will encourage more casual socializing with friends and neighbors."¹⁵ A study in the *American Journal of Public Health* reaches the same conclusion: residents in walkable, mixed-use neighborhoods have higher levels of social capital

¹⁶

Effective public space is essential to successful neighborhoods. This also extends into the semi-private realm. Cafés, pubs, and other local "haunts" are important builders of bridging

¹² Putnam, p. 19

¹³ Ibid, p. 22

¹⁴ Ibid.

¹⁵ Ibid, pp. 408-411

capital. To this list we should add community centers, either run by park districts or private foundations such as the Boys and Girls Club. If we can teach the next generation to work together and rely on one another to get ahead, then trust and reciprocity will come naturally to them when they are running tomorrow's businesses and city councils.

Where Should Scattered Site Housing Go?

We now turn our attention to evaluating which areas would be best for scattered site housing. We can look for areas that are close to a variety of amenities, as well as areas in which Section 8 recipients choose to reside. Looking at the map of Rantoul (see Appendix), we see that there are a variety of amenities in the town. Given the small size of the town, we think that scattered site housing could go anywhere near the downtown area on the north side of the city. Not surprisingly, this is where most of Rantoul's Section 8 residents reside. Mahomet, on the other hand, has less of a variety of amenities. There are several churches, but not as many grocery stores, cafés, or childcare facilities. Low-income families, especially those without vehicles, would have fewer opportunities in Mahomet than Champaign, Urbana, or even Rantoul. Additionally, the costs of these services are typically higher in smaller municipalities due to a smaller customer base and less competition.

Within Champaign-Urbana, the areas that most Section 8 residents live in are southeast Urbana, and north Champaign. Looking at the maps of amenity location (see Appendix), we see there are a few areas within the cities that have clusters of different amenities. We used GIS tools to map out the pedestrian shed of these different amenities, and found spots that are within walking distance of several essential amenities. The amenity strength map shows where these "sweet spots" are. Three are located in southeast Urbana: near the corner of Florida and Philo, to the southwest of downtown Urbana, and east of Crystal Lake Park. The area near the University of Illinois campus is overflowing with amenities, but is almost entirely owned by the University. In Champaign, there are a few areas on the north side, as well as just west of downtown. There is also an outlying area near the corner of John St. and Westlawn Ave. We think these areas in Champaign, Urbana, and Rantoul show the most promise, and efforts to purchase scattered housing should be concentrated there rather than remote areas that offer less opportunities to public housing residents.

¹⁶ (Leyden, p. 1546).

Theoretical Perspectives¹⁷

Reasons for Concentrated Poverty

Ports of Entry Theory

Ports of entry theory suggests that segregation occurs as the result of migration and is a mechanism that allows a group to assimilate to a new environment. In the post-1970 period when blacks migrated from the South to the North, research suggests that they were more likely to attend all-black churches and prefer segregated neighborhoods as compared to lifelong northerners. If this theory is empirically important then blacks should pay relatively more for housing than whites in more segregated cities.

Collective Action Racism Theory

Collective action racism theory suggests that segregation occurs as a result of collective actions taken by whites to enforce separation from blacks. Collective action racism strategies included specific policy instruments such as racial zoning and restrictive covenants restricting sales to blacks or organized activities to threaten blacks such as bombings or lynchings. Once again, if increases in segregation are caused by increases in collective action racism or by an increase in black preferences for their own neighborhood, then blacks will pay relatively more for housing than whites in more segregated cities.

Decentralized Racism Theory

Decentralized racism theory suggests that segregation is enforced by whites' decision to live with other whites as opposed to collective actions excluding blacks. This model is similar to "tipping" because whites are willing to pay more than blacks to live in a predominately white neighborhood. Eventually, all neighborhoods become segregated. As a matter of fact, in 1990, whites desire to live in white neighborhoods exceeded blacks desire to live in white neighborhoods, creating the establishment of new, all-white neighborhoods.¹⁸

¹⁷ David M. Cutler, Edward L. Glaeser & Jacob L. Vigdor, (1999) *The rise and decline of the American ghetto*, *The Journal of Political Economy*, v107n3. 455-506.

Deconcentration Efforts

According to the Department of Health and Human Services, concentrated poverty is defined as an area in which 40 percent or more of its residents have incomes below the federally defined poverty level (\$).” A number of recent studies have analyzed the issue of concentrated poverty and the effects of scattered site residences as an option for public housing. The reasons for deconcentrating poverty levels are numerous. Author John Powell, founder and Executive Director of the Institute on Race & Poverty (IRP) at the University of Minnesota Law School , found that teachers and school staff in areas with higher rates of poverty expend more resources on addressing “family and health crises, security, and children not adequately prepared for learning” than those districts with fewer students in poverty. Additionally, areas with higher poverty are typically more prone to incidents of violent crime, teen pregnancy, and drug and alcohol abuse.¹⁹

Perhaps most importantly, Powell notes, “The most debilitating effect of concentrated poverty is the denial of access to economic, educational, and social opportunity structures.”²⁰ Relocating low-income individuals to outlying areas would only perpetuate this “most debilitating effect” by severing their current access to these services, as well as expend their resources on higher-priced goods and services, as well as additional resource expenditure on transportation.

Appropriate Site Choice

Paul Jargowsky, a professor of political economy in the School of Social Sciences at the University of Texas at Dallas, has analyzed the issue of neighborhood poverty at the nationwide level and correlating policy implications. In his 1997 work, *Poverty and Place*, he found that “income generation had the most dramatic effect overall on ... poverty.”²¹ William Julius Wilson, an eminent Harvard sociologist, found similarly that “the concentration of unemployment has social ramifications beyond the economic consequences...joblessness affects all levels of social organization, including the prevalence and strength of social networks, the

¹⁸ David M. Cutler, Edward L. Glaeser & Jacob L. Vigdor, (1999) *The rise and decline of the American ghetto*, The Journal of Political Economy, v107n3. 455-506.

¹⁹ J. Powell, 2002. “Sprawl, fragmentation, and the persistence of racial inequality.” In Squires, Gregory D., Ed, *Urban sprawl: causes, consequences, and policy responses*. Pp. 88-89

²⁰ Ibid, p. 86.

²¹ Jargowsky, *Poverty and Place*, p. 195.

extent of collective supervision and personal responsibility residents assume in addressing problems, and participation in formal or voluntary organizations”²² Analyses using both Census data and Chamber of Commerce material for the respective locations indicate that employment opportunities would be significantly less than those offered in Champaign and Urbana, where there more employment options of varying skill and education requirements. Also, the majority of businesses appear to be small and locally-owned, indicating that benefits and additional career opportunities are unlikely. Access to education through Parkland College is also a possibility for those who seek to learn or improve their current skills. Removing residents to outlying locations would only increase the difficult in finding suitable employment and lessen the likelihood of pursuing higher education.

Funding Opportunities

Survey of Housing Authorities

East St. Louis Housing Authority

Identified as a housing authority that had been approved by the Department of Housing and Urban Development (HUD) to receive RHF funding, the East St. Louis Housing Authority (ESLHA) was contacted by Team 2 to inquire about its use of replacement dollars. Marcia Luckett, Homeownership Manager, stated that ESLHA is in the process of gaining HUD’s approval on its plan, having submitted the plan on October 21, 2004. For the East St. Louis region, HUD has established a maximum development cost, limiting ESLHA’s spending to \$116,000 per unit. According to Ms. Luckett, ESLHA has been demolishing public housing units for the past couple of years, and the money received from the demolition of these units has gone into the housing authority’s RHF funding program. She added that the housing authority can use these funds from demolition from the past five years to offset some of the development costs associated with the construction or acquisition of new units. ESLHA plans to combine the RHF funds that have accumulated from 2000-2004 to help fund its project. Ms. Luckett indicated that she is new to her position, and although ESLHA plans to tap into other funding sources, she was not familiar with the funding options to answer the question about what supplemental funding ESLHA plans to use in conjunction with the RHF program.

Ms. Luckett stated that ESLHA plans to use its RHF funding to establish scattered site housing to achieve the goals of poverty deconcentration and to fulfill current housing needs.

²² Powell, 87

Being a participant in HUD's Section 32 Homeownership program, the housing authority is offering individuals moving into the new housing the option to buy the unit. ESLHA can accomplish this goal by either sending in an application to HUD requesting that a public housing unit be converted to homeownership, or an individual can automatically enter into one of the scattered site homes as a homebuyer. If an individual enters as a homebuyer, he or she must obtain a mortgage from a lender, and the individual must demonstrate good credit and attend counseling sessions covering topics such as budgeting, saving, and home maintenance.

Individuals who might not be currently eligible to go through a lender can enroll in the housing authority's Homebuyer's Club which helps the person prepare for homeownership. Currently, ESLHA is gathering clientele for this program. Finally, Ms. Luckett stated that the public housing authority is also in the process of selling some of its existing housing stock to current public housing residents and to individuals on its wait list.

Results from the National Association of Housing and Redevelopment Officials' Informal Survey Regarding the Use of RHF Funding

At our request, the National Association of Housing and Redevelopment Officials (NAHRO) surveyed its members as to their use of RHF funding. The results obtained from this informal survey, however, were disappointing. Only the Atlanta Housing Authority (AHA) responded positively. However, AHA currently has 8,000 units and serves approximately 50,000 individuals, making it an unlikely comparison model for HACC.²³ Approximately 10 agencies responded by stating that they had been unable to get RHF funding from HUD. NAHRO's survey also discovered that the Georgia Association of Housing and Redevelopment Authorities is pursuing a program to pool together capital funds to leverage larger loans to be used among its members.

Low Income Housing Tax Credit Program

Brief Description of the Program

Mr. Hogan indicated interest in the low income housing tax credit (LIHTC) program as a way to leverage funds to assist in HACC's housing deconcentration efforts. Governed by 26 U.S.C. § 42, the LIHTC program provides tax incentives to investors who contribute equity to the development of affordable housing. These equity contributions reduce the amount of other

²³ AHA's contact information has been included in the reference section if HACC would like to pursue this possibility.

financing needed to develop the project. LIHTCs can be used for the new construction, substantial rehabilitation, or acquisition of existing properties with moderate rehabilitation. A project developer can be a government agency or a local housing authority, although these entities usually establish a related 501(c)(3) non-profit to act as a developer. Since HACC is using its RHF funding to house current public housing residents or individuals on its waiting list, there should not be a conflict with the LIHTC program's income eligibility requirements.

According to *Tax Credits for Low Income Housing 11th Ed.*, the tax credit rate is approximately four percent for acquisition costs and nine percent for new construction and rehabilitation costs. However, this percentage is reduced to four percent if the project benefits from federal subsidies or from tax-exempt financing. The actual credit rate is based on prevailing Treasury interest rates to provide a "present value" of 30 percent and 70 percent over 10 years. The IRS publishes the credit rates monthly, and currently, for December 2004, the credit rates are 3.41 percent for a 30 percent present value and 7.96 percent for a 70 percent present value.²⁴ In order to qualify for a four percent acquisition credit, the project must qualify for a rehabilitation credit. To qualify for the rehabilitation credit, the owner/developer must expend amounts equal to the greater of "10 percent of the unadjusted basis of the building or \$3,000 for each low income unit in the building" (Guggenheim, 7). There are additional minimum expenditure thresholds and ownership requirements that need to be met in order to qualify for the four percent acquisition credit. Tax credits do not apply to the cost of land or other costs which cannot be depreciated.

Projects located in designated low income census tracts or difficult development areas can earn 30 percent higher tax credits for new construction or rehabilitation expenditures.²⁵ This provision does not affect tax credits used for property acquisition. Also, projects will not qualify for this provision if the developer receives below-market rate loans under the federal HOME program and the owner chooses to earn the nine percent credit. HUD designates low income census tracts and difficult development areas and publishes a yearly list. In its 2005 Qualified Allocation Plan, the Illinois Housing Development Authority provides a listing of the low

²⁴ Credit rates are published at Novogradac & Company LLP's Affordable Housing Resource Center, available at <http://www.novoco.com/resource.shtml>.

²⁵ A low income census tract is defined as a tract where 50 percent or more of the households have income of less than 60 percent of the area median income. However, the census tract cannot contain more than 20 percent of the total population of an entire metropolitan area, in the case of metropolitan areas, and not more than 20 percent of the state's total rural population, in the case of rural areas.

income census tracts in Champaign County.²⁶ Illinois does not have any difficult development areas.

I do not know if the CCHH will want to take advantage of this provision since its goal is to deconcentrate poverty. (Len said to leave this in, but it needs to go somewhere else— recommendations?)

Use of LIHTCs with RHF Funding

According to Larry Boss, the Capital Fund Coordinator at HUD's Chicago office, RHF funding is classified as a federal grant which negatively impacts the amount of tax credits available. Tax credits cannot be obtained for project costs financed by a federal grant. The amount of any federal grant is subtracted from the eligible basis and is not included in the amount of that basis against which the tax credit percentage is applied. However, if HACC chooses to set up a related 501(c)(3) to act as the non-profit developer, the RHF funding provided as a grant to HACC can be used toward the project as a market rate loan to be paid back by the non-profit. This would allow the funds to be included in the basis so that tax credits can be earned on the entire amount. However, the interest rate on the loan must not fall below the applicable federal rate. Otherwise, the loan would be characterized as a federal subsidy and would result in a four percent tax credit for construction and rehabilitation rather than the applicable nine percent tax credit. If HACC decides to acquire existing properties, another suggestion to maximize the amount of tax credits received would be to use the RHF funding to pay the costs of acquisition which is already limited to the four percent tax credit. By doing this, the tax credit amount will not be reduced by the RHF funds, and HACC will be able to claim the full nine percent credit for rehabilitation expenses.

Use of LIHTCs with Other Types of Funding

If the HACC decides to use CDBG or HOME funds, these funds impact the use of tax credits differently. Subject to the conditions of the CDBG program, the awarding of low interest loans through the use of CDBG funds will not reduce the amount of tax credits. All funding from the CDBG program is specifically excluded from the category of federal subsidy. Loans provided through the CDBG program with below market interest rates will not result in a

²⁶ The following census tracts have been identified as low-income in Champaign County: 0001, 0002, 0003, 0004, 0051, 0052, 0053, 0058, 0059, and 0060.

reduction of the tax credit amount from nine percent to four percent. However, a below market rate loan received under the HOME program can only qualify for the nine percent tax credit if at least 40 percent of the units are occupied by households with incomes under 50 percent of the area median income. Otherwise, the loan would be treated as a federal subsidy and subject to the four percent rate. This should not pose a problem for the HACC since all the proposed units developed through the RHF funding are targeted towards existing housing authority residents or individuals on the HACC's waiting list. However, projects utilizing loans from the HOME program receiving the nine percent tax credit cannot take advantage of the additional 30 percent of tax credits that are available to projects located in a designated low income census tract.

Illinois Housing Development Authority (IHDA)

In Illinois, the Illinois Housing Development Authority (IHDA) serves as the state-designated housing credit agency and is responsible for allocating low income tax credits within the state. The 2005 Qualified Allocation Plan includes details about the authority's application and review process, reservation and allocation of credits, and compliance monitoring.²⁷ IHDA sets an application fee of \$500 or \$1,100, depending on the size and characterization of the project. IHDA has two application periods: December and April of each year, with the next application deadline occurring on April 4, 2005. IHDA allocates approximately 60 percent of its tax credits during the second period.

The application must include two submitted copies of the application in addition to a site and market study performed by a professional approved by IHDA. For projects proposing rehabilitation, two copies of a "physical needs assessment" are also required. Mandatory application requirements include: site control, evidence of application for financing, preference to low income individuals on the public housing authority's wait list, consistency with housing needs and priorities as stated in the local consolidated plan, minimal displacement, compliance with zoning, the inclusion of relevant plans and drawings, and compliance with energy efficiency standards (applies to new construction only).

IHDA reviews the applications competitively. The authority has identified various set-aside categories, and the application will be considered first for the set-asides marked on the application. However, if the application is unsuccessful in the set-aside categories, it will then be considered within the general pool of applications. IHDA has created a public housing authority

²⁷ The Plan is available at IHDA's website—www.ihda.org.

set-aside, reserving \$3,000,000 for large public housing authorities and \$1,000,000 for other public housing authorities.²⁸ Although HACC is excluded from the large public housing authority set-aside, it does qualify for the \$1,000,000 directed towards other public housing authorities. The credits must be used for the redevelopment of public housing projects requiring rehabilitation or replacement. According to the Qualified Allocation Plan, a project that has already been demolished as part of an overall plan qualifies for this funding. If HACC establishes a 501(c)(3) to act as the developer, the non-profit could apply for reservations under the non-profit set-aside. As required under 26 U.S.C. § 42, IHDA reserves at least 15 percent of its tax credits for non-profits.²⁹ Finally, if the HACC constructs less than 50 units, it may qualify for the small project set-aside. An exception to this 50 unit maximum would be if the HACC includes sites in more than one market area, generally separate localities, so long as each site does not exceed 50 units. Scoring guidelines for the application are included on pages 33—48 of the Qualified Allocation Plan.

HOPE VI

Introduction

The HOPE VI program serves as a vital role in HUD's efforts to transform Public Housing. The elements of public housing transformation that are key to HOPE VI include:

1. Changing the physical shape of public housing so that it reflects the surrounding community instead of being seen as isolated housing.
2. Developing positive incentives for resident self- sufficiency and comprehensive services that empower residents.
3. Lessening the concentration of poverty by promoting mixed-income communities.
4. Creating partnerships with other agencies, local governments, non-profit organizations, and private business to leverage support and resources.

Nearly a decade ago, the HOPE VI program was launched to address the most troubled portion of the public housing stock, the small percentage of public housing sites that were "severely distressed." HOPE VI is a competitive grant program, under which public housing authorities (PHAs), local entities that administer federal housing programs, apply to HUD for funding to redevelop or demolish public housing sites. While it was intended to be a solution to

²⁸ A large public housing authority is defined by IHDA as an agency that has at least 1500 units in its inventory, excluding vouchers and certificates under the Housing Choice Voucher program.

severely distressed public housing, HOPE VI has been the source of new problems as serious as those it was created to address.

The HOPE VI Program was developed as a result of recommendations by the National Commission on Severely Distressed Public Housing, which was charged with proposing a National Action Plan to eradicate severely distressed public housing.

The Commission recommended revitalization in three general areas: physical improvements, management improvements, and social and community services to address resident needs.

Evaluating HOPE VI

After a decade of HOPE VI, a wide range of constituencies—Congress, the administration, housing groups, local elected officials, resident advocates, and the media—are asking challenging questions about what all of the investment has accomplished:

- To what extent has HOPE VI achieved its intended benefits?
- What impact has HOPE VI had on the original residents, public housing sites, the neighborhoods in which developments are located, and the surrounding cities and metropolitan areas?
- What impact has HOPE VI had on approaches to public housing development, management, and design?
- On a more forward-looking note, what lessons does HOPE VI offer for public housing or for affordable housing policy more generally?

The nature of the HOPE VI program makes responding to these fundamental questions especially challenging. HOPE VI has not been "one program" with a clear set of consistent and unwavering goals. Rather, the program has evolved considerably during the past decade—in legislation, regulation, implementation, and practice. To an unusual extent, the program has been shaped more through implementation than by enactment. What was initially conceived as a redevelopment and community-building program evolved over time into a more ambitious effort to build economically integrated communities and give existing residents more choice in the private housing market. Because of the flexible nature of the program, local housing authorities have had tremendous latitude in how they chose to design and implement their local HOPE VI initiatives. It is impossible, therefore, to provide simple answers to general questions about

²⁹ The requirements to qualify as a non-profit entity are listed on page 28 of the Qualified Allocation Plan.

programmatic effectiveness and "lessons learned." The response to such questions is usually another question: "Which HOPE VI program are you asking about?"

Owing to the unusual nature of the HOPE VI program, HUD has not—and probably could not have—carried out a single, comprehensive evaluation that would have examined all aspects of the program. In 1994, HUD initiated a "Baseline Assessment" of HOPE VI (Fosburg, Popkin, and Locke 1996) that was intended as the first step in an incremental evaluation process. This baseline analysis was followed by an "Interim Assessment" report (Holin et al. 2003). But these reports consist of case studies focusing primarily on HOPE VI sites and redevelopment plans; there was only a very minimal attempt to gather information about the original residents and no plan was included for tracking resident outcomes. As the program expanded, HUD added a requirement to the HOPE VI selection process that sites had to hire local evaluators, but the criteria for these evaluations were vague and there were no requirements that housing authorities collect specific types of performance measures. As a result, a lack of consistent data across sites has hindered national research on the program.

Further complicating the challenge of evaluating HOPE VI is the fact that the program was initiated at a time of enormous change in the broader public housing system. In many respects, HOPE VI has served as a laboratory to test new and often contentious ideas about public housing finance, management, and design. People's thinking about the performance and impact of HOPE VI is intertwined with their views on the evolution of federal housing policy more broadly, and their concerns about the future role of public housing in helping to address the needs of the poor.

In part because of the absence of definitive data and evaluation results, perceptions about the impacts of HOPE VI vary widely. Some people characterize it as a dramatic success, while others view it as a profound failure. There is no question that the program has had some notable accomplishments. Hundreds of profoundly distressed developments have been targeted for demolition, and many of them are now replaced with well-designed, high-quality housing serving a mix of income levels. HOPE VI has been an incubator for innovations in project financing, management, and service delivery. Some projects have helped turn around conditions in the surrounding neighborhoods and have contributed to the revitalization of whole inner-city communities. However, HOPE VI implementation has also encountered significant challenges. Some HOPE VI projects have been stalled by ineffective implementation on the part of the

housing authority or conflict with city government. In others, developments were simply rehabilitated or rebuilt in the same distressed communities, with little thought to innovative design, effective services, or neighborhood revitalization.

Most seriously, there is substantial evidence that the original residents of HOPE VI projects have not always benefited from redevelopment, even in some sites that were otherwise successful. This can be partly attributed to a lack of meaningful resident participation in planning and insufficient attention to relocation strategies and services. As a consequence, some of the original residents of these developments may live in equally or even more precarious circumstances today.

Matt Hogan informed us that the HACC has attempted in securing these Hope VI funds a couple of times, and both times have been unsuccessful. According to Mr. Hogan, the application alone costs the HACC upwards of \$100,000. This is no small fee. Looking through the nearly 100 page application for these funds, it is easy to see how the staff at the housing authority may have had a difficult time putting together an application that would secure them the funding that they seek.

It would behoove the HACC to secure the services of a professional to complete the application, promising a better return on their investment. It cannot be expected that the staff of the housing authority would be able to complete this complicated application while also conducting their day-to-day tasks. In the alternative, it may be the best option for HACC not to apply for these funds, and instead, use the cost of application to fund more immediate needs. These dollars could be used to leverage other funds that can be applied to this program of deconcentration.

CDBG and HOME funds

For the last six years, the City of Champaign has allocated 15 percent of the City's annual Community Development Block Grant (CDBG) entitlement to local non-profit social service providers to assist in addressing identified community needs. These needs include: services for the elderly or those with special needs, affordable child care programs for low-income families, educational and cultural programs aimed at low-income youth, job training and employment programs for the unemployed, and financial services (credit counseling and homebuyer education) linked with the area's affordable housing program. About a dozen agencies are funded through the City's public service funds within CDBG; another two to four

agencies receive CDBG funds for more bricks/mortar projects that benefit low to moderate income households. The City of Champaign did not disclose the exact amount of CDBG money which went towards actual housing, but two recent projects did receive CDBG funding.

In 1995 and 2000, Beardsley Park Neighborhood redevelopment used CDBG and Urban Renewal funding to finance infrastructure improvements (roadways, curbs and gutters, streetlights, and sidewalks). Further redevelopment efforts will include a public services campus and neighborhood commercial developments. Single-family affordable housing development is also included in the plan as a priority for this neighborhood, but no groundbreaking has yet occurred. The second project to receive CDBG funding is the Taylor Thomas subdivision. The proposed development will contain 15 single-family homes, 12 of which are being subsidized by the City through HOME and Community Development Block Grants to create affordable housing compliant with HUD. The site was formerly the location of the Mansard Square Apartments, which were demolished in 1999 and 2000 to make room for the future development of single-family homes. Infrastructure improvements have already been completed and housing construction began in August of 2003.

Currently, the only money the City of Champaign currently puts toward public housing is through the HOME program. The HOME program is specifically designed to create and maintain affordable housing in a community; it is the largest federal block grant for state and local governments. For FY 03/04, the City of Champaign allocated \$400,000 of its HOME funds for the purposes of redeveloping Burch Village - a public housing site owned by the HACC. In addition, the City will also be helping with infrastructure (streets, etc) costs in the area near Burch Village. According to Kerri Forsyth, Community Development Specialist for the City of Champaign, this money may come from motor fuel tax or urban renewal funds.

In speaking with Ms. Forsyth about the need for additional funding for replacement housing, she replied that through the city's joint efforts with the City of Urbana and the County of Champaign on the Urbana HOME Consortium, the City has used its funds for the creation of affordable housing of varying types outside the city limits (the Homestead SRO is in Urbana, for example.) Replacement housing currently being proposed in Mahomet and St. Joseph would qualify for this type of funding. Ms. Forsyth did mention that the city would review any request from the HACC to either grant or lend funds to affordable housing created within the City of

Champaign. It would, most likely, require a considerable amount of work for not a large outcome of grant money.

For the HACC's replacement housing plan to be successful financially and have the monetary backing to get started, the City of Champaign needs to reconsider the amount of money it has allocated for housing. The City has given CDBG to build and replace housing before, not just to the programs which are beneficial to low-income residents.

As of now, HACC is looking outside of Champaign to build replacement housing for the county. However, HACC may be more liking and willing to entertain options of building the replacement housing in Champaign if the City provided more funding. In turn, this would be much better for low-income citizens. By giving more funding to HACC, the City would be helping the low-income residents of Champaign finally have a home. The residents would be able to take advantage of the programs the City has already instated with previous CDBG. Also, the residents would not be removed their current social, educational, religious and community environment.

Supporting this, one main component of CDBG is requirement for citizen participation. HACC needs to get a strong resident opinion in favor of staying in Champaign and not moving to the surrounding areas of the county. Town meetings need to be held; surveys need to be filled out. In all likelihood, the residents will voice their opinion to stay in Champaign. The City of Champaign needs to know that residents want to stay here in order to put more funding into additional housing projects in the City. A sample survey is attached (see Appendix 3).

RHF is a relatively new phenomena in public housing. Figure 1 shows a list of counties from on the HUD website supposedly all involved in RHF. However, upon talking to all but five of them, none had completed any replacement housing and only two had steps in place to begin, Bristol, VA and Greenville, SC. Even though the Housing Authorities are included on this list, many do not have any plans to begin replacement housing in the near future. The Bristol Redevelopment and Housing Authority plans to have begun groundbreaking on replacement housing by the summer 2005. As of now the goal is to build 16 duplexes. They are using no CDBG or HOME funding. All of the funding will be from private financing, including bonds and pledged capital from investors.

If the City of Champaign is not willing to give more CDBG funding for housing, there are other alternatives HACC could consider. As mentioned, the City will most liking be using

taxes and urban renewal funds for improving the area around Burch Village. These same taxes and programs could be used for replacement housing as well. HACC could also look to private means of funding in the way that Bristol, VA has.

Recommendations

- Allow more time for implementation

NAHRO's survey indicates that few housing authorities comparable in size to HACC have been awarded RHF funding, and our research has failed to identify models which HACC can use to assist it in the development of its scattered-site housing program. Also, due to the relatively recent implementation of the RHF funding program, few projects have been completed, making it difficult to gauge the success of RHF funding to finance scattered-site housing.

- Develop clear goals for deconcentration plan

A clear plan with concise goals increases the likelihood of success. Without guidelines on the desired outcome, developing a plan to achieve any outcome becomes a difficult task. Simply deconcentrating poverty, especially when many factors (e.g., public transportation, employment, social service needs) will need to be addressed. Stating a reason for deconcentrating poverty, such as decreased home costs or increased access to educational opportunities, is imperative to the successful outcome of this project in both implementation and the forum of public opinion.

- Target employment centers for deconcentration efforts

The guiding principle for relocating housing authority residents should not be based solely on areas with low poverty ratios, but also on areas with sufficient employment opportunities and ample social service and educational offerings. Overall, deconcentration of poverty is going to have to happen where it's already happening the most. However, Champaign, Urbana and Rantoul have opportunities that allow residence the opportunity for a better quality of life in the form of good role models, schools, public transportation, and access to medical facilities, social services, and other necessary agencies. Champaign, Urbana and Rantoul have the services and resources that people who are living in poverty or have low incomes need. Government should not just be affording them a home, but also the resources to lift them out of poverty. Coordination of housing and all service areas might provide people with the necessary resources to work themselves out of poverty.

- Encourage home ownership opportunities

Author John Powell has noted, "The exclusion of African Americans and other racial minority communities from home ownership investment opportunities has severely limited

their ability to accumulate wealth. Home ownership and home equity are the major ways in which people accumulate wealth in America.”³⁰ Mahomet and St. Joseph should not be targeted as possible sites for public housing. Mahomet and St. Joseph have low poverty rates and it would be in the Authority’s best interest to keep it that way. However, in the interest of the mission, government assistance in aiding families in the purchase of homes would be the best way in which to integrate poverty into these areas. Home ownership is a means to achieving equity, so remaining a renter denies residents the opportunity to invest in their own future.

While being a minority does not equate to being impoverished, unfortunately, many programs that deal with poverty such as those whose goal is to provide affordable housing to those living at or below poverty are often marked by racial overtones.³¹ HACC, HUD and other agencies that seek to provide affordable housing for those in greatest need should work together to make the goals more attainable. Targeted subsidy programs can be an effective solution. Government programs should consider concentrating its resources on subsidies for repaying loans or loan assistance and avoiding subsidies associated with inefficient evictions.³² Therefore, HACC should concentrate efforts on implementing HUD's mission as it’s first priority: “To increase homeownership, support community development and increase access to affordable housing free from discrimination. To fulfill this mission, HUD will embrace high standards of ethics, management and accountability and forge new partnerships--particularly with faith-based and community organizations--that leverage resources and improve HUD's ability to be effective on the community level.”

Conclusions

Based on the findings of this report, scattered site housing should be pursued. However, site location will play a primary determinate in the degree of success of this project. Champaign-Urbana has defied the trend of jobs locating in suburban areas; due to the presence of the University of Illinois, job opportunities have remained concentrated primarily in Champaign and

³⁰ J. Powell, 2002. “Sprawl, fragmentation, and the persistence of racial inequality.” In Squires, Gregory D., Ed, *Urban sprawl: causes, consequences, and policy responses*. P. 89.

³¹ Charles M. Calomiris, Charles M. Kahn, Stanley D. Longhofer, (1994.) *Housing-finance intervention and private incentives: helping minorities and the poor*. *Journal of Money, Credit and Banking*, v26n3. 634-674.

³² *Ibid*.

Urbana. Likewise, the majority of social service agencies and public transportation are located within the cities; they exist in outlying municipalities to a lesser degree or not at all.

Locating low-income families in areas with few to no job opportunities and social services would create a spatial mismatch between housing and resources and would, simply, cause more harm than good. Additionally, research indicates that existing low-income renters prefer more urban locations to smaller, outlying living arrangements. Therefore, it is our recommendation to pursue the deconcentration of public housing limited to the areas of Rantoul, Champaign, and Urbana with Savoy as a possible site in the future. Deconcentrating low-income housing to outlying areas that lack the basic social and education services, employment opportunities, and amenities offered by Champaign and Urbana would be an exercise in futility and a waste of resources.

References

For more information regarding ESLHA's initiatives, contact Marcia Luckett at (618) 646-7165.

For more information on AHA's use of RHF funding, contact either Ken Sadekas at (404) 817-7350 or Mike Wilson at (404) 685-4374.

For more information about the Georgia Association of Housing and Redevelopment Authorities' capital fund pooling initiative, contact Ann Webb, President, at (912) 472-8209. John Hiscox, Executive Director of Macon, Georgia's Housing Authority can also be contacted at (912) 752-5070.

Beth Cooper, NAHRO policy analyst, can be contacted at (202) 289-4960 to assist in locating information regarding initiatives pursued by other housing authorities.

For information on Champaign County's local consolidated plan, contact Mary Ellen Wellner at (217) 351-4427.

Sources that may be helpful in understanding the LIHTC program include:

26 U.S.C. § 42

Guggenheim, Joseph. *Tax Credits for Low Income Housing 11th Edition*. Simon Publications, Glen Echo, MD. 2000.

Novogradac & Company LLP's Affordable Housing Resource Center, available at <http://www.novoco.com/resource.shtml>.

IHDA, available at www.ihda.org. Individuals to contact at IHDA are Jessica Hoff, Multifamily Coordinator, at (312) 836-8578 or Shelly Tucciarelli, Tax Credit Underwriting, at (312) 836-5333. Ms. Tucciarelli was helpful in answering some questions related to this report.

Appendix 1

Table 1

Demographics of Select Areas in Champaign County

	Champaign	Urbana	Mahomet	St. Joseph	Rantoul
Population	67,518	36,395	4,877	2,912	11,196
Median age	25.3	24.6	34	35.9	31.6
Median income	44,458	27,819	57,574	53,424	36,904
Median house value ³³	91,300	89,300	113,600	103,000	74,200
Race					
White	71.3%	67.01%	98.2%	98.3%	75.5%
Black	15.62%	14.34%	0.14%	N/A	16.9%
Hispanic	4.0%	N/A	0.9%	0.9%	2.7%
Asian	6.83%	14.24%	N/A	N/A	N/A
Other	2.25%	4.41%	0.78%	0.8%	4.9%
Poverty status³⁴					
Families	8.1%	5.6%	4.2%	2.0%	7.0%
Female householder	29.9%	15.4%	16.4%	16.0%	18.7%
Individuals	22.1%	7.9%	5.3%	4.0%	8.1%

³³ <http://www.city-data.com/city>³⁴ U.S. Census Bureau, Census 2000, Table DP-#. Profile of general demographic characteristics: 2000

Appendix 2
Figure 1

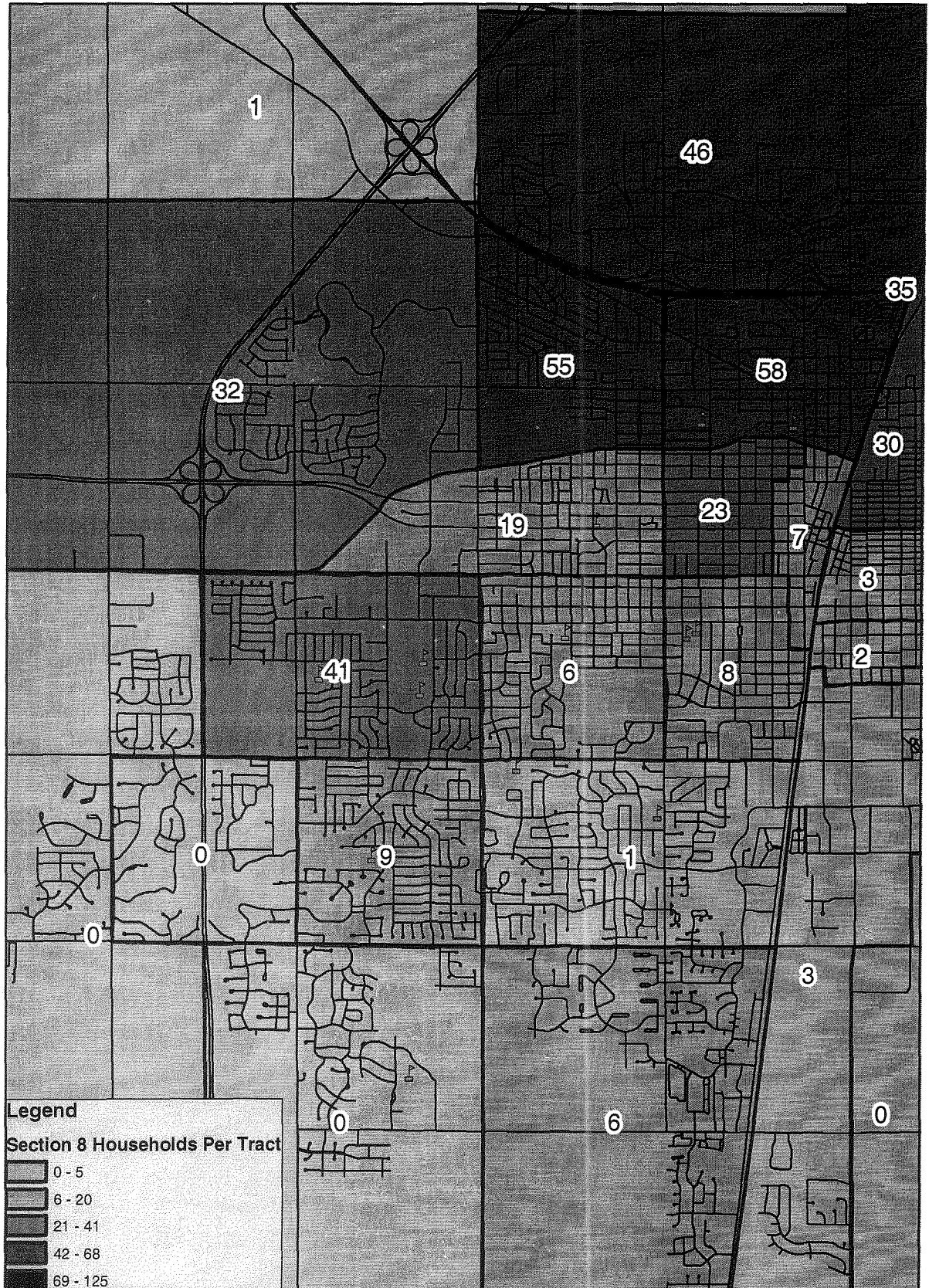
HA Code	HA Name
AR005	Blytheville Housing Authority
AR015	Housing Authority of the City of Texarkana
CO002	Housing Authority of the City of Pueblo
FL004	Orlando Housing Authority
IL001	The Housing Authority of the City of East St. Louis
IL007	Alexander County Housing Authority
IL043	Housing Authority - Saline County
LA001	Housing Authority of New Orleans
MN002	Minneapolis PHA, The City of Minneapolis
MN006	HRA of Winona, Minnesota
MO007	Housing Authority of the City of Columbia
MO013	Housing Authority of the City of Poplar Bluff
MS002	The Housing Authority of the City of Laurel
NC035	Sanford Housing Authority
NV002	City of Las Vegas Housing Authority
OK073	Housing Authority of the City of Tulsa
SC004	Housing Authority of Greenville
TN001	Memphis Housing Authority
TX003	Housing Authority of the City of El Paso, TX
TX006	San Antonio Housing Authority
VA002	Bristol Redevelopment and Housing Authority
WI002	Housing Authority of the City of Milwaukee
WV003	Housing Authority of the City of Wheeling
WV004	Housing Authority of the City of Huntington

Appendix 3
Figure 2

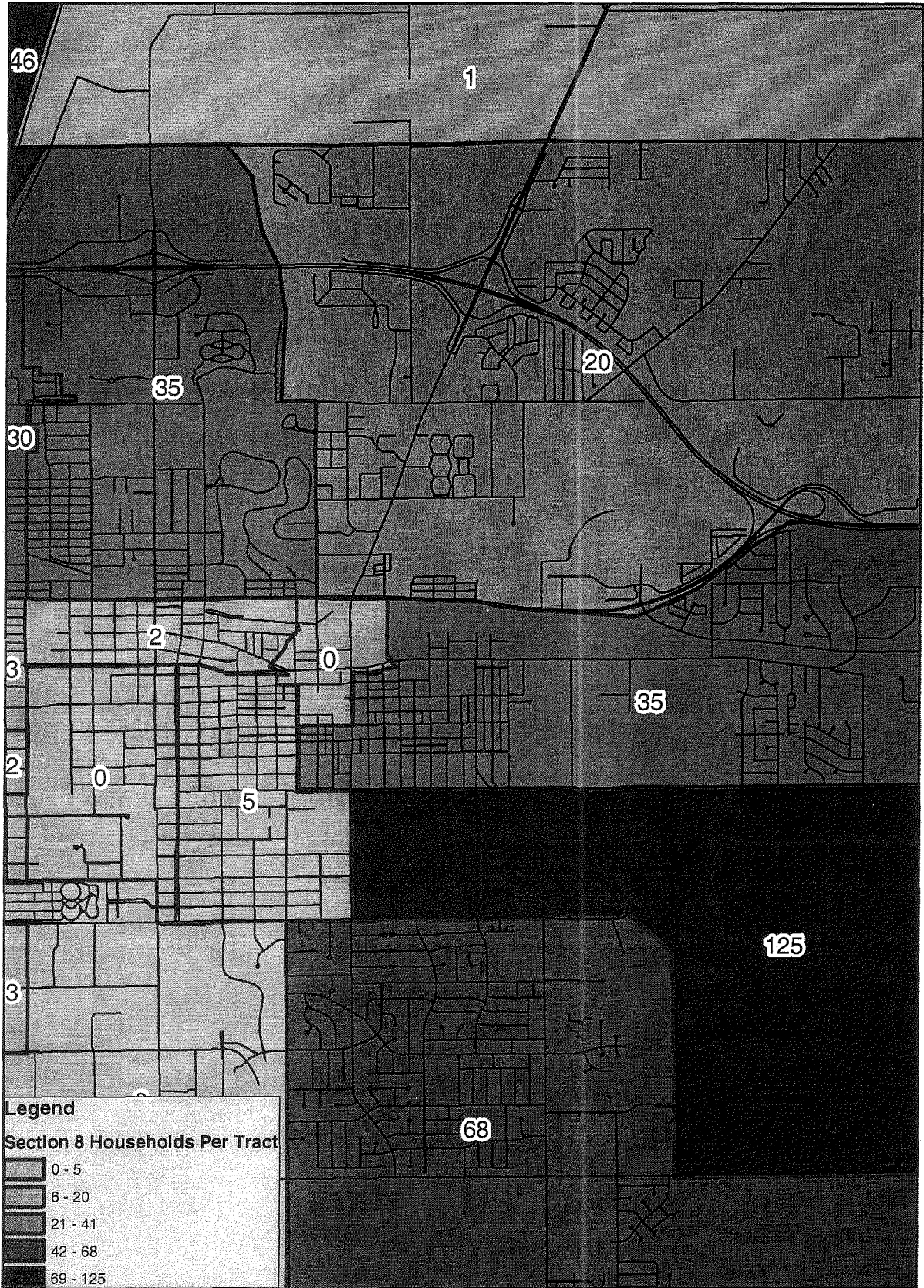
Citizen Survey

1. Where do you currently live?
2. Do you currently live in subsidized, affordable or public housing?
3. What are some benefits to where you live?
4. What are some disadvantages?
5. How safe do you feel your neighborhood is?
6. Are you pleased with the school system?
7. Are there services (grocery, gas, bank, daycare) within walking distance to your current home?
8. Do you use public transportation?
9. If you were relocated to an outlying city (St. Joseph or Mahomet) what would you miss most about your current living location?
10. If housing was built in Mahomet or St. Joseph, would you move there?

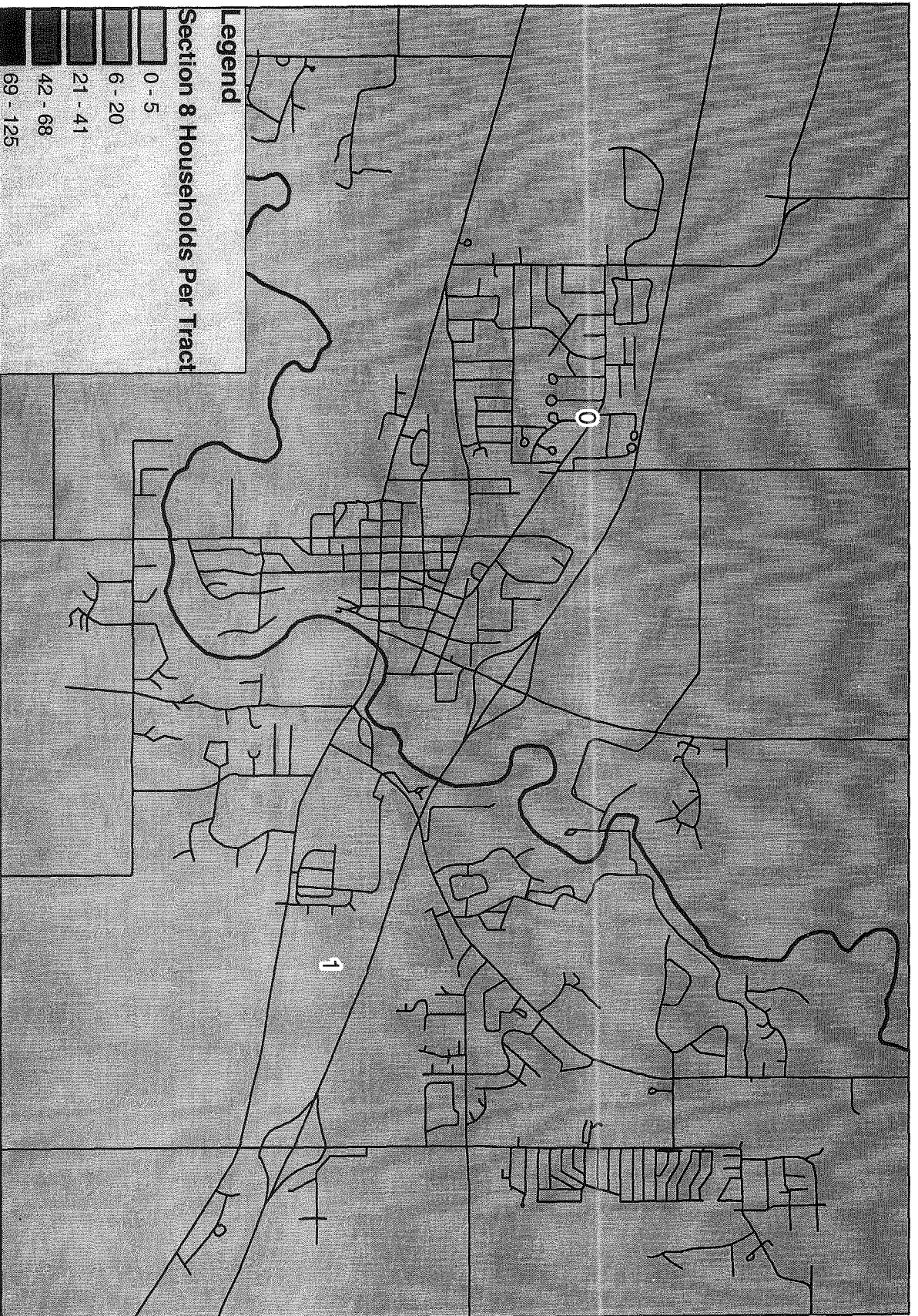
Champaign Section 8 Households



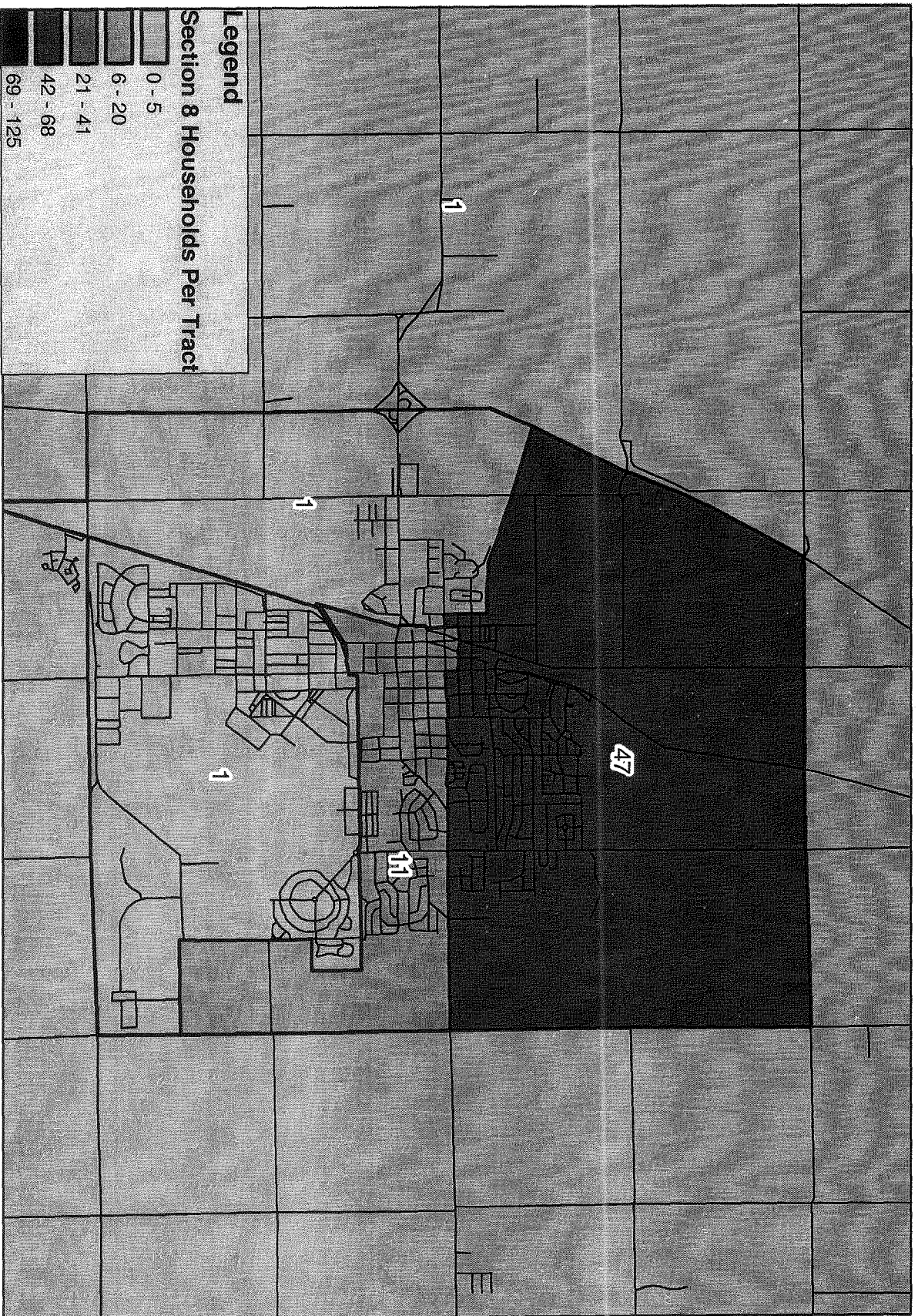
Urbana Section 8 Households



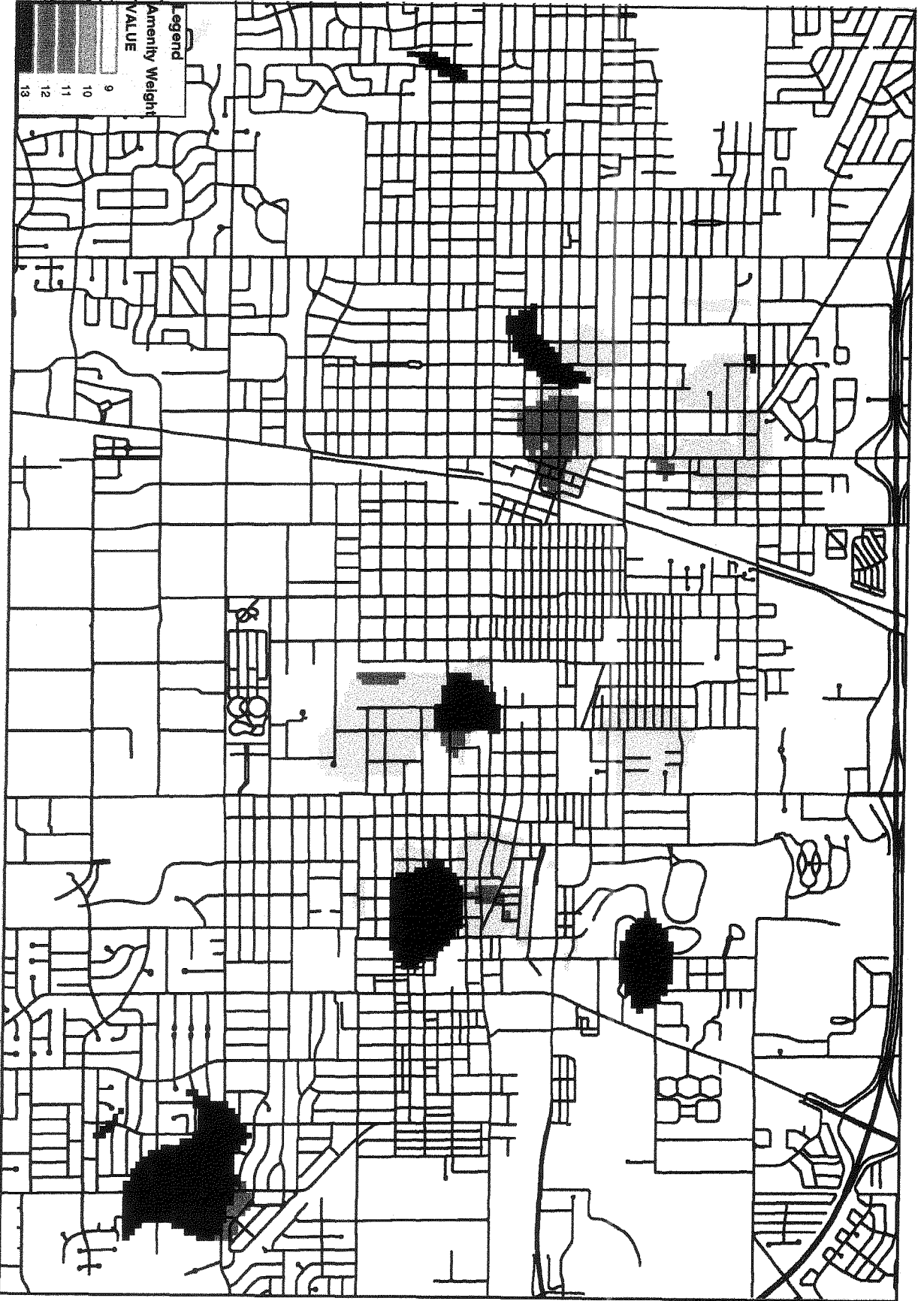
Mahomet Section 8 Households



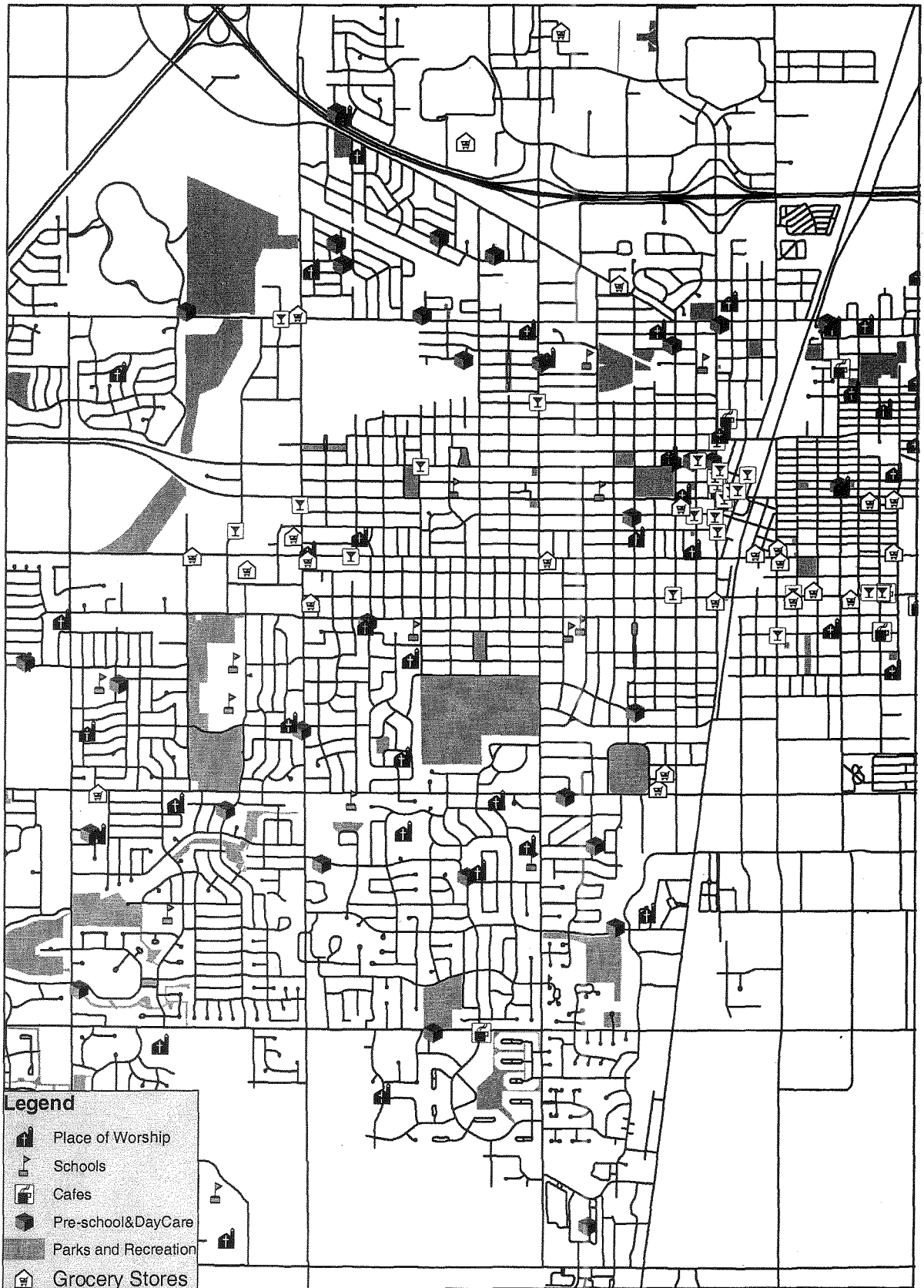
Rantoul Section 8 Households



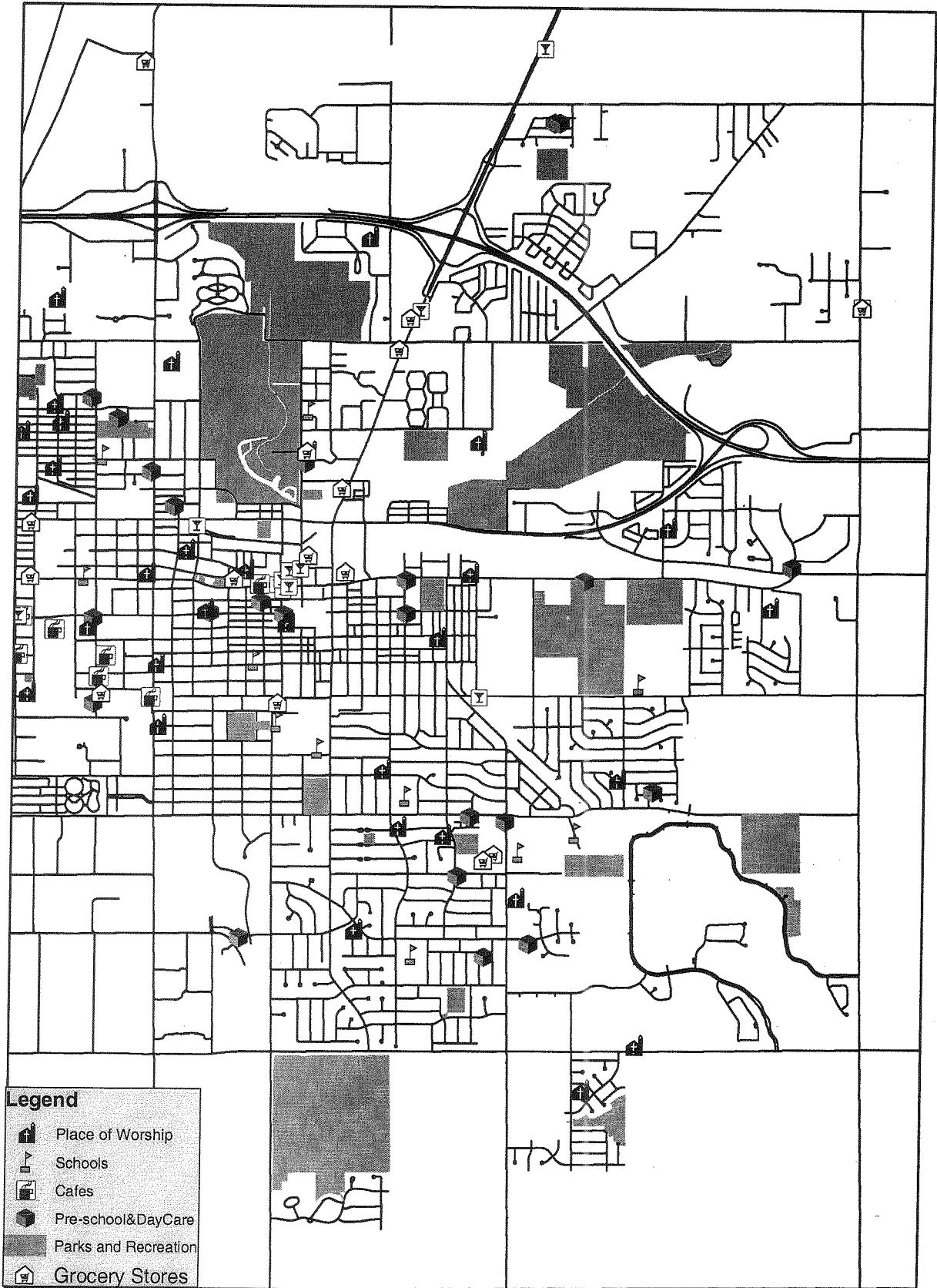
Champaign-Urbana Areas With Highest Amenity Strength



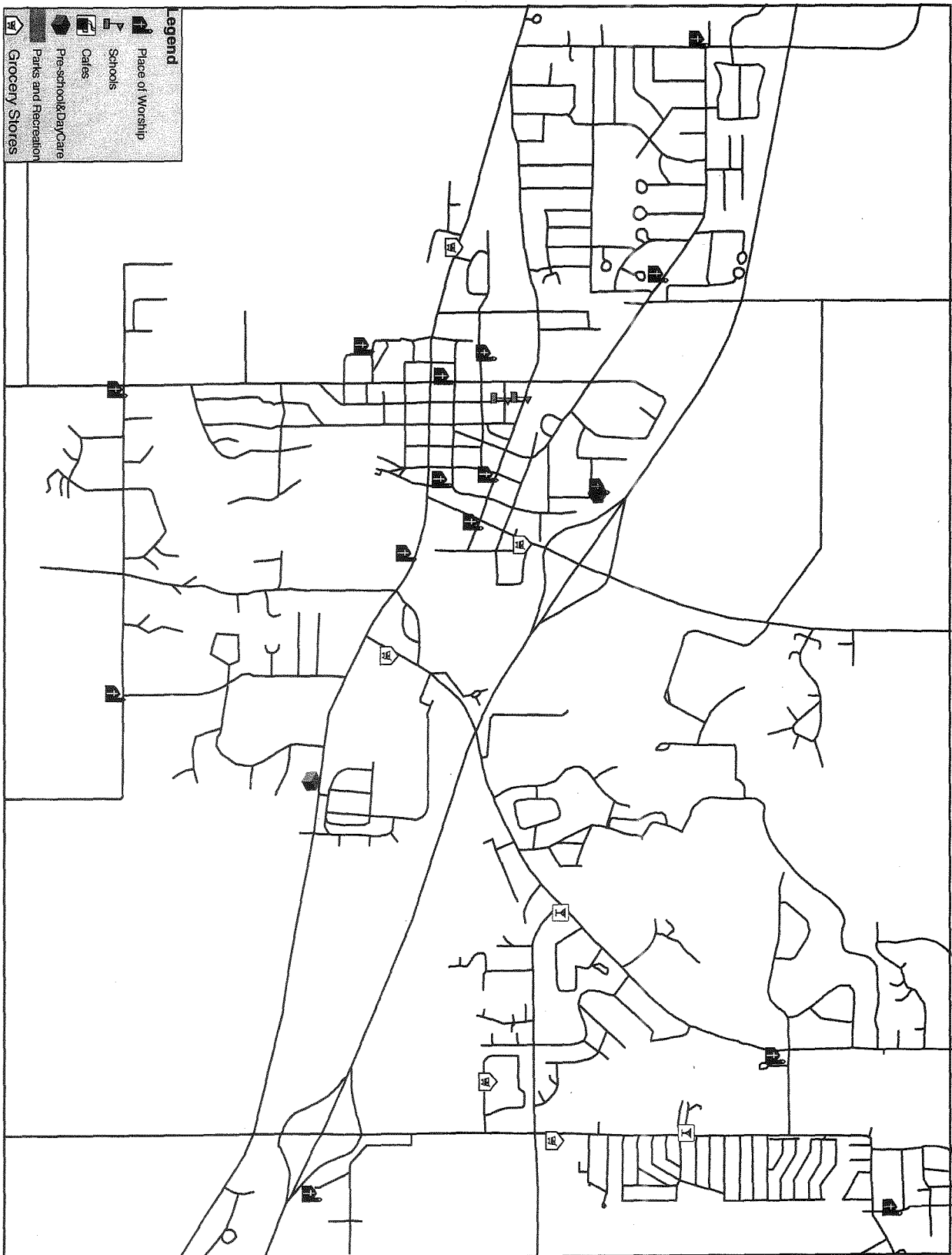
Champaign Neighborhood Amenities



Urbana Neighborhood Amenities



Mahomet Neighborhood Amenities



Rantoul Neighborhood Amenities

