Public housing residents in Chicago are marginally better off today than when they lived in the high-rise towers that have since been torn down, though more social services are needed to prevent a backslide, a study scheduled to be released Monday finds.

Continuing problems with poverty and crime in their new neighborhoods point to a potentially dark future for many of those nearly 16,000 families, particularly children, the report by the Washington-based Urban Institute says.

"In the absence of a major intervention, most of these young people are likely to be mired in the same type of poverty as their parents, living in neighborhoods suffering from chronic disadvantage and cycling in and out of the workforce," the study says.

The five-part report comes as the Chicago Housing Authority prepares to unveil a revised version of its 12-year-old Plan for Transformation. The sweeping effort to build mixed-income neighborhoods in place of the demolished high-rises has been hampered as of late by a sluggish economy, with cash-strapped developers unwilling to complete new market-rate homes. Originally a 10-year plan, the current deadline for completion of the $1.6 billion effort is 2015.

About 21,000 public housing units have been built or renovated, just shy of the Plan's goal of replacing 25,000 public housing units, CHA officials said. About 3,300 of those units are in the mixed-income sites.

The Urban Institute report lauds the CHA for emphasizing job counseling and other social services for affected families, noting that many residents who researchers contacted have benefited from such programs. The study was based on interviews over a 10-year period with families who once lived in the Madden-Wells and Dearborn housing complexes on Chicago's South Side.

More funding is needed to help with lingering depression, violence-related trauma and other problems that are especially prevalent among families moved by the CHA into privately owned, rent-subsidized homes that are primarily in poor neighborhoods with high rates of crime, the report says.
People in so-called "Section 8" homes now represent the largest portion of public housing residents in the city, the study noted. Since 1999, the CHA's program for portable rent vouchers has grown by 50 percent to serve nearly 38,000 families — both from the high-rise towers and those who've qualified separately into the program.

Many of those families are struggling and need more support services, said Susan Popkin, the lead researcher in the study. She called the voucher program the CHA's "biggest challenge."

"You still have a lot of people with very severe health problems, low levels of employment, lots of criminal justice involvement, all the kinds of things that they had before," Popkin said. "Where we saw the improvements in terms of people's mental health, physical health and employment was when the housing was coupled with very intensive supportive services for a subset of residents."

Charles Woodyard, the CEO of the CHA, said the agency is working with other government agencies to find more funding for such services.

"It's not all CHA," he said. "We have to leverage funding from partners."

The agency is also working to move more public housing families into "areas of opportunity" that are racially diverse and offer a better chance to escape poverty, Woodyard said.

In the Urban Institute report, just seven of the 381 families tracked by researchers live in areas which fit that category. Woodyard acknowledged that is reflective of larger concerns over re-concentrating poverty from one area of the city to another. The problem is driven by personal choices made by relocated residents and the availability of homes affordable to rent-subsidized tenants, both Woodyard and Popkin said.

Woodyard said that CHA "mobility counselors" encourage families to move to better neighborhoods. The CHA is also working to increase its subsidized payments in higher-rent areas and to purchase properties in those neighborhoods that would include federally subsidized apartments, he added.

"In order for us to have a healthy city, we are going to have to continue to spread housing into opportunity areas," Woodyard said. "We need our families to go into areas where they have opportunities to be linked to jobs and other amenities."

Popkin said the Urban Institute is working to help the CHA accomplish some of its goals, particularly with respect to helping children.

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