



## **East Chicago, Indiana Lead Issue at West Calumet Public Housing**

### **SUMMARY OF RELOCATION EFFORTS:**

- HUD was informed of the high lead levels at West Calumet by EPA in July 2016, and immediately began meeting with the city to find solutions for residents.
- HUD personnel have remained in close contact with the Mayor and ECHA, as well as state and federal partners, including EPA, the state housing finance agency and the City of East Chicago.
- When a public housing agency requests HUD to approve the demolition or disposition (i.e. sale) of public housing units, HUD can provide “tenant protection vouchers” for affected families to relocate.
- ECHA first included a notification for either demolition or disposition (sale) of the West Calumet property in their October 15, 2014 Five Year Plan. Housing authorities typically plan for demolition when buildings become too costly to repair or maintain with age. Under HUD regulations, these plans must be publicly announced and Five Year Plans must be made available to residents.
- The decision to move forward with a Section 18 application to HUD for demolition and/or disposition and to pursue vouchers and permanent relocation of the impacted families was made by ECHA on July 18, 2016, by a board resolution.
- The ECHA demo/dispo application for West Calumet has come in multiple submissions starting on July 25, 2016. Normally HUD does not issue tenant protection vouchers until after approval of the full demolition application. In the case of East Chicago, given the site conditions, HUD was able to begin the voucher allocation process upon receipt of the initial application. The full demolition application is not yet completed (pending environmental review) and approved by HUD.
- In this case, HUD expedited approval of \$1.9 million to ECHA for tenant protection vouchers to cover ongoing rent and utilities for the displaced residents of West Calumet to relocate to safe housing of their choosing anywhere in the country. The tenant protection voucher approval process that normally takes three to six months was completed in under two weeks due to the urgency of the situation.
- The voucher funding was in place as of August 5, 2016, and the vouchers became effective Thursday, September 1, 2016.
- As mentioned, the tenant protection vouchers are portable and can be used anywhere in the U.S. where there is an active voucher program. The vouchers are for permanent relocation to a new lead-safe home.
- HUD has worked with ECHA in developing a relocation plan for West Calumet residents and ECHA identified its Capital Funding from HUD to pay for resident relocation costs

(including security deposits; moving expenses; application fees; and any utility hook-up fees not waived.) Total relocation expenses were estimated at \$1.1 million.

- Towards that same relocation effort, HUD contacted the Indiana Housing and Community Development Authority (IHCDA) to request assistance for the housing authority, and IHCDA committed an initial \$100,000 in grant funds. The Indiana Health Department also pledged staff resources to assist the ECHA with program administration.
- HUD continues to find ways to offer technical assistance as needed or requested by ECHA. This includes:
  - HUD deployed a senior housing expert to remain on site. This person led HUD's collaboration with local leaders in Flint during their water crisis.
  - HUD briefed the East Chicago Common Council Environmental Public Health Committee on August 30<sup>th</sup>.
  - HUD participated in several federal, state and local partner agency open houses, family fun days or other public events for residents to access HUD staff, resources and ask questions.
  - HUD drafted and distributed a Q&A to West Calumet residents facing relocation.
  - HUD continues to participate in ECHA meetings with residents as needed or requested.
  - HUD helped secure a \$400,000 contract for relocation experts to meet individually with affected families and help them figure out their housing options, including how much their housing subsidies will be and where they can move to, (anywhere in the county, neighboring counties or any other state in the U.S.) If residents decide to move to another jurisdiction, their voucher amount will be adjusted to the fair market rents for that jurisdiction. This contract was extended for an additional 5 months to accommodate additional time granted by a Voluntary Compliance Agreement reached between the housing authority and a local housing group for tenant relocation and voucher extensions.
  - HUD collaborated with local utility companies in Indiana and Illinois to secure commitments to waive utility hook-up fees for residents
  - Residents received small-group briefings as they received their vouchers, and housing relocation counselors are available to residents at the Community Center to answer questions about their relocation options. Housing authority staff also provided door-to-door outreach to residents to ensure they were aware of all relocation benefits and counseling services.
  - HUD remains in close contact with neighboring housing authorities including Gary, Hammond, Chicago and Cook County to coordinate relocation efforts for the vouchers.
  - HUD/ECHA systems will track where residents move to if they stay in HUD's assistance programs. Private rental homes they select must pass an inspection for housing quality standards. If there is a child under age 6, and the home is older than 1978, it will receive an enhanced visual inspection for possible lead-based paint hazards. The contractor providing technical assistance is trained in enhanced visual inspection and will assist ECHA staff in completing this training.
  - HUD has agreed to provide address information to health departments conducting ongoing case management for children with elevated blood-lead levels. Health departments can do additional testing in homes for lead-based paint and water

hazards.

### **EMERGENCY TRANSFER OF FAMILIES OUT OF WEST CALUMET:**

- On March 1, 2017, pursuant to a November 2016 Voluntary Compliance Agreement between ECHA and the Sargent Shriver National Center on Poverty Law, on behalf of residents, HUD completed its review of the vacancies at the West Calumet Public Housing Complex. Based on the review, it was decided ECHA could decide to, and initiate, emergency transfers of families still remaining onsite at West Calumet to other public housing units or affordable housing units on March 31, 2017, after the units are inspected for lead, while still allowing them to look for a unit with the voucher.
- HUD's review established that the number of vacant units at the West Calumet site was reaching levels that present public safety challenges. In some locations of the site, there were a dozen or more contiguous units vacant. When the decision was made on March 1<sup>st</sup>, three quarters of affected families at West Calumet had moved out or were in the process of moving.
- ECHA has identified an adequate number of units of appropriate size to accommodate emergency transfers for residents remaining at the West Calumet site.

### **CAPITAL FUNDING:**

ECHA's Capital Funding is being used to fund the relocation. The Capital Funding currently available to the ECHA (updated 3/3/2017)

<b>Year</b>	<b>Grant Amount</b>	<b>Obligated as of 02/15/2017</b>	<b>Remaining Unobligated</b>
2014	\$1,268,838	\$1,268,838*	\$0*
2015	\$1,270,037	\$1,150,601.24	\$119,435.76
2016	\$1,300,198	\$1,041,969.30	\$258,228.70
<b>TOTAL</b>	<b>\$3,839,073</b>	<b>\$3,461,408.54</b>	<b>\$377,664.46</b>

In addition, the ECHA will continue to get its full annual capital grant funding for the West Calumet property (even after vacated) until the property is approved for demolition (approximately \$623,000 annually).

After demolition, they will then receive Demo/Dispo Transition Funding (DDTF) for 5 years. DDTF annual value is equal to that which they would receive if the property were still standing.

ECHA will also continue to receive asset management fees for an additional five years in the phase down for the West Calumet property.