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**DALEY, HUD SECRETARY JACKSON ANNOUNCE REFUNDING BOND PLAN  
TO GENERATE \$70 MILLION FOR CHA PLAN FOR TRANSFORMATION**

Mayor Richard M. Daley joined U.S. Secretary of Housing and Urban Development Alphonso Jackson today in announcing a bond restructuring that will free up approximately \$70 million to help accelerate the Chicago Housing Authority's Plan for Transformation.

The money comes from the refunding and restructuring of \$268 million of outstanding bonds from the CHA's groundbreaking 2001 issue that helped launch a massive rehabilitation of public housing in Chicago.

"Along with reforming public education, transforming public housing is at the very center of our efforts to combat poverty," Daley said at a City Hall news conference.

"Today CHA residents are working in banks and in the hospitality industry. Many of them are going back to school to finish high school or start college. There's a growing sense of hope and optimism as they begin to and experience all the blessings of life in our great city."

Five years ago, the CHA became the first public housing agency in the country to issue bonds backed exclusively by federal grants. Since then, more than 100 public housing agencies across the country have followed Chicago's lead.

The CHA is the first public housing authority in the nation to receive HUD's permission to refund and restructure all of its outstanding 2001 bonds. The Series 2006 bonds issued to restructure the outstanding 2001 bonds will free up \$70 million in capital grant funds over four years to rehabilitate hundreds of units under the CHA's Plan for Transformation.

"Through good management, we are reaping another \$70 million to make sure residents can move into newly rehabilitated units at an accelerated pace," said CHA Executive Director Terry Peterson.

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Peterson said the money will go directly into the ongoing family rehab program. It will be used to rehab 484 units: 131 in the Trumbull Park Homes, 55 in Altgeld Gardens and 86 in the Washington Park Low Rise, all in 2006; and 212 units in the Dearborn Homes from 2007 to 2009. As a result of the refinancing, additional capital funds will become available to accelerate the rehabilitation of Ickes Homes and the Cabrini Row Houses.

Under the 10-year Plan for Transformation the CHA is replacing or rebuilding 25,000 units of public housing – including low-rise family developments, senior housing and new mixed-income communities. Almost 15,000 units have been completed.

Under the plan, now in its seventh year, almost 6,000 families have been successfully relocated, and more 6,000 residents have found work through the collective efforts of the CHA, the City and non-profit job-training programs.

The Mayor added, “Today, new streets, schools, parks, libraries, police stations and fire houses are anchoring these neighborhoods – along with new shopping centers where families can shop and young people can work.

“Today, an agency that was notorious for waste and corruption is lean, efficient and responsive. Today, the staff is just 20 percent of its former size. Instead of having their own police force and separate social service programs, CHA residents benefit from the same services as any other neighborhood in Chicago.”

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