

October 14, 2010

TESTIMONY OF STEVEN A. FISCHER

TO: Pennsylvania Senate Urban Affairs & Housing Committee
Honorable Gene Yaw, Chair
The Capitol
Harrisburg, Pennsylvania

Honorable Chairman Yaw, Honorable Minority Chair Kitchen and members of the Committee, thank you for the opportunity to join the dialogue and speak to possible action on the Pennsylvania Housing Authorities Act, 35 Pa.C.S. 1550 et al.

I am Steven A. Fischer, Executive Director of the Chester Housing Authority (“CHA”) in Delaware County. The CHA supports a portfolio of approximately 2,600 units of Public and Assisted Housing. It has also produced 100 units of homeownership as components of three separate United States Department of Housing and Urban Development (“HUD”)-financed and Low Income Housing tax credit HOPE VI programs. Today, a staff of 65 operate the CHA. In a city of 37,000, the CHA manages and administers 20 percent of the rental housing stock.

Until the 1990s, the CHA was overseen by the traditional structure wherein the Mayor was responsible for appointments to its Board of Commissioners. By the 1980s, the CHA had fallen into a deplorable state and was commonly known as one of the worst Housing Authorities in the nation. A 1989 class action lawsuit by Residents against the CHA resulted in the decision by Federal Judge *Norma L. Shapiro* to take control. Following a brief period in which HUD unsuccessfully ran the Authority, it (HUD) asked the Court to take it over. The Executive Director reports directly to the Court. A Judicial Administrator for Development also reports directly to the Court where the HOPE VI projects are concerned. A five member Board of Commissioners Designee including a Resident, appointed by the Court, meets monthly with the Executive Director and undergoes educational training. Acting as a real Board, it forwards recommendations for approval of resolutions to the Court for execution. This includes contracts over \$100,000.

Since the advent of the Judicial Receivership in 1994, the CHA has gone from a place where few wanted to live (vacant units were the norm) to a Housing Authority with closed waiting lists since 2001. The CHA has been completely rebuilt, organizationally and physically, as the Court has shielded it from political influences.

It is no secret that City control, before the present administration, led to the demise of the CHA. Housing and jobs were based on who one knew rather than related to program eligibility requirements or job qualifications. Under the Court's oversight, respect for the law has been the rule. Qualified employees were sought. HUD regulations were introduced and strictly enforced. Housing that had fallen into disrepair due to neglect was rebuilt or rehabilitated as a result of aggressive funding initiatives. Three HOPE VI projects for a city of 37,000 is unusual but that is what the CHA sought and now brought to successful completion.

The CHA believes that the structure set up wherein Housing Commissioners are appointed by a local political leader and/or body is tenable. It concedes that this has worked in the vast majority of cities and counties throughout the Commonwealth and all over the country. The CHA experience, though tragic up to the 1990s, shows there can be a remedy to the rare case where the traditional structure goes awry. Two notable large-city Housing Authorities that have undergone successful Judicial Receiverships are Boston (ended) and Kansas City (ongoing). It would advocate that, in the selection of Housing Commissioners, the appointing entity be provided nominees based on merit and employ selection panels for advice on decision making.

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To Chester's credit, its citizens recognized a situation gone bad, took legal action and achieved the desired results -- quality housing for needy Residents. Today's CHA is a sound organization and annual recipient of high ratings from HUD to the benefit of Chester Residents in need.