

## FOR IMMEDIATE RELEASE

Tuesday, May 22

Contact:

Jesús Canchola Sánchez, [jsanchez@seiu73.org](mailto:jsanchez@seiu73.org), 312-588-7534

**[Union member interviews available upon request.]**

### **75 Union Members Who Provide Vital Public Housing Services Receive Layoff Notices Due to Non-Union Contract Scheme**

*Chicago Housing Authority Workers Fighting to Keep Their Jobs*

**Chicago** - SEIU Local 73 represents members who work for CVR. Chicago Housing Authority (CHA) contracts with CVR to provide several components of the Section 8 public housing program. Union members work in the call center assisting public housing applicants and residents. The 5 year contract between the CHA and CVR ends this year. Chicago Housing Authority staff issued RFPs for a new five year contract providing services to Chicago public housing recipients. CVR, a union contractor, and Nan McKay, a non-union contractor bid to provide the services to public housing recipients. Nan McKay was awarded the contract because it submitted a lower bid. The CHA decision to use a non-union operator because it provides lower wages and benefits to employees is not a Chicago value.

If financial costs were the sole factor in making the decision on how CHA provides these services, then the choice of a non-union contractor does not make sense. A CHA study was done last year on the design, implementation, and costs of bringing the services recently bid in-house. The CHA study recommending bringing the program in-house demonstrates a \$23.4 million savings over 5 years. The Nan McKay contracts is a \$19 million savings below current costs over five years.

“I have participated in CHA programs, such as Section 3. I have been laid off from them twice. I think it’s unfair. CHA’s objective is to get families off of public help so they can be self-sufficient. I’m a single mother and I’m trying to be self-sufficient. Section 3 right now doesn’t have jobs for me that I can apply for. If CHA is laying us off then they should absorb us. I want to continue working,” Sharika Johnson, CHA worker and union member who received a layoff notice.

Chicago Housing Authority’s own documentation concerning the contracts, bids, and the in-house study demonstrate a \$4.4 million additional savings if CHA brings the program in-house. CHA’s decision to contract to a non-union vendor, spend more money than in-housing the services, and lay off an experienced 95% minority, 70% female workforce belies logic. This is self-defeating. Many union members who work in the Housing

Choice Voucher program are Section 3 hires or they have been recipients of public aid in the past. Now, the CHA board is going to allow them to get laid off. Isn't it part of CHA's mission to help residents "Find, Keep and Advance in a Job" and also build their own economic independence? By contracting out these services, CHA is working against its own mission.

"I come from a long line of public housing, poverty, welfare and I work very hard. I took this job because I have compassion for the people in this program. I love people who come to this program because I can understand and feel where they are coming from. We are there to encourage them. We're there to help them. We're in the trenches fighting for them. We're doing this on behalf of CHA because we don't ever want them to think that not caring is the CHA way. We put our best foot forward when we are servicing Section 8 recipients. CHA is telling us that we can be thrown away. We care about the people and this is not the CHA way!," April Ikenga, CHA worker and union member who received a layoff notice.

Workers testified at the last Chicago Housing Authority board meeting. They made their voices heard and demanded a solution. A letter to Mayor Rahm Emanuel and the Chicago City Council was delivered this week asking that the Chicago Housing Authority review and reverse their decision to use a non-union contractor and bring the work in-house. Workers will be present at the next City Council meeting on May 23<sup>rd</sup> continuing the fight to keep their jobs.

###

*SEIU Local 73 represents more than 29,000 workers, primarily in public service and publicly funded positions in school districts, municipalities, social service agencies, and many other job classifications in Illinois and Indiana. We are dedicated to improving the lives of workers and their families.*