

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

DOROTHY GAUTREAUX, et al.,	)	
	)	
Plaintiffs,	)	66 C 1459
	)	
v.	)	
	)	Hon. Marvin E. Aspen
CHICAGO HOUSING AUTHORITY and	)	
Joseph Shuldiner, its Executive Director,	)	
	)	
Defendants.	)	

**CHA'S REPLY TO PLAINTIFFS' AND THE RECEIVER'S RESPONSES TO CHA'S
EMERGENCY MOTION TO STAY ORDER OF MAY 19, 1998 PENDING APPEAL**

Defendants, the Chicago Housing Authority and its Executive Director Joseph Shuldiner (together the "CHA"), submit this reply in support of their motion to stay the Court's order of May 19, 1998, holding that the Court, in its 1987 order appointing the receiver (the "1987 Order"), gave "all powers of CHA' with regard to the development and administration of the *Gautreaux* scattered site program," which includes the CHA's HOPE VI programs because those programs were authorized by HUD during the pendency of the *Gautreaux* litigation.

The issues relating to the receiver's role in HOPE VI assume that the Injunction applies to the CHA's HOPE VI programs, as this Court held on February 23, 1998. Thus, the question raised by the Court's order of May 19, 1998 (the "May 19 Order") is as follows:

Where a local government agency is successfully operating a complex housing program (a) created by Congress in 1992, (b) not tainted with discrimination, and (c) involving in excess of \$100,000,000, can the federal court transfer to a receiver, originally appointed in 1987, all of the governmental powers of the agency to develop and administer that program without any finding that a receiver is necessary to enforce the orders of the federal court or that the receiver is qualified to undertake the responsibilities of developing and administering such a program?

The CHA's legal position is that the 1987 Order and the May 19 Order lack the necessary findings to support the delegation to a receiver of the power of the federal court to interpret and implement its orders remedying a constitutional violation, particularly where the delegation is based on (a) the portion of the 1969 definition of "dwelling unit" used in describing the "scattered site program," that sweepingly included all units of public housing made available during the pendency of the case, (b) the portion of the 1987 definition of "scattered site program," that sweepingly included all housing development programs authorized by HUD during the pendency of the case, and (c) a 1998 finding that there is no conflict between the requirements of the 1969 Injunction (which mandates building one-half of all public housing units in the General Area) and those of HOPE VI enacted by Congress in 1992 (which mandates the redevelopment of the neighborhoods that are located in the Limited Area through a process of tenant, housing authority, and government collaboration), because the HOPE VI statute does not compel the CHA to build all replacement units on the site of demolished public housing projects. The CHA submits, as it has since it began responding to plaintiffs' motion for further relief, that such a delegation is improper.

These issues were first resolved by this Court in its orders of May 19 and May 21, 1998, and neither of these orders is based on any finding of fact. There has been no hearing. There have been few affidavits (prior to the motion to stay proceedings). Plaintiffs' counsel has noted that factual assertions have been made by the CHA but without reference to any supporting documents. The CHA has asked for a hearing on the role of the receiver in HOPE VI but none has been held.

The plaintiffs and the receiver now are asking this Court to make detailed "findings of fact" based on several affidavits and lengthy written presentations, all regarding the CHA's motion for a stay pending the appeal. But all of the disputed statements have been made repeatedly by the CHA and are not new to the motion for a stay. The CHA is concerned that a hasty factual record is being constructed by the plaintiffs and the receiver for use on the merits of the appeals now pending in the Court of Appeals. The Court's Orders of February 23, 1998, and May 19, 1998, are on appeal and final for purposes of appeal (subject to the plaintiffs' motion to dismiss the appeal of the February 23 order).

The CHA is not able to respond to the plaintiffs' and the receiver's multiple accusations of alleged misstatements and their own proposed findings of fact in the time allotted (17 hours over night). The CHA has asked for a hearing on statements made in various letters from the receiver to the Court and from the plaintiffs to HUD and the CHA that are copied to the Court. Particularly, Mr. Shuldiner has been misperceived as uncooperative based on hearsay statements and the receiver's and the plaintiffs' counsel's interpretations of events, and he has asked the Court for an opportunity to be heard.

Many of the disputes between the parties are in fact based on their lawyers' interpretation of court orders. For example, the CHA believes that the orders of the Court have not defined the rights and obligations of the CHA and the receiver on HOPE VI applications, and it has repeatedly so stated. In fact, when the Court rendered its February 23 Order, the CHA interpreted it as applying only the locational restrictions of the Injunction to the HOPE VI replacement housing. Now, however, given the Court's orders of May 19 and May 21, 1998, there is doubt over the proper role for the CHA in its HOPE VI applications. The CHA interprets

the Court's May orders as transferring (or conferring the transfer in 1987 of) all of the powers of the CHA to the receiver regarding its HOPE VI programs. This, however, now appears to be in dispute.

In their letters of May 5 and May 6, 1998 to the CHA, and in the various papers submitted to the Court on the role of the receiver, plaintiffs and the receiver take positions that are not wholly consistent. Plaintiffs' interpretation of the 1987 Order is very broad, i.e., that every planning activity is subject to the control of the receiver:

[P]lanning . . . is part of the development process that can fairly be described as "incident" to the development of housing (receivership order, par.2). Therefore, the development of these plans, or any other CHA activity of like nature, must in our view be carried on with the approval of and in cooperation with the Receiver.

(emphasis supplied) See letter of plaintiffs' counsel to CHA dated May 6, 1998. But plaintiffs and the receiver now take the position that the May 19 Order does not transfer all of the CHA's authority over the HOPE VI program to the receiver, but instead that it requires the CHA to "cooperate" with the receiver. The Court has now stated that the May 19 Order "neither gave sole authority over HOPE VI in Chicago to the Receiver nor gave the Receiver sole authority to prepare Chicago's 1998 HOPE VI application." See Ex. A, Order of May 21, 1998 denying plaintiffs' motion for further relief as moot.

There appears to be substantial uncertainty over how the responsibility for HOPE VI has been apportioned or should be shared and, if shared, who has the authority to make the final decisions on the many issue that arise in the preparation of a HOPE VI application. The CHA's statement that all of its authority has been transferred to the receiver is based on the May 19 Order, which states that the Court, in the 1987 Order,

gave the Receiver “all powers of CHA” with regard to the development and administer of the Gautreaux scattered site which program, which included “all CHA non-elderly public housing development programs which may in the future be authorized by HUD during the pendency” of the Gautreaux litigation. . . . HOPE VI is a “non-elderly public housing program development program [] . . . authorized during the pendency” of the Gautreaux litigation, and therefore fits entirely within the Receiver’s jurisdiction.

Paragraph 2 of the 1987 Order states:

The Receiver shall have and exercise all powers of CHA respecting the scattered site program necessary and incident to the development and administration of such program including [among other things] . . . doing such other acts and things . . . as are determined by the Receiver to be necessary and appropriate to implement the scattered site program and to enable the Receiver to discharge its duties pursuant to the provisions hereof.

This is the transfer of authority from the CHA to the receiver on which this Court based its ruling that “[o]ur order of August 14, 1987, appointing the Receiver, obligates the CHA to cooperate with the Receiver and to provide the Receiver with the information it needs.” May 19 Order.

In its order of May 21, 1998, the Court further stated that its May 19 Order “held that parts of the HOPE VI program discussed in our opinion of February 23 ‘fit[] entirely within the Receiver’s jurisdiction.’” The February 23, 1998, Order stated only that the Injunction “governs CHA’s use of HOPE VI funds” and, “accordingly the locational restrictions of the [Injunction] apply.” It did not identify parts of HOPE VI programs that are the sole responsibility of the CHA or of the receiver.

Indeed, in March, plaintiffs recognized that they needed a detailed order from the Court directing the CHA to take certain steps to rectify the “situation,” which was described as a lack of cooperation by the CHA with the receiver in planning HOPE VI activities (including HOPE VI applications). Plaintiffs went so far as to acknowledge that if the Court granted any part of the “further relief” sought, the order clearly would be appealable. See Memorandum In

Support Of Motion To Dismiss Appeal. In other words, the plaintiffs' motion recognizes that the command in the 1987 Order that the CHA cooperate with the receiver is too vague to be enforceable by the Court as a contempt of that order. The Court declined to grant or deny the specific relief sought by the plaintiffs in their motion for further relief, holding that the relief related to the receiver's role in the HOPE VI program had been addressed by the Court's May 19 Order, and, with respect to any other issues raised by the plaintiffs' motion, "we think it best that the Receiver bring those issues to this Court's attention if it so chooses." May 21, 1998 Order. The May 19 Order, however, does not provide specific actions that the CHA must take to avoid contempt. Other than requiring that the CHA to provide the receiver with the information the receiver had requested, the May 19 Order directs the CHA to "cooperate" and to "coordinate" with the receiver:

Our order of August 14, 1987, appointing the Receiver, obligates the CHA to cooperate with the Receiver. . . .this means that the CHA is to coordinate its 1998 HOPE VI application with the Receiver. . . .

The CHA must ask the question, what is "cooperation" in this context, and what is the standard by which "cooperation" is judged? If the CHA and the receiver "coordinate" on the 1998 HOPE VI application, and the CHA disagrees with the receiver on what proposals to make in the application, must the CHA concede its position as part of its duty to cooperation? If it does not, will it be held in contempt of court? What is the role of the CHA now that the Court has ruled that all of the governmental powers of the CHA regarding its HOPE VI programs have been transferred to the receiver. The receiver wants to "jointly prepare" the application, but given the terms of the receivership that the Court has applied to the HOPE VI programs, is the receiver responsible for the preparation of the 1998 application? If the power and responsibility is to be

shared by the receiver and the CHA, which is the final arbiter of what power and responsibility should fall to the CHA and to the receiver?

The CHA informed the Court in its first brief in support of its motion to clarify the Injunction that the role of the receiver in HOPE VI programs was in dispute and would have to be resolved through further litigation. The plaintiffs' motion for further relief was the plaintiffs' effort at resolving the dispute. The CHA informed the court and the parties that if the February 23 Order was affirmed, the CHA intended to file a motion to terminate the receivership or to eliminate HOPE VI from the receiver's responsibilities. In response to the plaintiffs' motion, the CHA sought, at a minimum, a hearing on the role of the receiver.

Until the Court issued its Orders of May 19 and May 21 the CHA was proceeding on the understanding that the role of the receiver was in dispute and unresolved by any prior order of the Court. All of the CHA's actions in questioning the role of the receiver in HOPE VI programs necessarily would be perceived as "uncooperative." The CHA is committed to complying with this Court's orders and it will do its best to cooperate with the receiver as required by the court's orders. But the issues of power, authority and responsibility for the HOPE VI programs cannot be resolved through cooperation.

The questions that the CHA has raised with regard to the role of the receiver are not personal in nature. The CHA contests, and has contested from the outset, the propriety of the federal court's supervision over a federal program that is not tainted with discrimination, particularly on the basis of a nearly thirty year old injunction. It has also contested the propriety of the imposition of a receivership directed at the agency's participation in such a program where (a) the agency has successfully operated the program for six years, (b) the agency has been taken

into federal receivership by the federal agency charged with enforcing the Fair Housing Act, (c) there have been no findings that the agency is incapable of or unwilling to operate the program properly, and (d) there have been no findings that the Receiver has the expertise, ability, and capability of developing and administering the program. These are questions that the CHA has a right to ask and to contest. Disagreements with the receiver about the requirements of various court orders, including the 1987 Order, are not a breach of a “duty of cooperation.” They are legal positions that the CHA has articulated for almost a year.

Plaintiffs, in the Seventh Circuit, have asserted that the CHA and its counsel have misstated historical facts. Here, on May 21, 1998, the plaintiffs accuse the CHA, the Executive Director of the CHA, and its counsel of “fabricating.” The Receiver accuses the CHA of making “factual misstatements.” These are charges of misconduct that the CHA and its counsel are entitled to rebut. An opportunity to rebut these charges has not been allowed.¹

For purposes of the present motion to stay the May 19 Order, there are no disputed facts regarding the Court’s Orders. The Court made no factual findings, either in the February 23 Order issued in response to the CHA’s Motion To Clarify, nor in the May 19 Order granting the Receiver’s emergency motion. In any event, the CHA’s alleged fabrications and factual misstatements are statements of the CHA’s legal position, inferences based on the undisputed facts that support that legal position, and in some cases merely statements of opinion.

Each party (and the receiver) draws various inferences from the undisputed facts. For example, the receiver describes as a “factual misstatement” the CHA’s alleged “implication”

¹ The CHA is also entitled to a hearing on the plaintiffs’ proposed “findings of fact” that the CHA is in contempt (p. 14 ¶ 14) and has the intent to discriminate (p. 14 ¶ 15, citing yet another affidavit).

that the May Order caused a meeting between the CHA and the City to break up. Receiver's Memo at 2. Neither the receiver or plaintiffs' counsel was present at the meeting. The meeting began at 4:00 p.m. The fax department at the office of the CHA's counsel, as the fax line on the CHA's copy of the minute order indicates, received a copy of the May Order at 4:21 p.m. By approximately 4:30, both CHA's outside counsel and general counsel had a copy of the order faxed and delivered to the Executive Director of the CHA who was then in attendance at a meeting with the City regarding, among other things, the upcoming HOPE VI application. The Executive Director, on the advise of counsel, indicated that he could not continue to participate in a discussion of the HOPE VI application because he had been ordered by this Court to "cooperate" with the receiver in making the HOPE VI application. Had the Executive Director continued the meeting without the Receiver in attendance, he would be in danger of being held in contempt of court -- particularly given the Court's comments earlier that day.

The CHA had not "refused to permit the receiver's participation" in the meeting. The receiver does not allege that the City invited the receiver to attend the meeting, and that the CHA "barred the door." The receiver's counsel (both orally through plaintiffs' counsel and in writing) informed the CHA's counsel that morning (after the 9:30 appearance) that the Receiver wanted to attend the meeting between the City, the CHA and others that was scheduled for 4:00 p.m. that day. The CHA quickly learned that the Court had not entered an order after the 9:30 a.m. court appearance and was in fact drafting an order, and so informed the receiver and the plaintiffs. All parties were awaiting receipt of the Court's order, which was not received until about 4:20 p.m., after the scheduled meeting had begun.

In 17 hours beginning at the close of a business day, it is fundamentally unfair and unreasonable to expect the CHA to read and respond to the Receiver's 112 paragraph affidavit and 15 page memorandum plus exhibits, as well as plaintiffs' 11 page memorandum attaching selected portions of several lengthy documents. This Court did not resolve any factual disputes in either the February or the May Order. Raising "factual" disputes at this late date does not alter this Court's rulings, nor the basis for those rulings.

Nevertheless, the CHA cannot leave some of the plaintiffs' and the receiver's arguments wholly unaddressed. The CHA, and its Executive Director in his affidavit, state that the HOPE VI applications already filed by the CHA do not propose plans that comply with the Injunction's locational restrictions – the requirement set forth in the February Order. See Pl. Response to Emergency Motion To Stay at 1-4. Plaintiffs state that the CHA's statements are "false." The statements are absolutely correct. The CHA has never proposed a HOPE VI plan that proposed that one-half of the replacements units be built in the General Area. If plaintiffs are relying on a statement in an application that a waiver of the Injunction would have to be obtained, that does not make the plan in compliance with the locational requirements of the Injunction.

If plaintiffs believe that the CHA's prior HOPE VI plans comply with the locational restrictions of the Injunction, their demand that the CHA cease all planning and development work (Pl. Motion for Further Relief), and the demand that the receiver must immediately participate in the planning of the 1998 HOPE VI application make no sense. There would be no emergency created by the fact that the receiver is not participating in the process --

because his approval was not required in the past to insure that the applications complied with the Injunction.²

In any event, plaintiffs attempt to “prove” the alleged “lie” by referring this Court to snippets of documents that are extremely lengthy and relatively complex -- the HOPE VI applications, which the plaintiffs and the receiver claim to have viewed for the first time (or at least for the first time since the HOPE VI litigation began in September of 1997) late on the afternoon of May 20. The plaintiffs’ “proof” is again merely evidence that, at most, plaintiffs and the CHA have a different opinion on the requirements of the Injunction, and accordingly draw different conclusions when they interpret documents that refer to the Injunction.³ For example, the first element of proof, the excerpts from the Cabrini-Green application support the CHA’s assertion that the plans proposed by the application do not comply with the Injunction’s locational restrictions. The portion of the application cited states that replacement units will be provided

² The receiver makes numerous factual assertions to explain why he did not participate in the application process. The CHA disputes the receiver’s version of the facts. There is no record on which this Court can even begin to make findings of fact as to who said what and knew what in 1992 and 1996. The bottom line is the same: the receiver has known about the CHA’s 1992 and 1996 applications, and that fact that HUD publishes NOFAs whenever Congress funds HOPE VI, for some time, i.e., years. Yet in the past six or even two years, neither the receiver nor plaintiffs filed a single motion seeking to inject the receiver into the process or to sanction the CHA for its allegedly improper actions. Instead, on the eve of the appeal to the Seventh Circuit, the issue is suddenly an “emergency” -- and one that requires the making of a “factual record” for the Seventh Circuit.

³ By addressing plaintiffs’ arguments, the CHA does not waive its objection to the suggestion that this Court can make factual findings, particularly findings that the CHA and its counsel are lying, without (for example) reviewing the cited documents in their entirety, and without providing the CHA with an opportunity to be heard at an evidentiary hearing.

through a variety of means, including the building of units "off site." If that sentence constitutes compliance with the locational requirements of the Injunction, the plaintiffs' motion for further relief and the receiver's emergency motion serve no purpose. The CHA could agree to insert that sentence in the 1998 HOPE VI application and the emergency is ended and the parties revert to the status quo.

Indeed, the only mention of *Gautreaux* in the excerpt of the application relied on by plaintiffs (Ex. A, "p. 58"), states that some of the replacement housing will be built with the use of "Public Housing Development funds from a set aside under a Federal Court Order in the *Gautreaux* Case" In other words, the application makes a distinction between HOPE VI funds and *Gautreaux* "development funds."

Plaintiffs' reliance on the remaining cited documents is also unconvincing. The second cited document is not the HOPE VI application and, in any event, merely demonstrates that the CHA was conscious of its obligations under *Gautreaux* and did not intend to violate this Court's orders. The document states that the replacement units would be built either in compliance with the Injunction or not in compliance with the Injunction (i.e., waivers). The CHA has simply stated that the Injunction exists, and that it has to be "dealt with" in some manner. Before releasing the Cabrini HOPE VI funds to the CHA, HUD has asked the CHA to "deal with" the Injunction. See HUD Response filed with this Court in connection with original briefing on Motion To Clarify (stating, inter alia, that HUD believes that the CHA has raised substantial questions concerning the question whether the Injunction even applies to HOPE VI). The CHA has done so, by asking this Court (and now the Seventh Circuit) to interpret the Injunction.

The third example cited by plaintiffs indicates that the CHA sought a waiver of the Injunction's locational restrictions before filing the application -- in other words, the plan set forth in the application does not comply with the Injunction's locational restrictions. The Horner/ABLA application is the application that plaintiffs and the receiver worked on with the CHA -- because the funding was a part of Gautreaux set-aside under the Consent Decree with HUD. It was, unlike the other HOPE VI funds, Gautreaux money.

Finally, the citation to the fourth excerpt is puzzling, and well demonstrates why it would be impossible for this Court to make factual findings without a proper hearing. The portion of the application cited says that the CHA does not intend to build any replacement housing at Robert Taylor. Plaintiffs contend that the CHA had told the plaintiffs that the application would not include any replacement housing. That statement is true. The very excerpt confirms the statements. Plaintiffs state that they discovered upon looking at the HOPE VI applications that the CHA had submitted an application that called for the building of replacement housing. But that document is not referenced. Further, plaintiffs "learned yesterday" of the supposed Taylor application that proposes the building of replacement housing, yet an affidavit submitted by the receiver and incorporated into plaintiffs' filings in connection with briefing on the motion to dismiss in March appears to describe the same set of facts. See Hickman Affidavit ¶¶ 58-62.⁴

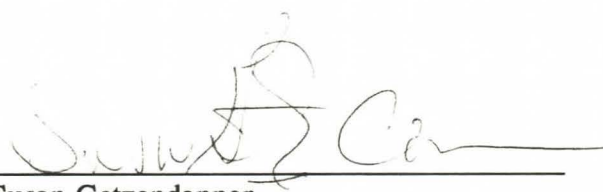
⁴ Again, the CHA's reference to plaintiffs' sources does not indicate a lack of objection. For example, the testimony in the affidavit describing a telephone call received "sometime during the fall of 1997" in which an undisclosed "acquaintance" tells the receiver that the CHA has approached the acquaintance about leasing units of housing in a building owned by the acquaintance, is clearly objectionable at many levels.

The point of the Shuldiner affidavit is that the Executive Director of the CHA, a former-HUD official involved in the implementation of HOPE VI and a renowned expert in public housing who was brought to Chicago to reform the CHA, has expressed his opinion that a HOPE VI application that proposes to build one-half of any replacement units in the General Area and one-half in the Limited Area – i.e., an application that proposed compliance with the Injunction's locational restrictions – will not be competitive. That is his opinion, and he has asked this Court for the opportunity to come to court to testify to the same. Plaintiffs' counsel and the receiver apparently disagree. That does not make the Executive Director a "fabricator."⁵

WHEREFORE, for the foregoing reasons and for the reasons previously set forth by the CHA in its emergency motion to stay the May 19 Order, the CHA respectfully requests that this Court issue a stay of the May 19 Order pending appeal.

Respectfully submitted,

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⁵ Other examples of baseless accusations of fabricating appear in the papers. For example, the CHA is accused of fabricating that the receiver would "interfere" in preparing the 1998 HOPE VI application because, among other things, the CHA "concedes that the parties 'collaborated' on . . . two applications." Pl. Mem. at 6.

United States District Court, Northern District of Illinois

Name of Assigned Judge or Magistrate Judge	Marvin Aspen	Sitting Judge if Other than Assigned Judge	
CASE NUMBER	66 C 1459	DATE	5/21/1998
CASE TITLE	Gautreaux,etal vs. CHA		

[In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd party plaintiff, and (b) state briefly the nature of the motion being presented.]

MOTION:

--

DOCKET ENTRY:

- (1) ☐ Filed motion of [use listing in "Motion" box above.]
- (2) ☐ Brief in support of motion due ____.
- (3) ☐ Answer brief to motion due _____. Reply to answer brief due _____.
- (4) ☐ Ruling/Hearing on _____ set for _____ at _____.
- (5) ☐ Status hearing[held/continued to] [set for/re-set for] on _____ set for _____ at _____.
- (6) ☐ Pretrial conference[held/continued to] [set for/re-set for] on _____ set for _____ at _____.
- (7) ☐ Trial[set for/re-set for] on _____ at _____.
- (8) ☐ [Bench/Jury trial] [Hearing] held/continued to _____ at _____.
- (9) ☐ This case is dismissed [with/without] prejudice and without costs[by/agreement/pursuant to]
☐ FRCP4(m) ☐ General Rule 21 ☐ FRCP41(a)(1) ☐ FRCP41(a)(2).
- (10) ☒ [Other docket entry] Plaintiffs' motion for further relief is denied as moot.

- (11) ☒ [For further detail see order on the reverse side of the original minute order.]

No notices required, advised in open court.		4	Document Number
No notices required.		number of notices	
☒ Notices mailed by judge's staff.		date docketed	
Notified counsel by telephone.		docketing deputy initials	
Docketing to mail notices.		5/21/1998	
Mail AO 450 form.		date mailed notice	
Copy to judge/magistrate judge.		GL	
GL	courtroom deputy's initials	Date/time received in central Clerk's Office	mailing deputy initials

ORDER

Now before us is the plaintiffs' "Motion for Further Relief." In it they register their concerns with the CHA's conduct vis-à-vis the Receiver and ask that we enter a detailed order directing the CHA to take certain steps to rectify the situation.

We do not believe that such an order will be necessary. In an order issued on May 19, in response to an emergency motion from the Receiver, we wrote that "we [have previously] held that there was no reason to treat HOPE VI funds differently than any other funds for purposes of the Gautreaux judgment order, and we similarly see no reason to treat those funds differently for purposes of the order appointing the Receiver." Accordingly, we held that the parts of the HOPE VI program discussed in our opinion of February 23 "fit[] entirely within the Receiver's jurisdiction." (We do not wish to be misunderstood; our order neither gave sole authority over HOPE VI in Chicago to the Receiver nor gave the Receiver sole authority to prepare Chicago's 1998 HOPE VI application, as a motion filed earlier today by the CHA states. See CHA's Emergency Mot. to Stay Order Pending Appeal at ¶¶ 13, 14, 27.) Many of the problems detailed in the plaintiffs' motion concern the CHA's HOPE VI-related activity, and those problems were addressed by our prior order.

To the extent that the plaintiffs' motion raises issues unrelated to the Receiver's role in the HOPE VI program, we think it best that the Receiver bring those issues to this Court's attention if it so chooses.

It is so ordered.

A handwritten signature in black ink, appearing to be "JMS", is written over the lower portion of the text area.

CERTIFICATE OF SERVICE

I, Nancy Eisenhower, an attorney, hereby certify that on Friday, May 22, 1998, I caused a copy of the foregoing CHA'S REPLY TO PLAINTIFFS' AND THE RECEIVER'S RESPONSES TO CHA EMERGENCY MOTION TO STAY ORDER OF MAY 19, 1998 PENDING APPEAL to be served by hand on counsel listed below:

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