

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

*Alex
Bak
Julie
Bible*

DOROTHY GAUTREAUX, et al.,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	No. 66 C 1459
	)	
CHICAGO HOUSING AUTHORITY,	)	
	)	
Defendant.	)	Hon. Marvin Aspen

NOTICE OF FILING

TO: COUNSEL ON ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that this 23rd day of August, 1999, the undersigned will cause to be filed with the Clerk of the United States District Court for the Northern District of Illinois, Eastern Division, the attached **City of Chicago's Response to Cabrini LAC's Motion for Limited Waiver of the Injunction and Limited Modification of the Receivership Order**, a copy of which is attached and hereby served on you.

Respectfully submitted,

MARA S. GEORGES
Corporation Counsel
of the City of Chicago

BY: _____

ANDREW S. MINE
Senior Litigation Counsel

City of Chicago Law Department
Commercial and Policy Litigation Division

30 North LaSalle Street
Suite 900
Chicago, IL 60602
(312) 744-7220

SERVICE LIST

Michael P. Shakman
Miller, Shakman, Hamilton,
Kurtzon & Schifke
208 S. LaSalle Street
Suite 1100
Chicago, IL 60604

Alexander Polikoff
Business & Professional People
for the Public Interest
17 East Monroe Suite 212
Chicago, IL 60603

Richard Wheelock
Legal Assistance Foundation of Chicago
111 West Jackson Suite 300
Chicago, IL 60604

Thomas Johnson
Johnson, Jones, Snelling,
Gilbert & Davis
36 South Wabash Suite 1310
Chicago, IL 60603

Yolande Bourgeois
Office of the General Counsel
Chicago Housing Authority
200 West Adams, 2nd Floor
Chicago, IL 60606

Robert Whitfield
10 South LaSalle Street Suite 1301
Chicago, IL 60603

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CHICAGO HOUSING AUTHORITY,	)	
	)	Hon. Marvin Aspen
Defendant.	)	

**CITY OF CHICAGO'S RESPONSE TO CABRINI LAC'S MOTION
FOR LIMITED WAIVER OF THE INJUNCTION AND LIMITED MODIFICATION
OF THE RECEIVERSHIP ORDER**

The City of Chicago, by its attorney, Mara S. Georges, Corporation Counsel, responds as follows to the Cabrini-Green Local Advisory Council's Motion for a Limited Waiver of the Injunction and Limited Modification of the Receivership Order:

1. As the Court is no doubt aware, subsequent to the filing of the LAC's motion, the City and the other parties participated in a lengthy mediation process with Professor Leonard Rubinowitz serving as Special Master. The mediation was recently terminated by the Special Master.

2. This mediation process was the latest chapter in ongoing settlement discussions of which the Court already has been apprised through prior motion practice and correspondence.

3. The various phases of this process of attempting to resolve the Cabrini-Green LAC litigation have resulted in significant changes to the contours of the Near North Revitalization plan which had been initially announced in 1996 and which, in its initial form, was the basis for the Cabrini-Green LAC's lawsuit. Perhaps most importantly, whereas the LAC's 1996

complaint and the April 1997 amended complaint alleged that the LAC was not being involved in the planning process for the near north redevelopment, the LAC now is quite involved. The first parcel of City land to be developed under the near north redevelopment, the Halsted North parcel, was the subject of a competitive bidding process in which the LAC played a significant role. Moreover, the Request for Proposals for that site included significant requirements that benefit Cabrini residents – including a comprehensive employment and job training requirement – which had their genesis in the process of attempting to negotiate a settlement of the Cabrini LAC litigation. Ongoing meaningful dialogue with the Cabrini-Green LAC will remain a part of the process for the development of this and other parcels of land in the near north redevelopment.

4. In addition, other terms of the current overall redevelopment plan have evolved during the litigation and settlement discussion period. Changes in the prerequisites for working families for certain of the public housing units in the new mixed-income developments, the encouragement of affordable rental units to be financed with tax credits, and the commitment to acquire more land to facilitate mixed-income redevelopment with lower densities, all are modifications that have come to pass as direct or indirect outgrowths of the extended period during which the City has engaged in good-faith dialogue with the Cabrini-Green LAC and the other parties to attempt to resolve the concerns expressed in the LAC's lawsuit. Moreover, the City does not intend to preclude developers from proposing partnerships with the LAC in developing City land (a variant of the "co-development" for CHA land provided for in the draft proposed consent decree), which goes beyond the terms of the draft proposed consent decree. Thus, the Cabrini-Green LAC and its resident members

already are receiving the benefit of the negotiation process that led up to the drafting of the proposed draft consent decree and continued following the subsequent motion practice in this Court. Based on the many refinements to the original rough contours of the near north redevelopment plan that have emerged from this extended dialogue, there is no real dispute that all affected Cabrini residents will have the opportunity to remain in the neighborhood in improved living conditions, and that their elected LAC representatives will participate meaningfully on their behalf in relevant aspects of the decision-making process.

5. The City agrees with the basic premise of the LAC's motion that the Cabrini area is revitalizing, that the plan will improve conditions for public housing residents in the area, and that the deconcentrated and desegregated community whose remaking is already underway will benefit current and future residents.

6. The LAC's motion seeks implementation of the draft proposed consent decree exactly as written. This ignores the fact that that document was expressly conditioned on approval in the instant case, and this Court's receiver has voiced objections to certain terms of that draft (as has HUD). The draft proposed consent decree – although never signed – would have envisioned modification through the input of interested entities in the instant case. Such input is precisely what is happening.

7. Notwithstanding this, the City, as indicated above, is already unilaterally implementing a number of innovations either in the form that they are set forth in the draft proposed consent decree, or in variants.

8. The City also is open to the participation of one or more expert entities in the managerial aspects of the development process, which may impact upon the scope of Habitat's

responsibilities under the receivership order. The City has and will continue to participate in discussions with the other parties on this issue, which may lead to the re-presentation, in revised form, of a motion to modify the receivership order.

9. Based on the foregoing, the City agrees with the LAC's premise, in its motion, that the near north redevelopment will be beneficial and integrative and will form the proper basis for a locational waiver, but respectfully suggests that rather than use the precise terms and details of the proposed draft consent decree as a precondition for such waiver, the Court should be presented with a current plan that deals with issues raised by the receiver and HUD as well as incorporating issues and concerns more recently discussed with the LAC. Such plan should, we respectfully suggest, be presented jointly by the various interested parties, and we hope that the Cabrini LAC will participate in articulating and presenting such plan. The City welcomes continued dialogue with the LAC and other parties to this end. Thus, in the City's view, the LAC's motion should be denied in its present form.

DATED: AUGUST 23, 1999

Respectfully submitted,

MARA S. GEORGES
Corporation Counsel
of the City of Chicago

BY:

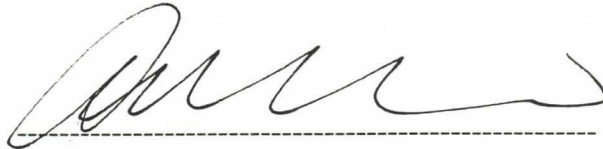


ANDREW S. MINE
Senior Litigation Counsel

City of Chicago Law Department
Commercial and Policy Litigation Division
30 North LaSalle Street
Suite 900
Chicago, IL 60602
(312) 744-7220

CERTIFICATE OF SERVICE

I, Andrew S. Mine, an attorney, certify that this 23rd day of August, 1999, I caused a copy of the foregoing **City of Chicago's Response to Cabrini LAC's Motion for Limited Waiver of the Injunction and Limited Modification of the Receivership order** to be served by hand upon the persons indicated.

A handwritten signature in black ink, appearing to read "A. S. Mine", is written over a horizontal dashed line.