

**UNITED STATES DISTRICT COURT
IN THE UNITED STATES COURT OF APPEALS
FOR THE SEVENTH CIRCUIT**

No. 00-3787

DOROTHY GAUTREAUX, et al.,

Plaintiffs-Appellees

v.

CHICAGO HOUSING AUTHORITY,

Defendants-Appellees

**Appeal from the United
States District Court for the
Northern District of Illinois,
Eastern Division**

No. 66 C 1459

**APPEAL OF: Concerned Residents of ABLA
Ferrell Freeman, Carolyn Nance, Wandra
Stimage, Viola Singleton, Vera Smith,
Latonya Maxwell, Latonya Willett, and
Loree Brown, on behalf of themselves, and
Africa Simpson, Kizzie Johnson, and
Nona Young, on behalf of themselves
and all others similarly situated,**

Proposed-Intervenor-Plaintiffs,

v.

**Hon. Marvin E. Aspen,
Judge Presiding**

**The Chicago Housing Authority (CHA), an
Illinois Municipal Corporation; Philip Jackson,
In His Official Capacity as Chief Executive
Officer of the CHA;
The United States Department of
Housing and Urban Development (HUD);
Andrew Cuomo, In His Official Capacity
As Secretary of HUD;
Daniel Levin and The Habitat Company,
Jointly, as *Gautreaux* Receiver,**

Proposed-Intervenor-Defendants.

**EXHIBITS IN SUPPORT OF APPELLANTS' RESPONSE TO APPELLEES' JOINT
MOTION TO DISMISS**

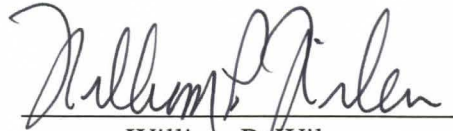
EXHIBITS IN SUPPORT OF APPELLANTS' RESPONSE TO APPELLEES'
JOINT MOTION TO DISMISS

- EXHIBIT A** Concerned Residents of ABLA v. CHA et al, 99 C 4959.
Complaint filed July 29, 1999.
- EXHIBIT B** Gautreaux v. CHA, 66 C 1459. Joint Motion of Gautreaux
Plaintiffs and Daniel E. Levin and the Habitat Company,
Gautreaux Receiver, For Orders Whose Effect Would Be To
Dismiss The ABLA Complaint Without Prejudice To The Right Of
the ABLA Plaintiffs To Seek Leave To Intervene In This Case,
filed August 18, 1999.
- EXHIBIT C** Gautreaux v. CHA, 66 C 1459. Defendants' Chicago Housing
Authority and Phillip Jackson Memorandum In Support Of Joint
Motion Of Gautreaux Plaintiffs and Daniel E. Levin and the
Habitat Company, Gautreaux Receiver, For Orders Whose Effect
Would Be To Dismiss The ABLA Complaint Without Prejudice
To The Right Of the ABLA Plaintiffs To Seek Leave To Intervene
In This Case, filed August 27, 1999.
- EXHIBIT D** Gautreaux v. CHA, 66 C 1459. ABLA Plaintiffs' Request for
Ruling On Motion to Intervene, filed September 20, 2000.

CERTIFICATE OF SERVICE

The undersigned, an attorney, hereby certifies that on November 22, 2000 he served copies of the attached *Exhibits In Support Of Appellants' Response To Appellees' Joint Motion To Dismiss* on the parties listed in the attached Gautreaux-ABLA Service List by causing true and correct copies thereof to be delivered to them via messenger at their respective addresses.

Dated: November 22, 2000



William P. Wilen

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Exhibit A

RECEIVED

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

JUL 29 1999

MICHAEL W. DOBBINS
CLERK, U. S. DISTRICT COURT

CONCERNED RESIDENTS OF ABLA,
FERRELL FREEMAN, NONA YOUNG, CAROLYN
NANCE, WANDRA STIMAGE, VIOLA SINGLETON, and
VERA SMITH, on behalf of themselves, and
AFRICA SIMPSON, KIZZIE JOHNSON, LATONYA
MAXWELL, LATONYA WILLETT, and LORREE BROWN,
on behalf of themselves and all others similarly situated,

Plaintiffs,

vs.

THE CHICAGO HOUSING AUTHORITY ("CHA"),
an Illinois Municipal Corporation; PHILLIP JACKSON,
In His Official Capacity as Chief Executive Officer of the
CHA; THE UNITED STATES DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT ("HUD"); and
ANDREW CUOMO, In His Official Capacity as Secretary
of HUD,

Defendants.

99C 4959
No.

Complaint for
Declaratory
and
Injunctive
Relief

JUDGE GETTLEMAN

MAGISTRATE JUDGE ASHMAN

COMPLAINT

I. PRELIMINARY STATEMENT

1. This civil rights class action lawsuit is brought to redress the harm to current and former residents of the Addams, Brooks, Loomis, and Abbott ("ABLA") public housing development on Chicago's Near West Side and to people on CHA's waiting list. ABLA is in the recently gentrified Near West Side medical district area and abuts Little Italy. As the neighborhood has become more desirable, the ABLA projects, blighted by years of neglect, stand in the way of "progress."

2. The Chicago Housing Authority ("CHA"), using \$60 million of HUD money, developed a plan to tear down most of ABLA, destroying 3,000 housing units needed by the impoverished, very low-income, African American, female-headed households with children who live or recently lived in ABLA, or who have applied for public housing in Chicago and are waiting for an available unit.

3. The CHA has already displaced over 1,000 ABLA families, and hundreds more will be relocated to "revitalize their neighborhood."

4. Ninety-nine percent of the residents of ABLA are African American. They have lived for decades both to the north and south of Roosevelt Road. The defendants' "revitalization" plans would change that. Where today there are very low income African American residents in ABLA on both sides of Roosevelt Road, "revitalization" will concentrate those who remain almost exclusively south of Roosevelt Road -- away from the gentrifying and predominately white areas of Little Italy and University Village that are north of Roosevelt Road, and away from the new market and above-market rate construction which is the centerpiece of CHA's "revitalization" plan.

5. Under the defendants' plans, more than 2,500 units of public housing for very low income residents will be lost at ABLA, while hundreds of new homes unaffordable to them will be built. Approximately three-fourths of the new homes will be occupied predominantly by higher-income families, many of whom are likely to be white families.

6. Although one-half of the new units to be constructed at ABLA are set aside for "public housing eligible" families, these units will be for what federal guidelines term "low income" families (families with an average annual income between 50% and 80% of the area median income ("AMI") for the Chicago area (between \$28,700 and \$45,920 for a family of

three). ABLA residents are overwhelmingly "very low income" families (with an average annual family income of \$5,883). Under defendants' plans, only a small portion of the proposed new units will be set aside for them. The "very low income" ABLA families will be given rehabilitated public housing units, not newly constructed homes, or will be relocated away from the community. More than two-thirds of very low income units at ABLA will be eliminated.

7. On July 13, 1999, the CHA defendants caused to be issued a Request for Proposal ("RFP") for a development manager to implement CHA's "revitalization plan" for ABLA. Responses to the RFP are due on or before September 16, 1999.

8. This suit has been filed because all reasonable steps short of litigation have failed. The sad fact is that less discriminatory means of consolidating, repairing and replacing the public housing at ABLA are available to the defendants, but defendants have ignored these alternatives and have excluded plaintiff Concerned Residents of ABLA ("CRA"), the individually-named plaintiffs, and plaintiff class members from participating or consulting in the formulation of plans for ABLA despite explicit statutory mandate to include them. (See § IV.B., *infra*.) Unfortunately, the people already displaced were not informed of their rights and instead of being offered the opportunity to remain in a revitalized ABLA, were shuffled off to segregated areas of Chicago, either by intent or culpable inaction, once again in violation of these residents' statutory rights. Shamefully, these public agencies mandated to use public money to reduce racial segregation have conceived a plan which fails to alleviate the blight of segregation for these very poor, African American, female-headed households. These people are seeking to have the Court protect them by forcing these public agencies to do what the law requires – fully informing the present and former ALBA residents of their rights, and requiring consultation with the residents to create a plan which provides the maximum amount of integrated housing for very

low income families. (See, § IV., infra) Despite statutes and regulations requiring such conduct, defendants have to date failed to do this and have taken numerous actions in direct violation of federal housing, relocation and civil rights laws.

II. JURISDICTION AND VENUE

9. This court has jurisdiction over plaintiffs' claims under 28 U.S.C. §§ 1331 (federal question) and 1343 (civil rights), and 42 U.S.C. § 3613 (fair housing). Venue is proper in this judicial district under 28 U.S.C. § 1391(b).

III. PARTIES

The Plaintiffs

The Concerned Residents of ABLA

10. The Concerned Residents of ABLA ("CRA") is an association of tenants living in the ABLA public housing development. CRA is incorporated as an Illinois non-profit organization. CRA's mission is to act as an advocate for ABLA residents in the residents' efforts to protect their rights as tenants of the CHA, to stimulate self-determination for the residents, and to encourage all ABLA residents to become responsible citizens of the community. CRA also seeks to represent the best interests of all ABLA tenants. All ABLA tenants are eligible to join CRA and to participate in CRA activities.

11. ABLA residents formed CRA in the fall of 1996 when it became clear to them that CHA had plans to demolish much of ABLA and to relocate many ABLA families. CRA was concerned that tenants' rights would not be upheld in this process, specifically, that tenants would be forcibly relocated and would not be able to live in the new replacement housing being built at ABLA.

12. Under federal housing statutes and HUD HOPE VI requirements discussed below, tenant organizations such as CRA are to be afforded a meaningful opportunity to participate in planning, development, implementation and monitoring of local urban revitalization programs. Instead, defendants have shut CRA out.

Individual Residents of ABLA

13. Plaintiff Ferrell Freeman is an African American female. For over 40 years, Ms. Freeman lived in the Jane Addams portion of ABLA. Prior to her relocation south of Roosevelt Road in June 1997, Ms. Freeman lived for 25 years in a low-rise three-story walk-up apartment building located at 1328 W. Taylor Street. In October 1996, CHA informed Ms. Freeman that the municipal building court had issued a vacate order for her building, which order had been agreed to by CHA, and that she had six (6) days to move or face being set out of her unit. After she contested the unlawfully short notice, CHA eventually relocated Ms. Freeman to 1433 W. 13th Street, a 15-story high-rise in Grace Abbott Homes, an ABLA sub-development located south of Roosevelt Road. Ms. Freeman wants to return to the revitalized Jane Addams community, although CHA has not provided her any guarantee that she will be able to do so. Ms. Freeman is President of CRA.

14. Plaintiff Nona Young is an African American female who lives at 840 S. Lytle, in Jane Addams. For years Ms. Young has complained to CHA about the severe damage caused to her apartment by chronic water leakage through the roof. CHA never made anything other than cosmetic repairs. Now CHA is insisting that, due to deteriorating conditions, Ms. Young's building must be vacated and that she must move. CHA is trying to force Ms. Young to move to Altgeld Gardens, a racially segregated development on the far South Side of Chicago. CHA has not offered any guarantee to Ms. Young that she can return to the revitalized Jane Addams community, although she would like to do so. Ms. Young is a member of CRA.

15. Carolyn Nance is an African American female who lives at 916 S. Ada, in Jane Addams, with her daughter. She has lived in Jane Addams for almost 10 years. CHA has never personally interviewed Ms. Nance as to her housing needs or preferences, nor has it provided her with any notices regarding its plans to redevelop Jane Addams or ABLA. The only alternative housing which CHA has mentioned as being available to Ms. Nance is ABLA housing south of Roosevelt Road. Ms. Nance wants to stay in the revitalized Jane Addams community, but CHA has given her no guarantee that she will be able to do so. Ms. Nance is a member of CRA.

16. Wandra Stimage is an African American female who lived from the early 1990's until January 1997 in a 16-story high-rise building at 1239 S. Racine with her children. In January 1997, her apartment became uninhabitable due to lack of heat, burst pipes, and flooding. CHA subsequently moved Ms. Stimage's family into an adjacent 16-story high-rise building at 1111 W. Roosevelt. CHA has never personally interviewed Ms. Stimage as to her housing needs or choices and has never provided her with personal notices about CHA's redevelopment or relocation plans for ABLA or Brooks Extension, as required by the federal Uniform Relocation Act ("URA"). See § IV.D, infra. CHA refused to allow Ms. Stimage's attorney to accompany her to a meeting where the CHA was discussing plans for Brooks Extension. She wants to remain and live at the new housing in Brooks Extension, but CHA has not provided her any assurance that she will be able to do so. Ms. Stimage is a member of CRA.

17. Viola Singleton is an African American female who has lived at 1111 W. Roosevelt for 37 years. CHA has never personally interviewed Ms. Singleton as to her housing needs or choices and has never provided Ms. Singleton with personal notices about CHA's redevelopment or relocation plans for ABLA or Brooks Extension, as required by the URA. CHA refused to allow Ms. Singleton's attorney to accompany her to a meeting where the CHA was discussing

plans for Brooks Extension. She wants to stay and live at the new housing in Brooks Extension, but CHA has not provided her any guarantee that she will be able to do so. Ms. Singleton is a member of CRA.

18. Vera Smith is an African American female who has lived in ABLA for almost 20 years, most recently with her grandchildren at 1209 S. Racine. CHA has never personally interviewed Ms. Smith as to her housing needs or choices and has never provided Ms. Smith with personal notices about CHA's redevelopment or relocation plans for ABLA or Brooks Extension, as required by the URA. She wants to stay and live at the new housing in Brooks Extension, but CHA has not provided her any guarantee that she will be able to do so. Ms. Smith is a member of CRA.

Individual Residents Displaced from ABLA

19. Africa Simpson is an African American female who grew up in ABLA and lived with her children in 1239 S. Racine until January 1997, when burst pipes caused flooding in her apartment. Ms. Simpson made repeated calls for service, but to no avail. Instead, CHA offered to move Ms. Simpson into a 15-story Abbott high-rise. Ms. Simpson, concerned about her and her children's safety, refused, and CHA then encouraged her to accept a Section 8 certificate, which she did. A Section 8 certificate is a federal rental subsidy which authorizes a local Section 8 administrator to pay rent to private landlords for privately owned apartments. Ms. Simpson lived with friends until she found a private landlord willing to accept her Section 8 certificate. However, Ms. Simpson's landlord failed to properly maintain the apartment. When the apartment subsequently failed its federally-required annual Housing Quality Standards ("HQS") inspection, Ms. Simpson was forced to vacate the apartment and remained homeless for several months. She has now found another apartment but wants to move back to ABLA to be close to

her job and her children's school. Ms. Simpson was never offered relocation assistance, nor did CHA inform her about the new units to be built at Brooks Extension. If CHA had informed her about the new units, she would have stayed at ABLA in order to obtain one of them.

20. Kizzie Johnson is an African American female who grew up in ABLA and lived with her children in 1239 S. Racine until late in 1996. At that time, 1239 S. Racine was deteriorating to the point of uninhabitability, and CHA was vacating the building, so CHA moved Ms. Johnson to 1111 W. Roosevelt. CHA subsequently offered Ms. Johnson a Section 8 certificate, which she accepted because she did not want to stay in 1111 W. Roosevelt and see it suffer the same fate as 1239 S. Racine. Ms. Johnson rented a private apartment with her Section 8 certificate, but was subsequently forced to move when it failed an HQS inspection. Ms. Johnson has since found another apartment but wants to move back to ABLA to be close to her job and her children's school and day care. Ms. Johnson was never offered relocation assistance, nor did CHA inform her about the new units to be built at Brooks Extension. If CHA had informed her about the new units, she would have stayed at ABLA in order to obtain one of them.

CHA Waiting List Plaintiffs

21. Latonya Maxwell is an African American female with four minor children. She first applied for CHA housing approximately four years ago, and she recently renewed her application for CHA housing. For approximately the past year, Ms. Maxwell has been homeless and has either resided in a temporary shelter or has doubled up with relatives. Ms. Maxwell has no foreseeable prospect of permanent housing and would like to live in a new or rehabilitated unit at ABLA.

22. Latonya Willett is an African American female who lives with her husband and two minor children. She applied for CHA housing approximately three years ago. Since that time

Ms. Willett's family has lived in two different apartments, and in each case has had difficulty paying the private market rents which are a high percentage of her family's income. Ms. Willett has no foreseeable prospect of affordable housing and would like to live in a new or rehabilitated unit at ABLA.

23. Lorree Brown is an African American female with four minor children. She applied for CHA housing approximately ten years ago. Since that time, Ms. Brown's family has lived in numerous apartments, and in each case has had difficulty paying the private market rents which are a high percentage of her income. Ms. Brown has no foreseeable prospect of affordable housing and would like to live in a new or rehabilitated unit at ABLA.

Class Action Allegations and Class Definition

24. The named plaintiffs bring this action on behalf of themselves and, pursuant to Fed. R. Civ. P. 23(a) and (b)(2), on behalf of all persons similarly situated. The plaintiff class (sometimes referred to herein as "class plaintiffs") is defined as: all persons who, on or after August 1, 1995: (a) resided in and left the ABLA development, or (b) did not reside in the ABLA development, but had applied to live in public housing operated by the CHA by a Registration for Housing application submitted to CHA. The class is so numerous that joinder of all members is impractical, consisting of approximately 1,000 former ABLA families and approximately 20,000 families who have applied for public housing and are waiting for available units. There are questions of law and fact common to the class as a whole. The claims of representative parties are typical of the claims of the class, and the representative parties will fairly and adequately protect the interests of the class. The defendants have acted and refused to act on grounds generally applicable to the plaintiff class, thus making appropriate final injunctive and declaratory relief with respect to the class as a whole.

The Defendants

The CHA Defendants

25. Defendant CHA is an Illinois municipal corporation, created and existing under the Illinois Housing Authorities Act, 310 ILCS 10/1 et seq. The CHA is a Public Housing Agency within the meaning of 42 U.S.C. § 1437 and administers federally subsidized and assisted low-rent housing as authorized by the United States Housing Act ("USHA"). See § IV.A., infra.

26. Defendant Phillip Jackson is the Chief Executive Officer of the CHA. He is charged with establishing and administering the policies of the CHA, including those related to the daily operation, administration, and maintenance of all public housing in the City of Chicago.

27. The ABLA public housing development is owned and managed by the CHA defendants.

The Federal Defendants

28. Defendant HUD is the federal agency charged with administration and enforcement of the United States Housing Act and of federal laws and contracts relating to the operation, administration, maintenance, rehabilitation and demolition of public housing projects.

29. Defendant Andrew Cuomo is the Secretary of HUD, and, as such, is charged with the administration and enforcement of all functions, powers and duties of HUD, including those relating to the public housing programs.

IV. STATUTORY AND REGULATORY SCHEME

A. The United States Housing Act

30. Over sixty years ago, Congress passed the United States Housing Act of 1937 ("USHA"), declaring that it is "the policy of the United States to promote the general welfare of the Nation by employing its funds and credit . . . to remedy the unsafe and unsanitary housing

conditions and the acute shortage of decent, safe and sanitary dwellings for families of lower income" 42 U.S.C. § 1437.

31. The national housing goal as stated in the USHA is the realization as soon as feasible of "a decent home and suitable living environment for every American family." 42 U.S.C. §§ 1441 and 1441a; 12 U.S.C. § 1701t.

B. Defendants' Duty to Consult with Plaintiffs as to Future Plans

32. Section 18 of the USHA, 42 U.S.C. § 1437p, governs demolition of public housing developments. Sections 18(b)(1) and 18(b)(2) require that public housing agencies: (1) consult with affected tenants and tenant organizations regarding demolition and redevelopment plans, and (2) relocate tenants displaced by demolition to replacement housing of their choice, to the maximum extent practicable.

33. Section 18(b)(1) provides that all applications for demolition submitted to HUD must have been "developed [by a public housing agency] in consultation with tenants and tenant councils, if any, who will be affected by the demolition . . ." 42 U.S.C. § 1437p(b)(1).

34. HUD has promulgated federal regulations implementing Section 18(b)(1). These regulations provide that public housing agencies must consult "with tenants of the project involved, any tenant organizations for the project, and any PHA-wide tenant organizations that will be affected by the demolition or disposition." 24 C.F.R. § 970.4(a).

35. HUD is supposed to require public housing agencies receiving HOPE VI funds to involve all affected tenants in the redevelopment process:

Residents are to be included in all phases of the application preparation, planning, implementation and operation of the HOPE VI development ... [Public Housing Authorities or "PHAs"] are responsible for communicating and disseminating information to all affected residents and ensuring that all affected residents have opportunities to participate Resident involvement often starts with the duly elected resident council [in this case, the ABLA Local Advisory Council or

"LAC"], but the PHA must make sure that the resident council is truly representative. PHAs must give all affected residents reasonable notice of meetings about HOPE VI planning and implementation, and provide them with opportunities to provide input. Such meetings should be open to all affected residents and their representatives.

HUD's FY 1998 HOPE VI Guidebook at 1 (emphasis added).

C. **Defendants' Duty to Assist in Relocation, Alleviate Segregation, and Provide Residents Their Choice of Replacement Housing**

36. The ABLA "revitalization" is being funded with \$59.5 million of HOPE VI funds appropriated in 1996 and 1998.

37. Section 18(b)(2) provides that "all tenants to be displaced as a result of the demolition or disposition will be given assistance by the public housing agency and are [to be] relocated to other decent, safe, sanitary, and affordable housing, which is, to the maximum extent practicable, housing of their choice, including housing assisted under Section 1437f [the Section 8 housing program] of this title . . ." 42 U.S.C. § 1437p(b)(2).

38. HUD's applicable regulations regarding Section 18(b)(2) provide:

Relocation of displaced tenants on a nondiscriminatory basis. Tenants who are to be displaced as a result of demolition and or disposition must be offered opportunities to relocate to other comparable/suitable . . . decent, safe, sanitary and affordable housing (at rents no higher than permitted under the Act) which is, to the maximum extent practicable, housing of their choice, on a nondiscriminatory basis, without regard to race, color, religion (creed), national origin, handicap, age, familial status, or sex, in compliance with applicable Federal and State laws. 24 C.F.R. § 970.5(a).

39. In October 1998, Congress amended Sections 18(b)(1) and 18(b)(2) of USHA. See Quality Housing and Work Responsibility Act of 1998 ("QHWRA"), Pub. L. 105-276, 112 Stat. 2461 (Oct. 21, 1998). HUD subsequently determined that all demolition applications received by HUD on or before the effective date of QHWRA, October 21, 1998, are to be processed pursuant to the provisions of Section 18(b)(1),

Section 18(b)(2) and 24 C.F.R. Part 970 that were in effect prior to October 21, 1998. 64 Fed. Reg. 8203 (Feb. 18, 1999).

D. Defendants' Duty to Help Relocate and Not Resegregate

40. Congress passed the Uniform Relocation Assistance and Real Property Acquisition Policies Act (the "Uniform Relocation Act" or "URA"), 42 U.S.C. § 4601 *et seq.*, in order to ensure that persons displaced from their homes as a result of government action are resettled into new homes following certain procedures and are not materially disadvantaged by their forced relocation.

41. In particular, the URA and its implementing regulations specify that:

a. "A displacing agency, before approving a project, must assess the characteristics and needs of the households to be displaced (42 U.S.C. § 4625(c), 49 C.F.R. § 24.205 (c)(2)(i)), and determine whether qualified replacement housing is available to meet those needs." 49 C.F.R. § 24.205(a)(2), 24 C.F.R. § 970.8(d)(3).

b. A displacing agency must "[a]ssure that a person not be required to move from a dwelling unless the person has had a reasonable opportunity to relocate to a comparable replacement dwelling. . ." 42 U.S.C. § 4625(c)(3). The URA defines the term "comparable replacement dwelling" as a "dwelling that is (1) decent, safe and sanitary; (2) adequate in size to accommodate the occupants; (3) within the financial means of the displaced person; (4) functionally equivalent; (5) in an area not subject to unreasonable adverse environmental conditions; and (6) in a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities, facilities, services, and the displaced person's place of employment." 42 U.S.C. § 4601(10).

c. "Wherever possible, minority persons shall be given reasonable opportunities to relocate to decent, safe and sanitary replacement dwellings, not located in an area of minority concentration, that are within their financial means." 49 C.F.R. § 24.205(c)(2).

d. Every family covered by the URA is entitled to 42 months of relocation assistance payments in the amount that the family's rent increased as a result of relocation, up to a maximum total disbursement of \$5,250. 49 C.F.R. § 24.402.

42. In QHWRA (see supra ¶ 39) Congress amended Section 18 of the USHA by providing that the URA would no longer apply to demolition and relocation activities under Section 18. However, HUD has determined that the URA shall continue to apply to (a) any person displaced before October 21, 1998, (b) any person displaced as a result of HUD's approval of a demolition before October 21, 1998, and (c) any person displaced as a result of a demolition that is part of a HOPE VI project. 64 Fed. Reg. 8203-8204 (Feb. 18, 1999).

D. Defendants' Duty to Maintain Neighborhoods

43. The Community Development Block Grant ("CDBG") Program was created pursuant to Title I of the Housing and Community Development Act ("HCDA"), as amended, codified at 42 U.S.C. § 5301 et seq. The primary objective of the HCDA is "the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income." 42 U.S.C. § 5301(a). For purposes of the HCDA, "low income" is defined as 0% to 50% of area median income, and "moderate income" is defined as 50% to 80% of area median income. 24 C.F.R. § 570.3.

44. In any development project assisted under the CDBG Program, there must be a residential anti-displacement and relocation assistance plan in place that provides, among other things, that:

a. governmental agencies or private developers shall provide within the same community comparable replacement dwellings for the same number of occupants as could have been housed in the occupied and vacant occupiable low and moderate income dwelling units demolished or converted to a use other than for housing low and moderate income persons, and provide that such replacement

housing may include existing housing assisted with project based assistance provided under section 1437f of this title. 42 U.S.C. § 5304(d)(2)(A)(i).

b. such comparable replacement dwellings shall be designed to remain affordable to persons of low and moderate income for 10 years from the time of initial occupancy. 42 U.S.C. § 5304(d)(2)(A)(ii).

c. in the case of displaced persons of low and moderate income, provide . . . compensation sufficient to insure that, for a 5-year period, the displaced families shall not bear, after relocation, a ratio of shelter costs to income that exceeds 30 percent. 42 U.S.C. § 5304(d)(2)(A)(iii)(I).

d. Persons displaced shall be relocated into comparable replacement housing that is –

- (I) decent, safe and sanitary;
- (II) adequate in size to accommodate the occupants;
- (III) functionally equivalent;
- (IV) in an area not subject to unreasonably adverse environmental conditions.

42 U.S.C. § 5304(d)(2)(A)(iv).

F. Defendants' Duty Not to Segregate and Not to Adversely Affect Protected Classes

45. The Fair Housing Act provides that "it shall be unlawful":

a. "To . . . make unavailable or deny [] a dwelling to any person because of race, color, . . . sex, [or] familial status . . ." 42 U.S.C. § 3604(a); or

b. "To discriminate against any person in the terms, conditions, or privileges of . . . rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, sex [or] familial status. . ." 42 U.S.C. § 3604(b).

46. The Fair Housing Act provides further that HUD shall administer its programs and activities relating to housing and urban development in a manner affirmatively to further fair housing. 42 U.S.C. § 3608(e)(5).

47. Title VI of the Civil Rights Act of 1964 provides that "[n]o person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be

denied the benefits of, or be subjected to discrimination under, any program or activity receiving Federal financial assistance." 42 U.S.C. § 2000d.

48. HUD has promulgated federal regulations implementing Title VI which provide, in pertinent part, that:

[a] recipient, in determining the types of housing, accommodations, facilities, services, financial aid, or other benefits which will be provided under any such program or activity, or the class of persons to whom, or the situations in which, such housing, accommodations, facilities, services, financial aid, or other benefits will be provided under any such program or activity, or the class of person to be afforded an opportunity to participate in any such program or activity, may not, directly or through contractual or other arrangements, utilize criteria or methods of administration which have the effect of subjecting persons to discrimination because of their race, color, or national origin.

24 C.F.R. §§ 1.4(b)(2) and (3).

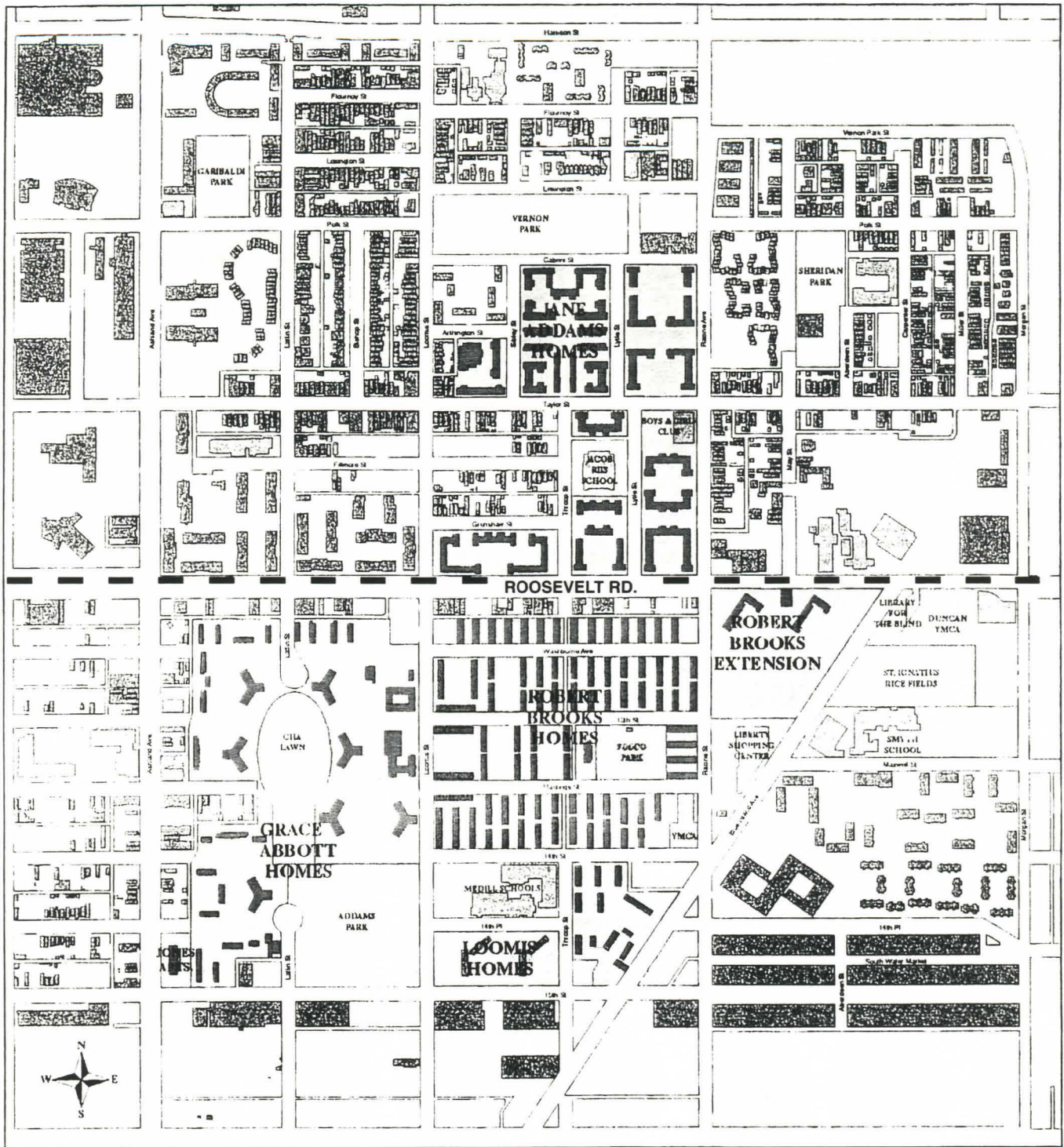
V. STATEMENT OF FACTS

A. The ABLA Development

49. ABLA is a family public housing development located on 100.5 acres of land on the Near West Side of Chicago. It consists of four different sub-developments: Jane Addams Homes, Robert Brooks Homes and Brooks Extension, Loomis Courts, and Grace Abbott Homes. See ABLA Site Plan below on the following page 16A:

50. Approximately 99% of the residents at ABLA are African American. Approximately 82% of the residents at ABLA are female, and 48% of the residents are under 18 years of age.

51. The average ABLA household size is 2.7 persons. The average annual family income at ABLA is \$5,883. For 1999, the area median income ("AMI") in Chicago for a comparable family (i.e., three persons) is \$53,750.



ABLA BEFORE REDEVELOPMENT

Existing Conditions
June 1998

- Existing CHA Housing
- CHA Property

52. To determine eligibility for public housing, HUD has created two categories of public housing based on income limits: "low income" and "very low income" housing. For 1999, the income limit in Chicago for eligibility for "low income" housing is \$43,000 for a family of three. For "very low income" housing, the ceiling is \$28,700 for a family of three. Virtually all of the families who reside in ABLA qualify as "very low income" households under HUD's guidelines, and most of the housing in ABLA is categorized as "very low income" housing.

53. Since 1995, the CHA has been preparing for "revitalization" by consolidating, vacating and demolishing ABLA buildings. CHA has already displaced over 1,000 (or about 40%) of ABLA's families. Almost all of these families are now living in racially segregated areas.

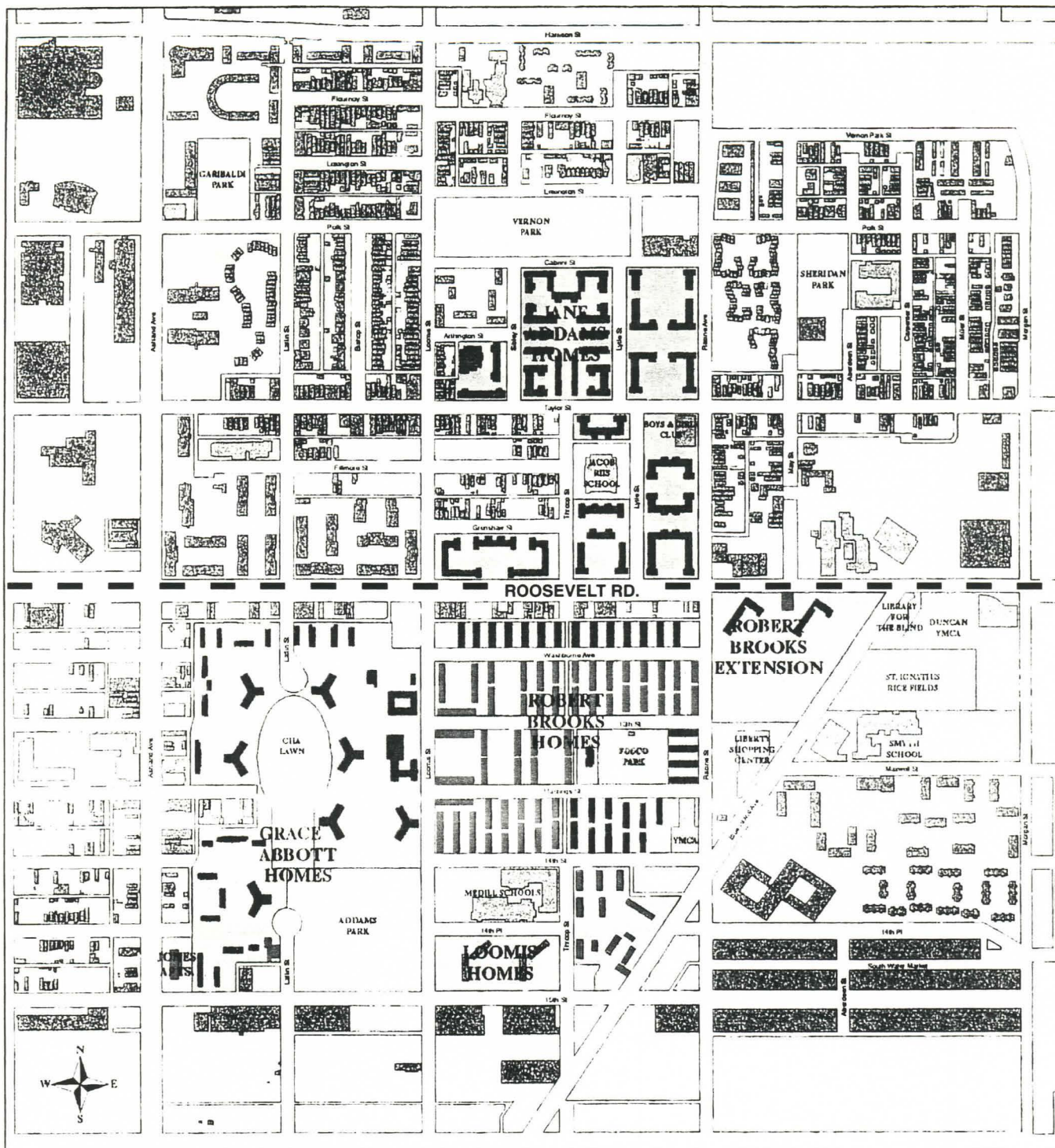
B. Defendants' Redevelopment Plans for ABLA

54. Through a combination of demolition, rehabilitation, and new construction, the defendants intend to reduce the number of very low income public housing units at ABLA by 70%.

55. Under defendants' "revitalization" plans, almost 3,000 public housing units at ABLA will be demolished:

ABLA SUB-DEVELOPMENT	TOTAL UNITS: PRE-REVITALIZATION	UNITS TO BE DEMOLISHED
Jane Addams Homes	987	987
Robert Brooks Homes	835	375
Brooks Extension	450	450
Loomis Courts	126	0
Grace Abbott Homes	1,198	1,180
TOTAL	3,596	2,992

See ABLA Demolition Plan, below at page 17A. (Buildings shown in red are to be demolished.)



ABLA AFTER REDEVELOPMENT

1998 HOPE VI Application
 Chicago Housing Authority
 Proposed Buildings for Demolition
 June 1998

- Proposed buildings for demolition
- Proposed buildings to be retained
- CHA Property

56. This massive elimination of public housing units will be undertaken by the defendants as an "urban revitalization demonstration program" under the HOPE VI program. The CHA defendants have detailed their plans to "revitalize" ABLA in three separate HOPE VI applications, as a result of which they have received HUD approvals for \$59.5 million in federal funds. The CHA intends to combine these federal funds with an additional \$345.5 million of funds from the city and private developers.

57. Under the defendants' plans, 2,417 units of housing will be built on CHA-owned land at ABLA, of which:

- a. 40% (966) will be market rate units sold to families with incomes exceeding 120% of the AMI (over \$68,880 for a family of three);
- b. 33% (795) will be low and moderate income units sold or rented to families with incomes between 51% and 120% of AMI (between \$28,700 and \$68,880 for a family of three); and
- c. Only 27% (656) will be very low income units rented to families with incomes at or below 50% of AMI (under \$28,700).

58. Upon information and belief, the federal defendants have provided the City of Chicago with Community Development Block Grant ("CDBG") funds pursuant to 42 U.S.C. § 5301 *et seq.*, and the CHA defendants will in part fund the implementation of the ABLA "revitalization" plan with monies received through the CDBG program.

59. At least 2,995 occupied and vacant occupiable very low income units will be or already have been demolished as part of the defendants' plans. *See* ABLA Demolition Plan, *supra* at page 17A.

60. CHA submitted demolition applications for ABLA to HUD pursuant to Section 18 of the USHA prior to October 21, 1998.

C. The Jane Addams Homes

61. Defendants' plans will most severely impact the Jane Addams Homes, which are located north of Roosevelt Road. Addams is surrounded by areas commonly known as Little Italy and University Village. The Illinois Medical District lies immediately to its west, and the University of Illinois at Chicago immediately to its east. These are all gentrified or rapidly gentrifying areas.

62. In the census tract in which Jane Addams is situated, 87.1% of the residents are African American. By contrast, all but one of the five adjoining census tracts is majority white -- the sole exception being tract #2831, which has slightly more African Americans than whites.

Census Tract	% African American	% White
#2832 (Jane Addams)	87.1%	11.9%
#2833 (E. of Jane Addams)	7.9%	54.4%
#2822 (N.E. of Jane Addams)	8.0%	62.4%
#2823 (N. of Jane Addams)	0.0%	93.4%
#2824 (N.W. of Jane Addams)	13.5%	66.7%
#2831 (W. of Jane Addams)	41.7%	37.5%

63. There are currently 26 walk-up (low-rise) apartment buildings at Jane Addams, providing 859 units of "very low income" housing. This housing is occupied exclusively by families earning between 0% and 50% of the AMI. Under defendants' HOPE VI/CDBG plans, all of these very low income units will be demolished. In their place, private developers will build 700 or more new units, with 80% of these expected to be sold at market-rate prices. None of the contemplated new units have been identified as replacement units for very low income residents.

64. If Hope VI/CDBG "revitalization" goes forward unchanged, virtually all Jane Addams residents will be moved south of Roosevelt Road. In a 1997 Hope VI filing with HUD, the CHA explicitly stated that federal funds were being sought to demolish Jane Addams and to concentrate replacement housing for Addams residents, to the extent it was being provided, south of Roosevelt Road (around Addams Park which is located at 14th and Loomis Streets); in fact, the CHA has already relocated many Addams residents south of Roosevelt Road.

65. Since 1995, the CHA has engaged in a conscious policy of displacing Addams residents by allowing their units to deteriorate to the point of near or actual uninhabitability. The CHA has allowed and encouraged uninhabitable conditions and then used these same poor building conditions as a reason to vacate and/or demolish Addams units. In April 1997, 567 families lived at Jane Addams; by April 1998, approximately 430 families lived there; by December 1998, only 353 families were left. These actions constitute de facto relocation and demolition, an emptying out of Addams without complying with the requirements of the USHA, the URA and the CDBG Program.

66. To further advance its program of demolition and displacement, CHA has aggressively marketed its Section 8 program to ABLA residents in general and to Addams residents in particular, encouraging as many families as possible to move out. Between 1995 and 1998, more families were relocated from ABLA with Section 8 certificates and vouchers than from any other CHA development. About 25% of all Section 8 certificates or vouchers went to ABLA families, who make up only 8% of the total CHA resident population. The targeting of ABLA residents increased in 1998. Beginning in March 1998, about 40% of all Section 8 certificates or vouchers went to ABLA families. The actual numbers of ABLA residents displaced under the Section 8 program from March 1, 1998 to September 30, 1998 compared to other CHA developments are as follows:

CHA Development	Number of Families Displaced By CHA Under the Section 8 Program March-September 1998
ABLA	104
Lakefront	34
Robert Taylor Homes	33
Cabrini Green	22
Washington Park	21
Rockwell Gardens	12

67. The CHA and federal defendants have failed to provide Jane Addams residents with their choice of replacement housing, as required by Section 18 of the USHA, failed to provide them personal notices or other benefits as required by the URA, and failed to provide sufficient replacement units as required by the CDBG Program. Nor have defendants conducted the area housing availability survey or comprehensive individual tenant assessments and interviews as required by the URA. CHA has also sought to expedite the emptying of Jane Addams buildings by, in some cases, providing tenants with unlawfully short notices to vacate.

68. Almost all of the families leaving Addams have been relocated into racially segregated areas. CHA's intra-development relocation of Jane Addams residents has led to the perpetuation and exacerbation of residential racial segregation as Addams tenants have been, and continue to be, relocated to predominantly African American communities south of Roosevelt Road.

69. In addition, of those ABLA families who have been displaced out of ABLA altogether through the Section 8 program, the majority have relocated to racially segregated areas. Between 1995 and 1998 about 80% of CHA families relocated through the Section 8 program moved to Chicago census tracts that were at least 90% African American. In addition, of the thirty

Chicago census tracts receiving the most CHA families, all but two are at least 97% African American.

D. The Robert Brooks Extension

70. Brooks Extension lies in a triangular area south of Roosevelt Road and between Blue Island Avenue and Racine Avenue. See ABLA Site Plan, supra at page 16A. Until last year, the Brooks Extension consisted of three high-rise buildings, each containing 150 units. In 1998, the CHA defendants vacated and demolished one of them (1239 S. Racine) and have expressed their intent to demolish the remaining two buildings, for a total loss of 450 units.

71. The defendants' 1998 Hope VI/CDBG plans call for the construction of 108 replacement units, although in 1996, CHA secured approval from HUD to construct 250 replacement units. As a result, where there were once 450 units, the defendants' "revitalization" plans will result in 108 units. This will be insufficient to house even the current Brooks Extension residents. As of December 1998, and despite steady deterioration of their living conditions, sometimes to the point of near or actual uninhabitability, 200 families remain living at Brooks Extension. Obviously 108 new units will not accommodate these families -- even if every new unit were reserved for very low income families.

72. The Hope VI/CDBG revitalization plans do not specifically reserve these 108 new units for very low income families. Under the plan, as few as half of the new units (54) might be reserved for very low income families. As a result, there will be insufficient units for residents who want to stay at Brooks Extension or for those who left Brooks Extension without being provided full and complete information about their replacement housing choices and who, therefore, may want to return.

73. The CHA and federal defendants have failed to provide Brooks Extension residents with their choice of replacement housing as required by Section 18 of the USHA, failed to provide them with personal notices or other benefits as required by the URA, and failed to provide sufficient replacement housing units as required by the CDBG Program. Nor have defendants conducted the area housing availability survey or comprehensive individual tenant interviews that are required by the URA.

74. As in the case of Jane Addams, CHA's current and planned relocation of Brooks Extension residents has led and will lead to the perpetuation and exacerbation of residential racial segregation as tenants have been and will continue to be relocated to predominantly African American communities.

E. The Grace Abbott Homes

75. Abbott presently provides 1,198 units of housing in 166 row houses and seven 15-story high-rises. These buildings are located south of Roosevelt Road, in an area bounded by Loomis Street on the east and Ashland Avenue on the west. The area is severely racially segregated: according to the 1990 census, approximately 99% of the residents of the census tract where Abbott buildings are located are African American.

76. The defendants' HOPE VI/CDBG revitalization plans call for demolishing all seven Abbott high-rises, including a newly rehabilitated building at 1440 West 13th Street. At least 1,180 units of housing will therefore be lost, and only 100 to 300 units of very low income housing will be constructed in their place. Under the defendants' plans, the new units will be built on what is now Addams Park or on Abbott land, all of which is south of Roosevelt Road.

F. Brooks Homes and Loomis Courts.

77. The defendants intend to demolish approximately 58% of the units in Brooks Homes (483 of 835) and to rehabilitate the remaining 352 units (132 Brooks Homes units have thus far been rehabilitated). All 126 units at Loomis Courts are also to be rehabilitated. Defendants intend to house only very low income families at the 352 rehabilitated Brooks Homes units and in one-half (63) of the Loomis Courts units, all of which are located south of Roosevelt Road.

G. Plaintiffs' Attempts to Consult with CHA

78. The CHA defendants know about the rights of ABLA residents and former residents under the USHA, the URA, and Titles VI and VIII of the Civil Rights Acts, and of the obligations these laws impose on them when implementing consolidation, demolition and HOPE VI programs for ABLA. Nonetheless, the CHA has encouraged (and in some cases forced) ABLA tenants to move out without providing them proper notice of or full information about redevelopment plans for ABLA, without offering them the choice to live in the new housing, and without providing them the full range of federally-mandated relocation benefits, such as advisory services, a choice among three comparable replacement units, and relocation expenses.

79. The CHA defendants have also long been on notice that conditions at the Robert Brooks Extension violate even the minimal health and safety requirements of the Chicago Building Code. These unsafe and unsanitary conditions have been documented by plaintiffs, with the help of a structural engineering firm, Crest Consulting Engineers, P.C.

80. Plaintiffs have attempted to work with the CHA defendants. The CHA defendants, however, have refused to include plaintiffs in the process of formulating and implementing plans for the ABLA community, stating that it is CHA's policy to negotiate all major redevelopment and modernization activities only with the local LAC.

81. CHA and the LAC, however, have refused to admit Ms. Freeman, other CRA members, and their counsel to CHA and LAC meetings concerning the revitalization of ABLA, and have excluded them from participating in the preparation of HOPE VI applications to HUD.

82. Specifically, on February 20, 1998, CHA and the LAC forcibly prevented Ms. Freeman, other CRA members, and CRA's legal counsel from attending a meeting to discuss the CHA's plans for replacement housing for ABLA residents. CHA Police Department and Redevelopment personnel were called in to physically block CRA members and their attorneys from entering the meeting. Even after ABLA residents at the meeting informed the LAC's President, Deverra Beverly, and CHA's Redevelopment Director, Andrew Rodriguez, that they wished to be represented at the meeting by CRA members and the CRA's legal counsel, CRA and legal counsel were still barred from entering.

83. The LAC does not represent plaintiffs' views and has refused to present plaintiffs' views to the CHA in its consultations with the CHA. The LAC fails to represent the views of many ABLA residents.

H. CHA's Waiting List

84. There are approximately 20,000 families on CHA's waiting list for public housing.

85. Upon information and belief, the vast majority of these waiting list families are very low income African Americans, women, and families with children under 18 years of age.

VI. INJURY TO THE NAMED PLAINTIFFS AND THE PLAINTIFF CLASS

86. According to the 1990 United States census, 39% of the families living in the City of Chicago are African American. African American families, however, constitute 63% of the households living below the poverty line.

87. According to the 1990 United States census, 31% of the families living in Chicago are female-headed families. Female-headed families, however, constitute 66% of the families living below the poverty line.

88. According to the 1990 United States census, 26% of the families living in Chicago had related children under the age of 18. Families with children, however, constitute 40% of the families living below the poverty level.

89. The defendants' plans for ABLA, as described above, reduce the number of housing units available both to current and to recently displaced ABLA residents, as well as to public housing eligible families on CHA's waiting list. These plans have an adverse discriminatory impact on African Americans, females, and children because these groups are disproportionately eligible for public housing as compared to their representation in the general population, and they are disproportionately represented among ABLA residents.

90. The defendants' plans for ABLA and the relocation activities already undertaken by the CHA defendants, as described above, also exacerbate and perpetuate racial residential segregation, and they deny current and recently displaced ABLA residents the opportunity to reside in integrated neighborhoods.

91. These actions will cause and have caused irreparable injury to the named plaintiffs and to members of the plaintiff class. As a result of the defendants' actions, the plaintiffs and members of the plaintiff class have lost or will lose their homes, have suffered or will suffer displacement, and will be denied the opportunity to reside in the replacement housing currently proposed by the defendants. The defendants are in the midst of destroying the community in which the plaintiffs have lived and established personal ties.

COUNT II – Against All Defendants

97. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

98. Defendants' actions as described above will have an adverse discriminatory effect upon female-headed households and therefore constitute a violation of the Fair Housing Act, 42 U.S.C. § 3604(a), which provides that "it shall be unlawful . . . [t]o make unavailable or deny . . . a dwelling to any person because of . . . sex . . ."

COUNT III – Against All Defendants

99. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

100. Defendants' actions as described above will have an adverse discriminatory effect upon families with children and therefore constitute a violation of the Fair Housing Act, 42 U.S.C. § 3604(a), which provides that "it shall be unlawful . . . [t]o make unavailable or deny . . . a dwelling to any person because of . . . familial status . . ."

COUNT IV – Against All Defendants

101. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

102. The defendants' plans for Jane Addams as described above will deny current and displaced ABLA residents and future public housing residents the opportunity to reside in a racially integrated neighborhood, in violation of the Fair Housing Act, 42 U.S.C. § 3604.

COUNT V – Against All Defendants

103. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

104. The defendants' actions as described above have and will exacerbate and perpetuate residential housing segregation and therefore constitute a violation of 42 U.S.C. § 3604.

VIII. CLAIMS FOR RELIEF AGAINST THE CHA DEFENDANTS

Claims Under Title VI of the Civil Rights Act of 1964

COUNT VI – CHA Defendants Only

105. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

106. The CHA defendants' plans as described above will have an adverse discriminatory effect upon African Americans, and therefore violate plaintiffs' rights secured by Title VI, which provides that "[n]o person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." 42 U.S.C. § 2000d; 24 C.F.R. §§ 1.4(b)(2) and (3) (HUD's implementing regulations).

COUNT VII – CHA Defendants Only

107. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

108. The CHA defendants' actions as described above have and will exacerbate and perpetuate residential racial segregation and therefore constitute a violation of 24 C.F.R. §§ 1.4(b)(2) and (3) (regulations implementing 42 U.S.C. § 2000d).

Claims Under Section 1983 and Section 18 of the USHA

COUNT VIII – CHA Defendants Only

109. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

110. The CHA defendants are each "persons" within the meaning of 42 U.S.C. § 1983, and their actions described herein were taken under color of state law.

111. The CHA defendants failed to meaningfully consult with plaintiffs CRA and individual ABLA residents who will be affected by the proposed demolition plans for ABLA and therefore violated Section 18(b)(1) of the USHA. 42 U.S.C. § 1437p(b)(1).

COUNT IX – CHA Defendants Only

112. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

113. The CHA defendants are "persons" within the meaning of 42 U.S.C. § 1983, and their actions described herein were taken under color of state law.

114. In implementing their plans to redevelop ABLA, the CHA defendants have failed to relocate displaced ABLA tenants to decent, safe, sanitary, and affordable housing which is, to the maximum extent practicable, housing of their choice. Defendants have thereby violated plaintiffs' rights under Section 18(b)(2) of the USHA, 42 U.S.C. § 1437(b)(2).

Claim Under Section 1983 and the Uniform Relocation Act

COUNT X – CHA Defendants Only

115. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

116. The CHA defendants are "persons" within the meaning of 42 U.S.C. § 1983, and their actions described herein were taken under color of state law.

117. The CHA defendants' relocation of families residing in Jane Addams and Brooks Extension has violated the Uniform Relocation Act and regulations promulgated thereunder because CHA has:

(a) Failed to adequately assess the needs and preferences of the displaced families pursuant to 42 U.S.C. § 4625(c)(1) and 49 C.F.R. § 24.205(c)(2)(1);

(b) Failed to give displaced families reasonable opportunities to relocate to decent, safe and sanitary replacement dwellings within their financial means that are not located in areas of African American concentration pursuant to 49 C.F.R. § 24.205(c)(2)(C);

(c) Failed to provide the displaced families comparable replacement housing, including housing that is decent, safe and sanitary pursuant to 42 U.S.C. §§ 4625(c)(3), 4630(3) and 49 C.F.R. § 24.2(d) and (f).

(d) Failed to provide the displaced families up to 42 months of relocation assistance payments in the amounts that the families' rent increased as a result of the relocation, up to a maximum total disbursement of \$5,250, pursuant to 49 C.F.R. § 24.402.

IX. CLAIMS FOR RELIEF AGAINST THE FEDERAL DEFENDANTS

Claim Under the Fair Housing Act

COUNT XI - Federal Defendants Only

118. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

119. In approving the CHA defendants' plans for ABLA, the federal defendants violated their duty under 42 U.S.C. § 3608(e)(5) affirmatively to further fair housing.

Claims Under the Housing and Community Development Act

COUNT XII – Federal Defendants Only

120. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

121. Defendants' plans provide for only 1,249 very low and low income replacement housing units. The plans therefore fail to provide within the same community comparable replacement dwellings for the same number of occupants as could have been housed in the 2,992

occupied and vacant occupiable very low and low income dwelling units demolished, in violation of 42 U.S.C. § 5304(d)(2)(A)(i).

COUNT XIII – Federal Defendants Only

122. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

123. Defendants' plan fails to guarantee that 2,992 comparable replacement dwellings in the community remain affordable to persons of low and moderate income for 10 years from the date of initial occupancy and fails to provide compensation sufficient to insure that, for a five-year period, the displaced families will not bear, after relocation, a ratio of shelter costs to income that exceeds 30 percent, in violation of 42 U.S.C. § 5304(d)(2)(A)(ii) and (iii).

Claim Under the Administrative Procedure Act

COUNT XIV - Federal Defendants Only

124. Plaintiffs re-allege paragraphs 1 to 94 of this Complaint and incorporate them herein.

125. Defendant HUD is an agency within the meaning of 5 U.S.C. § 701(b)(1) of the Administrative Procedure Act ("APA").

126. In approving the CHA defendants' plans for ABLA despite the violations alleged above, the federal defendants took actions that were arbitrary, capricious, an abuse of discretion, not in accordance with law, in excess of statutory authority and without observance of procedures required by law, within the meaning of 5 U.S.C. § 706(2)(A)(C) and (D).

X. RELIEF REQUESTED

WHEREFORE, plaintiffs respectfully request that this Court:

A. Declare that the actions and omissions of the defendants, as set forth above, violate Title VIII, Title VI, Section 18 of the United States Housing Act, the Uniform Relocation Act and the Housing and Community Development Act.

B. Enter a preliminary and permanent injunction:

(1) Enjoining defendants from implementing the defendants' present ABLA redevelopment plans, including any efforts to relocate the residents of ABLA in violation of the United States Housing Act, the Uniform Relocation Act, the Housing and Community Development Act, and the Civil Rights laws.

(2) Enjoining the awarding, transfer, or expenditure of any ABLA-related HOPE VI or CDBG funds until a new revitalization plan for the ABLA development is developed by CHA after full consultation with CRA and all other ABLA residents; and

(3) Enjoining defendants from failing to reprocess applications for replacement housing of the approximately 1,000 families forced to relocate from ABLA since August 1995, to offer these families the right to return to a new or rehabilitated unit at ABLA, and, to otherwise insure that each family's relocation comports with the United States Housing Act, the Uniform Relocation Act and the Housing and Community Development Act.

(4) Enjoining defendants from failing to maintain the ABLA development in substantial compliance with the health and safety provisions of the Chicago Municipal Code until a new revitalization plan for the ABLA development can be implemented;

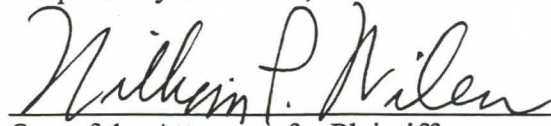
C. Enter an order requiring defendants to pay plaintiffs' reasonable costs and attorneys' fees for the prosecution of this action.

D. Enter an order that the plaintiffs shall not be required to post bond as security for the issuance of a temporary restraining order or preliminary injunction; and

E. Grant plaintiffs such further relief as this Court deems just and proper.

Dated: July 29, 1999

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "William P. Wilen". The signature is fluid and cursive, with the first and last names being more prominent.

One of the Attorneys for Plaintiffs

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Exhibit B

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

DOROTHY GAUTREAUX, et al.,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	66 C 1459
	)	
CHICAGO HOUSING AUTHORITY,	)	Hon. Marvin Aspen
	)	
Defendant.	)	

**JOINT MOTION OF GAUTREAUX PLAINTIFFS AND DANIEL E. LEVIN
AND THE HABITAT COMPANY, GAUTREAUX RECEIVER, FOR
ORDERS WHOSE EFFECT WOULD BE TO DISMISS THE ABLA
COMPLAINT WITHOUT PREJUDICE TO THE RIGHT OF THE
ABLA PLAINTIFFS TO SEEK LEAVE TO INTERVENE IN THIS CASE.**

The Gautreaux plaintiffs, and Daniel E. Levin and The Habitat Company jointly as Gautreaux Receiver, move for entry of orders whose effect would be to dismiss the newly filed ABLA complaint (99 C 4959) without prejudice to the right of the ABLA plaintiffs to seek leave to intervene in this case. The new ABLA lawsuit substantially overlaps Gautreaux, particularly a specific, ABLA-related Gautreaux order (June 19, 1998) which is not mentioned in the ABLA complaint, and under well-established law involves issues that should only be litigated in Gautreaux.

In support of this motion, movants state:

1. Gautreaux is a class-action concerning racial discrimination in the location of public housing that resulted in segregated housing. The Gautreaux Court's

numerous remedial orders, including the appointment of a Receiver and a June 19, 1998 Order designating an "ABLA Revitalizing Area" and conditionally authorizing the development of public housing in such area, are directed toward remedying that segregation by, among other things, promoting opportunities for desegregation in the development of new public housing in mixed-income contexts.

2. In June 1998, on the joint motion of CHA, the Receiver and the Gautreaux plaintiffs, the Gautreaux Court entered an order, "[s]ubject to such terms and conditions as are specified by further orders of the Court," designating the ABLA Revitalizing Area and authorizing the Receiver to develop therein specified numbers of new public housing units, mixed with affordable and market units. Such order, attached hereto as Exhibit A, provides:

"This matter coming on to be heard on the joint motion of the parties and the Receiver for an order designating an ABLA Revitalizing Area ("Revitalizing Area") and authorizing the development of non-elderly public housing units therein; and

"The Court having heard the presentations of the parties and the Receiver respecting, and being advised that the City of Chicago supports entry of, the proposed order; and

"The Court being further advised that the Receiver and the defendant, Chicago Housing Authority, in collaboration with the City of Chicago, are engaged in the preparation of an application for a FY1998 HOPE VI grant of \$35 million for the ABLA Revitalizing Area to be submitted by them to the United States Department of Housing and Urban Development (HUD) on or before June 29, 1998; and

"The Court also being advised that by arrangement with the plaintiffs and HUD, CHA received a HOPE VI grant of \$24,483,250 in FY1996 for a portion of the Revitalizing Area, and that the current HOPE VI application contemplates and proposes that this prior grant be utilized in conjunction with the grant currently being applied for; and

"The Court being cognizant that the principal remedial purpose of the orders previously entered in this case has been and is to provide plaintiff class families with desegregated housing opportunities; and

"The Court also being cognizant that on occasion it has permitted public or assisted housing to be developed in census tracts not within the General Public Housing Area upon a sufficient showing of "revitalizing" circumstances such that a responsible forecast of economic integration, with a longer term possibility of racial desegregation, could be made; and

"The Court being of the view, based on the presentations of the parties and the Receiver, that subject to appropriate terms and conditions such a forecast can be made with respect to the Revitalizing Area should the Receiver and the defendant, Chicago Housing Authority (CHA), be awarded a FY1998 HOPE VI grant therefor pursuant to their proposed joint application;

"IT IS HEREBY ORDERED:

"1. Effective upon advice to the Court from the parties that a FY1998 HOPE VI grant has been made to the Receiver and CHA pursuant to a joint application to be submitted by them to HUD respecting the Revitalizing Area, the Court designates as the ABLA Revitalizing Area that portion of the City of Chicago that lies within the following boundaries: on the west, Ashland Avenue; on the south, the Burlington Northern Railway tracks immediately south of 15th Street; on the east along Racine Avenue from such Burlington Northern Railway tracks to Blue Island Avenue, northeast along Blue Island Avenue to Roosevelt Road, west along Roosevelt Road to Racine Avenue, and north along Racine Avenue to Cabrini Street; and on the north, along Cabrini Street to Loomis Street, north along Loomis Street to Polk Street, and west along Polk Street to Ashland Avenue; and

"2. Subject to such terms and conditions as are specified by further orders of the Court, the Receiver is authorized to develop such number of new public housing units within the Revitalizing Area as will result in public housing units comprising approximately 1,084 of a total of approximately 2,895 residential units within the Revitalizing Area, which is the approximate number of public housing and total residential units within the Revitalizing Area presently contemplated by such grant application, as part of an overall development including approximately 845 non-public housing units to be occupied by persons with incomes 36-120 percent of area median income, and 966 non-public housing units to be occupied by persons with incomes in excess of 120 percent of area median income."¹

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3. Since the entry of this Court's June 19, 1998 ABLA Order: (a) HUD has made a FY 1998 HOPE VI award of \$35 million to the Receiver and the Chicago Housing Authority pursuant to a joint application submitted by them respecting the ABLA area; and (b) various parties – the Receiver, the City of Chicago, CHA, HUD, counsel for the Gautreaux plaintiffs, and the elected representatives of the ABLA tenants – have met regularly concerning HOPE VI-funded redevelopment plans for the ABLA area. Among other things, a Memorandum of Understanding outlining how such parties will make development-related decisions at ABLA has been prepared and executed (copy attached hereto as Exhibit C), and on July 19, 1999, with the concurrence of all of such interested parties, the City of Chicago issued a Request for Proposals for a “development manager” for the ABLA HOPE VI development (copy attached hereto as Exhibit D). The Request for Proposals contemplates that it will be the responsibility of the selected development manager to propose a specific ABLA development plan, after which the parties to the Memorandum of Understanding will determine the precise number, location, density and mix of residential units as part of the ABLA HOPE VI plan.²

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with the preparation of the 1998 HOPE VI application for ABLA. Copies of these orders are attached hereto as Exhibit B.

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ABLA tenants), most or of whom are members of the Gautreaux plaintiff class of black tenants in and applicants for public housing, Gautreaux v. CHA, 265 F.Supp. 582, 583 (N.D. Ill. 1967), filed an asserted class action concerning the proposed HOPE VI redevelopment of the ABLA area. Concerned Residents of ABLA, et al. v. Chicago Housing Authority, et al., No. 99 C 4959 (N.D. Ill.). A copy of the ABLA complaint is attached hereto as Exhibit E. The ABLA litigation was assigned to Judge Gettleman, and a courtesy copy of this motion is being delivered to Judge Gettleman.

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Here, although the Court's Receiver is not named as a defendant in the ABLA complaint, the relief requested is directed squarely against the development functions of

CHA that have been transferred by this Court's 1987 order to the Receiver, as well as against HUD's funding thereof – enjoining CHA and HUD “from implementing defendants’ present ABLA redevelopment plans” and enjoining the “awarding, transfer, or expenditure of any ABLA-related HOPE VI . . . funds . . .” (ABLA complaint, p. 33.) Plainly the choice not to name the Receiver as a defendant, while seeking a broad injunction against activities which by repeated prior orders of this Court have been lodged exclusively with the Receiver, does not remove the ABLA complaint from the ambit of the Barton Doctrine.³ This Court has recognized the appropriateness of exercising Barton Doctrine powers to protect its receivership by enjoining CHA from proceeding with a settlement in another matter, the Cabrini LAC case, 96 C 6949, which had been negotiated without authority. See 8/12/98 Order, Ex. G hereto. CHA’s appeal from this Court’s August 12, 1998 Order was dismissed for want of appellate jurisdiction. 178 F.3d at 958.

8. To implement the approach of Hines and its progeny, or to apply the Barton Doctrine, the Court may proceed in either of the following ways:

³ The Seventh Circuit recently summarized the Receiver’s powers as follows:

“all powers of CHA, respecting the scattered site program necessary and incident to the development and administration of such program, including: (a) Making all determinations governing the scattered site program in compliance with prior and future orders of this Court . . .”

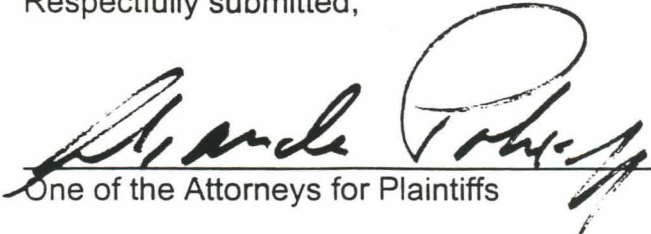
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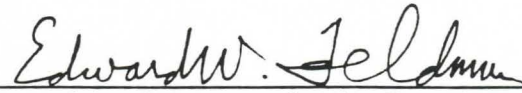
A. The Hines Approach. The ABLA complaint and Gautreaux are plainly related under Local General Rule 2.31A (they involve the same ABLA property and grow out of the same HOPE VI-funded development plan, among other commonalities), and the ABLA case may therefore be reassigned to this Court given that the conditions of Rule 2.31B are met, namely: both cases are pending in this District; the handling of both by the same judge is likely to result in a substantial saving of judicial time and effort (since the central issues in both are segregation and the remedies therefore); the ABLA phase of Gautreaux is just beginning (the RFP which is to lead to the formulation of a plan has not even been responded to yet and thus will not be substantially delayed by the designation of the ABLA case as related); and both Gautreaux and ABLA are of course susceptible of disposition in a single proceeding. Upon reassignment by the Executive Committee, this Court could then dismiss the ABLA complaint without prejudice to the right of the ABLA plaintiffs to seek leave to intervene in Gautreaux if they so choose.

B. The Barton Doctrine. Alternatively, applying the Barton Doctrine, the Court could simply enter an injunctive order in the exercise of its broad powers to prevent interference with its Receiver, enjoining the ABLA plaintiffs from carrying forward their ABLA complaint and directing them to promptly file a motion before Judge Gettleman to dismiss the same without prejudice to their right to seek leave to intervene in Gautreaux if they so choose.

WHEREFORE, the Gautreaux plaintiffs and the Gautreaux Receiver respectfully move this Court to enter orders as suggested in either paragraph 8A or paragraph 8B of this motion, whose effect will be to dismiss the ABLA complaint without prejudice to the right of the ABLA plaintiffs to seek leave to intervene in this case if they so choose.

Respectfully submitted,


One of the Attorneys for Plaintiffs


One of the Attorneys for the Receiver

August 18, 1999

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

DOROTHY GAUTREAUX, et al.,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	66 C 1459
	)	
CHICAGO HOUSING AUTHORITY,	)	Hon. Marvin Aspen
	)	
Defendant.	)	

**JOINT MOTION OF GAUTREAUX PLAINTIFFS AND DANIEL E. LEVIN
AND THE HABITAT COMPANY, GAUTREAUX RECEIVER, FOR
ORDERS WHOSE EFFECT WOULD BE TO DISMISS THE ABLA
COMPLAINT WITHOUT PREJUDICE TO THE RIGHT OF THE
ABLA PLAINTIFFS TO SEEK LEAVE TO INTERVENE IN THIS CASE.**

The Gautreaux plaintiffs, and Daniel E. Levin and The Habitat Company jointly as Gautreaux Receiver, move for entry of orders whose effect would be to dismiss the newly filed ABLA complaint (99 C 4959) without prejudice to the right of the ABLA plaintiffs to seek leave to intervene in this case. The new ABLA lawsuit substantially overlaps Gautreaux, particularly a specific, ABLA-related Gautreaux order (June 19, 1998) which is not mentioned in the ABLA complaint, and under well-established law involves issues that should only be litigated in Gautreaux.

In support of this motion, movants state:

1. Gautreaux is a class-action concerning racial discrimination in the location of public housing that resulted in segregated housing. The Gautreaux Court's

numerous remedial orders, including the appointment of a Receiver and a June 19, 1998 Order designating an "ABLA Revitalizing Area" and conditionally authorizing the development of public housing in such area, are directed toward remedying that segregation by, among other things, promoting opportunities for desegregation in the development of new public housing in mixed-income contexts.

2. In June 1998, on the joint motion of CHA, the Receiver and the Gautreaux plaintiffs, the Gautreaux Court entered an order, "[s]ubject to such terms and conditions as are specified by further orders of the Court," designating the ABLA Revitalizing Area and authorizing the Receiver to develop therein specified numbers of new public housing units, mixed with affordable and market units. Such order, attached hereto as Exhibit A, provides:

"This matter coming on to be heard on the joint motion of the parties and the Receiver for an order designating an ABLA Revitalizing Area ("Revitalizing Area") and authorizing the development of non-elderly public housing units therein; and

"The Court having heard the presentations of the parties and the Receiver respecting, and being advised that the City of Chicago supports entry of, the proposed order; and

"The Court being further advised that the Receiver and the defendant, Chicago Housing Authority, in collaboration with the City of Chicago, are engaged in the preparation of an application for a FY1998 HOPE VI grant of \$35 million for the ABLA Revitalizing Area to be submitted by them to the United States Department of Housing and Urban Development (HUD) on or before June 29, 1998; and

"The Court also being advised that by arrangement with the plaintiffs and HUD, CHA received a HOPE VI grant of \$24,483,250 in FY1996 for a portion of the Revitalizing Area, and that the current HOPE VI application contemplates and proposes that this prior grant be utilized in conjunction with the grant currently being applied for; and

"The Court being cognizant that the principal remedial purpose of the orders previously entered in this case has been and is to provide plaintiff class families with desegregated housing opportunities; and

"The Court also being cognizant that on occasion it has permitted public or assisted housing to be developed in census tracts not within the General Public Housing Area upon a sufficient showing of "revitalizing" circumstances such that a responsible forecast of economic integration, with a longer term possibility of racial desegregation, could be made; and

"The Court being of the view, based on the presentations of the parties and the Receiver, that subject to appropriate terms and conditions such a forecast can be made with respect to the Revitalizing Area should the Receiver and the defendant, Chicago Housing Authority (CHA), be awarded a FY1998 HOPE VI grant therefor pursuant to their proposed joint application;

"IT IS HEREBY ORDERED:

"1. Effective upon advice to the Court from the parties that a FY1998 HOPE VI grant has been made to the Receiver and CHA pursuant to a joint application to be submitted by them to HUD respecting the Revitalizing Area, the Court designates as the ABLA Revitalizing Area that portion of the City of Chicago that lies within the following boundaries: on the west, Ashland Avenue; on the south, the Burlington Northern Railway tracks immediately south of 15th Street; on the east along Racine Avenue from such Burlington Northern Railway tracks to Blue Island Avenue, northeast along Blue Island Avenue to Roosevelt Road, west along Roosevelt Road to Racine Avenue, and north along Racine Avenue to Cabrini Street; and on the north, along Cabrini Street to Loomis Street, north along Loomis Street to Polk Street, and west along Polk Street to Ashland Avenue; and

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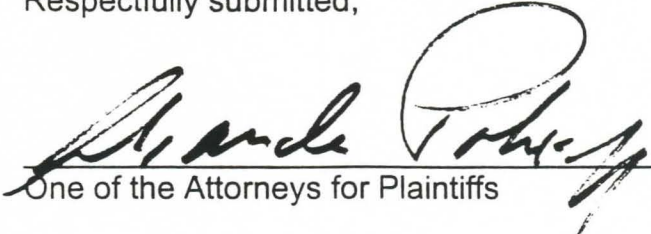
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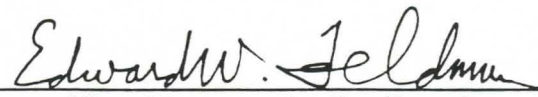
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Exhibit C

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

RECEIVED

DOROTHY GAUTREAUX, et al.,

Plaintiff,

vs.

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Defendants.

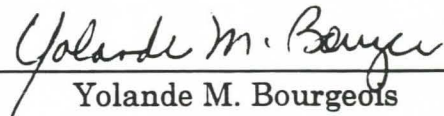
Case No. 66 C 1459

Re: Hon. Marvin E. Aspen

TO: ALL COUNSEL (See Attached Service List)

NOTICE OF FILING

KNOW that on August 27, 1999, the Defendants, Chicago Housing Authority, filed in the Dirksen Building, 219 South Dearborn Street, Chicago, Illinois, and present *Defendants' Chicago Housing Authority and Phillip Jackson Memorandum in Support of Joint Motion of Gautreaux Plaintiffs and Daniel E. Levin and the Habitat Company, Gautreaux Receiver, for Orders Whose Effect Would be to Dismiss the ABLA Complaint Without Prejudice to the Right of the ABLA Plaintiffs to Seek Leave to Intervene in This Case.*


Yolande M. Bourgeois
Acting General Counsel

CERTIFICATE OF SERVICE

I, Yvette Hill, a non-attorney certify under penalties as provided by law, that I served the foregoing by mailing copies to the above addressee(s) at the above address(s) and depositing the same in the U.S. Mail at 200 W. Adams, Chicago, Illinois, 60606 at 5:00 p.m. August 27, 1999, with proper postage prepaid.


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

RECEIVED

DOROTHY GAUTREAUX, et al.,

Plaintiffs,

v.

CHICAGO HOUSING AUTHORITY, et al.,

Defendants.

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)
)

AUG 27 1999

MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT

66 C 1459

Hon. Marvin E. Aspen

**DEFENDANTS' CHICAGO HOUSING AUTHORITY AND PHILLIP JACKSON
MEMORANDUM IN SUPPORT OF JOINT MOTION OF GAUTREAUX PLAINTIFFS
AND DANIEL E. LEVIN AND THE HABITAT COMPANY, GAUTREAUX RECEIVER,
FOR ORDERS WHOSE EFFECT WOULD BE TO DISMISS THE ABLA COMPLAINT
WITHOUT PREJUDICE TO THE RIGHT OF THE ABLA PLAINTIFFS TO SEEK
LEAVE TO INTERVENE IN THIS CASE**

NOW COME Defendants CHICAGO HOUSING AUTHORITY, a Municipal Corporation, and PHILLIP JACKSON, in his official capacity as Chief Executive Officer (collectively, "Defendants"), by and through their attorney, Yolande M. Bourgeois, Acting General Counsel, in support of the Joint Motion of Gautreaux Plaintiffs and Daniel E. Levin and The Habitat Company, Gautreaux Receiver ("the Receiver"), and state:

I. The ABLA Complaint Should Be Reassigned to this Court.

The current lawsuit against Defendants by the ABLA Plaintiffs should be reassigned from Judge Gettleman to this Court. The Concerned Residents of ABLA, et al., v. The Chicago Housing Authority, et al., 99 C 4959, ("ABLA") complaint amounts to a collateral attack on this Court's holdings in Gautreaux, an ongoing desegregation program. Allowing ABLA to be heard outside the framework of Gautreaux could result in a multiplicity of new lawsuits stemming from the same complicated issues. Hines v. Rapides Parish Sch. Bd., 479 F.2d 762, 765 (5th Cir. 1973). The potential effects would be significant. First, the Gautreaux program could be altered by a different ruling in ABLA, causing confusion and unevenness of application. Second, the

resources of the federal courts would be burdened. Other judges would be forced to hear issues that are currently under the firm control of one judicial officer. New lawsuits would cause increased efforts by different judges to “catch up” on issues stemming from over thirty (30) years of litigation. Finally, Defendants’ resources would be taxed if forced to deal with new litigation that is based on similar Gautreaux matters. Desegregation efforts by Defendants are currently focused on this Court’s direction and guidance. If ABLA is permitted to stand, Defendants would have to redirect their focus and attention to matters already covered by Gautreaux. This policy would be an inefficient use of time, energy, and increasingly scarce resources. In order to rectify this situation, the ABLA case should be reassigned to this Court due to the close relationship of issues underlying Gautreaux.

II. The ABLA Plaintiffs Should Be Enjoined From Interfering with the Receiver.

In the alternative, this Court should enjoin the ABLA Plaintiffs in order to prevent interference with the Receiver. A receiver cannot be sued without leave of the court that appointed such receiver. See Barton v. Barbour, 104 U.S. 126 (1881); see also In re Linton, 136 F.3d 544 (7th Cir. 1998). While ABLA does not name the Receiver as a party to that lawsuit, the complaint in effect attempts to interfere with the functions and responsibilities of the Receiver. See Gautreaux v. Chicago Housing Authority, 178 F.3d 951 (7th Cir. 1999). The Receiver’s powers include the development and administration of scattered sites programs and compliance with orders of this Court. Id. These powers clearly would be affected, and most likely compromised, by permitting ABLA to continue in its current form. This interference with receivership entities is subject to an injunction by this Court.

III. Conclusion.

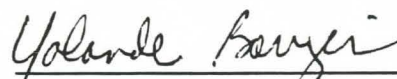
Accordingly, Defendants, CHA and Jackson, support the position taken by the Gautreaux Plaintiffs and the Receiver. Defendants believe that ABLA should be reassigned to this Court,

that the ABLA complaint should be dismissed without prejudice, and the ABLA Plaintiffs should be granted leave to intervene in Gautreaux. This prayer is based on similarities between ABLA and Gautreaux under Local General Rule 2.31A and 2.31B. First, both cases are pending in the Northern District of Illinois. Second, this Court's handling of ABLA within the Gautreaux framework would likely result in greater judicial economy, not to mention the saving of CHA's resources. Third, the ABLA phase of Gautreaux is just beginning. Finally, ABLA and Gautreaux could be resolved in a single proceeding.

Alternatively, this Court should enjoin the ABLA complaint and direct ABLA to file a motion before Judge Gettleman to dismiss the complaint without prejudice and to seek leave to intervene in Gautreaux. This prayer is based on the Barton Doctrine, which prevents interference with the Receiver and the Receiver's powers and obligations, including those with respect to scattered sites programs. supra.

WHEREFORE, Defendants CHICAGO HOUSING AUTHORITY and PHILLIP JACKSON respectfully request that this Court grant the above-mentioned relief in order to effectuate the dismissal of the ABLA complaint without prejudice to the right of the ABLA Plaintiffs to seek leave to intervene in this case.

Respectfully submitted,



Yolande M. Bourgeois
Acting General Counsel

Yolande M. Bourgeois
Acting General Counsel
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Office of the General Counsel
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Exhibit D

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

DOROTHY GAUTREAUX, et al.,

Plaintiffs

vs.

CHICAGO HOUSING AUTHORITY,

Defendant.

No. 66 C 1459

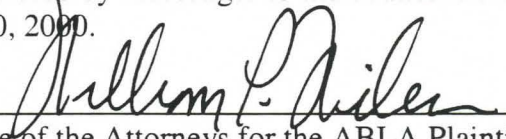
Hon. Marvin Aspen

NOTICE OF MOTION AND CERTIFICATE OF SERVICE

To: All counsel (see attached service list)

PLEASE TAKE NOTICE that on Friday, September 22, 2000, at 9:30 a.m., or as soon thereafter as counsel may be heard, we shall appear before the Honorable Marvin E. Aspen, or any judge sitting in his stead, in Room 2541 of the U.S. District Court, 219 S. Dearborn St., Chicago, Illinois and present the **ABLA Plaintiffs' Request for Ruling on Motion to Intervene**, copies of which are hereby served upon you.

This notice and motion were delivered by messenger to the counsel listed on the attached service list on Wednesday, September 20, 2000.


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

Dorothy Gautreaux, et al.,	)	
	)	
Plaintiffs,	)	Case No. 66 C 1459
	)	
vs.	)	Hon. Marvin Aspen
	)	
Chicago Housing Authority,	)	
	)	
Defendant.	)	

ABLA PLAINTIFFS' REQUEST FOR RULING ON MOTION TO INTERVENE

Pursuant to Local Rule 78.5 of the United States District Court for the Northern District of Illinois, the ABLA plaintiffs, by and through their attorneys, hereby request that this Court rule expeditiously on their Motion to Intervene. In support of this Motion, the ABLA plaintiffs state:

1. More than a year ago, the ABLA plaintiffs filed a federal class-action lawsuit expressing serious concerns about the proposed demolition of their community. In particular, the ABLA plaintiffs alleged that the "revitalization plan" adopted and being implemented by defendants at the ABLA public housing development violated numerous federal laws, including the Fair Housing Act, Title VI of the Civil Rights Act of 1964, the United States Housing Act, the Uniform Relocation Act, and the Housing and Community Development Act.

2. On November 4, 1999, this Court dismissed the ABLA plaintiffs' complaint without prejudice to their right to intervene in this action. Shortly thereafter, on November 29, 1999, the ABLA plaintiffs filed their Motion to Intervene. Briefing on the Motion to Intervene has now been complete for seven months. There is no impediment to the Motion to Intervene being decided. Accordingly, the ABLA plaintiffs respectfully request that this Court issue a decision regarding their Motion to Intervene.

3. Moreover, the ABLA plaintiffs continue to suffer harm while they wait to see if their claims will be heard. In dismissing the ABLA plaintiffs' initial complaint, this Court noted that "the ABLA piece is still in the development phase, unlikely to move forward until the [ABLA plaintiffs'] challenge is resolved." See Order dated Nov. 4, 1999 (Exhibit A to Interveners' Complaint). Contrary to that prediction, the situation at ABLA is moving forward even though the plaintiffs' challenge has not been resolved. Indeed, recent events demonstrate the defendants' intent to implement an illegal and harmful plan at ABLA.

4. According to the CHA's recently released draft FY 2000 Vacancy Consolidation and Building Closure Plan ("CHA's Closure Plan") (excerpts attached hereto as Exhibit A), CHA intends to clear public housing residents off of the ABLA land bordering on gentrifying areas, namely, the land east of Racine Street and north of Roosevelt Road. CHA will then concentrate residents south of Roosevelt Road, in the Brooks Homes or Abbott high-rises, or will displace them out of ABLA (overwhelmingly into segregated neighborhoods) using Section 8 vouchers. This is the very plan which the ABLA plaintiffs seek to challenge. Without a prompt ruling on the legality of this plan, the continued segregation of low-income African-American women and families will soon be a fait accompli.

5. Indeed, the CHA's Closure Plan reveals that all of Jane Addams, which is the only public housing land north of Roosevelt Road, will be closed before Winter, 2000, and all of the Addams residents residing there (approximately 234 families) will be given two choices: either to leave Addams with a Section 8 voucher or to move into a 15-story Abbott high-rise. In CHA's own words, the clearing out of Addams will "create[] significant redevelopment potential for [the] entire area." As forewarned by the ABLA plaintiffs (see Interveners' Complaint at ¶¶ 65 - 73), this plan

will create a bright line between an integrated, mixed-income community north of Roosevelt Road and a very low-income, segregated community to the south.

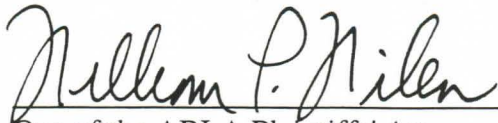
6. The Concerned Residents of ABLA ("CRA") has received numerous reports of relocation rights violations at ABLA. Specifically, CHA is failing to give residents: adequate notice of their move date; a choice as to where they will move; a chance to inspect their new unit; information as to whether their move will be temporary or permanent; and adequate relocation services (e.g., residents are having trouble obtaining phone service in their new units). See Affidavits of Maria Falcon, Viola Singleton, and Lola Whitby (attached hereto as Exhibits B, C, and D). Contrary to federal law (and the tenants' lease agreements), CHA is providing Jane Addams and Brooks Extension residents with only two or three days' advance notice of relocation. One resident was moved into a unit with stairs, which are difficult for her to use because she has had surgery on both knees. This resident was subsequently hospitalized for a week due to swelling in her knees. See Affidavit of Maria Falcon (attached hereto as Exhibit B). These are but a few illustrations of the flawed relocation process going on at ABLA.

7. Conditions in the Abbott high-rises continue to deteriorate, to the point where even basic services are in jeopardy of being denied. On September 12, 2000, a notice was posted at 1433 W. 13th stating that water service would be discontinued due to non-payment of the bill by CHA. As of September 15, 2000, the bill remained unpaid. See Affidavit of Wendy Stasell (attached hereto as Exhibit E).

WHEREFORE, the ABLA plaintiffs respectfully request an expeditious ruling on their Motion to Intervene.

Dated: September 20, 2000

Respectfully submitted,

A handwritten signature in black ink, reading "William P. Wilen". The signature is written in a cursive style with a horizontal line extending from the end of the name.

One of the ABLA Plaintiffs' Attorneys

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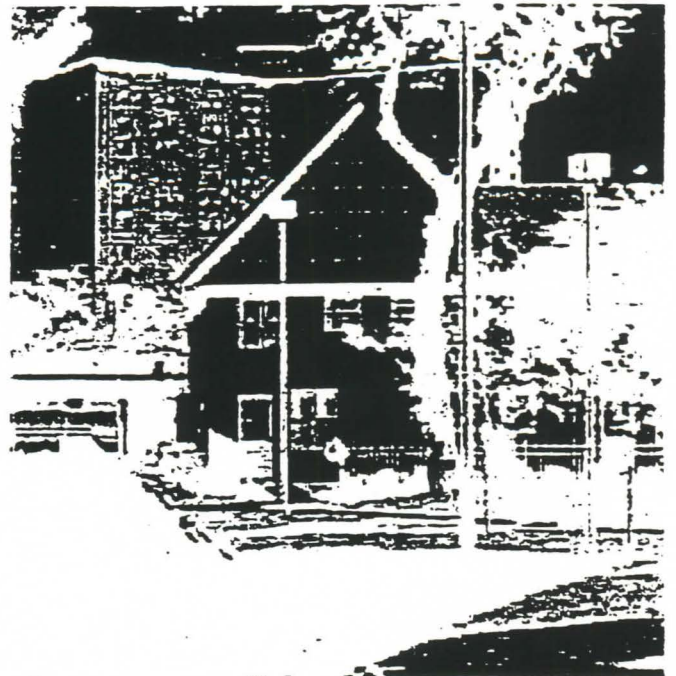
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Attorneys for ABLA Plaintiffs

DRAFT

Chicago Housing
Authority



**FY 2000
Vacancy
Consolidation
and Building
Closure Plan**



Exhibit A

CHICAGO HOUSING AUTHORITY

DRAFT

FY2000

PROPOSED

VACANCY CONSOLIDATION AND BUILDING CLOSURE PLAN

INTRODUCTION

The Chicago Housing Authority's Plan For Transformation calls for either the demolition or rehabilitation of all occupied (24,490) dwelling units¹ in the Authority's inventory. All CHA residents will need to be relocated while the dwelling unit are rehabilitated.

To accomplish this, the Authority has developed a proposed CHA resident relocation plan. The plan's major task is to keep as many residents in their community as possible (i.e. Cabrini residents relocated to another Cabrini development building).

This plan is divided into six main developments:

Cabrini Green, ABLA, Stateway, Washington Park, Taylor and Madden Park. This report will detail the number of buildings proposed for demolition, dwelling unit reconfiguration, number of families to be relocated and estimated expenditures and projected savings.

FACTORS AFFECTING CLOSURE

- A. LOW-OCCUPANCY RATE
- B. BUILDING CONSOLIDATION
- C. SAFETY
- D. HEATING/SYSTEMS
- E. FUTURE DEVELOPMENT PLANS
- F. TRY TO KEEP FAMILIES ON OR NEAR SITE OF ORIGIN

¹ Based on the actual CHA dwelling occupied dwelling unit October 1, 1999.

**CHICAGO HOUSING AUTHORITY
BUILDING CONSOLIDATION PROPOSAL**

AUTHORITY WIDE

DRAFT

DWELLING UNITS

		Number
1	Total Units	11,136
2	Occupied	6,276
3	Vacant	4,860
4	Units To be Closed	3,057
5	% of Units to be Closed (line 4/line 1)	27%
6	Balance	8,079

BUILDING CLOSURE AND MAINTENANCE COSTS

	Buildings	Number	Expenditures	Total Costs
16	Number of Buildings	305	Cost Per Building	
17	To be Closed (Seal up and Secure)	42		2,512,000
18	Balance	323		
	Closed Building Maintenance Costs		Unit Cost Per Year	
19	High Rise Units - 1 Yr. @ \$25 PUM (est)	1,851	300	555,300
20	Low Rise Units - 1 Yr. @ \$50 PUM (est)	1,206	600	723,600
21	Units/Totals	3,057		1,278,900
22	Total Closure & Maintenance Costs			\$3,790,900

FAMILY RELOCATION

		Number	Expenditures	Total Costs
7	Families Relocated	1,244	Costs Per Family	
8	Select Section 8	478	3,222	1,540,116
9	% Selecting Section 8 (line 8/line 7)	38%		
10	Select Public Housing	766	718	549,988
11	Total Relocation Costs			\$2,090,104

BUILDING PREPARATION COSTS

	Proposed	Units Prepared	Expenditures	Total Costs
12	Families Relocating To: VARIOUS (See attached sheets for detail)		Cost Per Unit	
13	Total	737		10,189,000
14	Other Improvements (heating system, etc)			11,216,000
15	Total Building Preparation Costs			\$21,405,000

23	GRAND TOTAL			\$27,286,004
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UKAF I

**PROPOSED
VACUUM CONSOLIDATION AND
BUILDING CLOSURE PLAN**

ABLA

DRAFT

**PROPOSED
VAC. POLICY CONSOLIDATION AND
BUILDING CLOSURE PLAN**

GRACE ABBOTT

Profile

- Five of seven high-rises occupied, non-gallery type high-rises
- Total 435 units occupied (58%)
- 1440 W. 13th St. is the Relocation building – rehabbed in 1998
- Alternative: close 1410 W. 14th St. instead of 1520 W. Hastings to accommodate redevelopment concerns.

Strategy

- Close 1520 W. Hastings (72 occupied units). Residents relocated to units within Abbott
- Rehab all vacant units in remaining high rises.
- Use remaining units in Abbott for relocation of Addams or Extension

Decentralize Heating Plan (with Jane Addams consolidation)

- Install building based boiler systems for remaining high-rises as well as non-residential buildings on property (management office, LAC office, Boys and Girls clubs).
- Investment enables closure of main plant (assuming Addams and Extension are closed) \$3.2 million required for all buildings.
- Estimated time period – 4-5 months

CHICAGO HOUSING AUTHORITY
BUILDING CONSOLIDATION PROPOSAL

ABLA - Albott

DRAFT

DWELLING UNITS

		Number
1	Total Units	854
2	Occupied	540
3	Vacant	314
4	Units To be Closed	150
5	% of Units to be Closed (line 4/line 1)	18%
6	Balance	704

BUILDING CLOSURE AND MAINTENANCE COSTS

	Buildings	Number	Expenditures	Total Costs
16	Number of Buildings	27	Cost Per Building	
17	To be Closed (Seal up and Secure) 1520 W HASTINGS ST	1	110,000	110,000
18	Balance	26		
	Closed Building Maintenance Costs		Unit Cost Per Year	
19	High Rise Units - 1 Yr. @ \$25 PUM (est)	150	300	45,000
20	Low Rise Units - 1 Yr. @ \$50 PUM (est)		600	0
21	Units/Totals	150		45,000
22	Total Closure & Maintenance Costs			\$155,000

FAMILY RELOCATION

		Number	Expenditures	Total Costs
7	Families Relocated	72	Costs Per Family	
8	Select Section 8	18	3,222	57,996
9	% Selecting Section 8 (line 8/line 7)	25%		
10	Select Public Housing	54	718	38,772
11	Total Relocation Costs			\$96,768

BUILDING PREPARATION COSTS

	Proposed	Units Prepared	Expenditures	Total Costs
12	Families Relocating To:		Cost Per Unit	
	1440 W 13TH ST Remaining	25	1,000	25,000
	1410 W 14TH ST	29	16,000	464,000
13	Total	54		489,000
14	Other Improvements (heating system, etc)			925,000
15	Total Building Preparation Costs			\$1,414,000

23	GRAND TOTAL			\$1,665,768
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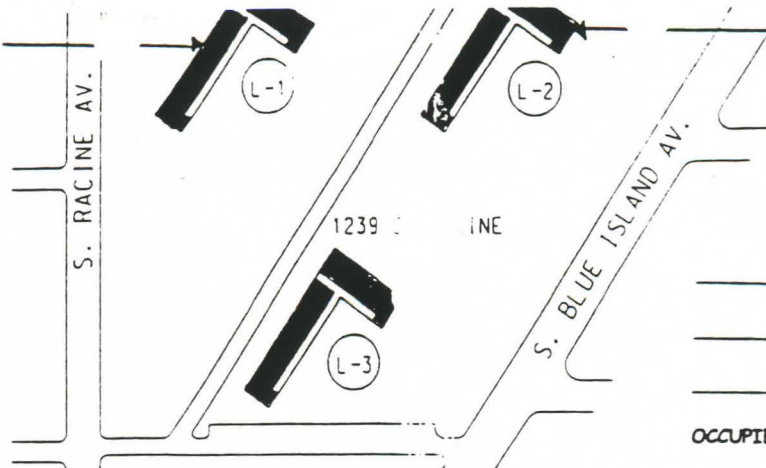
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**PROPOSED
VACANCY CONSOLIDATION AND
BUILDING CLOSURE PLAN**

BROOKS EXTENSION

64/152

79/152



DRAFT

LEGEND

CLOSED/DEMOLISHED

PROPOSED CLOSING/CONSOLIDATING

RELOCATION RESOURCE

OCCUPIED UNITS/TOTAL UNITS

S I T E P L A N
N.T.S

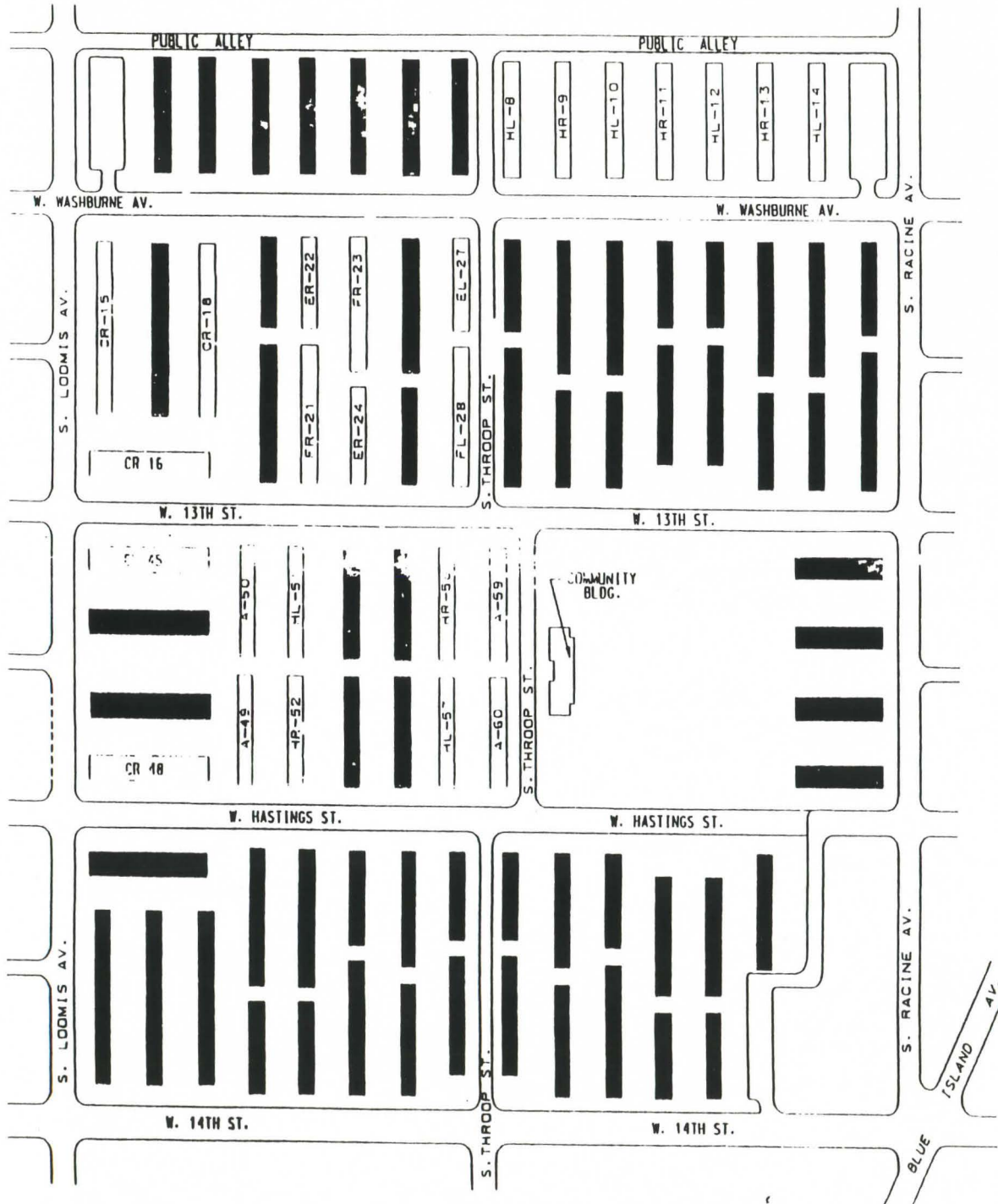


ROBERT BROOKS EXTENSION
IL.2-31
C.H.A.

Sheet 1 of 1

Brooks Homes Map

Prepared: 9



Red Buildings Demolished for Phase 1 - Approved for Demo 6/18/99

Yellow: Buildings Rehabbed In Phase 1.

Dark Blue Buildings Conditionally Approved for demo 6/18/99 Forgo Expenses

Dark Blue Buildings Conditionally Approved for demo 6/18/99 Forgo Expenses

Dark Blue Buildings Conditionally Approved for demo 7/27/99 Phase 2.

Green Buildings being rehabbed In Phase 2.

White Vacant Buildings

CHICAGO HOUSING AUTHORITY
BUILDING CONSOLIDATION PROPOSAL

DRAFT

ABLA - Brooks Ext.

DWELLING UNITS

		Number
1	Total Units	304
2	Occupied	143
3	Vacant	161
4	Units To be Closed	304
5	% of Units to be Closed (line 4/line 1)	100%
6	Balance	0

BUILDING CLOSURE AND MAINTENANCE COSTS

	Buildings	Number	Expenditures	Total Costs
16	Number of Buildings	2	Cost Per Building	
17	To be Closed (Seal up and Secure)	2	110,000	220,000
	1111 W ROOSEVELT RD			
	1209 S RACINE AV			
18	Balance	0		
	Closed Building Maintenance Costs		Unit Cost Per Year	
19	High Rise Units - 1 Yr. @ \$25 PUM (est)		300	0
20	Low Rise Units - 1 Yr. @ \$50 PUM (est)	304	600	182,400
21	Units/Totals	304		182,400
22	Total Closure & Maintenance Costs			\$402,400

FAMILY RELOCATION

		Number	Expenditures	Total Costs
7	Families Relocated	143	Costs Per Family	
8	Select Section 8	36	3,222	115,992
9	% Selecting Section 8 (line 8/line 7)	25%		
10	Select Public Housing	107	718	76,826
11	Total Relocation Costs			\$192,818

BUILDING PREPARATION COSTS

	Proposed	Units Prepared	Expenditures	Total Costs
12	Families Relocating To:		Cost Per Unit	
	1440 W 13TH ST	80	1,000	80,000
	Brooks Phase II	27	0	0
13	Total	107		80,000
14	Other Improvements (heating system, etc)			0
15	Total Building Preparation Costs			\$80,000

23	GRAND TOTAL			\$675,218
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**PROPOSED
VACANCY CONSOLIDATION AND
BUILDING CLOSURE PLAN**

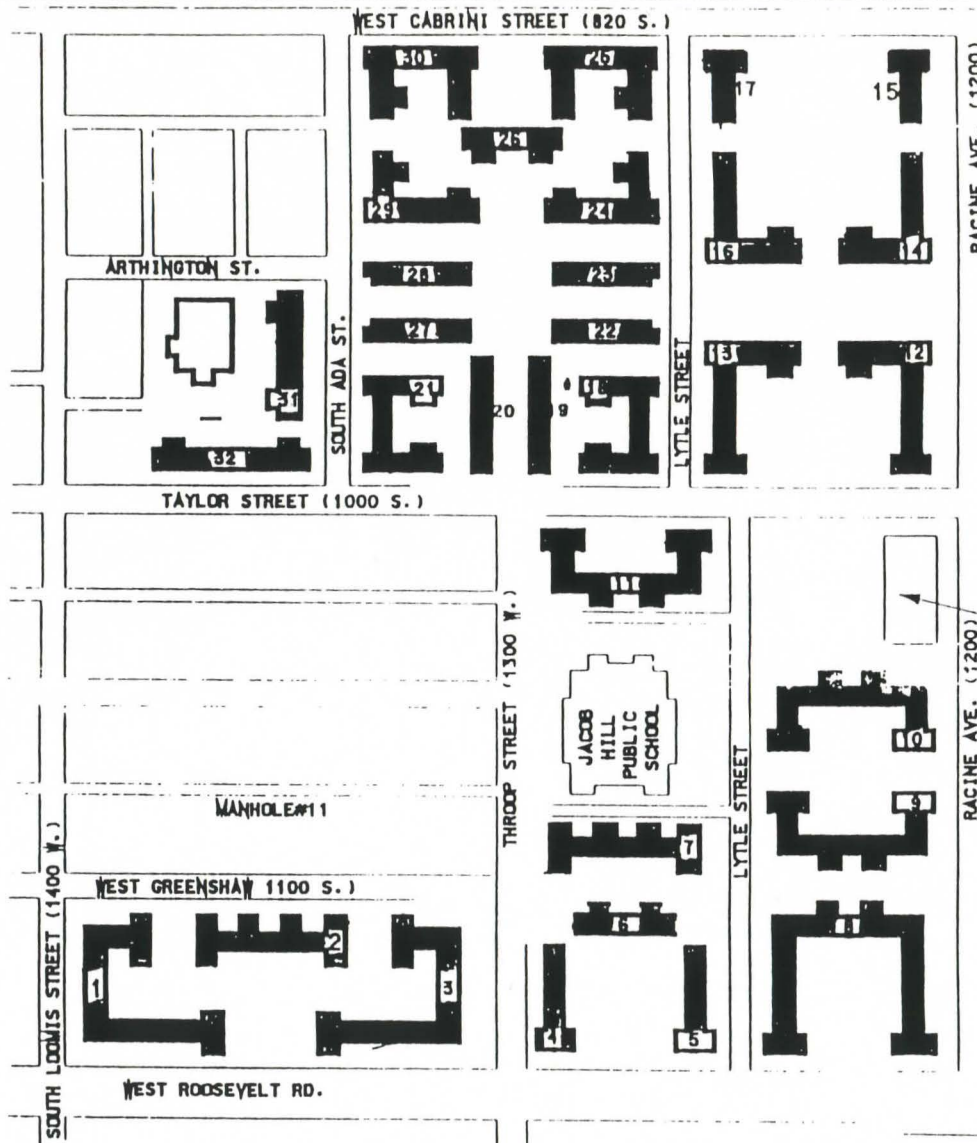
JANE ADDAMS

Profile

- Low-rise. 234 units occupied (23)
- Historic designation.
- All families have been offered section 8
- Families located in units north of Roosevelt Road not willing to relocate south of Roosevelt Rd.

Strategy

- Close all units in Jane Addams. Relocation before winter is a high priority. Families are dispersed throughout development. If kept, buildings and systems significant capital investment required or buildings will not support occupied units through the winter.
- Relocate families to Grace Abbott
- Prioritize Section 8 relocation and counseling assistance to facilitate moves
- Closing of Addams allows closing of heating plant
- Creates significant redevelopment potential for entire area.



OLD TOWN
BOY'S CLUB

PAD WTD.
TRANSF. #3

BLDG. #	BLDG. TYPES	ADDRE
1.	A-1	1349-53 W.
2.	A-2	1336-54 W.
3.	A-3	1321-41 W.
		1313-17 W.
		1306-24 W.
4.	A-4	1252-66 W.
5.	A-6	1236-40 W.
6.	A-6	1242-60 W.
7.	A-21	1117-19 S.
		1108-10 S.
8.	A-7	1204-24 W.
9.	A-8	1033-1101 W.
		1032-1100 W.
10.	A-9	1037- W.
		1036- W.
11.	A-22	1237-66 W.
12.	A-12	908-8 S. R.
13.	A-11	907-9 S. L.
14.	A-14	844-6 S. R.
15.	A-16	1205-11 W.
16.	A-13	847-9 S. L.
17.	A-15	1223-31 W.
18.	A-2	918-28 S.
		1246-8 W.
19.	H-2	1250-68 W.
20.	H-1	1300-18 W.
21.	A-1	1322-4 W. T.
		917-27 S.
22.	H-4	902-16 S.
23.	H-6	846-60 S.
24.	A-4	830-44 S.
25.	A-6	822 S. LYT
		1245-67 W.
26.	A-7	1261-65 W.
27.	H-3	901-15 S.
28.	H-6	946-59 S.
29.	A-3	929-43 S.
30.	A-5	821 S. ADA
		1269-81 W.
31.	A-17	902-16 S.
32.	A-18	1328-44 W.

LEGEND

— CLOSED/DEMOLISHED

— PROPOSED CLOSING/CONSOLIDATING

— RELOCATION RESOURCE

— OCCUPIED UNITS/TOTAL UNITS



DRAFT

CHICAGO HOUSING AUTHORITY
MODERNIZATION DIVISION
ARCHITECTURAL/ENGINEERING
833 W. NORTH ST. CHICAGO, IL 60610
312 687-7774 FAX 312 773-7868

RELOCATION / CONSOLID.
JOB #98490

ADDAMS HOMES
IL2-23

CHICAGO HOUSING AUTHORITY
BUILDING CONSOLIDATION PROPOSAL

DRAFT

ABLA - Addams

DWELLING UNITS

		Number
1	Total Units	902
2	Occupied	234
3	Vacant	668
4	Units To be Closed	902
5	% of Units to be Closed (line 4/line 1)	100%
6	Balance	0

BUILDING CLOSURE AND MAINTENANCE COSTS

Buildings	Number	Expenditures	Total Costs
16 Number of Buildings	28	<i>Cost Per Building</i>	
17 To be Closed (Seal up and Secure)	28	35,000	980,000
Various Addresses			
18 Balance	0		
Closed Building Maintenance Costs		<i>Unit Cost Per Year</i>	
19 High Rise Units - 1 Yr. @ \$25 PUM (est)		300	0
20 Low Rise Units - 1 Yr. @ \$50 PUM (est)	902	600	541,200
21 Units/Totals	902		541,200
22 Total Closure & Maintenance Costs			\$1,521,200

FAMILY RELOCATION

	Number	Expenditures	Total Costs
7 Families Relocated	234	<i>Costs Per Family</i>	
8 Select Section 8	60	3,222	193,320
9 % Selecting Section 8 (line 8/line 7)	25%		
10 Select Public Housing	174	718	124,932
11 Total Relocation Costs			\$318,252

BUILDING PREPARATION COSTS

Proposed	Units Prepared	Expenditures	Total Costs
12 Families Relocating To:		<i>Cost Per Unit</i>	
1510 W 13TH ST	81	16,000	1,296,000
1433 W 13TH ST	73	16,000	1,168,000
1410 W 14TH ST Remaining	20	16,000	320,000
13 Total	174		2,784,000
14 Other Improvements (heating system, etc)			4,995,000
15 Total Building Preparation Costs			\$7,779,000

23	GRAND TOTAL	\$9,618,452
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AFFIDAVIT OF MARIA FALCON

I, Maria Falcon, being first duly sworn and having personal knowledge of the facts set forth herein, state as follows:

1. My name is Maria Falcon and I am 69 years old. I currently live at 1236 S. Racine Avenue, Chicago, IL 60608 in the ABLA development. I moved to this unit on August 22, 2000. Before that I lived at 909 S. Lytle in the Jane Addams development for 38 years.

2. On Friday August 18, 2000, a man from the management office came to my apartment and handed me a "Move Out" Notice saying that I had to move to 1236 S. Racine in the Brooks Homes on the following Tuesday, August 22, 2000. The notice was dated August 10, 2000, but I did not receive the notice on that date. The notice I received is attached to my affidavit.

3. Management did not allow me to inspect the apartment before I moved in, even though I asked them if I could do so. I did not want to move to a unit with stairs in it because I have trouble walking and I was concerned that this unit might have stairs.

4. On Monday August 21, a management employee brought me about 25 moving boxes and some tape, and told me to pack up all my belongings so they could move me the next day. My grandchildren and I spent the whole day packing, until about 2 a.m. Tuesday morning.

5. On Tuesday August 22, the movers came and moved all my boxes to 1236 S. Racine. Management never told me that I had any choice of where I was going. They never told me if this was a temporary; or permanent move, or that I had a right to move back to any new townhouses built on the site of Jane Addams.