



THE HABITAT COMPANY

Bible

MEMORANDUM

TO: Chief Judge Marvin E. Aspen

FROM: Daniel E. Levin and
The Habitat Company 

DATE: January 31, 2000 *2001*

SUBJECT: CHA SCATTERED SITE AND REPLACEMENT HOUSING PROGRAMS
Quarterly Report: Fourth Quarter, 2000

We are pleased to submit the Quarterly Report for the Fourth Quarter of 2000 for the CHA Scattered Site and Replacement Housing Programs.

Summary of Units Completed, Units In Development, and Financial Status

In the Scattered Site programs, all 1,602 units have been completed and transferred. The final 18 units were completed and transferred during the 4th Quarter of 2000.

In the Demonstration programs, all 211 units have been completed and transferred.

19 units in the Replacement Housing programs were completed and transferred during the 4th Quarter, for a total of 620 units completed and transferred. An additional 74 units are under construction. 102 units are being bought or leased on a long-term basis (40 years) from private developers, and 2,870 units are in various other development phases.

In the Scattered Site programs, a total of \$155,453,528 has been budgeted and \$151,718,926 has been spent. In the Demonstration programs, a total of \$37,904,440 has been budgeted and \$34,086,495 has been spent. In the Replacement Housing programs, a total of \$261,307,592 has been budgeted and \$161,734,048 has been spent.

Status of Scattered Site, Demonstration, and Replacement Housing Programs

Table 2 lists the current status of each program.

Scattered Site Programs

All 1,602 units in the Scattered Site programs have been completed and transferred. The final 18 units were completed and transferred during the 4th Quarter of 2000.

Demonstration Programs

All 211 units funded in the Demonstration Program have been completed and transferred.

Lawndale

All 18 units of the Lawndale Program have been completed and transferred.

Washington Park & Lakefront Replacement Housing

Ninety-four (94) units have been completed and transferred. Construction has begun on 12 more units, which are scheduled to be completed and transferred during the 1st Quarter of 2001.

Lakefront & Drexel Sites --- The developers of the Lakefront Site, Draper & Kramer and The Community Builders, have completed the final revisions to the site plan and are completed the final revisions to the financing plan. They will be submitting applications for tax credits and other financing to the Chicago Department of Housing ("DOH") and the Illinois Housing Development Authority ("IHDA"). Their current timetable is to be able to begin construction during Spring 2002.

The second Request for Proposals ("RFP") for the Drexel Site was issued by Habitat and the Chicago Department of Planning and Development ("DPD") on October 16, 2000. Three proposals were received by the due date of December 14, 2000. The proposals will be evaluated by the Working Group, which expects to make its recommendation to Habitat and DPD in either March or April 2001.

Scattered Kenwood-Oakland Units -- Of the 91 scattered units to be developed in Kenwood-Oakland, 56 units have been completed and transferred, and construction has begun on 12 more units. These units are scheduled to be completed and transferred during the 1st Quarter of 2001. The remaining 23 Kenwood-Oakland scattered units are being acquired from private developers.

Units Scattered Outside of Kenwood-Oakland -- Of the 200 units to be scattered outside of Kenwood-Oakland, 38 units in Rogers Park and West Ridge have been completed and transferred. We plan to issue RFP's for architects and contractors for 38 units in Woodlawn. Funding is not yet available for the remaining 124 units.

Horner Replacement Housing Phase 1

All 461 units of Phase 1 of the Horner Replacement Program have been completed and transferred.

In December Judge Zagel entered the Agreed Order regarding reallocation of funds from an environmentally contaminated site to the hiring of a security coordinator overseen by the security working group chaired by John Schmidt. The same Order terminated the litigation concerning the construction schedule and liquidated damages.

Horner Replacement Housing Phase 2

In early December, the Horner Working Group, comprised of Habitat, CHA, the City of Chicago, the Horner Resident's Committee, and the Gautreaux Plaintiff Class Counsel, issued a Request for Qualifications ("RFQ") in an effort to select a development team to take responsibility for redeveloping all of the remaining land at Horner according to the terms set forth in the Agreed Order of February 1, 2000 in the Horner litigation. On December 15, 2000, a pre-proposal conference was held and a wide range of development professionals attended. Responses to the RFQ are due February 1, 2001.

ABLA Replacement Housing

In December, the ABLA Working Group, comprised of Habitat, CHA, the City of Chicago, the elected resident Local Advisory Council, the Gautreaux Plaintiff Class Counsel, and a representative of the Near West Side community, began working with the Telesis Corporation, of Washington, DC, in an effort to develop a comprehensive plan for the entire ABLA community. Since that time, Telesis has been meeting with a variety of stakeholders, including public officials, neighborhood leaders, community service providers and major institutions such as the University of Illinois at Chicago and the Illinois Medical Center District Commission, to discuss the community's critical planning needs.

In September 2000, you entered an order denying as unripe a motion by the "Concerned Residents of ABLA" ("CRA") to intervene in Gautreaux. The order contemplates that we will consult with this resident group as part of the planning process, and appropriate consultation will occur. We are already in regular communications with the elected tenant leadership through the Working Group. Two meetings have been held that have included representatives of CRA, and it is our intention to continue to keep CRA abreast of the emerging plan for ABLA and to consult with CRA.

Cabrini Replacement Housing

The parties are continuing the process of preparing the RFP's for redevelopment pursuant to the Cabrini LAC Consent Decree approved by you and Judge Coar.

North Town Village --- Phase 1, which includes 39 replacement units for Cabrini families, is progressing well. Occupancy of the first two multi-unit buildings is expected to occur during March 2001. Closing for the financing of Phase 2, which includes 40 Cabrini replacement

units, is expected to occur by the end of February 2001. Construction of Phase 2 buildings is expected to start in Spring 2001.

Mohawk Partners --- The first two buildings of the five-building Mohawk Partners development have been completed. Each of the 3-unit buildings has one replacement unit for Cabrini families, and these two units have been transferred to CHA. CHA does not yet have families identified and ready to occupy these units. The remaining three buildings are under construction, and they are expected to be completed during the 1st and 2nd Quarters of 2001.

Renaissance North --- The Renaissance North project is the construction of a 5-story, mixed-use, mid-rise building at 535 W. North Avenue. There will be 59 total units, 18 of which will be replacement units for Cabrini families. Preparation for closing on the financing is on going. The Mixed Finance Proposal has not yet been submitted to HUD due to budget revisions by the developer. It is expected that these revisions should be finalized by the beginning of February 2001, at which time the Mixed Finance Proposal can be submitted to HUD. Because of the unique features of the mixed income project, the Gautreaux plaintiffs and HUD have agreed to waive the prohibition of public housing units in elevator mid-rise buildings.

Old Town Square --- Discussions with MCL have resulted in the framework of an agreement with respect to the balance of Old Town Square replacement units for Cabrini families and additional replacement units for Cabrini families at the nearby Spanjer site. It is anticipated that an agreement will be executed in February 2001. The final mid-rise building at the first phase of Old Town Square is currently under construction. Ten (10) public housing units are designated for this building. In addition to the 10 mid-rise units, seven completed Phase 1 replacement units for Cabrini families have been inspected by Habitat and CHA. One of the units has been rejected because it is a one-bedroom unit rather than a two-bedroom unit. MCL has agreed verbally to add an extra unit to a later phase. Transfer procedures for the six completed units are in process.

Robert Taylor B Replacement Housing

Hearts Units, Phase 1 --- All 29 replacement units for Robert Taylor B families have been completed and transferred. The remaining 11 units were completed and transferred during the 4th Quarter of 2000. CHA has been slow to identify and prepare families to occupy all of the 29 units. In September 2000, twelve (12) units were unoccupied, and as of January 2001, four (4) units were still unoccupied. CHA is working with the developer and with the counsel for the Gautreaux plaintiffs to identify and prepare families for the unoccupied units and to be better prepared to occupy the Phase 2 units when they are completed.

Hearts United, Phase 2 --- Closing for the financing for Phase 2 took place in December 2000. Phase 2 will include a total of 107 units, 27 of which will be replacement units for Robert Taylor B families. Construction is expected to begin in Spring 2001.

4700 N. Beacon --- The Chicago Metropolitan Housing Development Corporation ("CMHDC") is rehabbing this 12-unit apartment building, which is located in a general area census tract. It is expected to be ready for occupancy during the 2nd Quarter of 2001. Three (3) of the units will be leased to CHA for 40 years as replacement units for Taylor B families. The submission of the Mixed Finance Proposal to HUD has been delayed for several months awaiting approval from the CHA Board of Directors.

Madden Park, Ida B. Wells, and Darrow Homes

HUD has awarded a \$35 million Year 2000 HOPE VI grant for the redevelopment of Madden Park, Ida B. Wells, and Darrow Homes. McCormack Baron will be the master developer, and negotiations on the final site plan, financing, and a development agreement are in process. McCormack Baron will be submitting applications for tax credits and other financing to the Chicago Department of Housing ("DOH") and the Illinois Housing Development Authority ("IHDA"). Their current timetable is to be able to begin construction during Spring 2002.

CHA Transformation Plan

Habitat has been involved in ongoing discussions with CHA, the City of Chicago, public housing resident leaders, and the *Gautreaux* plaintiffs concerning a range of issues arising from CHA's 10-year, \$1.5 billion transformation plan, and Habitat's role in the development of new public housing as part of that process. As issues are resolved we expect to be reporting to the Court.

In November 2000, CHA and Habitat issued Requests for Qualifications ("RFQ's") for developers for three developments --- Stateway Gardens, Robert Taylor A & B, and Rockwell Gardens. The responses were due on December 13, 2000. Six (6) responses were submitted for Stateway Gardens, five (5) responses were submitted for Robert Taylor A & B, and six (6) responses were submitted for Rockwell Gardens. A total of 13 different development teams submitted responses for one or more of the three RFQ's. The Working Group for each development will evaluate the responses, and the Working Groups expect to make their recommendations to CHA and Habitat in February 2001. The first tasks of the selected developers will be to prepare master site plans, and then to prepare and submit applications to HUD for HOPE VI funding for the three sites.

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cc: Counsel of Record in Gautreaux
Counsel of Record in Horner
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**Summary of Completed/Transferred Units
and Units In Development
as of December 31, 2000**

COMPLETED/TRANSFERRED

TABLE No. 1

Year	# of Units Completed/Transferred									Total All Units
	Scattered Site	Demonstration & FSS	Horner 1	Lawndale	Wash. Park Lakefront	Cabrini	ABLA	Taylor	Madden/Wells	
1989	7									7
1990	127									127
1991	107									107
1992	214									214
1993	340									340
1994	147									147
1995	203									203
1996	308	15	4		4					331
1997	97	65	131		41					334
1998	20	100	150	4	23	16				313
1999	11	31	114	10	14	0				180
2000	21	0	62	4	12	2	0	29	0	130
Total Completed	1,602	211	461	18	94	18	0	29	0	2,433

UNDER CONSTRUCTION

# of Units Under Construction	# of Units Under Construction									Total All Units
	Scattered Site	Demonstration & FSS	Horner 1	Lawndale	Wash. Park Lakefront	Cabrini	ABLA	Taylor	Madden/Wells	
As of December 31, 2000	Completed	Completed	Completed	Completed	12	59	0	3	0	74

DEVELOPMENT PHASES

# of Units Development Phases	# of Units in Development Phases									Total All Units
	Scattered Site	Demonstration & FSS	Horner 2	Lawndale	Wash. Park Lakefront	Cabrini	ABLA	Taylor	Madden/Wells	
Buy/Lease Phase	Completed	Completed	0	Completed	6	69	0	27	0	102
Bid/RFP Phase	Completed	Completed	0	Completed	150	0	0	0	0	150
Planning Phase	Completed	Completed	220	Completed	179	541	1,115	192	473	2,720
Total In Development	0	0	220	0	335	610	1,115	219	473	2,972

GRAND TOTAL									5,479
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**Program Activity and Status
as of December 31, 2000**

TABLE No. 2

Scattered Site --- 1,602 Public Housing Units			
Program No.	AREA	# of Units	Status
115-143,147-160,161,175,176	Various	1,602	Completed/Transferred
		1,602	TOTAL UNITS

Demonstration and FSS --- 211 Public Housing Units			
Program No.	AREA	# of Units	Status
145,146,162,164,166-173	Various	211	Completed/Transferred
		211	TOTAL UNITS

Lawndale -- 18 Public Housing Units			
Program No.	Area	# of Units	Status
IL06-P802-178	Lawndale	18	Completed/Transferred
		18	TOTAL UNITS

ABLA --- 1,115 Public Housing Units			
Program No.	Name	# of Units	Status
			Completed/Transferred
			Under Construction
		732	Planning Phase - on site
		383	Planning Phase - off site
		1,115	TOTAL UNITS

Cabrini --- 700 Public Housing Units			
Program No.	Name	# of Units	Status
	Mohawk North	16	Completed/Transferred
	Old Town Square	17	Under Construction
	Old Town Square	11	Buy/Lease Phase
	North Town Village	39	Under Construction
	North Town Village	40	Buy/Lease Phase
	Mohawk Partners	2	Completed/Transferred
	Mohawk Partners	3	Under Construction
	Renaissance North	18	Buy/Lease Phase
	Cabrini Extension North	277	Planning Phase
	Sites Undetermined	264	Planning Phase
		687	TOTAL UNITS

Taylor B -- 251 Public Housing Units			
Program No.	Name	# of Units	Status
	Hearts United 1	29	Completed/Transferred
	Hearts United 2	27	Under Construction
	4700 N. Beacon	3	Under Construction
	Sites Undetermined	192	Planning Phase
		251	TOTAL UNITS

Madden / Wells --- 473 Public Housing Units			
Program No.	Name	# of Units	Status
			Completed/Transferred
			Under Construction
	Family Rental Units	273	Planning Phase
	Family For-Sale Units	50	Planning Phase
	Elderly Rental Units	150	Planning Phase
		473	TOTAL UNITS

**Program Activity and Status
as of December 31, 2000**

TABLE No. 2

Washington Park & Lakefront -- 441 Public Housing Units			
Program No.	Name	# of Units	Status
IL06-P002-180	Kenwood/Oakland	2	Completed/Transferred
	Hutchinson's Row	15	Planning Phase
		17	SUBTOTAL
IL06-P002-184	Kenwood/Oakland	33	Completed/Transferred
	Scattered	33	SUBTOTAL
IL06-P802-193	Lakefront and Drexel		Completed/Transferred
			Under Construction
	Lakefront Site	120	Bid/RFP Phase
	Drexel Site	10	Bid/RFP Phase
		130	SUBTOTAL
IL06-P002-194	West Ridge/Rogers Park	38	Completed/Transferred
	Scattered	38	SUBTOTAL
IL06-P002-205	Woodlawn		Completed/Transferred
			Under Construction
		8	Planning Phase
		8	SUBTOTAL
IL06-P002-206	Kenwood/Oakland	21	Completed/Transferred
	Scattered	1	Planning Phase
		22	SUBTOTAL
IL06-P002-207	Woodlawn		Completed/Transferred
			Under Construction
		27	Planning Phase
		27	SUBTOTAL
IL06-P002-208	Kenwood/Oakland		Completed/Transferred
	Shakespeare (Thrush)	12	Under Construction
		12	SUBTOTAL
IL06-P002-209	Kenwood/Oakland		Completed/Transferred
	Shakespeare (New Kenwood)		Under Construction
		6	Buy/Lease Phase
		6	SUBTOTAL
IL06-P002-210	Kenwood/Oakland		Completed/Transferred
			Under Construction
		2	Planning Phase
		2	SUBTOTAL
IL06-P002-211	Kenwood/Oakland		Completed/Transferred
			Under Construction
	Drexel Site	20	Bid/RFP Phase
	Scattered	2	Planning Phase
		22	SUBTOTAL
Program Number		124	Planning Phase - Unfunded
Not yet assigned		124	SUBTOTAL
	TOTALS	94	Completed/Transferred
		12	Under Construction
		6	Buy/Lease Phase
		150	Bid/RFP Phase
		55	Planning Phase
		124	Planning Phase - Unfunded
		441	TOTAL UNITS

**Program Activity and Status
as of December 31, 2000**

TABLE No. 2

Horner I --- 466 Public Housing Units			
Program No.	Name	# of Units	Status
IL06-P802-188	Scattered	30	Completed/Transferred
	East of Western	30	SUBTOTAL
IL06-P802-191	Scattered	51	Completed/Transferred
	East of Western	51	SUBTOTAL
IL06-P802-195	Scattered	45	Completed/Transferred
	East of Western	45	SUBTOTAL
IL06-P802-196	Scattered	33	Completed/Transferred
	East & West of Western	33	SUBTOTAL
IL06-P802-197	West of Western	45	Completed/Transferred
		45	SUBTOTAL
IL06-P802-198	Superblock B1	56	Completed/Transferred
		56	SUBTOTAL
IL06-P802-199	Superblock B2	39	Completed/Transferred
		39	SUBTOTAL
IL06-P802-200	Superblock A	30	Completed/Transferred
		30	SUBTOTAL
IL06-P802-201	West of Western	52	Completed/Transferred
		52	SUBTOTAL
IL06-P802-202	Superblock A	43	Completed/Transferred
		43	SUBTOTAL
IL06-P802-203	Superblock B3	32	Completed/Transferred
		32	SUBTOTAL
IL06-P802-204	Rehabilitation	5	Completed/Transferred
		5	SUBTOTAL
	TOTALS	461	Completed/Transferred
		461	TOTAL UNITS

Horner 2 --- 220 Public Housing Units			
Program No.	Name	# of Units	Status
			Completed/Transferred
			Under Construction
	HOPE VI Funds	150	RFQ Phase
	"1-for-1" Replacement Funds	70	RFQ Phase
		220	TOTAL UNITS

**Financial Summary by Program
as of DECEMBER 31, 2000**

Scattered Sites		
Program No.	Approved Budget	Cost (Income) To Date
115	\$8,885,442	\$8,885,442
116	7,448,320	7,448,320
117(a)	(28,113)	(28,113)
118	8,978,987	8,978,987
119	2,485,483	2,485,483
120	6,956,047	6,956,047
121	2,265,118	2,265,118
122	4,825,930	4,731,809
123	7,827,851	7,440,192
124	8,136,524	8,135,811
125	2,039,484	2,039,484
126 TK	2,062,780	2,062,780
127	2,386,667	2,386,667
128 TK	3,004,474	2,982,418
129 TK	2,271,403	2,271,403
130 TK	2,894,112	2,843,690
131 TK	2,556,421	2,556,421
132	2,530,000	2,533,420
133	2,075,167	2,075,167
134	2,055,883	2,055,051
135 TK	2,661,470	2,636,875
136	2,336,466	2,336,466
137 TK	2,719,177	2,715,178
138 TK	2,614,379	2,568,613
139 TK	2,454,275	2,452,559
140	2,502,820	1,493,589
141 TK	2,700,924	2,666,667
142 TK	2,411,349	2,375,087
143 TK	3,303,012	3,151,383
147 TK	2,676,540	2,646,881
149 TK	2,709,352	2,642,708
150 TK	2,522,813	2,516,006
151 TK	2,747,255	2,703,394
152 TK	2,883,297	2,779,121
153	2,549,740	2,555,275
154 TK	3,988,830	3,981,667
155 TK	2,627,030	2,533,941
156 TK	2,679,344	2,613,437
157 TK	2,723,598	2,658,812
158 TK	3,149,769	3,068,121
159 TK	2,634,087	2,627,636
160 TK	2,909,461	2,870,258
161 TK	5,073,855	4,008,333
175 TK	4,527,835	4,421,432
176 TK	3,688,870	3,589,890
TOTALS	\$155,453,528	\$151,718,926

**Financial Summary by Program
as of DECEMBER 31, 2000**

Demonstration & Family Self-Sufficiency (FSS)		
Program No.	Approved Budget	Cost (Income) To Date
145	\$3,457,281	\$3,335,349
146	2,289,199	2,255,740
162	3,521,980	3,492,954
164	4,457,392	4,409,897
165	3,012,835	2,355,047
166	3,561,947	3,571,966
167	1,960,003	2,068,798
168	1,735,562	1,743,552
169	1,680,003	2,434,334
170	1,720,130	1,991,557
171	1,820,003	447,087
172	2,266,596	1,635,073
173	4,198,153	4,177,800
177 (FSS)	2,223,356	167,341
TOTALS	\$37,904,440	\$34,086,495

**Financial Summary by Program
as of DECEMBER 31, 2000**

Replacement Housing		
Program No.	Approved Budget	Cost (Income) To Date
<u>Horner I</u>		
188	\$4,853,186	\$4,973,410
191	6,184,489	6,180,403
195	4,878,068	4,817,985
196	4,309,641	3,884,251
197	6,373,343	6,288,642
198	5,680,135	5,670,820
199	4,234,703	4,224,517
200	2,839,515	2,839,105
201	5,070,900	5,055,524
202	5,380,725	5,349,798
203	4,294,342	4,305,844
204	860,039	898,571
Subtotal	\$54,959,086	\$54,488,870
<u>Lawndale</u>		
178	2,936,673	2,935,801
Subtotal	\$2,936,673	\$2,935,801
<u>Washington Park Lakefront</u>		
180	\$1,979,392	\$786,435
184	4,130,506	4,073,032
193	16,216,250	1,119,117
194	5,913,691	5,795,074
205	858,123	180,553
206	2,652,702	2,416,802
207	3,255,568	890,008
208	1,151,673	44,051
209	879,165	25,099
210	301,883	16,405
211	2,973,880	337,890
213	1,186,700	1,172,614
Subtotal	\$41,499,533	\$16,857,080
<u>Cabrini</u>		
182	\$9,856,000	\$2,195,144
192	9,137,750	3,388,556
HOPE VI	40,000,000	
Subtotal	\$58,993,750	\$5,583,700
<u>ABLA 1</u>		
HOPE VI	\$24,483,250	426,835
<u>ABLA 2</u>		
HOPE VI	\$35,000,000	
Subtotal	\$59,483,250	\$426,835
<u>Horner 2</u>		
HOPE VI	\$18,435,300	300,420
Subtotal	\$18,435,300	\$300,420
<u>Taylor B</u>		
HOPE VI	\$25,000,000	274,318
Subtotal	\$25,000,000	\$274,318
TOTALS	\$261,307,592	\$161,734,048