

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

DOROTHY GAUTREAUX, et al.,	)	
Plaintiffs,	)	
-vs-	)	No. 66 C 1459
	)	
CHICAGO HOUSING AUTHORITY, et al.,	)	Hon. Marvin E. Aspen
Defendants.	)	

**JOINT MOTION OF PLAINTIFFS AND DEFENDANT CHICAGO HOUSING
AUTHORITY FOR AN ORDER AUTHORIZING DEVELOPMENT OF PUBLIC
HOUSING UNITS IN A LIMITED AREA AND AMENDING THE TENANT
ASSIGNMENT PLAN**

Plaintiffs and the Chicago Housing Authority ("CHA"), with the support of the Receiver, move that the Court enter the attached order, which would:

A. Authorize, as part of Phase A-2 of the Robert Taylor redevelopment, the development of 60 new non-elderly public housing units in mixed-income buildings in the area bounded by 43rd Street to the north, 45th Street to the south, State Street to the east, and Federal Street to the west (see Exh. A, Levin Affd., par. 2 & Exh. A). Receiver Daniel E. Levin's Affidavit (hereinafter "Levin Affidavit") describes the project in greater detail and is attached as Exhibit A. The area is a "Limited Area" on the site previously occupied by CHA's Robert Taylor public housing development.

B. Amend the Tenant Assignment Plan to require that the 60 public housing units that are the subject of this motion be made available to eligible CHA families relocating under CHA's Plan for Transformation, with priority given to families from the former Robert Taylor development. If there are no such families seeking to relocate under

CHA's Plan for Transformation available to occupy the units, such units shall be made available to families on the CHA public housing waiting list.

In support of this motion, the parties state as follows:

1. The parties and the Receiver seek the Court's authority for the development of Phase A-2 of the Robert Taylor redevelopment. Brinshore-Michaels, the development company that would develop the Phase, was competitively selected as master developer for the redevelopment of the area previously housing CHA's massive Robert Taylor public housing development, and has developed the prior three Court-authorized phases described below. Brinshore-Michaels (hereinafter "Developer") is the joint venture of Michaels Development Company, Inc. and Brinshore Development LLC and is a private development company with considerable experience in the development of mixed-income housing both in Chicago and elsewhere.

2. The Receiver, CHA, the Gautreaux plaintiffs, the Developer, Robert Taylor residents and others have developed an overall master plan that calls for a three-part development expected to provide 2,388 new mixed-income rental and homeownership units on the footprint of the old Robert Taylor buildings and in the surrounding community. The plan will transform the current site (now vacant except for Phase A-1 of Legends South, as described below in paragraph 4, after CHA demolished the Taylor Homes and relocated its residents) and re-integrate the Taylor residents into the community.

3. Phase A of the redevelopment plan targets the northern half of the Robert Taylor Homes site between 40th and 47th Streets, with 894 new residential units, supported in part by a HOPE VI grant. Phase B (currently unfunded) is to address the

southern portion of the Taylor site, between 48th and 54th Streets, with another 894 units. Phase C anticipates 600 new units, to be built in the neighborhoods just east of the Taylor site. Phase C also enjoys HOPE VI support.

4. To date, three phases of redevelopment, one on-site and two off-site, have been authorized by this Court:

A. On March 26, 2004, this Court entered an order authorizing the Receiver to develop or cause to be developed Phase C-1, the first phase of the off-site development. See Levin Affidavit, Exh. E. C-1 consisted of 110 new mixed-income rental units and 40 for-sale units. Fifty-four of the rental units were public housing units; the balance were affordable units for working families or rented at market rates. The C-1 rental development has been built and occupied. The 40 for-sale units also planned for Phase C-1 have not been built for a variety of economic, logistical and financial reasons.

B. On April 17, 2006, this Court entered an order authorizing the Receiver to develop or cause to be developed Phase A-1, the first on-site phase of the development on the north half of the old Taylor site. See Levin Affidavit, Exh. D. Phase A-1 consisted of 181 new mixed-income rental units and 57 market for-sale units. Eighty-three of the rental units were public housing; the balance were affordable or market units. The A-1 rental development has been built and occupied. Due to insufficient pre-sales, the 57 for-sale units planned for Phase A-1 have not been built.

C. On November 6, 2007, this Court entered an order authorizing the Receiver to develop or cause to be developed Phase C-2, the second phase of off-site development. See Levin Affidavit, Exh. E. Phase C-2 consisted of 118 new mixed-income rental units distributed in the same general area as the C-1 units. Fifty-two of the rental units were public housing; the balance were affordable or market units. The C-2 rental development has been built and occupied. No for-sale units were contemplated for this phase as the plan remained, as it does now, to complete the 40 for-sale units planned for Phase C-1, which are to be interspersed among the C-1 and C-2 rental units.

5. The plan for Phase A-2, the subject of this motion, provides for 138 units of rental housing, of which 60 will be public housing units, 50 affordable, and 28 market rate. It also includes 58 for-sale units, 12 affordable and 46 market rate. As has been the case with the prior phases, the public housing units will be scattered throughout the site, and the entire development will be privately owned and managed.

6. This Court's 1969 Judgment Order prohibits the building of new non-elderly public housing units in Limited Areas (without corresponding, substantially simultaneous construction in General Areas). 304 F. Supp. 736, 738-39 (N.D. Ill. 1969). The proposed Phase A-2 is located in a Limited Area. Nonetheless, for the reasons described below as well as in the Receiver's Affidavit (Exhibit A), the parties believe the proposed development is "designed to achieve results consistent with [the Judgment Order]" and that the Court therefore has the authority to enter the proposed order pursuant to

paragraph X of the Judgment Order, 304 F. Supp. 736, 741 (N.D. Ill. 1969), and recommend that the Court do so.

7. The Court has on a number of occasions entered similar orders permitting development of public housing in Limited Areas, following a site-specific, case-by-case review, provided that the development of these units was “in furtherance of the purposes” of the Judgment Order. The Court entered such orders on August 5, 2003 and August 22, 2005 (permitting the development of 14 and later 57 public housing units on and near the site of the Rockwell Gardens project, as part of a mixed-income development) and on December 16, 2003 (permitting the development of 27 public housing units adjacent to the old Stateway Gardens project, as part of a mixed-income development). Most importantly, as noted above, on March 26, 2004, April 17, 2006, and November 6, 2007 the Court permitted the first three phases of the Taylor development (collectively called Legends South) to go forward, including Phase A-1, on a site adjacent to the site proposed for Phase A-2.

8. In addition to these orders, the Court has permitted construction of new, non-elderly public housing units in “Limited Areas” surrounding CHA’s old Horner, Lakefront, Madden-Wells, Cabrini-Green, ABLA and Stateway Gardens projects, after findings that these areas were now “revitalizing”. In each of these cases, the parties represented that the proposed revitalizing areas had experienced a substantial increase in public and private investment, including private residential rehabilitation and new construction. In each case, the parties advised the Court that such development activity, completed and already underway, combined with the proposed large-scale mixed-income redevelopment of sites previously designated as

exclusively public housing, made economic integration likely in the short run with a possibility that racial integration might follow in the long run.

9. As when the parties were previously before the Court on the Motions requesting authorization to develop the first three phases of the Robert Taylor redevelopment (A-1, C-1 and C-2), the plaintiffs and the Receiver do not believe that the redevelopment area can yet be designated a "Revitalizing Area," although it has continued to see encouraging activity. See Levin Affidavit, par. 11. Conditions near Taylor continue to improve, but have not yet reached the same level of public and private investment that characterized the neighborhoods surrounding Henry Horner, North Kenwood-Oakland, Madden-Wells, Cabrini-Green, Stateway Gardens and ABLA at the time those Revitalizing Orders were entered. The area in which the new public housing units are proposed to be developed still contains a number of run-down commercial establishments, empty buildings and vacant lots. Interest in the purchase of the homeownership units has been limited. Likewise, private reinvestment in the area, while continuing, has been more limited and dispersed than in those neighborhoods found to be "revitalizing." Id.

10. The parties appeared before the Court on March 30, 2004 to discuss the Phase C-1 order, and the future of Taylor redevelopment. At that time, plaintiffs raised specific concerns related to the Washington Park public housing demolition, rehabilitation and redevelopment; the development of homeownership units in the Taylor redevelopment; social service provision to residents of the former Robert Taylor Homes; Metcalfe Park; area commercial development; and area schools. All of these issues were also of concern to CHA. The plaintiffs and defendant agreed to work on these issues before returning to court.

11. On April 11, 2006, the parties moved the Court to authorize the Robert Taylor Phase A-1 redevelopment. At that time, the plaintiffs and the CHA noted that progress had been made in regard to the specific concerns raised in 2004, but that nevertheless these issues remained of continuing concern to plaintiffs and the CHA, despite overall improvement in the surrounding area.

12. On November 5, 2007, the parties moved the Court to authorize the development of Phase C-2 of the Taylor redevelopment. The plaintiffs and the CHA stated that overall progress had continued.

13. The parties today believe that progress has continued on the issues raised before the Court in 2004, although the concerns remain. Due to the continuing challenge of resolving these shared concerns, the parties, the Receiver, and the Developer met several times over the last year to develop measures to address each concern. These measures have been memorialized in a Letter of Agreement, attached as Exhibit B (hereinafter "Agreement"). The status of each of the issues is as follows:

A. Washington Park -- In 2004 when the parties were before the Court seeking an order for phase C-1, the Washington Park Homes (high- and low-rise public housing buildings scattered across several miles) included several dilapidated buildings in close proximity to the proposed C-1 mixed-income units. In April 2007, CHA completed the demolition of all Washington Park high-rises. CHA has undertaken a comprehensive rehabilitation of the nearby Washington Park low-rises, and has made substantial progress. All but four low-rise buildings in the vicinity of the existing Legends South development and the proposed Phase A-2 have been rehabilitated. CHA has

scheduled, and per the Agreement, will use its best efforts to complete, rehabilitation of the remaining units over the next year and a half.

B. Homeownership -- In 2004 when the parties were before the Court, the plaintiffs expressed their desire for the homeownership phase of the off-site development C-1 to occur as close in time as possible to the development of the rental phase of C-1. The rental phase was completed and occupied; however, the homeownership units have not been constructed for a variety of logistical and financial reasons. Due to these changed circumstances, all parties agreed and committed to developing and marketing the on-site A-1 homeownership units as near in time as possible to the development of the A-1 rental units. The A-1 rental units were completed in November of 2007 and occupied; however, no homeownership units have been built due in part to the collapse of the real estate market. The parties remain committed to developing the units called for in the earlier court orders, both on-site and off-site, and believe that adding density to the area through the development of new rental properties, combined with ongoing efforts to improve and develop the area, will improve the area's prospects for a homeownership market. In response to the lack of Phase A-1 sales, the Developer re-assessed the market in the area and has redesigned its plans for the homeownership units. The Developer has also reduced the total number of homeownership units between Phase A-1 and Phase A-2 from 139 to 83 (so there are now 25 homeownership units planned for Phase A-1 and 58 for Phase A-2), in part as a result of the new designs, and in part to respond to changed market conditions. See Levin Affidavit, par. 6 & Exh. B. The Developer expects to begin marketing the

redesigned homeownership units in fall 2009, together with the for-sale units for Phase A-2. Additionally, the private market has remained engaged in constructing and rehabilitating homes in the vicinity of the phases constructed to date and proposed Phase A-2, which is an encouraging sign that the area's prospects for revitalization are improving. See Levin Affidavit, par. 10(f) & Exh. F.

The parties believe that excellent management and security are critical to maintain the viability of the development and improve the prospects for developing the planned for-sale units as soon as possible, as well as for maintaining residents' quality of life. Under the Agreement, the Developer will provide regular property management reports to the parties and meet with the parties about those reports. The Developer also has agreed to a plan for monitoring and handling security issues that arise, and CHA has committed to overseeing security and working with the Developer to address security issues as necessary.

C. Social Services -- The plaintiffs believe that competent provision of quality social services is integral to ensuring that as many class members as possible are able to meet the screening criteria at Legends South and crucial to help residents move toward self-sufficiency and maintain housing stability. The parties believe that stability among the rental population will have the further benefit of increasing the prospect of developing the planned for-sale units as soon as possible. CHA has a contract with a service provider through 2009 to provide pre-occupancy services to families who have expressed a preference for moving to the Robert Taylor redevelopment and anticipates issuing a RFP to

continue those services for 2010. It also has a contract with the Developer through February 2010 to provide services to families interested in moving to and subsequently residing at Legends South. Under the Agreement CHA will use its best efforts to continue its financial support for social services at Legends South through at least 2014. Further, the Developer has agreed to staff social service positions on an ongoing basis, and to enable meaningful evaluation of whether the services provided are meeting the needs of residents through providing regular reports on social services and meeting with the parties about those reports.

D. Metcalfe Park -- Metcalfe Park is situated between the first phase of on-site development, Phase A-1, and the proposed Phase A-2. The parties believe that Metcalfe Park has the potential to link the phases, reducing the isolation of each, and to be a significant community resource. Since the plaintiffs first raised concerns about Metcalfe Park in this Court, the City of Chicago has performed a substantial clean-up of the wooded area west of the Park, security has improved, and Legends South families have begun to use the Park. However, there is no Park District programming at Metcalfe Park and capital improvements are necessary. Consequently, under the Agreement, CHA and the Developer have committed to ongoing discussions with the Legends South Working Group and Park District officials about how to improve facilities and programming in the Park, and the Developer has committed to using its best efforts to facilitate activities in the Park.

E. Commercial Development -- Ongoing redevelopment has spurred planning for commercial development in the area. A new commercial development to be named "Metropolis" and anchored by a grocery store is planned for the northeast corner of 39th Street and State Street. The historic Overton Building at 36th Street and State Street has been renovated for office space for local businesses and organizations. See Levin Affidavit, par. 10(e). However, further commercial development in the immediate vicinity of Legends South is still desirable. Consequently, CHA and the Developer have committed to ongoing discussions about how to spur commercial development in the area with the Legends South Working Group and relevant City officials. The Developer has committed to participating in meetings about commercial development in the 3rd Ward, and to providing small scale commercial space within phases of Legend South subsequent to Phase A-2 (contingent upon market conditions and available financing).

F. Schools -- There have been positive developments related to the public schools in the Taylor vicinity in recent years. Bronzeville Lighthouse Charter School, serving Pre-Kindergarten through 5th grade, opened in September 2006 in the old Hartigan school building at the southeast corner of the Phase A-1 housing. While the school is open to children from across the city, a majority of the first class came from the Bronzeville neighborhood including Legends South. Two of the area high schools, Wendell Phillips and Dunbar Vocational, are targeted in the Gates Foundation \$21 million high school transformation project. The parties believe continued efforts to improve the local school options are critical to the quality of life of Legends south residents and for the long-term prospects of the hoped-for income mix for the

development. Consequently, in the Agreement CHA and the Developer have committed to ongoing discussions with the Legends South Working Group and Chicago Public Schools Officials on increasing good educational options for Legends South children. Additionally, the Developer has committed to efforts to keep Legends South parents informed of school options for their children.

14. While the plaintiffs and the Receiver do not believe the area proposed for A-2 can fairly be considered “revitalizing,” the parties agree that development of Phase A-2 should go forward, as it will further the purposes of the Judgment Order for the following reasons:

A. Quality Mixed-Income Housing -- The proposed 60 public housing units will offer members of the *Gautreaux* plaintiff class an opportunity to live in quality mixed-income housing. In addition to the 60 public housing units, Phase A-2 consists of 50 affordable rental units designated for households earning up to 60% of the area median income (up to \$60,300 for a family of four), and 28 market-rate rental units. See Levin Affidavit, par. 3. The proposed buildings will be privately owned and managed. See Levin Affidavit, par. 4.

B. Planned Robert Taylor Redevelopment -- As described above, the development of Phase A-2 rental units represents only a portion of the overall Taylor mixed-income redevelopment plan; with the authorization and construction of Phase A-2 of the Taylor redevelopment, there will be a total of 547 completed mixed-income residential units, 46 percent public housing, 37 percent affordable, and 17 percent market rate. Further, the parties believe the sum of this

development will facilitate remaining redevelopment. Approximately 1979 additional new mixed-income units are contemplated as part of the larger Taylor redevelopment effort, and the parties are hopeful that funding will ultimately be made available for this additional development. Approximately 33 percent of the total units will be public housing, 28 percent affordable rental, and 18 percent market rate rental. The remaining 21 percent of the new units will be a mix of affordable and market rate homeownership.

C. Development Prospects in the Surrounding Community -- As noted in the attached Affidavit, the Receiver believes that the proposed on-site Taylor redevelopment is located in an area whose redevelopment prospects are improving. The parties and the Receiver believe that the single greatest impediment to mixed-income development in the area had been the presence of the Robert Taylor public housing high rises between 39th and 55th Streets, and the nearby Stateway Gardens high-rise family public housing developments between 35th and 39th Streets, northwest of the site. See Levin Affidavit, par. 10(a). CHA relocated the residents and has now demolished all 28 Robert Taylor buildings and all eight of the Stateway Gardens buildings as well. Id. This demolition significantly enhances the area's revitalization prospects. The mixed-income redevelopment of Stateway Gardens, whose southern border is one block north of the Taylor A-1 redevelopment, is currently underway. The Stateway plan includes construction of a total of 1316 new housing units on the Stateway site and in the surrounding community. The first off-site phase ("Phase

1-A") of the Stateway redevelopment, The Pershing, at the northeast corner of State Street and 39th Street, was completed in August of 2005 and is occupied. The construction of the first on-site phase ("Phase 1-B") of the Stateway redevelopment began in January 2006 and is scheduled to be completed in October of 2009. This phase has been reconfigured and now consists of 159 units, 54 of which are designated as public housing and the remaining 105 of which are homeownership units, 25 affordable. The parties and the Receiver believe that the close proximity of both The Pershing development and the Stateway Phase 1-B development to the proposed Taylor redevelopment has contributed positively to the area's revitalization potential. The parties and the Receiver believe that, along with the developments previously authorized by the Court, the proposed development may further catalyze neighborhood development. See Levin Affidavit, par. 11. In addition to the demolition and redevelopment of Robert Taylor Homes and Stateway Gardens, there are public institutions and investment in the area, as well as community institutions, that enhance the prospects for the Taylor redevelopment. Id., par. 10(c).

D. Letter of Agreement -- The measures provided for in the Letter of Agreement are intended to ensure a high quality of life for residents of Legends South and to preserve the development's mixed income potential. Moreover, in developing these agreed measures, the parties, the Receiver and the Developer worked collaboratively to address their shared concerns and the parties and the Receiver believe the resulting strong working relationship will enable them to

continue to work together to address additional issues that may arise.

E. Locational Advantages -- The proposed development is approximately five miles from the heart of downtown Chicago and one mile from the City's lakefront. It is well-served by major streets and expressways. The Chicago Transit Authority's Red and Green lines stop several blocks from the proposed development site and offer passengers a quick ride to the Chicago Loop. A Metra stop is scheduled to be completed at 35th and Federal Streets in fall 2010 and will serve Legends South residents.

15. For the several reasons stated in paragraphs 13 and 14 above, the parties believe that the attached proposed order should be entered.

16. Because the 60 public housing units in Phase A-2 will be built as part of a new mixed-income development that serves as replacement housing for the Robert Taylor Homes, the parties also move to amend the current Tenant Assignment Plan to require that the public housing units in the A-2 development that is the subject of this motion be made available to eligible CHA families under CHA's Plan for Transformation, with a priority for families from the Robert Taylor development. If there are no such eligible CHA families relocating under the Plan for Transformation available to occupy the units, such units shall be made available to families on the CHA public housing waiting list. The Tenant Assignment Plan otherwise approved by this Court and binding on the CHA would provide CHA relocatees with only one-quarter of these new public housing units. In similar circumstances, the Court has modified the CHA Tenant Assignment Plan to permit CHA relocatees access to these newly developed units. See,

this Court's orders of March 24, 2003 (involving the Lakefront redevelopment); August 5, 2003 and August 22, 2005 (regarding the Rockwell Gardens redevelopment); December 16, 2003 and November 21, 2005 (regarding the Stateway Gardens redevelopment) and March 26, 2004, April 17, 2006, and November, 6, 2007 (regarding the Robert Taylor Homes redevelopment).

WHEREFORE, the parties, with the support of the Receiver, move that the Court enter the attached order.

/s/ Julie Elena Brown

One of the Attorneys for Plaintiffs

/s/ Scott Ammarell

One of the Attorneys for the CHA

Date: July 21, 2009

SCOTT AMMARELL
General Counsel
Chicago Housing Authority
60 East Van Buren Street, Suite 1200
Chicago, IL 60605
(312) 913-7050

THOMAS E. JOHNSON
Johnson, Jones, Snelling, Gilbert & Davis
36 South Wabash Avenue, Suite 1310
Chicago, IL 60603
(312) 578-8100
Attorneys for the CHA

Alexander Polikoff
Julie Elena Brown
Business and Professional People for the Public Interest
25 East Washington Street, Suite 1515
Chicago, IL 60602
(312) 641-5570
Attorneys for Plaintiffs

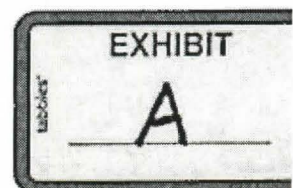
IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

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

AFFIDAVIT OF DANIEL E. LEVIN

Daniel E. Levin, being first duly sworn on oath, states:

- 1) Pursuant to a 1987 order of the Court of the Northern District of Illinois, as amended by a 2002 order substituting The Habitat Company LLC for The Habitat Company, in Dorothy Gautreaux, et al v. Chicago Housing Authority, et al, Daniel E. Levin, and The Habitat Company LLC, jointly, as Receiver have and exercise all power of the Chicago Housing Authority ("CHA") respecting the development of CHA new, non-elderly public housing.
- 2) The Receiver, CHA, the Gautreaux plaintiffs, a private development company (Brinshore-Michaels), Robert Taylor residents and others have developed plans to construct the next on site phase ("Phase A2") of the Robert Taylor Homes redevelopment effort. The Robert Taylor site has been renamed "Legends South". Legends South Phase A2 will create an opportunity for members of the Gautreaux plaintiff class to live in a mixed-income housing development. The Phase A2 site is bounded by 43rd Street to the north, 45th Street to the south, State Street to the east, and Federal Street to the west.
- 3) Exhibit A is the proposed site plan for Phase A2. Phase A2 will consist of 138 total rental units, including 60 public housing units, which will be scattered throughout the site, 50 affordable units, and 28 market rate units. Of the 60 public housing units, 8 will be one-bedroom units, 25 will be two-bedroom units, 20 will be three-bedroom units, and 7 will be four-bedroom units. The affordable rental units will be for families with incomes up to 60% of the area median income ("AMI"). The annual income for a family of one at 60% AMI is \$42,200 and for a family of four is \$60,300. Phase A2 will also consist of 58 for-sale units, including 12 affordable for-sale units and 46 market rate for-sale units.
- 4) Phase A2 Rental is to be privately owned and managed by Legends A-2, LLC, a limited liability company affiliated with the developers, Brinshore Development Company and Michaels Development Company ("Brinshore-Michaels"). Brinshore-Michaels is implementing the larger Robert Taylor redevelopment, including Phases C1, C2, and A1. This creates an enormous incentive to provide high quality management and maintenance at Phase A2 Rental.



- 5) Because this plan includes the construction of 60 new non-elderly public housing units, it requires the Court's authorization. For the reasons noted below, the Receiver believes such authorization is merited.
- 6) **Revised On Site Redevelopment Plan.** Exhibit B is a table with the previous on site unit mix and the proposed on site unit mix for Phases A1 and A2. The essential difference is the change in the number of for-sale units. Due to a lack of sales that have been further exacerbated by the national recession and national and citywide decline in home sales, Brinshore-Michaels has revised its plans for the for-sale units. It has re-assessed the market in the Legends South area and made several adjustments, including focusing on single-family and two-flat building types, which are more desirable, and lowering prices. The focus on less dense building types has led to a reduction of 56 units in the total number of for-sale units for Phases A1 and A2, from 139 for-sale units to 83 for-sale units. Besides being a function of the change to less dense building types, the reduction in the number of for-sale units is also a response to market conditions in a manner that the Receiver considers to be responsible and feasible.
- 7) **For-Sale Marketing Plan.** Brinshore-Michaels plans to market the Phase A1 and Phase A2 for-sale units together. The building types and prices will be the same for both sites. Depending upon improved market conditions, Brinshore-Michaels is prepared to re-launch its marketing campaign in fall 2009, including signage, a website, and direct mailers. Based upon the response to the marketing effort, Brinshore-Michaels is prepared to build a model home in spring 2010.
- 8) **Property Management and Social Services.** Because sales of the homeowner units will lag behind the rental units for an indefinite period due to current market conditions, good management of the rental units and the availability of social services are essential. Brinshore-Michaels, the Gautreaux plaintiffs, CHA, and the Receiver have held a number of discussions regarding property management and social services at Legends South. The results of those discussions are embodied in the Letter Agreement that is an exhibit to the motion for a waiver. The Receiver endorses the Letter Agreement and will continue to work with the parties on these issues. Important elements of Brinshore-Michael's approach to property management are the management office/community center buildings that are an integral part of each Legends South phase. The 4,000 square foot management office/community center that is part of Phase A1 has become a focal point for the Legends South community and the larger community. A similar management office/community center is planned as part of Phase A2. The second rendering of Exhibit C shows the 5,200 square foot Phase A2 management office/community center.
- 9) **Status of Robert Taylor Redevelopment.** Phase A1 Rental, which is on site, was completed in November 2007. It consisted of 181 total rental units, including 83 public housing units, 68 affordable units, and 30 market rate units. Phases C1 and C2 are off site. Phase C1 was completed in November 2005. It consisted of 110 total rental units, including 54 public housing units, 44 affordable units, and 12 market rate units. Phase C2 was completed in February 2009. It consisted of 117 total rental units, including 52 public housing units, 43 affordable units, and 22 market rate units.

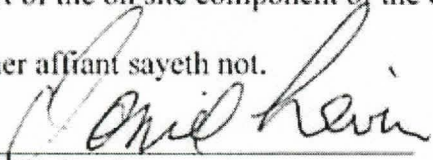
10) **Neighborhood Improvements.** The area around Legends South has shown some signs of improvement in recent years. Outlined below are factors that the Receiver believes are likely to attract higher income renters and owners and make it desirable that the 60 Phase A2 public housing units be developed:

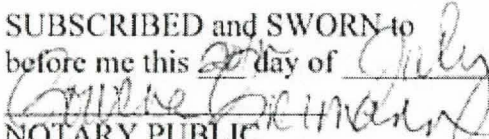
- a. **Robert Taylor and Stateway Gardens Demolition.** The single greatest impediment to mixed-income development in the area surrounding the Phase A2 site had been the presence of the Robert Taylor and the nearby Stateway Gardens high-rise family public housing developments. All twenty-eight of the Robert Taylor buildings and all eight of the Stateway Gardens high-rise buildings have been demolished. This demolition significantly enhances the area's revitalization prospects.
- b. **Location Advantages.** Legends South is in a prime location in the City of Chicago. It is less than five miles from downtown Chicago and a little more than a mile from the lakefront. The area is served by the CTA's red and green lines, the Dan Ryan expressway and Lake Shore Drive, and several major streets, including State Street itself.
- c. **Public Institutions and Investment.** The following is a list of some of the public institutions and investments in the area: (1) the headquarters for the Chicago Police Department at 35th Street and Wabash Avenue, (2) the Bronzeville Military Academy at 35th Street and Giles Street, (3) the Dawson Technical Institute (one of the Chicago City Colleges) at 39th Street and State Street, (4) King Magnet High School at 41st Street and Drexel Boulevard (renovated and designated as a college preparatory magnet school with new programs), and (5) the historic Chicago Bee Building at 37th Street and State Street, which was rehabilitated and reopened as a branch library, (6) the Bronzeville Lighthouse Charter School at Root and State Streets, (7) Dunbar Vocational Career Academy and Wendell Phillips High School, which are among the schools targeted for the Bill and Melinda Gates Foundation \$21 million high school transformation project, (8) the City of Chicago's planned median and streetlight and sidewalk improvements for State Street starting at 35th Street, and (9) Metra broke ground on June 29, 2009 on a new commuter rail station at 35th and Federal Streets, which is scheduled to be completed in fall 2010.
- d. **Community Institutions.** There are two anchor community institutions within ½ mile of Legends South – the Illinois Institute of Technology ("IIT") and U.S. Cellular Field, home of the Chicago White Sox major league baseball team. IIT has embarked on a major capital program, including new dormitories and other campus facilities.
- e. **Commercial Development.** A new shopping center is planned on the southwest corner of 39th Street and State. This site is at the northernmost end of the Legends South site. It will be anchored by a new Roundy's full-service grocery store. The historic Overton Building at 36th Street and State Street has been renovated for office space for local businesses and organizations. Ground floor retail space is part of the Park Boulevard development at 35th and State Streets. Stores include a Starbuck's and a FedEx Kinko's.
- f. **Residential Development.** In the last few years there has been other private sector residential development activity in the area near Legends South, including both new

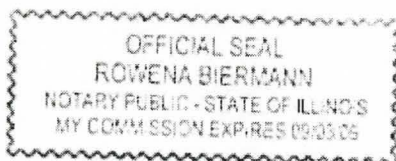
construction and the rehabilitation of existing buildings. Exhibit F consists of several examples. However, other private activity in the area has slowed in recent months along with the slowdown of residential activity citywide.

- 11) Despite the signs of revitalization in the community, the Receiver does not believe that the Legends South area can yet be designated as "revitalizing". While conditions in the surrounding community have improved, the Legends South area has not yet experienced the level of improvement on which our support for previous revitalizing area designations was, in part, based. Private reinvestment in the area, while increasing, has been more limited and dispersed than in those neighborhoods found to be "revitalizing", and the area in which the new public housing units are proposed to be developed contain a number of run-down commercial establishments, empty buildings, and vacant lots. However, the Receiver believes that Legends South Phases A1, C1, and C2 have been a positive and stabilizing force in the community, and that the proposed Phase A2 will significantly add to the stabilization of the community and will spur further neighborhood revitalization activity. Legends South A2 will also provide continued relief for members of the Gautreaux plaintiff class.
- 12) For the reasons stated above, the Receiver supports the Joint Motion seeking a waiver to authorize development of 60 public housing units as part of Legends South Phase A2, which is part of the on site component of the overall Robert Taylor Homes redevelopment effort.

Further affiant sayeth not.


Daniel E. Levin

SUBSCRIBED and SWORN to
before me this 20th day of July, 2009

NOTARY PUBLIC



List of Exhibits

Exhibit A – Legends South Phase A2 Site Plan

Exhibit B – Legends South Phases A1 & A2 Unit Mix

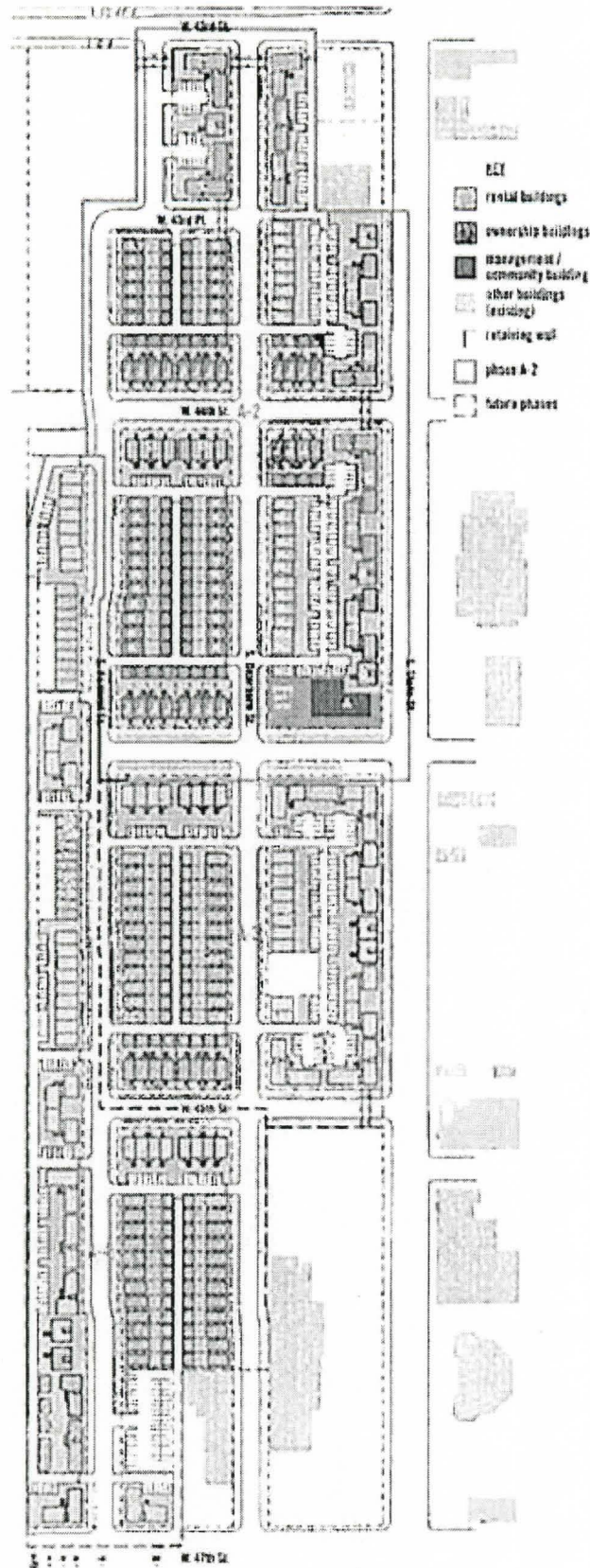
Exhibit C – Legends South Phase A2 Renderings

Exhibit D – Legends South Phase A1 Site Plan

Exhibit E – Legends South Phases C1 & C2 Site Plan

Exhibit F – Other Private Residential Development

Exhibit A



Legends South A2

Exhibit B

Legends South On Site

Phase A1 -- Previous Unit Mix

Type	Rental	For Sale	Total	%
CHA	83	0	83	35%
Affordable	68	0	68	29%
Market Rate	30	57	87	37%
Total	181	57	238	100%
%	76%	24%		

Phase A2 -- Previous Unit Mix

Type	Rental	For Sale	Total	%
CHA	60	0	60	27%
Affordable	50	12	62	28%
Market Rate	28	70	98	45%
Total	138	82	220	100%
%	63%	37%		

Phase A1 & A2 -- Previous Unit Mix

Type	Rental	For Sale	Total	%
CHA	143	0	143	31%
Affordable	118	12	130	28%
Market Rate	58	127	185	40%
Total	319	139	458	100%
%	70%	30%		

Phase A1 -- Proposed Unit Mix

Type	Rental	For Sale	Total	%
CHA	83	0	83	40%
Affordable	68	0	68	33%
Market Rate	30	25	55	27%
Total	181	25	206	100%
%	88%	12%		

Phase A2 -- Proposed Unit Mix

Type	Rental	For Sale	Total	%
CHA	60	0	60	31%
Affordable	50	12	62	32%
Market Rate	28	46	74	38%
Total	138	58	196	100%
%	70%	30%		

Phase A1 & A2 -- Proposed Unit Mix

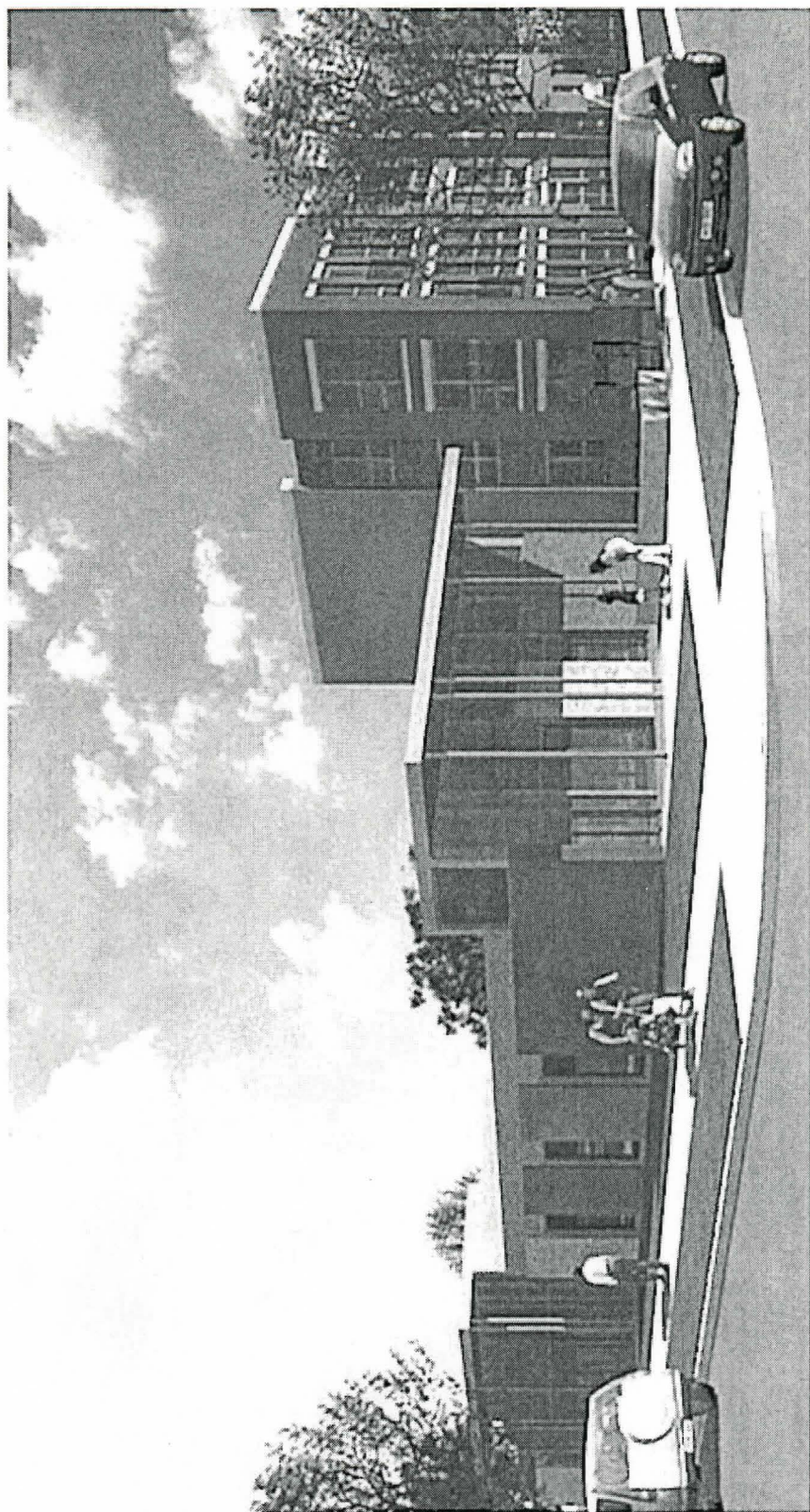
Type	Rental	For Sale	Total	%
CHA	143	0	143	36%
Affordable	118	12	130	32%
Market Rate	58	71	129	32%
Total	319	83	402	100%
%	79%	21%		

Exhibit C

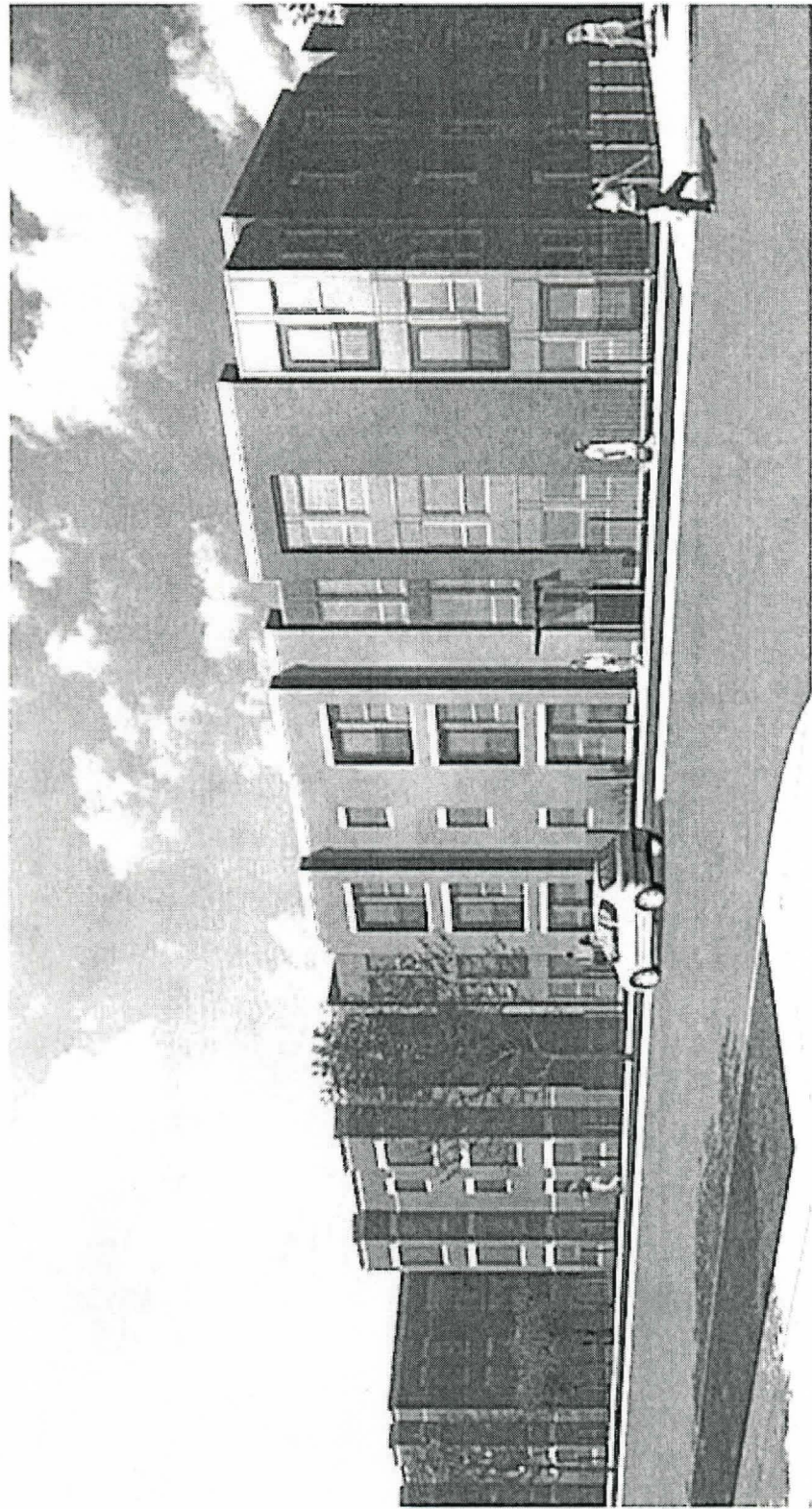
LEGENDS SOUTH - PHASE A2



BMT-I, LLC
LONDON BONE BAKER ARCHITECTS
BROOK ARCHITECTURE, INC.

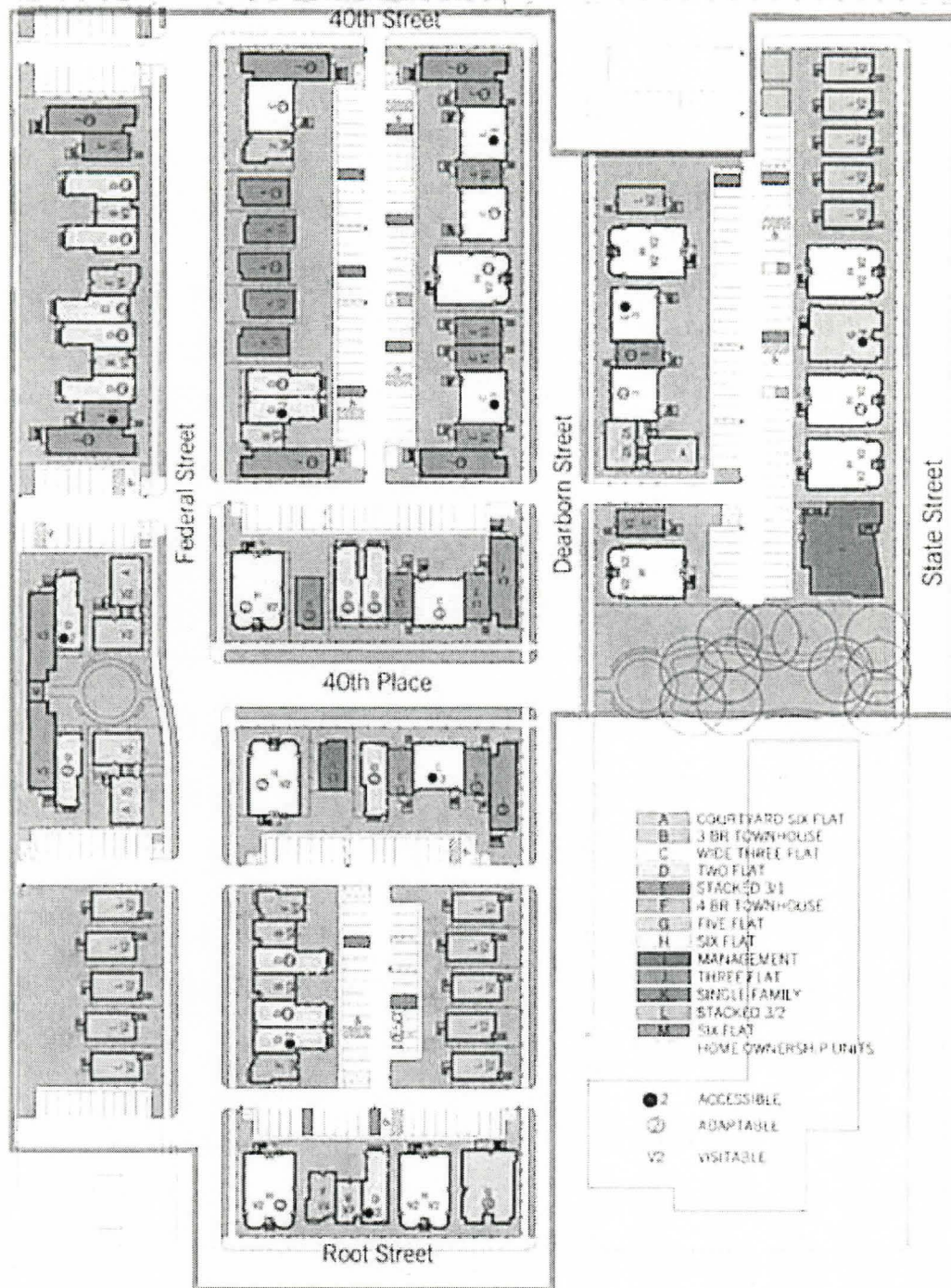


Corner of 45th St. and State St. Looking North West



Corner of 44th St. and State St. Looking South West

Exhibit D

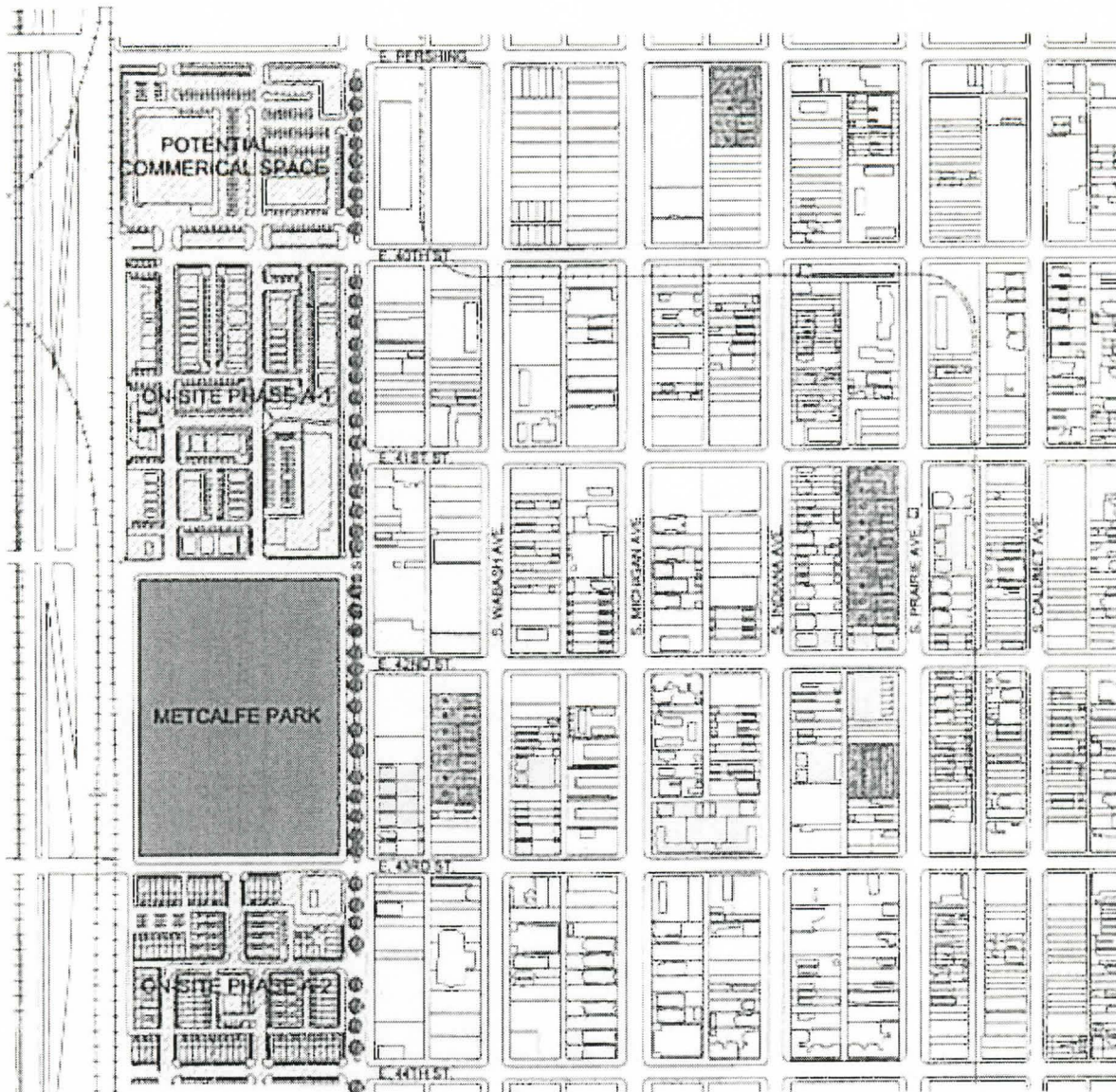


Robert Taylor Homes
 HOPE VI REVITALIZATION PLANS
 Neighborhood A-1 On-Site
 February 2, 2005
 BMT-I, LLC

LONDON BONE BAKER ARCHITECTS
 311 West Madison Street Chicago, IL 60601-1100

Prepared for: Robert Taylor Homes
 311 West Madison Street Chicago, IL 60601-1100

Exhibit E



RENTAL C-1 OFF-SITE PHASE OF ROBERT TAYLOR HOMES MAHALIA PLACE



RENTAL C-2 WASHINGTON PARK PROPOSED SITES

A - 3 FLAT B - WIDE 3 FLAT C - 5 FLAT D - 6 FLAT E - 15 FLAT F - 12 FLAT G - TOWNHOUSE

Brinshore-Michaels

LEGENDS SOUTH PHASE C-2

171 SOUTH WASHINGTON AVENUE SUITE 310 CHICAGO, IL 60604 TEL: 312.467.8125 FAX: 312.467.4481
MAR 2010 300

Johnson & Lee ARCHITECTS



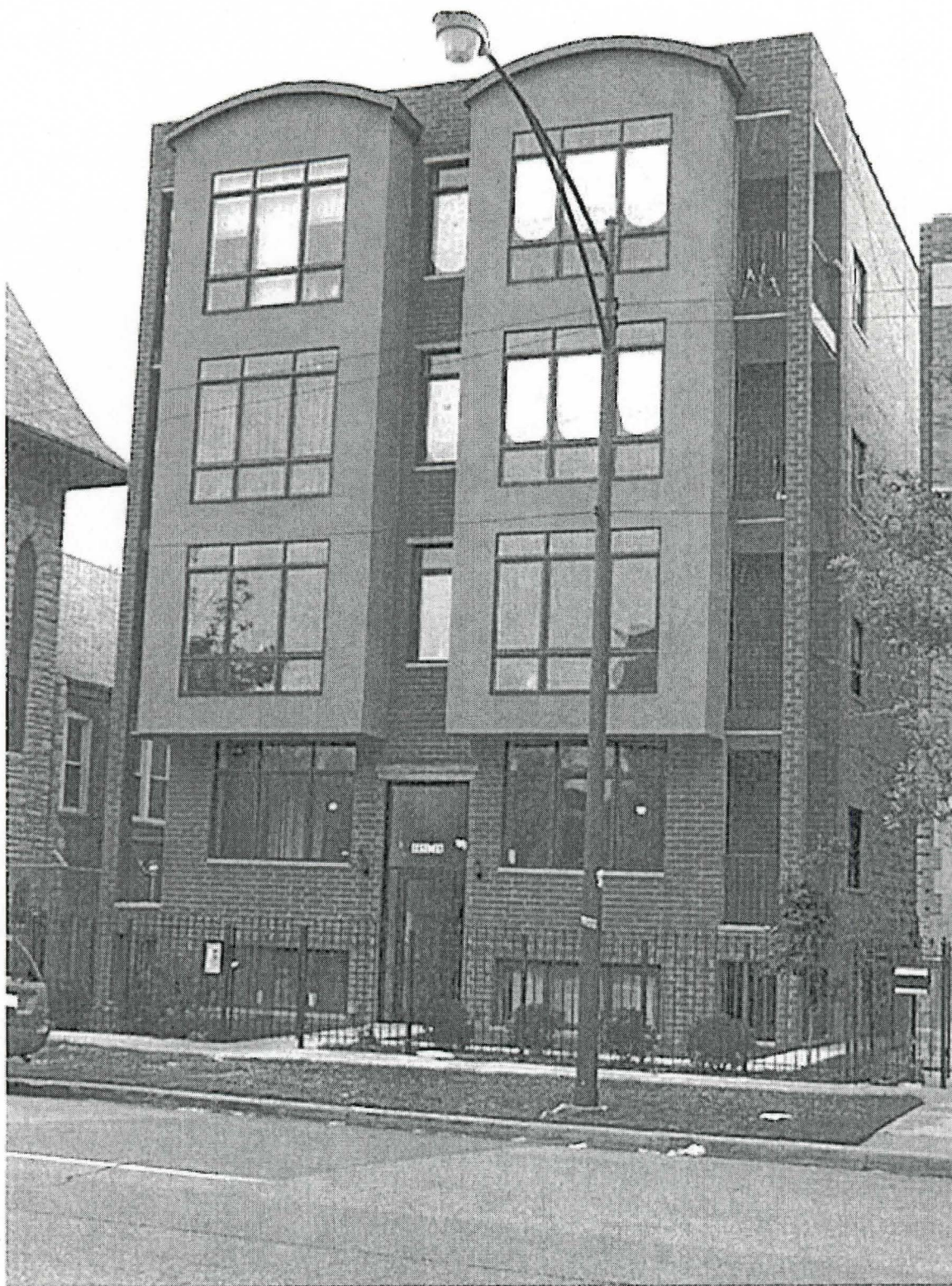
Exhibit F



4418-20 S. Indiana Avenue



4412 S. Indiana Ave.



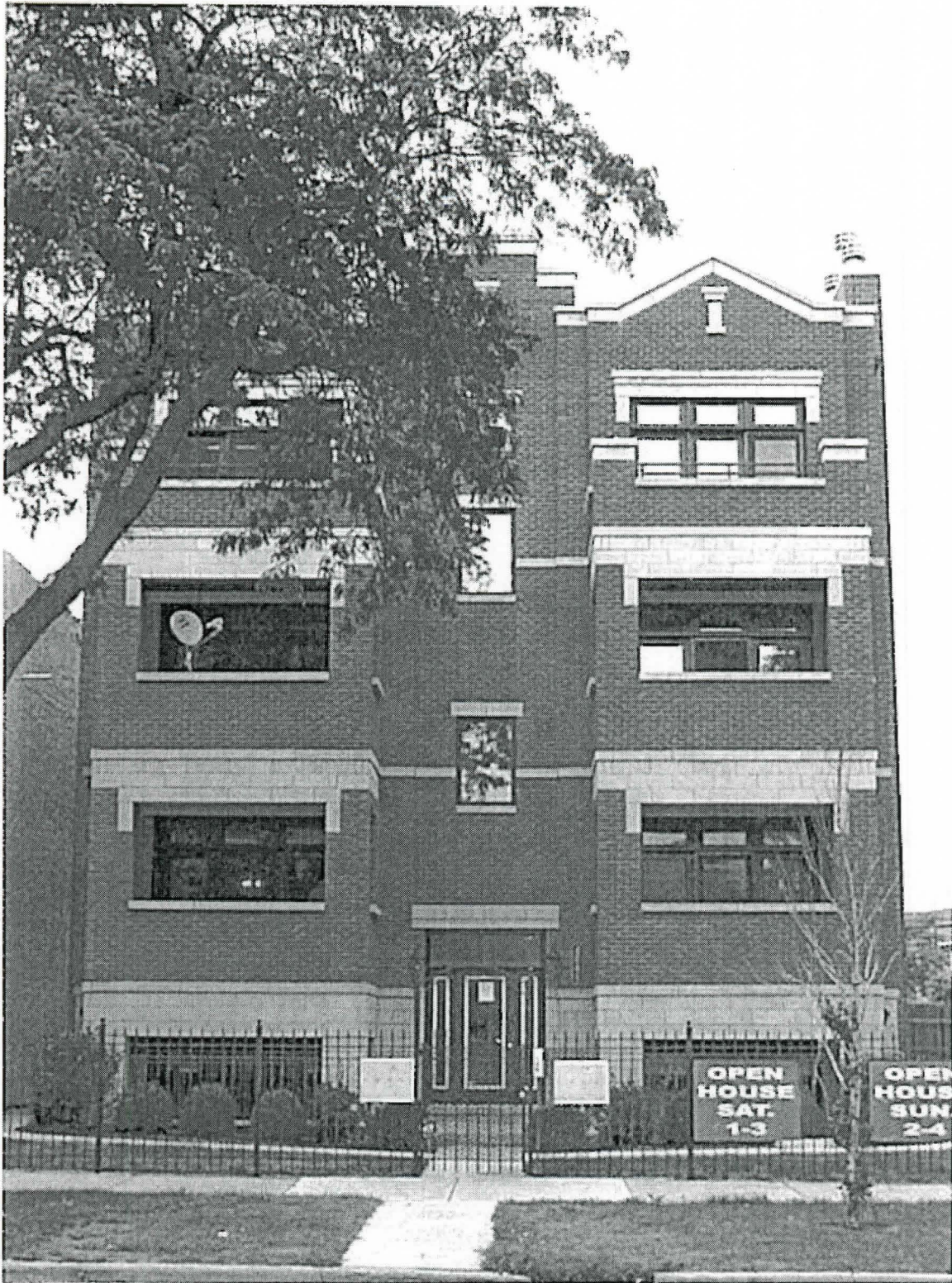
4417 S. Indiana Avenue



4533-35 S. Indiana Avenue



4515-17 S. Michigan Avenue



4041 S. Michigan Avenue



4051-53 S. Michigan Avenue



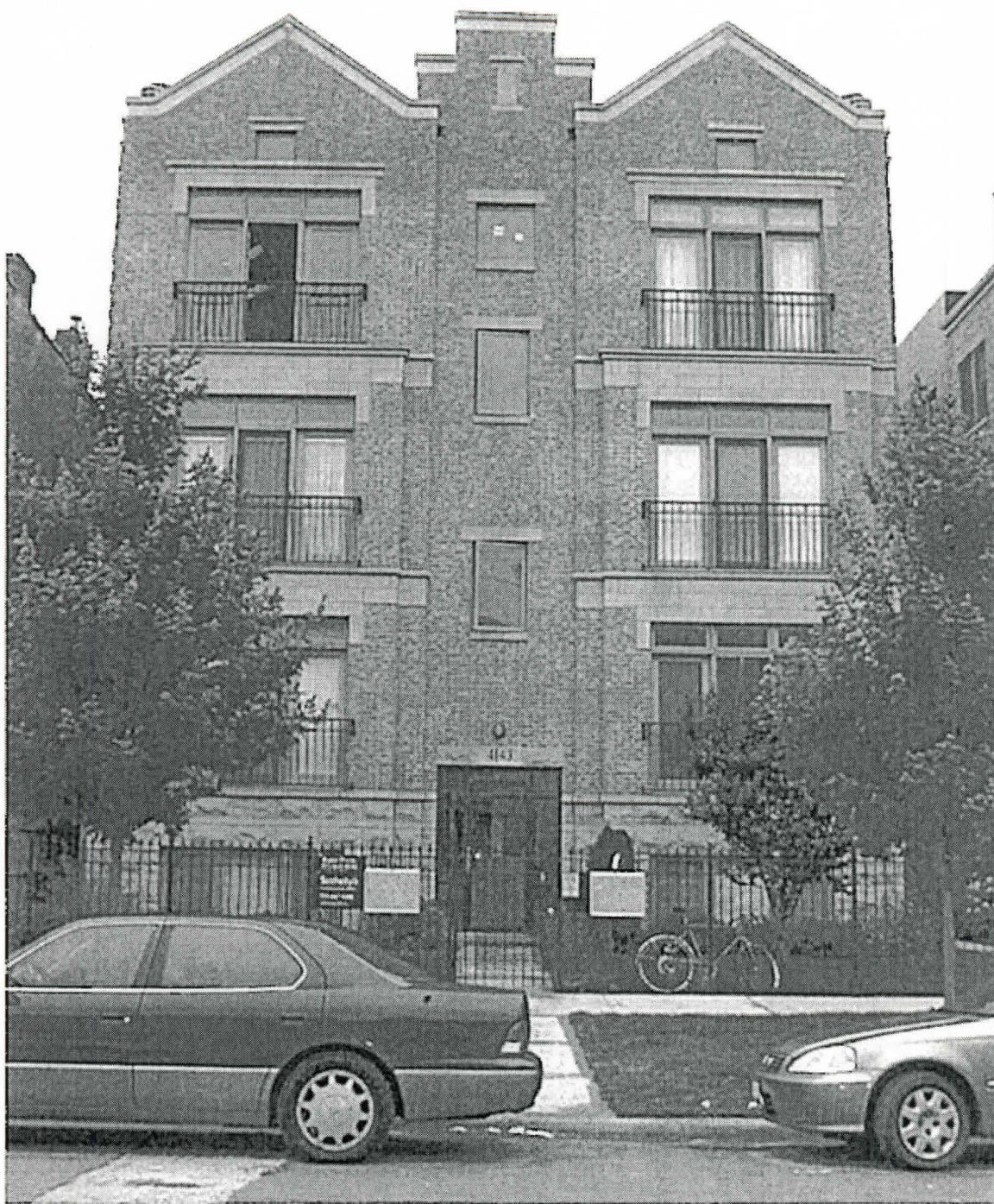
4057 S. Michigan Avenue



4527 S. Prairie Avenue



4644-46 S. Michigan Avenue



4143 S. Wabash Avenue



4145 S. Wabash Avenue



4424 S. Indiana Avenue



4131 & 4133 S. Wabash Avenue



**BUSINESS AND PROFESSIONAL PEOPLE
FOR THE PUBLIC INTEREST**

25 East Washington Street
Suite 1515
Chicago, Illinois 60602
(312) 641-5570
Fax (312) 641-5451

July 20, 2009

President

Vice President

Secretary

Treasurer

Executive Director

DIRECTORS

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

Ms. Whitney Weller
BMT-I, LLC
666 Dundee Road, Suite 1102
Northbrook, IL 60062

Scott Ammarell
General Counsel
Chicago Housing Authority
60 East Van Buren Street, 12th Floor
Chicago, IL 60605

**Re: Letter of Agreement regarding Robert Taylor Redevelopment /
Legends South**

Dear Whitney and Scott:

This Letter memorializes agreements reached among the Chicago Housing Authority, BMT-I, LLC (Brinshore-Michaels), and the Gautreaux plaintiffs regarding measures that Brinshore-Michaels and the Chicago Housing Authority (CHA) will undertake to support a high quality of life for residents of, and to improve the prospects for achieving the mixed-income goal for, Legends South, in anticipation of a request to Judge Aspen to authorize the development of sixty additional units of public housing as part of Phase A-2 of Legends South.

The agreement is the result of discussions involving Brinshore-Michaels, CHA, The Habitat Company as Gautreaux Receiver, and the Gautreaux plaintiffs, begun out of shared concerns about the effect of the economic downturn and the collapse of the real estate market on the prospects for mixed-income development at Legends South. In particular, the discussions addressed the inability, so far, to develop the for-sale component of the Legends South plan, with the result that Legends South is for now, and will be for at least some period into the future, a low- to moderate-income rental community, without the full mix of incomes and tenure types originally envisioned by the parties and the Gautreaux Court. The signatories believe that the agreed-upon measures will help to ensure Legends South's viability as a well-working community and preserve the potential to meet the mixed-income objective of the prior *Gautreaux* orders authorizing its development.

EXHIBIT

B

AGREEMENTS

1. Social Services Commitments, Quarterly Services Reports, and Meetings on Services

The undersigned agree that social services and community programming will be crucial to help residents move toward self-sufficiency and maintain housing stability, especially while Legends South continues as a one hundred percent rental development and there is little economic activity in the area. Some level of services will always be necessary to help new families adjust and to address crisis situations. Regular reporting and meetings on social services will enable meaningful evaluation of whether the services provided are meeting the needs of residents.

(a) Social Services

- Brinshore-Michaels will staff three social service positions, one full-time Social Service Coordinator (SSC) and one full-time Computer Facilitator for Phases A-1 (Hansberry Square), C-1 (Mahalia Place) and C-2 (Coleman Place) of Legends South, and one part-time service provider who will assist with social service delivery and oversee computer center operations and programming for Phase A-2. As additional phases are completed, or sooner if necessary, the part-time service provider position will increase to a full-time position and a separate computer facilitator position will be added. All of the above positions will be funded in part, or in full if CHA is unable to provide funding, out of the operating budget for the development.
- The SSCs' responsibilities will include, for all Legends South residents and in addition to other responsibilities, outreach, referrals to "outside" services as needed, organizing community building programs and events, and establishing and maintaining partnerships with others for collaboration on resident services.
- CHA has a contract with Brinshore-Michaels to provide Community and Supportive Services to families with a preference for moving to Legends South through February 2010 and a contract with Centers for New Horizons to provide FamilyWorks services to the Mid-Southeast region, including Legends South, through 2009. CHA anticipates issuing a RFP to continue the FamilyWorks services in 2010 that will include Mahalia Place, Hansberry Square, and Coleman Place in its target population.
- CHA will use its best efforts to continue its financial support for social services at Legends South through at least 2014.

(b) Quarterly Services Reports

- Brinshore-Michaels will provide quarterly services reports on all occupied phases of Legends South to the Gautreaux plaintiffs, CHA, and the Receiver. These reports will be in an agreed-upon narrative format and cover residents' service needs and the services provided, including such elements as:
 - a description of the most significant service needs among residents (e.g. services regarding employment, mental health, domestic violence, substance abuse etc.);
 - the services and programming actually being used by residents, and whether there are gaps between needs for and available services;
 - how management is addressing the situation of particularly troubled families;
 - whether children and youth in the development are in school, well supervised when not in school, participating in after school programs or work, etc.; and
 - significant challenges or successes for the quarter.
- These reports will be prepared in such a way as to protect the confidentiality of families and individuals, while still providing sufficient information to evaluate the effectiveness of the services being provided.

A sample quarterly services report is attached to this letter (Attachment A).

(c) Meetings on Services

- During the first year of this agreement, and thereafter if deemed useful by the undersigned, the Gautreaux plaintiffs, CHA, Brinshore-Michaels, and the Receiver will meet quarterly to review and discuss the quarterly services reports. The Gautreaux plaintiffs, CHA, Brinshore-Michaels, and the Receiver will collectively use the reports to identify issues for further discussion.
- CHA and Brinshore-Michaels will develop a means for assessing whether the services provided to residents, both in house and through other agencies, are meeting the needs of residents, including helping residents move toward self-sufficiency and maintain housing stability.

2. Quarterly Property Management Reports and Meetings

The undersigned agree that excellent management will play an important role in maintaining the viability of the Legends South development and preserving its mixed-income potential. Regular property management reports to the Gautreaux plaintiffs, CHA, and the Receiver will provide a picture of the development's health.

- Brinshore-Michaels will provide quarterly property management reports to the Gautreaux plaintiffs, CHA, and the Receiver. These reports will consist of a narrative portion and two charts, as described below.
 - The narrative portion of the report will discuss important current successes (e.g. low turnover rates, resident participation in management-initiated events, resolution of a security issue) and concerns (e.g. security problems, lease compliance issues, reasons for evictions, maintenance issues, problems with neighbors getting along, etc.).
 - One chart will provide information on occupancy, length of vacancies and numbers of evictions.
 - A second chart will provide information on residents' lease compliance status, employment (including retention data), income and rent.
- During the first year of this agreement, and thereafter if deemed useful by all of the undersigned, the Gautreaux plaintiffs, CHA, Brinshore-Michaels, and the Receiver will meet quarterly to review and discuss the quarterly property management reports. The Gautreaux plaintiffs, CHA, Brinshore-Michaels, and the Receiver will collectively use the reports to identify issues for further discussion.

A sample property management report, including a narrative and both charts, is attached to this letter (Attachment B).

3. A Security Plan and Commitment

The undersigned acknowledge that security issues at Legends South have been limited to date, but recognize that to help ensure residents' quality of life and preserve the mixed-income potential of Legends South there must be a plan for and commitment to monitoring and handling security issues.

- Brinshore-Michaels will develop and implement an ongoing security plan that includes maintaining incident logs to track crime on the property, maintaining security cameras in all buildings, encouraging residents to report crime to 911 and the management office, encouraging law enforcement personnel to live at Legends South, maintaining ongoing communication with the police (including attending CAPS meetings and other meetings to resolve recurring security problems), hiring private security as needed, and other measures that will proactively and effectively address security problems.
- CHA will oversee security at Legends South and work with Brinshore-Michaels to help address security issues as necessary.

4. Washington Park Homes

The undersigned agree that rehabilitation of the Washington Park low-rises in the vicinity of Hansberry Square and Phase A-2 should be completed promptly so as to avoid any negative impact on the quality of life for Legends South residents or the future viability of the Legends South development. At the time of the previous waiver order, several of the low-rise Washington Park buildings in the area had still not been rehabilitated and were a blight on the community. Since then, CHA has made significant progress on rehabilitation. However, there are presently four sets of rowhouses in the vicinity of Hansberry Square and Phase A-2 (39th/Calumet/47th/State) that remain to be rehabilitated.

- CHA has scheduled, and will use its best efforts to complete, rehabilitation of these low-rises as follows:
 - 4010-24 S. Wabash – Work began on *April 15, 2009* and is scheduled to be completed by *December 31, 2009*;
 - 4023-29 S. Wabash – Work began on *April 15, 2009* and is scheduled to be completed by *December 31, 2009*;
 - 4033-43 S. Wabash – Work began on *April 15, 2009* and is scheduled to be completed by *December 31, 2009*; and
 - 4417-27 S. Wabash – Work is scheduled to begin in *2010*.

5. Metcalfe Park

The undersigned agree that Metcalfe Park, situated between the first phase of on-site development, Hansberry Square, and Phase A-2, has the potential to link the two phases, reducing the isolation of each, and to be an important community and recreational space for residents of the developments. While improving the Park will involve other parties, including The Chicago Park District, the City, the Alderman and the community, the undersigned agree to work together to move improvement of the Park forward, including, but not limited to the following actions:

- CHA will include Metcalfe Park as an item for discussion on the Working Group agenda at least once per quarter.
- CHA will use its best efforts to facilitate continuing discussions between stakeholders at Legends South and the Chicago Park District regarding improved recreational opportunities in the area proximate to the Legends South Development, including attempting to schedule meetings with appropriate officials of the Park District on at least a bi-annual basis to discuss issues of concern.
- Brinshore-Michaels has obtained a commitment from the Chicago Park District's Area Manager, Harold Bailey, to collaborate with the Legends South Working Group on a monthly basis to plan and implement programs and capital

improvements at Metcalfe Park and Taylor Park. Potential programming ideas include basketball and other sports leagues and tournaments, fitness classes, after school programs, and other activities to keep youth engaged.

- Brinshore-Michaels will use its best efforts to facilitate at least two annual family-oriented activities, such as movie nights or barbeques, in Metcalfe Park.
- CHA and Brinshore-Michaels will advocate for the Chicago Park District to create an advisory council for Metcalfe Park and to appoint a Legends South representative as a member.

6. Economic Development

The undersigned recognize the critical nature of economic development to the success and sustainability of new residential development, to the residents' quality of life, and to the attraction and retention of residents. Economic development in the vicinity of Legends South has been slow, leaving the residential development relatively isolated. While improving economic development is primarily the function of other parties, the undersigned believe that they can play a useful role. To that end:

- CHA will include economic development as an item for discussion on the Working Group agenda at least once per quarter.
- CHA will use its best efforts to facilitate continuing discussions between stakeholders at Legends South and the Department of Community Development regarding improved employment and retail opportunities in the area proximate to the Legends South Development, including attempting to schedule meetings with appropriate officials of the Department of Community Development on at least a bi-annual basis to discuss issues of concern.
- CHA and Brinshore-Michaels will encourage the City's Department of Community Development mid-south economic development staff to attend and actively participate in the Working Group on a monthly basis.
- CHA and Brinshore-Michaels will encourage the participation in the Working Group of the 3rd Ward Alderman, or her designee, and request regular updates to the Working Group on proposed developments and economic goals within the 3rd Ward.
- Brinshore-Michaels will work with the City of Chicago, the 3rd Ward Alderman and local developers to identify and implement economic development opportunities for the Legends South community.
- Brinshore-Michaels will attend any focus groups, forums or other gatherings that are convened about economic development in the 3rd Ward.

- Brinshore-Michaels agrees, contingent upon market conditions and available financing, to providing small scale commercial space within phases of Legends South subsequent to Phase A-2, specifically along State Street.

7. Quality Neighborhood Schools

The undersigned recognize that quality neighborhood schools are critical to the quality of life of the families living in Legends South, and for the long-term viability of the development. Although improving neighborhood schools will involve other parties, in particular Chicago Public Schools, the undersigned agree to work together to improve neighborhood schools, including but not limited to, the following:

- CHA will include neighborhood schools as an item for discussion on the Working Group agenda at least once per quarter.
- CHA will use its best efforts to facilitate continuing discussions between stakeholders at Legends South and the Chicago Public Schools regarding improved educational opportunities in the area proximate to the Legends South Development, including attempting to schedule meetings with appropriate officials of Chicago Public Schools on at least a bi-annual basis to discuss issues of concern.
- Brinshore-Michaels will continue to have an open dialogue on a regular basis with the Chicago Public Schools in order to improve the academic opportunities in and around Legends South and will keep CPS informed of progress on Phase A-2 and any subsequent phases of development.
- In order to make Legends South parents aware of the educational options that exist, Brinshore-Michaels will facilitate information sessions in which representatives of CPS and local schools are invited to present information and recruit Legends South children. During these sessions, to ensure that parents are aware of the best opportunities available for their children and understand the importance of being active participants in their educational process, Brinshore-Michaels will encourage parents to become involved in their children's schools by becoming members of the parent/teacher association and local school council.
- Brinshore-Michaels, with assistance from Business and Professional People for the Public Interest, will prepare information packets for parents on educational options for children.

8. Working Group Representation

The undersigned agree that the Legends South Working Group is an important vehicle for sustaining the viability of the Legends South development and is useful not only for overseeing the development process, but also for identifying and addressing issues that arise affecting the quality of life of the residents. To be most effective, the Working Group should include key stakeholders, including at least one resident of Legends South.

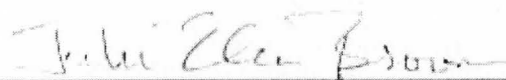
- CHA agrees to appoint at least one such resident to the Working Group by the end of August 2009.

Conclusion

The undersigned parties, having made the above agreements, will work together to sustain a high quality of life for the residents of Legends South, and to preserve the potential for development of for-sale housing at the earliest possible date.

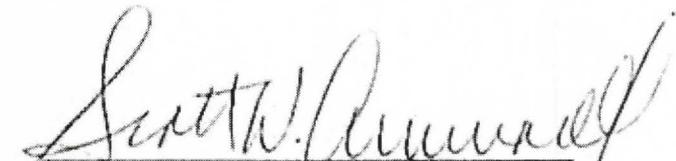
July 20, 2009

Signed,


One of the Attorneys for Plaintiffs

Alexander Polikoff
Julie Elena Brown
Business and Professional People for the
Public Interest
25 East Washington Street, Suite 1515
Chicago, Illinois 60602

Attorneys for Plaintiffs


Attorney for the Chicago Housing Authority

Scott Ammarell, General Counsel
Chicago Housing Authority, 12th Floor
60 East Van Buren Street
Chicago, Illinois 60605

Attorney for Defendant


Whitney Weller for BMT-I, LLC

BMT-I, LLC
666 Dundee Road, Suite 1102
Northbrook, IL 60062

Resident Services & Engagement

Resident Service Needs

Currently, due to the recession, we have many residents looking for help with employment, educational referrals, scholarship assistance, utility/rental assistance and resume help.

IRM/Social Service Provider Referrals

There have been 25 referrals made this quarter between the service providers and management team.

10 for neighbor disturbances/complaints; 2 for employment; 4 utility assistance; 5 housekeeping issues; 2 damaged units; and 2 unauthorized guests. These referrals are for all of Legends South.

Children Afterschool Program Participation

- There have been no truancy reports this quarter.
- Afterschool homework assistance & computer learning are available M -F from 3 -5 pm. There are 40 youth enrolled thus far.

Social Services Participation

- Residents have participated this quarter in the following activities, events and classes: Senior Wild Wednesdays; Big Hat Brunch (Mother's Day); Senior Breakfast; Senior Wellness Health Workshops; Senior Committee meetings; Resident Meet & Greet (2); Resident Management Meeting; GED informational meeting; Job Corp informational meeting; Computer Certification Class; After School programming; Kappa League (mentoring); Peer Jury (2nd District Police); Fire Safety Workshop; Sample Party (resident chef of Mahalia Place).

Quarterly Challenges & Success

- This quarter we had three (3) residents (18+ years of age) gain employment by a preferred vendor of Interstate Realty Management which will last until late Fall. Five (5) residents (16 +) are current applicants to be employed by a second preferred vendor of IRM with a yet to be determined start date for their employment. Fifteen (15) teenage residents are currently applying for positions with Architreasures that will be for 6 weeks of compensated employment this Summer. Finally, six (6) residents, of which 3 are senior age, have completed computer certification classes and will have a graduation ceremony in June.

MONTHLY SITE REPORT

DATE: April - 2009

SITE: Hansberry / Legends South BY: R. Winfrey (Facilitator)

CURRENT PARTICIPANT STATISTICS	PERFORMANCE TO DATE
# currently enrolled <u>61</u> - participants who live on site <u>58</u> - average # of minors attending daily <u>25</u> # currently in job readiness training <u>5</u> # currently in computer skills enhancement <u>6</u> # currently referred for GED test <u>1</u> # currently in pre-GED training <u>2</u> # currently on waiting list for training <u>2</u> # seniors currently enrolled <u>22</u>	# enrolled for job preparation training <u>20</u> # of enrollees completing training <u>5</u> # job placements <u>2</u> - Full-time <u> </u> - Part-time <u>x</u> # job advancements <u>N/A</u> - Average wage at placement <u>10.00</u> - Job retention - # working at 90 days <u>N/A</u> # working toward GED <u>2</u> # GED's attained <u>N/A</u> # Pre-GED trainees enrolled <u>N/A</u> # Pre-GED trainees reaching skill goal <u>N/A</u>

CURRENT PARTNERS

Participant referral or funding sources:

Employers: ManPower Tech Reach Chicago, North Lawndale Employment, Mayors Office of Workforce Development, Turn Employment

Support Services: American Council on Education-GED, Ada McKinley-Office of College Preparation, Chicago Urban League- Adult Literacy, Tolton Adult Education

Volunteer assistance: 3 Adult

ACHIEVEMENTS / BREAKTHROUGHS

 { resident } success story attached.

CONCERNS / ASSISTANCE NEEDED

Software: We are currently having problems with PassKey. The program is working on the main computer however the sub computer stations only get a blue screen when logging on.

Hardware:

Other:

Please send to the Neighborhood Networks Coordinator no later than the 5th of each month. Copies should also go to the Vice President of Social Services, Director of Social Services, NN Coordinator, Vice President of Property, District Property Manager, Site Manager.

SOCIAL SERVICES MONTHLY ACTIVITY SHEET

Site: Legends South
For the Month of: April 2009
Staff: Angela Reese

City: Chicago
Title: Social Service Coordinator

1. Number of office conferences with residents: 18 (incl. meetings)
2. Number of home conferences with residents: 1 (peer jury w/2nd Dist. Police)
3. Approximate number of telephone contacts with residents: 30
(primarily regarding summer employment availability)
4. Number of person-to-person conferences with other social service agencies/meetings 10
5. Approximate number of telephone contacts or referrals to other social service agencies: 11 (Kappa League/Caritas - Substance Abuse meeting)
6. Number of voters registered: 0
7. Number of recreational or educational programs held: 6
8. Did you complete your monthly newsletter? Yes x No
9. How many persons did you refer for substance abuse counseling or rehabilitation? 0
10. Special projects completed this month:
 - (1) Resident Social Service surveys cont. (Hansberry only)
 - (2) Sampling Party (Resident Chef - Mahalia Place)
 - (3) Kappa League (Male Mentoring)
 - (4) Attended Office of Civic Engagement Event at Univ. of Chicago

11. Other Comments:

1. Coordinated/Hosted Resident Post Occupancy meeting
2. Attended Legends South Management Meeting
3. Attended Legends South Working Group Meeting
4. Made site visits to each site re: Social Services available through IRM
5. Conducted 2 post occupancy meetings with management and CPF

Social Services Coordinator

#IR-377(5/02)

HANSBERRY SQUARE at LEGENDS SOUTH

Quarterly Report:

ACCOMPLISHMENTS

IRM has made significant progress by building a better bridge of communication with residents. The communication gap was an issue in the past and has since been rectified through the accessibility of the management staff. IRM hosts a resident/management meeting every Tuesday to encourage residents to voice their opinions directly to the site managers.

Over the winter Holidays, Hansberry experienced a number of consistent break ins, which led BMT/IRM to initiate a security program that covers the Legend South portfolio. The 2nd District Police also work closely with Legends South staff and residents. They have made themselves available to our needs and increased patrol of our properties. The residents are encouraged to attend the monthly CAPS meeting and several CAPS sponsored activities have taken place on-site which encouraged police/resident relationship building. Since initiating the roving security program there have been no break-ins, vandalisms, or thefts to report.

COMMUNITY AND SOCIAL SERVICES

IRM takes pride in working with the service providers as well as building strong relationships with our residents. IRM takes an individual approach to each tenant, depending on their needs and wants. IRM as a company offers a variety of programming and assistance for all of our tenants such as: computer programming, social events, G.E.D programming, senior Wednesday's, health and wellness seminars, financial literacy, youth employment and development training.

Every other week Management and the Service Providers meet to discuss issues concerning residents. In these meetings, management ensures that Working to Meet and Not Meeting families are specifically addressed. The Service Providers assist those families by curing delinquent rents and utilities and by providing scholarship information, employment opportunities, computer literacy and a host of other services.

The computer lab is another on-site resource where residents are able to build resumes, improve job readiness skills, obtain certifications and link with other available resources.

CHALLENGES

While Hansberry Square experienced 3 evictions this quarter, all due to non-payment of rent, each of those units have since been occupied.

We also experienced a drop in Occupancy at the non-ACC tax-credit units to 85%. This was caused by two evictions (for non-payment of rent) and a handful of 30 day notices...two families purchased homes, one family had to relocate for military purposes and four residents had to move because they lost their jobs. Currently there are three vacant non-ACC tax-credit units with five approved applications.

LEGEND SOUTH	
HANSBERRY SQUARE Monthly Occupancy Report	
Total Units: 181	
ACC	Total: 83
Tax Credit	Total: 68
Market	Total: 30

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Move Outs (by unit type):												
ACC	0	0	0	0	0	0						
Tax Credit	3	1	2	4	0	0						
Market	0	1	0	1	1	1						
Total	3	2	2	5	1	1	0	0	0	0	0	0
Vacancy (by unit type):												
ACC	1	1	0	0	0	0						
Tax Credit	5	6	5	7	7	2						
Market	4	4	5	6	3	2						
Total	10	11	10	13	10	4	0	0	0	0	0	0
Vacancy-over 60 days (by unit type):												
ACC	0	0	0	0	0	0						
Tax Credit	2	1	1	1	2	0						
Market	4	3	3	3	0	0						
Total	6	4	4	4	2	0	0	0	0	0	0	0
Occupancy (by unit type):												
ACC	82	82	83	83	83	83						
Tax Credit	63	62	63	61	61	66						
Market	26	26	25	24	27	28						
Total	171	170	171	168	171	177	0	0	0	0	0	0
Evictions												
ACC	0	0	0	0	0	0						
Tax Credit	0	1	0	1	0	1						
Market Rate	0	0	0	0	0	0						
Total	0	1	0	1	0	1	0	0	0	0	0	0

LEGENDS SOUTH

MAHALIA PLACE Monthly Occupancy Report	
--	--

Total Units: 110

ACC	Total: 54
-----	-----------

Tax Credit	Total 44
------------	----------

Market	Total	12
--------	-------	----

[illegible]

LEGEND SOUTH

COLEMAN PLACE Monthly Occupancy Report

Total Units: 118

ACC	Total 52
-----	----------

Tax Credit	Total	43
------------	-------	----

Market	Total	23
--------	-------	----

[illegible]

LEGENDS SOUTH
ACC RESIDENT STATUS

July 14, 2009

DEVELOPMENT	HANSBERRY SQUARE	COLEMAN PLACE	MAHALIA PLACE
Lease Compliance Status			
Meeting	40	29	32
Meeting/Working	37	29	26
Meeting/Education	3	0	6
Working to Meet	9	9	3
Not Meeting	9	0	6
Exempt	25	14	13
Income			
Between \$0 and \$10,000	35	19	30
Between \$10,000 and \$20,000	27	17	18
Between \$20,000 and \$30,000	15	11	6
Above \$30,000	6	5	0
Percent of AMI			
Below 30%	58	36	48
Between 30% and 50%	23	12	6
Between 50% and 60%	2	4	0
Rent			
Between \$ 0 and \$100	34	20	32
Between \$100 and \$300	23	12	10
Between \$300 and \$500	15	13	10
Between \$500 and \$700	10	5	2
Above \$700	1	2	0

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

DOROTHY GAUTREAUX, et al.,	)	
Plaintiffs,	)	
-vs-	)	No. 66 C 1459
	)	
CHICAGO HOUSING AUTHORITY, et al.,	)	Hon. Marvin E. Aspen
Defendants.	)	

PROPOSED ORDER

This matter having come before the Court on the motion of the parties to: A) authorize the development of 60 new non-elderly public housing units in mixed-income buildings in the area bounded by 43rd Street to the north, 45th Street to the south, State Street to the east, and Federal Street to the west, as Phase A-2 of CHA's redevelopment plan for Robert Taylor Homes; and B) amend the Tenant Assignment Plan previously approved by this Court to require that the 60 public housing units that are the subject of this motion be made available to eligible families relocating under CHA's Plan for Transformation, with priority given to families from the former Robert Taylor development, and if there are no such relocating families available to occupy the units, to families on the CHA public housing waiting list; and

The Court having heard the presentations and considered the views of the parties, including that the Receiver, Daniel Levin and The Habitat Company LLC, supports the Joint Motion, and that the parties and the developer for Legends South have executed a Letter of Agreement respecting various measures designed to support a high quality of life for Legends South residents and improve the prospects for achieving the mixed-income goal for that development; and

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

The Court having retained jurisdiction to issue orders in this case “designed . . . to achieve results consistent with [the Judgment Order],” 304 F. Supp. 736, 741 (N.D.Ill. 1969); and

The Court being of the view that based on the representations of the Parties and the Receiver, the proposed 60 public housing units are designed to achieve results consistent with the Judgment Order previously entered in this case;

NOW THEREFORE, IT IS HEREBY ORDERED:

A. The Receiver, previously appointed by the Court to develop new non-elderly public housing on behalf of the Defendant, Chicago Housing Authority, shall be free to develop or cause to be developed 60 units of public housing in mixed-income buildings on the site previously occupied by CHA’s Robert Taylor public housing development provided, however, that (1) the planned 50 affordable and 28 market-rate rental units in the buildings that are the subject of this motion are built and marketed roughly simultaneously with the development of the 60 public housing units to be authorized pursuant to this motion, and the 58 for-sale units in this phase of development, Phase A-2, and the 25 for-sale units from Phase A-1 are marketed roughly simultaneously with such development; and (2) the public housing units are and remain well-distributed among the non-public housing units across the sites that are the subject of this motion.

B. The Chicago Housing Authority Tenant Assignment Plan, originally approved by the Order of this Court on November 24, 1969, and amended on various dates

thereafter, is further hereby amended to require that the 60 public housing units that are the subject of this Order be made available to eligible families relocating under CHA's Plan for Transformation, with priority given to families from the former Robert Taylor development, and if there are no such relocating families available to occupy the units, to families on the CHA public housing waiting list.

ENTER: _____
Judge, United States District Court

Dated: _____

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, et al.,	)	Hon. Marvin E. Aspen
	)	
Defendants.	)	

NOTICE OF MOTION

To: Attached List

PLEASE TAKE NOTICE that on Thursday, July 23, 2009, at 10:30 a.m., we shall appear before the Honorable Marvin E. Aspen, Judge of the United States District Court for the Northern District of Illinois, Eastern Division, and then and there present the **Joint Motion of Plaintiffs and Defendant Chicago Housing Authority for an Order Authorizing Development of Public Housing Units in a Limited Area and Amending the Tenant Assignment Plan**, a copy of which is attached and hereby served upon you.

/s/ Julie Elena Brown
One of the Attorneys for Plaintiffs

July 21, 2009

Alexander Polikoff
Julie Elena Brown
Business and Professional People
for the Public Interest
25 East Washington Street - #1515
Chicago, Illinois 60602
312- 641-5570; fax: 312-641-5454

CERTIFICATE OF SERVICE

I, Julie Elena Brown, an attorney, certify that on July 21, 2009, I caused copies of the foregoing Notice and Motion to be served electronically upon the persons whose names appear on the attached service list.

/s/ Julie Elena Brown

Julie Elena Brown

SERVICE LIST

Scott Ammarell, General Counsel
Chicago Housing Authority
60 East Van Buren Street
Chicago, IL 60605

Edward W. Feldman
Miller Shakman & Hamilton
180 North LaSalle Street
Suite 3600
Chicago, IL 60601

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

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

DOROTHY GAUTREAUX, et al.,	)	
	)	
Plaintiffs,	)	
	)	
-vs-	)	No. 66 C 1459
	)	No. 66 C 1460
CHICAGO HOUSING AUTHORITY, et al.,	)	
	)	
Defendants.	)	Judge Aspen

**JOINT MOTION OF THE PLAINTIFFS AND CHA REGARDING
THE DR. KING LEGACY APARTMENTS DEVELOPMENT**

The plaintiffs and the Chicago Housing Authority jointly move that this Court enter the attached Order, permitting the Dr. King Legacy Apartments development to proceed. In support of this motion, the parties state as follows:

1. The Dr. King Legacy Apartments is a new construction 45-unit housing development located at 3800-24 W. 16th Street in the North Lawndale community on the city's west side, built on the site where Dr. King lived during his historic 1966 visit to Chicago. The building is three stories and will contain 27 two-bedroom units, 15 three-bedroom units and 3 four-bedroom units, with a mix of incomes ranging from 60% of the area median income to 15% of the area median income. The building will house 4500 square feet of retail space.

2. The Dr. King Legacy Apartments is part of a larger redevelopment project along 16th Street, called the MLK Historic District, which will also include a community center, campus park, Dr. King Memorial, a new public library and new streetscape along 16th Street.

3. Lawndale Christian Development Corporation ("LCDC") is the developer of the Dr. King Legacy Apartments. LCDC has a long history of successful development and involvement

in the North Lawndale community. LCDC has built \$48 million in residential and commercial projects and have another \$32 million under development, all in the neighborhood. The Dr. King Legacy Apartments is a \$17.5 million project, supported by \$10.9 million in tax credit equity facilitated by IHDA, \$4.8 million in City of Chicago HOME funds, a Citibank mortgage, a Department of Energy grant, and IHDA Donation credits. CHA is involved only to the extent that it is providing a project-based Section 8 HAP contract that will deliver a rental subsidy for 10 of the units in the Dr. King Legacy Apartments.

4. This development will help spur the revitalization of the North Lawndale community, located only minutes from the Loop. HUD, the City of Chicago and IHDA have all committed substantial resources toward this revitalization. North Lawndale has been designated by LISC as one of its New Communities in Chicago. Revitalization is already underway, as is evident from LCDC's completion of the rehabilitation of the Lazarus Apartments (1900-02 S. Harding), the Tabernacle Apartments (1857-61 S. Springfield), the Fountain View Apartments (3718-28 W. Douglas), the Renaissance Place Apartments (3123-27, 3131 and 3700-06 W. Douglas), as well as the development of the new Homan Square Community Center, which provides comprehensive medical services to area residents. The Lawndale Plaza shopping center (with a Dominick's, Starbucks, Walgreens, Foot Action, Hollywood Video, and both National City and Chase banks) is less than a mile from the site. Schools, parks and other municipal facilities have also been upgraded.

5. The plaintiffs and the CHA disagree about whether new construction in limited and revitalizing areas, assisted with project-based section 8 subsidies, falls within the Judgment Order of this Court. Without resolving this issue, the parties agree that the CHA should be

permitted to sign its Housing Assistance Payments contract with the Dr. King Legacy Apartments developer, for the ten Dr. King Legacy Apartment units. This is without prejudice to the parties' respective positions on the legal issues presented. The proposed Order accomplishes this result.

6. The Receiver has been fully apprised of the Dr. King Legacy Apartments development, and this Motion and Order. The Receiver has no objection to the entry of this Order.

One of the Attorneys for the CHA

SCOTT AMMARELL
General Counsel
Chicago Housing Authority
60 East Van Buren Street, 12th Floor
Chicago, IL 60606
(312) 913-7060

THOMAS E. JOHNSON
Johnson, Jones, Snelling
Gilbert & Davis
36 South Wabash, Suite 1310
Chicago, IL 60603
(312) 578-8100

Attorneys for the CHA

ALEXANDER POLIKOFF
JULIE ELENA BROWN
Business and Professional People for
the Public Interest
25 East Washington Street, Suite 1515
Chicago, IL 60602
(312) 641-5570

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

DOROTHY GAUTREAUX, et al.,	)	
	)	
Plaintiffs,	)	
	)	
-vs-	)	No. 66 C 1459
	)	No. 66 C 1460
CHICAGO HOUSING AUTHORITY, et al.,	)	
	)	Judge Aspen
Defendants.	)	

AGREED ORDER

This matter coming to be heard on the Joint Motion of plaintiffs and the CHA, and the Court having reviewed the same, IT IS HEREBY ORDERED THAT:

1. CHA is authorized to supply project-based Section 8 funding, through a HAP contract, to the developers of the Dr. King Legacy Apartments development, to be built in the North Lawndale neighborhood of Chicago.
2. Such authorization shall be without prejudice to the position of either party as to the applicability of this Court's Orders to dwellings developed with project-based section 8 funding, and this Order shall not be cited by either party as bearing on such applicability.
3. This Court's Judgment Order previously entered herein on July 1, 1969, as modified from time to time, shall remain in full force and effect, and this Court retains jurisdiction to enforce the same.

ENTER: _____
Hon. Marvin E. Aspen
United States District Court

Dated: _____

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

DOROTHY GAUTREAUX, et al.,	)	
Plaintiffs,	)	
	)	No. 66 C 1459
-vs-	)	No. 66 C 1460
	)	
CHICAGO HOUSING AUTHORITY, et al.,	)	Judge Aspen
Defendants.	)	

NOTICE OF MOTION

TO: Alexander Polikoff	Edward Feldman
Julie Elena Brown	Miller, Shakman & Hamilton
Business & Professional People for	208 S. LaSalle St., Suite 1100
the Public Interest	Chicago, IL 60604
25 E. Washington, Suite 1515	(312) 236-3270 - fax
Chicago, IL 60602	
(312) 641-5454 - fax	

PLEASE TAKE NOTICE that on Thursday, July 23, 2009, at 10:30 a.m., or as soon as counsel may be heard, we shall appear before the Honorable Judge Aspen in the courtroom usually occupied by him, at the U.S. District Courthouse, 219 South Dearborn Street, Chicago, Illinois, and then and there present JOINT MOTION OF PLAINTIFFS AND CHA REGARDING THE DR. KING LEGACY APARTMENTS DEVELOPMENT.

/s/Thomas E. Johnson
One of the Attorneys for CHA

Thomas E. Johnson
Johnson, Jones, Snelling, Gilbert & Davis
36 S Wabash Ave., Suite 1310
Chicago, IL 60603
(312) 578-8100

CERTIFICATE OF SERVICE

Thomas E. Johnson, an attorney, hereby certifies that a copy of this Notice and attached Motion was served upon the above-named parties by this Court's electronic filing system and by facsimile on July 21, 2009.

/s/ Thomas E. Johnson