

**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, WAIVING THE RESTRICTION ON HOUSING
FAMILIES WITH CHILDREN ABOVE THE THIRD FLOOR, AND AMENDING THE
TENANT ASSIGNMENT PLAN**

Plaintiffs and the Chicago Housing Authority (“CHA”) move that the Court enter an order in the form attached, which would:

A. Authorize, as part of Phase C-3 of the Robert Taylor redevelopment, the development of 30 new non-elderly public housing units in mixed-income buildings on 14 sites. Six sites (the “North Parcels”) are located in an area bounded by E. 43rd Street to the north, E. 44th Street to the south, S. Wabash Ave. to the west and S. Prairie Ave. to the east. The additional eight sites (the “South Parcels”) are located three blocks south on S. Calumet Ave. between E. 47th St. and E. 49th St. Developer Whitney Weller’s Affidavit (hereinafter “Weller Affidavit”) describes the project in greater detail and is attached as Exhibit A. The area is a “Limited Area” in the same general neighborhood as the site previously occupied by CHA’s Robert Taylor public housing development. A site plan of the proposed buildings is attached as Exhibit 1 to the Weller Affidavit. The North Parcels of this phase are adjacent and to the south of sites approved by this Court for Phase C-1 of the Robert Taylor redevelopment on March 30, 2004, and Phase C-2 of the Robert Taylor redevelopment on November 6, 2007.

B. Authorize the Chicago Housing Authority to house families with children in one unit above the third floor in Phase C-3 of Legends South in the building located at 109

East 43rd Street.

C. Amend the Tenant Assignment Plan to require that the 30 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 seek the Court's authority for the development of Phase C-3 of the Robert Taylor redevelopment. 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. The Developer 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 four Court-authorized phases described below.

2. The CHA, the Gautreaux plaintiffs, the Developer, Robert Taylor residents and others have developed an overall master plan that calls for redevelopment of 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 the already completed Phases A-1 and A-2 of Legends South, as described below in paragraph 3) and surrounding area, and re-integrate the Taylor site into the community.

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

A. On March 26, 2004, this Court entered an order authorizing the former Receiver, The Habitat Company, to develop or cause to be developed Phase C-1, the first phase of the off-site development. Phase C-1 consists of 110 new mixed-income rental units and 40 for-sale units. Fifty-four (54) of the rental units were public housing

units, with the balance incorporating 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 planned for Phase C-1 were not built.

B. On April 17, 2006, this Court entered an order authorizing the former 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 former Taylor site. Phase A-1 consists of 181 new mixed-income rental units; 83 are public housing units and the balance are affordable or market units. The A-1 rental development has been built and occupied. Due to insufficient pre-sales, the for-sale units planned for Phase A-1 have not yet been built.

C. On November 6, 2007, this Court entered an order authorizing the former Receiver to develop or cause to be developed Phase C-2, the second phase of off-site development. Phase C-2 consists of 117 new mixed-income rental units distributed in the same general area as the C-1 units. Fifty-two (52) of the rental units are public housing and the balance are affordable or market units. The C-2 rental development has been built and occupied. No for-sale units were contemplated for this phase.

D. On July 23, 2009, this Court entered an order authorizing the former Receiver to develop or cause to be developed Phase A-2, the second phase of on-site development. Phase A-2 consists of 138 units of rental housing, of which sixty (60) are public housing and the balance are affordable and market rate units. This Phase was completed in 2010 and is occupied.

Legends South Redevelopment Mix

Unit Type	Public Housing	Affordable	Market Rate	Total Units
Phase C1	54	44	12	110
Phase A1	83	68	30	181
Phase C2	52	43	22	117
Phase A2	60	50	28	138
TOTAL	249	205	92	546

4. As of December 31, 2013, occupancy at three phases – Hansberry Square (A-1), Mahalia Place (C-1) and Savoy Square (A-2) – was at 100%. Occupancy at Coleman Place (C-2) was 98.1% with only one (1) vacant public housing unit.

5. The plan for Phase C-3, the subject of this motion, provides for seventy-one (71) units of rental housing, of which thirty (30) will be public housing units, twenty-three (23) affordable units and eighteen (18) market rate units. The building structures will cover fourteen (14) currently vacant sites and will include two Mixed Use Rental Buildings on 43rd Street with first floor commercial space and apartments above. As has been the case with the prior phases, the public housing units will be scattered across the sites and dispersed within buildings, and the entire development will be privately owned and managed.

Legends South C-3 Unit Mix

Unit Type	Public Housing	Affordable	Market Rate	Total Units
1 BR	8	7	6	21
2 BR	10	9	8	27
3 BR	9	7	4	20
4 BR	3	0	0	3
TOTAL	30	23	18	71
Total %	42%	33%	25%	100%

No for-sale units are contemplated for this phase. The parties continue to expect that the originally planned for-sale units will be built when the conditions in the real estate market improve sufficiently. See par. 12.B., below.

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 C-3 is located in a Limited Area. Nonetheless, for the reasons described below as well as in the Weller and Alvarez Affidavits (Exhibits A and B), 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 request 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 former Rockwell Gardens development, 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 development, as part of a mixed-income development). Most importantly, as noted above, on March 26, 2004, April 17, 2006, November 6, 2007 and July 23, 2009, the Court permitted the first four phases of the Taylor development (collectively called Legends South) to go forward, including Phases C-1 and C-2, directly to the north of the site proposed for some Phase C-3 units.

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 developments, after finding that these areas were "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 four phases of the Robert Taylor redevelopment (A-1, A-2, C-1 and C-2), the plaintiffs and the defendant cannot attest that the redevelopment area has reached the level to be designated a "Revitalizing Area," although it has continued to see encouraging activity. See Weller Affidavit, par. 6 and Alvarez Affidavit. 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.

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 defendant CHA. The plaintiffs and defendant agreed to work on these issues before returning to court.

11. During the previous appearance before the Court, the plaintiffs and the defendant stated that overall progress has been made with respect to the concerns raised above, but work was still needed. As such, when the Court entered the order on July 23, 2009 authorizing the development of Phase A-2, the concerns of the parties were memorialized in a Letter of Agreement signed by the Developer, Plaintiffs and Defendant, to address various concerns. See Letter, attached as Exhibit C. Pursuant to that Letter of Agreement, the parties have continued to participate in quarterly meetings to address the noted concerns and work at meeting the goals addressed therein. With respect to Phase C-3, the parties and the Developer have agreed to extend the provisions of the 2009 Letter Agreement to Phase C-3 and continue to meet together to jointly address the areas of concern.

12. While the plaintiffs and the defendant cannot attest that the area proposed for C-3 can fairly be characterized as "revitalizing," the parties agree that the area is moving in a positive direction and that the development of Phase C-3 should go forward, as it will further the purposes of the Judgment Order for the following reasons:

A. Mixed-Income Housing – The proposed thirty (30) public housing units will offer members of the *Gautreaux* plaintiff class an opportunity to live in quality mixed-income housing. In addition to the thirty (30) public housing units, Phase C-3 consists of twenty-three (23) affordable rental units designated for households earning up to 60% of the area median income, and eighteen (18) market-rate rental units. See Weller Affidavit, par. 1. The proposed buildings will

be privately owned and managed.

B. Homeownership – The parties remain committed to developing the for-sale units discussed in the previous Court orders, both on-site and off-site. The revised for-sale plan calls for eighty-three (83) on-site for-sale units. After a lack of positive response to pre-sales during Phase A-1, the Developer re-assessed the market in the area, hosted a design competition with local architects to design attractive, efficient and affordable homes, and has redesigned its plans for the homeownership units. See Weller Affidavit, par. 6. Developer is currently in the process of assembling the financing to begin construction of a model home and intends to begin marketing the homes in Spring 2014. *Id.*

C. Planned Robert Taylor Redevelopment – As described above, the development of Phase C-3 rental units represents only a portion of the overall Taylor mixed-income redevelopment plan; with the authorization and construction of Phase C-3 of the Taylor redevelopment, there will be a total of 617 completed mixed-income residential units with an income mix of 45% percent public housing, 37% percent affordable, and 18% percent market rate. Additionally, the Developer's commitment to begin the for-sale phase will contribute to revitalization of the community.

D. 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. CHA has continued to contract with a service provider through 2014, as it agreed to do in the 2009 Letter Agreement (Exhibit C), to provide pre-occupancy services to families who have expressed a preference for moving to the Robert Taylor redevelopment. The Developer also provides social services through its own staff to all residents of Legends South. The parties to the 2009 Letter

Agreement continue to evaluate such services by reviewing and discussing regular reports at their quarterly meetings.

E. Commercial Development – Ongoing redevelopment on the site has spurred planning for commercial development in the area. See Exhibit 1-A (site plan). The parties originally informed the Court that a new commercial development named “Metropolis”, anchored by a grocery store was planned for 39th Street and State Street on the northern edge of Legends South. While this project never came to fruition, the City of Chicago, Walmart Corporation and the Defendant are in discussions about developing a Walmart Supercenter on the northwest corner of 39th Street and State Street, just half a block north of the A-1 site. See Alvarez Affidavit, par. 1.

Another major development project located approximately five blocks from the “South Parcels” of Phase C-3 is the delivery of Shops and Lofts, a Court-authorized development, located at 47th and Cottage Grove. It includes 96 mixed-income rental units: 28 public housing, 44 affordable and 24 market rate. The project broke ground in April 2013, bringing mixed income rental units to the area as well as important, smaller national and local retail business including a Walmart Neighborhood Market grocery store. Construction is currently underway, with delivery scheduled for Summer 2014. See Alvarez Affidavit, par.2.

Also under construction is Bronzeville Artists Lofts, located at 436 East 47th Street. It is funded by the Neighborhood Stabilization Program and is planned to include a café/bakery, community arts programs, and a permanent art gallery, along with residential units. See Alvarez Affidavit, par. 3.

Another project currently being planned is Rosenwald Courts Apartments, located approximately one-half mile from the “South Parcels” of Phase C-3. This project, for which CHA plans to seek court approval, will include 120 CHA senior units; 60 will be governed by CHA’s Project Rental Assistance Program and 60 will be public housing senior units. It will also include 105 affordable and 14 market rate family units, with commercial space along 47th Street and Michigan

Avenue. The commercial space will include a satellite office for the Chicago Police Department. See Alvarez Affidavit, par. 4.

CHA was approached to allow for the acquisition of land for a new tennis facility, XS Tennis, Inc., at 50th and State Street, the southern end of the original Robert Taylor site. Disposition of the land is being considered by the CHA for market value (inclusive of commensurate benefit). This commercial development, if completed, would offer tennis lessons, potential scholarships and community services for youth. See Alvarez Affidavit, par. 5.

Finally, one entity in the Developer team, Brinshore, is presently in the process of completing renovations to a residential building located at 48th Street and Calumet Avenue, between two of the proposed C-3 buildings. See Weller affidavit, par. 7e.

F. Successful sales at nearby Park Boulevard - Since the last time the parties were before the Court, Park Boulevard, located just three blocks north of the A-1 site, has leased all rental units in its three (3) complete phases. Additionally, the second phase, Phase 1B, completed in 2008, included for-sale units. All Townhouse and single family Walk-up Homes were sold. While there are still some units available for sale, these units are presently leased to market rate tenants, creating stability in the area and eliminating vacancies. See Alvarez Affidavit, par. 6.

G. Locational Advantages – The proposed Phase C-3 is approximately five miles from the downtown Chicago and one mile from the City's lakefront. The Chicago Transit Authority's Green Line Station is located within blocks of Phase C-3 and recently underwent repair improvements in 2012. The Metra Station stop located at 35th and Federal Street, not far from Legends South, was completed Fall of 2010, opening additional travel access to Legends South residents. See Exhibit A-1 (site plan).

13. As noted in Paragraph 5 above, the plan for Phase C-3 provides for two (2) Mixed Income/Mixed Used Rental Buildings on 43rd Street incorporating first (1st) floor

commercial space with apartments above.

The building located at 109 East 43rd Street, is a four story building with a total of 15 units, consisting of 5 public housing, 6 affordable and 4 market rate units, along with a first floor management office and computer access space usable by the residents of Legends South. This building will include an elevator for accessibility to the apartments. In order to allow for distribution of public housing units throughout Phase C-3, this building located at 109 East 43rd will have a 1-bedroom public housing unit on the 4th floor. Having this unit on the 4th floor is necessary for best distribution of public housing units in the building and will still allow for a low concentration of public housing units. As such, the CHA is asking the Court to authorize one unit for a family with children above the third floor in the building located at 109 East 43rd Street of Phase C-3 of Legends South.

14. Because the thirty (30) public housing units in Phase C-3 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 Phase C-3 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. This Court entered such orders on March 24, 2003 (involving the Lakefront redevelopment); August 5, 2003 and August 22, 2005 (Rockwell Gardens redevelopment); December 16, 2003 and November 21, 2005 (Stateway Gardens redevelopment) and March 26, 2004, April 17, 2006, November, 6, 2007 and July 23, 2009 (Robert Taylor Homes redevelopment).

WHEREFORE, for all of the reasons stated above, the parties move that the Court enter the attached proposed agreed order.

One of the Attorneys for Plaintiffs

One of the Attorneys for the CHA

Date _____, 2014

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

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

AFFIDAVIT OF WHITNEY WELLER

Whitney Weller, being first duly sworn on oath, states:

CHA, the Gautreaux plaintiffs, a private development company (a joint venture between The Michaels Development Company and Brinshore Development called "Brinshore-Michaels"), Robert Taylor residents and others have developed plans to construct the next off-site phase ("Phase C-3") of the Robert Taylor Homes redevelopment effort. The Robert Taylor site has been renamed "Legends South". Legends South Phase C-3 will create an opportunity for public housing families to live in a mixed-income housing development. The phase consists of 14 scattered sites. Six parcels (ie the "North Parcels") are located in an area bounded by E. 43rd Street to the north, E. 44th Street to the south, S. Wabash Ave. to the west and S. Prairie Ave. to the east. The additional eight parcels (the "South Parcels") are located three blocks south on S. Calumet Ave. between E. 47th St. and E. 49th St.

- 1) Exhibit 1, attached hereto, is the proposed site plan for Phase C-3. The phase will consist of 71 total rental units, with 36 units in the North Parcels and 35 units in the South Parcels. The charts below detail the income and bedroom mix for each grouping:

North Parcels – 36 Units

Unit Size	Market	Affordable	CHA Units	Totals
1BR	2	4	6	12
2BR	3	4	4	11
3BR	4	4	3	11
4BR	0	0	2	2
Totals	9	12	15	36

EXHIBIT A

South Parcels – 35 Units

Unit Size	Market	Affordable	CHA Units	Totals
1BR	4	3	2	9
2BR	5	5	6	16
3BR	0	3	6	9
4BR	0	0	1	1
Totals	9	11	15	35

- 2) **Public Housing Unit Above Third Floor.** Of the 14 buildings in the development, 13 are 3-story walk-up buildings. One building, located in the North Parcels at 109 East 43rd Street, has four stories and an elevator with a management office on the ground floor. The building at 119 E. 43rd Street also includes a 1600-square foot ground-floor commercial space. Current plans call for five public housing units to be located in that building, with one public housing unit to be located on the fourth floor. That unit is a 1-bedroom which will be reserved for families of up to two people.
- 3) **Management.** Phase C-3 is to be privately owned and managed by Legends C-3, LLC, a limited liability company affiliated with the developer, Brinshore-Michaels. Brinshore-Michaels is implementing the larger Robert Taylor redevelopment, including phases C-1, C-2, A-1 and A-2. This creates an incentive to provide high-quality management and maintenance at Phase C-3.
- 4) **Status of Robert Taylor Redevelopment.** Two off-site phases and two on-site phases of development have been completed to date:

Phases	Total Units	Market Rate	Affordable	Public Housing
C-1 Mahalia Place (Off-Site)	110	12	44	54
C-2 Coleman Place (Off-Site)	117	22	43	52
A-1 Hansberry Square (On-Site)	181	30	68	83
A-2 Savoy Square (On-Site)	138	28	50	60

- 5) **Occupancy Rates.** Occupancy rates at all completed phases of Legends South are consistently above 95%. As of December 31, 2013, occupancy at three phases – Hansberry Square (A-1), Mahalia Place (C-1) and Savoy Square (A-2) – was at 100%. Occupancy at Coleman Place (C-2) was 98.1% with only one (1) vacant public housing unit.
- 6) **For Sale Housing.** Both on-site phases originally included plans for-sale units with revised plans calling for 83 for-sale units. Like nearly all communities in Chicago, the Bronzeville neighborhood was negatively impacted by the downturn in the economy. And again, like most communities, the impact was felt most in the area of homeownership and home sales. With the recent uptick in the economic outlook, there has been increasing interest in the purchase of new homes. Having consulted with area brokers, Brinshore-Michaels determined that many prospective buyers of new homes in the Bronzeville neighborhood are looking for smaller, more affordable homes than were

previously being offered. In an effort to respond to that segment of buyers, Brinshore-Michaels hosted a design competition where local architects were charged with designing an attractive, efficient and affordable home aimed at first time buyers, small families and empty nesters. Two design firms were selected to produce drawings for the planned houses. Brinshore-Michaels is currently in the process of assembling the financing to begin construction of a model home with the intent of marketing the homes in Spring 2014.

7) **Neighborhood Improvements.** The area around Legends South has shown some signs of improvement in recent years. The factors listed below have led Brinshore-Michaels to believe that higher-income renters and owners will be attracted to the area and that the 30 public housing units at Phase C-3 should be developed:

- a. **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 (with two Green line stations in walking distance from the Phase C-3 site), the Dan Ryan expressway, Lake Shore Drive and several major streets, including State Street and Martin Luther King Drive.
- b. **Public Institutions and Investment.** The following is a list of some of the public institutions and investments in the area: (1) the Dawson Technical Institute at 39th and State Street, (2) the Bronzeville Lighthouse Charter School at Root and State Streets, (3) Beethoven Elementary School at 47th Street and State Streets, which has a new computer lab and play lot (4) a new International Baccalaureate High School program at DuSable High School at 49th and Wabash Streets, (5) a new Community Center at McCorkle School at 44th and State Streets, (6) a Chicago Police satellite office to be built at 47th and Michigan Avenues, (7) public improvements to the 43rd Street and 47th Street CTA Green Line stations, including new lighting and painting, and (8) a new playground at the Harding Playlot at 49th and Calumet Avenue through a grant from the Chicago Plays! Program.
- c. **Community Institutions.** There are two anchor community institutions within 1 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.
- d. **Commercial Development.** Although a shopping center was planned for the southwest corner of 39th Street and State Street at the northern edge of Legends South, the prospective anchor tenant -- Roundy's -- decided to develop their grocery store at another site in the 3rd Ward. The Legends South area, however, is on the cusp of receiving a boost in commercial activity with the new Walmart Neighborhood Market store slated to open at 47th Street and Cottage Grove Avenue in the new Shops and Lofts at 47, which broke ground in April. A Walmart Supercenter is also in development at the corner of 39th Street and State Street. The first phase of the Bronzeville Cookin' project at 51st Street and the CTA Green Line is also under construction.

Bronzeville Cookin' will feature three restaurants, a fresh produce market and a rooftop farm. A new tennis facility by XS Tennis has also been proposed at 50th Street and State Street.

- e. **Residential Development.** In the past several years, there has continued to be private sector residential development in the area near Legends South, including both new construction and the rehabilitation of existing buildings. Several new developments in the pipeline include the rehabilitation of a condo building at the corner of 48th Street and Calumet Avenue, which will include 21 units, and new for-sale single family homes on S. Calumet Avenue between 47th and 48th Streets. Shops and Lofts at 47 will also create 96 units of housing, including 24 market rate units. A new development catering to local artists who work in the Bronzeville community is also slated to open with 16 live/work loft apartments.
- 8) While conditions in the surrounding community have improved since Brinshore-Michaels began its first phase of Legends South and are continuing to improve, the neighborhood still contains a number of empty buildings and vacant blocks. The collapse of the housing market appears to have led to stalled economic activity that is slowly coming to life once again. Brinshore-Michaels believes that part of that resurgence in recent years can be attributed to the positive and stabilizing force that the completed phases of Legends South have had in the community. The developer believes Phase C-3 will significantly add to this activity and will help further the stabilization of the area while helping to bolster the viability of the already completed Legends South communities to the west and north.

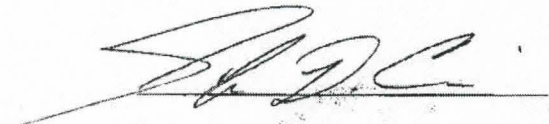
Further affiant sayeth not.



Whitney Weller
Senior Vice President, The Michaels Development Company

Sworn and subscribed to before me

This 20 day of FEB, 20 14.



Notary Public





Legends South Rental Phase C-3 Off-Site
 Site Plan
 1/28/2014

EXHIBIT A-1

BMT-I, LLC
 LANDON BONE BAKER ARCHITECTS
 JOHNSON & LEE ARCHITECTS/PLANNERS

**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.	)	

**AFFIDAVIT OF JOSE A. ALVAREZ IN BEHALF OF DEFENDANT
CHICAGO HOUSING AUTHORITY**

I, Jose A. Alvarez, Project Manager of the Chicago Housing Authority's Office of Development Management, being first duly sworn on oath, states on behalf of the Chicago Housing Authority:

The proposed Phase C-3 is located in a Limited Area. Nonetheless, for the reasons described below as well as in the Weller Affidavit (Exhibit A), it is the belief of the CHA that this area is well on its way to achieving the goal of becoming a revitalizing area having experienced a substantial increase in public and private investment, including private residential rehabilitation and new construction evidenced by the following:

1. The City of Chicago, Walmart Corporation and the CHA are in discussions to develop a Walmart Supercenter on the northwest corner of 39th Street and State Street, just half a block north of the A-1 site. In its discussions, the CHA would complete a land swap with the City of Chicago in exchange for comparable or greater acreage and/or value of land in desirable communities to development mixed income

residential housing and potential retail space. The CHA completed publication of an amendment to its Annual Plan to allow for disposition of the land and submitted the same to HUD for approval in preparation of this pending deal. If and/or when the project comes to fruition, the CHA will seek an amendment to the Master Plan for the Stateway Gardens/Park Boulevard redevelopment in order to re-craft new locations and density numbers for replacement units.

2. Another major development project for the area is the Court-authorized development Shops and Lofts at 47. The project is approximately five blocks from the "South Parcels" of the proposed Phase C-3. The Shops and Lofts at 47 is a mixed-income, mixed-use development located at the southwest corner of the intersection of South Cottage Grove Avenue and East 47th Street, which will include both residential and commercial retail components. This project includes one five story building with a Walmart Neighborhood Market grocery store on the first floor, space for a mixture of smaller national and local retail businesses, and residential units on floors 3-5. There are also four separate residential buildings along South Evans Avenue. The residential portion of this project will include a total of 96 mixed-income rental units: 28 public housing, 44 affordable and 24 market rate. Construction is underway with potential delivery of the Walmart Neighborhood Market in August 2014.
3. Also under construction is Bronzeville Artists Lofts located at 436 East 47th Street, funded by the Neighborhood Stabilization Program, which is planned to include a café/bakery, community arts programs, and a permanent art gallery, along with residential units.

4. Another potential project is Rosenwald Courts Apartments, located approximately one-half mile from the "South Parcels" of Phase C-3. Rosenwald Courts Apartments is located on one square city block bordered by 46th Street to the north, 47th Street to the south, Michigan Avenue to the west and Wabash Avenue to the east. CHA has been asked to support this private development through its Property Rental Assistance (PRA) Program and Public Housing Program. CHA plans to seek approval from this court to include 120 CHA senior units in the project, 60 governed by CHA's PRA Program and 60 public housing senior units. It will also include 105 affordable and 14 market rate family units, with commercial space along 47th Street and Michigan Avenue. The commercial space is scheduled to include a satellite office for the Chicago Police Department.
5. The CHA was approached to allow disposition of land located at 50th and State Street for the construction of a commercial enterprise, a new tennis facility, by XS Tennis, Inc. The CHA completed publication of an amendment to its Annual Plan to allow for the possible disposition of the land and submitted the same to HUD for approval. Internal discussions concerning the possible sale of the land in exchange for market value (inclusive of commensurate benefit) began in January 2014. If an agreement can be reached concerning the market value exchange for the land with XS Tennis, Inc. or another commercial entity, the CHA will seek an amendment to the Master Plan for the Robert Taylor/Legends South Redevelopment from the court.

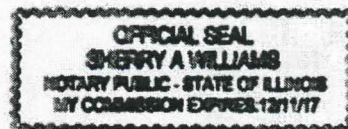
6. Park Boulevard, located just three blocks north of the A-1 site, has completed three (3) phases of rental and for sales properties. The site, consisting of over three hundred rental and for sale units, presently has only one vacant rental unit scheduled to be filled in March 2014. Phase 1B, the second phase completed, included 105 for sale units. All Townhouse and single family Walk-up homes have been sold. The few apartments still available are being rented to market rate tenants.

FURTHER AFFIANT SAYETH NOT

Jose Alvarez
AFFIANT

Sworn and subscribed to before me
This 21st day of FEBRUARY, 2014.

Sherry A. Williams
Notary Public



Approved as to Legality and Form
Chicago Housing Authority
Office of the General Counsel

By:

Elizabeth M. Stas
Deputy General Counsel

Date 2/21/2014

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July 20, 2009

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**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 C

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.

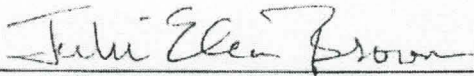
- CHA agrees to appoint at least one such resident to the Working Group by the end of August 2009.

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

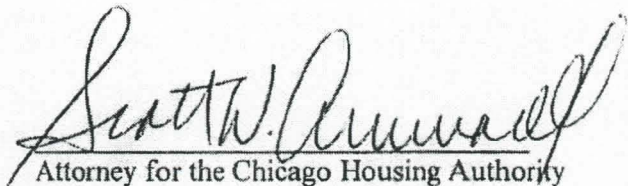
Signed,



One of the Attorneys for Plaintiffs

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

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

NOTICE OF MOTION

To: Attached List

PLEASE TAKE NOTICE that on Thursday, February 27, 2014, 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, Waiving the Restriction on Housing Families with Children Above the Third Floor, 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

February 24, 2014

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Julie Elena Brown
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25 East Washington Street Suite 1515
Chicago, Illinois 60602
312- 641-5570; fax: 312-641-5454

CERTIFICATE OF SERVICE

I, Julie Elena Brown, an attorney, certify that on February 24, 2014, 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

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