

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., I, 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 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 first on site phase ("Phase A1") of the Robert Taylor redevelopment effort. The Robert Taylor site has been renamed "Legends South". Phase A1 will create an opportunity for members of the Gautreaux plaintiff class to live in a mixed-income housing development. The site for this phase is bounded by State Street to the east, a Metra railroad embankment to the west, 40th Street to the north, and Root Street to the south. Phase A1 will consist of two sub-phases, Phase A1 Rental and Phase A1 For Sale. Phase A1 Rental will consist of a total of 181 units. 83 of these rental units are to be designated for public housing occupancy and will be scattered throughout the site. Phase A1 For Sale will consist of 57 market rate for sale housing units. There currently exists a City of Chicago fire station on the A-1 site that is scheduled to be demolished within the next five years. Once this occurs, an additional 16 market rate for-sale units are planned to be developed.
- 3) Because this plan includes the construction of 83 new non-elderly public housing units, it requires the Court's authorization. For the reasons noted below, the Receiver believes such authorization is merited. Exhibit "A" contains the proposed site plan for this phase.
- 4) In addition to the 83 public housing units, Phase A1 Rental will include 30 market-rate rental units and 68 units whose rents will be affordable to working families with incomes up to 60% of the area median income ("AMI"). The annual income for a family of one at 60% of AMI is \$31,700 and for a family of four is \$45,250. The 83 public housing units constitute less than 50% of the total units of this sub-phase. Of the 83 public housing units, 12 will be one-bedroom units, 35 will be two-bedroom units, 29 will be three-bedroom units, and 7 will be four bedroom units.

- 5) Phase A1 constitutes part of on site Phase A (see the table below) of a proposed larger on- and off site redevelopment at the CHA's Robert Taylor Homes. This larger redevelopment in total will include approximately 2,388 new residential units, no more than one-third (794) of which will be public housing (see the table below). Of the 2,388 units, 1,894 of the new units will be rental units, and 494 of the total units will be for sale units. In 2001 a \$35,000,000 2001HOPE VI grant was awarded by the U.S. Department of Housing and Urban Development ("HUD") to financially aid in the redevelopment of Phase A. The Receiver projects that these funds, combined with other anticipated sources of financing, will be sufficient to fund the new public housing units for Phase A of the Robert Taylor redevelopment.

Phase A1 Unit Mix

Type	Rental	For Sale	Total Units	%
CHA	83	0	83	33%
Affordable	68	0	68	27%
Market Rate	30	*73	103	40%
Total Units	181	*73	254	100%
%	71%	29%	100%	

- This number includes 16 for-sale units that will be developed later once the fire station currently located on the A-1 site has been demolished.

Phase A Unit Mix

Type	Rental	For Sale	Total Units	%
CHA	297	0	297	33%
Affordable	243	0	243	27%
Market Rate	157	197	354	40%
Total Units	697	197	894	100%
%	78%	22%	100%	

Total Robert Taylor Redevelopment Unit Mix

Type	Rental	For Sale	Total Units	%
CHA	794	0	794	33%
Affordable	666	0	666	28%
Market Rate	434	494	928	39%
Total Units	1,894	494	2,388	100%
%	79%	21%	100%	

- 6) Phase A1 Rental is to be privately owned and managed by Dearborn Root, L.P., a limited partnership affiliated with the developer. Moreover, Brinshore-Michaels will implement the larger Robert Taylor redevelopment project. This creates an enormous incentive to provide high quality management and maintenance at Phase A1.
- 7) The area around Legends South, the proposed new Robert Taylor redevelopment, has shown 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 83 public housing units be developed:
- Robert Taylor and Stateway Gardens Demolition.** The single greatest impediment to mixed income development in the area surrounding Phase A1 has been the presence of the Robert Taylor and nearby Stateway Gardens high-rise family public housing developments. In recent years, seven of the eight Stateway Gardens residential buildings have been demolished and all but one of the twenty-eight Robert Taylor buildings have been demolished. The remaining Taylor building is scheduled to be demolished within the next year. This demolition, both completed and planned, significantly enhances the area's revitalization prospects.

- b. **Robert Taylor Redevelopment.** The financing for the first off-site sub-phase (Phase C1 Rental) of Robert Taylor redevelopment closed in April 2004. A total of 110 units were developed in this scattered site rental phase. Of the 110 units, 12 were market rate, 44 were affordable, and 54 were designated for public housing. This phase was completed in November of 2005 and is now fully occupied. Exhibit "B" contains a site plan, renderings and photographs of this completed phase.
- c. **Stateway Gardens Redevelopment.** Redevelopment has begun at Stateway Gardens. The southern most border of the Stateway Garden area falls within one block of the proposed A-1 development. Exhibit A is a map showing this broader region. In 2005, The Pershing, the first off-site phase of Stateway Gardens redevelopment, was completed. Consisting of an 80-unit mid-rise rental building, this phase started construction in December 2003 and was completed in August 2005. Of the 80 units in this building, 27 units are designated for public housing occupancy and the remaining 53 units are affordable to families at 60% AML. Exhibit "C" contains a photograph of this completed building.

The financing for the first on site phase ("Phase 1B) of the Stateway Gardens redevelopment closed in November 2005. This phase consists of 311 units, 211 of which are homeownership units and 100 of which are public housing units.

Because both phases are in a limited area, the Court issued an order in 2003 to allow The Pershing to proceed, and in 2005 the Court issued an order permitting the remaining phases of the Stateway Gardens redevelopment to proceed. The Stateway plan includes a total of 1316 new housing units with approximately one-third of the units proposed to be public housing, one-third proposed to be market rate and one-third proposed to be affordable.

- d. **Public Institutions and Investment.** The following is a list of some of the public institutions and investments in the area: (1) the new headquarters for the Chicago Police Department at 35th Street and Wabash Avenue, (2) the recently opened 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, newly renovated and designated as a college preparatory magnet school with new programs, (5) the historic Chicago Bee Building at 37th Street and State Street, which was rehabilitated and reopened as a branch library, and (6) Hartigan School located immediately south and east of the proposed housing will open in the Fall of 2006 as a new charter school serving grades Pre-Kindergarten through 5th grade.
- e. **Community Institutions.** There are two anchor community institutions within ½ mile of Robert Taylor—the Illinois Institute of Technology ("IIT") and U.S. Cellular Field, home of the 2005 World Champion Chicago White Sox. IIT has embarked on a major capital program, including new dormitories and other campus facilities. This has drawn worldwide attention from the architecture community.
- f. **New Commercial Development.** A new shopping center is planned on the southwest corner of 39th Street and State Street. This site is at the northernmost end of the Taylor site. The City of Chicago is working with a developer to attract a major supermarket to anchor the shopping center. The historic Overton Building at 36th Street and State Street is being renovated for office space for local businesses and organizations. Existing just west of the southernmost end of the Robert Taylor, at 55th and the Dan Ryan Expressway is a shopping center that provides many services and amenities to the existing community. Several cafes, restaurants, and an art gallery have also opened within the last four years, including The Negro League Café and Heir Gallery.

Additional Housing Development Activity. In addition to the housing development activity that has occurred as part of Robert Taylor and Stateway Gardens redevelopments, there is an increasing amount of

private sector housing development activity in the area. Consisting of both new construction and the rehabilitation of existing buildings, these for-sale and rental developments are indicators that the area is headed in the direction of revitalizing. Exhibit "D" contains examples of various development activities in the area. The timely development of the new market rate homeownership units as a part of Phase A-1 will also contribute to the revitalization prospects and the stability of the area. It is important that the marketing of these units occur as close in time as possible to the marketing of the rest of the development.

- g. **Washington Park.** Since 2004, CHA has taken steps to address issues that impeded the revitalization of the Robert Taylor A1 and C1 areas. These steps include the demolition of three vacant Washington Park buildings and the ongoing rehabilitation of existing occupied Washington Park buildings. CHA is also in the planning stages of what will be done with the now vacant Washington Park parcels. It is anticipated that these parcels will be used for mixed income development for both Washington Park and Robert Taylor families. Exhibit "E" contains of progress photographs to date.
 - h. **Locational Advantages.** The proposed on-site development is located in a prime location in the city of Chicago. It is approximately five miles from downtown and one mile from the lakefront. It is located next to the Chicago Transit Authority's Green line stop as well as major streets and expressways.
- 8) Despite the signs of revitalization in the broader community, the Receiver does not believe that the area where the Phase A1 units are proposed can yet be designated as "revitalizing." While conditions in the surrounding community have improved, the Phase A1 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, for the reasons included above, the Receiver believes that Phase A1 will provide some degree of relief for members of the Gautreaux plaintiff class. In addition, the Receiver believes that in a community where new construction has increased over the years, this phase will spur further neighborhood revitalization activity.
- 9) For the reasons stated above, the Receiver supports the Joint Motion seeking a waiver to authorize development of 83 public housing units as part of Phase A1, which is also 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 10th day of April, 2006


NOTARY PUBLIC

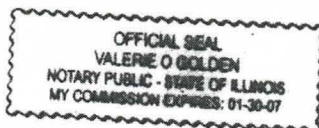


EXHIBIT A

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Robert Taylor Phase A1 Site Plan For Sale, Rental, and Public Housing Locations

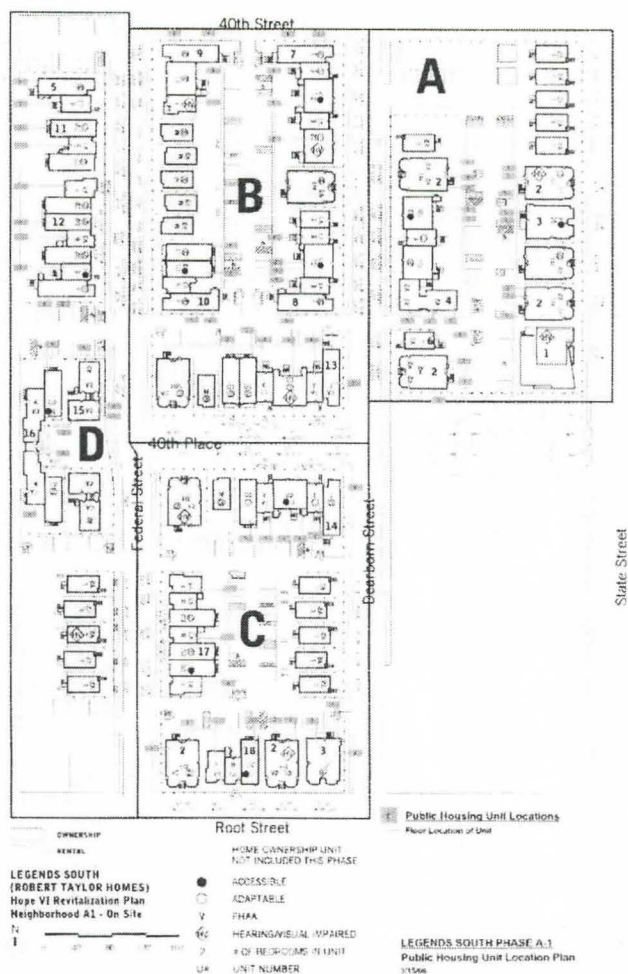


EXHIBIT A

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Robert Taylor Phase A1 Site Plan

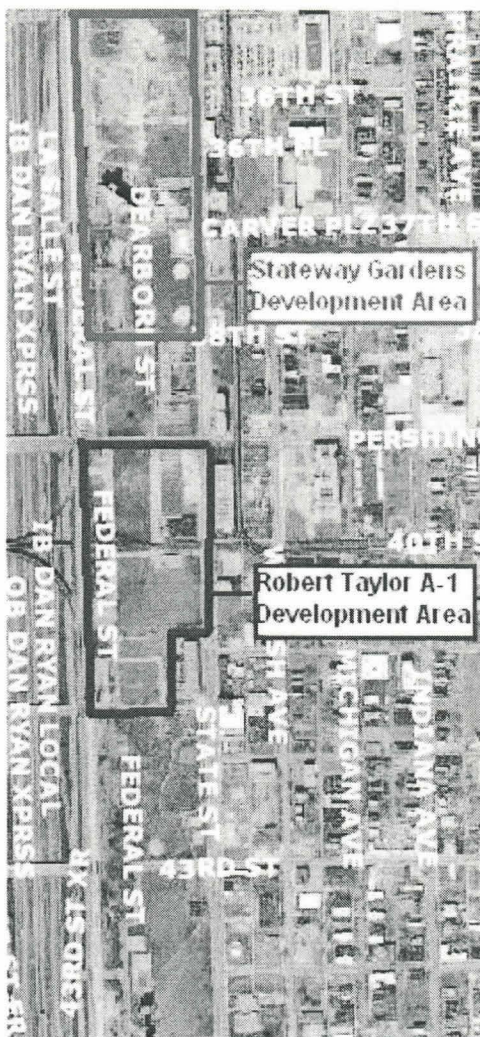


EXHIBIT B

(Page 1 of 4)

Robert Taylor Phase C1 Site Plan, Renderings and Photographs

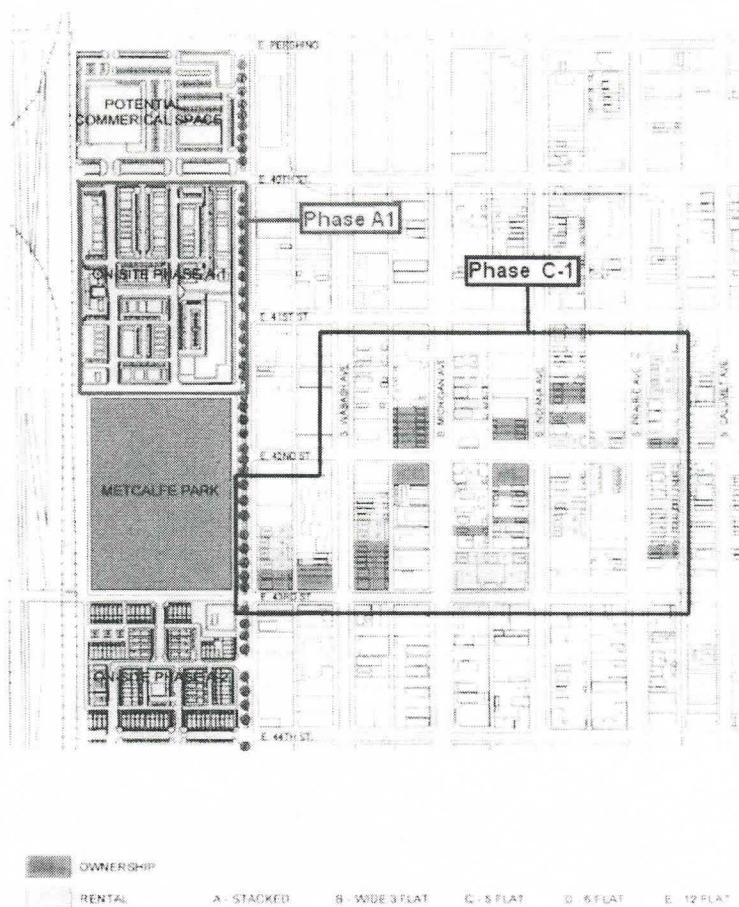


EXHIBIT B

(Page 2 of 4)

Robert Taylor Phase C1 Site Plan, Renderings and Photographs



Rowhouse Rendering



24-Unit Building Rendering

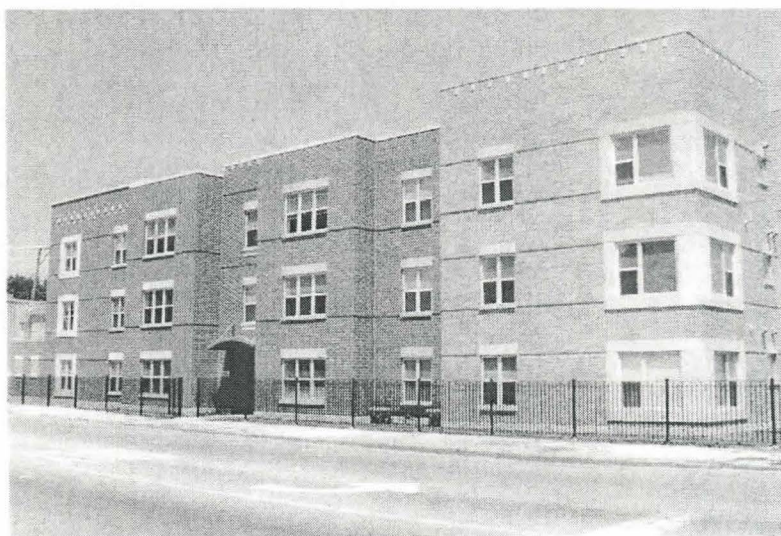
EXHIBIT B

(Page 3 of 4)

Robert Taylor Phase C1 Site Plan, Renderings and Photographs



Rowhouses



24-Unit Building

EXHIBIT B

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Robert Taylor Phase C1 Site Plan, Renderings and Photographs



6-Unit Building



(2) 3-Unit Buildings

EXHIBIT C

“The Pershing” – Stateway Gardens Offsite Replacement Housing Development Phase-1



-An 80-unit mid-rise rental building located at Pershing and State Street. Of the 80 units, 27 are designated for public housing and the remaining 53 units are affordable to families at 60% AMI.

EXHIBIT D

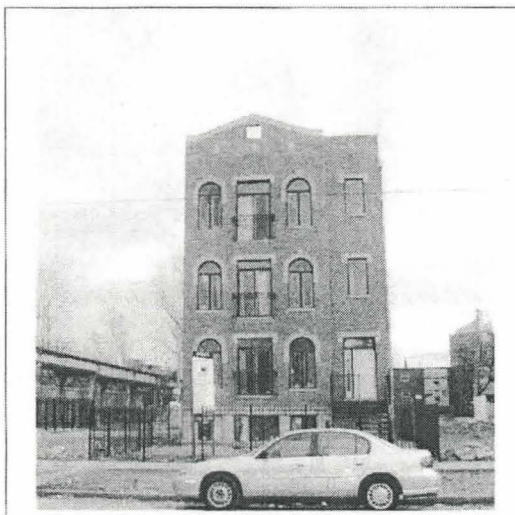
Private Off-site Development In The C-1 Area (Page 1 of 3)



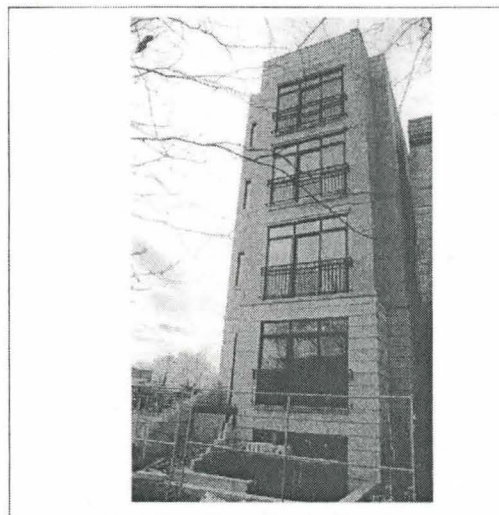
4143 S Wabash Condo Development



4140 to 48 S. Michigan Condo Development



4011 S. Indiana Condo Development

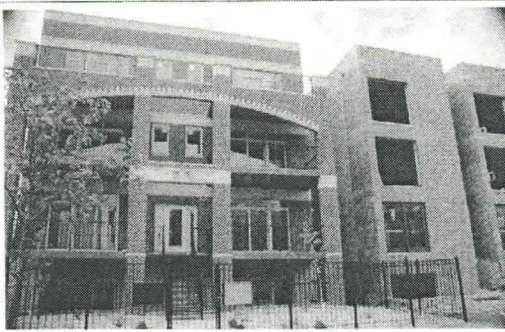


4032 S. Indiana Condo Development

EXHIBIT D

Private Off-site Development In The C-1 Area

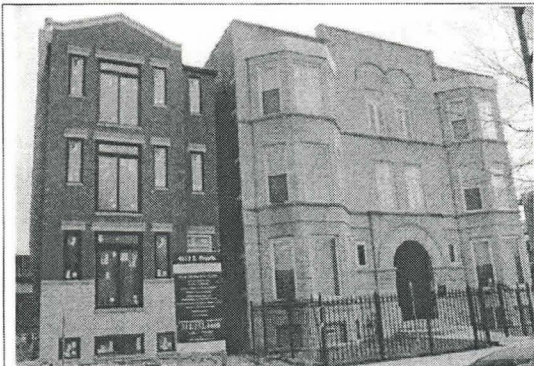
(Page 2 of 3)



4418-24 S. Indiana Condo Development



4247 S. Prairie Condo Development



4513 S. Prairie Condo Development

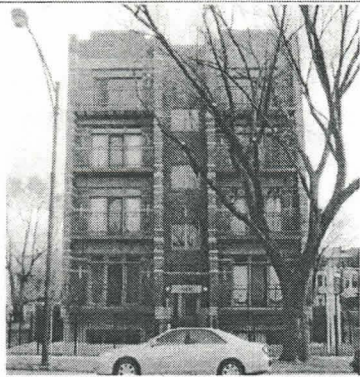


4442 S. Indiana Condo Development

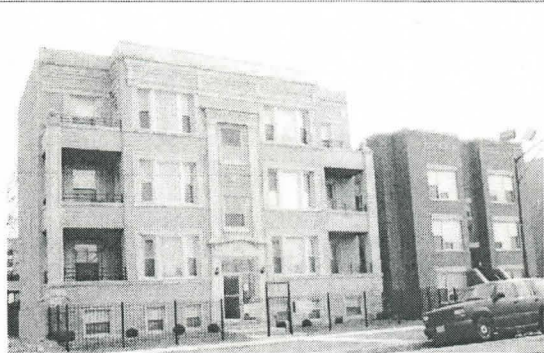
EXHIBIT D

Private Off-site Development In The C-1 Area

(Page 3 of 3)



4441 S. Indiana Condo Development



4129 S. Prairie Condo Development (Newly completed C-1 building to the reight)

EXHIBIT E

Washington Park Renovation Progress Photographs

