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FOR THE PUBLIC INTEREST

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April 22, 2009

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Re: Robert Taylor Redevelopment / Legends South

Dear Whitney, Rich, and Bill:

On March 4th, we met together, along with The Habitat Company, to discuss measures that would support a high quality of life for residents at Legends South and that would preserve the potential to meet the mixed-income objective of *Gautreaux* and the Transformation Plan if Brinshore-Michaels is to move forward with developing Phase A-2. Below, we set out what we understand to be the commitments Brinshore-Michaels and CHA made in our meeting or in the documentation you provided to us, as well as the areas for which we still need information or clarification. We address them in the order listed in our December 1, 2008 letter.

1. Multi-Year Services Plan with Funding Commitments, and Quarterly Services Reports

(a) Social Services

While a specific social services plan or amount of funding was not agreed to, Brinshore-Michaels and CHA made the following commitments:

- Brinshore-Michaels will staff two Social Service Coordinators, one for the current phases of Legends South and one for Phase A-2 and future phases, who will be funded in part, or in full if CHA is unable to provide funding, out of the operating budgets for the developments.

- The SSCs' responsibilities will include, for all Legends South residents and in addition to other responsibilities described in the documentation you provided, outreach, referrals to "outside" services as needed, organizing post occupancy programs/events, and establishing and maintaining partnerships with others for collaboration on resident services.

We further understand that 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.

Based on our discussions, we would like some additional information:

- To help us better understand the services currently being provided, we would like additional information on current staffing for social services for residents of Hansberry Square, as follows:
 - the names of the service providers;
 - a specific explanation of the different responsibilities of each provider (for example, assessment, case management, referrals, monitoring the outcomes of referrals, employment services etc.);
 - the full time equivalent of social service staff at Hansberry Square from each provider;
 - for each provider the number of staff hours spent on site weekly; and
 - a description of how the providers work together to address families' needs, including how they coordinate their services.
- At what point will the second SSC be hired and begin work?
- Is Brinshore-Michaels planning to staff both Computer Centers with facilitators, and if so, will they be funded through the operating budget?
- Please describe what you mean by 'blended management.'
- Please describe your watch list, including who maintains it, the procedure for placing a family on it, and what it means respecting how management and/or the services provider will thereafter work with the family placed on the list.

(b) Quarterly Services Reports

Brinshore-Michaels committed to providing quarterly services reports on Hansberry Square and Phase A-2 to BPI and the Working Group, with the form and content still to be determined. It was agreed, however, that the reports would include residents' services needs and how families have engaged in the services.

Our goal for the reports is that they will enable meaningful evaluation of whether the services provided are meeting the needs of residents. We believe that a narrative report covering the following elements would help meet that goal:

- a description of the most significant service needs among residents (e.g. services regarding employment, mental health, domestic violence, substance abuse etc.);
- how management is addressing the situation of particularly troubled families (without names);
- whether children and youth in the development are in school, well supervised when not in school, participating in after school programs or work etc.;
- the services and programming actually being used by residents, and whether there are gaps between needs for and available services;
- a description of how families are progressing toward the agreed goals of the initial family assessment; and
- significant challenges or successes for the quarter.

2. Quarterly Property Management Reports on Phases A-1 and A-2

Brinshore-Michaels committed to providing quarterly property management reports to BPI and the Working Group with the form and content still to be agreed upon.

At our March 4th meeting, Brinshore-Michaels provided us with a draft of a potential property management report. While we believe a chart similar to the one provided is an important component of the property management report, we believe -- as with the quarterly services reports -- that a narrative report providing a picture of how the development is actually working is also important. Such a narrative would include a discussion of important current successes (e.g. low turnover rates, resident participation in management events, resolution of a security issue) and concerns (e.g. security problems, lease compliance issues, maintenance issues, problems with neighbors getting along, etc.).

We would recommend the proposed chart be modified as follows, so the rows in order would be:

- total units and the breakdown by unit type,
- number of move outs each month by unit type,
- vacancies, by unit type
- vacancies over 60 days, by unit type
- occupancy, by unit type
- evictions initiated during the quarter, by unit type.

Rather than providing the reasons for move outs and evictions in the chart, we believe it would be better if they were discussed in the narrative portion.

3. A Security Plan and Commitment

Brinshore-Michaels committed to 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 committed to overseeing security at Legends South and working with Brinshore-Michaels to help address issues as necessary.

4. Washington Park Homes

Please confirm that the following Washington Park low-rises are the only low-rises remaining to be rehabilitated in the vicinity of Hansberry Square and Phase A-2 (39th/Calumet/47th/State), and that CHA is scheduled to complete rehabilitation on the schedule noted:

- 4010-24 South Wabash Avenue (October 2009);
- 4033-43 South Wabash Avenue (November 2009);
- two rowhouses on the 4600 block of South Wabash (April 2009); and
- 4460 South Wabash (2010).

Metcalf Park

While we understand that some recreational activity is occurring at Metcalfe Park, we would like a clearer understanding of what role CHA and Brinshore-Michaels are willing to play with respect to ensuring that the park does not act as a barrier or to further isolate any Phase 2 development. As we noted in our December 1, 2008 letter, we believe that while the lead actors in improving the park may be the Park District, the Alderman, City officials or others, we believe that CHA and Brinshore-Michaels can, and should, play a helpful role.

Neighborhood Schools, Economic Development

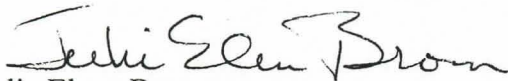
Here, too, we realize that work in these areas involves other parties, such as CPS, City departments and the Alderman, and is not within Brinshore-Michaels' or CHA's control. However, we would like to join with you in a commitment to putting thought and effort into addressing both and to some specific steps on each. We believe this merits further discussion.

* * *

Based on our discussions, we anticipate the need for a *Gautreaux* waiver order for Phase A-2 sometime in the next few months, if the development is to move forward. As we have discussed, we anticipate a full presentation on the waiver motion to the court. For this purpose, we need to finalize any agreement we have regarding the commitments Brinshore-Michaels and CHA are willing to make. We would therefore like to meet as soon as possible to try to bring closure to our agreements.

Thank you for your detailed response to our proposed measures, and also for your efforts to improve the functioning of the Taylor Working Group. We continue to appreciate your commitments to making Legends South a successful mixed-income development and look forward to continuing to work together with you toward that end.

Sincerely,



Julie Elena Brown

cc: Lawrence Grisham, The Habitat Company, LLC