

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,)	Hon. Marvin E. Aspen
Defendant.)	

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

On July 20, 2010, Plaintiffs and Defendant Chicago Housing Authority filed the Joint Motion of Plaintiffs and Defendant Chicago Housing Authority for an Order Modifying an Earlier Order, Authorizing Development of Public Housing Units in a Limited Area and Amending the Tenant Assignment Plan, with Exhibits A through E and a proposed Order attached. Due to problems with the electronic filing, the aforementioned Exhibits A through E and proposed Order are being re-filed and attached hereto. Since these attachments equal 10.75 MB, and documents must be 5 MB or less, this will be electronically filed in 3 separate filings.

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

July 20, 2010

Alexander Polikoff
Julie Elena Brown
Business and Professional People for the Public Interest
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312- 641-5570; fax: 312-641-5454

EXHIBIT A

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) **Receivership Transition Order.** I am Chairman of the The Habitat Company LLC ("Habitat"). Pursuant to the Receivership Transition Order this Court entered on May 20, 2010 (Doc. 343, the "RTO"), Habitat's status changed from Receiver for the development of new, family public housing for the CHA to Gautreaux Development Manager. Under the terms of the RTO, Habitat continues to have substantial responsibility for "program management functions" through May 31, 2013. I am submitting this Affidavit to provide the Court with Habitat's views regarding the redevelopment matters described below.
- 2) **Phase II Site.** The Gautreaux Development Manager, CHA, the Gautreaux plaintiffs, a private development company (East Lake Management and Development Company, referred to as "East Lake"), Rockwell Garden residents and others have developed plans to construct the next on-site phase ("Phase II") of the Rockwell Gardens redevelopment effort. The Rockwell Gardens site, renamed "West End", will create an opportunity for members of the Gautreaux plaintiff class to live in a mixed-income housing development. The Phase II site is bounded by Adams Street to the north, Van Buren Street to the south, Campbell and Artesian Streets to the east, and Maplewood Street to the west.
- 3) **Authorization Request for New Non-Elderly Public Housing Units.** Because this plan includes the construction of 65 new non-elderly public housing units, it requires the Court's authorization. The public housing units for this Phase and other Phases of this development will be interspersed throughout the site with affordable and market rate units. For the reasons noted, as follows, the Gautreaux Development Manager believes such authorization is merited.
- 4) **Status of Rockwell Redevelopment.** West End Phase I is the combination of Phase IA and IB. Phase IA was authorized by the Court's order of August 5, 2003. Phase IA Rental was completed in October 2004 and consists of 42 total rental units, including 14 public housing units, 18 affordable units, and 10 market rate units. Phase IB was authorized by the Court's order of August 22, 2005. The rental portion of Phase IB was completed in February 2007, but only a portion of the for-sale units have been constructed to date. It consists of 92 total

rental units, including 57 public housing units, 35 affordable units, and no market rate units. For the for-sale portion of Phase IB, the Court approved a plan for 116 units. In a June 5, 2006 letter from Daniel E. Levin to the Court (see **Exhibit 1**), a request was made to modify the for-sale plan approved by the August 22, 2005 Court Order, reducing the number of units attributable to Phase I to 66. The other 50 planned for-sale units -- originally planned to be built on land to be acquired -- are now to be allocated to the Phase II and Phase III areas.

The recent national economic recession has negatively impacted the local real estate market, creating a decline in home sales citywide, including particularly at this development. Thirty-one of the planned 66 units (all market rate) have been constructed, while the remaining 35 (11 affordable, 24 market rate) are yet to be built. As a result, East Lake is carrying an existing inventory of unsold, for-sale units from Phase IB and has not been able to proceed as planned. Of the 31 for-sale units East Lake constructed, 23 have not been sold. Of the 23 units, two are being used as the on-site management office location, while the remaining 20 units are being leased to market rate tenants. For Phase II, East Lake is planning to offer 12 more affordable for-sale units than previously planned (at a later date, to be determined) in an effort to provide lower price points to potential first-time buyers and moderate income buyers. The objective is to help better balance the total amount of rental and for-sale units, reinforcing the objective to build a mixed income community.

- 5) **West End Rental Phase II Plan.** Rental Phase II will consist of 112 units, including 65 public housing units, 33 affordable units, and 14 market rate 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. Of the 65 public housing units, 5 will be one-bedroom units, 9 will be two-bedroom units, 43 will be three-bedroom units, and 8 will be four-bedroom units. Upon the authorization and construction of rental Phase II of the redevelopment area, there will be approximately 275 completed mixed-income units—49% public housing, 31% affordable, and 20% market rate. **Exhibit 2** includes elevation renderings and the proposed streetscape for the buildings to be constructing in Phase II. A for-sale component is planned to be built as a separate Phase II track at a future date to be determined dependent on the stabilization of the real estate market in the immediate neighborhood. The future planned Phase II for-sale will include approximately 71 for-sale units, of which 24 are planned to be affordable for-sale units and 47 to be market rate units.
- 6) **Ownership and Management.** The Phase II Rental land will continue to be owned by CHA, and East Lake will be party to a Ground Lease. This Phase, along with the other Phases, will be owned by East Lake and managed by East Lake Management, a limited liability company which is a separate division of the Developer company ("East Lake"). **Exhibit 3** shows the entire Rockwell Gardens HOPE VI Redevelopment area, with the proposed Phase II boundaries highlighted. **Exhibit 4** is the proposed site plan for Phase II.
- 7) **Revisions to the On-Site Redevelopment Plan.** **Exhibit 5** is a set of tables that present the on-site unit mix for Phase IA, IB, and II, the proposed on-site unit mix for the remaining

Phase(s), and the total unit mix count for all on-site Phases. The Plan calls for approximately 690 units, of which about 33%, or approximately 230, of the total units to be public housing units, 33%, or about 230 of the units to be affordable units, and 33%, or approximately 230, of the units are to be market rate units. This unit mix closely matches the income mix anticipated in 2003.

For both Phases IB and Phase II, East Lake has revised its strategy for occupying for-sale units. After reassessing the West End neighborhood market area, East Lake has made several strategic adjustments, which include the following: 1) implementing a more aggressive marketing campaign to market the remaining, unsold, un-built Phase IB units, and 2) occupying the 20 unsold, built for-sale units through a sole or combined approach of leasing to market rate residents, a lease-to-purchase program for residents who would be income eligible, and/or any other suitable instrument. East Lake does plan to build the planned number of Phase II for-sale units as soon as possible once Phase IB sales have improved, so that the remaining 35 Phase I are constructed, and pre-sale requirements with lenders for Phase II have been met. The vacant lots designated as for-sale sites for Phase IB and Phase II will be secured and well-maintained in the interim.

- 8) **Letter of Agreement.** In light of the economic downturn and other long-standing concerns of the parties and Habitat, all have been working together with East Lake for the past two years to form a relationship, above and beyond interactions of the standard planning and development processes, to collectively address specific issues which impact the objective of creating mixed income community and improving the quality of life for all residents. The Letter of Agreement being submitted to the Court is a result of discussions during this time period addressing 1) challenges of selling for-sale units in Phase I and II; 2) social services, service reporting and documentation, and community programming for residents; 3) scope of property management services, reporting, and location of property management office; 4) formal security plan and reporting; 5) economic development in close proximity to West End; 6) neighborhood schools' participation and programming; and 7) the Rockwell Gardens working group due process. With specific measures now in place per this Agreement to address the listed issues, the Gautreaux Development Manager is in support that such actions will positively enhance the living environment of those residents living in the 65 public housing units in Phase II, along with the entire redevelopment.
- 9) **Neighborhood Improvements.** The area around West End had been showing a few promising signs of improvement; however, the recent recession has caused new community improvement and activity by public and private entities to come to a standstill due to limited resources. Outlined below are factors that the Gautreaux Development Manager believes are likely to attract higher income renters and owners in light of current economic conditions impacting this neighborhood area, and make the area desirable for the 65 Phase II public housing units be developed:
 - a. **Locational Advantages.** West End is located just three miles west of downtown Chicago. Major east/west thoroughfares provide easy access to and from downtown. In addition, the development is located close to several major expressways, with Interstate

290 – Eisenhower Expressway immediately south of the project area. The project area also is served by the Chicago Transit Authority's elevated train and bus lines.

- b. **Public Institutions and Investment.** The following is a list of some of the public institutions and investments in the area: (1) James Jordan Boys & Girls Club at 2102 West Monroe Street, (2) Mabel Manning Branch Library at 6 South Hoyne Avenue, (3) Salvation Army Community Center at 20 South Campbell Avenue, (4) a new streetscape installation by the City of Chicago that will contain trees, lighting, light pole banners, ornamental benches, stamped crosswalks, trash receptacles, bike racks and planters along Western Avenue between Lake Street to the north and Interstate 290 (I-290) to the south in two phases, with the first phase to occur between I-290 and Monroe Avenue, adjacent to the project site, (5) Johnny's Ice House West at 2550 West Madison, a 60,000 square foot ice rink practice facility, with LEED-certified construction and a green roof, which currently offers open rink time for adults and children.
- c. **Educational Institutions.** The immediate West End community area contains a number of neighborhood elementary and high schools that are accessible for residents for this project Phase, as shown in the following listing: (1) Crane Tech Prep Common School at 2245 West Jackson Boulevard, (2) Marine Military Academy and Phoenix Military Academy at 145 South Campbell Avenue, (3) Victor Herbert Elementary School at 2131 West Monroe Street, and (4) Malcolm X College at 1900 West Van Buren Street which offers GED curriculum and job training courses. The Chicago Public School District offers additional educational opportunities to residents in the broader neighborhood area through the Urban Prep Academy for Young Men at 2908 West Washington for grades 9-12 in the adjacent East Garfield Park neighborhood, Garfield Park Preparatory Academy for grades K-8 on 3250 West Monroe, a contract school operated by the Chicago School of Professional Psychology in East Garfield Park, and Noble Street College Prep Charter School on 2040 West Adams Street, financially supported by the Chicago Bulls, within the Near West Side neighborhood area.
- d. **Proximity to Employment Centers.** West End is in close proximity to the Illinois Medical District, comprised of two major teaching hospitals, University of Illinois Medical Center and Rush University Medical Center; John H. Stroger Cook County Hospital and Jesse Brown Veteran Affairs Medical Center are just southeast of the project site which may provide a significant number of employees from the District who may find the short commute from West End to work attractive.
- e. **Parks.** West End will be accompanied by a 2.18 acre community park to be built by the City of Chicago Park district, located in an area generally bounded by Jackson Street to the south, Maplewood Avenue to the east, Rockwell Street to the west, and a newly constructed right-of-way to serve as the northern boundary. As previously mentioned, the Chicago Blackhawks have constructed and opened a team practice ice rink facility, Johnnie's Ice House West at 2550 West Madison, which currently does provide open rink time to the general public. The site is not far from historic Garfield Park and Garfield Park Conservatory, west of the project site area, in which its facilities underwent major rehabilitation in recent years that houses several major art and nature exhibits throughout the year along with a seasonal farmer's market.

f. **Commercial Development.** Currently, there is a 15,000 square foot Walgreens, built in 2002, located at the northeast corner of Madison Street and Western Avenue, that serves as a key retail service near the Phase IB site. The City of Chicago is negotiating an agreement with Pete's Grocery to build a grocery store and small retail stores along the southeast corner of Western Avenue and Madison Street. Per Chicago City Council approval, the store opening is anticipated as early as Fall 2011. Additionally, a CVS pharmacy store, located at 3130-60 West Madison, is scheduled to begin construction in Summer 2010. Retail activity in this immediate neighborhood still is sparse compared to surrounding neighborhoods although there are a few signs of commercial investment. Adjacent to the project site, there is a small, active retail node at the intersection of Western and Madison and along the blocks extending in all directions along those street arms. In the last few years, neighborhood retail providing goods in the areas such as clothing, mortgage services, and insurance services have opened in first floor spaces as part of recently built mixed-use buildings.

g. **Residential Development.** The weakened economy over the past two to three years has drastically impeded new residential construction of rental and for-sale units in the private sector in the Near West Side and East Garfield Park community areas, along with the area south of the Eisenhower Expressway in close proximity to the project site area. Until this time, residential development was a burgeoning activity, slowing progressing westward from the Near West Side into East Garfield Park. There have been a few for-sale condominium and townhome developments, along with sporadic rehabilitation of existing buildings in the area near West End.

Since Phase I of West End was developed, over 100 condominiums and several row homes were built. **Exhibit 6** includes some examples. Recent sales, however, have been stagnant. Recent postings of the Realtor's Multi-Listing Service show immediately close to the project site, sale prices ranged from a low of about \$159,900 for a 2 bedroom, 1 bathroom immediately east of the existing West End development on Madison Street, to a high of \$275,000, also on Madison Street immediately east, for a 3 bedroom, 2 bathroom condominium. Admittedly, a noticeable number of the units for sale surrounding the project site are "short sale" transactions, with one being an existing Phase IB for-sale at 326 South Western. The status of new developments in the immediate neighborhood area since the last redevelopment phase is as follows:

- i) Forty-two 2 and 3-bedroom condominiums at 2245 West Madison.
 - ii) Thirty condominiums and 18 townhomes (2 bedroom, 2 bath) at 2200 West Madison.
 - iii) The Haven, a 52-unit development at 2223 West Madison, to include 1, 1+den, and 2-bedroom condominium units.
 - iv) Eighteen 3 bedroom, 2 bathroom condo units at 115-125 South Western, across the street from the existing West End development.
 - v) Three bedroom, 2 bathroom row homes in the 2230 and 2234 West Madison.
- h. **Nearby CHA Mixed Income Developments.** Adjacent to the site, two CHA mixed income developments, one existing and one planned, will have an impact on improving West End's immediate development. Northeast of the site is the previously designated Horner Revitalizing Area ("HRA"). Renamed "Westhaven", the redevelopment is almost completed. Westhaven Park, the mixed income phase of Horner redevelopment, now comprises 547 mixed income rental and for-sale units. One hundred ninety seven

additional units are in the planning phase, 176 for sale. Since Horner redevelopment began, there has been a large investment of public and private resources in the HRA, including a substantial increase in private housing rehabilitation and construction. Within the HRA, many condominium projects east of Western Avenue were completed in recent years, and development was progressing until the economic downturn.

Directly west of West End Phase II will be a planned rental project, to be located on CHA-owned land, called City Gardens. Subject to approval by this Court, it will include approximately 80 mixed income units, including 27 public housing units. This project is planned to close in 2011.

- 10) **Relief for Gautreaux Class Members.** While conditions in the surrounding community have improved, the West End area has not yet experienced the level of improvement as those neighborhoods surrounding Henry Horner (as previously described), North Kenwood-Oakland, Madden-Wells, Cabrini-Green, ABLA, and Stateway Gardens at the time those Revitalizing Orders were entered, improvement upon which our support for previous revitalizing area designations was, in part, based. Private reinvestment and homeownership 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 Gautreaux Development Manager believes that West End IA and IB have been a positive and grounding force in the community, and that the proposed Phase II will significantly add to the stabilization of the community and will spur further neighborhood revitalization activity. West End Phase II will also provide continued relief for members of the Gautreaux plaintiff class.
- 11) **Request to Authorize Development of Public Housing Units.** For the reasons stated above, the Gautreaux Development Manager supports the Joint Motion seeking a waiver to authorize development of 65 public housing units as part of West End Phase II, which is part of the on-site component of the overall Rockwell Garden redevelopment effort.
- 12) **Request to Modify 2005 Court Order.** Further, the Gautreaux Development Manager supports the Joint Motion seeking a modification to the 2005 Order to avoid a concentration of for-sale housing in one area which would result in significant clusters of rental housing on-site.

Further affiant sayeth not.


Daniel E. Levin

Chairman, The Habitat Company LLC

SUBSCRIBED and SWORN to
before me this 14th day of July, 2010


NOTARY PUBLIC



List of Exhibits

Exhibit 1 – West End (Rockwell Gardens) Phase I Letter to The Honorable Marvin E. Aspen from Daniel E. Levin, Chairman of The Habitat Company LLC, dated June 5, 2006

Exhibit 2 – West End Phase II Renderings

Exhibit 3 – Rockwell Gardens Redevelopment Area Master Site Plan

Exhibit 4 – West End Phase II Area Site Plan

Exhibit 5 – West End Phase II Area Unit Mix

Exhibit 6 – Other Private Residential Development

Exhibit 1



THE HABITAT COMPANY

June 5, 2006

The Honorable Marvin E. Aspen
United States District Court Northern District of Illinois
Everett McKinley Dirksen Building
219 South Dearborn Street
Chicago, Illinois 60604

RE: West End (Rockwell Gardens) Phase I

Dear Judge Aspen:

I am writing to give you an update on the progress of the for-sale component of the Rockwell Gardens redevelopment about which you entered an order last year. Your order of August 22, 2005 (the "2005 Order") authorized the Receiver to cause the development of "57 new non-elderly public housing units in a mixed-income development" on land formerly occupied by the Rockwell Gardens housing development. This authorization had two conditions: (1) that an additional 53 affordable units and 98 market rate units (including 116 affordable or market rate homeownership units) "are built and marketed roughly simultaneously so that public housing units constitute no more than 28% of the total number of residential units to be constructed pursuant to [the] Order"; and (2) that the public housing units "are and remain well distributed among the new units to be constructed on the block." A copy of the 2005 Order is enclosed.

Construction of the rental development that includes the 57 public housing units (plus 35 affordable units) commenced in January 2006 and should be complete in early 2007. Additionally, a closing that will permit the development of at least 57 for-sale units is currently scheduled for this Wednesday, June 7. These units will be interspersed with the foregoing rental units so that the public housing units will be "well distributed" pursuant to the 2005 Order. Although there has been a lag of several months in beginning construction of the for-sale units (in part due to the need for the Developer to conclude enough "pre-sales" of those units to satisfy its lender's financing conditions), the imminent commencement of construction of the for-sale units after this week's closing

means that the construction of public housing and other units will now proceed "roughly simultaneously" pursuant to the 2005 Order. BPI, the CHA and the Receiver support the immediate development of these for-sale units and look forward to their construction following this week's closing.

That's the good news. Unfortunately, the development of the remaining 59 home-ownership units (of the 116 total) contemplated by the 2005 Order has not progressed as anticipated last August. After considerable discussion among the pertinent parties and the Receiver, there is now serious doubt as to whether it is possible or desirable to construct all of the 116 for-sale units within the limited boundaries described in the 2005 Order. The reasons include the following:

1. Neither the CHA nor the Developer has site control of all of the land required for the remaining 59 for-sale units. Land for nine of these units is expected to be acquired. This land is owned by the City of Chicago, but requires the City Council's approval for it be transferred to the for-sale development entity. That approval may not occur until October. Last summer, the Developer had received City Council approval for the transfer to the Developer of the lots needed for the nine units, but the Developer has since changed its plan substantially enough to require new City Council approval. The City's Department of Planning and Development is working with the Developer and has not objected to the change. Provided that the City lots are deeded to the Developer, the 9 additional for-sale units can be developed, bringing the total to 66 for-sale units.
2. Gaining site control of the land needed to develop the remaining 50 for-sale units is more problematic. Much of the necessary property is privately owned. The owner of the private property has rejected the purchase offers that have been made, which were based on the appraised value of the property. The City—through private counsel—is pursuing the acquisition of this land through eminent domain. This litigation could take at least a year. Even so, if the ultimate acquisition price is too high, the feasibility of developing the for-sale units on those sites may be imperiled.
3. Even if the land can be acquired at a price that is affordable to the redevelopment, the parties have come to appreciate that, for several reasons, it may not be desirable to build all 50 of the remaining for-sale units within the limited geographic area prescribed by the 2005 Order. (That area is outlined in the attached Exhibit A.)

The parties expect and agree that these 50 for-sale units contemplated in the 2005 Order should ultimately be developed. The principal questions that remain are the location of those units and whether they should be developed in conjunction with additional public

housing and affordable units. Planning discussions on these subjects have been occurring and will continue.

As you can see, as is often the case, reality sometimes intrudes upon plans and requires that adjustments be made. At this time, there is uncertainty with respect to critical site-acquisition issues, and resolution of those issues will very likely require planning adjustments. However, none of the stakeholders, nor the Receiver, want this uncertainty to delay progress on developing the land that we do control. Our experience in recent years is that the redevelopment process is itself a substantial engine of revitalization. As new units are rented and sold, the neighborhood improves and the prospects for further development and revitalization are enhanced. Accordingly, as noted above, the pertinent parties agree that the closing of this week, which will permit construction of the 57 (and, ultimately, 66) for-sale units as to which site control exists or is imminent, should proceed. Meanwhile, the parties plan to move forward on a parallel track through a collaborative process to plan the location and mix of the remaining 50 for-sale units. Combined with the rental units previously constructed on an adjacent parcel as Phase I-A, the rental units under construction and the 66 units of for-sale housing will result in a mixed-income development, even without counting the 50 additional for-sale units. However, the delay in developing the remaining 50 for-sale units, as well as the possibility that they may be developed on sites other than those previously anticipated and in conjunction with additional rental units, means that it will become necessary to seek your approval of a modification of the 2005 Order, which had provided that the public housing units would not exceed 28% of the total residential units. After this week's closing and the completion of Phase I-B, public housing units will at that time constitute 35.5% of the new units in Phase I. It should be noted that the Phase I-B area encompasses a number of existing, privately-owned structures. Those buildings are a mix of rental and owner-occupied units disbursed in the blocks on which the new housing is planned. The enclosed site plan shows the location of pre-existing units within the 2005 Order area. (See Exhibit A).

The final percentage of public housing units is unknown for the reasons stated above, but the Receiver desires that the percentage of public housing units for the entire redevelopment does not exceed 33%. The following chart illustrates the unit mix expected after completion of Phase I and prior to the development of the 50 additional for-sale units:

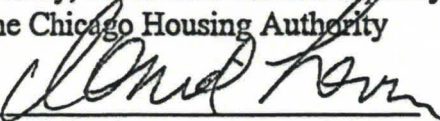
Type	Rental	For-Sale	Total Units	%
CHA	71	0	71	35.5%
Affordable	53	0	53	26.5%
Market Rate	10	66	76	38%
Total Units	134	66	200	
%	67%	33%		100%

We considered seeking a modification of the 2005 Order before this week's closing. However, because there are open questions regarding site control and the final unit mix, we do not yet have an alternative plan to present to you. Rather than modify the 2005 Order in a piecemeal fashion, we thought it made more sense to provide you this status report, to proceed with the closing forthwith, and to defer the formal modification of the 2005 Order until such time as we can present an agreed motion that will include a comprehensive refined plan prepared after resolution of the uncertainties. We hope to present such an agreed motion at some point before closing the rental portion of Phase 2 of this redevelopment, which is currently expected to occur in the third quarter of 2007.

We believe that Phase I as it is being currently executed is a significant step in the revitalization of the former Rockwell Gardens site and that commencing the construction of the 66 market-rate for-sale units while continuing with a thoughtful planning process for future development of for-sale units will advance Gautreaux objectives. If you are agreeable with this approach, we would appreciate a brief response so acknowledging. If you would prefer that the parties submit a formal motion at this time to modify the 2005 Order, we can ask the parties to do so.

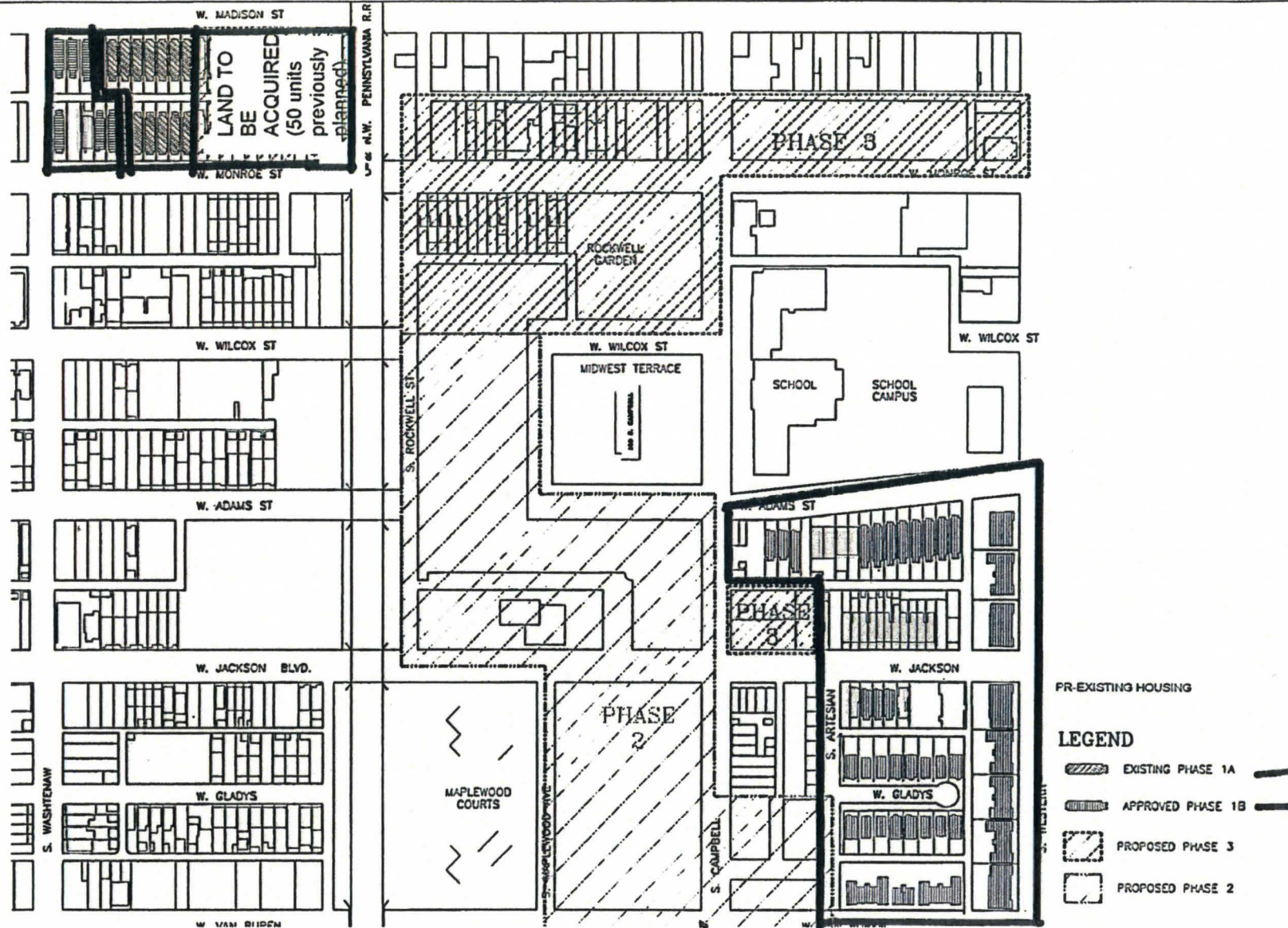
Thank you for your consideration of these matters.

Daniel E. Levin and The Habitat Company LLC, not personally, but in their official capacity as Receiver for the Chicago Housing Authority

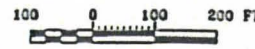


Daniel E. Levin
Chairman

cc: Alex Polikoff, BPI
Julie Elena Brown, BPI
Gail Niemann, CHA
Thomas Johnson
Michael L. Shakman/Edward W. Feldman



ROCKWELL GARDENS REDEVELOPMENT
PHASING LOCATION PLAN - 16 FEB 2006



PR-EXISTING HOUSING

LEGEND

- EXISTING PHASE 1A
- APPROVED PHASE 1B
- PROPOSED PHASE 3
- PROPOSED PHASE 2

EAST LAKE
MANAGEMENT &
DEVELOPMENT CORP.
2000 N. WILSON, CHICAGO, IL 60640
312-467-0000 312-467-0000 FAX

Exhibit 2



Artist's Rendering

ROCKWELL GARDENS- PHASE II

DATE: September 18, 2007

PLEASE ADVISE: If you are not a resident of the City of Chicago, you must be a resident of the City of Chicago for at least 30 days prior to the date of the meeting. If you are not a resident of the City of Chicago, you must be a resident of the City of Chicago for at least 30 days prior to the date of the meeting. If you are not a resident of the City of Chicago, you must be a resident of the City of Chicago for at least 30 days prior to the date of the meeting.

EASTLAK MANAGEMENT & DEVELOPMENT CORP.
2002 S. MICHIGAN AVE., CHICAGO, IL 60605
TEL: 312-908-0000 FAX: 312-908-0708



ARCHITECT
FINANZ ASSOCIATES P.C.
2000 Wilson Avenue, Chicago IL 60618
TEL: 312-312-1000

DESIGNED BY: EASTLAK MANAGEMENT, INC.



Artist's Rendering

ROCKWELL GARDENS- PHASE II

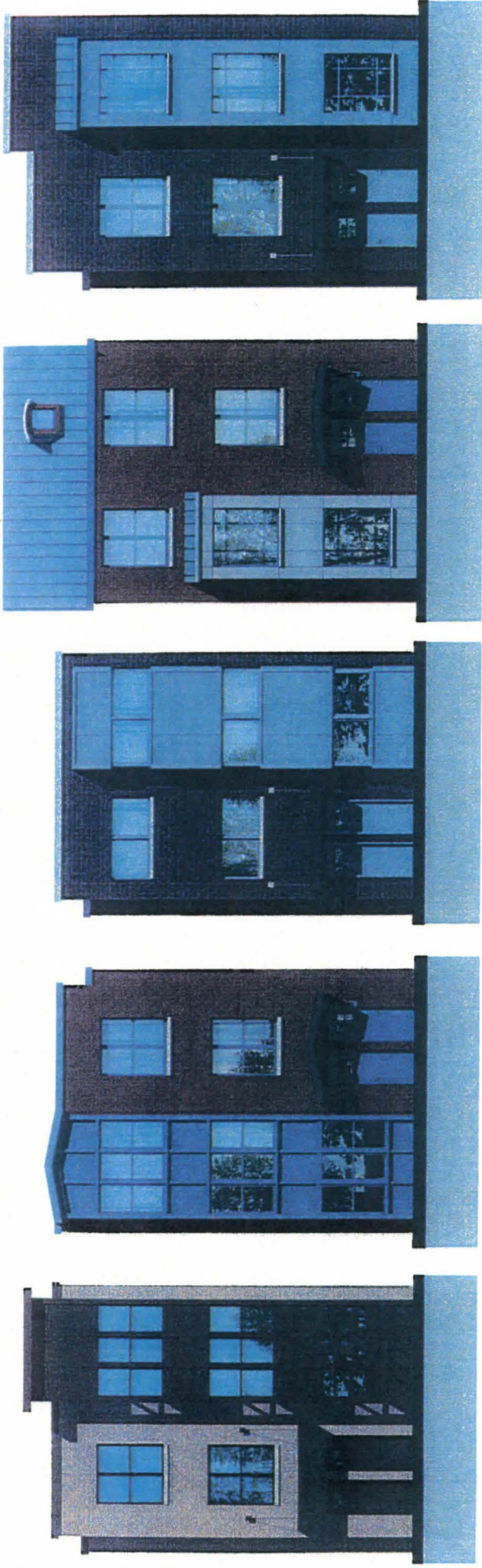
LATE September to 2009

POWELL ASSOCIATES, P.A. provides services to the Rockwell Gardens project. The project is located at 1000 Rockwell Avenue, Chicago, IL 60618. The project is a multi-story residential building. The project is a multi-story residential building. The project is a multi-story residential building.

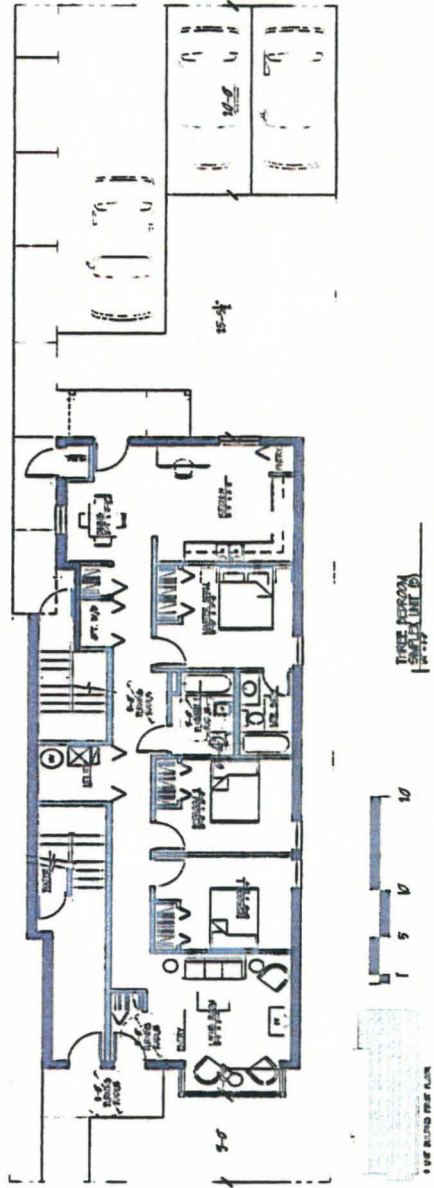
EASTLAK MANAGEMENT & DEVELOPMENT CORP.
2000 S. MICHIGAN AVE., SUITE 200
CHICAGO, IL 60605
TEL: 312-467-0000 FAX: 312-467-0000

PA

ARCHITECT
FURMAN ASSOCIATES P.C.
2000 S. MICHIGAN AVE., SUITE 200
CHICAGO, IL 60605
TEL: 312-467-0000 FAX: 312-467-0000



Typical 3 Unit Buildings



ROCKWELL GARDENS- PHASE II

DATE: September 18, 2007

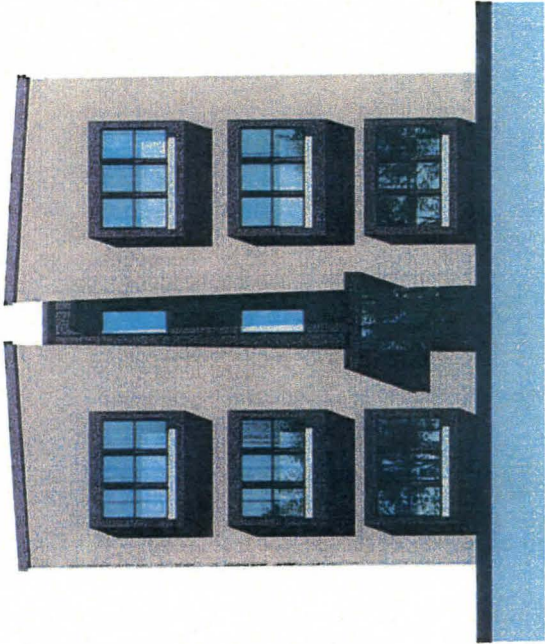
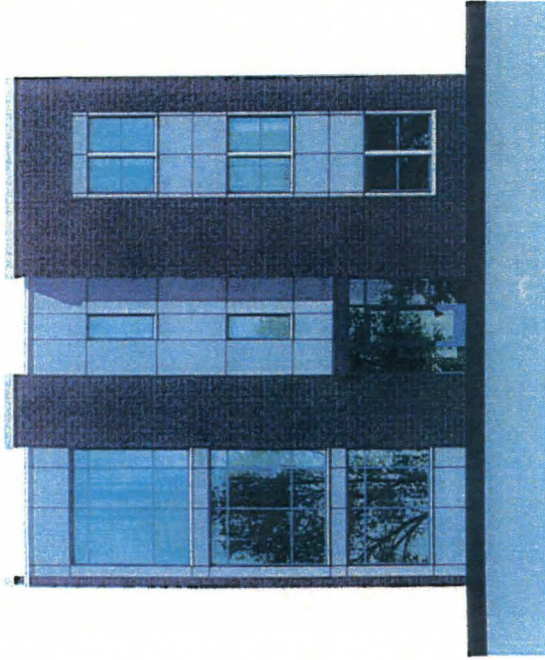
EASTLAKE MANAGEMENT & DEVELOPMENT CORP.
2805 S. MCCORMICK AVE., CHICAGO, IL 60608
TEL: 847-5008 FAX: 847-922-5740

PROJECT PREPARED BY: Eastlake Management & Development Corp. The information contained herein is for informational purposes only and does not constitute an offer of any securities. The information is not to be used in any way to solicit or induce the sale of any securities. The information is not to be used in any way to solicit or induce the sale of any securities.

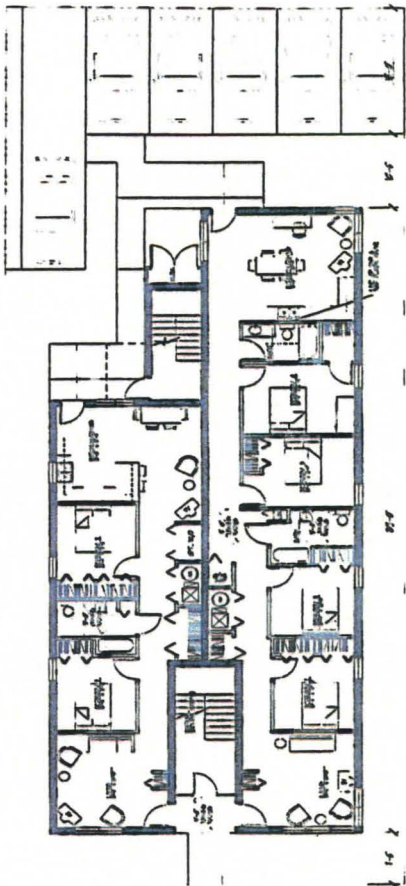


PERKINS ASSOCIATES P.C.
2805 S. MCCORMICK AVE., CHICAGO, IL 60608
TEL: 847-5008 FAX: 847-922-5740

DESIGNED BY PERKINS ASSOCIATES P.C.



Typical 6 Unit Buildings



DATE: September 18, 2007
 SCALE: 1/8" = 1'-0"
 THIS DRAWING IS A PART OF THE PROJECT AND IS NOT TO BE USED SEPARATELY FROM THE OTHERS.

ROCKWELL GARDENS- PHASE II

PROJECT ARCHITECT: P.C. ARCHITECTS, INC.
 1000 N. LAKE STREET, SUITE 100, CHICAGO, IL 60610
 TEL: 312-542-0100 FAX: 312-542-0101



EASTLARK MANAGEMENT
 & DEVELOPMENT CORP.
 2002 N. MICHIGAN AVE., CHICAGO, IL 60610
 TEL: 312-542-0100 FAX: 312-542-0101

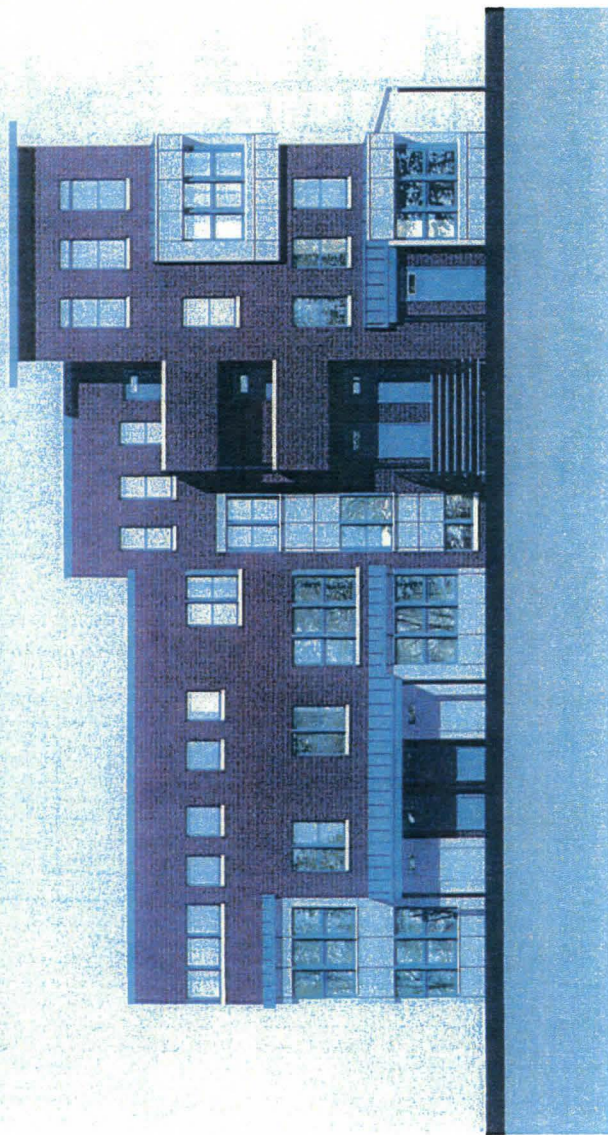


PROJECT ARCHITECT: P.C. ARCHITECTS, INC.
 1000 N. LAKE STREET, SUITE 100, CHICAGO, IL 60610
 TEL: 312-542-0100 FAX: 312-542-0101

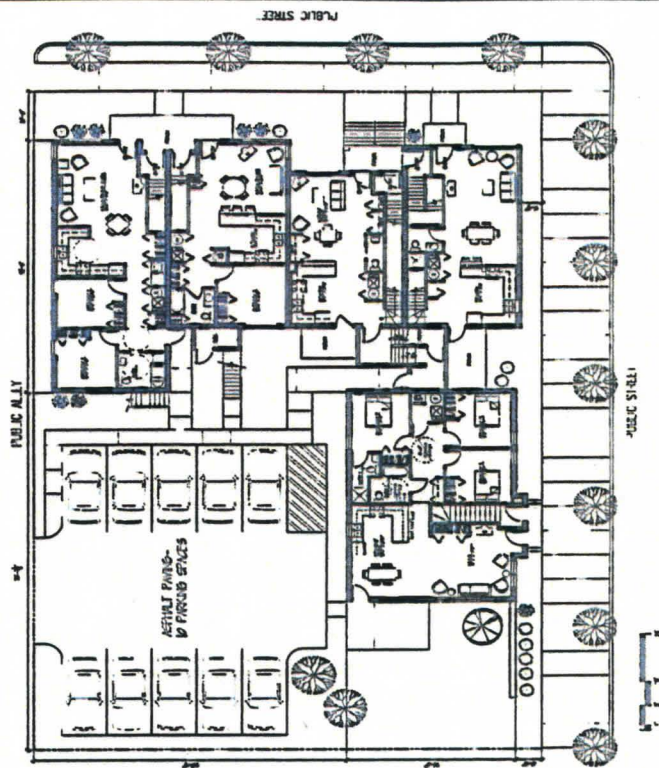


EASTLARK MANAGEMENT
 & DEVELOPMENT CORP.
 2002 N. MICHIGAN AVE., CHICAGO, IL 60610
 TEL: 312-542-0100 FAX: 312-542-0101





Typical 10 Unit Building



ROCKWELL GARDENS- PHASE II

DATE September 18, 1967

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**EASTLAKE MANAGEMENT
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PA
ARCHITECTS
PINKAZ ASSOCIATES P.C.
2000 Edison Avenue, Chicago
CONSULTANTS

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East side of Maplewood Ave.



West side of Campbell Ave.



North side of Van Buren St.



East side of Campbell Ave.

ROCKWELL GARDENS- PHASE II

DATE: September 18, 2007

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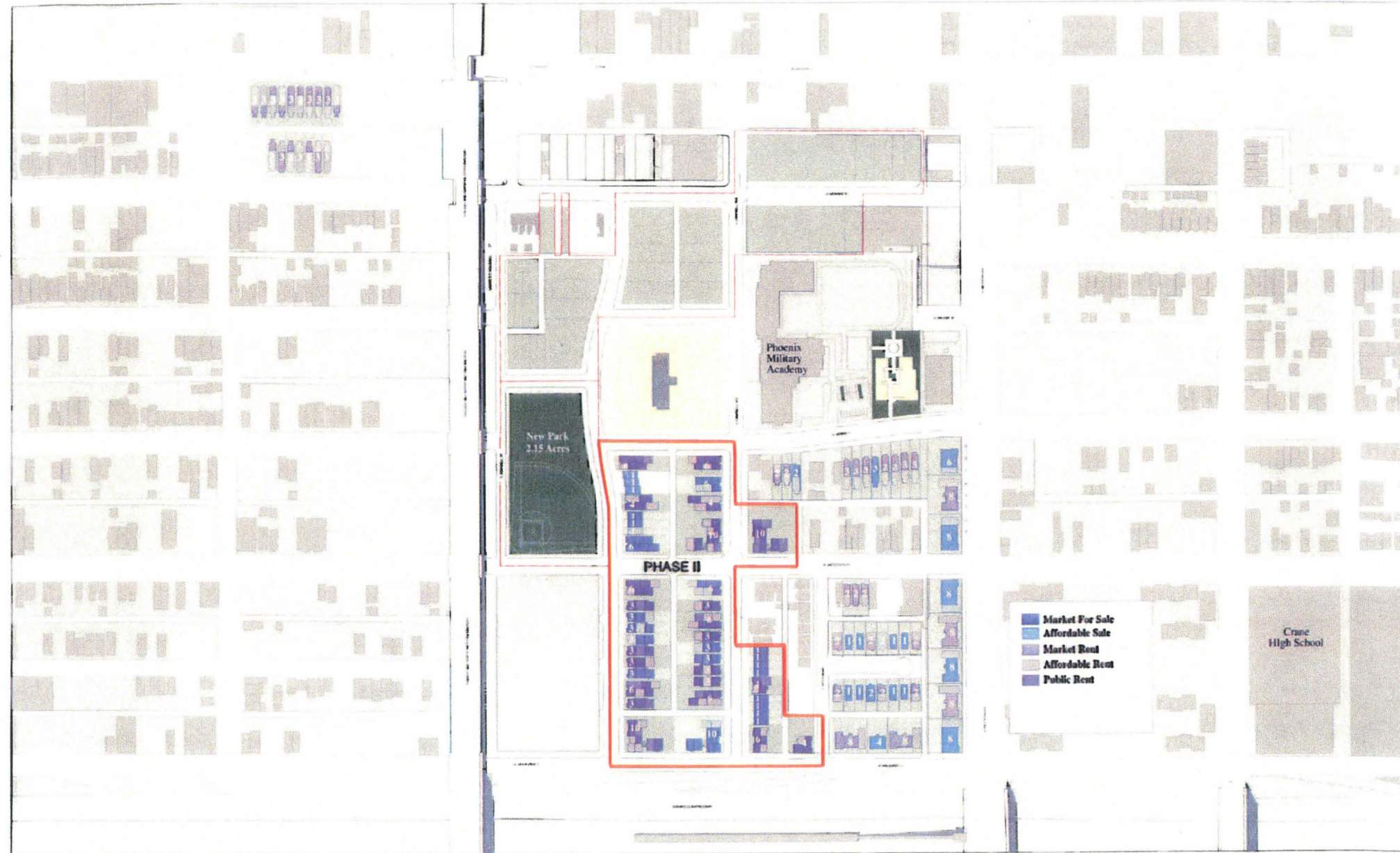
**EASTLAKE MANAGEMENT
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312-642-6000 FAX 312-642-0705



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Exhibit 3

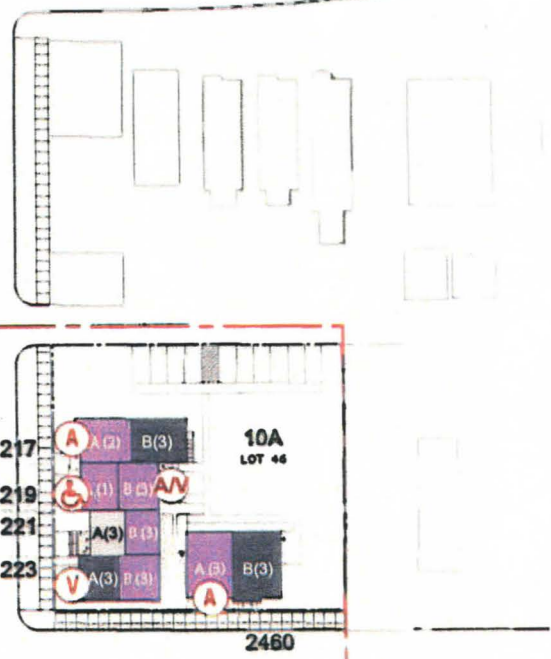
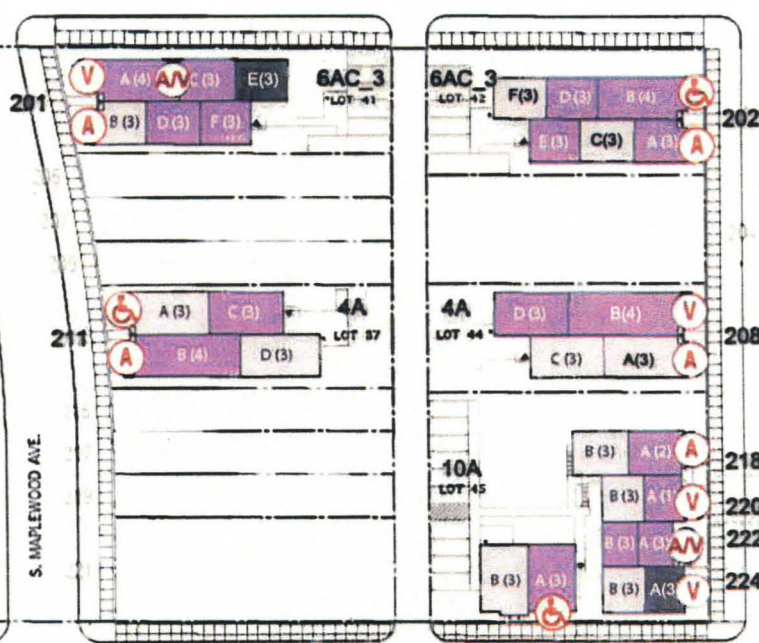


Rockwell Gardens Hope VI Redevelopment
Chicago Housing Authority

Master Plan

Developer: East Lake / West End Development LL
 Architect: Piekarz Associates Architects, F
 Planner: Okrent Associates, In

Exhibit 4



W. JACKSON BLVD. 2508



Phase II Dist. Map

- Audio/Visual Impaired
- Market Rent
- Affordable Rent
- Public Rent
- Accessible Section 504/Type A
- Adaptable Type A
- Visitable

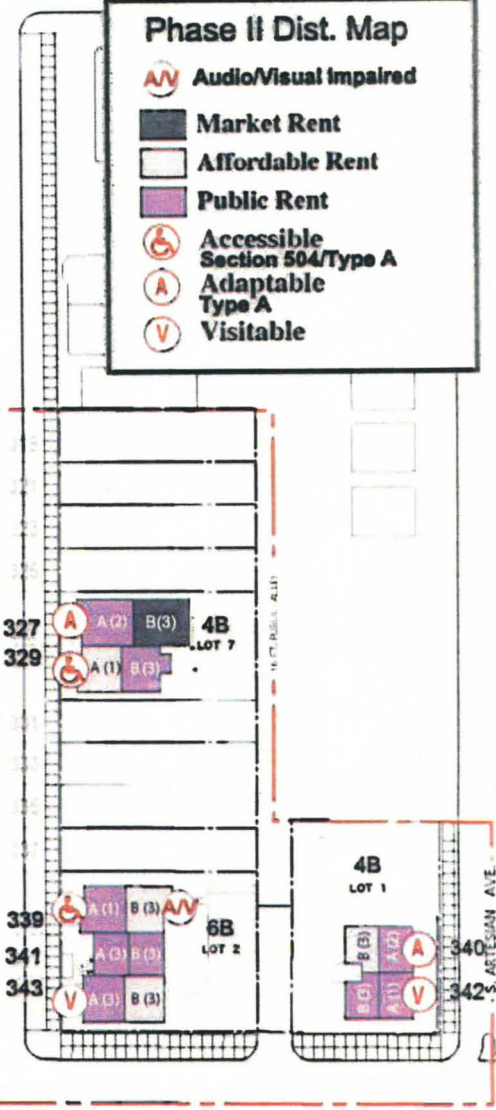


Exhibit 5

West End (Rockwell Gardens) Redevelopment Area Unit Mix

Phase IA

Income Mix		PHA	Affordable	Market	Total	%
	Rental	14	18	10	42	100%
	For-Sale	0	0	0	0	0%
	Total	14	18	10	42	100%
	%	33%	43%	24%	100%	

Phase IB

Income Mix		PHA	Affordable	Market	Total	%
	Rental	57	35	0	92	58%
	For-Sale	0	0	66	66	42%
	Total	57	35	66	158	100%
	%	36%	22%	42%	100%	

Phase II

Income Mix		PHA	Affordable	Market	Total	%
	Rental	65	33	14	112	61%
	For-Sale	0	24	47	*71	39%
	Total	65	57	61	*183	100%
	%	36%	31%	33%	100%	

Planned Remaining Phases

Income Mix		PHA	Affordable	Market	Total	%
	Rental	93	90	27	210	68%
	For-Sale	0	30	67	97	32%
	Total	93	120	94	307	100%
	%	36%	31%	33%	100%	

All Phases Total

		PHA	Affordable	Market	Total	%
	Rental	229	176	51	456	66%
	For-Sale	0	54	180	234	34%
	Total	229	230	231	690	100%
	%	33%	33%	33%	100%	

* Phase II for-sale will occur as a separate development track at a later date after the construction of the Phase II rental units.

Exhibit 6



NEW CONSTRUCTION

115-125 S. Western

FEATURES INCLUDE:

- 3 Bedroom, 2 Bath
- 1900 Sq.Ft.
- City Views
- Natural Oak Hardwood Floors
- Profile SS Appliances
- Gourmet Kitchen w/Granite
- 42" Custom Cabinetry
- Marble Baths
- Washer / Dryer In-Unit
- Private Balcony & Rear Deck
- Parking Included

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www.daprilerealty.com

115-125 South Western Avenue



115-125 South Western Avenue



22 South Western Avenue



2200 Block of W. Madison Street (Northside)



2200 Block of W. Madison Street (Southside)



2212 W. Monroe



2223 W. Madison



2225-87 W. Madison



2245 W. Madison Lot



2500 Block of W. Madison (Northside)

EXHIBIT B

Case No. 66 C 1459
Judge Marvin E. Aspen

The Court being authorized to issue orders in this case "designed . . . to achieve results consistent with [the Judgment Order]" (304 F. Supp. 736, 741); and

The Court being of the view that based on the circumstances described in the Joint Motion, the proposed 14 public housing units are designed to achieve results consistent with the Judgment Order previously entered in this cause;

Now, therefore, IT IS HEREBY ORDERED:

The Receiver, previously appointed by the Court to develop non-elderly public housing on behalf of the defendant, Chicago Housing Authority, shall be free to develop or cause to be developed 14 units of non-elderly public housing on a block bounded by Madison Street on the north, Monroe Street on the south, Rockwell Street on the east and Washtenaw Avenue on the west, provided, however, that (1) an additional 18 affordable rental units and 10 market rate rental units are built and marketed roughly simultaneously so that public housing units constitute no more than 33% of the total number of residential units to be constructed pursuant to this Order, and (2) the public housing units are and remain well distributed among the new units to be constructed on the block. The Chicago Housing Authority Tenant Selection and Assignment Plan, originally approved by Order of this Court on November 24, 1969, and amended by further orders dated September 12, 1983, June 9, 1989, October 1, 1990, October 6, 1994, August 14, 1995, July 20, 2001, August 29, 2002, and March 24, 2003, is hereby amended to require that the 14 public housing units in the Phase I-A Rockwell Gardens redevelopment be made available to eligible families living in CHA units or with temporary Section 8 vouchers. If there are no such families available to occupy the units, then they shall be made available to families on the CHA waiting list.

ENTER

Marion E. Asper

Judge

Dated

8/5/03

EXHIBIT C

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.)	

AGREED ORDER

This matter coming to be heard on the Joint Motion of Plaintiffs and Defendant Chicago Housing Authority, for an order to waive Gautreaux locational restrictions and authorize development of 57 new non-elderly public housing units in a mixed-income development within the following boundaries: (a) an area bounded by Adams Street on the north, Van Buren Street on the south, Western Avenue on the east and Campbell Street on the west and (b) a block bounded by Madison Street on the north, Monroe Street on the south, Rockwell Street on the east and Washtenaw Avenue on the West, and to amend the Tenant Assignment Plan with respect thereto, and the Court having heard from the parties concerning the proposed order, including that the Receiver,

Daniel Levin and The Habitat Company LLC support the Joint Motion; 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 being authorized to issue orders in this case "designed ... to achieve results consistent with [the Judgment Order]" (304 F. Supp. 736, 741); and

The Court being of the view that based on the circumstances described in the Joint Motion and the presentations made in open court, the proposed 57 public housing units are designed to achieve results consistent with the Judgment Order previously entered in this cause; and


The Court notes that the parties have reached an understanding as to plaintiffs' concerns regarding their mutual goal to realize the mixed-income objective at Rockwell;

Now, therefore, IT IS HEREBY ORDERED:

The Receiver, previously appointed by the Court to develop non-elderly public housing on behalf of the defendant, Chicago Housing Authority, shall be free to develop or cause to be developed 57 new non-elderly public housing units in a mixed-income development within the following boundaries: (a) an area bounded by Adams Street on the north, Van Buren Street on the south, Western Avenue on the east and Campbell Street on the west and (b) a block bounded by Madison Street on the north, Monroe Street on the south, Rockwell Street on the east and Washtenaw Avenue on the West, provided, however, that (1) an additional 53 affordable units and 98 market rate units (including 116 affordable or market rate homeownership units) are built and marketed roughly simultaneously so that public housing units constitute no more than 28% of the total number of residential units to be constructed pursuant to this Order, and (2) the public housing units are and remain well distributed among the new units to be constructed on the block. The Chicago Housing Authority Tenant Selection and Assignment Plan, originally approved by Order of this Court on November 24, 1969, and amended by further orders dated September 12, 1983, June 9, 1989, October 1, 1990,

October 6, 1994, August 14, 1995, July 20, 2001, August 29, 2002, and March 24, 2003, is hereby amended to require that the 57 public housing units in the Phase I-B Rockwell Gardens redevelopment be made available to eligible families living in CHA units or with temporary Section 8 vouchers. If there are no such families available to occupy the units, then they shall be made available to families on the CHA waiting list.

ENTER:



A handwritten signature in black ink, appearing to be 'Mc', is written over a horizontal line.

Judge

Dated: 8/22/05

EXHIBIT D



CHAMBERS OF
MARVIN E. ASPEN
JUDGE

PHONE (312) 435-5696
FACSIMILE (312) 408-5160
E-MAIL (MARVIN_ASPEN@ILND.USCOURTS.GOV)

June 7, 2006

Mr. Daniel E. Levin
Chairman
The Habitat Company
350 West Hubbard Street
Chicago, Illinois 60610

Re: *West End (Rockwell Gardens) Phase I*

Dear Mr. Levin:

I am in receipt of your letter of June 5 in which you ask that if I am "agreeable" with the approach set forth in your letter that I acknowledge the same to you. I do so on the assumption that the parties copied to your letter (and copied to mine) concur in your approach. If that is not the case, I would appreciate hearing from any of them immediately.

Sincerely,

Marvin E. Aspen

MEA:lss

cc: Alex Polikoff, BPI
Julie Elena Brown, BPI ✓
Gail Niemann, CHA
Thomas Johnson
Michael L. Shakman
Edward W. Feldman

G:\CASECORR\levin.006.wpd

EXHIBIT E



BUSINESS AND PROFESSIONAL PEOPLE
FOR THE PUBLIC INTEREST

25 East Washington Street
Suite 1515
Chicago, Illinois 60602
(312) 641-5570
fax (312) 641-5454

July 15, 2010

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(1927-1987)

Ms. Eileen Rhodes
Vice President
East Lake Management & Development Corporation
2850 South Michigan Avenue
Chicago, IL 60616

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

Re: Gautreaux -- Letter of Agreement regarding Rockwell Redevelopment / West End Phase II

Dear Eileen and Scott:

This Letter memorializes agreements reached among the Chicago Housing Authority, East Lake Development, and the Gautreaux plaintiffs regarding measures that East Lake 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, West End, in anticipation of a request to Judge Aspen to authorize the development of 65 additional units of public housing as part of Phase II of West End.

The agreement is the result of discussions involving East Lake, CHA, The Habitat Company LLC as Gautreaux Development Manager ("GDM"), 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 West End. In particular, the discussions addressed the inability, so far, to sufficiently develop the for-sale component of the West End plan, with the result that West End is for now, and will be for at least some period into the future, a predominantly 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 West End'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.

AGREEMENTS

1. Phases I and II For-Sale Units

East Lake has constructed 31 units of for-sale housing in Phase IB of the West End development, 23 of which have not been sold to date. East Lake is currently using 2 units as a management office, and is renting the remaining unsold units.

- East Lake commits to using its best efforts to ensure that unsold for-sale units do not remain vacant, either through leasing the units to market rate tenants, a lease-to-purchase program, or other suitable mechanism.
- During the first year of this agreement, and thereafter if deemed useful by the undersigned, the Gautreaux plaintiffs, CHA, East Lake, and the GDM will meet quarterly to review and discuss current sales, financing and lending conditions. When the undersigned and the GDM agree that it is appropriate, East Lake will develop a plan to market the remaining unsold Phase I units, both built and un-built.
- At an appropriate time, as agreed to by the undersigned and the GDM at their quarterly meetings, when Phase I sales have improved and the demand for un-built units increases, East Lake will aggressively market and, when sufficient units have been pre-sold, promptly construct the planned Phase II for-sale units.
- East Lake will maintain and secure any vacant lots owned by Eastlake or CHA that are intended for for-sale development, so as not to prejudice future sales.
- At an appropriate time, as agreed to by the undersigned and the GDM at their quarterly meetings, East Lake will review the current plan for development of the remaining site and recommend appropriate revisions in light of the changes in market conditions. The undersigned and the GDM will review and discuss East Lake's development plans and any recommended changes. East Lake will not proceed with any further phases of development until agreement is reached on a development plan.

2. 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 West End continues as an overwhelmingly 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

- East Lake will staff one full-time social service coordinator (SSC) position for Phases I and II of West End. As additional phases are completed, or sooner if necessary, the service provider positions may increase. The position(s) will be funded in part, or in full if CHA is unable to provide funding, out of the operating budget for the development.
- The SSC's responsibilities will include, for all West End 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, including the CHA FamilyWorks provider, for collaboration on resident services.
- CHA currently has a contract with East Lake to assist in coordinating social services at West End. The current contract expires on March 17, 2011 with the option of extension periods pending contractor performance, funding availability, and the overall strategy for services at West End.
- CHA currently has a contract with Jane Addams Hull House Association as a part of its FamilyWorks Program. The current contract expires on December 31, 2010 and includes four (4) additional one-year option periods. CHA intends to continue its FamilyWorks contract for residents of West End pending contractor performance, funding availability, and the overall strategy for services at West End.
- CHA will use its best efforts to continue its financial support for social services at West End through at least 2015.

(b) Quarterly Services Reports

- CHA, in coordination with East Lake, will provide quarterly services reports on all occupied phases of West End at the quarterly meetings attended by the Gautreaux plaintiffs, East Lake, CHA, and the GDM. These reports will cover the services provided, including such elements as:
 - the services and programming being offered and actually being used by residents;

- o outcomes achieved for the quarter;
 - o 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, East Lake, and the GDM will meet quarterly to review and discuss the quarterly services reports. The Gautreaux plaintiffs, CHA, East Lake, and the GDM will collectively use the reports to identify issues for further discussion.
- Within three months of the signing of this agreement, CHA and East Lake will provide an initial report assessing whether the services provided to residents are meeting the needs of residents. This assessment of services shall include, but not be limited to:
 - o FamilyWorks' resident assessments and related Individual Action Plans;
 - o Resident surveys and home visits;
 - o East Lake's resident lease compliancy information;
 - o Anecdotal observations from CHA, East Lake and/or other stakeholders.

3. Quarterly Property Management Reports and Meetings

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

(a) Property Management Reports

East Lake will provide quarterly property management reports to the Gautreaux plaintiffs, CHA, and the GDM. 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 status, income and rent.
- 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 property management.

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

(b) Quarterly Meetings

During the first year of this agreement, and thereafter if deemed useful by the undersigned, the Gautreaux plaintiffs, CHA, East Lake, and the GDM will meet quarterly to review and discuss the quarterly property management reports. The Gautreaux plaintiffs, CHA, East Lake, and the GDM will collectively use the reports to identify issues for further discussion.

(c) Management Office

East Lake currently has an on-site property management office located at 2425 West Adams, a building designated as a Phase IB for-sale three-flat. East Lake uses two units for the office and rents the third to a market rate tenant. When East Lake reviews its Phase III plans pursuant to Par.1 above, it agrees to assess the usefulness of relocating the office to a suitable central Phase III location. The undersigned and the GDM will discuss and agree on an appropriate location for the management office when reviewing East Lake's plans pursuant to Par. 1, above. Should East Lake move its property management office out of the building located at 2425 West Adams, the units currently used for the office will be converted back to for-sale affordable and/or market rate units.

4. Security Plan and Commitment

The undersigned recognize that to help ensure residents' quality of life and preserve the mixed-income potential of West End there must be a plan for and commitment to monitoring and handling security issues.

- Within 30 days of the signing of this agreement, East Lake will develop and implement an ongoing security plan that includes maintaining incident logs to track crime on the property, maintaining security cameras, encouraging residents to report crime to 911 and the management office, encouraging law enforcement personnel to live at West End, 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.
- The security plan will be reviewed at the first quarterly meeting of the undersigned and the GDM. Any changes subsequently made to the security plan will be presented at the quarterly meetings.
- East Lake will be responsible for security at West End. CHA will work with East Lake as necessary to help address security issues.
- CHA will promptly investigate and address reports of crime and other neighborhood problems said to originate in nearby scattered site public housing. These efforts will be reported at the quarterly meetings of the undersigned and the GDM.
- CHA and East Lake will report crime incident data from their respective properties (West End and nearby scattered sites) at the quarterly meetings of the undersigned and the GDM.
- The undersigned agree to explore participating in joint security efforts with adjacent developments and the creation of an ongoing security Working Group that will proactively and effectively address security problems.

5. Community Center and Meeting Space

For some time now discussions have been underway regarding the potential development of a community center and/or recreational facility to be located in or adjacent to the West End development. The undersigned agree that such a facility would be an important asset for the community, and would support its long-term sustainability as a mixed income development. The undersigned commit to encouraging the development of such a facility.

- Should such a facility be built, East Lake and CHA agree to work to ensure access to programs provided in such a facility for residents of the West End community.

- Whether or not such a community facility is built, East Lake and CHA agree to provide a community space for West End residents as part of the Phase III rental development.

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 West End 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 West End and the Department of Community Development regarding improved employment and retail opportunities in the area proximate to the West End 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 East Lake will encourage the City's Department of Community Development West Side economic development staff to attend and actively participate in the Working Group on a monthly basis.
- CHA and East Lake will encourage the participation in the Working Group of the 2nd Ward Alderman, or his designee, and request regular updates to the Working Group on proposed developments and economic goals within the 2nd Ward.
- East Lake will work with the City of Chicago, the 2nd Ward Alderman, local retail/commercial developers, and relevant community leaders, such as representatives of the New Communities Program, to identify and implement economic development opportunities for the West End community.
- East Lake will attend any focus groups, forums or other gatherings that are convened about economic development in the 2nd Ward.

7. Quality Neighborhood Schools

The undersigned recognize that quality neighborhood schools are critical to the quality of life of the families living in West End, 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 West End and the Chicago Public Schools regarding improved educational opportunities in the area proximate to the West End 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.
- East Lake will continue to have an open dialogue on a regular basis with the Chicago Public Schools, including the CPS Chief Area Officer for West End schools, in order to improve the academic opportunities in and around West End and will keep CPS informed of progress on Phase II and any subsequent phases of development.
- In order to make West End parents aware of the educational options that exist, East Lake will provide such information to West End residents and facilitate participation of West End parents in school fairs and other information sessions organized in the community or otherwise available to them. East Lake will encourage parents to understand the importance of being active participants in their children's educational process and to become involved in their children's schools by becoming members of the parent/teacher association and local school council.

8. Working Group Representation and Meeting Agenda

The undersigned agree that the West End Working Group is an important vehicle for sustaining the viability of the West End 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 West End.

- The undersigned and the GDM agree that, if at the first Working Group meeting following execution of this agreement no member of the Working Group is a West End resident, they will discuss with the Working

- Group and decide upon a process to identify both a CHA resident who lives in the West End development and a community representative to recommend for appointment to the Working Group. The Working Group will endeavor to identify such appointees by the following scheduled Working Group meeting. The CHA will review and approve or disapprove such appointees promptly. Such approval shall not be unreasonably withheld by CHA.
- The undersigned agree to meet together, along with the GDM, to develop the schedule for Working Group discussions referenced in this document (e.g. on schools and economic development) within 60 days of the date this agreement is signed.

Conclusion

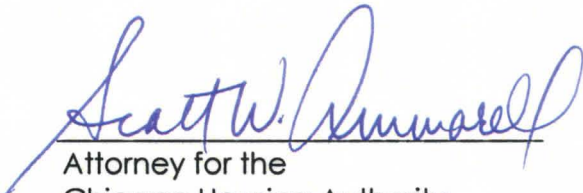
The undersigned parties, having made the above agreements, will work together to sustain a high quality of life for the residents of West End, and to preserve the potential for development of for-sale housing at the earliest possible date.

July 15, 2010

Signed,



One of the Attorneys for the
Gautreaux Plaintiffs
Alexander Polikoff
Julie Elena Brown
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Enclosures: Attachments A and B

ATTACHMENT A

COMMUNITY AND SUPPORTIVE SERVICES

Summary of services and programming utilized by residents during the previous quarter.

Activities held during the previous quarter.
Attach monthly calendar and/or newsletter

Activity	Date/Time/Location	Target Population (e.g. youth, seniors, parents)	# of Attendees	Description



Activities – Upcoming

Attach monthly calendar and/or newsletter

Activity	Date/Time/Location	Target Population (e.g. youth, seniors, parents)	# of Attendees	Description

New Partnerships

Partner Agency/Organization	Type (e.g. community based organization, public or private entity)	Description of Partnership

CHANGE.

CHICAGO HOUSING AUTHORITY

Chicago Housing Authority
Community and Supportive Services
Quarterly Report
[Contractor]
[Date]

Description of other successful outcomes achieved during the previous quarter.

Description of challenges during the previous quarter.

(e.g. service delivery, community issues, security, parks, etc).

SERVICE PROVIDER - CONTRACT PERIOD				
ACTIVITY	TARGET	Contract Goal	Contract to date (#'s)	Contract to date (%)
Job Preparation	Number of residents that obtained a GED Number of residents passing any portion of the GED test Number of residents completing a Compass and/or TABE test Number of residents that increased a grade level, as measured by Compass and/or TABE assessments Number of residents enrolled in and attending an Employment Skills Training (Hard Skills) Program Number of residents that complete an Employment Skills Training (Hard Skills) Program Number of residents completing Job Readiness Training Number of residents participating in a subsidized job/internship through a Transitional Jobs Program Number of residents who complete TEC Services digital literacy program Number of residents enrolled in an Adult Basic Education or Literacy Program Number of residents completing entrepreneurship training Number of residents volunteering Number of residents enrolling in college/post secondary education Number of residents enrolled in an ESL course Number of residents that complete an ESL course			
Job Placement	Number of employment placements			
Job Retention	Number of residents who advance their career Number of residents who lose their jobs are re-employed within 30 days Number of residents who received a placement will be retained in the workforce for 30 days Number of residents who received a placement will be retained in the workforce for 60 days Number of residents who received a placement will be retained in the workforce for 90 days Number of residents who received a placement will be retained in the workforce for 180 days			
Lease Compliance Assistance	Number of residents who complete Good Neighbor Training for lease compliance Number of households that satisfy requirement of Safe Harbor Number of households that are non lease compliant per their PM become lease compliant			
Counseling Services	Number of residents who complete a clinical/mental health assessment Number of residents who engage in individual counseling w/clinical staff Number of residents who participate in group/family counseling			
SSDI/SSI Application	Number of residents appeal SSDI/SSI denial Number of residents complete applications for SSDI/SSI			
Substance Abuse	Number of residents attending substance abuse services (workshops, groups) Number of residents completed substance abuse treatment other than detox			
Children & Youth Activities	Number of children/youth enrolled in park district activities Number of youth enrolled in Learn and Earn Number of youth participating in Summer Jobs program Number of youth dual enrolled in HS/College program Number of children/youth enrolled in out of/after school activities & programs Number of children enrolled in Headstart/Pre-K Number of children placed in childcare			
Financial Support Services	Number of residents completed Financial Literacy and/or Credit Counseling Number of households assisted in applying for EITC Number of residents enrolled in the Family Self-Sufficiency Program			
Senior Support Services	Number of seniors or disabled adults in family housing who register for file for life Number of seniors who complete a senior assessment			

ATTACHMENT B

West End & Jackson Square
Quarterly Management Report
April, May, June 2010

Turnover:

There were no voluntary move outs this quarter. There were three move-ins (ph units).

Evictions: There have been three evictions for non-payment this quarter. Two of the households were public housing units. Management met with these tenants to inform them of the risk of eviction. Management made referrals to the on-site service provider and to the Family Works provider. Despite financial counseling and extensive conversations, these tenants failed to pay rent and management was obliged to evict them. The third eviction was a TC resident that was laid off and could not pay.

There are two tenants with evictions pending. These are two for-cause cases. One of tenants has a daughter that was involved in a severe fight at the development. The second tenant is participating in illegal activity. We have tried to work with these families with no success and we believe that they are damaging the community fabric.

Security:

We have signed proposals for the security cameras that will be installed during July and August.

The property manager has been named Beat Facilitator by CAPS. She attends all monthly meetings as well as additional meetings at the development. We are also participating in the extended anti-violence initiative.

People were parking cars on a CHA owned vacant lot, which caused a great deal of loitering. We've begun towing from the lot, which has cleared up that corner. There was a large party in the playground on Adams. The police shut down the party and have increased patrols to reduce loitering on Adams and on Western.

There was a fight on Western between a group of teenaged Crane students, some of whom live at St Stephens and one of whom lived at Jackson Square. The fight was dispersed. The family of the Jackson Square resident was the family evicted for non-payment so we don't expect a recurrence.

We continue to monitor activity at West End on Madison. Because the development is isolated, there is drug traffic in the alleys. Management will be re-commencing private security patrols at that site to drive away the traffic.

Activities:

Our service focus this month has been employment. With the help of Family Works and CHA, Ms Ward has enrolled residents in the Put Illinois to Work initiative and the Job Star program. Management also sponsored a very well attended job fair where resumes were taken and several employers participated.

At present all of our work eligible residents are working or in job search.

Management has set aside a computer and fax machine at the management office to be used by residents for job search or other internet related activities. The residents take regular advantage of these resources and all of our staff are happy to help.

We are very happy to report that one of our recent high school graduates was featured in the Chicago Defender for his great marks and performance. This student came to the office regularly to use the internet for his research and to get help from our staff to complete his work. He is only one student among many that work with our staff to do their best.

West End

2010 Occupancy Report

Total Units:

ACC	Total
-----	-------

Tax Credit	Total:
------------	--------

Market	Total:
--------	--------

[illegible]

	A	B	C
1	West End		
2	RESIDENT STATUS		
3	[date]		
4	Total Occupied Units:		
5		All Households	ACC Households
6	Work Requirement Status		
7	Number of covered residents		
8	Meeting/Working		
9	Meeting/Education		
10	Meeting/Combination		
11	Exempt		
12	Non Lease Compliant Households	(total)	(total)
13	Work Requirement Non-compliant		
14	Lease Violation*		
15	* Rent/Utility/Behavioral -Social		
16	Income		
17	Between \$0 and \$10,000		
18	Between \$10,000 and \$20,000		
19	Between \$20,000 and \$30,000		
20	Above \$30,000		
21			
22	Percent of AMI		
23	Below 30%		
24	Between 30% and 50%		
25	Between 50% and 60%		
26			
27	Rent		
28	Between \$ 0 and \$100		
29	Between \$100 and \$300		
30	Between \$300 and \$500		
31	Between \$500 and \$700		
32	Above \$700		
33			

Hon. Marvin E. Aspen

The Court having reviewed the presentations and considered the views of the parties, including that the Gautreaux Development Manager, Daniel Levin and The Habitat Company LLC, supports the Joint Motion, and that the parties and the developer for West End have executed a Letter of Agreement respecting various measures

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) Modify the previous order of August 22, 2005, which authorized development of 57 new non-elderly public housing units in Phase I of the West End development, a mixed-income development replacing Rockwell Gardens; b) Authorize 65 new non-elderly public housing units in Phase II of West End, in an area bounded by Adams Street on the north, Van Buren Street on the south, Campbell and Artesian Streets on the east and Maplewood Street on the west; and c) Amend the CHA Tenant Assignment Plan to require that the 65 new public housing units in Phase II be made available first to public housing families relocating under the Plan for Transformation, then to families on the CHA public housing waiting list; and

The Court having reviewed the presentations and considered the views of the parties, including that the Gautreaux Development Manager, Daniel Levin and The Habitat Company LLC, supports the Joint Motion, and that the parties and the developer for West End have executed a Letter of Agreement respecting various measures

designed to support a high quality of life for West End 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 Gautreaux Development Manager, the proposed 65 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 Order entered on August 22, 2005 is modified to authorize 57 public housing units as part of a Phase that includes 35 affordable rental units and 66 market rate for sale units. The 50 additional for sale units originally required as part of the authorization for development of the public housing units are to be provided in future Phases of Rockwell redevelopment, as specified by future Orders of this Court.

B. The Defendant Chicago Housing Authority shall be free to develop or cause to be developed 65 units of public housing in mixed-income buildings on the site previously occupied by CHA's Rockwell Gardens public housing development provided, however, that (1) the planned 33 affordable and 14 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 65 public housing units to be authorized pursuant to this motion, and the planned un-built and un-sold for-sale units in Phases I and II of this development, are marketed and constructed at the earliest appropriate time, as determined jointly by the parties, the Gautreaux Development Manager and the Developer; and (2) the public housing units are and remain well-distributed among the non-public housing units across the site that is the subject of this motion.

C. 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 65 public housing units that are the subject of this Order be made available to eligible families relocating under CHA's Plan for Transformation, 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: _____