Case 1:66-cv-01459

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

DOROTHY GAUTREAUX, et al.,

VS.

No. 66 C 1459

CHICAGO HOUSING AUTHORITY, et al.,

Defendants.

Plaintiffs,

Hon. Marvin E. Aspen

JOINT MOTION OF PLAINTIFFS AND DEFENDANT CHICAGO HOUSING AUTHORITY FOR AN ORDER AUTHORIZING DEVELOPMENT OF PUBLIC HOUSING UNITS IN A

Plaintiffs and defendant Chicago Housing Authority ("CHA"), with the support of Daniel E. Levin and The Habitat Company LLC (collectively the "Gautreaux Development Manager"), respectfully move this Court to enter the attached Proposed Order, which would:

LIMITED AREA

- a) Authorize the development of 60 new non-elderly public housing units within mixed income buildings in the area bounded by Roosevelt Road to the North, Ogden Avenue to the South, California Avenue to the West, and Talman Avenue to the East; and
- b) Amend the CHA Tenant Assignment Plan to require that the 60 new public housing units in Phase 1 be made available first to public housing families relocating under the CHA Plan for Transformation, then to families on the CHA public housing waiting list.

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

1. The Parties and the Gautreaux Development Manager seek this Court's authority for the development of Phase 1 of the Park Douglas redevelopment, on and near the site of the former Lawndale Complex public housing development. Brinshore-Michaels (hereinafter "Developer"), the development company that will develop this phase, was competitively selected as master developer for this redevelopment. The Developer is a joint venture of Brinshore Development, LLC and Michaels Development of mixed-income housing in Chicago and elsewhere. Although this is the first phase of Park Douglas, the Developer has developed several phases in various other Court-authorized CHA redevelopment projects across the city.

2. CHA, the Gautreaux plaintiffs, the Gautreaux Development Manager, the Developer, and others have developed a plan that calls for a three-part development providing approximately 300 units on and near the footprint of the Lawndale Complex Public Housing Development. The plan will transform the current site (now vacant after CHA demolished the Lawndale Complex buildings and relocated its residents) and integrate public housing residents into the surrounding community.

3. The plan for Phase 1 will incorporate both on-site and off-site development. In total 137 units in 19 buildings will be built on CHA, City of Chicago, Mt. Sinai Hospital, and privately owned land. Of the 137 units 60 will be public housing units, 49 affordable units, and 28 market rate units. Levin Aff., par. 4. The plan also includes a for sale phase, Phase 1A, which includes 21 market rate for sale units to be

completed on a separate timeline. <u>Id.</u> As has been the case with the other redevelopments, the public housing units will be scattered throughout the site, and the entire development will be privately owned and managed. Levin Aff., pars. 3, 5.

4. This Court's 1969 Judgment Order prohibits the building of new nonelderly public housing units in Limited Areas (without corresponding, substantially simultaneous construction in General Areas). 304 F. Supp. 736, 738-39 (N.D. Ill. 1969). The proposed Phase 1 is located in a Limited Area. Nonetheless, for the reasons described below as well as in the Levin Affidavit, the parties believe the proposed development is "designed to achieve results consistent with [the Judgment Order]" and the Court therefore has the authority to enter the attached Proposed Order pursuant to paragraph X of the Judgment Order, 304 F. Supp. 736, 741 (N.D. Ill. 1969), and request that the Court do so.

5. This Court has on a number of occasions entered similar orders permitting development of public housing in "Limited Areas", following a site-specific, case-by-case review, provided that the development of these units was in the furtherance of the purpose of the *Gautreaux* judgment order. Such orders have been entered by this Court on August 5, 2003, August 22, 2005, and July 21, 2010 (permitting the development of a total of 136 public housing units on and near the site of the Rockwell Gardens development, as part of a mixed-income development); on December 16, 2003 (permitting the development of 27 public housing units adjacent to the former Stateway Gardens as part of a mixed-income development); and on March 26, 2004, April 17,

2006, November 6, 2007, and July 23, 2009 approving the development of public housing units in multiple phases of the redevelopment of Robert Taylor Homes.

6. On other occasions this Court has permitted the development of nonelderly public housing units to proceed in "Limited Areas" surrounding the former CHA public housing developments of Henry Horner Homes, Lakefront Properties, Madden-Wells, Cabrini-Green, ABLA, and Stateway Gardens, after a determination that these areas were "revitalizing." In each case, the Parties represented that the proposed revitalizing areas had experienced a substantial increase in public and private investment, including private residential rehabilitation and new construction. In each case, the Parties advised this Court that such development activity, completed and already underway, combined with the proposed large-scale mixed-income redevelopment of sites previously designated as exclusively public housing, made economic integration likely in the short run with a possibility that racial integration might follow in the long run.

7. As when the Parties were previously before the Court on the motions requesting authorization for phases of the Rockwell Gardens and Robert Taylor Homes redevelopments, the plaintiffs and the Gautreaux Development Manager do not believe that the redevelopment area can yet be designated a "Revitalizing Area," although there has been some encouraging activity. See Levin Aff., par. 8. Conditions near the proposed Park Douglas site are improving, but have not yet reached the same level of public and private investment that characterized the neighborhoods surrounding Henry Horner, North Kenwood-Oakland, Madden-Wells, Cabrini-Green, Stateway Gardens and ABLA at the time those Revitalizing Orders were entered. The area in which the new public housing units are proposed to be developed contains a number of run-down

commercial establishments, empty buildings and vacant lots. Interest in the purchase of homeownership units has been limited. Likewise, private reinvestment in the area has been more limited and dispersed than in those neighborhoods found to be "revitalizing." Id.

8. The Parties believe that the proposed Phase 1 development is part of a larger mixed income redevelopment plan that if completed will make economic integration likely in the short run with a possibility that racial integration might follow in the long run.

9. While the Parties and the Gautreaux Development Manager do not believe the area proposed for Phase 1 can fairly be considered "revitalizing," the Parties agree that development of Phase 1 should go forward, as it will further the purposes of the *Gautreaux* judgment order for the following reasons:

A. Quality Mixed-Income Housing – The proposed 60 public housing units will offer members of the *Gautreaux* plaintiff class an opportunity to live in quality mixed-income housing. In addition to the 60 public housing units, Phase 1 consists of 49 affordable rental units designated for households earning up to 60% of the area median income (up to \$60,300 for a family of four), and 28 market-rate rental units. Levin Aff., par. 4.

B. Planned Lawndale Complex Redevelopment – As described above, the development of the Phase 1 rental units represent only a portion of the overall Lawndale Complex mixed-income redevelopment plan. With the authorization and construction of rental Phase 1 of the Lawndale Complex redevelopment, there will be a total of 137 completed mixed-income residential units. Further, the

Parties believe the sum of this development will facilitate remaining redevelopment. Approximately 300 mixed-income units are contemplated as part of the larger redevelopment effort on and near the former Lawndale Complex site. Approximately 33 percent of the total on-site units will be public housing, 23 percent affordable rental, and 44 percent market rate. Of the 300 total on-site units, 41% are planned to be for sale. See Levin Aff., Exh. 4

C. Locational Advantages – The proposed development is well served by public transportation, including bus and train lines. Levin Aff., par. 7(a). Adjacent to the site is Douglas Park, with Garfield Park located nearby. Levin Aff. par. 7(e). The Park Douglas redevelopment site is located a short distance from the Illinois Medical District which includes the University of Illinois at Chicago Medical Center, Rush University Medical Center, and Cook County (Stroger) Hospital. See Levin Aff. par. 7(d).

D. Public Institutions and Investment – A number of public investments have occurred or are planned in the immediate area including a public library, a planned Roosevelt Road Streetscape project, and a significant number of new residential developments in the immediate neighborhood area spurred by public funding assistance to help attract more private investment. See Levin Aff. pars. 7(b) and (g). There are also a number of schools, including the new Power House High (opened in September 2009) which is housed in the Charles H. Shaw Technology and Learning Center and offers a curriculum centered on green technology and environmental sustainability education along with other core

subjects typical of other high schools in the city such as math, science, foreign language, and social studies. Levin Aff., par. 7(c).

E. Development within the Surrounding Community – Mount Sinai Hospital, a 320-bed comprehensive in and out-patient medical facility plans to relocate to a new medical campus adjacent to the proposed development, to be constructed in phases within the next few years. Levin Aff., par. 7(b). Additionally, the project site area is surrounded by the Western/Ogden industrial corridor and Tax Increment District ("TIF"), and the Roosevelt/Cicero Industrial Corridor and TIF. Proceeds from the Western/Ogden TIF District were used to assist in the construction of the Chicago Christian Industrial League Center at 2736 West Roosevelt to help to provide job training and retain jobs in this neighborhood area. Other recent and upcoming industrial developments in the neighborhood area include the following: (1) the new headquarters for Tall City Lighting, Inc., a theatrical lighting company, (2) an expansion of Lawndale Christian Health Center to include a café, and (3) an expansion of Charter Steel Trading Company that will create 30 new jobs and retain 66 jobs with the use of New Market Tax Credits. Retail development west of the project site includes Lawndale Plaza Shopping in the 3300 block of West Roosevelt, with a mid-size grocer called Learnington Foods and other businesses including Simply Fashions, Dollar Barn, Payless Shoes, and McDonald's. Another retail hub is further west along Ogden. See Levin Aff., par. 7(f).

10. For the several reasons stated above, the parties request that the attached Proposed Order be entered to authorize development of 60 public housing units within and near the Phase 1 Lawndale Complex site as described herein.

11. Because the 60 public housing units in Phase 1 will be built as part of a new mixed-income development that serves as replacement housing for Lawndale Complex, the parties also move to amend the current Tenant Assignment Plan to require that the public housing units that are the subject of this motion be made available first to eligible CHA families under CHA's Plan for Transformation, and then to families on the CHA public housing waiting list. The Tenant Assignment Plan otherwise approved by this Court and binding on the CHA would provide relocating CHA families with only one-quarter of these new public housing units. In similar circumstances, the Court has modified the CHA Tenant Assignment Plan to permit relocating CHA families access to such newly developed units. See, e.g., this Court's orders of March 24, 2003 (involving the Lakefront redevelopment); August 5, 2003, August 22, 2005, July 21, 2010 (regarding the Rockwell Gardens redevelopment); December 16, 2003 and November 21, 2005 (regarding the Stateway Gardens redevelopment) and March 26, 2004, April 17, 2006, November, 6, 2007 and July 23, 2009 (regarding the Robert Taylor Homes redevelopment).

WHEREFORE, the parties, with the support of the Gautreaux Development Manager, request the Court to enter an order in the form attached hereto.

August 24, 2010

Respectfully submitted,

/s/ Julie Elena Brown

/s/ Scott Ammarell

One of the Attorneys for Plaintiffs

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

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Exhibit A – Affidavit of Daniel E. Levin

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

DOROTHY GAUTREAUX, et al,) Plaintiffs,) vs.) CHICAGO HOUSING AUTHORITY, et al,) Defendant.)

No. 66 C 1459

Hon. Marvin E. Aspen

AFFIDAVIT OF DANIEL E. LEVIN

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

- <u>Receivership Transition Order.</u> 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 Chicago Housing Authority ("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 as Gautreaux Development Manager regarding the redevelopment matters described below.
- 2) Redevelopment of Former Lawndale Complex Site. The Gautreaux Development Manager, CHA, the Gautreaux plaintiffs, a private development company called B-M Ogden, LLC (a joint venture of Brinshore Development, LLC and Michaels Development Company, referred to as "Brinshore-Michaels"), Mount Sinai Hospital, The City of Chicago, and others have created plans to redevelop the former Lawndale Complex and Ogden Courts sites and various scattered sites within close proximity, in multiple phases, to contain mixed-income rental and for-sale housing along with a new Mount Sinai Hospital medical campus. Exhibit <u>1</u> is the proposed master site plan showing both the residential and medical campus components. The first residential phase to be constructed will be called Park Douglas Phase 1 ("Phase 1"). All phases of Park Douglas, including Phase 1, will create an opportunity for members of the Gautreaux plaintiff class to live in a mixed-income housing development. The Phase 1 project site is generally bounded by Roosevelt Road to the north, West 13th Place to the south, Talman Avenue to the east, and California Avenue to the west. Exhibit <u>2</u> is the proposed site plan for Phase 1.
- 3) <u>Authorization Request for New Non-Elderly Public Housing Units.</u> Because the Phase 1 plan includes the construction of 60 new non-elderly public housing units in a Limited Area, 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.

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- 4) Phase 1 Site. <u>Park Douglas Phase 1</u> will consist of 137 total rental units, including 60 public housing units, 49 affordable units, and 28 market rate units. Of the 60 public housing units, 7 will be one-bedroom units, 31 will be two-bedroom units, 17 will be three-bedroom units, and 5 will be four-bedroom units. <u>Exhibit 3</u> shows elevation renderings and streetscapes for the various building types. 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. There will be a for-sale component, to be built separately as Phase 1A at a date to be determined, once the for-sale market in the immediate neighborhood area improves. Phase 1A for-sale will include approximately 21 market rate units. <u>Exhibit 4</u> is a table with the proposed on-site unit mix for Phases 1,1A, 2 and 3. Phases 2 and 3 are currently planned to be mid-rise affordable and market rate condominium buildings which will also contain some public housing rental units.
- 5) Ownership and Management. Ownership of the Phase 1 land currently is divided between the Chicago Housing Authority ("CHA"), the City of Chicago, and B-M Ogden, LLC. These entities, along with Mount Sinai Hospital, have entered into a redevelopment agreement in which B-M Ogden North, LLC will purchase some of the City-owned lots for the purpose of the project. Mount Sinai Hospital will purchase a portion of the lots from the City and then immediately transfer ownership to B-M Ogden North, LLC for the purposes of the project, and CHA will provide land to the developer in which the developer will be party to a CHA Ground Lease. All land transfers to B-M Ogden North, LLC will occur at the time of closing. Of the 60 public housing units, 21 units will be located on land currently owned by CHA and the remaining 39 units on land currently owned by the City of Chicago or owned B-M Ogden North, LLC. This Phase will be managed by Interstate Realty Management, a separate division of The Michaels Development Company, part of Brinshore-Michaels.
- 6) Property Management and Social Services. B-M Ogden North, LLC intends to implement best property management practices in operating the Phase 1 rental units and providing resident social services, in order to create a high quality of life that will attract homebuyers to this development when for-sale units become available. A key element of B-M Ogden North, LLC's property management approach is an on -site management office and community center, which will be located just north of the redevelopment project area, along Roosevelt Road. (See Exh. 2)
- 7) Neighborhood Improvements. The immediate area around the Park Douglas Phase 1 site is an improving community with active small to medium scale commercial and office/industrial activity along Roosevelt Road, Ogden Avenue, and California Avenue, anchored by the existing Mount Sinai Hospital campus just south of the Phase 1 site. The area contains solid housing stock, mostly 2 and 3-flats and single family homes, in good condition, but is peppered with homes in bad or deteriorating condition, and unmaintained vacant lots. The current business mix, along with Mount Sinai Hospital, Douglas Park (described below), the proximity of major streets and downtown Chicago, has lured a slow but increasingly noticeable amount of scattered residential rehabilitation and infill new construction activity of mainly 2-, 3-, 4-flat, and single family homes. The following are factors that the Gautreaux Development Manager believes are likely to continue to attract renters and more

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homebuyers into this area given the economic environment, making the area desirable for the 60 Phase 1 public housing units be developed:

- a. Location Advantages. Park Douglas Phase 1 is located less than four miles southwest of downtown Chicago. Major north/south (California Avenue) and east/west (Roosevelt Road and Ogden Avenue) thoroughfares provide easy access to and from downtown and to other parts of the city. In addition, the development site is located about one mile south of Interstate 290 Eisenhower Expressway. The development site is served by major routes of the Chicago Transit Authority's bus lines, with close access to the Chicago Transit Authority's elevated train stations.
- b. Public Institutions and Investment. The following_are some of the public institutions and investments in the neighborhood area: (1) Frederick Douglas Branch Library at 3353 West 13th Street, (2) a planned Roosevelt Road Streetscape project (from Albany Avenue, just west of Douglas Park, west to Central Park Avenue), to be funded by the City of Chicago Department of Community Development and Department of Transportation, (3) Sinai Community Institute at 2653 West Ogden Avenue, a non-profit organization separate from the hospital which offers an array of social services targeting issues which include family nutrition, prenatal and parenting care and education, senior advocacy and wellness, job training, health education and immunization, (4) Chicago Industrial League at 2750 West Roosevelt Road (current location built in 2006) offers several programs which include job training, community food pantry, and supportive housing services, (5) Lawndale Christian Development Corporation at 3843 West Ogden Avenue which has had a very active role in attracting commercial development along Ogden Avenue and 16th Street, infrastructure improvements along Ogden Avenue, and affordable rental and for-sale development of about 100 housing units throughout the neighborhood area, (6) Carol Robertson Daycare Center for Learning at 3701 West Ogden which is daycare and preschool learning facilities with state supported educational services that include parenting support program through home visits for parents of young children, music education, family literacy, and various art, educational, and recreational programs for school ages 6 to 18 years, (7) The Firehouse Community Arts Center (recently renovated) at 2111 South Hamlin, under the auspices of the House Covenant Church, offers tutoring, computer training, art and design, music, culinary and dance classes to ages 12-21, and (8) Homan Square at 3517 W Arthington Street, the former 55-acre site of Sears, Roebuck and Company, a mixed- use campus that provides several hundred units of mixed-income affordable housing, retail space, a fitness center and swimming pool operated by the Chicago Park District, North Lawndale YMCA, two schools, Holy Family Lutheran School and Henry Ford Academy Power House High (described below), Chicago Police Department organized crime unit office, and community service providers which provide programs addressing health education, primary health care, family wellness, small business assistance, and job training, and (9) Mount Sinai Hospital, a 320-bed comprehensive in and out-patient medical facility whose current primary address is at the intersection of 15th Street and California, plans to relocate to a new medical campus, also adjacent to the proposed development, to be constructed in phases within the next few years at the intersection of Ogden Avenue and Washtenaw Avenue, Washtenaw Avenue and West 13th Street and West 13th Place.
- c. Educational Institutions. The immediate Lawndale neighborhood area is home to a number of elementary and high schools that are accessible to residents for this project

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Phase, as follows: (1) Thomas Chalmers Elementary School at 2745 West Roosevelt Road, (2) Ambrose Plamondon Elementary School at 2642 West 15th Place, (3) Holy Family Lutheran School at 3415 West Arthington Avenue, located on the Homan Square campus, opened in Fall 2008 which is a private, elementary, Lutheran-sponsored school, (4) Collins Academy High School at 1313 South Sacramento Drive, (5) North Lawndale College Preparatory at 1615 South Christiana Avenue, (6) Hugh Manley Career Academy High School at 2935 West Polk Street, (7) Bethune Elementary School at 3030 West Arthington, and (8) Henry Ford Academy: Power House High School at 931 South Homan Avenue, which is housed in the Charles H. Shaw Technology and Learning Center (or the restored Homan Square Power House) within the Homan Square campus opened in September 2009. This newer high school offers a curriculum centered on green technology and environmental sustainability education along with other core subjects typical of other high schools in the city such as math, science, foreign language, and social studies.

- d. Proximity to Employment Centers. This project Phase is adjacent to the Mount Sinai Hospital at 15th Street and California Avenue, which is the largest employer in the immediate neighborhood. The project also is near the Illinois Medical District, the largest employer in the state of Illinois, which is comprised of two major teaching hospitals, University of Illinois Medical Center and Rush University Medical Center, along with John H. Stroger Cook County Hospital, and Jesse Brown Veteran Affairs Medical Center, all just northeast of the project site. Within one mile of the project site, there are a number of small and mid-scale retail and commercial employers along Ogden Avenue, California Avenue, and Roosevelt Road ranging from PNC Bank to McDonald's restaurant. Nearby office/industrial businesses in the neighborhood include Ryerson Inc. headquarters at 2621 West 15th Place, Iron Mountain Chicago at 1320 South Rockwell which specializes in data management and storage, Chicago Data Storage Systems at 1301 South Rockwell, and Air Rite Filtration at 2443 West 16th Street.
- e. Parks. This project Phase and neighborhood area is service primarily by Douglas Park, a 173-acre park directly west of the proposed development. This park offers numerous recreational features such as tennis courts, golf courses, a running track and walking/jogging paths, a baseball diamond, swimming pool, soccer field, and basketball courts. The park also houses a sizeable field house which is active all year as a community meeting space and hosts social and recreational programs sponsored by the Chicago Park District. Garfield Park and Conservatory, located about two miles northwest of the project site, is another major park with various recreational amenities. A few small pocket parks and tot lots are also located in the neighborhood area.
- f. Commercial Development. The project site area is surrounded by the Western/Odgen industrial corridor and Tax Increment District ("TIF"), and the Roosevelt/Cicero Industrial Corridor and TIF. Both corridors contain a mix of old and new office commercial and low-scale industrial businesses, with neighborhood scale retail intermingled. However, there are also vacant lots and abandoned buildings and manufacturing facilities, indicating potential for reinvestment in the neighborhood. Along Ogden Avenue, the main office and industrial businesses close to the project site include Ryerson Inc., Iron Mountain Chicago, Chicago Data Storage, and Air Rite Filtration, as mentioned above. Close to the project site, a few instances of public reinvestment have

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occurred, such as the use of proceeds from the Western/Ogden TIF District to assist in the construction of the Chicago Christian Industrial League Center at 2736 West Roosevelt to help to provide job training and retain jobs in this neighborhood area. Other recent and upcoming industrial developments in the neighborhood area include the following: (1) Tall City Lighting, Inc. at 3102 West Fillmore, the new headquarters for this theatrical lighting company which is built on land acquired by the City of Chicago, (2) Lawndale Christian Health Center at 3756 West Ogden Avenue is in the process of closing on the acquisitions of one City-owned parcel and privately-owned parcels to expand its current facility to include an indoor café and additional parking, and (3) Charter Steel Trading Company recently acquired and is in the process of renovating a building at 1600 South Kostner Avenue to expand their business to create 30 new jobs and retain 66 jobs with the use of New Market Tax Credits.

Retail that supplies basic food, clothing, and banking needs of residents exists mainly west of the project site: Lawndale Plaza Shopping in the 3300 block of West Roosevelt, at the northwest corner of West Roosevelt Road and North Kedzie Avenue, anchored by a mid-size grocer called Learnington Foods; and other businesses including Simply Fashions, Dollar Barn, Payless Shoes, and McDonald's. Another retail hub is further west along Ogden, which includes Save A Lot, Family Dollar Store, China Buffet and other small scale retail.

g. Residential Development. The downturn in the real estate market along with the recession within the past few years has drastically impeded new residential construction of rental and for-sale units in the private sector in the Lawndale community area. There have been very few for-sale condominium and townhome developments, mainly in the form of infill development rather than larger projects, along with sporadic rehabilitation of existing buildings in the area near Park Douglas. One such development includes 2 three-flat condominiums at 3323 and 3325 West Ogden Avenue. Exhibit 5 includes other examples of private new construction and rehabilitation. Recent postings of the Realtor's Multiple Listing Service show approximately 7 condominiums and townhouses for sale in the area bounded by Damen Avenue on the east, Kedzie Avenue on the west, Harrison Street on the north and West 18th Drive on the south. Sale price points range from a low of \$79,900 for two-bedroom, two-bathroom condominium at 2853 West Flournoy (west of California Avenue) to a high of \$282,900 for a two-bedroom, two-bathroom condominium at 2451 West Arthington Avenue (east of Western Avenue). Although there a number of "short sale" transactions, as a consequence of the on-going recession, many listings were detailed as being sold by "motivated sellers" who had recently invested in the community to rehab the units.

There have been a significant number of new developments in the immediate neighborhood area spurred by public funding assistance to help attract more private investment, such as the following:

- i) King Legacy, LLC Apartments at the intersection of West 16th Street and Hamlin Avenue which includes 45 affordable 2,3 and 4 bedroom rental units, to be completed Winter 2011.
- ii) AIDS Care, Inc./AERIS Homes at 1251 South Sawyer includes the total construction of five buildings (three to date) which include residential units for veterans along with a health care center.

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- iii) Independence Apartments at 927 South Independence Boulevard includes 42 mixedincome units will complete construction by Fall 2011.
- iv) Hope Manor at 3053 West Franklin Boulevard which will contain 50 rental lowincome units, to be fully constructed by Fall 2011.
- v) Lawndale Terrace at the intersection of West Roosevelt Road and South Kedzie Avenue involves the rehabilitation of over 190 low-income units in walk-up and townhome rental buildings and a high-rise senior building, to be completed by Winter 2011.
- 8) Despite the signs of revitalization in the community, the Gautreaux Development Manager does not believe that the Park Douglas area can yet be designated as "revitalizing". While conditions in the surrounding community are slowly improving, the Park Douglas 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 older businesses, vacant buildings and lots. However, the Gautreaux Development Manager believes that recent infill development is having a positive and stabilizing force in the community and will spur further neighborhood revitalization activity. Park Douglas Phase 1 will also provide continued relief for members of the Gautreaux plaintiff class.
- 9) For the reasons stated above, the Gautreaux Development Manager supports the Joint Motion seeking a waiver to authorize development of 60 public housing units as part of Park Douglas Phase 1, which is part of the on-site component of the overall Lawndale Complex redevelopment effort.

Further affi aveth not.

Daniel E. Levin

SUBSCRIBED and SWORN to before me this day of MUMA NOTARY PUBLIC

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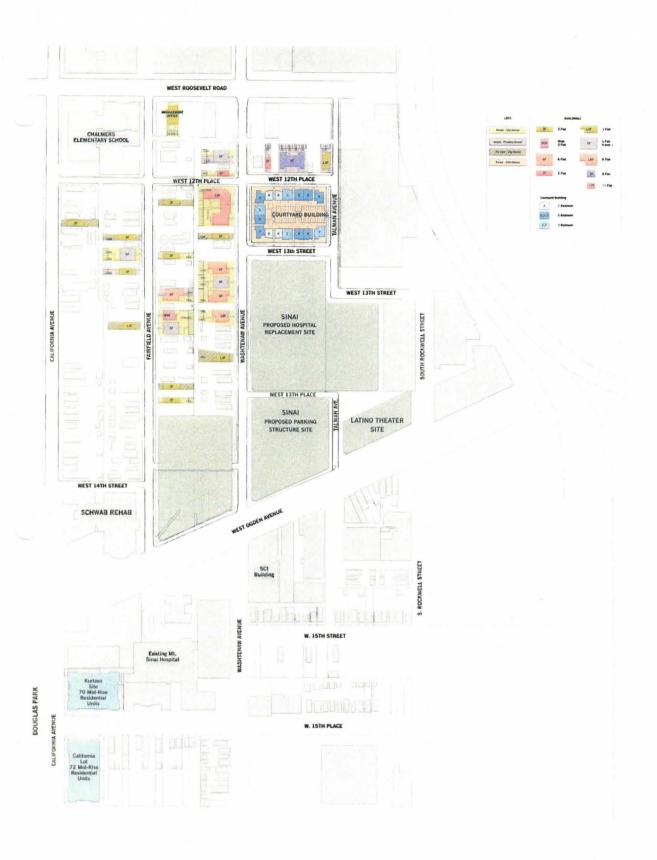
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List of Exhibits

- Exhibit 1 Park Douglas Master Site Plan
- Exhibit 2 Park Douglas Phase 1 Area Site Plan
- Exhibit 3 -Park Douglas Phase 1 Renderings
- Exhibit 4 Park Douglas Phase 1 Unit Mix
- Exhibit 5 Other Private Residential Development

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Exhibit 1



Overall Project Site Plan

KOO AND ASSOCIATES LA ARCHITECT ICIUMS INCOME B-M OGDEN, LLC DEVELOPER PAPPAGEORGE/PAY MES La ARCHITECT ARCHITECT

Ogden North Ogden and Catilomia Chicago, H.

Exhibit 2

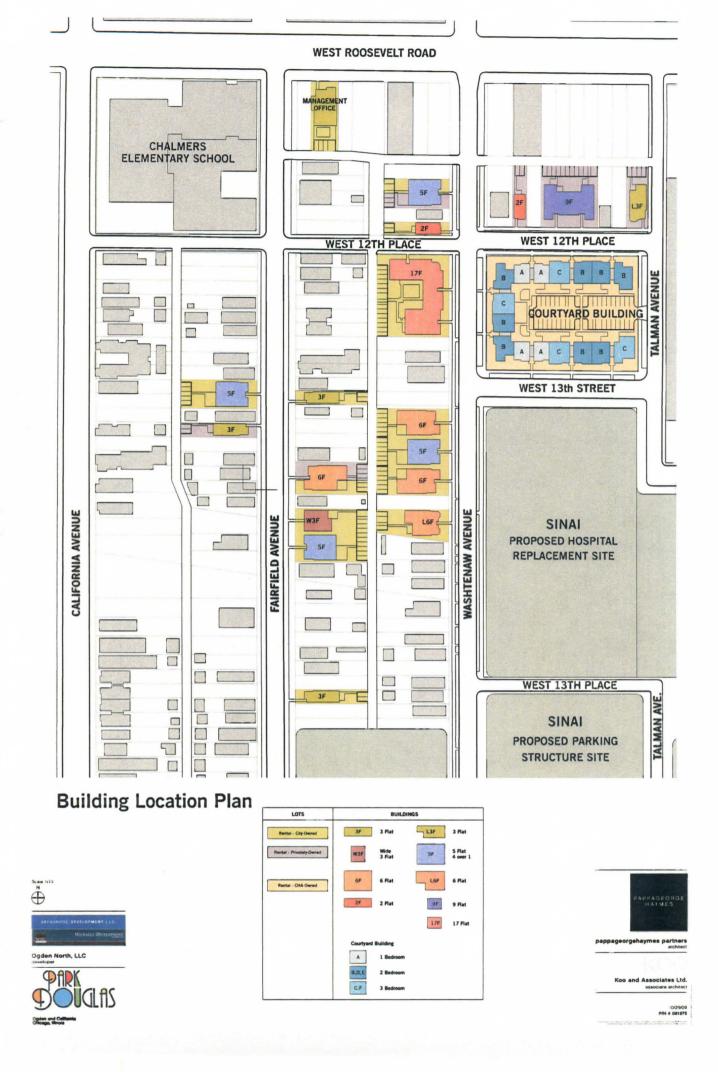
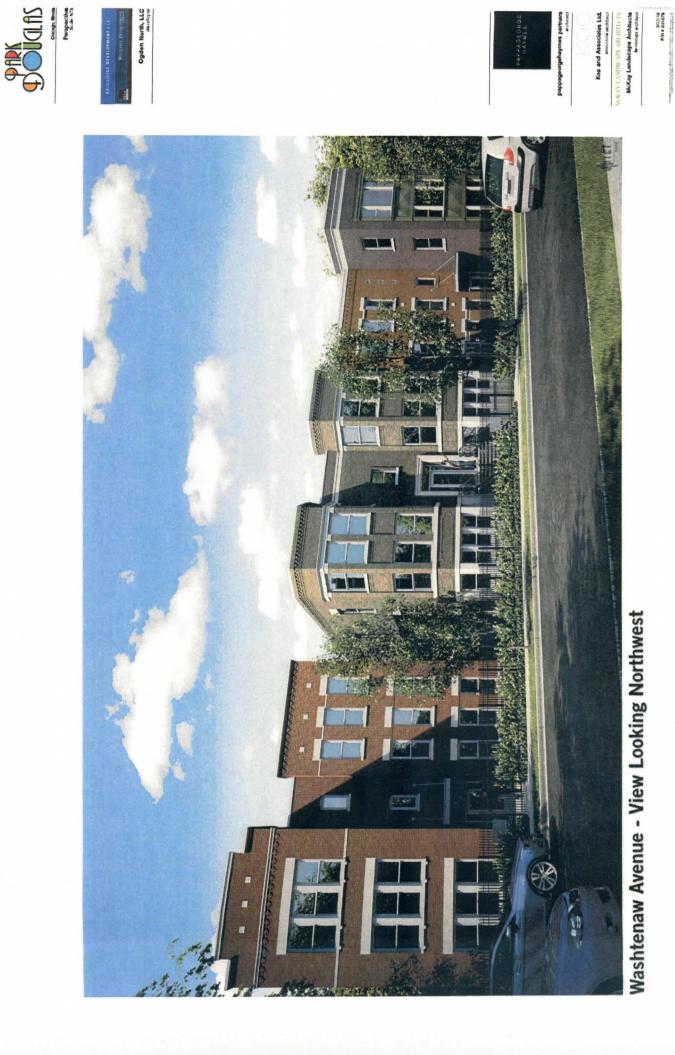
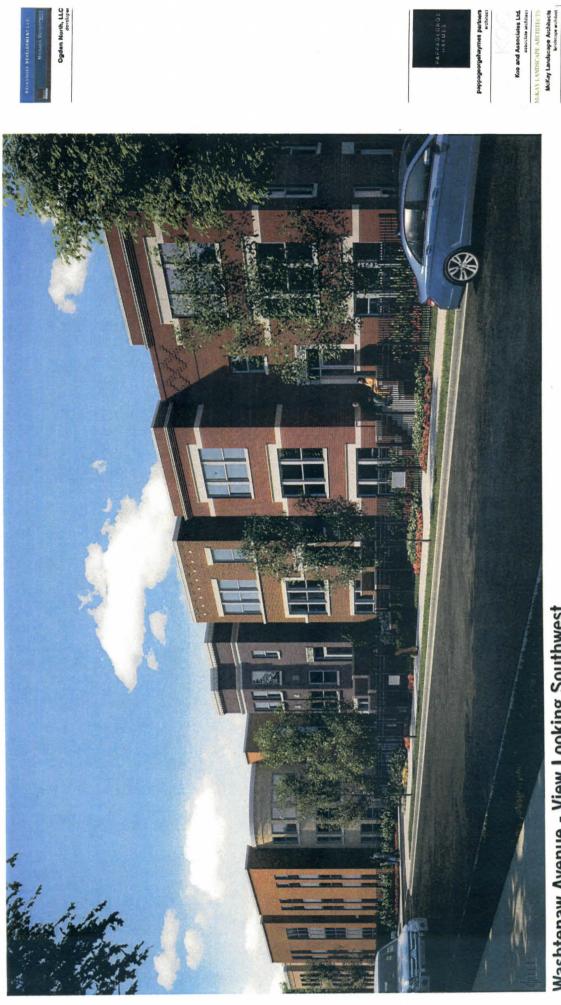


Exhibit 3





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Ogden North, LLC

Washtenaw Avenue - View Looking Southwest

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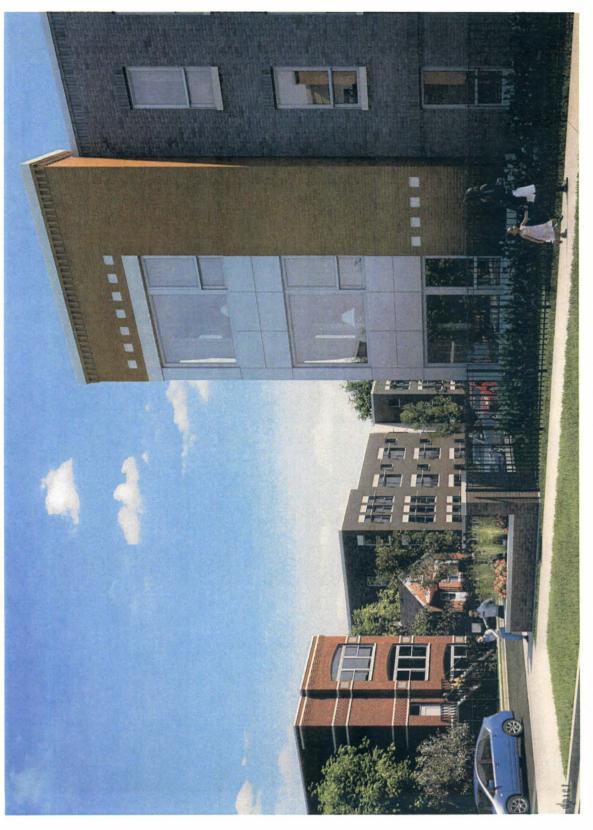
Koe and Associates Ltd. associate architect McKAY LANDSCAPE ARCHITECTS

McKay Landscape Architects Indicape architect

3/22/10 P/N # 081875



Courtyard Building - 13th Street & Washtenaw Avenue - View Looking Northeast



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12th Place & Washtenaw Avenue - View Looking Northeast

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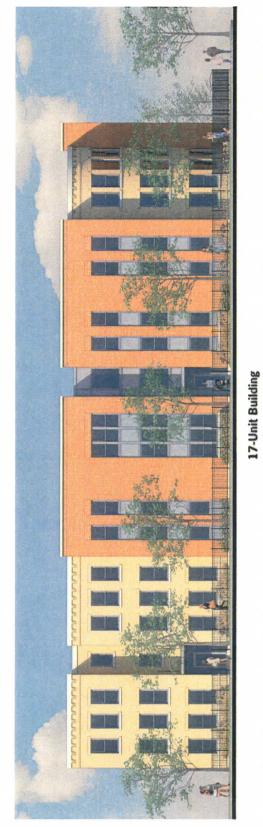














9-Flat

Typical Building Elevations

Exhibit 4

Park Douglas - Phase 1 Rental and Phase 1A For-Sale

Income Mix		Public Housing	Affordable	Market Rate	Total	%
	Rental	60	49	28	137	87%
	For-Sale	0	0	21	21	13%
	Total	60	49	49	158	100%
	% of Total 137 Rental Units	44%	36%	20%		100%
	% of Total 158 Units	38%	31%	31%		100%

Park Douglas - Phase 2

Income Mix		Public Housing	Affordable	Market Rate	Total	%
	Rental	20	0	0	20	28%
	For-Sale	0	10	42	52	72%
	Total	20	10	42	72	100%
	% of Total 20 Rental Units	100%	0%	0%		100%
	% of Total 72 Units	28%	14%	58%		100%

Park Douglas - Phase 3

Income Mix		Public Housing	Affordable	Market Rate	Total	%
	Rental	20	0	0	20	29%
	For-Sale	0	10	40	50	71%
	Total	20	10	40	70	100%
	% of Total 20 Rental Units	100%	0%	0%		100%
	% of Total 70 Units	29%	14%	57%		100%

Park Douglas - All Phases

Income Mix		Public Housing	Affordable	Market Rate	Total	%
	Rental	100	49	28	177	59%
	For-Sale	0	20	103	123	41%
	Total	100	69	131	300	100%
	% of Total 177 Rental Units	56%	28%	16%		100%
	% of Total 300 Units	33%	23%	44%		100%

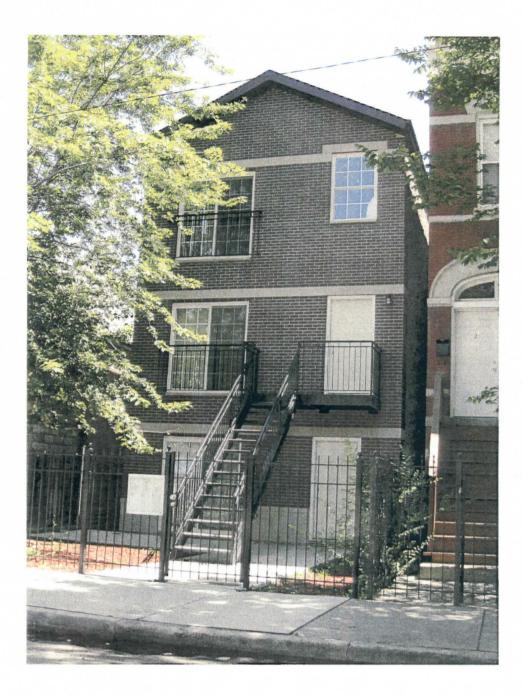
Exhibit 5



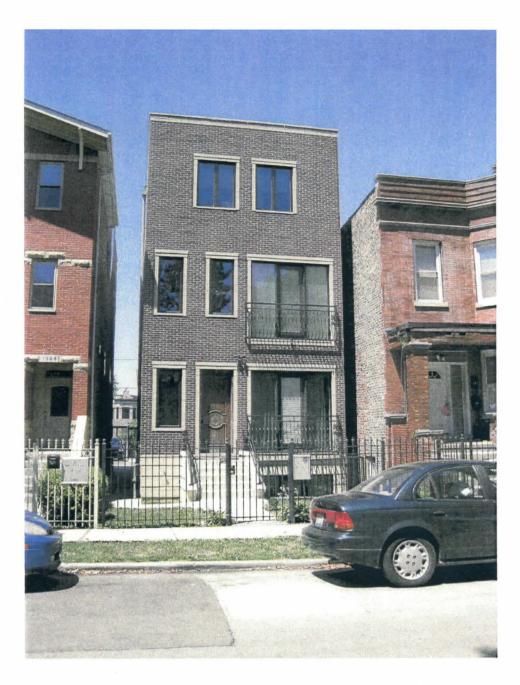
1352 S. Fairfield Avenue



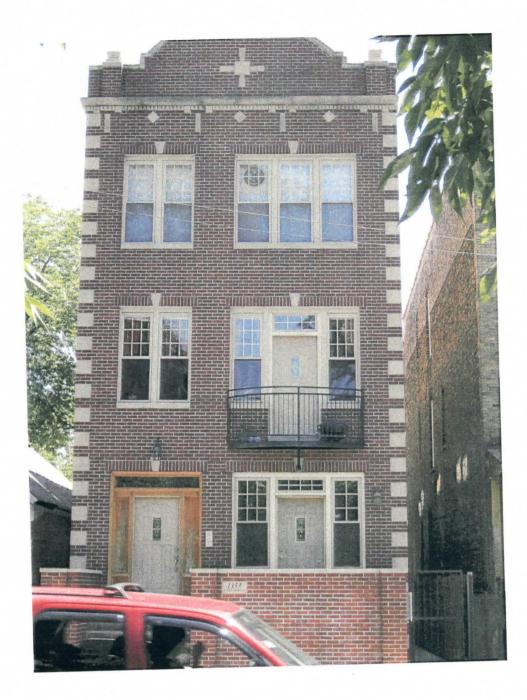
1254 South Washtenaw



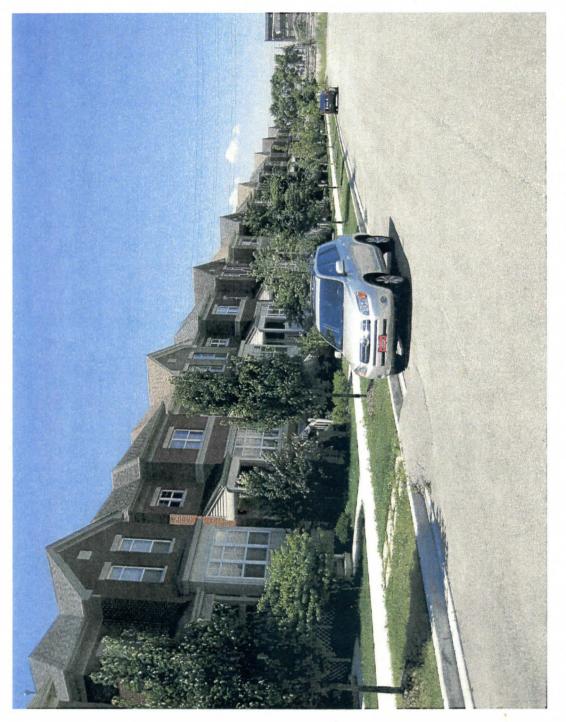
1335 South Fairfield



1340 South Washtenaw



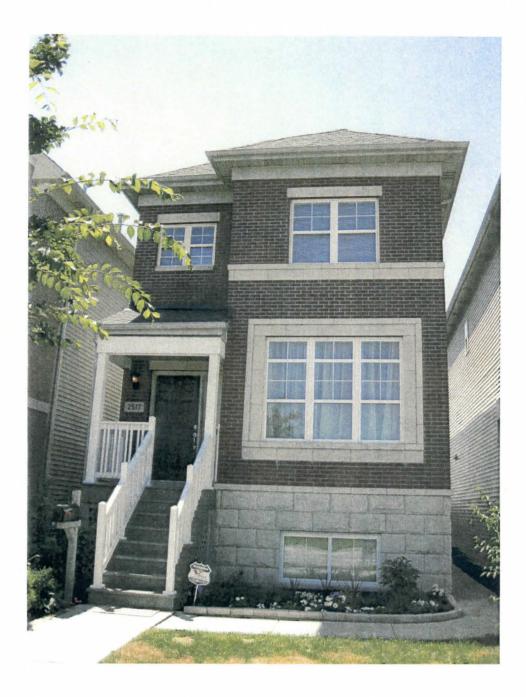
1353 S. California Avenue



2500 Block West Grenshaw



2501-05 West Grenshaw



2517 West Grenshaw



New Construction Site 12th Place & Fairfield Ave

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

DOROTHY GAUTREAUX, et al.,

Plaintiffs,

VS.

aminis,

No. 66 C 1459

Hon. Marvin E. Aspen

CHICAGO HOUSING AUTHORITY, et al.,

Defendants.

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PROPOSED ORDER

This matter having come before the Court on the motion of the Parties to authorize the development of 60 new non-elderly public housing units within mixed income buildings as a part of the Park Douglas redevelopment, located on and near the site of the former Lawndale Complex, in the area bounded by Roosevelt Road to the North, Ogden Avenue to the South, California Avenue to the West, and Talman Avenue to the East; and

The Court having heard from the Parties concerning the proposed order, including that the Gautreaux Development Manager, Daniel E. Levin and The Habitat Company LLC, supports 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, based on the representations of the Parties and the Gautreaux Development Manager, that the proposed 60 public housing units are designed to achieve results consistent with the Judgment Order previously entered in this case;

Now, therefore, IT IS HEREBY ORDERED:

The Chicago Housing Authority shall be free to develop or cause to be developed 60 units of public housing in mixed-income buildings on and near a portion of the site previously occupied by CHA's Lawndale Complex provided, however, that (1) the planned 49 affordable and 28 market-rate rental units in the buildings that are the subject of this motion are built and marketed roughly simultaneously with the development of the 60 public housing units to be authorized pursuant to this motion; and (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.

The Chicago Housing Authority Tenant Assignment Plan, originally approved by the Order of this Court on November 24, 1969, and amended on various dates thereafter, is further hereby amended to require that the 60 public housing units that are the subject of this Order be made available to eligible families relocating under CHA's Plan for Transformation, and if there are no such relocating families available to occupy the units, to families on the CHA public housing waiting list.

ENTER:

Dated:

Judge

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

DOROTHY GAUTREAUX, et al.,

Plaintiffs,

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66 C 1459

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CHICAGO HOUSING AUTHORITY,

Hon. Marvin E. Aspen

Defendant.

NOTICE OF MOTION

To: Attached List

PLEASE TAKE NOTICE that on **Thursday, August 26, at 10:30 a.m.**, or as soon thereafter as counsel may be heard, we will appear before the Honorable Marvin E. Aspen, of the U. S. District Court, 219 South Dearborn Street, Chicago, Illinois, and present the attached **Joint Motion of Plaintiffs and Defendant Chicago Housing Authority for an Order Authorizing Development of Public Housing Units in a Limited Area**, a copy of which is hereby served upon you.

Respectfully submitted,

/s/ Julie Elena Brown

One of the Attorneys for the Gautreaux Plaintiffs

August 24, 2010

Alexander Polikoff Julie Elena Brown BUSINESS AND PROFESSIONAL PEOPLE FOR THE PUBLIC INTEREST 25 East Washington Street - #1515 Chicago, Illinois 60602 312/641-5570; fax: 312/641-5454

CERTIFICATE OF SERVICE

I, Julie Elena Brown, an attorney, hereby certify that on Tuesday, August 24, 2010, I caused a copy of the foregoing Notice of Motion, together with a copy of the **Joint Motion of Plaintiffs and Defendant Chicago Housing Authority for an Order Authorizing Development of Public Housing Units in a Limited Area** to be served electronically on the persons listed on the attached Service List.

/s/ Julie Elena Brown

One of the Attorneys for Plaintiffs

Service List

Thomas E. Johnson Attorney for Chicago Housing Authority Johnson, Jones, Snelling, Gilbert & Davis 36 South Wabash Avenue - #1310 Chicago, IL 60603

Scott Ammarell, General Counsel Chicago Housing Authority 60 East Van Buren Street Chicago, IL 60605 By E-mail

Edward Feldman, Attorney for the Gautreaux Development Manager Miller, Shakman & Hamilton 180 North LaSalle Street - #3600 Chicago, IL 60601