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

DOROTHY GAUTREAUX, et al.,)
Plaintiffs,)
) No. 66 C 1459
V.)
) Hon. Marvin E. Aspen
CHICAGO HOUSING AUTHORITY, et al.,)
Defendants.)

JOINT MOTION OF PLAINTIFFS AND DEFENDANT CHICAGO HOUSING AUTHORITY FOR AN ORDER WAIVING THE RESTRICTION ON HOUSING FAMILIES WITH CHILDREN IN PUBLIC HOUSING UNITS ABOVE THE THIRD FLOOR IN ONE BUILDING IN THE STATEWAY REVITALIZING AREA

The plaintiffs and defendant Chicago Housing Authority ("CHA"), with the support of The Habitat Company LLC (the "Gautreaux Development Manager"), respectfully move this court to enter an order waiving the *Gautreaux* restriction on housing families with children in public housing units above the third floor in one building in Park Boulevard Phase 2B, located in the Stateway Revitalizing Area.

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

1. On July 1, 1969, this Court entered a judgment order which provided that, "CHA shall not concentrate large numbers of Dwelling Units (CHA public housing units) in or near a single location." The order provided specifically that

"No Dwelling Units shall be provided above the third story in any structure except for families without children..."

The order also provided that the Court, "by order," could give its approval to developments that were "specifically designed to assist in achieving the purposes" of the *Gautreaux* judgment order. 304 F. Supp. 736, 739 (N.D. Ill. 1969).

- 2. On November 22, 2005, this Court entered an order designating a Stateway Revitalizing Area and authorizing the development of 439 public housing units therein. The order provided that public housing units could not constitute more than 33% of the total residential units constructed. The Court found that the proposed public housing units in the Revitalizing Area were "designed to achieve results consistent" with the *Gautreaux* judgment order. *Gautreaux v. Chicago Housing Authority*, N.D. Ill., no. 1:66-cv-01459 (order dated 11/22/05).
- 3. Park Boulevard is a mixed-income development underway in the Stateway Revitalizing Area on the former site of Stateway Gardens. The development plan approved by the Court for Park Boulevard calls for approximately 1,316 units, of which approximately 439 units are planned to be family public housing, 504 are planned to be affordable housing, and 373 are planned to be market-rate housing. The development plan has been endorsed by various stakeholders, including the parties and the Gautreaux Development Manager. Phase 1 has been completed and consists of 239 units, of which 134 are mixed-income rental units and 105 are homeownership units. As of May 18, 2012, 79 of the 105 homeownership units have been sold. Construction of Phase 2A is nearing completion. When completed, Phase 2A will contain 128 mixed-income rental units, of which 46 will be public housing units. See Exhibit 1 attached hereto, Head Affidavit, ¶¶ 6, 7, 9.
- 4. Phase 1 and Phase 2A of Park Boulevard have included mid-rise buildings. On December 12, 2003, this Court entered an order waiving the restriction on housing families with children in public housing units above the third floor for Pershing Courts, in Phase 1A. On November 22, 2005, this Court entered an order waiving the same restriction for six mid-rise buildings in Phase 1B. On May 31, 2011, this Court entered an order waiving the restriction for

two mid-rise buildings in Phase 2A. *Gautreaux v. Chicago Housing Authority*, N.D. Ill., no. 1:66-cv-01459 (orders dated 12/12/2003, 11/22/2005, and 5/31/2011).

5. Phase 2B is the next proposed phase of Park Boulevard, and is part of the development plan approved by the Court. See Head Affidavit, ¶ 9. Plans for Phase 2B contain one mid-rise building, known as Building T. With five stories total, Building T contains 72 rental units. No residential units will be located on the ground floor. Building T is proposed as follows:

	1 Bedroom	2 Bedroom	Total	Approximate Percentage of Units
Public Housing	14	11	25	35%
Affordable	12	10	22	30%
Market Rate	14	11	25	35%
Total	40	32	72	

See Head Affidavit, ¶ 10.

The site plan for Park Boulevard and rendering for Building T are attached as Exhibit 1-A to the Head Affidavit.

- 7. The parties and the Gautreaux Development Manager believe housing CHA families in Building T, including some above the third floor, meets the goal of creating mixed-income, desegregated housing opportunities for the following reasons:
- A) As noted above, this Court has previously approved the area under consideration as a Revitalizing Area. In authorizing the Stateway Revitalizing Area, the Court received significant evidence about the strength and vitality of the surrounding area and the potential for future development. *Gautreaux v. Chicago Housing Authority*, N.D. Ill., no. 1:66-cv-01459 (order dated 11/22/05). The Stateway Revitalizing Area has since undergone more public and private investment. The retail component in Phase 1 continues to be stable and successful. Six of the seven retail spaces are currently leased by long-term tenants, which include eateries and a

bank. Park Boulevard is adjacent to a Metra station that opened in April 2011 and provides access to jobs in the suburbs. In addition, Park Boulevard is in close proximity to many employment, educational, and cultural opportunities. The Illinois Institute of Technology is next to the site, and plans to move its business school to the campus this summer. The attached affidavit from Jeffrey D. Head provides greater detail about the strength and vitality of the Stateway Revitalizing Area. See Head Affidavit, ¶¶ 4, 5.

- B) Concentrations of families in public housing units will not occur in Building T. Public housing units will constitute just over one-third of the units in Building T. Plaintiffs' counsel and the Gautreaux Development Manager have reviewed and commented on the floor plans to ensure that public housing units will be dispersed throughout Building T and the other buildings that are part of this phase. Building T, along with the rest of Phase 2B, will provide plaintiff class families with mixed-income housing opportunities, which may ultimately be racially mixed as well. See Head Affidavit, ¶¶ 10, 11.
- C) Park Boulevard has been stable and successful. Occupancy of the rental units in Phase 1 has consistently been in the mid- to upper 90 percent range since the start of the project. As of May 18, 2012, occupancy of the rental units was 99%. As is the rest of Park Boulevard, Phase 2B will be privately owned and managed, creating incentive to provide high-quality property management. Further, residents have access to a variety of social service and community-building activities, which are further detailed in the attached affidavit from the Gautreaux Development Manager. See Head Affidavit, ¶¶ 7, 8, 11.
- D) Building T allows development at slightly higher density than would be the case if only low-rise buildings were constructed. Building T will allow a larger number of plaintiff class families to live in a mixed-income setting in what has become a desirable neighborhood.

Further, the density afforded by mid-rise buildings, such as Building T, is necessary to meet the redevelopment goal of 439 public housing units in the Stateway Revitalizing Area. *Gautreaux v. Chicago Housing Authority*, N.D. Ill., no. 1:66-cv-01459 (order dated 11/22/05). See Head Affidavit, ¶ 12.

WHEREFORE, plaintiffs and the defendant CHA, with the support of the Gautreaux Development Manager, request this Court to enter an order in the form attached hereto, waiving the restriction on housing families with children in public housing units above the third story for the above specified building in the Stateway Revitalizing Area.

May 29, 2012

Respectfully submitted,

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

Julie Elena Brown Alexander Polikoff Business and Professional People for the Public Interest 25 East Washington Street, Suite 1515 Chicago, Illinois 60602 /s/ Thomas E. Johnson
Attorney for the Chicago Housing Authority

Thomas E. Johnson Johnson Jones Snelling Gilbert & Davis 36 South Wabash Avenue, Suite 1310 Chicago, Illinois 60603

Scott Ammarell, General Counsel Chicago Housing Authority 60 East Van Buren Street Chicago, Illinois 60605 Case: 1:66-cv-01459 Document #: 401-1 Filed: 05/29/12 Page 1 of 7 PageID #:4535

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

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

AFFIDAVIT OF JEFFERY D. HEAD

SUPPORTING JOINT MOTION FOR AN ORDER WAIVING THE RESTRICTION ON HOUSING FAMILIES WITH CHILDREN IN PUBLIC HOUSING UNITS ABOVE THE THIRD FLOOR IN ONE MIDRISE BUILDING AT PARK BOULEVARD PHASE 2B IN THE STATEWAY REVITALIZING AREA

I, Jeffery D. Head, being duly sworn, say:

- 1. I am a Vice President of The Habitat Company LLC, the Gautreaux Development Manager appointed by this Court's Receivership Transition Order of May 20, 2010.
- 2. As Gautreaux Development Manager, I support the joint motion for the waiver of the restriction on housing families with children in public housing units above the third floor in the mid-rise building known as Building T in the building listed above.

Background and Area Redevelopment

- 3. This Court approved the Stateway Revitalizing Area in an order dated November 22, 2005. It is bounded by 35th Street on the north, 39th Street on the south, Federal Street on the west, and State Street on the east. At the same time it waived the restriction on housing families with children in public housing units above the third floor for six midrise buildings in Park Boulevard Phase 1B. On December 16, 2003, prior to the 2005 Revitalizing Area order, this Court authorized Phase 1A, also known as Pershing Courts, and waived the restriction on housing families with children in public housing units above the third floor for the mid-rise building that constituted Phase 1A. On May 31, 2011, this Court waived the restriction on housing families with children in public housing units above the third floor for two additional mid-rise buildings in Park Boulevard Phase 2A.
- 4. The Stateway Revitalizing Area provides a great opportunity for providing plaintiff class families with mixed-income housing opportunities, with a potential for racially mixed housing opportunities, in close proximity to top-notch employment, educational, recreational, retail, and cultural opportunities. Located in the Douglas community area, it

EXHIBIT 1

is part of the historic Bronzeville neighborhood on Chicago's mid-South Side. Just four miles south of Chicago's downtown Loop business district, it is well-served by public transportation. State Street, 35th Street and 39th Street are major thoroughfares that are served by CTA bus routes. The CTA Red Line is just west of the site and the CTA Green Line is just east of the site, and both have stops at 35th Street. The Metra commuter rail line is also on the western border of the site, with a newly-constructed station at 35th Street that opened on April 3, 2011. This new station provides public transportation to jobs in the suburbs, and to downtown Chicago. Additionally, the Dan Ryan Expressway is on the western border of the site, with entry and exit ramps at 35th Street and 39th Street.

5. The area surrounding the site is home to several major institutions and attractions. Immediately north of the site is the main campus of the Illinois Institute of Technology ("IIT") which is also in the process of moving their business school to the campus this summer. US Cellular Field, home of the Chicago White Sox, is just across the Dan Ryan Expressway to the west of the site, accessible on 35th Street. Chicago's lakefront, with its parks and other amenities, lies just 1.5 miles east of the site. The headquarters of the Chicago Police Department is two blocks east of the site, at 35th Street and Michigan Avenue. The Illinois College of Optometry is also nearby, at 32nd Street and Michigan Avenue.

Site Redevelopment

- 6. The former Stateway Gardens site has been renamed "Park Boulevard". Park Boulevard provides mixed-income housing opportunities for plaintiff class families in building styles consistent with the surrounding neighborhoods, and disperses the public housing units among the market rate and affordable units. With new streets and other new infrastructure, Park Boulevard now connects well with the surrounding community.
- 7. The Park Boulevard plan calls for new mixed income community consisting of 1,316 total units, including 439 public housing units, 504 affordable units, and 373 market rate units. Phase 1 has been completed and consists of 239 total units, including 81 public housing units, 78 affordable units, and 80 market rate units. Of the 239 total units completed to date, 134 units have been rental units, and 105 units have been homeownership units. Phase 2A is nearing completion and consists of 128 rental units, 46 of which are designated for public housing occupancy. Phase 1 has been stable and successful. As of May 18, 2012, occupancy of the rental units was 99%, and has consistently been in the mid- to upper-90% range since the start of the project. As of May 18, 2012, 79 of the 105 of the Phase 1 homeownership units have been sold. The retail component of Phase 1 has continued to be stable and successful. Six of the seven retail spaces at 35th Street and State Street are currently leased by long-term tenants, including Starbucks, FedEx Kinko's, PNC Bank, Jimmy John's, Mother Butter's Popcorn, and Miller Pizza Company. The Starbucks, the first and only one on the Mid-South Side, continues to be a very popular spot. Mother Butter's Popcorn was featured on WLS-TV (Channel 7) in April 2011.
- 8. Stateway Community Partners ("SCP"), created as part of the Stateway redevelopment effort, provides community and supportive services and community-building activities.

Located in the restored, historic Overton Hygienic Building directly across State Street from Phase 2A, SCP has become an important amenity to the entire community. It is a key gathering place for Park Boulevard residents and neighbors alike. SCP offers many community programs, including the Parent Café, the Barbershop (a men's group), With Every Heartbeat is Life (a healthy lifestyle program), the Walking Club (often to local landmarks), Family Game Night, Movie Night (with popcorn provided by Mother Butter's), and Coffee Date (with coffee provided by Starbucks). SCP's innovative youth programs involve school-age residents from throughout the community. The Youth Council is an elected body of youth leaders, Yell Out Loud is a creative writing program, and Mock Trial is a legal-based initiative that allows youth to explore important issues.

9. The Park Boulevard redevelopment plan, of which Phase 2B is a part, has been endorsed as a blueprint by various stakeholders that include the Chicago Housing Authority, the Gautreaux Plaintiffs, the Gautreaux Development Manager, the City of Chicago, the Stateway Local Advisory Council, and the Alderman of the 3rd Ward (collectively referred to as "the Working Group"). The Park Boulevard plan, including the number of public housing units authorized for the redevelopment site, has been approved by this Court in the Revitalizing Order cited in Paragraph 3 above.

Park Boulevard Phase 2B

10. Park Boulevard Phase 2B will consist of a total of 108 rental units in one 72-unit 5-story mid-rise building and three 12-unit 3-story buildings. The mid-rise, known as Building T, will not have residential units on the ground floor. The Park Boulevard site plan and the rendering for Building T are attached as exhibits. The following is a table with the total income mix and bedroom mix for Phase 2B.

	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	Total
Public Housing	14	12	9	2	37
Affordable	12	11	11	0	34
Market Rate	14	13	10	0	37
Total	40	36	30	2	108

11. It is now proposed that Building T (see attached "Exhibit 1-A" Phase 2B site plan), the 72-unit, 5-story mid-rise building of Park Boulevard Phase 2B, may provide housing to public housing families with children above the third floor. Building T's residential units are limited to one and two bedroom apartments. As with all of the buildings for Phase 2B, the Gautreaux Development Manager has reviewed and commented on the floor plans of this mid-rise to ensure that the public housing units will be evenly dispersed. As with the rest of Park Boulevard, Phase 2B will be privately owned and managed, creating incentive to provide high quality property management. Phase 2B will be an attractive way to provide plaintiff class families with mixed-income housing opportunities, which may ultimately be racially mixed as well. The following is a table that outlines the income mix and bedroom mix for Building T:

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Park Boulevard Phase 2B Building T Income and Bedroom Mix

	1 Bdrm	2 Bdrm	Total
Public Housing	14	11	25
Affordable	12	10	22
Market Rate	14	11	25
Total	40	32	72

Need for the Waiver

12. The requested waiver will make it possible to provide a larger number of public housing units to plaintiff class families in what has become a desirable neighborhood that offers many opportunities for the families, while maintaining the goals of sound planning, mixed-income redevelopment, and retaining the marketability of the areas for economically and racially diverse redevelopment. The greater density provided by this mid-rise building is crucial to meeting the redevelopment goals at this site. The Gautreaux Development Manager thus supports the granting of this motion.

Further affiant sayeth not.

Jeffery D. Head - Vice President The Habitat Company LLC

Gautreaux Development Manager

SUBSCRIBED AND SWORN to Before me this _____ day of

2012.

Notary Public

My commission expires:

OFFICIAL SEAL ANN C MCKENZIE NOTARY PUBLIC - STATE OF ILLINOIS MY COMMISSION EXPIRES:03/25/14

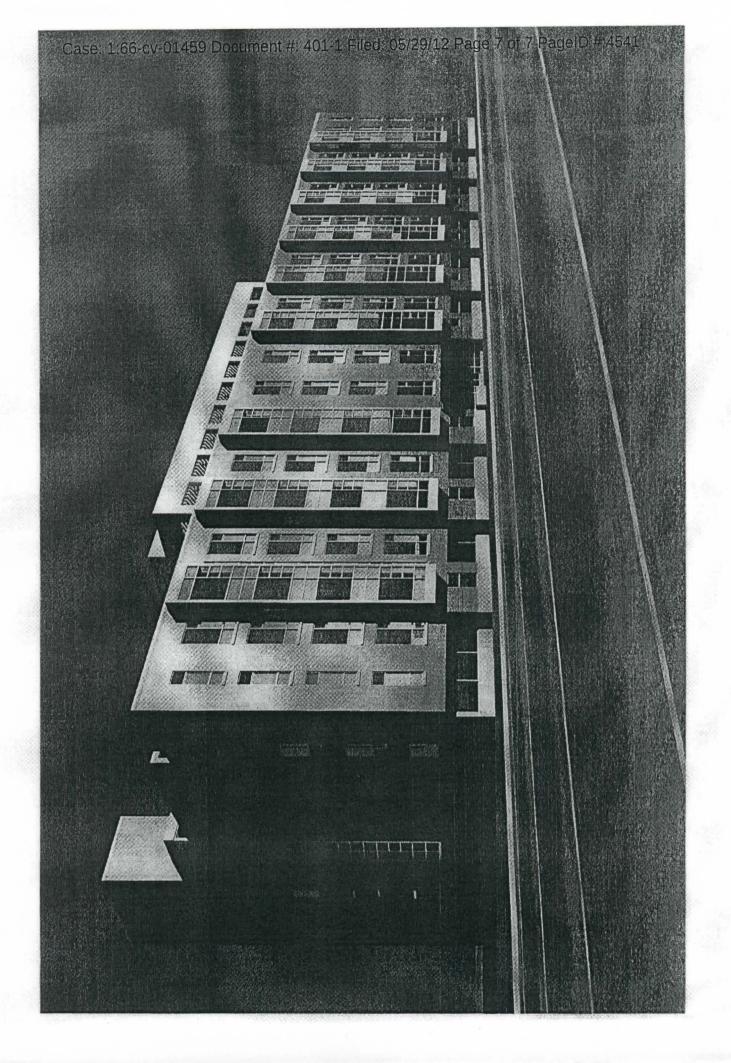
Exhibit 1-A

- Park Boulevard Site Plan (Phase 2B in yellow)
- Rendering of 72-Unit Mid-Rise ("Building T")

Case: 1:66-cv-01459 Document #: 401-1 Filed: 05/29/12 Page 6 of 7 PageID #:4540 PHASE IA (COMPLETE) **** **** PHASE 18 (COMPLETE) 1000 * 5 6 PHASE 2A (IN CONSTRUCTION) ** a louis A POWER SENSOR SHOWS A POWER SENSOR S 16/76/34/BULUBNG Entang diselected/Planes CTA GIB-EN LINE PHASE 28 (IN DESIGN) TUIL CEDULANG LANDS AND CONTRACT OF THE CONTRA 1937 STEEL CHART WAS COMED TO THE NEW YORK OF THE ANALYSIS OF THE PROPERTY OF COME OF THE PROPERTY AND THE PROPER Topoco Luci Luci Lago PHASE IB 159 UNITS COMPLETED 1000 TOTAL UNITS SALPAT HUBIDPHICAL EXISTING BUILDING 6.17(c) (8.8.13P/L) 4475F S.R.ORS *** COMPANY BUILDING TOTAL TANK IN TAIL CHICAGO BEE LIBRARY E ... 6 FUET CARENT 0000 0000000000 00000 SEPLAT FOR REAL PROPERTY. COLUMBIA COLUMBIA S-STERM BUILDING STATE STATE OF STATE 9119 CONTRACTOR OF THE PROPERTY OF D of the C-DECRY SCILLING 3-1, AT FEBRUARY 113 SHILL PRO HESES do to to to PHASE III AREA 0-21/91/10.4 (Abi) GET APP (M.R.DRAC) MASTER PLAN PARK BOULEVARD PHASE IIB CHICAGO, ILLINOIS NOVEMBER 2011

PARK BOULEVARD, LLC

VOA ASSOCIATES INC.



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

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

NOTICE OF MOTION

To: Attached List

PLEASE TAKE NOTICE that on May 31, 2012 we shall appear before the Honorable Marvin E. Aspen, Judge of the United States District Court for the Northern District of Illinois, Eastern Division, and then and there present the Joint Motion of Plaintiffs and Defendant Chicago Housing Authority for an Order Waiving the Restriction on Housing Families with Children in Public Housing Units Above the Third Floor in One Building in the Stateway Revitalizing Area, a copy of which is attached and hereby served upon you.

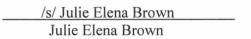
/s/ Julie Elena Brown
One of the Attorneys for Plaintiffs

May 29, 2012

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 Case: 1:66-cv-01459 Document #: 402 Filed: 05/29/12 Page 2 of 3 PageID #:4543

CERTIFICATE OF SERVICE

I, Julie Elena Brown, an attorney, certify that on May 29, 2012, I caused copies of the foregoing Notice and Motion to be served electronically upon the persons whose names appear on the attached service list.



SERVICE LIST

Scott Ammarell Chicago Housing Authority 60 E. Van Buren Chicago, Illinois 60605

Thomas E. Johnson Johnson Jones Snelling Gilbert & Davis 36 South Wabash Avenue Suite 1310 Chicago, Illinois 60603

Edward W. Feldman Miller Shakman & Hamilton 180 North LaSalle Street Suite 3600 Chicago, Illinois 60601