

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.,	)	
	)	
Defendants.	)	Hon. Marvin E. Aspen

**JOINT MOTION OF THE PLAINTIFFS AND THE CHICAGO HOUSING  
AUTHORITY RESPECTING RENOVATION OF THE HORNER “SUPERBLOCK”**

The plaintiffs and the Chicago Housing Authority hereby withdraw their earlier motion, filed on December 19, 2011, and instead jointly move this Court to enter an order in the form attached hereto. The attached Agreed Order would permit CHA to renovate Phase I of the Horner Redevelopment (the Horner “superblock”) by converting the 201 “very low income” and “low income” public housing units presently on the site to a mixed-income rental community consisting of 95 public housing units, 50-51 affordable units and 55-56 market rate units, which would be integrated into the surrounding mixed-income community approved by prior orders of this Court. The proposed Agreed Order reflects nearly two years of discussions among the parties, Brinshore-Michaels (the Horner Developer) and counsel for the Horner Residents Committee which resulted in an Agreed Order entered by Judge Zagel on November 13, 2013 in *Henry Horner Mothers Guild, et al. v The Chicago Housing Authority, et al*, 91 C 3316 (Horner case). See Horner Agreed Order, Exhibit A hereto. In support of this motion, the parties state as follows:

### **The History of Development at Horner**

1. In 1995, CHA's Henry Horner public housing development consisted of 1779 dilapidated public housing units occupied by 933 families, virtually all of whom were "very low-income", meaning their income was less than 50% of the median Chicago area income.

2. The families living at the Horner development had sued the CHA and HUD in the Horner case complaining about conditions at the development. The case was assigned to Judge Zagel. The parties entered into a consent decree in the Horner case in March of 1995 that was ultimately approved by Judge Zagel on April 4, 1995 and then amended September 1, 1995. This Court, on March 9, 1995 entered an order approving four specific paragraphs of the Horner consent decree, designating "that portion of the City of Chicago that lies between Damen Avenue on the East, Western Avenue on the West, Lake Street on the North, and the Eisenhower Expressway on the South" as the Horner Revitalization Area ("HRA"), and authorizing the development of public housing units in the HRA. On August 14, 1995, this Court entered a further Order authorizing the development of 466 replacement public housing units in the HRA, provided certain conditions were met.<sup>1</sup> The August 14, 1995 order embodied agreements, to which the CHA, HUD, the Gautreaux plaintiffs and the Horner plaintiffs (all of whom are, of course, also members of the Gautreaux plaintiff class) are signatories. With the entry of these orders, CHA set out to undertake a complete redevelopment of the Horner development, on a scale never attempted by any housing authority in America.

3. At the outset, the Horner Decree and this Court's orders called for the demolition or rehabilitation of the existing buildings. They were to be replaced by new or rehabilitated units

---

<sup>1</sup> This Court entered further orders on April 15, 1996 (expanding the geographic boundaries of the HRA) and October 22, 1998 (further expanding the geographic boundaries of the HRA).

that would be divided between “very-low income” public housing units (for families earning 0-50% of the median income) and “low-income” public housing units (for families earning 50-80% of the median income), but all units would be public housing units. In addition, Housing Choice Vouchers (formerly called Section 8 certificates) that give a resident a rent subsidy for use in a private apartment equal to a public housing subsidy, and scattered-site public housing units both within and outside the Horner area would be made available to public housing families that wanted them. Many doubted that CHA could complete a project of this scope; that the funding would be available for the plan; and that the necessary programmatic changes would be made to permit private management of the site, the introduction of income limits on certain units and the other changes necessary to make the Amended Horner Consent Decree and the related Gautreaux orders work. Importantly, while the plan included a mix of incomes within the limits allowed for public housing, due to HUD restrictions then in place, the Decree did not originally contemplate any market rate (or any non-subsidized) housing on the site.

4. The original vision for the project changed dramatically with the February 1, 2000 order modifying the Horner Decree and this Court’s December 12, 2002 order establishing Phase II of the project, in which the parties undertook to complete the development as a true mixed-income community, with both rental and for sale market, affordable and public housing units.

5. The project has largely been a success, on account of the hard work by the parties, the Horner plaintiffs, HUD, the Horner Developer (as the private developer of the Phase II property), CHA’s former Receiver (The Habitat Co.), the private managers, elected officials, neighborhood groups and others. It has taken years, but Phase I was completed and Phase II is nearly complete. Specifically:



**Phase I** involved construction of 461 new units and rehabilitation of 91 units in and around Horner. All of these units are public housing units, with one-half devoted to “very low-income” public housing families and one-half devoted to “low-income” public housing families. In addition, during Phase I at least 225 of the original Horner families opted to take Section 8 certificates (now called Housing Choice Vouchers) in order to live in private apartments or to move to a CHA scattered site unit outside the Horner area.

**Phase II** involved mixed income units. As of this date, 237 of the 271 promised public housing units, 90 affordable rental units and 81 market rental units have been built and leased. The balance of the planned rental units will be built in two final subphases of Horner construction. In terms of for sale units, 19 of the 52 planned affordable units have been sold and 120 of the planned 247 market units have been sold. Thus 547 of the 764 planned units have been finished and occupied. The principal delay in completing Phase II relates to the nationwide struggle of the for sale housing industry caused by the recent recession. See Exhibit B, Affidavit of Richard Sciortino (“Sciortino Aff.”)

6. Far more than apartments have been built. In place of the looming, prison-like and dangerous high-rises set apart from the rest of the community, a new community has been built. Two and three-flats, with some condo buildings, sit on streets, with a landscape that looks like any other Chicago neighborhood, except it is newer. New playgrounds and community spaces have been built, and a community center renovated. Off the site, but in the Horner area, CHA’s infill housing sparked construction and rehabilitation of private housing, so once empty west side blocks are now filled. Madison Street now has new commercial development, including retail stores, a bank, restaurants and a new grocery store. Families of different income levels now live side by side. Both job readiness and family support programs have been at work with the public housing families for years. See also Sciortino Aff., pars. 6,7.

**The Significance of Introducing Market Rate Housing  
at the Site to Create a True Mixed-Income Community**

7. The difference between Phase I and Phase II is, however, stark. When the Horner project began, no one dreamed that market rate families would rent and buy next to public



housing in the Horner neighborhood. Horner was the troubled place that Alex Kotlowitz painted in his best-seller There Are No Children Here. It was a place of gangs, drugs and violence. On February 1, 2000, however, the parties entered an agreed order that dramatically modified the original Amended Horner Consent Decree. They determined to embark on a much broader and ambitious plan in Phase II. Unlike Phase I, Phase II (which would complete the redevelopment) involved a private developer and the introduction of market rate units for sale and for rent. Market rate units were to make up 47 % of the 764 units to be built in Phase II. Seventeen percent of the units would be “affordable units” primarily for working families making below 60% of the area median income (AMI). Thirty-five percent of the units would be for public housing families. Driven by the Horner Developer, this new mixed-income community was christened with the name Westhaven Park. Sciortino Aff., pars 2-4. As noted above, the introduction of true mixed-income development, with a substantial market component, has been a success. Indeed, the success of the mixed-income model at Horner mirrors the results CHA has seen (as part of its Plan for Transformation) at its eight other mixed-income sites around the city, where market rate units have proved viable as well.<sup>2</sup>

8. The mixed-income units brought a whole new dimension to the community, in terms of economic, social and racial integration. More importantly, we now know that mixed-income communities produce far better social and economic outcomes for public housing families as well as for the neighborhoods in which they live. See, e.g. Boston, “A Cost-Benefit Analysis of

---

<sup>2</sup> These other sites are at the old Cabrini, ABLA, Lakefront, Madden Park-Ida B. Wells, Robert Taylor, Rockwell Gardens, Stateway Gardens, and Ogden North projects. See the last report of this Court’s Receiver, January 20, 2013, showing among other things, the mix of market, affordable and public housing at the various sites, attached hereto as Exhibit C.

Mixed-Income Revitalization”, Atlanta, Ga., Georgia Institute of Technology, School of Economics (2007), <http://www.econ.gatech.edu/people/faculty/Boston.htm> (finding that the mixed-income redevelopment of Atlanta’s 650 unit East Lake Meadows project provided a \$57 million net gain in social welfare, after conservatively monetizing the net benefit of lower crime, the added value of higher employment, and the added value of improvements in the quality of living---public housing families in mixed-income developments were followed for a seven to ten year period after 1995); Boston, “Environment Matters: The Effect of Mixed-Income Revitalization on the Socio-Economic Status of Public Housing Residents: A Case Study of Atlanta”, Atlanta, Ga., Georgia Institute of Technology, School of Economics (2005), <http://www.econ.gatech.edu/people/faculty/Boston.htm> (finding, among many other things, that when a quality of life index was constructed measuring important family and neighborhood characteristics, like employment, household income, welfare dependency, school attendance, etc., public housing families in traditional housing projects scored .34 but in mixed-income developments scored .55, and further finding that public housing families who moved to mixed-income communities were 2.1 times more likely to be employed in the long-run); Popkin, et al., “The CHA’s Plan for Transformation: How Have Residents Fared?”, Urban Institute (August, 2010) (“the findings from the 2009 eight-year follow-up are truly stunning; there is no question that, regardless of where they live, CHA relocatees’ quality of life has improved dramatically,” at p.5); and U.S. Dept. of Housing and Urban Development, “Choice Neighborhoods: History and Hope” <http://www.huduser.org/portal/print/node/3050> (discussing HUD’s Choice Neighborhoods Program which is aimed at expanding the HOPE VI strategy of encouraging private-public partnerships to create mixed-income housing in “strategic locations”; and the

various studies that have demonstrated that mixed-income housing is effective in deconcentrating poverty and improving life for residents).<sup>3</sup>

### **The Current Landscape of Horner**

9. Because the Horner development began with an all-public housing Phase I, the development, taken as a whole, is now oddly configured. The Phase I onsite development is located on what is called the “superblock”, bounded by Lake Street on the north, Damen Avenue on the east, the alley north of Washington Street on the south, and Leavitt Street on the west. The “superblock” consists only of public housing units. The Phase II mixed-income development extends to the east and west of the “superblock” with the CHA infill housing to the south of the “superblock”. The infill housing is built on various lots interspersed with private housing in the neighborhood, so it is, in effect, also mixed income housing. As a result, the “superblock” is now an island of public housing in the midst of an otherwise mixed-income community, a

---

<sup>3</sup> Many other studies have found that public housing families do better once they move with their housing subsidies from 100% public housing complexes. e.g. Rubinowitz and Rosenbaum, Crossing the Class and Color Lines: From Public Housing to White Suburbia, Chicago: The University of Chicago Press (2000) (studying the outcomes of families in the Gautreaux suburban voucher program); Johnson, Ladd and Ludwig, “The Benefits and Costs of Residential Mobility Programmes for the Poor”, Housing Studies 17(1): 125-38 (2001); Turbov, et al., “HOPE VI and Mixed-Finance Redevelopments: A Catalyst for Neighborhood Renewal”, The Brookings Institution (September, 2005) (discussing four HOPE VI projects and showing that they had a dramatic effect in improving neighborhoods, including increasing median income and reducing unemployment); and Zielenbach and Voith, “HOPE VI and Neighborhood Economic Development: The Importance of Local Market Dynamics” Cityscape: A Journal of Policy Development and Research, Vol. 12, No. 1 (2010) (also discussing the positive effect HOPE VI developments have had on economic conditions in their surrounding neighborhoods). Research on the mixed-income experience in Chicago is underway. In addition to the article by Dr. Popkin cited in the text, a number of papers were recently collected by the MacArthur Foundation in “The Chicago Housing Authority’s Plan for Transformation: What Does the Research Show So Far?”, Vale and Graves, Dept. of Urban Studies and Planning, Massachusetts Institute of Technology (June 8, 2010).



circumstance which is inconsistent with the economically integrated community envisioned. This is demonstrated by the map which is attached hereto as Exhibit D, showing the location of the “superblock”.

10. The isolation of the “superblock” is further exacerbated by the fact that the originally intended 50/50 split between “very low income” public housing families (at 0-50% of median) and “low income” public housing families (at 50-80% of median) has not been maintained. Even prior to the recent recession, many of those families who entered Horner as 50-80% families lost their jobs or suffered a cut back in their hours and fell into the 0-50% group. CHA does not evict families when this occurs. In 2002, CHA and the Horner plaintiffs, joined by the *Gautreaux* plaintiffs, agreed that because of this imbalance, no further units in the Phase I “superblock” would be leased to 0-50% “very low income” families. Despite this action, there are currently 123 “very low income” 0-50% families living on the “superblock” and only 35 “low income” 50-80% families. While on the positive side, 25 families now make more than 80% of the median income and live on the “superblock” even though they are no longer eligible for public housing - the balance of the units are vacant- the families living on the island that is the “superblock” are disproportionately poor.

11. The “superblock” is isolated in another way as well. The first units built at Horner were the Phase I “superblock” units, completed between 1996 and 1999. As a result, nearly all of these units are at least fifteen years old and, as a group, they have experienced more wear and tear than any other units at Horner. Thus, the “superblock” units are in worse physical condition than those in the balance of the Horner development.

**The Renovation Plan for the “superblock”**

12. On December 19, 2011 CHA filed, jointly with the plaintiffs in this case and separately in the Horner case, motions to approve a plan to renovate the “superblock” and convert it to a fully mixed income community. The plan was developed in consultation with the Horner Developer and was approved by counsel for the Gautreaux plaintiffs. Initially, the Horner plaintiffs opposed CHA’s motion in the Horner case. There ensued extensive discussions among the Horner plaintiffs, the (Gautreaux) plaintiffs, CHA and the Horner Developer to attempt to resolve the dispute.

13. On April 16, 2013, at a town hall meeting for all “superblock” families, the parties to the discussions explained the terms of a proposed settlement to the “superblock” residents and addressed their questions and concerns. Subsequent to the town hall meeting, the “superblock” families were provided Housing Preference Sheets with which to record their housing choices under the proposed settlement. “Superblock” families were also invited to attend small group meetings in April and May to discuss the settlement and complete and turn in their Housing Preference Sheets.

14. The parties to the Horner case, together with the Gautreaux plaintiffs and the Horner Developer, thereafter finalized their settlement agreement, taking into account the expressed housing preferences of the “superblock” residents. Judge Zagel entered an Agreed Order constituting the settlement on November 13, 2013. Judge Zagel’s order is attached hereto as Exhibit A.

15. The renovation plan embodied in Judge Zagel’s order is detailed, but its key components are as follows:

**A. Economic Integration.** In order to eliminate the island of public housing that now exists as the “superblock” in the center of the Horner development, The Horner Developer, will rehabilitate each of the 201 residential units on the “superblock” and convert these units to 55-56 market rental units, 50-51 affordable rental units for working families (making up to 60% of the area median income), and 95 public housing units. The 95 public housing units will themselves include families with a mix of incomes. The following chart describes the unit designations and initial priorities for the “superblock” families:

Type of Unit No. of Units	Public Housing 74	Public Housing 17	Public Housing 4	Tax Credit 50-51	Market Rate 55-56
Eligibility	0-60% of Area Median Income	30-60% of Area Median Income	61-80% of Area Median Income	0-60% of Area Median Income	Unrestricted
Initial Priority	“superblock” families 0-50% of Area Median Income	“superblock” families 30-50% of Area Median Income	“superblock” families 61-80% of Area Median Income	“superblock” families 51-60% of Area Median Income	“superblock” families Over 80% of Area Median Income

The parties believe that the income mix created by the above-described unit designations will better serve the mixed income goal of the redevelopment than the public housing income mix currently required by this Court’s prior orders.

**B. Revitalization of “superblock” Units.** The revitalization of these units will be substantial and will be the same in scope and quality for public housing, affordable units and market rate units. The renovation will bring the units into high-quality condition, including those which have deteriorated since construction in 1996. Kitchens and baths will be rehabilitated and upgraded with new appliances including dishwashers, washing machines and dryers. New energy efficient windows and doors will be provided and new roofs. New interior flooring



materials will be used. Many units will be reconfigured to accommodate handicapped accessibility. Upgrades to the community center on site are also under discussion. The developer expects that construction can begin approximately nine months after this Court approves the plan, with the first revitalized units to come on line nine months after construction begins. The entire construction process will take approximately 24 months. Sciortino Aff.

**C. Replacement of Public Housing Units on the “superblock”.** Under the renovation proposal, 95 newly revitalized public housing units will remain on the “superblock”. The CHA will provide replacement housing for the 106 “superblock” units that will no longer be designated as public housing after the renovation, as follows:

(1) Based on the results of Housing Preference Sheets completed by “superblock” families, the CHA will acquire or develop, or arrange for the acquisition or development of three (3) public housing and/or project-based voucher units with at least 20-year contracts on the Near West Side of Chicago in the neighborhood surrounding Horner, specifically defined as Halsted Street on the east, the Eisenhower Expressway on the south, Chicago Avenue on the north, and California Avenue (north of Madison) and the viaduct between Rockwell and Washtenaw streets (south of Madison) on the west. Within this area, new units will only be acquired or developed in the existing Horner Revitalization Areas or in *Gautreaux* General Areas, as defined by the 2010 census, unless authorized by further order of this Court. CHA will also acquire or develop, or arrange for the acquisition or development of one (1) public housing or project based voucher unit with at least a 20-year contract not on the Near West Side. If project-based voucher units are used, the CHA will ensure that they will remain available for the duration of the contract period.

(2) CHA will provide 102 additional units of public housing. These units will be

acquired by or on behalf of CHA and/or developed by or on behalf of CHA or provided through CHA's Property Rental Assistance ("PRA") program or other similar programs. CHA will use its best efforts to locate these units in Opportunity Areas of the City of Chicago identified on the map attached as Exhibit E hereto (with a priority for units in Opportunity Areas on the north side of the City). CHA may, if necessary, locate up to 50 of these replacement units on the Near West Side within the boundaries and subject to the geographic restrictions identified in paragraph C(1) above.<sup>4</sup> The 102 units of housing described in this subparagraph may be project-based voucher units with at least 20-year contracts.

(3) CHA will submit quarterly reports to plaintiffs, and to the Horner plaintiffs, and an annual report to this Court and to Judge Zagel on CHA's progress in acquiring and providing these 106 units described in subparagraphs (1) and (2) above. Depending on CHA's progress, plaintiffs reserve the right to seek from this Court a final deadline for acquiring and providing these units. CHA reserves the right to seek an order from this Court to modify the location of the replacement units described in paragraph (2) above.

**D. Relocation.** The "superblock" renovation will be accomplished in phases designed to minimize relocation for residents who have chosen to remain (and who are eligible to do so.) Pursuant to the Horner Agreed Order, CHA is preparing a relocation plan for HUD approval. The Horner Developer has agreed to use at least fifty "superblock" units as a resource to provide temporary housing to the "superblock" residents who elected to remain on the "superblock". Sciortino Aff., par. 10. CHA will provide Housing Choice Vouchers as soon as possible to the 0-80% of AMI "superblock" families electing to move from the "superblock" with such vouchers,

---

<sup>4</sup> The parties understand that an amendment to the revitalizing orders may be necessary to permit acquisition of these units, but they have agreed that such an order will be presented to the Court at a later date.

and shall expedite application and processing procedures for these families. CHA will also make ready for occupancy and provide as soon as possible a vacant Horner scattered-site unit located on the Near West Side of Chicago, a vacant unit in the Horner Annex, or a vacant public housing unit in Phase II (Westhaven Park) to the 0-80% AMI “superblock” families electing to move from the “superblock” into these units. The procedure for offering these units is governed by the Horner Agreed Order. See Exh. A, par. 8.

#### **E. Rental Assistance Demonstration**

In order to finance the “superblock” conversion, the Horner Developer and the CHA may file an application with HUD under its new Rental Assistance Demonstration (“RAD”) program. If the application is approved and RAD conversion is completed, public housing units on the “superblock” would become project based units and the tax-credit and market rental units would be subject to the rules and regulations governing the RAD program. If the RAD application is approved, the RAD program could also be used to provide project based voucher funding for the off-site replacement units described in Paragraph 3, subject to the locational requirements described therein. Use of the RAD program could provide an important financing tool for the “superblock” renovation.

Under the Horner Agreed Order the Horner Developer and the CHA may use the RAD program only if the conversion of public housing units on the “superblock” to project based voucher units would not materially and adversely affect the manner in which a Horner plaintiff’s rent is calculated or the extent to which the current “superblock” public housing units would remain affordable to families with incomes of 80% of AMI or below. The Horner Agreed Order also requires the parties to the Horner case to consult and attempt to reach agreement on the



procedural rights and remedies applicable to residents of the RAD financed units, which are to be as similar as possible to the rights and remedies of public housing tenants.

**Further Steps to Ensure A Viable Mixed-Income Community at Horner**

16. Prior to presenting this Motion, the Gautreaux plaintiffs, the CHA and the Horner Developer met to identify concrete steps, in addition to the “superblock” proposal set forth above, that would work to ensure a continued, viable mixed-income community at the “superblock” site. The parties recognize the particular challenges the economic downturn and the collapse of the for-sale market present for the Horner development. They further recognize that renovation of housing alone cannot ensure the success of this ambitious effort. As such, these parties have concluded the terms of a Letter Agreement between the CHA, the Gautreaux plaintiffs and the Horner Developer, attached as Exhibit F hereto. The Agreement is similar to those previously presented to the Court and currently in effect at two other “rental only” mixed income sites, West End (Rockwell Gardens redevelopment) and Legends South (Robert Taylor Homes redevelopment). The Agreement addresses property management at the site, social services, security, issues pertaining to the planned for-sale units, the future role of the Horner Working Group, economic development, and neighborhood schools. Recognizing that under paragraph 16 of the Horner Consent Decree, the CHA is required to consult with the Horner Residents Committee (“HRC”) on some of the matters addressed in the Letter Agreement, the Agreement expresses the parties’ intent to invite the HRC’s consultant to join in the discussions required by the Agreement. The Letter Agreement also expressly provides that nothing therein modifies or limits the CHA’s duty of consultation under paragraph 16 of the Horner Decree. As such, the Letter Agreement poses no conflict with paragraph 16 of the decree, but is a component

important to the success of the entire Horner mixed-income community. If the Court grants this motion, the parties to the Letter Agreement are hopeful that the HRC will join in the discussions mandated by that Agreement.

### **Conclusion**

18. The parties agree that CHA's plan for the renovation of the Horner "superblock", together with the agreements set forth in the Letter Agreement attached as Exhibit F hereto, will provide important relief to the Gautreaux class by enhancing housing opportunities which are likely to lead to increased economic and, hopefully, racial integration of public housing at the Horner site. As such, the parties urge the Court to enter the attached Agreed Order.

/s/ Scott Ammarell

One of the Attorneys for the CHA

/s/ Julie Elena Brown

One of the Attorneys for the Plaintiffs

SCOTT AMMARELL  
General Counsel  
Chicago Housing Authority  
60 W. Van Buren St., 12<sup>th</sup> Fl.  
Chicago, IL 60604  
(312) 913-7048  
*Attorney for the CHA*

THOMAS E. JOHNSON  
Johnson, Jones, Snelling  
Gilbert & Davis  
36 South Wabash, Suite 1310  
Chicago, IL 60603  
(312) 578-8100  
*Attorneys for the CHA*

ALEXANDER POLIKOFF  
JULIE ELENA BROWN  
Business and Professional People for  
the Public Interest  
25 East Washington Street, Suite 1515  
Chicago, IL 60602  
(312) 641-5570  
*Attorneys for the Gautreaux Plaintiffs*

**EXHIBIT A**



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

HENRY HORNER MOTHERS GUILD, et al.	)	
	)	
Plaintiffs,	)	
	)	
vs.	)	No. 91 C 3316
	)	
THE CHICAGO HOUSING AUTHORITY	)	Hon. James B. Zagel
("CHA"), an Illinois Municipal Corporation; et al.,	)	
	)	
Defendants.	)	

**AGREED ORDER**

The plaintiffs and the CHA defendants having reached agreement to resolve CHA's Motion to Further Implement or Modify the Amended Consent Decree, the federal defendants U.S. Department of Housing and Urban Development, et.al., having no objection to the agreement, and the Court being fully advised in the premises,

THE COURT FINDS:

1. On December 19, 2011, the CHA defendants, pursuant to Paragraph 30 of the *Horner* Amended Consent Decree, or alternatively, pursuant to Fed. Rule of Civil Proc. 60(b), filed a Motion to Further Implement or Modify the Amended Consent Decree ("CHA's Motion").

2. CHA's Motion asked this Court to modify the *Horner* Amended Consent Decree to allow conversion of the area known as the Horner Superblock from 100% public housing into mixed-income housing. The Horner Superblock, which is part of the Horner redevelopment governed by the *Horner* Amended Consent Decree, consists of 200 public housing units located on the Near West Side of Chicago, between Lake Street on the north, Damen Avenue on the east, the alley north of Washington Street on the south and Leavitt Street on the west. Initially, the

Plaintiffs opposed CHA's Motion, but with the permission of this Court, the parties entered into settlement negotiations to see if an agreed-upon resolution of CHA's Motion was possible. After extensive discussion between the parties and counsel, as well as the *Gautreaux* plaintiffs, the parties have reached agreement to resolve the matters raised in CHA's Motion.

3. On April 16, 2013, a town hall meeting for all Superblock families was held at the Major Adams Community Center where the parties explained the terms of the proposed settlement to the residents and addressed all resident questions and concerns. Subsequent to the town hall meeting, the parties provided to all Superblock families Housing Preference Sheets with which to record their housing choices under the proposed settlement. In addition, Superblock families were invited to attend small-group meetings on April 29, April 30 and May 1, 2013 to discuss the issues and complete and turn in their Housing Preference Sheets.

4. In reaching agreement on the terms of the settlement, the parties took into account and agreed upon methods to satisfy to the maximum extent possible the housing choices of the Superblock residents as set forth in their Housing Preference Sheets.

THEREFORE, BY AGREEMENT OF THE PARTIES, IT IS HEREBY ORDERED:

1. Subject to the terms and conditions herein, the CHA defendants shall contract with Brinshore-Michaels, Inc. (the "Horner Developer") to completely rehabilitate the Horner Superblock in phases and to use its best efforts to accommodate all Superblock families who have elected to remain on the Superblock in temporary units made ready for occupancy located on the Superblock during the rehabilitation process. In particular, the Horner Developer shall keep at least fifty units on the Superblock to use as temporary relocation resources. Depending

upon bedroom size, there may be some need to move families temporarily off the Superblock during rehabilitation, even though they ultimately will reside on the Superblock.

2. Upon completion of the rehabilitation, the units on the Superblock shall receive the designations and initial priorities for Superblock families as set forth in the following chart, and as described more fully in Paragraphs 3 – 8 below.

Type of Unit No. of Units	Public Housing 74	Public Housing 17	Tax Credit 50	Market Rate 55	Public Housing 4
Eligibility	0-60% of Area Median Income	30-60% of Area Median Income	0-60% of Area Median Income	Unrestricted	61-80% of Area Median Income
Monthly Rent	30% of Adjusted Gross Income	30% of Adjusted Gross Income	Initial Rents: \$600 for 1BR \$700 for 2BR \$800 for 3BR	Initial Rents: \$650 for 1BR \$750 for 2BR \$875 for 3BR	30% of Adjusted Gross Income
Initial Priority	Superblock families 0-50% of Area Median Income	Superblock families 30-50% of Area Median Income	Superblock families 51-60% of Area Median Income	Superblock families Over 80% of Area Median Income	Superblock families 61-80% of Area Median Income

The Initial Rents set forth above, and as used throughout this Order, assume completion of the project within one year after the entry of this Order. If completion is delayed, these rents may be adjusted upward to reflect the increased costs for the project. A family's income, for purposes of determining the family's percentage of AMI, shall include all monthly income, earned and unearned, available to the family, and shall be consistent with HUD regulations and the HUD Guidebook related to income.

3. Upon completion of the rehabilitation, 74 units on the Superblock shall be designated for public housing families with household incomes between 0-60% of Area Median Income ("AMI"). Current Superblock families with household incomes between 0-50% of AMI shall be provided a first priority to move into these units.



4. Upon completion of the rehabilitation, an additional 17 units on the Superblock shall be designated for public housing families with household incomes between 30-60% of AMI. Current Superblock families with household incomes between 30-50% of AMI shall be provided a first priority to move into these units. If a current Superblock family selecting this option involuntarily loses income, so that the family's income falls below 30% of AMI, the CHA defendants shall provide the family the choice of a Housing Choice Voucher with which to move or a public housing unit at a development other than Horner, and the unit shall be rented to another public housing family with a household income between 30-60% of AMI. Other than those current Superblock families who initially occupy these units, all residents of these units must have earned or pension income equal to at least 30% of AMI. No resident of these units will be entitled to a Housing Choice Voucher upon leaving for any reason or upon an involuntary loss of income, other than the initial Superblock family selected under the terms provided herein. Each of these families' incomes shall be monitored by the private management company managing these units. If an initial Superblock family's income is reduced (other than involuntarily) and if the income of any other families living in these 17 units is reduced below 30% of AMI, then these families shall be transferred to a public housing unit elsewhere at Horner reserved for families making less than 50% of AMI, pursuant to the procedures set forth in paragraph 9(b) below, or in the absence of such a unit at Horner, then to a public housing unit at another CHA development. Should the family refuse such a transfer, CHA retains the right to evict them from public housing and shall be permitted the right to modify its current lease, if necessary, to provide for eviction under these circumstances.

5. Upon completion of the rehabilitation, 50 non-public housing low-income housing tax credit units on the Superblock shall be designated for families with household incomes below 60% of AMI. Current Superblock families with household incomes between 50-60% of AMI shall be provided a first priority to move into these units. The initial rents for these units shall be \$600 per month for a 1-bedroom unit, \$700 for a 2-bedroom unit, and \$800 for a 3-bedroom unit. Any public housing family who elects to move into these units will lose their public housing subsidy and no longer be a CHA public housing family.

6. Upon completion of the rehabilitation, 55 non-public housing market-rate units on the Superblock shall be designated for families with unrestricted household income. Such families must be able to afford the market rent in the judgment of the developer. Current Superblock families with household incomes over 80% of AMI shall be provided a first priority to move into these units. The initial rents for these units shall be \$650 for a 1-bedroom unit, \$750 for a 2-bedroom unit and \$875 for a 3-bedroom unit.

7. Upon completion of the rehabilitation, an additional 4 units on the Superblock shall be designated for public housing families with household income between 61% and 80% of AMI. Current Superblock families with household income between 61% and 80% of AMI will be given a first priority to move into these units. As these units will be separately financed from all of the other non-market units, there shall not be more than 4 such units on the Superblock.

8. In selecting families for occupancy for the options stated in Paragraphs 3-7 above, the Horner Developer shall utilize the Occupancy Standards as provided for in Exhibit C to the *Horner* Amended Consent Decree and not utilize drug testing or work requirements in excess of those required in the Horner Engagement Program. After occupancy, all housing units at the Superblock

shall be subject to the Westhaven Park Phase II B Rental and Subsequent Rental Phases Horner Admissions and Continued Occupancy Policy ("ACOP").

9. Upon entry of this Agreed Order, and following HUD approval of CHA's relocation plan, the CHA defendants shall:

A. Provide Housing Choice Vouchers as soon as possible to the 0-50% and 50-80% of AMI Superblock families electing to move from the Superblock with such vouchers, and shall expedite application and processing procedures for these families.

B. Make ready for occupancy and provide as soon as possible a currently vacant Horner Scattered-Site unit located on the Near West Side of Chicago, a currently vacant unit in the Horner Annex, or a currently vacant public housing unit in West Haven Park to the 0-50% AMI and the 50-80% AMI Superblock families electing to move from the Superblock into these units. CHA shall offer these families their choice of two units, no more than one of which is in the Horner Annex, and shall use its best efforts to offer units in lower crime areas. The families must elect one of these two units within 14 days of the offer or they will be assigned a unit at CHA's discretion.

10. The CHA defendants shall require the Horner Developer to utilize at least fifty (50) Superblock units as a resource to provide temporary housing to the Superblock residents who elected to remain on the Superblock. The CHA defendants shall also require the Horner Developer to complete the rehabilitation in phases and the Horner Developer shall use its best efforts to allow these families to remain on the Superblock during the rehabilitation process. All residents moving into such temporary housing shall pay the rent they are required to pay under the rules currently governing the Superblock.



11. The CHA shall use its best efforts to cause the Horner Developer and other developers to provide replacement housing for the 105 units on the Superblock that are no longer designated as public housing after rehabilitation as described in Paragraphs 11.A. and 11.B. below:

A. Based on the results of Housing Preference Sheets completed by Superblock families, the CHA shall acquire or develop, or arrange for the acquisition or development of three (3) public housing and/or project-based voucher units with at least 20-year contracts on the Near West Side of Chicago in the neighborhood surrounding Horner, specifically defined as Halsted Street on the east, the Eisenhower Expressway on the south, Chicago Avenue on the north, and California Avenue (north of Madison) and the viaduct between Rockwell and Washtenaw streets (south of Madison) on the west. Within this area, new units will only be acquired or developed in the existing Horner Revitalization Areas or in *Gautreaux* General Areas, as defined by the 2010 census, unless authorized by further order of the *Gautreaux* court. CHA shall also acquire or develop, or arrange for the acquisition or development of one (1) public housing or project based voucher unit with at least a 20-year contract not on the Near West Side. If project-based voucher units are used, the CHA shall cause them to remain available for the duration of the contract period. In selecting families to occupy these units, if the units are public housing units, the CHA shall utilize the Occupancy Standards as provided for in Exhibit C to the *Horner* Amended Consent Decree and not utilize drug testing and work requirements in excess of those required in the Horner Engagement Program. No project based voucher unit will satisfy this paragraph of the Order if the landlord utilizes drug testing or work requirements in excess of those required in the Horner Engagement Program as screening tools. After occupancy, the units shall be subject to the Phase II Horner Admissions and Occupancy Policy ("ACOP") or substantially similar occupancy rules. Those four families from the Superblock,

whose preferences are being accommodated by the provisions of this paragraph, shall be afforded priority over other families on the project-based voucher waiting list, if their units are provided through a project-based voucher.

B. CHA shall provide 101 additional units of public housing. These units shall be acquired by or on behalf of CHA and/or developed by or on behalf of CHA through the Homer Developer, other developers, or through CHA's Property Rental Assistance ("PRA") program or other similar programs. CHA shall use its best efforts to locate these units in Opportunity areas of the City of Chicago identified on the map that is attached as Exhibit A hereto (with a priority for units in Opportunity areas on the north side of the City). Notwithstanding the provisions of this paragraph of the Order, CHA may locate up to 50 of these replacement units on the Near West Side within the boundaries and subject to the geographic restrictions identified in paragraph 11(A) above. The 101 units of housing described in this subparagraph may also be project-based voucher units with at least 20-year contracts.

C. CHA shall submit quarterly reports to plaintiffs, and to the *Gautreaux* plaintiffs, and an annual report to this Court and to the *Gautreaux* court on CHA's progress in acquiring and providing these 105 units described in subparagraphs 11A and 11B above. Depending on CHA's progress, plaintiffs reserve the right, after consultation with the *Gautreaux* plaintiffs, to seek from this Court a final deadline, subject to the approval of the *Gautreaux* court, for acquiring and providing these units. CHA reserves the right to seek an order from the *Gautreaux* Court to modify the location of the replacement units described in paragraph 11(B) above.

12. All Superblock families must remain lease compliant to qualify for the housing options provided for under this Order.

13. CHA shall pay for the belongings to be moved of all Superblock families relocating from their current unit on the Superblock pursuant to this Order, and CHA shall pay for all existing utilities (light, gas and cable) to be transferred, and all required security deposits. For Superblock families relocating to another unit on the Superblock during rehabilitation, CHA shall require the Horner Developer to pay for the belongings of these families to be moved to their rehabilitated Superblock unit, and the CHA defendants shall pay for all existing utilities (light, gas and cable) to be transferred to their rehabilitated Superblock unit. CHA shall also provide families relocating to another unit on the Superblock or to a unit on the Near West Side with continued access to their current social services and employment counseling providers, or any successor social services and employment counselors CHA retains.

14. After entry of this Agreed Order, CHA and the plaintiffs shall petition this Court to amend Paragraph 16 of the Horner Amended Consent Decree to provide that the Horner Residents Committee ("HRC") shall consist of public housing residents residing in all phases of the Horner redevelopment, including Phase I Scattered-Sites, the Horner Annex, the Horner Superblock and Phase II.

15. A. This Order shall be null and void if the Horner Developer is unable to secure the type of financing it deems necessary to complete the redevelopment of the Horner Superblock.

B. Notwithstanding any provision of this Agreed Order, the Horner Developer and the CHA shall be permitted to file an application with HUD under the Rental Assistance



Demonstration ("RAD") program, which if approved and completed, would convert a portion of the current public housing units on the Superblock to project based vouchers—specifically, those units that would remain public housing units under the terms of this order would become project based voucher units. Other units on the Superblock would be tax-credit units and market rental units that would be subject to the rules and regulations governing the RAD program. If the RAD application is approved, the RAD program could be used to provide project based voucher units off-site to replace the public housing units lost from the Superblock subject to the locational requirements of par. 11.


C. The Horner Developer and the CHA shall be permitted to use the RAD program if the conversion of public housing units on the Superblock to project based voucher units shall not materially and adversely affect the manner in which a plaintiff's rent is calculated or the extent to which the current Superblock public housing units shall, in the future, remain affordable to families with incomes of 80% of AMI or below, and provided further that prior to the submission of a RAD application, the parties shall consult and attempt to reach agreement on the procedural rights and remedies applicable to residents of the RAD financed units, which shall be as similar as possible to the rights and remedies of public housing tenants.

16. This Order shall be null and void if the Horner Developer and CHA are unable to secure any and all necessary HUD approvals for this effort to convert the Superblock to a mixed-income development.

17. Where this Order conflicts with the terms of the Amended Consent Decree, entered September 1, 1995, or this Court's Order entered February 1, 2000, the terms of this Order shall govern.

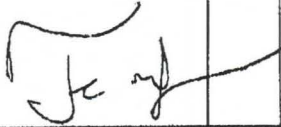
Case: 1:91-cv-03316 Document #: 394 Filed: 11/13/13 Page 11 of 11 PageID #:1235

AGREED TO AND EXECUTED this 7<sup>th</sup> day of November 2013 in Chicago, Illinois.



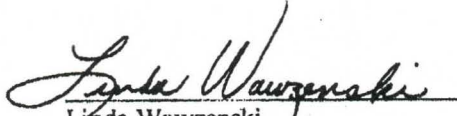
William P. Wilen  
Sargent Shriver National Center  
On Poverty Law, Inc.  
50 E. Washington Street  
Suite 500  
Chicago, IL 60602

On behalf of the Plaintiffs



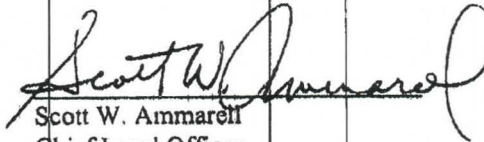
Thomas E. Johnson  
Johnson, Jones, Snelling, Gilbert & Davis  
36 S. Wabash Street  
Suite 1310  
Chicago, IL 60603

On behalf of the Chicago Housing Authority



Linda Wawzenski  
Assistant U.S. Attorney  
219 S. Dearborn Street  
Chicago, Illinois 60604

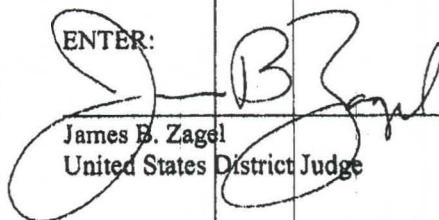
On behalf of the U.S. Department  
of Housing and Urban Development



Scott W. Ammarell  
Chief Legal Officer  
Chicago Housing Authority  
60 E. Van Buren Street  
Chicago, Illinois 60605

On behalf of the Chicago Housing Authority

ENTER:



James B. Zagel  
United States District Judge

Dated 13 Nov 2013

**EXHIBIT B**



State of Illinois        )  
                                  )ss.  
County of Cook        )

AFFIDAVIT OF RICHARD J. SCIORTINO,  
PRESIDENT, BRINSHORE DEVELOPMENT, LLC

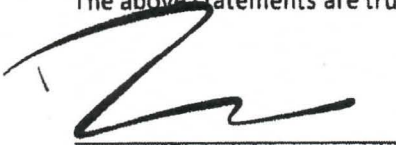
I, Richard J. Sciortino, do swear and affirm that the following are true:

1. I am President of RJS Real Estate Services, Inc.; Member, Brinshore Development, LLC; Member, BMH-I, LLC, the developer of the Horner Phase II redevelopment.
2. I am knowledgeable about the redevelopment activities that have taken place at Horner Phase II also known as "Westhaven Park."
3. The following developments at Westhaven Park have been completed:
  - a. Westhaven Park Apartments, a total of 155 units comprised of 87 public housing rental units, 31 affordable rental units and 37 market rate rental units;
  - b. Westhaven Park Tower, a total of 113 units comprised of 72 market rate for sale units, 7 affordable for sale units and 34 public housing rental units;
  - c. City Flats, a total of 60 units comprised of 48 market rate for sale units, and 12 affordable for sale units;
  - d. Westhaven Park IIB, a total of 127 units comprised of 70 public housing rental units, 27 affordable rental units and 30 market rate rental units; and
  - e. Westhaven Park IIC, a total of 92 units comprised of 46 public housing rental units, 32 affordable rental units, 14 market rate rental units and three retail storefronts.
4. The following developments at Westhaven Park have been planned, but not yet constructed:
  - a. Westhaven Park IIB For Sale, a total of 86 units comprised of 68 market rate for sale and 18 affordable for sale units;
  - b. Westhaven Park IIC Tower, a total of 80 units comprised of 59 market rate for sale homes, 5 affordable for sale homes and 16 public housing rental units,
  - c. Westhaven Park IIC Townhomes, a total of 31 units comprised of 24 market rate for sale homes and 2 affordable for sale homes and 5 public housing rental.
  - d. Westhaven Park IID, a total of 62 units comprised of 24 public housing rental units, 28 affordable rental units and 10 market rate rental units.
5. The principal reason for the delay in constructing Westhaven Park IIB For Sale, IIC Tower and IIC Townhomes is the nationwide recession in the for sale real estate market caused by the financial crash of 2007/8.
6. In part, as a result of the redevelopment of the Henry Horner Homes, new developments and investments may be seen in the surrounding community, including newly constructed and rehabilitated housing; new commercial development including a Walgreens, grocery store, bank, restaurants and other retail; and parks and recreational facilities, including a renovation of the on site Major Adams Academy.
7. In addition to housing, Interstate Realty Management, working in conjunction with the CHA, the City, and local social service providers have provided social services and programming to residents to encourage self-sufficiency, family stability, health, education and culture.
8. BMH-I, LLC, is planning the mixed income redevelopment of the Villages of West Haven, also known as the "Superblock" as a way to integrate the entire former Henry Horner site into a single mixed income community. The planned renovations of the units in the Superblock are designed to modernize the units and bring them up to the level of quality needed to be

attractive to households across the income spectrum. We plan on replacing kitchens and baths, adding dishwashers and replacing washers and dryers. Energy efficiency will be attended to replacing windows, doors and roofs. New interior flooring materials will be installed. Handicapped accessibility will be addressed complying with Section 504 of the Rehabilitation Act, the State of Illinois' Accessibility Code, and the City of Chicago's requirements under Section 18-11. We also plan on providing updates to the Major Adams Academy so it can serve as a community facility for all income groups.

9. The construction is planned to begin approximately nine months from today, with the first units available for leasing in nine months after the start of construction. The entire construction project will take approximately 24 months to complete.
10. Relocation of existing Superblock residents will take place mostly on site. We plan on using approximately 50 "make ready" units as hotel units for existing residents while units are being renovated.

The above statements are true and accurate.

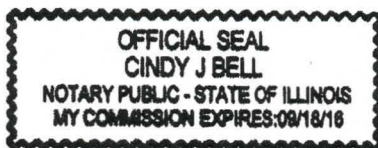
  
Richard J. Sciortino  
President, RJS Real Estate Services, Inc.;  
Member, Brinshore Development, LLC;  
Member, BMH-I, LLC

10/24/14  
Date

Notary:

Richard J. Sciortino, President, RJS Real Estate Services, Inc.; Member, Brinshore Development, LLC;  
Member, BMH-I, LLC is personally known to me and did sign the above affidavit of his own free will in  
my presence on this 24<sup>th</sup> of October, 2014.

  
Notary Public



**EXHIBIT C**





THE HABITAT COMPANY\*

350 West Hubbard Street, Chicago, IL 60654  
P 312.527.5400 • F 312.527.7440 • habitat.com

**MEMORANDUM**

66C1459

**TO:** Senior U.S. District Judge Marvin E. Aspen

**FROM:** The Habitat Company LLC

**DATE:** January 20, 2013

**SUBJECT:** CHA SCATTERED SITE AND REPLACEMENT HOUSING PROGRAMS  
Quarterly Report: Fourth Quarter, 2012

**FILED**  
FEB 25 2013  
THOMAS E. BRITTON  
CLERK, U.S. DISTRICT COURT  
*Marvin E. Aspen*

We are pleased to submit the Quarterly Report for the Fourth Quarter of 2012 for the Chicago Housing Authority ("CHA") Scattered Site and Replacement Housing Programs.

Per your order of May 20, 2010, our status changed from Receiver for the development of new, family public housing for the CHA to Gautreaux Development Manager. As stipulated in your order, we will continue to report to your court as we transition our duties and responsibilities to CHA. We will include reports on the transition as significant milestones occur.

***Summary of Units and Financial Status***

As of December 31, 2012, we had completed and transferred a total of 4,368 public housing units to CHA (see Table 1a of the Appendix), 88 public housing units were under construction, and 2,020 public housing units were in planning phases (see Table 1b of the Appendix).

During 2012, construction was completed at Park Boulevard Phase 2A (46 CHA units completed), Parkside of Old Town Phase 2A (23 CHA units completed) and Park Douglas Phase 1 (29 CHA units completed). Construction continues on both the commercial and residential components of Oakwood Shores Phase 2C (19 CHA units) and Lakefront 2A (47 CHA units). Also in October 2012, the closing on financing for Oakwood Shores Phase 2D (22 CHA units) occurred and construction is in progress.

Regarding the Property Investment Initiative, under which we acquire and, if necessary, rehabilitate foreclosed and vacant property to add to CHA's portfolio, we completed 2 units during the fourth quarter. These 2 units complete the Habitat portion of the Property Investment Initiative program of which 23 total units were completed and transferred to CHA.

All of the scattered site and demonstration programs have been final audited. A total of \$187,150,613 has been budgeted and expended (see Tables 3a and 3b of the Appendix). In the replacement housing programs, a total of \$591,315,937 has been budgeted and \$376,261,892 has been expended (see Table 3c of the Appendix).

**ABLA Replacement Housing ("Roosevelt Square")**

**Developer**      Related Midwest

Name	Status	Rental Units				For Sale Units			Total Units
		GHA	Affordable	Market	Total	Affordable	Market	Total	
Phase 1	Completed	125	56	0	181	74	159	233	414
Phase 2	Completed	120	55	2	177	0	0	0	177
Phase 2A	Planning Phase	30	0	90	120	0	0	0	120
Phase 2 For Sale	Planning Phase	0	0	0	0	57	136	193	193
Remaining Phases	Planning Phase	480	186	0	666	243	630	873	1,539
TOTALS	Completed	245	111	2	358	74	159	233	591
	Under Construction	0	0	0	0	0	0	0	0
	Planning Phase	510	186	90	786	300	766	1,066	1,852
TOTAL UNITS		755	297	92	1,144	374	925	1,299	2,443

**Phase 2a**

Related Midwest continues to work with the City and the Alderman to gain zoning and financing approval for Phase 2a and for the TIF extension. The plans for Phase 2a include two 60 unit mixed income rental buildings and 20 low-rise units. Related is planning the construction of a "Community Hub", which will provide management facilities and space for community activities at Roosevelt Square. The building will be located at Throop and Roosevelt and construction is planned to commence in 2nd Quarter 2013.



## Cabrini Replacement Housing

### **Developer**

Holsten Development Company ("Holsten")

Brinshore Development LLC and Michaels Development Company ("Brinshore-Michaels")

Name	Status	Rental Units				For Sale Units			Total Units
		CHA	Affordable	Market	Total	Affordable	Market	Total	
Offsite Projects	Completed	288	51	67	406	43	1,178	1,221	1,627
Parkside 1 Rental	Completed	35	48	28	111	0	0	0	111
Parkside 1 Condo	Completed	72	0	0	72	14	193	207	279
Parkside 2A Rental	Completed	39	53	20	112	0	0	0	112
Parkside 2B Rental	Planning Phase	40	26	50	116	0	0	0	116
Remaining Parkside	Planning Phase	29	0	45	74	0	45	45	119
Clybourn/Division	Planning Phase	24	15	38	77	0	0	0	77
Sites Undetermined	Planning Phase	173	77	0	250	0	0	0	250
<b>TOTALS</b>	<b>Completed</b>	<b>434</b>	<b>152</b>	<b>115</b>	<b>701</b>	<b>57</b>	<b>1,371</b>	<b>1,428</b>	<b>2,129</b>
	<b>Under Construction</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Planning Phase</b>	<b>266</b>	<b>118</b>	<b>133</b>	<b>517</b>	<b>0</b>	<b>45</b>	<b>45</b>	<b>562</b>
	<b>TOTAL UNITS</b>	<b>700</b>	<b>270</b>	<b>248</b>	<b>1,218</b>	<b>57</b>	<b>1,416</b>	<b>1,473</b>	<b>2,691</b>

### **Parkside Of Old Town**

Phase 2A Rental – Holsten closed on the financing for Phase 2A Rental on June 30, 2010. Construction is complete and the building is fully leased.

Phase 2B Rental – Holsten submitted an application for low income housing tax credits to the City of Chicago and to IHDA in 2011. It was selected to move forward to the next phase of the City's allocation and reservation process. A late 2013-early 2014 closing date is contemplated for this phase.

### **Clybourn and Division**

Brinshore-Michaels, the developer, was selected to move forward on this small (less than one acre) site. It has submitted a proposal to the City of Chicago for inclusion in the City's low income housing tax credit allocation and reservation process. A 2013-14 closing date is contemplated for this phase.



**Horner Replacement Housing ("Westhaven Park")**

**Developer**

Brinshore Development LLC and Michaels Development Company ("Brinshore-Michaels")

Name	Status	Rental Units				For Sale Units			Total Units
		CHA	Affordable	Market	Total	Affordable	Market	Total	
Westhaven Park 2a1	Completed	87	31	37	155	0	0	0	155
Westhaven Park 2a2	Completed	34	0	0	34	19	120	139	173
Westhaven Park 2b	Completed	70	30	27	127	0	0	0	127
Westhaven Park 2c	Completed	46	32	14	92	0	0	0	92
Westhaven Park 2d	Planning Phase	21	28	10	59	0	0	0	59
Westhaven Park 2 For Sale	Planning Phase	0	0	0	0	25	151	176	176
TOTALS	Completed	237	93	78	408	19	120	139	547
	Under Construction	0	0	0	0	0	0	0	0
	Planning Phase	21	28	10	59	25	151	176	235
	TOTAL UNITS	258	121	88	467	44	271	315	782

**Phase 2d Rental**

Planning is ongoing for Phase 2d. Brinshore-Michaels' application for low income housing tax credits was included in a list of projects with preliminary approval from the City of Chicago. We do not expect this deal to close before 2014.

# Lakefront Properties Replacement Housing

## **Developer**

Draper and Kramer (Phase 1) and The Davis Group (Phase 2)

Project Name	Status	Total Units				Total Units			Total Units
		Completed	Under Construction	Planning Phase	Total	Completed	Under Construction	Planning Phase	
Completed Projects	Completed	126	0	0	126	14	80	94	220
Jazz on the Boulevard	Completed	30	9	0	39	34	64	98	137
Keystone Place	Completed	38	24	7	69	0	0	0	69
Lake Park Crescent 1	Completed	60	52	36	148	0	0	0	148
Lake Park Crescent 1A	Completed	13	0	0	13	20	35	55	68
Lake Park Crescent 2A	Under Construction	47	51	34	132	8	43	51	183
Lake Park Crescent 2B	Planning Phase	0	0	0	0	23	63	86	86
Shops and Lofts at 47th	Planning Phase	28	44	24	96	0	0	0	96
<b>TOTAL UNITS</b>		<b>267</b>	<b>127</b>	<b>61</b>	<b>455</b>	<b>65</b>	<b>218</b>	<b>244</b>	<b>527</b>

## **Lake Park Crescent Phase 2A**

The developer, The Davis Group, closed on financing on June 29, 2012 and construction is well underway. The first units are expected to be completed 2nd Quarter 2013.

## **Shops and Lofts at 47th**

This will be a mixed-use (residential and commercial in which Walmart Neighborhood Market will be the main retail tenant) redevelopment. It will be jointly developed by The Community Builders, Inc. and Mahogany Chicago 47 LLC on a parcel that contains CHA's land with three lots that are being acquired for the development. Draft closing documents were submitted to HUD in December 2012 which are now under review. A financial closing is anticipated 1st Quarter 2013.



**Madden Park - Ida B. Wells Replacement Housing ("Oakwood Shores")**

**Developers** The Community Builders ("TCB"), Granite Development Company, Ujima, Inc., and MB Real Estate Company (for sale only)

Name	Status	Rental Units				For Sale Units			Total Units
		CHA	Affordable	Market	Total	Affordable	Market	Total	
Phase 1A	Completed	63	52	48	163	0	0	0	163
Phase 1B	Completed	63	52	47	162	0	0	0	162
Phase 1 For Sale	Completed	0	0	0	0	18	42	60	60
Phase 1 For Sale	Planning Phase	0	0	0	0	9	55	64	64
Phase 2A	Completed	81	61	57	199	0	0	0	199
Phase 2B	Completed	29	26	20	75	0	0	0	75
Phase 2C	Under Construction	19	17	12	48	0	0	0	48
Phase 2D	Under Construction	22	22	22	66	0	0	0	66
Phase 2 For Sale	Planning Phase	0	0	0	0	78	181	259	259
<b>TOTALS</b>	<b>Completed</b>	<b>236</b>	<b>191</b>	<b>177</b>	<b>599</b>	<b>18</b>	<b>42</b>	<b>60</b>	<b>659</b>
	<b>Under Construction</b>	<b>41</b>	<b>39</b>	<b>34</b>	<b>114</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>114</b>
	<b>Planning Phase</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>87</b>	<b>236</b>	<b>323</b>	<b>323</b>
	<b>TOTAL UNITS</b>	<b>277</b>	<b>230</b>	<b>206</b>	<b>713</b>	<b>105</b>	<b>278</b>	<b>383</b>	<b>1,096</b>

**Phase 2C**

The closing on the financing of Phase 2C occurred on March 7, 2012. Construction activity continues on both the commercial and residential components. Mercy Hospital and Medical Center will operate a 14,000 square foot medical clinic on the first floor of the building providing much needed local family medical services to the community. The residential component will be on the third through sixth floors, containing 48 units of mixed income rental housing.

**Phase 2D**

Phase 2D closed in October 2012 and construction is in progress. This Phase will also include a clubhouse that will provide additional space for recreational and social service programming for residents.



**Robert Taylor Replacement Housing ("Legends South")**

**Developer** Brinshore Development LLC and Michaels Development Company ("Brinshore-Michaels")

Name	Status	Rental Units				For Sale Units			Total Units
		GHA	Affordable	Market	Total	Affordable	Market	Total	
Hearts United	Completed	56	104	63	223	0	0	0	223
Phase C1 Rental	Completed	54	44	12	110	0	0	0	110
Phase C2 Rental	Completed	52	43	22	117	0	0	0	117
Phase A1 Rental	Completed	83	68	30	181	0	0	0	181
Phase A2 Rental	Completed	60	50	28	138	0	0	0	138
Phase C3 Rental	Planning Phase	29	23	15	67	0	0	0	67
For Sale	Planning Phase	0	0	0	0	12	71	83	83
<b>TOTALS</b>	<b>Completed</b>	<b>305</b>	<b>309</b>	<b>155</b>	<b>769</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>769</b>
	<b>Under Construction</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Planning Phase</b>	<b>29</b>	<b>23</b>	<b>15</b>	<b>67</b>	<b>12</b>	<b>71</b>	<b>83</b>	<b>150</b>
	<b>TOTAL UNITS</b>	<b>334</b>	<b>332</b>	<b>170</b>	<b>836</b>	<b>12</b>	<b>71</b>	<b>83</b>	<b>919</b>

**Phase C3**

Phase C3 is an off-site phase which is being redeveloped by Brinshore-Michaels. It was included on a list of projects that received preliminary approval from the Chicago Department of Housing and Economic Development. Presently, this project is targeted for a 2013 closing.

**Rockwell Gardens Replacement Housing ("West End")**

**Developers** East Lake Management & Development Corp. (Phases 1A, 1B, and 2)  
Brinshore Development LLC and Michaels Development Company (Maplewood Courts)

Name	Status	Rental Units				For Sale Units			Total Units
		CHA	Affordable	Market	Total	Affordable	Market	Total	
One S. Leavitt	Completed	2	0	0	2	0	32	32	34
Archer Courts	Completed	4	0	0	4	0	39	39	43
Phase 1A	Completed	14	18	10	42	0	0	0	42
Phase 1B	Completed	57	35	0	92	0	31	31	123
Phase 2	Completed	65	33	14	112	0	0	0	112
Maplewood Courts	Planning Phase	25	30	21	76	0	0	0	76
Remaining Phases	Planning Phase	93	104	26	223	60	169	229	452
TOTALS	Completed	142	86	24	252	0	102	102	354
	Under Construction	0	0	0	0	0	0	0	0
	Planning Phase	118	134	47	299	60	169	229	528
	TOTAL UNITS	260	220	71	551	60	271	331	882

**Maplewood Courts** Brinshore-Michaels will develop this single-phase project as part of the Rockwell redevelopment area; adjacent to West End Phase 2. Brinshore-Michaels received preliminary approval for tax credits from the City of Chicago Department of Housing and Economic Development in 2nd Quarter 2012. This project is targeted for a 2013 closing.



**Stateway Gardens Replacement Housing ("Park Boulevard")**

**Developer** Stateway Associates -- a partnership of JLM Investment, Walsh Development Company, The Davis Group, and Mesa Development

Name	Status	Rental Units				For Sale Units			Total Units
		CHA	Affordable	Market	Total	Affordable	Market	Total	
The Pershing	Completed	27	53	0	80	0	0	0	80
Phase 1B	Completed	54	0	0	54	27	78	105	159
Phase 2A	Completed	46	53	29	128	0	0	0	128
Phase 2B	Planning Phase	37	34	37	108	0	0	0	108
Phase 2C	Planning Phase	58	90	19	167	0	0	0	167
Phase 2D	Planning Phase	0	0	0	0	20	79	99	99
Remaining Phases	Planning Phase	217	121	5	343	92	140	232	575
<b>TOTALS</b>	<b>Completed</b>	<b>127</b>	<b>106</b>	<b>29</b>	<b>262</b>	<b>27</b>	<b>78</b>	<b>105</b>	<b>367</b>
	<b>Under Construction</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Planning Phase</b>	<b>312</b>	<b>245</b>	<b>61</b>	<b>618</b>	<b>112</b>	<b>219</b>	<b>331</b>	<b>949</b>
	<b>TOTAL UNITS</b>	<b>439</b>	<b>351</b>	<b>90</b>	<b>880</b>	<b>139</b>	<b>297</b>	<b>436</b>	<b>1,316</b>

**Phase 2A** The Phase 2A units have been completed. Lease-up is progressing.

**Phase 2B** Planning continues for Phase 2B. The Developer hopes to close on Phase 2B financing in April 2013, just missing the 1st Quarter 2013 goal.



**Ogden North Replacement Housing ("Park Douglas")**

**Developer**

Brinshore Development LLC and Michaels Development Company ("Brinshore-Michaels")

Name	Status	Rental Units				For Sale Units			Total Units
		CHA	Affordable	Market	Total	Affordable	Market	Total	
Phase 1	Completed	60	49	28	137	0	0	0	137
Phase 1 - For Sale	Planning Phase	0	0	0	0	0	21	21	21
Phase 2	Planning Phase	20	0	0	20	10	42	52	72
Phase 3	Planning Phase	20	0	0	20	10	40	50	70
<b>TOTALS</b>	<b>Completed</b>	<b>60</b>	<b>49</b>	<b>28</b>	<b>137</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>137</b>
	<b>Under Construction</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Planning Phase</b>	<b>40</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>20</b>	<b>103</b>	<b>123</b>	<b>163</b>
	<b>TOTAL UNITS</b>	<b>100</b>	<b>49</b>	<b>28</b>	<b>177</b>	<b>20</b>	<b>103</b>	<b>123</b>	<b>300</b>

The project consists of 300 total units, including 100 CHA units. It is located in the North Lawndale community, and is being constructed on land owned by CHA, the City of Chicago, Mt. Sinai Hospital, and Brinshore-Michaels.

**Phase 1**

Brinshore-Michaels closed on the financing for Phase 1 on September 8, 2010. Construction of Phase I was completed in March 2012.

Counsel of Record in Gautreaux

Counsel of Record in Horner

Mark Segal

Steve Galler

Jeffrey Head

Ann McKenzie

Valerie Golden

Charles Woodyard

Scott Ammarell

Michael Jasso

John Gerut

Kari Saba

Dominique Blom

Donna Keck

Abbey Ogunbola

Courtney Minor

Jan Elson

Steven Meiss

Eleny Ladias

**Appendix**

Summary of Units..... Tables 1a and 1b

Program Activity and Status..... Tables 2a, 2b, 2c, 2d and 2e

Financial Summary by Program..... Tables 3a, 3b and 3c



**TABLE 1a**  
**Summary of Units Completed & Transferred**  
**and Units In Development**  
**as of December 31, 2012**

**Units Completed & Transferred**

Year	Scattered Site	Demonstration	Lawndale	ABLA	Cabrini	Homer 1	Homer 2	Lakshmi Properties	Madden Wells	Taylor 1995 Grant	Taylor 2001 Grant	Rockwell Gardens	Stateway Gardens	Ogden North	Total All Units
1989	7														7
1990	127														127
1991	107														107
1992	214														214
1993	340														340
1994	147														147
1995	203														203
1996	308	15				4		4							331
1997	97	65				131		41							334
1998	20	100	4		16	150		23							313
1999	11	31	10		0	114		14							180
2000	21	0	4		2	62		12		29					130
2001		Completed	Completed		27	Completed		12		4					43
2002					84			0		23					107
2003					57		8	15		0					80
2004					20		79	62	11	0		16			188
2005				117	66		0	16	52	54		4	27		336
2006				8	4		34	15	63	0		32	0		156
2007				0	22		12	40	0	0	83	25	22		204
2008				120	35		58	13	31	33	0	0	24		314
2009				0	62		11	0	50	19	0	0	8		150
2010	6			0	0		35	0	29	0	53	0	0		123
2011	5				16					7		65		31	124
2012	12				23								46	29	110
TOTALS	1,625	211	18	745	434	461	137	267	236	162	143	142	127	60	4,368

**TOTAL UNITS COMPLETED & TRANSFERRED**

**4,368**

**TABLE 1b**

**Summary of Units Completed & Transferred  
and Units In Development  
as of December 31, 2012**

**Units Under Construction**

# of Units Under Construction	# of Units Under Construction										Total All Units
	ABLA	Cabrini	Horner 2	Lakefront Properties	Madden/ Wells	Robert Taylor 1996 Grant	Robert Taylor 2001 Grant	Rockwell Gardens	Stateway Gardens	Ogden North	
As of Dec.31, 2012	0	0	0	47	41	0	0	0	0	0	88

**Units in Other Development Phases**

# of Units Planning Phases	# of Units In Other Development Phases										Total All Units
	ABLA	Cabrini	Horner 2	Lakefront Properties	Madden/ Wells	Robert Taylor 1996 Grant	Robert Taylor 2001 Grant	Rockwell Gardens	Stateway Gardens	Ogden North	
Planning Phase	893	266	21	127	0	89	154	118	312	40	2,020

**TOTAL UNITS IN DEVELOPMENT****2,108****GRAND TOTAL ALL UNITS****6,476**



TABLE 2a

**Program Activity and Status  
as of December 31, 2012**

Scattered Site, Demonstration, Lawndale — 1,831 CHA Units				
Program No.	AREA	# of Units	Status	
115-143,147-160,161,175,176	Scattered Site	1,602	Completed/Transferred	
145,146,162,164,166-173	Demonstration	211	Completed/Transferred	
IL06-P802-178	Lawndale	18	Completed/Transferred	
		1,831	TOTAL UNITS	

ABLA ("Roosevelt Square") — 1,138 Total CHA Units				
Program No.	Name	# of Units	Status	
IL06-URD-002-I596	Phase 1	125	Completed/Transferred	
IL06-URD-002-I298	Phase 2	120	Completed/Transferred	
	Phase 2A	30	Planning Phase	
	Phase 3	140	Planning Phase	
	Phase 4	110	Planning Phase	
	Phase 5	120	Planning Phase	
	Phase 6	110	Planning Phase	
	Off Site	383	Planning Phase	
	TOTALS	245	Completed/Transferred	
		0	Under Construction	
		510	Planning Phase	
		383	Planning Phase - Offsite	
		1,138	TOTAL UNITS	

Cabrin — 700 CHA Units				
Program No.	Name	# of Units	Status	
IL06-URD-002-I294	Domain Lofts	16	Completed/Transferred	
IL06-P002-182	Mohawk North	16	Completed/Transferred	
IL06-P002-182	Mohawk Partners	5	Completed/Transferred	
IL06-P002-192	North Town Village	79	Completed/Transferred	
IL06-P002-182	Old Town Square	16	Completed/Transferred	
IL06-URD-002-I294	Old Town Village East	28	Completed/Transferred	
IL06-URD-002-I294	Old Town Village West	38	Completed/Transferred	
IL06-URD-002-I294	Orchard Park	13	Completed/Transferred	
IL06-P002-182	Renalssance North	18	Completed/Transferred	
IL06-URD-002-I294	River Village North	25	Completed/Transferred	
IL06-URD-002-I294	River Village South	18	Completed/Transferred	
IL06-URD-002-I294	River Village Pointe	12	Completed/Transferred	
IL06-URD-002-I294	The Larrabee	4	Completed/Transferred	
IL06-URD-002-I294	Parkside of Old Town Rental	35	Completed/Transferred	
IL06-URD-002-I294	Parkside of Old Town Condo	72	Completed/Transferred	
IL06-URD-002-I294	Parkside of Old Town 2A	39	Completed/Transferred	
IL06-URD-002-I294	Parkside 2B Rental	40	Planning Phase	
IL06-URD-002-I294	Remaining Parkside	29	Planning Phase	
IL06-URD-002-I294	Clybourn/Division	24	Planning Phase	
	Sites To Be Determined	173	Planning Phase	
	TOTALS	434	Completed/Transferred	
		0	Under Construction	
		266	Planning Phase	
		700	TOTAL UNITS	



TABLE 2b

**Program Activity and Status  
as of December 31, 2012**

Horner 1 — 461 CHA Units				
Program No.	Name	# of Units	Status	
IL06-P802-188	Scattered	30	Completed/Transferred	
	East of Western			
IL06-P802-191	Scattered	51	Completed/Transferred	
	East of Western			
IL06-P802-195	Scattered	45	Completed/Transferred	
	East of Western			
IL06-P802-196	Scattered	33	Completed/Transferred	
	East & West of Western			
IL06-P802-197	West of Western	45	Completed/Transferred	
IL06-P802-198	Superblock B1	56	Completed/Transferred	
IL06-P802-199	Superblock B2	39	Completed/Transferred	
IL06-P802-200	Superblock A	30	Completed/Transferred	
IL06-P802-201	West of Western	52	Completed/Transferred	
IL06-P802-202	Superblock A	43	Completed/Transferred	
IL06-P802-203	Superblock B3	32	Completed/Transferred	
IL06-P802-204	Rehabilitation	5	Completed/Transferred	
	<b>TOTALS</b>	<b>461</b>	<b>Completed/Transferred</b>	
		<b>461</b>	<b>TOTAL UNITS</b>	

Horner 2 ("Westhaven Park") — 258 CHA Units				
Program No.	Name	# of Units	Status	
IL06-P802-696	Westhaven Park Phase 2a1	87	Completed/Transferred	
IL06-P802-228	Westhaven Park Phase 2a2	34	Completed/Transferred	
IL06-P802-229	Westhaven Park Phase 2b	70	Completed/Transferred	
	Westhaven Park Phase 2c	46	Completed/Transferred	
	Westhaven Park Phase 2d	21	Planning Phase	
	<b>TOTALS</b>	<b>237</b>	<b>Completed/Transferred</b>	
		<b>0</b>	<b>Under Construction</b>	
		<b>21</b>	<b>Planning Phase</b>	
		<b>258</b>	<b>TOTAL UNITS</b>	



TABLE 2c

**Program Activity and Status  
as of December 31, 2012**

Lakefront Properties 441 CHA Units				
Program No	Name	# of Units	Status	
IL06-P002-180	North Kenwood/Oakland			
	Scattered	2	Completed/Transferred	
	Hutchinson's Row	20	Completed/Transferred	
		22	SUBTOTAL	
IL06-P002-184	North Kenwood/Oakland	33	Completed/Transferred	
	Scattered	33	SUBTOTAL	
IL06-P002-206	North Kenwood/Oakland	21	Completed/Transferred	
	Scattered	21	SUBTOTAL	
IL06-P002-208	North Kenwood/Oakland	12	Completed/Transferred	
	Scattered (Shakespeare)	12	SUBTOTAL	
IL06-P002-194	West Ridge/Rogers Park	38	Completed/Transferred	
	Scattered	38	SUBTOTAL	
IL06-P802-193	North Kenwood/Oakland	60	Completed/Transferred	
IL06-P802-235	Lake Park Crescent 1A	13	Completed/Transferred	
IL06-P802-237 & 239	Lake Park Crescent 2A	47	Under Construction	
		120	SUBTOTAL	
IL06-P002-211	North Kenwood/Oakland	30	Completed/Transferred	
	Jazz on the Boulevard	30	SUBTOTAL	
IL06-P002-207	Keystone Place	38	Completed/Transferred	
	(Woodlawn)	38	SUBTOTAL	
IL06-P002-209	North Kenwood/Oakland	3	Planning Phase	
	Scattered	3	SUBTOTAL	
	Shops and Lofts at 47th	28	Planning Phase	
	Outside N. Kenwood/Oakland	96	Planning Phase	
	Scattered	124	SUBTOTAL	
	TOTALS	267	Completed/Transferred	
		47	Under Construction	
		127	Planning Phase	
		441	TOTAL UNITS	



**TABLE 2d**

**Program Activity and Status  
as of December 31, 2012**

Madden Park / Ida B. Wells ("Oakwood Shores") -- 277 HOPE VI/CHA Units				
Program No.	Name		# of Units	Status
IL06-URD-002-I200	Phase 1A		63	Completed/Transferred
	Phase 1B		63	Completed/Transferred
	Phase 2A		81	Completed/Transferred
	Phase 2B		29	Completed/Transferred
	Phase 2C		19	Under Construction
	Phase 2D		22	Under Construction
	<b>TOTALS</b>		<b>236</b>	<b>Completed/Transferred</b>
			<b>41</b>	<b>Under Construction</b>
			<b>0</b>	<b>Planning Phase</b>
			<b>277</b>	<b>TOTAL UNITS</b>

Robert Taylor ("Legends South") 1996 HOPE VI Grant -- 251 Total CHA Units				
Program No.	Name		# of Units	Status
IL06-URD-002-I496	Hearts United 1		29	Completed/Transferred
	Hearts United 2		27	Completed/Transferred
	Phase C1		54	Completed/Transferred
	Phase C2		52	Completed/Transferred
	Phase C3		29	Planning Phase
	Phase C4		60	Planning Phase
	<b>TOTALS</b>		<b>162</b>	<b>Completed/Transferred</b>
			<b>0</b>	<b>Under Construction</b>
			<b>89</b>	<b>Planning Phase</b>
			<b>251</b>	<b>TOTAL UNITS</b>

Robert Taylor ("Legends South") 2001 HOPE VI Grant -- 297 CHA Units				
Program No.	Name		# of Units	Status
IL06-URD-002-I301	Phase A1		83	Completed/Transferred
	Phase A2		60	Completed/Transferred
	Phase A3		154	Planning Phase
	<b>TOTALS</b>		<b>143</b>	<b>Completed/Transferred</b>
			<b>0</b>	<b>Under Construction</b>
			<b>154</b>	<b>Planning Phase</b>
			<b>297</b>	<b>TOTAL UNITS</b>



**TABLE 2e**

**Program Activity and Status  
as of December 31, 2012**

Rockwell Gardens ("West End") - 260 Total CHA Units				
Program No.	Name		# of Units	Status
IL06-URD-002-I401	One S. Leavitt		2	Completed/Transferred
	Archer Courts		4	Completed/Transferred
	West End Phase 1A		14	Completed/Transferred
	West End Phase 1B		57	Completed/Transferred
	West End Phase 2		65	Completed/Transferred
	West End Phase 3		93	Planning Phase
	Maplewood Courts		25	Planning Phase
	TOTALS		142	Completed/Transferred
			0	Under Construction
			118	Planning Phase
			260	TOTAL UNITS

Stateway Gardens ("Park Boulevard") - 439 Total CHA Units				
Program No.	Name		# of Units	Status
	The Pershing (Phase 1A)		27	Completed/Transferred
	Phase 1B		54	Completed/Transferred
	Phase 2A		46	Completed/Transferred
	Phase 2B		37	Planning Phase
	Phase 2C		58	Planning Phase
	Remaining Phases		217	Planning Phase
	TOTALS		127	Completed/Transferred
			0	Under Construction
			312	Planning Phase
			439	TOTAL UNITS

Ogden North ("Park Douglas") - 100 Total CHA Units				
Program No.	Name		# of Units	Status
	Phase 1		60	Completed/Transferred
	Phase 2		20	Planning Phase
	Phase 3		20	Planning Phase
	TOTALS		60	Completed/Transferred
			0	Under Construction
			40	Planning Phase
			100	TOTAL UNITS



**Financial Summary by Program  
as of December, 2012**

Scattered Sites		
Program No.	Approved Budget	Cost (Invoiced) To Date
115	\$8,885,442	\$8,885,442 *
116	7,448,320	7,448,320 *
117(a)	(28,113)	(28,113) *
118	8,978,987	8,978,987 *
119	2,485,483	2,485,483 *
120	6,956,047	6,956,047 *
121	2,265,118	2,265,118 *
122	4,731,809	4,731,809 *
123	7,441,791	7,441,791 *
124	8,135,811	8,135,811 *
125	2,039,484	2,039,484 *
126 TK	2,062,780	2,062,780 *
127	2,386,667	2,386,667 *
128 TK	2,982,418	2,982,418 *
129 TK	2,271,403	2,271,403 *
130 TK	2,843,690	2,843,690 *
131 TK	2,556,421	2,556,421 *
132	2,533,420	2,533,420 *
133	2,075,167	2,075,167 *
134	2,055,051	2,055,051 *
135 TK	2,636,875	2,636,875 *
136	2,336,466	2,336,466 *
137 TK	2,715,178	2,715,178 *
138 TK	2,568,613	2,568,613 *
139 TK	2,452,559	2,452,559 *
140	2,493,589	2,493,589 *
141 TK	2,666,667	2,666,667 *
142 TK	2,375,087	2,375,087 *
143 TK	3,151,383	3,151,383 *
147 TK	2,646,881	2,646,881 *
149 TK	2,642,708	2,642,708 *
150 TK	2,517,645	2,517,645 *
151 TK	2,703,906	2,703,906 *
152 TK	2,960,227	2,960,227 *
153	2,555,275	2,555,275 *
154 TK	3,981,667	3,981,667 *
155 TK	2,533,941	2,533,941 *
156 TK	2,612,865	2,612,865 *
157 TK	2,658,317	2,658,317 *
158 TK	3,068,121	3,068,121 *
159 TK	2,627,636	2,627,636 *
160 TK	2,870,258	2,870,258 *
161 TK	5,038,300	5,038,300 *
175 TK	4,421,432	4,421,432 *
176 TK	3,589,890	3,589,890 *
<b>Total</b>	<b>\$155,527,007</b>	<b>\$155,527,007</b>

\* Program has been final audited.

**TABLE 36**  
**Financial Summary by Program**  
**as of December, 2012**

Demonstration & Family Self-Sufficiency (FSS)			
Program No.	Approved Budget	Cost (Income) To Date	
145	\$3,335,349	\$3,335,349	*
146	2,255,740	2,255,740	*
162	3,492,954	3,492,954	*
164	4,415,051	4,415,051	*
165	2,362,637	2,362,637	*
166	3,537,059	3,537,059	*
167	2,072,732	2,072,732	*
168	1,743,552	1,743,552	*
169	2,576,540	2,576,540	*
170	2,023,245	2,023,245	*
171	0	0	
172	1,636,675	1,636,675	*
173	4,177,803	4,177,803	*
<b>TOTALS</b>	<b>\$33,629,337</b>	<b>\$33,629,337</b>	

\* Program has been final audited.



**TABLE 3C**  
**Financial Summary by Program**  
**as of December 31, 2012**

Replacement Housing			
Program No.	Approved Budget	Cost Incurred To Date	
<b><u>Horner I</u></b>			
188	\$6,314,229	\$6,314,229	*
191	6,182,202	6,182,202	*
195	4,838,966	4,838,966	*
196	3,934,338	3,934,338	*
197	6,330,838	6,330,838	*
198	5,672,634	5,672,634	*
199	4,236,305	4,236,305	*
200	2,839,515	2,839,515	*
201	5,067,816	5,067,816	*
202	5,363,349	5,363,349	*
203	4,296,014	4,296,014	*
204	908,947	908,947	*
213	1,220,798	1,220,798	*
<b>Subtotal</b>	<b>\$57,205,951</b>	<b>\$57,205,951</b>	
<b><u>Lawndale</u></b>			
178	2,936,601	2,936,601	*
<b>Subtotal</b>	<b>\$2,936,601</b>	<b>\$2,936,601</b>	
<b><u>Gautreaux Set Aside</u></b>			
190	\$3,431,377	\$3,407,200	*
227	\$219,129	\$220,007	*
228	\$2,298,129	\$2,196,729	
229	\$9,701,871	\$9,366,825	
<b>Subtotal</b>	<b>\$15,650,506</b>	<b>\$15,190,761</b>	
<b><u>Washington Park Lakefront</u></b>			
180	\$4,294,542	\$3,800,299	*
184	4,040,536	4,040,536	*
193	10,193,838	10,192,839	*
235	2,152,980	2,119,617	*
237	5,334,242	3,439,214	
239	1,693,147	109,621	
194	5,882,384	5,882,384	*
206	2,509,553	2,509,553	*
207	6,638,930	6,638,930	*
208	1,151,588	1,151,588	*
209	646,230	88,785	
211	4,465,714	4,465,714	*
314	6,495,758	38,994	
<b>Subtotal</b>	<b>\$55,499,442</b>	<b>\$44,478,074</b>	
<b><u>Cabrini</u></b>			
182	\$8,190,669	\$8,190,669	*
192	8,343,276	8,342,275	*
236	5,490,950	5,053,924	
HOPE VI 294	40,000,000	36,560,743	
<b>Subtotal</b>	<b>62,024,895</b>	<b>\$8,147,611</b>	
<b><u>Lathrop</u></b>			
305	45,558,600	1,458,008	

\* Program has been final audited.

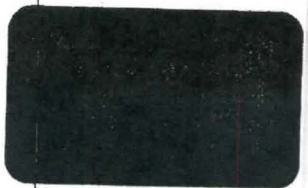
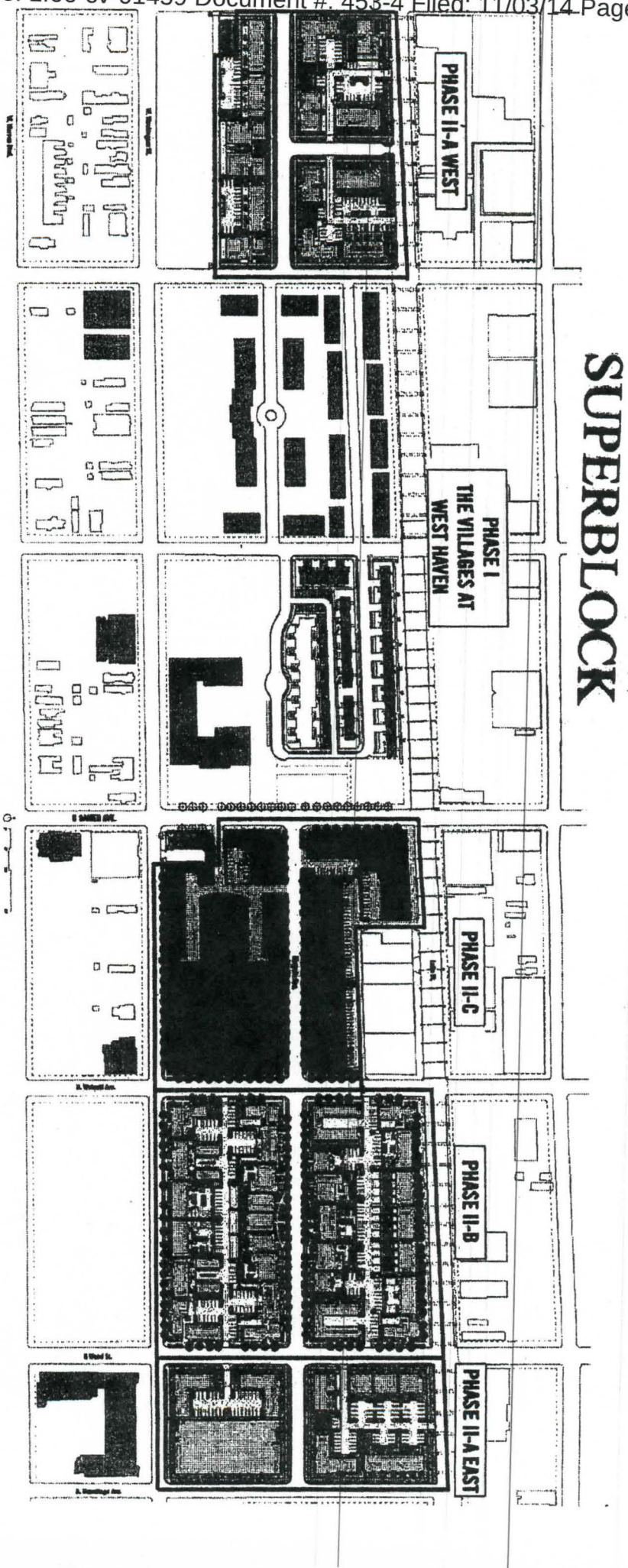
**TABLE 3c**  
**Financial Summary by Program**  
**as of December 31, 2012**

Replacement Housing			
Program No.	Approved Budget	Cost (Income) To Date	
<b><u>Cabrini Green Homes</u></b>			
306	48,394,841		567,018
<b><u>45th Cottage</u></b>			
307	7,055,865		312,900
<b><u>Ogden North</u></b>			
308	11,304,665		1,392,749
<b><u>Maplewood Courts</u></b>			
309	126,201		126,201
<b><u>LeClaire Courts</u></b>			
310	157,533		157,533
<b><u>Ickes</u></b>			
312	146,701		146,701
<b><u>PII</u></b>			
220	\$15,637,780		\$8,213,693
<b><u>Stateway</u></b>			
223	\$59,751,903		\$13,549,204
<b><u>ABLA 1</u></b>			
HOPE VI	\$20,668,250		20,668,250 *
<b><u>ABLA 2</u></b>			
HOPE VI	\$28,273,000		24,807,506
<b>Subtotal</b>	<b>\$48,941,250</b>		<b>\$45,475,756</b>
<b><u>Horner 2</u></b>			
230	\$8,890,439		\$8,375,792
HOPE VI	\$18,039,000		18,038,246 *
<b>Subtotal</b>	<b>\$26,929,439</b>		<b>\$26,414,038</b>
<b><u>Taylor B</u></b>			
HOPE VI	\$19,092,948		19,034,616
<b>Subtotal</b>	<b>\$19,092,948</b>		<b>\$19,034,616</b>
<b><u>Madden/Wells</u></b>			
HOPE VI	\$33,000,000		32,635,201
<b>Subtotal</b>	<b>\$33,000,000</b>		<b>\$32,635,201</b>
<b><u>Rockwell</u></b>			
HOPE VI	\$33,500,000		\$29,932,191
<b>Subtotal</b>	<b>\$33,500,000</b>		<b>\$29,932,191</b>
<b><u>Taylor A</u></b>			
HOPE VI	\$33,250,000		\$27,411,178
<b>Subtotal</b>	<b>\$33,250,000</b>		<b>\$27,411,178</b>
<b>TOTAL</b>	<b>\$176,165,224</b>		<b>\$384,785,985</b>

\* Program has been final audited.

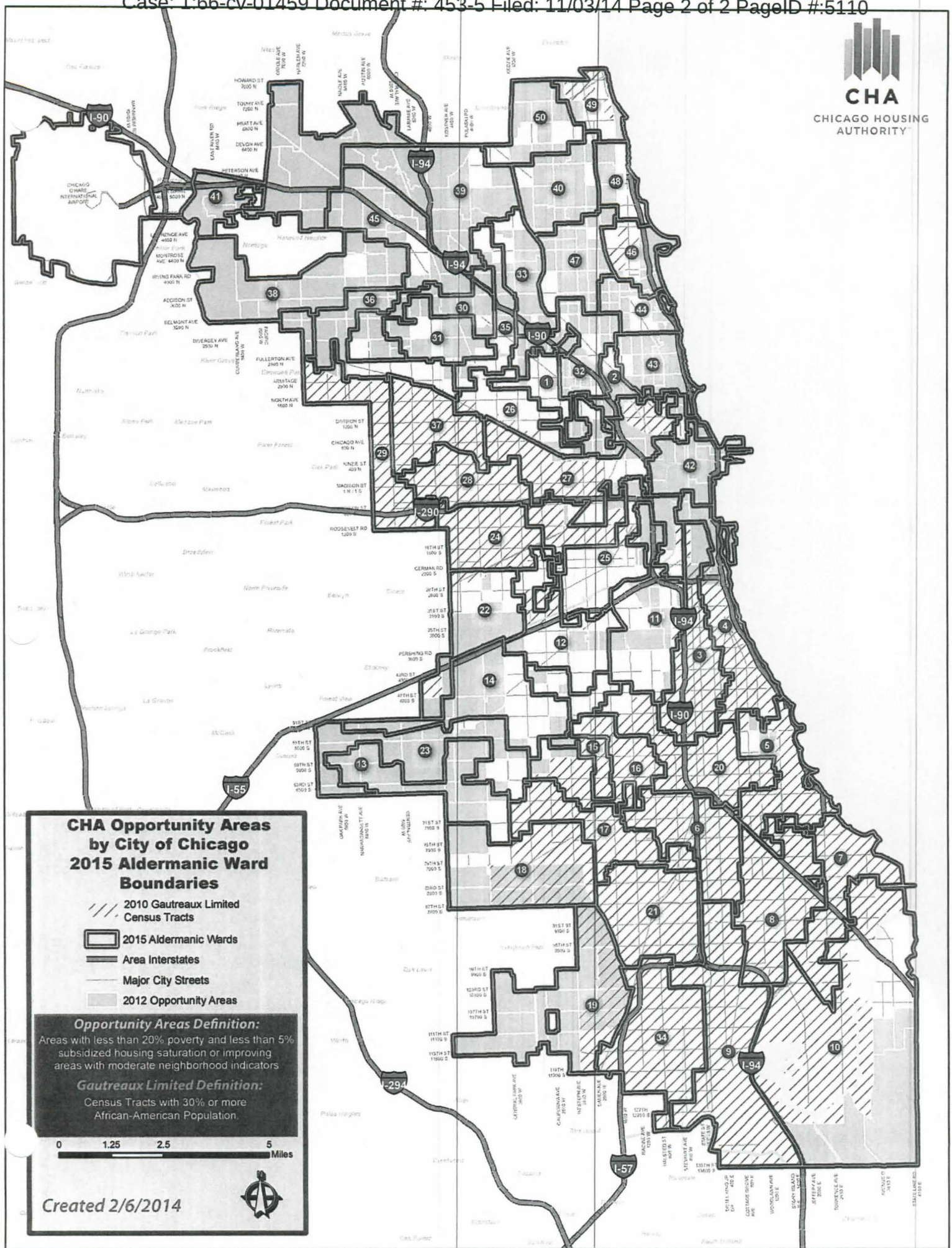
## **EXHIBIT D**





## EXHIBIT E





## **EXHIBIT F**





For a Just Society

July 29, 2014

**Officers**

Nicholas J. Brunick  
*President*

Lucy Ascoli  
Deborah Harrington  
Jonathan M. Kaden  
Robert A. Kaplan  
*Vice Presidents*

Daisy Feidt  
*Secretary*

Pamela Daniels-Halisi  
*Treasurer*

E. Hoy McConnell, II  
*Executive Director*

**Directors**

Sheldon L. Baskin  
Frank H. Beal  
Myles D. Berman  
Barbara T. Bowman  
Glenn Brewer  
Susan M. Campbell  
S. Coffey  
Lucy I. Cummings  
Camilla Hawk Diaz-Perez  
William Geller  
Thomas Geoghegan  
Frances R. Grossman  
Venu Gupta  
Neil B. Guterman  
Julie Hamos  
Cara A. Hendrickson  
Sheila Berner Kennedy  
Steven A. Kersten  
Iris Krieg  
Susan B. Larson  
Betsy Lassar  
Paul A. Levy  
Robert B. Lifton  
Josh Lowitz  
Rosanna A. Márquez  
Rami Nashashibi  
Alexander Polikoff  
Guacolda Reyes  
Lowell Sachnoff  
Bettylu K. Saltzman  
Mark A. Segal  
Ann E. Smith  
Judy Wise  
Timothy W. Wright III  
Stacie Young

**Founder**

Gordon B. Sherman  
(-1987)

Mr. Richard Sciortino  
President  
Brinshore Development L.L.C  
666 Dundee Road, Suite 1102  
Northbrook, IL 60062

Scott Ammarell  
General Counsel  
Chicago Housing Authority  
60 East Van Buren Street, 12<sup>th</sup> Floor  
Chicago, IL 60605

**Re: Gautreaux -- Letter of Agreement regarding Westhaven Phase I  
Redevelopment**

Dear Rich and Scott:

This Letter memorializes agreements reached among the Chicago Housing Authority (CHA), BMH-I, LLC (BMH) – the developer of Westhaven Park (Phase 2) – and counsel for the Gautreaux plaintiffs regarding measures that BMH and CHA will undertake to support a high quality of life for residents of Westhaven and to improve the prospects for fully achieving the mixed income goal we share for the entire Westhaven Redevelopment site. These agreements have been made in conjunction with CHA's requests to Judge Aspen and Judge Zagel to authorize the redevelopment of 95 units of public housing in Westhaven Phase I and the conversion of 105 public housing units currently on the site to market rate and affordable rental units. As part of the redevelopment of the site, Phase I, currently owned by CHA and managed separately, will become a part of Westhaven Park. The rehabilitated 95 public housing units will be designated for three different income tiers, as specified in the approved court orders. The 105 public housing units "lost" at the Phase 1 site will be replaced elsewhere in the surrounding community or in other locations in the City of Chicago, as specified in orders to be issued by Judge Aspen and Judge Zagel.

The agreements contained herein reflect negotiations leading to a resolution of the issues among the undersigned and counsel for the Horner Residents Committee regarding the planned redevelopment, as well as discussions among BMH, CHA, and counsel for 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 continued prospects for mixed income development in Westhaven. These concerns include the

Business and Professional People for the Public Interest

25 E. Washington Street | Suite 1515 | Chicago, Illinois 60602  
Tel 312 641 5570 | Fax 312 641 5454 | [www.bpicchicago.org](http://www.bpicchicago.org)

Recipient of the MacArthur Award  
for Creative and Effective Institutions

fact that to date development of most of the planned for-sale component of Westhaven Park has not been feasible. As a result Westhaven 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, as described in the Joint Motion presented to the Court and the resulting Order authorizing Phase II (Westhaven Park) development entered by Judge Aspen on December 12, 2002. The additional circumstance that the 200 units on the Phase I site will remain rental units adds to concerns of the signatories about both the quality of life and the potential viability of the mixed income development authorized by the Gautreaux orders and the Horner Consent Decree. The signatories believe that the agreed-upon measures, including Quarterly Meetings to discuss the ongoing health of the entire Westhaven development and the circumstances of its residents, will help to ensure Westhaven'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.

Nothing in this agreement is intended to modify, affect or eliminate CHA's obligation to consult with the Horner Residents Committee (HRC) under paragraph 16 of the Horner Amended Consent Decree.

## **AGREEMENTS**

### **1. Quarterly Property Management Reports and Meetings**

The undersigned agree that excellent property management will play an important role in maintaining both the quality of life for Westhaven residents and the viability of the development, and in preserving its mixed income potential. Once relocation of current residents of Phase I begins, regular reporting and meetings on property management will provide an ongoing picture of the development's health.

#### **(a) Property Management Reports**

Commencing when relocation of Phase I residents begins, BMH and CHA or its agent (for as long as applicable) will provide quarterly property management reports on all occupied phases of Westhaven to be discussed at the Quarterly Meetings described in Paragraph I(b), below. These reports will consist of a narrative portion and three charts, as follows:

- 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.). Until relocation of the Phase I residents is complete, the narrative will also provide details on the progress of relocation and address any relocation challenges experienced during the quarter.



- One chart will provide information on unit occupancy (by income tier and whether public, affordable or market rate), move-outs, length of vacancies and numbers of evictions.
- A second chart will provide information on residents' lease compliance status, work requirement status, income and rent.
- A third chart will provide the reasons for any move-outs during 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 property management.

Sample property management charts are attached to this letter (Attachment A).

#### **(b) Quarterly Meetings**

Commencing when relocation of Phase I residents begins and continuing through the first year of full occupancy of the rehabilitated units, and thereafter if deemed useful by the undersigned, counsel for the Gautreaux plaintiffs, CHA, and BMH will meet quarterly to review and discuss the quarterly property management reports. The reports are to be a starting point for the discussion, whose purpose is to determine the ongoing health of the entire Westhaven development and to collaboratively identify possible improvements or solutions to identified problems. The HRC's consultant will be invited to participate in these Quarterly Meetings.

## **2. Social Services Commitments, Quarterly Services Reports and Meetings**

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 Westhaven continues as a largely 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. Once relocation of the Phase I families begins, quarterly reporting and meetings on social services will enable meaningful evaluation of whether the services provided are meeting the needs of residents and contributing to the health of the development.

#### **(a) Social Services**

- BMH will staff one full-time service coordinator (SSC) position for the Westhaven development. As additional units come on line in Westhaven, or other BMH developments being staffed by the same service coordinator, BMH will review its staffing needs and may add additional staff positions.

- The SSC's responsibilities will include, for all Westhaven 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 (or provider under any successor CHA services program), for collaboration on resident services.
- CHA currently has a contract with Near West Side Community Development Corporation to provide services to CHA families in Westhaven as part of its FamilyWorks program. CHA will use its best efforts to continue its financial support for social services at Westhaven through at least 2018.

**(b) Services Reports**

- CHA, in coordination with BMH, will provide quarterly services reports on all occupied phases of Westhaven to be discussed at the Quarterly Meetings described in Paragraph I(b), above. These reports will cover the services provided, including such elements as:
  - the services and programming being offered and actually being used by residents;
  - outcomes achieved for the quarter;
  - 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.
- The parties recognize that the same or similar reports may be provided to and discussed at regularly scheduled Working Group meetings and agree that any discussions at the Quarterly Meeting established herein shall not be duplicative of discussions at Working Group meetings.

A sample quarterly services report is attached to this letter (Attachment B), however prior to the first Quarterly Meeting to discuss the reports the undersigned will agree on the precise form to be used for the reports. CHA shall have the right to modify the form and content of the report to ensure consistency with CHA's services model as it may be modified from time to time. CHA shall provide advance notice to and seek comment from the parties prior to any proposed modification.

- Within three months of occupancy of the first rehabilitated units, CHA and BMH will provide an initial report assessing whether the services provided to residents are meeting the needs of residents. The information to be used in the assessment of services shall include, but need not be limited to:
  - FamilyWorks' resident assessments and related Individual Action Plans;



- Resident surveys and home visits;
- BMH's resident lease compliancy information;
- Anecdotal observations from CHA, BMH and/or other stakeholders.

**(c) Quarterly Meetings**

Commencing when relocation of Phase I residents begins and continuing through the first year of full occupancy of the rehabilitated units, and thereafter if deemed useful by the undersigned, counsel for the Gautreaux plaintiffs, CHA, and BMH will meet quarterly to review and discuss the quarterly services reports in the meetings described above in Paragraph I(b). The reports are to be a starting point for the discussion, whose purpose is to determine the efficacy of the programs and to collaboratively identify possible improvements or solutions to problems identified.

**3. Security**

The undersigned recognize that to help ensure residents' quality of life and preserve the mixed income potential of Westhaven there must be a commitment to monitoring and addressing security issues.

- Within three months of the beginning of relocation of Phase I families, BMH will review its Westhaven security plan and make any appropriate adjustments. (This requirement is not intended to affect any consulting CHA is required to undertake with the HRC.)
- The security plan will be presented (after any required consultation) at the next Quarterly Meeting described in Paragraph I(b). Any changes subsequently made to the security plan will be reported at the Quarterly Meetings.
- BMH will be responsible for the security plan and its implementation in Westhaven. CHA will work with BMH as necessary to help address security issues.
- Pursuant to currently established procedures, CHA will continue to review reports of crime and other neighborhood security problems said to originate in nearby scattered site or other CHA owned public housing. These efforts will be reported at the Quarterly Meetings.
- CHA and BMH will report on security challenges and successes at their respective properties (Westhaven, the Horner Annex and nearby scattered sites) at the Quarterly Meetings.

**4. Replacement Units**

CHA has agreed to use its best efforts to replace the 105 Phase I units that will no longer be available to public housing families, in a manner consistent with the requirements of the relevant Horner and Gautreaux court orders. Three of these units will be located on the Near West Side of Chicago in an area agreed to by the undersigned and identified in the court orders. One replacement unit will be in unspecified area not on the Near West Side. CHA has agreed to provide 101 additional units of replacement housing, and to use its best efforts to locate these 101 units in Opportunity Areas of the City of Chicago, with a priority for units in Opportunity Areas of the north side of Chicago. CHA may locate up to 50 of these replacement units on the Near West Side within boundaries agreed to by the undersigned and identified in the court orders.

**(a) Replacement Housing Reports**

CHA will prepare quarterly reports on replacement housing that will include the following elements:

- Progress in acquiring and providing the replacement units.
- The location of all such units, by community area, and whether each unit is located in a General or Limited Area, and whether in an Opportunity Area.
- The program designation of each unit (public housing, PRA, other PBV unit, etc.)
- The length of the contract period for the unit, if applicable.
- A description of CHA's best efforts to locate the units in the agreed-upon areas.
- If CHA is proposing to locate any units outside of the agreed upon area, a description of any challenges to CHA's best efforts that would justify locating units outside the agreed upon area.

**(b) Quarterly Meetings**

Commencing when CHA begins its efforts to acquire or develop, or arrange for the acquisition or development of, replacement housing, the Gautreaux plaintiffs, CHA, and BMH will review and discuss the Replacement Housing reports in the quarterly meetings described above in Paragraph I(b).

**5. Westhaven Park For-Sale Units**

BMH planned to construct 315 for-sale units in Westhaven Park. Thus far, BMH has constructed 139 of these units. Three of these apartments have not been sold and are currently leased.

- During the first year after initial occupancy of the first rehabilitated units, and thereafter if deemed useful by the undersigned, the participants will review and discuss current sales, financing and lending conditions at their Quarterly Meetings.
- At an appropriate time, as agreed to by the participants of the Quarterly Meetings, BMH will review the current plan for development of the remaining for-sale units and recommend appropriate revisions in light of the changes in market conditions. The



undersigned will review and discuss BMH's development plans and any recommended changes, taking into account current conditions and the all rental nature of the Phase I site. BMH will proceed with further for-sale development when agreement is reached on a development plan. The goal of the agreed upon development plan will be to achieve the mixed income objective of the Westhaven redevelopment.

- BMH will maintain and secure any vacant lots owned by BMH or CHA that are intended for for-sale development, so as not to prejudice future sales.

## **5. Working Group Representation and Meeting Agenda**

The undersigned agree that the Westhaven Working Group is an important vehicle for sustaining the viability of the Westhaven 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 the mixed income areas of Westhaven.

- CHA agrees to convene regular monthly meetings of the Westhaven Working Group. The Westhaven Working Group may modify the schedule by consensus should the circumstances warrant.
- The undersigned agree that, if at the first Working Group meeting following execution of this agreement no member of the Working Group is a resident of the mixed income areas of Westhaven, they will discuss with the Working Group (including its HRC representative) and together decide upon a process to identify a resident who lives in the mixed income areas of Westhaven for appointment to the Working Group. Using the agreed upon process, the Working Group will endeavor to promptly identify and recommend for appointment such a resident. The CHA will review the Working Group's recommendation and approve or disapprove such appointee promptly. Approval shall not be unreasonably withheld by CHA.
- The undersigned and the consultant to the HRC (if the HRC chooses to participate) agree to meet together to develop the schedule for Working Group discussions, including the topics referenced in this document (e.g. on schools and economic development), within 60 days of the date this agreement is signed.

## **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 Westhaven 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 Westhaven Working Group agenda at least once per quarter. To facilitate such discussions, CHA and BMH will encourage the participation in the Working Group of the local Aldermen or their designees, as well as a representative of the Department of Housing and Economic Development, and request regular updates to the Working Group on proposed developments and economic goals within the area.
- CHA will use its best efforts to facilitate regular discussions between Westhaven stakeholders and the Department of Housing and Economic Development on improved employment and retail opportunities in the area proximate to the Westhaven development.
- BMH will work with the City of Chicago, the local Aldermen, 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 Westhaven community.
- BMH will attend any focus groups, forums or other gatherings that are convened about economic development in the surrounding community.

## **7. Quality Neighborhood Schools**

The undersigned recognize that quality neighborhood schools are critical to the quality of life of the families living in Westhaven, and to 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 discussions between stakeholders in Westhaven, neighborhood schools and the Chicago Public Schools regarding improved educational opportunities in the area proximate to the Westhaven development.
- In order to make Westhaven parents aware of the educational options that exist, CHA, working with its service providers, and BMH will provide school choice information to Westhaven residents and will facilitate participation of Westhaven parents in school fairs and other information sessions organized in the community or otherwise available to them. CHA and BMH will encourage parents to understand the



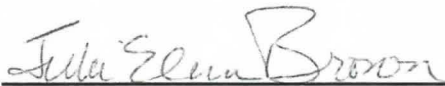
importance of being active participants in their children's educational process and to become involved in their children's schools by becoming members of the parent/teacher association and local school council.

### Conclusion

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

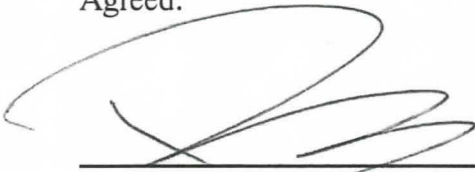
July 29, 2014

Signed,

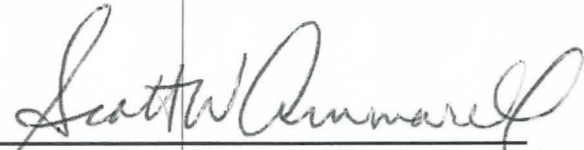


One of the Attorneys for the  
Gautreaux plaintiffs  
Alexander Polikoff  
Julie Elena Brown  
Business and Professional People for the  
Public Interest  
25 East Washington Street, Suite 1515  
Chicago, Illinois 60602

Agreed:



Richard Sciortino  
President  
Brinshore Development L.L.C  
666 Dundee Road, Suite 1102  
Northbrook, IL 60062



Attorney for the Chicago Housing Authority  
Scott Ammarell  
General Counsel  
Chicago Housing Authority, 12<sup>th</sup> Floor  
60 East Van Buren Street  
Chicago, Illinois 60605

cc: William P. Wilen, Attorney for the Horner Residents' Committee

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.,	)	
	)	
Defendants.	)	

NOTICE OF MOTION

To: Attached List

PLEASE TAKE NOTICE that on Thursday, November 6, 2014, at 10:30 a.m., 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 The Chicago Housing Authority Respecting Renovation of the Horner “Superblock,”** a copy of which is attached and hereby served upon you.

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

November 3, 2014

Alexander Polikoff  
Julie Elena Brown  
Business and Professional People for the  
Public Interest  
25 East Washington Street, Suite 1515  
Chicago, Illinois 60602  
312- 641-5570; fax: 312-641-5454



**CERTIFICATE OF SERVICE**

I, Julie Elena Brown, an attorney, certify that on Monday November 3, 2014, I caused copies of the foregoing Notice and Motion to be served upon the counsel shown on the attached Service List via CM/ECF.

/s/ Julie Elena Brown  
Julie Elena Brown

**SERVICE LIST**

Scott Ammarell, General Counsel (Via CM/ECF)  
Chicago Housing Authority  
60 East Van Buren Street  
Chicago, IL 60605

Thomas E. Johnson (Via CM/ECF)  
Johnson, Jones, Snelling, Gilbert & Davis  
36 South Wabash Avenue, Suite 1310  
Chicago, IL 60603



## MEMORANDUM

**To:** File

**From:** Paula  
**cc:** Marissa, Julie

**Re:** Electronic Filing in U.S. District Court (Supplemental Info)

**Date:** November 4, 2014

---

Yesterday we (Marissa and me) filed a Joint Motion of Plaintiffs and Defendant Chicago Housing Authority and a Notice of Motion before Judge Aspen.

There was an Agreed Order and six other Exhibits that should have been attached to the Motion. We filed Exhibits A-F at the time of the original filing. The Agreed Order was not filed because I thought that sending it to Judge Aspen via Email was all we needed to do. **It should have been filed as Exhibit A to the Motion.** The other six exhibits would thus be B-G.

This morning I called the Help Desk and got directions on how to file an additional Exhibit. I went through the filing routine until I got to the type of document I was filing. I selected "Trial Documents," and the drop down menu displayed "Exhibit" as a type. I selected "Exhibit" and was able to attach the Agreed Order to the previous day's Motion #. It's important to know the Document # you are attaching to.

I think this is clear, but if not ... call the HELP DESK! 312-582-8727

**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.,	)	
	)	
Defendant.	)	Hon. Marvin E. Aspen

**AGREED ORDER**

This matter having come to be heard on the joint motion of Plaintiffs and Defendant Chicago Housing Authority 1) withdrawing their joint motion filed on December 19, 2011, and 2) requesting entry of an Agreed Order approving the renovation of the Phase I Horner redevelopment site (the “superblock”) which will convert the 201 public housing units presently on the site to a mixed-income community consisting of public housing, affordable and market rate rental units integrated into the surrounding mixed-income community; and

The parties being in agreement that such Agreed Order should be entered; and

The Court being cognizant that the principal remedial purpose of the orders previously entered in this case has been to provide the plaintiff class families with desegregated housing opportunities; and

The Court having carefully reviewed the parties’ Joint Motion Respecting Renovation of the Horner “Superblock” and the materials appended thereto,

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. The Joint Motion Respecting Renovation of the Horner “Superblock” is granted;



2. Notwithstanding any prior order of this Court, including the Orders of August 14, 1995, April 15, 1996, and October 22, 1998, which authorized the development of 466 public housing units in Phase I of the Horner redevelopment, the CHA is hereby authorized to convert the 201 “very low income” and “low income” public housing units presently on the Horner “superblock” site (bounded by Lake Street on the north, Damen Avenue on the east, the alley north of Washington Street on the south and Leavitt Street on the west) into a mixed-income community consisting of 74 public housing units for families with household incomes between 0-60% of Area Median Income (“AMI”), 17 public housing units for families with household incomes between 30-60% of AMI, four (4) public housing units for families with household incomes between 60-80% of AMI, 50-51 non-public housing affordable units for families with household incomes below 60% of AMI, and 55-56 non public-housing market rate rental units, as further described in the Joint Motion. The public housing units shall be dispersed throughout the site and distributed among the affordable and market rate rental units.

3. CHA will provide replacement public housing units for the 106 public housing units on the “superblock” that are to be converted to affordable or market rate rental units as follows:

A. CHA shall acquire or develop, or arrange for the acquisition or development, of three public housing and/or project-based voucher units with at least 20-year contracts on the Near West Side of Chicago in the neighborhood surrounding Horner, specifically defined as Halsted Street on the east, the Eisenhower Expressway on the south, Chicago Avenue on the North, and California Avenue (north of Madison) and the viaduct between Rockwell and Washtenaw streets (south of Madison) on the west. Within this area, new units will only be acquired in the existing Horner Revitalizing Areas or in General Areas, as defined by the 2010 census, unless authorized by further order of this Court. CHA shall also acquire or develop, or arrange for the acquisition

or development of one (1) public housing and/or project-based voucher unit with at least a 20-year contract not on the Near West Side. If project-based vouchers are used, the CHA shall cause them to remain available for the duration of the contract period.

B. CHA shall provide 102 additional units of public housing. These units shall be acquired by or on behalf of CHA or developed by or on behalf of CHA through the Horner Developer, other developers, CHA's Property Rental Assistance program, or other similar programs. CHA shall use its best efforts to locate these units in Opportunity Areas of the City of Chicago identified on the map that is attached as Exhibit E to the joint motion, with a priority for units on the North Side of the City of Chicago. Notwithstanding the provisions of this paragraph, CHA may locate up to 50 of these replacement units on the Near West Side of Chicago in the neighborhood surrounding Horner, as defined in Paragraph 3.A. above. Within this area, new units will only be acquired in the existing Horner Revitalizing Areas or in General Areas, as defined by the 2010 census, unless authorized by further order of this Court. The 102 public housing units described in this subparagraph may be project-based voucher units with at least 20-year contracts.

C. CHA shall submit quarterly reports to Plaintiffs and an annual report to this Court on CHA's progress in acquiring and providing these 106 units in the manner described in subparagraphs 3.A. and 3.B. above. Plaintiffs reserve the right to seek from this Court a final deadline for acquiring and providing these units, depending on CHA's progress. CHA reserves the right to seek an order from this Court to modify the location of the replacement units described in paragraph 3.B. above.

4. CHA and the Horner Developer are permitted to file an application with HUD under the Rental Assistance Demonstration ("RAD") program, which if approved and completed would



convert public housing units on the Superblock to project based units and would subject tax-credit and market rental units to the rules and regulations governing the RAD program. If the RAD application is approved, the RAD program may also be used to provide project based voucher units off-site to replace the public housing units lost from the “superblock”, subject to the locational requirements of paragraph 3 above.

5. Once relocation to effectuate the renovation of the “superblock” authorized by this Order begins, the prior order of this Court requiring that one-half of the public housing units be occupied by families whose incomes are within the range of 50-80% of the AMI shall no longer be in effect.

6. This order shall be null and void if the Horner Developer is unable to secure the type of financing it deems necessary to complete the redevelopment of the Horner “superblock”, or if the Horner Developer and CHA are unable to secure necessary HUD approvals for this effort to convert the “superblock” to a mixed-income development.

ENTER:

---

Judge

Dated: \_\_\_\_\_