


MEMORANDUM

TO: Judge Marvin E. Aspen

FROM: Daniel Levin and 
The Habitat Company

DATE: January 20, 1996

SUBJECT: CHA SCATTERED SITE HOUSING PROGRAM
Quarterly Report: 4th Quarter 1995

SCATTERED SITE PROGRAM - 1,608 UNITS

The status of property in the development pipeline effective December 31, 1995 for the 1,608 unit program is summarized below:

UNITS	STATUS
1,142	Completed and Transferred
348	Under Construction
1,490 Subtotal	Completed/Under Construction
118	In Design/Pending Turnkey
0	Bid Phase
1,608	TOTAL

DESIGN/CONSTRUCTION ACTIVITY

During the quarter, construction began on 56 units in three(3) turnkey programs (139B, 143 and 160).

Turnkey proposals were received for one turnkey program with 25 units. Our recommendation for the program was sent to HUD after evaluation and ranking and HUD has approved our recommendation. Construction should begin early in 1996.

Turnkey programs 154/158 and 161, have not yet started construction. We do not yet have a budget which is unconditionally approved from HUD. The Annual Contributions Contract (ACC) amendments necessary to fund the budgets have not yet been approved by HUD. The government furloughs resulting from the U.S. Government budget negotiations has had a recent impact on many approvals and processing. The requests to amend the ACC's was given to HUD on September 6, 1995. This delay will cost these programs additional funds, in labor and material escalations.

Construction activity on one (1) Conventional and nineteen (19) Turnkey programs during the quarter continues. Completion status is as follows:

Program #	% Completed	Program #	% Completed
128	37%	132	87%
135	73%	137	53%
138	53%	139B	5%
141	93%	143	5%
147	16%	149	30%
151	16%	152	27%
153	86%	155	83%
156	27%	157	27%
159	16%	160	5%
175	33%	176	93%

A summary of the units completed and transferred since the inception of the Receiver's program is below.

Year	# of Units Completed & Transferred
1995	200
1994	147
1993	340
1992	214
1991	107
1990	127
1989	7
Total:	1,142

ADMINISTRATION

The Financial Report for the period ending December 31, 1995 is below.

FINANCIAL ACTIVITY - SCATTERED SITE PROGRAM - 1,608 UNITS

A status of the financial activity for each of the funded programs for the period ending December 31, 1995 is below.

PROGRAM	APPROVED BUDGET	COST (INCOME) TO DATE
115	\$ 8,885,442	\$ 8,885,442
116	7,452,313	7,448,320
117 (a)	(28,813)	(28,113)

PROGRAM	APPROVED BUDGET	COST (INCOME) TO DATE
118	8,978,987	8,978,987
119	2,501,193	2,485,483
120	6,956,046	6,956,046
121	2,347,191	2,265,118
122	4,825,930	3,978,053
123	7,827,851	7,040,902
124	8,286,784	8,102,045
125	2,066,220	2,039,484
126TK	2,082,811	2,062,780
127	2,439,389	2,386,666
128TK	2,825,979	496,288
129TK	2,291,705	2,271,403
130TK	2,295,860	350,514
131TK (b)	2,530,374	2,536,655
132	2,387,331	2,169,990
133	2,075,168	2,075,168
134	2,078,950	2,055,883
135TK	2,661,470	1,819,010
136	2,358,095	2,336,466
137TK	2,719,177	1,514,404
138TK	2,614,379	1,418,616
139TK	2,396,401	1,856,746
140	2,499,670	2,201,813
141TK	2,700,924	2,433,074
142TK	2,411,349	2,237,913
143TK	3,110,126	604,169
147TK	2,676,540	278,093
149TK	2,709,352	2,213,001

PROGRAM	APPROVED BUDGET	COST (INCOME) TO DATE
150TK	2,522,813	2,321,797
151TK	2,747,255	340,866
152TK	2,410,726	240,980
153	2,530,000	2,167,405
154TK	3,988,830	356,479
155TK	2,627,030	1,681,890
156TK	2,679,344	320,595
157TK	2,723,598	360,462
158TK	3,149,769	385,876
159TK	2,634,087	881,385
160TK	2,909,461	252,926
161TK	4,143,819	517,702
175TK	3,369,490	738,792
176TK	3,688,870	3,142,527
TOTAL	\$ 152,089,286	\$ 107,180,101

- (a) The purpose of this Program was to hold miscellaneous properties until demolished, sold or used for new construction. The proceeds resulting from the sale of buildings and vacant lots exceeded the costs of the Program. HUD has allowed this Program to fund subsequent Programs in their initial stages with these excess proceeds.
- (b) Budget revision in process.

CONCLUSION

Active construction continues on 348 units in 20 programs. It is anticipated that construction will start on the remaining four turnkey programs (118 total units) in early 1996 with construction and transfer of the last units to occur in early 1997.

For the quarter, \$ 9,364,328 was expended and since the Program's inception, \$ 107,180,101 has been spent. Details by Program are provided above.

DEMONSTRATION PROGRAM - 350 UNITS
FAMILY SELF-SUFFICIENCY PROGRAM - 25 UNITS

CMHDC/Habitat Joint Venture

In accordance with the revised Court Order entered in December 1993, the CMHDC/Habitat Joint Venture continues to acquire property for this Program. The focus of this Program is vacant property and existing buildings in Census Tracts in the northwest and southwest parts of the City and abandoned buildings in general public housing areas with little or no public housing.

To accomplish these goals, HUD has allowed the purchase of higher priced vacant land and buildings for rehabilitation using the current funding cap per program. We estimate that the average cost will be \$137,000 per unit and anticipate 297 units will be developed in lieu of 375 units.

Presently 22 properties suitable for 71 units have been submitted to HUD and are being reviewed pending final site approval. To date, we have closed on 64 properties for 130 units.

Responses for the first Request for Proposals packages for Programs 162A and 162B were received during the quarter. Developers prices were extremely high and we are recommending to HUD that the proposals be rejected and that a conventional method of development for these and the other rehabilitation be used in an effort to control costs.

The government furloughs resulting from the U.S. Government budget negotiations has delayed processing and the approval of property submissions.

The status of property in the development pipeline effective December 31, 1995 for the 375 unit program is summarized below:

NO. of UNITS	NO. of SITES	STATUS
16	11	Out to Bid
114	54	Closed (Preconstruction)
2	1	Approved Pending Funding
82	26	Under Contract - Not Approved
0	0	Under Contract - Pending Submission
161		To Be Purchased
375		TOTAL

Changes in processing procedures to expedite approval and funding of properties are in place and have been working very well up until the time of the Government furloughs. The total processing time for acquiring property has been significantly reduced. Both HUD and Habitat continue to work on reducing the processing time.

Kenwood/Oakland is considered a limited public housing area, but it is revitalizing. As a result, we are in the process of preparing a request for a waiver, in consultation with the plaintiffs attorney, HUD and the City. We anticipate the waiver to be submitted to the Court in the first quarter of 1996. Sites from the City's public land inventory that were available for the Program have been removed from consideration.

Identification and contracting for sites on the north and south sides of the City to be included in the Demonstration program is continuing on an on-going basis. Sites for the Family Self Sufficiency Program (PGM-177) are under consideration. Further land acquisition will be for the Replacement Housing Programs.

FINANCIAL ACTIVITY - DEMONSTRATION PROGRAM - 350 UNITS

A status of the financial activity for each of the funded programs for the period ending December 31, 1995 is shown below.

PROGRAM	APPROVED BUDGET	COST TO DATE
145	\$2,760,000	\$1,668,441
146	2,521,126	312,515
162	3,036,000	1,538,937
164	3,013,486	1,465,763
165	3,012,835	858,821
166	3,003,189	1,682,019
167	1,840,000	64,056
168	2,300,000	64,070
169	2,300,000	288,369
170	2,300,000	328,850
171	2,300,000	119,723
172	2,300,000	111,976
173	3,007,820	1,462,213
TOTAL	33,694,456	9,965,753

FINANCIAL ACTIVITY - FAMILY SELF-SUFFICIENCY - 25 UNITS

A status of the financial activity for the period ending December 31, 1995 is shown below.

PROGRAM	APPROVED BUDGET	COST TO DATE
177	\$2,223,356	\$9,499

REPLACEMENT HOUSING PROGRAM

The Replacement Housing Program was approved in the revised Court Order entered in December 1993 for the CMHDC/Habitat Joint Venture. A summary of the status of these Programs is below.

PROGRAM	NAME	NO. OF UNITS	STATUS
IL06-P002-178	Lawndale	18	Under Construction
IL06-P002-180 IL06-P802-184	Washington Park	105 82	Replacement Site Selection in Progress
IL06-P802-188 IL06-P802-191	Horner Horner/Gaut.	286* 180	Budget/ACT Approved Budget/ACT Approved
IL06-P002-182 IL06-P802-192	Cabrini Cabrini	107 83	Budget/ACT Approved NOFA Approved Submit PHA Prop.
IL06-P802-193	Lake Front (Kenwood/Oakland)	130	NOFA Approved Submit PHA Prop.
N/A	Cabrini-HOPE VI	303	RFPs Under Review
	TOTAL	1,294	

* Phase I. Phases II-V undetermined.

LAWNDALE REPLACEMENT HOUSING PROGRAM - 18 UNITS

Construction continues on the first four of eighteen units, although progress is moving slowly, due in part to weather and developer related delays. We expect more aggressive activity within the next 60 days. The new units in North Lawndale are scattered throughout a six block radius on nine sites with two units on each site. A waiver was granted by the Court for the replacement units to be developed in Lawndale.

WASHINGTON PARK REPLACEMENT HOUSING PROGRAM - 187 UNITS

The Washington Park Replacement Housing Program is the combination of two Programs (IL06-P002-180 for 105 units and IL06-P802-184 for 82 units) and includes demolition (by CHA) of 187 units of existing low income housing on multiple sites. Demolition of these units is complete. Habitat has had several meetings with leaders/officials of the Woodlawn community to develop a redevelopment plan for the area that will include approximately 120 replacement units. A draft request for a Gautreaux waiver has also been prepared and circulated for review in anticipation of an upcoming waiver request for this limited, but revitalizing, area.

ACC funds have been previously reserved in the amount of \$18,133,750 and budgets have been approved for both Programs.

CABRINI-GREEN REPLACEMENT HOUSING PROGRAM - 190 UNITS

The Cabrini-Green Replacement Housing Program includes the demolition (by CHA) of 262 existing low income units in the 19 story 1117-1119 N. Cleveland building. A total of 190 units will be funded through a combination of two (2) HUD development programs (IL-P002-182 for 107 units and IL06-P802-192 for 83 units). HUD has approved the application for replacement units, the demolition application, and the Public Housing Proposal for Program IL-P002-182 (107 units). We have resubmitted the 83 units for a FY95 NOFA. Approval was granted September 29, 1995 in the amount of \$9,137,750. We are in the process of preparing the Public Housing Proposal for this Program (IL06-P802-192). The demolition of the 1117-1119 N. Cleveland building began September 27, 1995.

These two Programs have been included in a master development RFP for the Cabrini HOPE VI Urban Revitalization Program which, combined, total 493 replacement units (not including 167 Section 8 certificates). The objective of the Cabrini HOPE VI Program is to develop a comprehensive replacement housing program in a mixed income environment for the Cabrini area.

Total funding for the two Programs is \$18,993,750. Development of these units will not begin until the finalization of the Cabrini HOPE VI Program.

Requests for developer proposals were solicited in November 1995 and will be evaluated during the first quarter of 1996. A screening committee has been established in conjunction with the CHA, HUD and resident and community representatives.

HENRY HORNER REVITALIZATION PROGRAM - PHASE I - 466 UNITS

The Henry Horner Homes Consent Decree was signed in Federal Court (U.S. District Judge James Zagel) on April 4, 1995 allowing for the demolition and replacement of 285 units. Plans for unit types and locations, tenant income mix and management are continuing according to the timetables outlined in the Consent Decree. This Consent Decree was amended on August 9, 1995 to allow for demolition of three additional midrise structures for a total of 466 units.

In December 1995, an RFP was advertised for the first 28 replacement units for the Horner Program. These responses are due in February. These units will be scattered throughout the Near West Side community as identified in the amended Consent Decree. Construction for these units is expected to begin in mid to late summer 1996.

Private and public properties are in the process of being acquired for construction of additional units for the Program. We anticipate it will be impossible to acquire sufficient property in a timely fashion east of Western Avenue to meet the goal of 466 units. As a result, we are considering the expansion of the area west of Western Avenue and plan to submit a request to the Court before the end of the Quarter.

The FY95 NOFA for 461 replacements was rejected by HUD on September 29, 1995. ACCs and budgets have been approved for both Programs IL06-P802-188 for \$30,000,000 (286 units) and IL06-P802-191 for \$19,999,400 (180 units from FY95 Gautreaux funds), totalling \$49,999,400.

The status of property in the development pipeline effective December 31, 1995 for the 286 and 180 unit program is summarized below:

NO. of UNITS	NO. of SITES	STATUS
28	11	Out to Bid
200	2*	Closed (Preconstruction)
2	2	Approved Pending Funding
60	26	Under Contract - Not Approved
84	49	Under Contract - Pending Submission
92		To Be Purchased
466		TOTAL

* Note: The two sites for the 200 units are the "A" & "B" Superblocks.

LAKE FRONT PROPERTIES - 130 UNITS

FY95 NOFA, IL06-P802-193, was approved September 29, 1995 for the amount of \$16,216,250 for 130 units. We are in the process of preparing the PHA Proposal for submission to HUD.

FINANCIAL ACTIVITY - REPLACEMENT HOUSING PROGRAM - 991 UNITS

A status of the financial activity for each of the funded programs for the period ending December 31, 1995 is shown below:

PROGRAM	APPROVED BUDGET	COST TO DATE
178 (Lawndale 18 units)	\$2,004,531	\$90,280
180 (Wash Park 105 units)	9,401,000	1,060,385
182 (Cabrini 107 units)	9,856,000	100,122
184 (Wash Park 82 units)	8,732,750	8,167
188 (Horner 286 units)	30,000,000	573,415
191 (Horner 180 units)	19,999,400	4,310
192 (Cabrini 83 units) *	9,137,750	7,860
193 (Lake Front 130 units) *	16,216,250	0
Cabrini HOPE VI	40,000,000	0
TOTALS	\$ 105,347,681	\$ 1,844,539

*Budgets to be submitted.

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