



City of Chicago



O2015-6416

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	9/24/2015
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Lease agreement with Chicago Housing Authority for use of former Near North High School at 1450 N Larrabee St
Committee(s) Assignment:	Committee on Housing and Real Estate

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1: On behalf of the City of Chicago as Tenant, the Commissioner of the Department of Fleet and Facility Management is authorized to execute a Lease with the Chicago Housing Authority, as Landlord, for use of the former Near North High School located at 1450 North Larrabee Street by the Chicago Police Department and Chicago Fire Department, as Tenant; such Lease to be approved by the Superintendent of the Department of Police, and approved as to form and legality by the Corporation Counsel in substantially the following form:

LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”) is made and entered into this ____ day of _____, 2015 (the “**Commencement Date**”) by and between the **CHICAGO HOUSING AUTHORITY**, an Illinois municipal corporation (hereinafter referred to as “**CHA**”) and the **CITY OF CHICAGO**, an Illinois municipal corporation (hereinafter referred to as the “**City**”).

RECITALS

WHEREAS, CHA is the owner of the real property more commonly known as 1450-1500 North Larrabee Street, Chicago, Cook County, Illinois (the “**Near North Property**”); and

WHEREAS, the building located within the Near North Property and more commonly known as 1450 North Larrabee Street, Chicago, Illinois was previously used as the Near North Career Metropolitan High School (“**Near North High School**”) by the Board of Education of the City of Chicago(hereinafter referred to as “**BOE**”); and

WHEREAS, the BOE closed Near North High School in 2001; and

WHEREAS, the City’s Department of Police and Fire Department began using the 1450 N. Larrabee Street building as a training center after the closure of Near North High School; and

WHEREAS, the City’s use of the building located at 1450 N. Larrabee Street is critical for public safety training purposes; and

WHEREAS, the City wishes to continue to access the building located at 1450 N. Larrabee Street within the Near North Property for purposes of continuing its training center operations; and

WHEREAS, CHA intends to cause the Near North Property to be redeveloped in connection with the HOPE VI revitalization plan for the Cabrini Green area pursuant to a 2000 Consent Decree (as defined below), however currently, does not have an immediate operational need for the building located at 1450 N. Larrabee Street; and

WHEREAS, CHA has agreed to lease to the City, and the City has agreed to lease from CHA, the entire building located at 1450 N. Larrabee Street and comprised of approximately 190,000 square feet of building space for the City’s training center operations.

NOW THEREFORE, in consideration of the covenants, terms and conditions set forth herein, the parties hereto agree and covenant as follows:

SECTION 1. GRANT

1.1 **Grant.** CHA hereby leases to the City the following described building situated in the City of Chicago, County of Cook, State of Illinois, to wit:

Approximately 190,000 square feet of building space located on that certain parcel of real estate more commonly known as 1450 North Larrabee Street, Chicago, Illinois as legally described on **Exhibit A** attached hereto and made a part hereof (parts of PINs 17-04-119-014 through 018; 17-04-120-006 through 021 – collectively the “Premises”).

SECTION 2. TERM

2.1 **Term.** The term of this Lease (“Term”) shall begin on Commencement Date, and shall expire on October 31, 2017 (the “Expiration Date”), unless extended or terminated earlier as otherwise set forth in this Lease.

2.2 **Option for Renewal.** This Lease may be subject to one (1) option for renewal for a term of one (1) year upon the City providing ninety (90) days advance written notice of its intent to renew the Lease. The Rent and terms for the renewal option exercised shall remain the same as this Lease.

SECTION 3. RENT, TAXES, UTILITIES

3.1 **Rent.** The City shall pay rent to the CHA for access and use of the Premises the amount of:

One and 00/100 Dollars (**\$1.00**) for the Term with the receipt and sufficiency of said sum being acknowledged by both parties.

3.2 **Taxes.** Both parties acknowledge that the property is exempt from real estate taxes and any leasehold taxes. In the event that any taxes are levied against the Premises as a result of this Lease, the City shall be responsible for paying such taxes. The City shall not be responsible for payment of any taxes applicable to other portions of the Near North Property.

3.3 **Utilities.** The City shall pay when due all charges for gas, electricity, telephone, fax, all communications and all other utility services used in or supplied to the Premises for the City’s use. The City shall pay when due any sewer and water charges and other levies assessed against the Premises as a result of the City’s use.

SECTION 4. CONDITION AND ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS, SURRENDER

4.1 **Condition of Premises upon Delivery of Possession.** The City accepts the Premises in “as is” condition. The City acknowledges that the CHA will not have any

responsibilities relative to maintenance, repairs or improvements for the Premises during the City's use of the Premises.

4.2 **Covenant of Quiet Enjoyment.** CHA covenants and agrees that the City, upon observing and keeping the covenants, agreements and conditions of this Lease on its part to be kept, observed and performed, shall lawfully and quietly hold, occupy and enjoy the Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by CHA or by any person or persons claiming under CHA.

4.3 **Use of Premises.** The City shall use the Premises for police and fire departments public safety training and related purposes. The City shall not use the Premises in a manner that would violate any laws. The City further covenants not to do or suffer any waster or damage, and to comply in all respects with the laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governmental departments which may be applicable to the Premises or to the use or manner of use of the Premises. Although the City may not use the entire Premises, the City hereby acknowledges that CHA shall not have any responsibilities relative to any portions of the Premises whether or not such portions are used by the City.

4.4 **Alterations and Additions.** The City shall have the right to make such alterations, additions, repairs and improvements on the Premises as City shall deem necessary for City's operations. All such alterations, additions, repairs and improvements shall be in compliance with all applicable laws and permits. Except for emergencies, the City must obtain CHA's prior written consent for any alterations, additions, repairs and improvements. CHA shall not unreasonably withhold consent. Any alterations, additions, repairs and improvements will be undertaken at the City's sole cost and expense and without any reimbursement from CHA.

SECTION 5. ASSIGNMENT, SUBLEASE, LIENS

5.1 **Assignment and Sublease.** The City shall not assign this Lease in whole or in part, or sublet the Premises or any part thereof without the written consent of CHA in each instance. CHA shall not unreasonably withhold consent.

5.2 **City's Covenant Against Liens.** The City shall not cause or permit any lien or encumbrance, whether created by act of City, operation of law or otherwise, to attach to or be placed upon CHA's title or interest in the Premises. In the event a lien or encumbrance is recorded against the title or interest of CHA in the Premises, the City agrees to promptly and diligently take the necessary steps to resolve, remedy and remove such lien or encumbrance from the recorded title.

SECTION 6. INSURANCE

6.1 **Insurance.** CHA and the City both acknowledge that each party is self-insured. The City may self-insure for Workers Compensation and Employers Liability, Commercial General Liability and Automobile Liability it being expressly understood and

agreed that if the City does self-insure, the City must bear all risk of loss for any loss as of the date of the claim. The City shall provide evidence of self-insurance to CHA.

SECTION 7 DAMAGE AND DESTRUCTION

7.1 **Damage or Destruction.** If the Premises are damaged or destroyed by fire or other casualty to such extent that the City cannot continue, occupy, or conduct its public safety training activities therein, or if, in the City or CHA's opinion, the Premises are rendered unusable, either party shall have the option to declare this Lease terminated as of the date of such damage or destruction by giving the other party written notice to such effect.

SECTION 8 CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS

8.1 **Conflict of Interest.** No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial interest (as directed under Chapter 2-156 of the Municipal Code of Chicago), either direct or indirect, in the Premises. Nor shall any such official, employee or member participate in making or in any way attempt to use his or her position to influence any City governmental decision or action with respect to this Lease.

8.2 **Duty to Comply with Governmental Ethics Ordinance.** CHA and the City shall comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics", including but not limited to Section 2-156-120, which states that no payment, gratuity or offer of employment shall be made in connection with any City of Chicago contract as an inducement for the award of that contract or order. Any contract negotiated, entered into, or performed in violation of any of the provisions of Chapter 2-156 shall be voidable as to the City of Chicago.

SECTION 9 HOLDING OVER

9.1 **Holding Over.** Any holding over by the City shall be construed to be a tenancy from month to month only beginning November 1, 2017 and the rent shall be at the same rate as set forth in Section 3.1 of this Lease. During any holding over period, all other provisions of this Lease shall remain in full force and effect.

SECTION 10 MISCELLANEOUS

10.1 **Notice.** All notices, demands and requests which may be or are required to be given, demanded or requested by either party to the other shall be in writing. All notices, demands or requests by CHA to the City shall be delivered by overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid addressed to the City as follows:

City of Chicago
Department of Fleet and Facility Management

Office of Real Estate Management
30 North LaSalle Street, Room 300
Chicago, Illinois 60602
Attention: Stephen Stults

or at such other place as the City may from time to time designate by written notice to CHA. All notices, demands and requests by the City to CHA shall be delivered by overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to CHA as follows:

Chicago Housing Authority
Office of the General Counsel
60 E. Van Buren Street, 12th Floor
Chicago, Illinois 60605
Attention: Chief Legal Officer

or at such other place as CHA may from time to time designate by written notice to the City. Any notice, demand or request which shall be served upon CHA by the City, or upon the City by CHA, in the manner aforesaid, shall be deemed to be sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed.

10.2 **Partial Invalidity.** If any covenant, condition, provision, term or agreement of this Lease shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Lease shall not be affected thereby, but each covenant, condition, provision, term or agreement of this Lease shall be valid and in force to the fullest extent permitted by law.

10.3 **Governing Law.** This Lease shall be construed and be enforceable in accordance with the laws of the State of Illinois.

10.4 **Entire Agreement.** All preliminary and contemporaneous negotiations are merged into and incorporated in this Lease. This Lease contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by the parties hereto.

10.5 **Captions and Section Numbers.** The captions and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Lease nor in any way affect this Lease.

10.6 **Binding Effect of Lease.** The covenants, agreements, and obligations contained in this Lease shall extend to, bind, and inure to the benefit of the parties hereto and their legal representatives, heirs, successors and assigns.

10.7 **Time is of the Essence.** Time is of the essence of this Lease and of each and every provision hereof.

10.8 **No Principal/Agent or Partnership Relationship.** Nothing contained in this Lease shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

10.9 **Authorization to Execute Lease.** The parties executing this Lease hereby represent and warrant that they are the duly authorized and acting representatives of CHA and City respectively and that by their execution of this Lease, it became the binding obligation of CHA and City respectively, subject to no contingencies or conditions except as specifically provided herein.

10.10 **Termination of Lease.** Both parties shall have the right to terminate this Lease without penalty by providing the other three-hundred sixty five (365) days prior written notice at any time.

10.11 **Force Majeure.** When a period of time is provided in this Lease for either party to do or perform any act or thing, the party shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, wars, governmental regulation or control, and other causes beyond the reasonable control of the party, and in any such event the time period shall be extended for the amount of time the party is so delayed.

10.12 **Amendments.** From time to time, the parties hereto may administratively amend this Lease with respect to any provisions reasonably related to City's use of the Premises and/or CHA's administration of the Lease. Provided, however, that such amendment(s) shall not serve to extend the Lease Term nor serve to otherwise materially alter the essential provisions contained herein. Such amendment(s) shall be in writing, shall establish the factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both CHA and City. Such amendment(s) shall only take effect upon execution by both parties. Upon execution, such amendment(s) shall become a part of this Lease and all other provisions of this Lease shall otherwise remain in full force and effect.

10.13 **Consent Decree.** The Premises and this Lease are subject to the 2000 Cabrini Green Local Advisory Council v. CHA (96 C 6949) Consent Decree. A copy of the Consent Decree is attached hereto and made a part hereof as **Exhibit B**.

10.14 **South Parking Lot Access.** City shall be allowed to park vehicles on the parking lot immediately to the south of the Premises (the "South Lot"). City acknowledges that City shall access the South Lot at City's sole risk and City accepts the South Lot in "as-is" condition. City acknowledges that CHA shall not provide any services for the South Lot.

10.15 **Athletic Field** City shall not have any responsibility relative to the athletic field adjacent to the Near North Property. The athletic field is not a part of the Premises.

SECTION 11. RESPONSIBILITIES OF CITY

11.1 **Maintenance.** City shall provide, at City's expense, engineering service for all maintenance and repair of the exterior of the Premises, including all structural, mechanical, electrical components, heating, air-conditioning, and plumbing components. City shall also be responsible for providing refuse service for the Premises. City is not under any obligation to make capital investments for the benefit of the Premises. City acknowledges that CHA shall not provide any maintenance services for the Premises including, but not limited to maintenance of the swimming pool located within the Premises.

11.2 **Custodial Service.** City shall provide and pay for custodial services for City operations. City shall maintain the Premises and immediate surrounding grounds clean and free of debris. City acknowledges that CHA shall not provide any custodial services for the Premises.

11.3 **Security Service.** City shall secure the Premises. City shall be responsible for all equipment and materials stored within the Premises. City acknowledges that CHA shall not provide any security services for the Premises.

11.4 **City Inspection.** City agrees that City has inspected the Premises and all related areas and grounds and that City is satisfied with the physical condition thereof. City accepts the Premises in "as-is" condition.

11.5 **Snow Removal.** City shall provide snow removal services to the sidewalks and the South Lot immediately adjacent to the Premises for the benefit of City operations. City acknowledges that CHA shall not have any snow removal responsibilities.

11.6 **Illegal Activity.** City, or any of its agents or employees, shall not perform or permit any practice that is injurious to the Premises or is illegal.

11.7 **Hazardous Materials.** City shall keep out of the Premises materials which may cause a fire hazard and shall comply with reasonable requirements of CHA's fire insurance carrier. City shall not destroy, deface, damage, impair nor remove any part of the Premises or facilities, equipment or appurtenances within the Premises.

11.8 **Repairs for City Negligence, Vandalism or Misuse.** City shall assume responsibility for any repairs to the Premises necessitated by the negligence, vandalism, or misuse of the Premises or equipment therein by City's employees, clients, invitees, agents or contractors.

11.9 **Condition on Surrender.** Upon the termination or cancellation of this Lease, City shall surrender the Premises to the CHA in a comparable or better condition to the condition of the Premises at the Commencement Date, with normal wear and tear taken into consideration.

11.10 **Trade Fixtures.** Upon the termination or cancellation of this Lease , City may remove City's personal property, trade fixtures and equipment. City shall repair any injury or damage to the Premises caused by such removal.

11.11 **No Other Rights.** This Lease does not give City any other rights with respect to the Premises. Any rights not specifically granted to City by and through this Lease are reserved exclusively for CHA. CHA shall not undertake any additional duties or services for City's benefit.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Lease as of the
Commencement Date.

CHA:

CHICAGO HOUSING AUTHORITY,
an Illinois municipal corporation

By: _____
Michael Merchant
Chief Executive Officer

CITY:

CITY OF CHICAGO,
an Illinois municipal corporation and Home Rule Unit of Government

DEPARTMENT OF FLEET AND FACILITY MANAGEMENT

By: _____
David Reynolds
Commissioner

CHICAGO POLICE DEPARTMENT

By: _____
Garry McCarthy
Superintendent

Approved as to form and legality:

By: THE DEPARTMENT OF LAW

By: _____
Richard Wendy
Deputy Corporation Counsel

EXHIBIT A

LEGAL DESCRIPTION OF PREMISES

(Subject to Survey and Title Commitment)

Portions of Lots 139, 141, 143, 144 and 145 (except parts taken for streets), all in Butterfield's Addition to Chicago in the Northwest ¼ of Section 4, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

PINs: 17-04-119-014

- 17-04-120-014
- 17-04-120-015
- 17-04-120-016
- 17-04-120-017
- 17-04-120-018
- 17-04-120-019
- 17-04-120-020
- 17-04-120-021

Portions of Lots 1 to 4, inclusive, (except parts taken for streets), in Owner Resubdivision of Lot 142 in Butterfield's Addition to Chicago in the Northwest ¼ of Section 4, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

PINs: 17-04-119-015

- 17-04-119-016
- 17-04-119-017
- 17-04-119-018

Portions of Lots 4 to 9, inclusive, in Eich's Subdivision of Lot 147 in Butterfield's Addition to Chicago in the Northwest ¼ of Section 4, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

PINs: 17-04-120-006

- 17-04-120-007
- 17-04-120-008
- 17-04-120-009
- 17-04-120-010
- 17-04-120-011
- 17-04-120-012
- 17-04-120-013

EXHIBIT B

COPY OF 2000 CABRINI GREEN CONSENT DECREE

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

CABRINI-GREEN LOCAL ADVISORY COUNCIL,)

Plaintiff,)

-vs-

CHICAGO HOUSING AUTHORITY and)
TERRY PETERSON, CITY OF CHICAGO, and)
RICHARD M. DALEY,)

Defendants.)

96 C 6949

Hon. David H. Coar

CONSENT DECREE

Plaintiff CABRINI-GREEN LOCAL ADVISORY COUNCIL (the "LAC"); TERRY PETERSON and the CHICAGO HOUSING AUTHORITY (the "CHA" or "the CHA defendants"); and RICHARD M. DALEY and the CITY OF CHICAGO (the "City" or "the City defendants"), hereby agree to the entry of this consent decree in order to obtain a full and final settlement of all claims alleged in this case or that could have been alleged herein with respect to the design and implementation of the Near North Redevelopment Initiative ("NNRI") and HOPE VI revitalization plans for Cabrini-Green, either by the LAC or by the residents of Cabrini-Green, who are members of and represented by the LAC. The NNRI and HOPE VI revitalization plans for Cabrini-Green are those plans described in CHA's HOPE VI revitalization plan, dated June 30, 1997.

This decree has been reviewed and its entry has been consented to by Daniel E. Levin and The Habitat Company, in their capacity as Receiver ("Receiver") for the development of new non-elderly housing of CHA pursuant to the Order entered August 14, 1987 in Gautreux v. CHA, 66 C 1659 ("Receivership Order"); and by the plaintiffs in the Gautreux case ("Gautreux plaintiffs").

The LAC brought this case alleging that the NNRI, including CHA's HOPE VI plan, displaced Cabrini-Green residents and reduced the supply of affordable housing units at Cabrini, thereby resulting in a discriminatory impact upon African Americans, women and children. As such, the LAC asserted that the CHA defendants had violated the Fair Housing Act, 42 U.S.C. § 3604(a) and (b); Title VI of the Civil Rights Act, 42 U.S.C. § 2000d; the HOPE VI Statute, 42 U.S.C. §1437l, note (Pub. L. 102-389, Title II, Oct. 6, 1992); and 42 U.S.C. § 1437v(d)(2); the City's Consolidated Plan required under the HOPE VI Statute; the Uniform Relocation Act, 42 U.S.C. § 4625(c)(1) and (3) and various implementing regulations; and previous Memoranda of Agreement the CHA executed with the LAC. Finally, the LAC asserted that the CHA defendants had excluded the residents of Cabrini-Green from the planning process that gave rise to the NNRI and consequently violated Sections 18 and 24 of the United States Housing Act, 42 U.S.C. §§ 1437p(b)(1) and 1437v(d)(2); as well as their contractual obligations to the residents under a May 28, 1993 Memorandum of Agreement between the LAC and CHA.

The LAC further claimed that the City defendants' NNRI violated the Fair Housing Act, 42 U.S.C. § 3604(a) and (b); Title VI of the Civil Rights Act, 42 U.S.C. § 2000d; the Housing and Community Development Act, 42 U.S.C. §§ 5304(b)(2), 5304(d)(2)(A)(i) and (iv), and 5309(a); and the Community Development Block Grant agreement between HUD and the City.

Plaintiff's complaint and amended complaint sought declaratory and injunctive relief prohibiting the defendants from implementing the NNRI and CHA's HOPE VI plans.

Since the initiation of the lawsuit, both the CHA defendants and the City defendants have denied that any Cabrini-Green resident would be displaced as a result of the NNRI and CHA's HOPE VI plans for the community. They have not only denied any and all liability in the case, but insisted

that unless the NNRI and HOPE VI plans were implemented, all public housing would disappear from the Cabrini-Green neighborhood as a result of federal laws already adopted and the pace of development around Cabrini-Green. The CHA and the City defendants state that the NNRI and HOPE VI initiative at Cabrini-Green were designed to preserve public housing at Cabrini-Green; foster a mixed-income and integrated neighborhood; radically improve the schools, parks, police protection, and public facilities in the neighborhood; and spark economic development, including jobs for Cabrini-Green residents. The defendants deny that the LAC or Cabrini-Green residents were ever excluded from the planning process at Cabrini-Green.

After extensive discussion between the parties and counsel, including counsel for the Receiver and the Gautreaux plaintiffs, and a full review of the substantial record compiled in this case, the LAC has determined it is in the best interests of the LAC and the Cabrini-Green residents it represents to settle this case on the terms set forth herein, given the risks and uncertainties of further litigation. The LAC, elected by the residents of Cabrini-Green, enters into this consent decree as the representative of all families that now live at the Cabrini-Green development or have lived there since January 1, 1993. Members of the LAC include building presidents elected by the residents of each building in the Cabrini-Green development. Further, the officers of the LAC have been directly elected by the residents of Cabrini-Green in development-wide secret ballot voting. Since the announcement of the NNRI in June 1996, the LAC has held various resident meetings to discuss the initiation and progress of this litigation and to solicit feedback from the residents of Cabrini-Green, including the residents who comprise the boards of the resident management corporations for 1230 N. Burling, the Green Homes, the Cabrini Rowhouses, and the Cabrini

Extension. Prior to execution of this consent decree, the LAC reviewed and approved this consent decree on August 9, 2000.

The CHA and the City defendants continue to deny all of the claims asserted but consider it desirable to settle this litigation on the conditions set forth below in order to avoid the risks, expense, and burden of protracted litigation. Indeed, by entry of this consent decree, the LAC, the CHA, and the City defendants seek to end their differences amicably and work together to make the NNRI and the HOPE VI initiative at Cabrini-Green a real success, both for Cabrini-Green's residents and the others who will live, work and invest in the neighborhood.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

I. THE WORKING GROUP AND RESIDENT PARTICIPATION IN THE NNRI

A. A Working Group shall be formed to provide ongoing overall direction for the NNRI, for the purpose of monitoring and reviewing development activities in connection with the NNRI, including the preparation and issuance of requests for proposals ("RFPs") and other bids; changes in the design of the NNRI; the selection of developers for City- or CHA-owned land as defined in Section II.D below; the letting of development, construction and other contracts for City- or CHA-owned land; the creation of jobs; any proposed development of privately owned land to include public housing units at a unit income mix other than the unit income mix specified in Section II.D below for City- or CHA- owned land; the provision of employment training for Cabrini-Green residents; the status of construction activities; and the provision of social services. The following institutions will be represented on the Working Group: the LAC, the CHA, the City, counsel for Gautreaux plaintiffs, and the Receiver. Under the Gautreaux Receivership Order, and other

applicable law, CHA or its successor, the Receiver, and the City will have final decision-making authority in their respective areas of responsibility. A representative of the City shall chair the Working Group. A U.S. Housing and Urban Development ("HUD") staff member may attend Working Group meetings as a non-member observer.

B. An evaluation panel, consisting of representatives of the LAC, CHA, the City, counsel for the Gautreaux plaintiffs, and Habitat, will serve to select the developer(s) to carry out the agreed-upon activities with respect to the development of City- or CHA-owned, as defined in Section II.D below. No development manager will be designated. The City, or its designee, shall issue the RFPs, in conjunction with the Working Group.

C. The Working Group will monitor the developer(s) to assure compliance with all requirements related to design and construction, training and employment of Cabrini-Green residents, and other matters identified in the RFP(s).

D. Habitat, pursuant to its authority and duties under the Receivership Order, will review all development plans and proposals and monitor their implementation to ensure conformance with Gautreaux requirements. Such review and monitoring shall include participating cooperatively, to the extent necessary for purposes of ensuring Gautreaux conformance, through initial consultation and periodic consultation thereafter, in the formulation and implementation of appropriate specifications and parameters for development plans and proposals respecting public housing.

E. Subject to HOPE VI requirements, the Receivership Order, and other applicable law,

1. The Working Group shall meet on a regular basis in order to collectively make decisions regarding the NNRI.

2. The parties represented on the Working Group and the evaluation panels pledge good faith and best efforts to make each such decision by consensus.

3. It is the intent of the parties represented on the Working Group and the evaluation panels that no single party have more control than any other party in the group decision-making processes. * EXCEPT @ I . a

4. The CHA, the City, and Habitat, as Receiver for CHA's development of new, non-elderly public housing, shall remain separately responsible for those duties imposed upon each of them respectively under the HOPE VI program and other public housing capital funding rules and regulations, orders of the Gautreaux court, and all federal, state, and local laws.

F. Court Review

1. If any member of the Working Group, as defined in this consent decree, objects to a decision made in Section I.E.4 above, with respect to a matter that is the Receiver's responsibility or to a decision relating to the application or amendment of orders entered in the Gautreaux case, it may obtain review of the decision (including whether the decision is within the Receiver's area of responsibility or involves application or amendment of orders entered in the Gautreaux case), by motion filed with the Court in the Gautreaux case. The parties agree that the intervenor status granted to the LAC on November 24, 1998 in the Gautreaux case shall be extended to allow for the LAC's intervention with respect to any motion filed in the Gautreaux case pursuant to this sub-section. The parties agree to present to the court in the Gautreaux case an agreed order providing for such an extension. The parties agree that the City shall be granted intervenor status in the Gautreaux case to allow it to participate fully in any motion filed in the Gautreaux case

pursuant to this sub-section, and the parties agree to present to the court in the Gautreaux case an agreed order providing for such intervention.

2. If any party to this litigation objects to any other decision of the Working Group or its selection panels, it may obtain review of the decision by motion filed with the Court.

3. In ruling upon such objections, the decision under review shall not be disturbed unless it is arbitrary, capricious, an abuse of discretion, or contrary to law or this consent decree.

G. The CHA shall actively involve and include the LAC in the CHA's decision-making process respecting any proposed disposition of CHA property that is currently identified in whole or in part for replacement housing under the NNRI (as described in CHA's HOPE VI revitalization plan, dated June 30, 1997) in conformity with 24 C.F.R. Part 964. In addition, prior to any disposition, such property must first be offered to the LAC for purchase in conformity with 24 C.F.R. § 970.13. In any event, the CHA shall not dispose of any such property, except by a long-term lease to a developer with a land use restriction that requires public housing units to be developed and operated pursuant to this consent decree for no less than a forty-year period, unless it receives in return replacement property within the HOPE VI Planning Area that will accommodate the same number of units as planned for the property that is the subject of disposition. For purposes of this consent decree, the HOPE VI Planning Area is that geographical area bounded by Chicago Avenue on the south, Wells Street on the east, North Avenue on the north, and the Chicago River on the west.

H. Technical Assistance For The LAC

1. The CHA agrees to provide the LAC \$400,000 in funds, as originally budgeted in the May 1993 HOPE VI application and the June 1997 HOPE VI Revitalization Plan, for technical assistance (TA), including but not limited to architectural services, engineering services, real estate development consultation, and legal consultation. Said grant shall be reduced by no more than \$206,850.18 (funds spent to date), as reflected in Appendix A, plus \$9,221.50 in pre-litigation costs owed to the Legal Assistance Foundation of Metropolitan Chicago.

2. In addition to the HOPE VI TA funds provided by the CHA, as described above, the CHA shall provide the LAC another \$250,000 for technical assistance with respect to NNRI development matters. CHA further agrees that the LAC may use these monies to pay all of the LAC's costs (totaling \$35,932.48 as of August 1, 2000) in this litigation.

3. The CHA agrees to provide funding for all services rendered by the LAC's TA consultants within the above budgets. Any contracts entered into by the LAC for TA services shall be in accordance with all applicable HUD and CHA procurement regulations and policies.

II. REPLACEMENT HOUSING

A. The CHA agrees to provide funding for the development (pursuant to 24 C.F.R. Part 941) and operation (in the form of HUD operating subsidies or comparable subsidies) of at least 700 public housing units (including the public housing units at Orchard Park, Old Town Square, Mohawk North, 535 W. North Avenue, and North Town Village) with rents set at 30% of the family's adjusted gross income, with no minimum income requirements (also referred to as "newly constructed public housing units"), to be sited in the HOPE VI Planning Area. Each unit of public

housing developed pursuant to this consent decree shall be maintained and operated in accordance with this consent decree and all applicable public housing requirements for no less than 40 years. CHA funding for these units will come from existing HOPE VI and public housing development monies, internal subsidies generated by the development of CHA land, Tax Incremental Financing ("TIF") proceeds (if available), possible future HOPE VI awards, or such other sources of funding as available. These units shall be in addition to any replacement units provided for under any plans for the revitalization of the Green Homes and the Cabrini Extension South.

B. The City guarantees that 270 of the affordable units, as defined below in Section II.D.2, created during the course of the NNRI will be rental units for families making less than 80% of area median income ("a.m.i.") to be located within the HOPE VI Planning Area.

C. The City will acquire additional land and/or impose appropriate restrictions and requirements on land owned by other persons or entities to make it possible to maintain the commitment by it and by CHA to construct at least 700 public housing units and 270 affordable rental units within the HOPE VI Planning Area for which units current and displaced Cabrini-Green families shall have priority as set forth in Sections II.D.1, III.D. 4 and 5, and VI below. Land acquired, in the process of being acquired, or otherwise anticipated to be subject to appropriate restrictions and requirements for mixed-income development to date is described in Appendices B and C to the consent decree.

D. Income Mix: The income mix for all housing developed pursuant to this consent decree on City- or CHA-owned land shall be as follows: 50% market rate, 20% affordable (as defined below), and 30% public housing. City- or CHA-owned land shall be defined as land that the CHA, City, or any other local municipal entity owns or acquired and/or contributed for purposes

of development under this consent decree, including the land identified as such in Appendices B and C to the consent decree. RFPs issued with respect to such development, as described below in Section III, shall include these income mix percentages. Other land developed in the HOPE VI Planning Area on land that is not City- or CHA-owned may have other respective percentages of market rate, affordable, and/or public housing contributing to the overall goal of a mixed-income community.

1. Public Housing Units: Subject to any applicable statutory or regulatory requirements concerning persons with disabilities and seniors, one-half of the 700 public housing units shall be reserved for families that have at least one household member working 30 hours per week, including work through Earnfare, Work First, or any REDI program where the household member is paid wages for his or her work. Notwithstanding the above, any displaced Cabrini family (as defined in Section VI.B below) shall be eligible for the new public housing units even if they are not employed. The remaining one half of these units shall have no work requirement.

2. Affordable Units: Affordable units may be: (a) affordable rental units (defined as affordable to families earning no more than 80% of a.m.i.), or (b) affordable for-sale units (defined as affordable to families earning no more than 120% of a.m.i.). Proposals that contain a component of affordable rental units will be specifically encouraged.

E. Density: The net densities on the City- or CHA-owned land shall not exceed 49 units per acre, unless otherwise agreed to by all members of the Working Group.

III. REQUEST FOR PROPOSALS REQUIREMENTS

A. CHA Land

1. The City, or its designee, shall issue a request(s) for proposals for Parcels 1, 3, and 9, as described in Appendices B and C. This RFP (the "CHA RFP") will require that (a) the LAC (or its affiliated development entity) be a partner, or other form of owner, with up to 50% interest in the ownership of the partnership (or other entity) chosen to be the developer of housing thereunder, and (b) that the LAC (or its affiliated development entity) participate in (i) the receipt of developers' fees and profits (provided the LAC uses such fees and profits for not-for-profit purposes to benefit current and displaced Cabrini-Green residents, as further described in subparagraph (6) below), (ii) the selection of property managers and construction contractors, (iii) the planning of the development, and (iv) the development of resident and other programs.

2. The proposed extent and limitations of the LAC's participation shall be specifically articulated in any response to the CHA RFP and, once a developer is selected, shall be set forth in the "Rights and Responsibilities" section of the partnership (or other joint ownership) agreement between the developer and the LAC.

3. The LAC shall have the maximum opportunity for input into the selection of such developers as permitted by HUD regulations and any other applicable law.

4. One of the criteria for ranking the proposals in response to the RFP(s) shall be respondents' proposed process and programmatic strategies for achieving meaningful participation by residents and stakeholders of the redeveloped community in the decision-making and ongoing operations of the development.

5. If, once the developer has been selected, the LAC has been granted an ownership interest in the development entity, the LAC shall have no further role in the Working Group's oversight and monitoring of the redevelopment activities for that jointly developed site.

6. The LAC shall have sole decision-making responsibility with respect to the use of any fees or residuals it may earn by virtue of its role in the joint partnership; however, said fees and residuals may only be used for not-for-profit purposes that benefit displaced and current Cabrini-Green residents. The LAC may establish for families residing in the affordable rental units a hardship fund from the LAC's development monies which will provide temporary financial assistance for families unable to meet their housing costs due to loss of income.

B. RFP for City Land: RFPs for City land will indicate that an ownership partnership participation for the LAC is encouraged, and that such participation may satisfy the resident and community participation portion of the RFP.

C. Development and Other Contracts: The CHA, the City, and the LAC may not enter into development and other contracts with third parties that contain provisions that conflict with this consent decree.

D. RFP Provisions for Affordable Units:

1. Proposals must demonstrate that the affordable units will remain affordable well into the future. Proposals that identify a workable and specific long-term strategy to maintain affordability for both rental and for-sale units will be specifically encouraged. The City will ensure that developers using Low-Income Housing Tax Credits will maintain affordable rents for a period of forty years.

2. Responses that feature affordable units distributed among and affordable to the widest range of income levels will be specifically encouraged. The affordable units financed by Low-Income Housing Tax Credits will maximize affordability for low-income residents, consistent with the financial viability of the development and with the availability and equitable allocation of subsidies and other resources. No minimum income eligibility requirements shall be applied to Section 8 voucher holders with respect to the affordable rental units.

3. To the extent that there are homeownership opportunities within the affordable for-sale component of the development, and consistent with the financial viability of the development and with the availability and equitable allocation of subsidies and other resources, the developer shall make some portion of these affordable for-sale units available to families making 60% of a.m.i. or less.

4. Subject to any applicable legal requirements concerning disability or age, all affordable rental units (including without limitation affordable rental units in North Town Village) shall be reserved for families with an employed member (defined as families that have at least one household member working 30 hours per week, including work through Earnfare, Work First, or any REDI program where the household member is paid wages for his or her work).

5. Subject to and consistent with other applicable requirements (including 26 U.S.C. § 42(h)(6)(B)(iv)), current and displaced Cabrini-Green residents who are employed (as defined in Section III.D.4 above) and who otherwise qualify shall have first priority for the affordable units (including without limitation rental units in North Town Village). If and to the extent 24 C.F.R. § 92.253(d)(4) shall be interpreted to apply to the selection of applicants, the priority described herein for the affordable units shall govern.

IV. DEMOLITION

A. The LAC agrees to the demolition of the remaining six buildings that comprise the Cabrini Extension North, including 1158 N. Cleveland, 1150-1160 N. Sedgwick, 1159-1161 N. Larrabee, 1015-1017 N. Larrabee, 1121 N. Larrabee, and 500-502 W. Oak.

B. The demolition of the Cabrini Extension North buildings shall occur in two phases. In Phase I, 1158 N. Cleveland, 1150-1160 N. Sedgwick, and 500-502 W. Oak shall be demolished once this consent decree becomes effective and HUD has indicated in writing that it approves of the changes in the CHA's HOPE VI revitalization plan required by the terms of this consent decree. No further demolition shall occur until the following conditions are met, unless otherwise waived by both the LAC and the CHA:

1. Construction of initial units has commenced on that CHA land currently referred to as Cabrini Extension North. "Construction" shall be defined as the execution of a binding construction contract for initial units on the CHA land described herein, issuance of a notice to proceed, and the commencement of some on-site construction activity in accordance with and pursuant to said notice, other than demolition or site clearance, such as the installation of utility feeds or commencement of work on foundations.
2. CHA has earmarked funds sufficient for the development of at least 700 public housing units in the HOPE VI Planning Area;
3. Sites have been acquired, identified for acquisition through eminent domain proceedings as permitted by the NNRI TIF Plan, or other provisions have been made to ensure the agreed-upon 700 public housing units will be constructed; and
4. A relocation plan, which plan shall be prepared expeditiously, has been prepared in a manner consistent with this consent decree and applicable law. CHA and the LAC will make good faith efforts to create a mutually acceptable relocation plan.

Notwithstanding the foregoing provisions, the Court may order demolition of the remaining CHA buildings on other terms upon a showing of good cause, it being understood that such good cause shall consist of more than the general blight and negative effect on the market that the subject CHA buildings are presently known or anticipated to have or the CHA's failure to comply with its obligations under this consent decree, as described in Section IV.C below, to properly secure and maintain the remaining CHA buildings.

C. Until the conditions described in Section IV.B above have been satisfied, the CHA shall maintain the occupied apartments and common areas of the buildings at 1159-1161 N. Larrabee, 1015-1017 N. Larrabee and 1121 N. Larrabee ("the Larrabee buildings") in decent, safe and habitable condition and shall make best efforts to properly secure, through boarding-up and other appropriate measures, unoccupied apartments and common areas no longer in use. Such best efforts shall include monthly inspections. Within sixty (60) days of the effective date of this consent decree, the LAC and the CHA shall conduct a survey of the units and common areas in these buildings to identify any building code violations, and shall then agree upon a reasonable timetable, not to exceed one (1) year, within which to repair these violations. If it is dangerous or cost-prohibitive to keep these buildings occupied, CHA may vacate these buildings or consolidate residents within the buildings, but only after good-faith negotiation with the LAC. If a joint CHA-LAC decision cannot be reached, the matter will be resolved by the Court. CHA shall take no action to vacate or consolidate residents in these buildings until it has reached agreement with the LAC or obtained Court permission to do so.

V. RELOCATION

A. Families relocated from the buildings at Cabrini-Extension North ("displaced families" as defined in Section VI.B below) shall be given the following relocation options: 1) within the HOPE VI Planning Area, a rehabilitated unit in the Cabrini-Green development that complies with HUD's Housing Quality Standards and applicable building code requirements; 2) within the HOPE VI Planning Area, a newly constructed public housing unit or affordable unit constructed under Sections II and III; 3) a Section 8 voucher together with mobility assistance; or 4) a scattered site unit to the extent such a unit is not claimed by a Horner family pursuant to the consent decree entered in Henry Horner Mothers Guild, et al. v. Chicago Housing Authority, et al., 91 C. 3316 and previous orders entered in Gautreaux. Relocation options (2) and (4) shall be considered permanent relocation choices. Relocation options (1) and (3) shall be considered temporary relocation choices until such time as the family has been offered and refused a suitable public housing unit under option (2). All relocation efforts (whether temporary or permanent) shall be completed in conformity with the Uniform Relocation Act and applicable HUD HOPE VI Relocation Guidelines. A family's housing choice shall be honored to the extent that the family qualifies for such a unit and to the extent that its first choice is available. Where two or more similarly-situated families seek the same unit, CHA, in cooperation with the private developer, shall conduct a lottery to determine which family will receive that unit. With families who choose Section 8 as their relocation choice, the CHA's obligations under this Section shall continue for forty-two months from the date of relocation or until such time that as the family has moved into a permanent housing choice, whichever is sooner, except that CHA shall provide moving services, including transportation of belongings, packing materials, and reimbursements for utility hook-ups, for

families moving back into newly constructed public housing units or affordable units regardless of whether more than forty-two months have passed from the date of relocation.

B. CHA must maintain no less than yearly regular written contact with temporarily relocated families and create a computer database for these families, including their former and current address, household size, source and amount of income, and names and ages of family members. CHA must provide to the LAC monthly access to its updated database for relocated families.

VI. PRIORITIES FOR NEWLY CONSTRUCTED PUBLIC HOUSING AND AFFORDABLE UNITS

A. Families displaced from the Cabrini Extension North buildings (1015-1017 N. Larrabee, 1121 N. Larrabee, 1159-1161 N. Larrabee, 500-502 W. Oak, 1117-1119 N. Cleveland, 1157-1159 N. Cleveland, 1150-1160 N. Sedgwick, and 1158 N. Cleveland) shall have the right and first priority, as provided for in this Section and in Sections II.D.1, III.D. 4 and 5, to move into the newly constructed public housing and affordable housing units to be constructed under Sections II and III of this consent decree.

B. Displaced families shall be defined as all families who resided in the Cabrini Extension North buildings on or after January 1, 1993, except for leaseholders:

1. who were evicted from the Cabrini Extension North buildings pursuant to court order, prior to their relocation to the new units developed;
2. who abandoned or voluntarily left their units. "Units" here means a CHA unit, a subsidized unit within the HOPE VI Planning Area, or a temporary Section 8 certificate or voucher unit;
3. who were relocated to a scattered site unit;

4. who prior to relocation to a newly developed unit, but after relocation to a subsidized unit within the HOPE VI Planning Area or a temporary Section 8 placement or after entry of the consent decree (in the case of families residing in a CHA unit):
 - a. were convicted of any criminal activity that threatened the health, safety, or right to peaceful enjoyment of the premises by other residents, or any drug-related criminal activity on or off the premises; or
 - b. had a household member, guest, or visitor while under the leaseholder's control, convicted of any criminal activity that threatened the health, safety or right to peaceful enjoyment of the premises by other residents, or any drug-related criminal activity on or off the premises. This exclusion shall not apply where the leaseholder agrees to exclude the offending person from the household.

C. The CHA and the LAC shall jointly prepare a list of all displaced families, as defined in Section VI. B above. In preparing this list, the LAC and the CHA shall identify those families living in buildings listed in Section VI.A above, after January 1, 1993, using CHA occupancy data from January of 1993 (or as soon thereafter as possible) and each year thereafter, as available. The CHA and the LAC will then determine those families that remain eligible for replacement housing by, among other methods, identifying those families from the buildings listed in Section VI.A who are listed on current CHA occupancy lists, on CHAC's current list of Section 8 certificate/voucher holders, and in data CHA and CHAC maintains on those families relocated from 1150-1160 N. Sedgwick, 1158 N. Cleveland, 500-502 W. Oak, 1015-1017 N. Larrabee, 1121 N. Larrabee, and 1159-1161 N. Larrabee. Except as described herein, CHA shall not be required to secure other information to identify families who have left CHA housing between January 1, 1993 and the date the consent decree is entered. However, nothing in this paragraph shall be construed to prevent the LAC itself from securing additional information in order to identify eligible families. To the extent

the LAC seeks to establish that a family did not abandon or voluntarily leave the unit under Section VI.B.2, the LAC shall bear the burden of proving this fact. This list of displaced families shall contain the following information regarding the displaced families: former and current addresses, household size, source and amount of income, and names and ages of family members. The parties agree to meet on a regular basis to update the list. The CHA and the LAC agree to keep the information on the list confidential.

D. The CHA or its nominee shall notify the LAC and its counsel in writing whether the leaseholders on the list satisfy the eligibility criteria for displaced families, as defined above. If the CHA determines that the criteria are not met, CHA shall provide the LAC and its counsel with all appropriate documentation supporting its determination.

E. Effective with the date of this consent decree, the CHA or its management agent shall provide the LAC and its counsel names and addresses of all leaseholders now residing in Cabrini Extension North buildings who have been served with notices of termination of tenancy for any reason other than nonpayment of rent. Said information shall be provided to the LAC and its counsel on a monthly basis. In addition to this information, the LAC and its counsel shall have, subject to written authorization from the leaseholders, access to all Chicago Police Department and CHA security arrest or incident reports utilized by CHA that provide a basis for the Termination of Tenancy Notice, as well as criminal history information showing convictions (but not arrests).

F. In the event the LAC believes that eviction action should or should not be taken against a particular leaseholder, the LAC shall set forth the basis for its belief in a letter to the CHA within ten (10) days of its receipt of the leaseholder's name and address, or within a reasonable period of time in cases involving CHA's failure to take action against a particular tenant. CHA or

its management agent agrees to meet with the LAC to discuss the matter within ten (10) days of receipt of the LAC's letter. Should a representative of the LAC fail to attend the scheduled meeting, the LAC will have waived its right to a meeting in connection with that letter. Notice of the meeting shall be sent in writing to the LAC at least three (3) days prior to the meeting. If the CHA or its management agent decides to initiate or not to initiate action against the family after meeting with the LAC, it shall set forth the reasons for its decision in a letter to the LAC within ten (10) days of the meeting. The CHA or its management agent, however, reserves the right to make the final decision to pursue or not to pursue an eviction action.

G. Where a family satisfies the eligibility criteria for replacement public housing but the CHA wishes to defer providing such public housing to the resident due to poor housekeeping, the pendency of a criminal case involving disqualifying felonies or misdemeanors, rent arrears, inability to establish utility service, or other good cause, the CHA shall notify the LAC and its counsel in writing and shall provide all appropriate documentation supporting the request for deferral.

H. If the parties are unable to reach agreement regarding eligibility or deferrals, they shall jointly petition the Court for resolution of the matter, and the CHA shall direct the private developer to preserve a like-size, newly developed public housing unit for the family until the Court rules, with no interruption of funds paid to the developer as a result of such unit being unoccupied during the pendency of such eligibility dispute. In all other cases, the CHA shall be free to process the displaced families and provide them replacement public housing pursuant to the terms of this consent decree.

I. The CHA, the private developers, and the LAC shall jointly conduct a lottery of all displaced families by bedroom size to create a priority-housing list from which families will be

selected for the newly constructed public housing and affordable housing units. Under this paragraph, first priority shall be given to families displaced from 1117-1119 N. Cleveland, 1157-1159 N. Cleveland, 1150-1160 N. Sedgwick and 1158 N. Cleveland; second priority shall be given to families from 500-502 W. Oak; and third priority to families displaced from 1015-1017 N. Larrabee, 1121 N. Larrabee, and 1159-1161 N. Larrabee.

J. Current Cabrini-Green families (defined as Cabrini-Green families that are not "displaced families" and that reside in Cabrini-Green as of the date of entry of this consent decree) shall have the right after displaced families to move into the newly constructed public housing and affordable units constructed under this consent decree, except for leaseholders who are disqualified for any of the reasons set forth in Section VI.B above. Of these non-displaced families, first priority will go to Cabrini Extension families, and second priority will go to families from the balance of Cabrini. Third priority, but only for the newly constructed public housing units, will go to families residing in other CHA developments, and fourth priority, but only for the newly constructed public housing units, will be for those on CHA's general waiting list.

K. The CHA shall contact in writing all current Cabrini-Green leaseholders, asking whether they wish to be included in a lottery for replacement public housing and affordable units. The CHA and the LAC shall jointly conduct a lottery of all leaseholders who answered in the affirmative to create a second priority-housing list for the newly constructed public housing and affordable units. If the parties cannot reach agreement regarding eligibility or deferral of a leaseholder, the parties shall follow the same procedures described in Section VI.G and VI.H above for the selection of displaced families.

L. The priorities described in this Section deal solely with priority of occupancy among eligible public housing families, and do not govern the phasing of demolition or development, or the phasing of occupancy of market rate units.

M. The City agrees that displaced Cabrini-Green families, as defined in Section VI.B above, who are otherwise eligible, shall have first preference for 30% of the units in all future SRO and senior developments built within the Tax Incremental Financing district created as part of the NNRI. Other Cabrini-Green families, who are otherwise eligible, shall have second preference. These units shall be allocated to families according to the procedures set forth in Sections VI.I and VI.J above.

VII. JOB TRAINING AND EMPLOYMENT OPPORTUNITIES

A. All RFPs issued for City- and CHA-owned land shall provide that proposals must feature a community-based hiring and training plan which concretely and comprehensively describes measures to ensure maximum reasonable opportunities for both (1) immediate employment and (2) longer-term job-training for residents of the Near North TIF District, with particular attention to the needs of those residents who have previously experienced inadequate employment opportunities and development of job-related skills, including residents of public and other subsidized housing and people with disabilities. Respondents shall be strongly encouraged to propose creative measures toward the goal of increasing employment and training opportunities for the area residents described above. Proposals that set forth a community-based hiring and training plan that is detailed, is well thought out, and provides for a broad mix of strategies for maximizing employment and training

opportunities for community residents will be strongly encouraged. Such a community-based hiring and training plan shall comply with other applicable federal, state, and local laws.

B. The CHA and the City shall insure that all RFPs and contracts issued for CHA property or any other property developed under the NNRI in connection with the expenditure of HUD funds, including HOPE VI and public housing development funds, shall comply with Section 3 (12 U.S.C. § 1701u and implementing regulations) and the policies set forth in CHA's "Technical Assistance Section 3 for Contractors and Chicago Housing Authority Staff," if and to the extent applicable. Notwithstanding the foregoing, this paragraph shall not expand in any way the obligations imposed on CHA under Section 3.

C. The CHA and the City shall insure that all RFPs and contracts issued for CHA property or any other property developed under the NNRI shall contain language consistent with Minority and Women Business Enterprise goals established by HUD, CHA, and City policy, as applicable.

D. The CHA and the City shall make reasonable efforts to provide employment opportunities to every displaced family so that the family may qualify for the affordable rental units which have been reserved for working families.

E. The City will hire, from a short list of five qualified candidates whose resumes have been provided to it by the LAC, an individual who will serve the function of a "resident employment specialist" who will work under the auspices of the City's CARE Center, but be assigned to the LAC, to implement the local employment and job-training aspects of the NNRI and to facilitate the employment prospects of Cabrini-Green residents. The resident employment specialist shall work out of the LAC office.

VIII. COMMUNITY AND SUPPORTIVE SERVICES

A. HOPE VI funds allocated for community and supportive services, such as the Tenant Patrol Program, the Victim Assistance program, tenant-owned businesses generated by these funds, and other such programs, shall be spent to benefit Cabrini-Green Extension residents only. These funds shall be used to employ whenever possible Cabrini-Green residents who are qualified for jobs generated by the social services and community service program. At a minimum, the expenditure of these HOPE VI funds shall be subject to the employment and training requirements of Section 3 (12 U.S.C. § 1701v) and implementing regulations and its applicable hiring goals for public housing residents.

B. Using an instrument developed in conjunction with the Working Group, the LAC shall survey displaced and current Cabrini-Green residents. Based on the result of the survey, the LAC shall determine the scope of additional community and supportive Services. The LAC will then identify and prepare a scope and budget for the activities it intends to perform on behalf of Cabrini-Green residents. The LAC shall administer or contract out all Community and Supportive services. Funds for such services will come from the Community and Supportive Services portion of the HOPE VI budget or the project budget for development on CHA land.

C. Cabrini Textiles shall be operated for the benefit of all Cabrini-Green residents. Any funds generated by this enterprise, in excess of those required for the operation of the business, shall be reinvested in the Cabrini-Green community as decided by the LAC.

IX. Tax Incremental Financing District: The City has designated the area covered by the NNRI a TIF district. The City shall commit TIF dollars to the extent and in the manner provided for in and

consistent with goals and objectives of the TIF redevelopment plan, to address, among other redevelopment projects and undertakings, the following: (1) infrastructure needs within the TIF district (e.g., streets, sidewalks, and sewers), including the remaining portions of Cabrini-Extension South, Green Homes, and the Cabrini Rowhouses; (2) employment training for low-income residents within the TIF district, including but not limited to Cabrini-Green residents; (3) various other public works and improvements (including taxing districts' capital costs accepted by the City as necessary for implementation of the redevelopment plan); (4) rehabilitation of properties, including without limitation, any remaining Cabrini-Green buildings, and the development of new public housing units in the HOPE VI Planning Area, to the extent of eligible redevelopment project costs, within the context of mixed-income redevelopment projects.

X. The CHA and the City defendants, upon the LAC's written request and without cost, shall provide to the LAC or make available to the LAC for copying all documents and other written materials relating to the implementation of this consent decree, other than privileged documents.

XI. This consent decree shall not be effective, unless it is approved both by this Court and by the Gautreaux Court and a Gautreaux Revitalizing Order has been entered. Furthermore, upon motion of either the LAC, the City, or the CHA, this consent decree may be vacated in the event that HUD disapproves in writing in whole or in part the changes in the CHA's HOPE VI revitalization plan required under the terms of this consent decree.

XII. Except as provided in Section I.F above, the Court shall retain jurisdiction over this matter for the purpose of enabling any party to the litigation to apply to the Court for such further orders as may be necessary or appropriate for the construction, implementation, or enforcement of this consent decree.

XIII. ~~The parties agree to submit an agreed order reassigning the case to Judge Marvin E. Aspen pursuant to Rules 2.30(D) and 2.31 as a case related to Gautreux v. CHA, 69 C 1459.~~

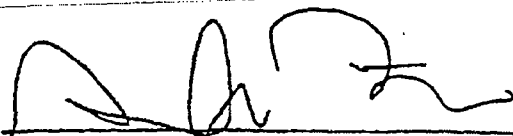
XIV. Whenever notice is required to be provided to the LAC under this consent decree, said notice shall also be provided to its counsel.

XV. It is understood and agreed that all understandings and agreements previously reached between the parties hereto regarding the NNRI and the HOPE VI revitalization plans for Cabrini-Green are merged in this consent decree, which alone fully and completely expresses their agreement.

XVI. Each party shall bear its own attorneys' fees and costs.



Richard M. Wheelock
Legal Assistance Foundation of Metropolitan
Chicago
111 W. Jackson, 3rd floor
Chicago, IL 60604



G. A. Finch
General Counsel
Chicago Housing Authority
200 W. Adams St., Suite 2100
Chicago, IL 60606

Robert D. Whitfield
Attorney at Law
10 S. LaSalle Street, Suite 1301
Chicago, IL 60603

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

Counsel for Plaintiff

Counsel for CHA Defendants

Date: 8/22/2000

Date: 8-25-00



Mara S. Georges
Corporation Counsel
City of Chicago
Room 500, City Hall
121 N. LaSalle Street
Chicago, IL 60601

By: Andrew S. Mine
Senior Counsel

Counsel for City Defendants

Date: 8/22/00

ENTER:

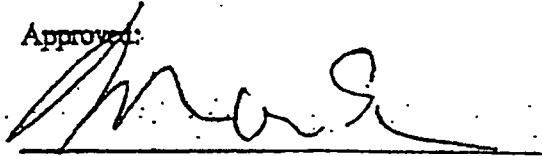


David H. Coar
United States District Judge

AUG 30 2000

Date: _____

Approved:



Marvin E. Aspen
United States District Judge

Date: 9/12/00

Chicago Housing Authority
Cabrini-Green LAC Technical Assistance
HOPE VI Expenditures Detail Thru July 31, 2000

Vendor Name

YTD Expenditures

Barclay & Dixon	\$7,925.00
Stanley L. Hill & Associates	15,985.00
Carol Steele	40,192.03
Cheryl Russom	50,383.00
Urban Women, Inc.	12,580.00
Distinguished Tours (St. Louis)	1,430.00
Travel (St. Louis)	4,095.00
Atlas Control	431.36
Bauer Lazoza Studio	29,803.70
Technical Assistance Corp. for Housing	21,280.09
Legal Assistance Foundation	22,745.00
<u>Total Expenditures</u>	<u>\$206,850.18</u>

Rough Estimation of Number of Dwelling Units based on Howard Map

07/20/00

Existing and Proposed Developments

Map ID	Project Name	Address	Address	Estimated Acreage	Units	Estimated Units	Units	Total Units	Units
18	Orland Park Center	1100 West of Cookston	Reorganized	6.53	153	630	391	281	18
	Home of Lehigh North	1100 West of Lehigh	Reorganized			0	0	54	13
	1st Green Avenue North	Reorganized	Reorganized			0	0	82	16
	Northwest North Reorganized	Reorganized	Reorganized			0	0	110	17
12	Richardson Center	Northwest North	Reorganized	0.6	0	0.5	0	2	10
	East York							610	148

Future Development Sites in 41 uncolored zone - conceptual units to site

Project	Project Location	Ownership Status	Address	Estimated Acreage	Units	Estimated Units	Units	Total Units	Units
1	General Residential Project	Owned by CHA		1.8	48	138	201	201	183
2	General Residential Project (located in 41 uncolored zone)	Owned by CHA		3.2	0	0	37	143	42
3	General Residential Project (located in 41 uncolored zone)	Owned by CHA		0.0	0	0	0	0	0
4	General Residential Project (located in 41 uncolored zone)	Owned by CHA		5.3	133	339	137	137	34
5	General Residential Project (located in 41 uncolored zone)	Owned by CHA		0.0	0	0	0	0	0
6	General Residential Project (located in 41 uncolored zone)	Owned by CHA		2.6	28	72	112	112	32
7	General Residential Project (located in 41 uncolored zone)	Owned by CHA		6.6	10	65	210	210	72
8	General Residential Project (located in 41 uncolored zone)	Owned by CHA		1.2	0	12	61	61	15
9	General Residential Project (located in 41 uncolored zone)	Owned by CHA		11.6	78	97	383	383	115
10	General Residential Project (located in 41 uncolored zone)	Owned by CHA		1.7	0	17	73	73	23
11	General Residential Project (located in 41 uncolored zone)	Owned by CHA		2.5	0	25	111	111	32
12	General Residential Project (located in 41 uncolored zone)	Owned by CHA		2.6	0	25	140	140	35
13	General Residential Project (located in 41 uncolored zone)	Owned by CHA							
14	General Residential Project (located in 41 uncolored zone)	Owned by CHA		58.4	88	458	1388	1388	585
Total number of units									

1450 N. Larrabee Street

Chicago Police Department and Chicago Fire Department

Lease No. 12067

SECTION 2: This Ordinance shall be effective from and after the date of its passage and approval.