

1

January through
December 1997

2

¹⁹⁹⁷
Hinger Ridge; A Limited
Access Community
Site Plan & Unit Designs...

3

The Contract of Sale
September 1996

4

January through
December 1996

5

January through
December 1995

6

7

8

9

10

A Private Session Just for You
Welcome Residents

Rae C. McCray & Simone Tanksley

**Ginger Ridge MHA
office of
Resident Initiatives**

Agenda

- Introductions-(A Resident) 10 minutes
- IceBreaker - Rae C. McCray 15 minutes
- Residents' issues gathered from the survey leading into 5 minutes
- What is the Ginger Ridge Mutual Housing Association 10 minutes
- The Possibilities of Membership 10 minutes
 - Lower cable payments
 - Discounts
 - McKinney Center privileges
- Organizational Structure of Ginger Ridge
 - Present
 - Future
- A New Ginger Ridge (A marketing prespective) 10 minutes

Agenda Continued

- **New Leadership** **5 minutes**
 - **You Make the Difference**
 - **Looking For Building Captains**
- **Overview (Information session ends)** **2 minutes**
- **Resident Hostess/Host** **5 minutes**
 - **Walk through**

Your Mutual Housing Association?

- An alternative to traditional home ownership.
- A significant step-up from rental housing.
- Security of Tenure
- Housing that offers residents:
 - A voice in decision-making through participation
 - Long-term quality- well managed & well maintained

Management & Operation of Our MHA

- Residents pay monthly housing charges which cover:
 - Real Estate Taxes
 - Insurance
 - Operating costs-including management fees
 - Reserves for repair & replacements
- Signature Housing Solutions operates with input and direction from Ginger Ridge MHA Board Members
- Resident orientation, resident training & support insure no-nonsense participation in property management & operation decisions.

Ginger Ridge MHA Board of Directors Responsibilities

**Govern the
McKinney
LearningCenter
Development**

**Provides Input &
Direction to Contratual**

Hires

**New Cities Community
Development Corporation**
20 year contract

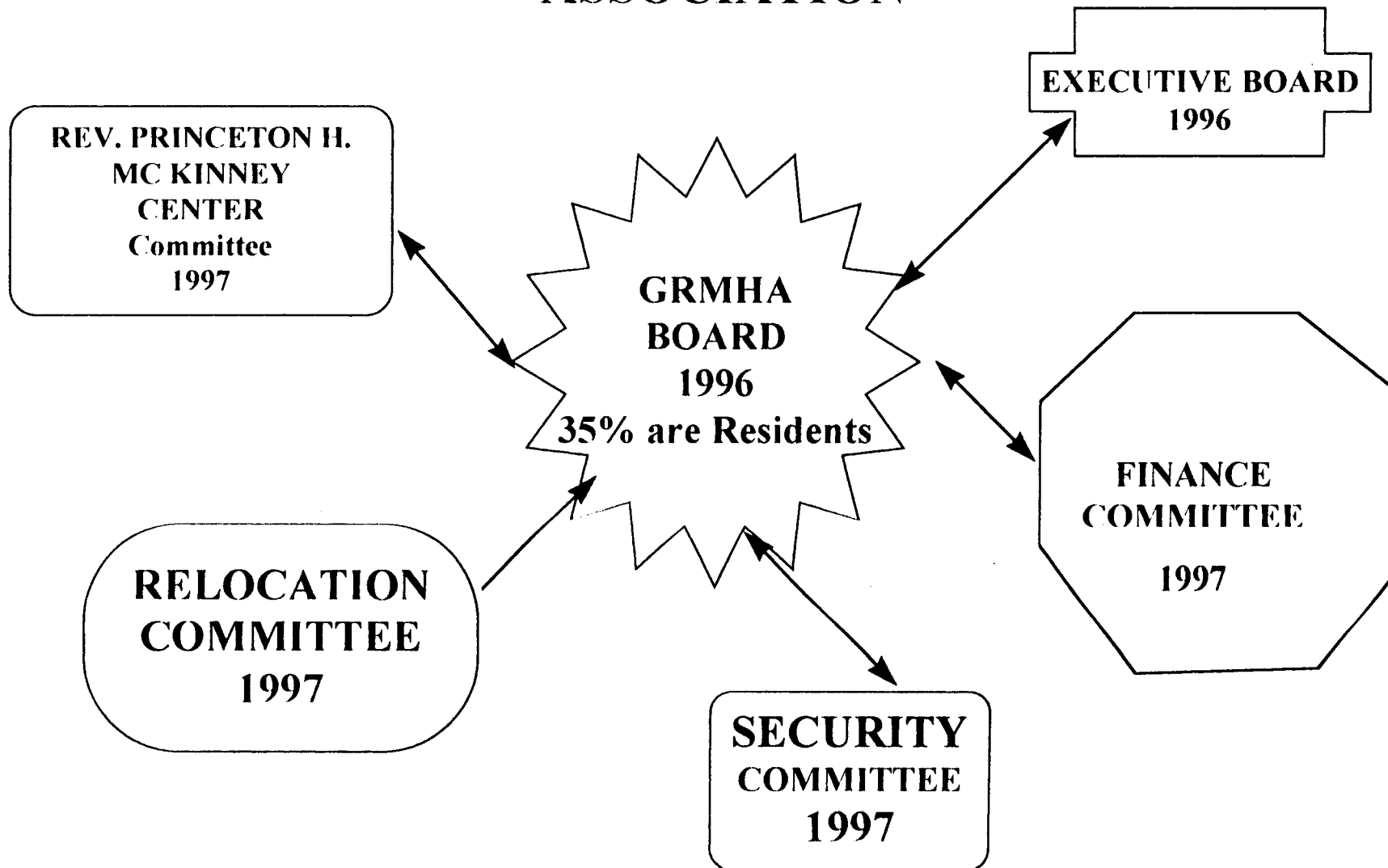
**Resident Training via
Resident Initiative
Office**

**Signature Housing
Solutions** 5 yr
contract

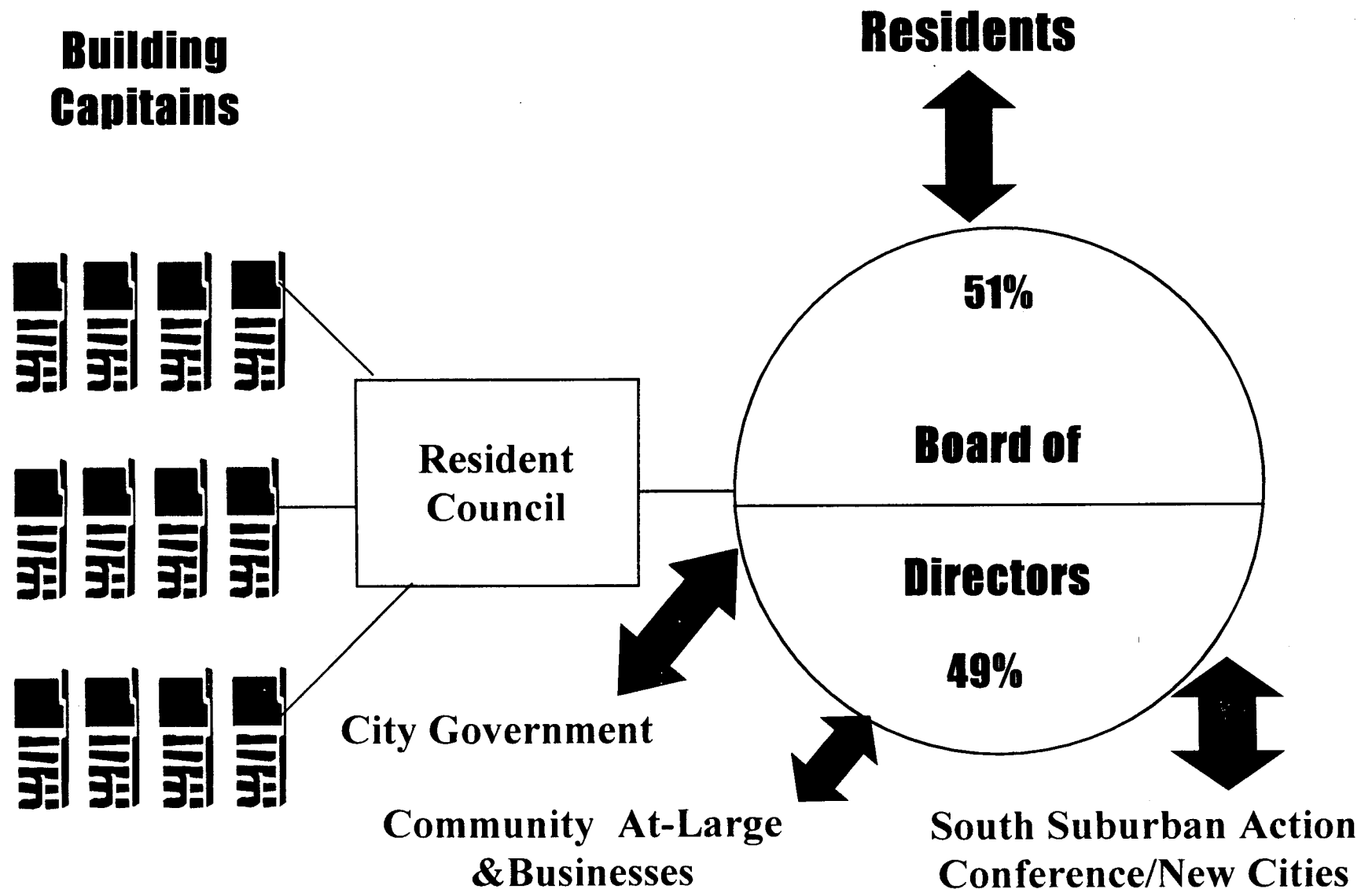
**Manage Daily
operations of Ginger
Ridge**

**Communicate with Community
at-large & maintain & build
relationships with SSAC**

**“AT PRESENT”
GINGER RIDGE MUTUAL HOUSING
ASSOCIATION**



The Future Organizational Structure of Ginger Ridge Mutual Housing Association



The Possibilities of Membership

- **Low monthly membership fee!**
- **Lower Cable Payments!**
- **Discounts at your favorite places!**
- **Free Usage of the McKinney Center!**
- **What Do You Want as a Member?**

Community Organizing

Mrs. Rae C. McCray

Ginger Ridge MHA Staffs' Mission

To build a powerful organization of residents, community institutions & neighbors. Support its efforts through training & effective management. Improving the quality of life by building positive productive relationships in asset management, property management & community organization.

Staying focused on our priorities to ensure that the principals for the redevelopment of Ginger Ridge are kept. Promoting the idea of the Mutual Housing Association in order to create the partnerships within the community from all walks achieving successfully our goals.

The Strategy

- **Target Residents that have been scheduled to move into their new units.**
- **Hold information session in the 2 bedroom sample unit creating excitement & vision.**

The Key Players

- **Residents**
 - **Resident Initiatives**
- **Property Management**
 -
- **Board of Directors**
 - **City Government**

Vision Statement

- **Resident prepared to take control of the complex Administratively, and managerially within 5 years.**
- **GRMHA used as a successful model for the creation of MHA's through out the South Suburbs, Chicago proper and the Nation.**

Today's Situation

- **GRMHA is comprised of excellent leaders with years of organizing, administrative, managerial, and training experience that have been operating in-congruently.**
- **Office of Resident Initiatives needs to prioritize, organize & alphabetize documents.**
- **Needs additional staff or increase hours of staff to function efficiently meeting the needs of the community.**

Goal and Objective

- **To build a completely self-sufficient resident based organization**
- **To assess in detail the performance GRMHA training programs in relation to community needs & opportunities within the relocation periods.**
- ***Assessing progress of:***
 - **Staff**
 - **Residents**
 - **Board of Directors**

The Process

– Office of Resident Initiatives

- Organize MHA Office
- Develop strategy to incorporate all entities in the to build the community.
- Mail member absent from meeting any additional documents given out with a “We missed you letter”/Any relevant historical information
- Involve members as an integral part of the information sessions
- invite Cal City to come sessions

– The Residents

- Mail letters to Residents Introducing “The Private Showing of the new unit/information session and that representatives will be coming to them seeking their input about what they would like to learn.

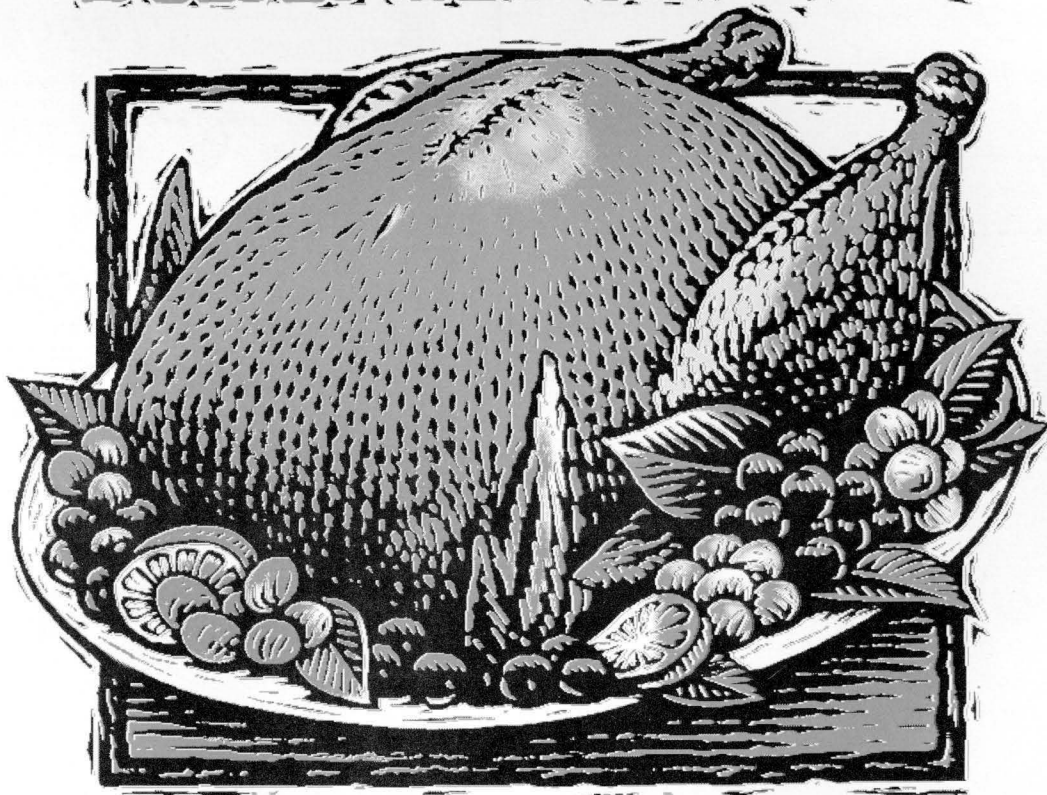
Ginger Ridge

APARTMENTS

NEWSLETTER



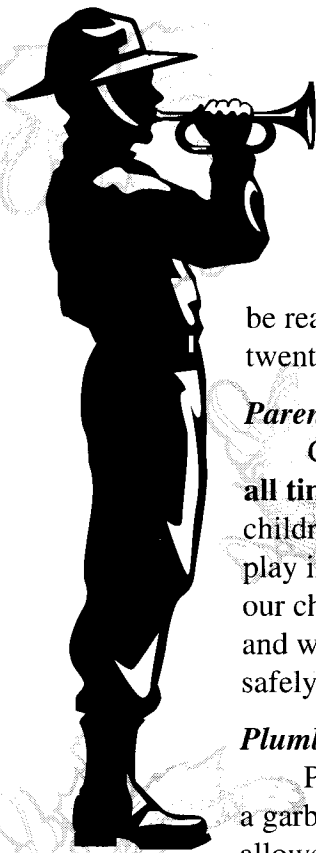
THANKSGIVING



NOVEMBER 1997

CALUMET CITY

Published exclusively for the residents of *Ginger Ridge Apartments*



IN THE KNOW

From the Property Manager

Power Outages

In the event of a complete power outage, please call ComEd first to determine the cause of the outage. They can be reached at 1-800-EDISON-1 twenty-four hours a day.

Parents

Children must be supervised at **all times!** Please instruct your children not to litter the grounds or play in the parking lots. We love all our children here at Ginger Ridge, and we would like to see them play safely.

Plumbing

Please do not use your sinks as a garbage disposal! Grease is not allowed to be poured down the sinks.

Please use the proper products for the restroom to avoid any plumbing problems. Paper towels should not be disposed of in the toilets.

Laundry Facilities

The laundry facility at 542 Ginger Lane has been equipped with more machines to serve you better. Tokens may be purchased in the Management Office with a check or money order for \$.80 each.

Noise

Excessive noise of any type will not be tolerated. Repeated offenders will be put in violation of their lease and in danger of lease termination. Residents, please do not pull up to the buildings and honk your horns in the late evening and early morning hours and instruct your guests to do the same.

Pop-Up Thermometers

Relying on pop-up thermometers to determine if your meat is done can be dangerous. These thermometers are included in many brands of turkey and chicken. They sometimes pop up before the food is properly cooked. Underdone meat can contain harmful bacteria resulting in serious health problems. Be safe. Use a meat thermometer to be sure poultry is actually done. (For turkey, a thermometer inserted in the thickest part of the thigh should register 170°.)

SCORPIO

Oct. 24 to Nov. 22



Velvety steel—tempered by the heat of a thousand passions, Scorpio's strong will is a force to contend with. He knows, beyond a doubt, he can do anything he sets his mind to. If somehow he fails, Scorpio will rise Phoenix-like and try again.



SAGITTARIUS

Nov. 23 to Dec. 21

The Archer's quick wit allows her to seek out the truth in any situation. Like the bull's-eye of her target, Sagittarius is usually the center of attention. Her natural charitable behavior and sincerity balances out her tendency to be unaware of surrounding people; although she still must make an extra effort to be sympathetic of another's feelings.

Happy Thanksgiving

Ah! on Thanksgiving day, when from East
and from West,

From North and South, come the pilgrim
and guest,

When the gray-haired New Englander sees
round his board

The old broken links of affection restored,
When the care-wearied man seeks his mother
once more,

And the worn matron smiles where the girl
smiles before.

What moistens the lips and what brightens
the eye?

What calls back the past, like the rich
pumpkin pie?

-Whittier, *The Pumpkin*



What's Happening Now!

by **Marshall McCray**

Hey! The holidays are upon us. Now is the time to come together and express your opinions as residents on the different changes taking place in YOUR complex. Ginger Ridge is growing and we need to grow in a direction that we all will be glad to be a part of.

We need to arrange a time after the holidays for a meeting for residents only. This will be a chance for you to share your opinions with us. Having this meeting at a convenient time is important so please stop by the Management or MHA office to give the date and time that is most convenient for you.

I would like to thank all our volunteers and staff who helped out with our fund-raising Fish Fry for the McKinney Center on Friday, October 24th. It was a great success. Remember, we are Ginger Ridge and it is important that you help out in what is going on around here.

SECURITY NOTES

by **Captain Cooke, BGK Security Services, Inc.**

Please remember to renew your vehicle license plates.... you are allowed 30 days from expiration date. Ginger Ridge Rules require that all residents' vehicles display current state and city stickers and parking permits.

Security police are required to ticket and tow any vehicle in violation of City, State, or Ginger Ridge regulations while parked on the property and will notify the Calumet City Police for cars in violation that are parked on the street. All vehicles ticketed will be towed in 2 to 10 days from the date ticketed.

Improper, illegal and double parking on the complex or the complex streets will be ticketed by GRSP or CCPD upon discovery. This includes vehicles which are not operational or have flat tires. Please help us, parking space is limited.

WHO'S WHO

Name: De'Shunn Dickson
Position: Maintenance Superintendent
Experience: Maintenance, Property Management, and general rehab construction
Interests: Reading & writing poetry
Music: Soft Rock
Most Well Kept Secret: She has a crush on Lawrence Fishbourne
Most Memorable Experience: On Dee's 4th day on the job at GR she was overcome by pepper spray while she was on the phone talking to a contractor. Somehow the nozzle on the can got jam and the overwhelming chemical took Dee along with several other maintenance employees as prisoners.

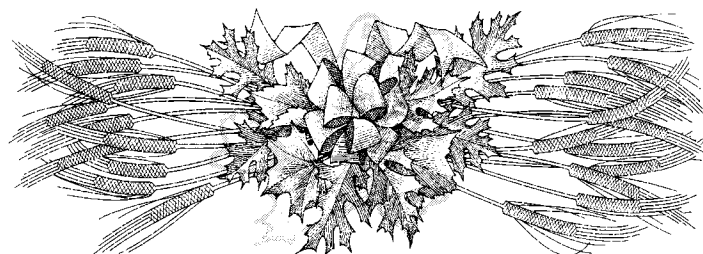
Tid-Bit News

by **Martha March**

Mentor Economic Negotiate (M.E.N.) are the mighty men of Ginger Ridge that have the power through Christ to inspire peace and love to the residents of Ginger Ridge. M.E.N. had their first meeting on September 21st in the Community Room. This is a new committee of dedicated men whose objective is to share their faith, provide encouragement, share their knowledge of education and experience in a variety of trades and crafts with the residents. This is truly a needed and welcomed addition to our complex.

Alpheus Burge, a 14 year resident, is the facilitator of M.E.N. His idea for this program is to create a vehicle to provide economic development, arts & crafts and activities for the families in Ginger Ridge. "This program will also include educational and entertainment activities," says Burge. The General goals are: to provide for implementation of economic development that benefits Ginger Ridge, to create new jobs for residents, target private sector investment, assist in coordinating redevelopment over a reasonable time period, petition the Illinois State Fund to buy the supplies we need for projects, and, most of all, to promote the development of individual strengths.

The committee meets every Tuesday at 7 PM in the Community Room, 1900 Wilson #8. Please come out and have your family become a part of this dynamic program.



SENIORS

by **Jean Cooper, Seniors Secretary**

Seniors, please attend YOUR meeting EVERY third Wednesday at 1 PM in the Community Room, 1900 Wilson #8. There are many issues and programs, as well as benefits, you may not be aware of. Wilma Jefferson, the Seniors committee Chairperson will certainly get this information for you.

As residents, we should be aware of our most professional and well mannered Security force of Officers. Some of us have witnessed them handle certain situations with such professionalism that we feel more secure about our comings and goings.

We, the Seniors, want to accomplish great things in Ginger Ridge. Please Seniors, get involved! This is your community and it is a good one.

November 1997

SUN

MON

TUES

WED

THURS

FRI

SAT

RENT'S
DUE

1

Economic
Development
Meeting
1900 Wilson #8
7 PM

\$10 Late Fee

2

3

4

5

6

7

8

\$10 Late Fee
Economic
Development
Meeting
1900 Wilson #8
7 PM
Veteran's Day

9

10

11

12

13

14

15

Economic
Development
Meeting
1900 Wilson #8
7 PM

Senior's Meeting
1 PM
1900 Wilson #8

16

17

18

19

20

21

22

23

Economic
Development
Meeting
1900 Wilson #8
7 PM

Management
Office Closed
All Day

Management
Office Closed
All Day

30

24

25

26

Thanksgiving

27

28

29

GINGER RIDGE STAFF

Property Manager Thirlene Bronaugh
 Assistant Property Manager Allana Levy-Rogers
 Bookkeeper Michael Gozdecki
 Rental Agent Sandra James
 Relocation Specialists Elsie James, Cynthia White
 Construction Specialist Max O'Brien
 Maintenance Superintendent De'Shunn Dickson
 Janitor Supervisor Charity A. Jones
 Maintenance Mechanics Alpheus Burge, Aaron Hollins, George A. Lentz,
 Robert L. Spears, Edward Sullivan
 Janitor-Grounds Glander Clark, Gregory T. Scott,
 Carl Sutton, Tina M. Williams, Travis Calvillo
 Demolition Gardel (Lamont) Council



OFFICE PHONE
708 - 862 - 2882

Security Phone
24 Hours Daily
708-220-4801
Cable 862-4004



OFFICE HOURS

Mon-Fri 9 AM to 5 PM
 Sat-Sun CLOSED

November 7, 1997

Dear Neighbor:

SORRY WE MISSED YOU

*Are you excited about moving into your
new unit?*

*Just stopped by to ask you a few questions
about how you feel about the
Redevelopment of Ginger Ridge!*

*Please call us at 868-0991 and let us know
what date you will be available to view the
new unit and get information about your
living in our Mutual Housing Association.
Dates opened November 20, at 7pm or
November 24, at 7pm. Seating is limited.
Sincerely,*

*Rae C. McCray &
Simone Tanksley*



Ginger Ridge

Mutual Housing Association
1935 Wilson
Calumet City, Illinois 60409
708-868-0991
708-868-0994 Fax

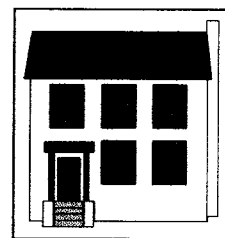
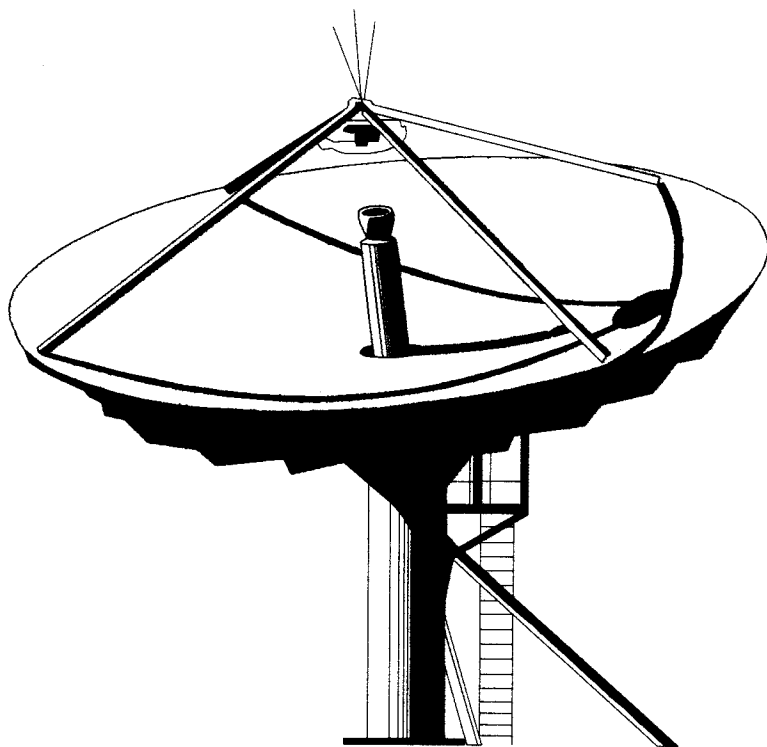
Ginger Ridge Mutual Housing Association

Request for Proposal

"CABLE CONSULTANT "

for

GINGER RIDGE MHA



Ginger Ridge

Mutual Housing Association
1935 Wilson
Calumet City, Illinois 60409
708-868-0991
708-868-0994 Fax

REQUEST FOR PROPOSAL

Requirement for Cable Consultant

Description of Property and Ownership

The Ginger Ridge Apartment Complex is comprised of 31 buildings housing 931 units set on 25.37 acres of land. Currently, 438 units are occupied. This property is located in Calumet City, Illinois, (a South Suburb of Chicago) and was also the largest HUD owned property in the country (until October 7, 1997).

The property is now owned and operated as a Mutual Housing Association, whereby policy is set by a Board of Directors. This Board is comprised of residents of Ginger Ridge, community leaders, and business people from the South Suburban community. The Board mandated that a Cable Consultant be hired to conduct a feasibility study and the Board will determine the recipient of the contract.

Proposed Rehabilitation

The main goals of the structural rehabilitation plan is to reduce the density of Ginger Ridge while enlarging each unit. Six (6) buildings will be demolished while the remaining twenty-five (25) buildings will be reconfigured. Renovated buildings will consist of larger units, as well as, 2 and 3 bedroom town homes. Additionally, there will be a newly constructed educational and recreational center to be known as, The Reverend Princeton McKinney Center. In this center, we are planning to house a technological department that will house state-of-the-art equipment with Internet capabilities.

It is estimated that construction will begin June, 1997 and will take approximately eighteen (18) months to complete. During construction, current residents will be temporarily relocated to on site vacant units while their permanent residences are completed.

Present Cable System

Ginger Ridge's current cable system has been owned and operated by one man for at least sixteen years. The company, Universal Cable, is located on site at 1854 Wilson. There are five (5) satellite dishes positioned in what will eventually become the front of the property (after redevelopment). Residents are now receiving thirty-three (33) channels: 12 VHF and UHF bands; 1 in-house channel; and 11 cable stations (including 2 premium channels, HBO and Showtime). The current cost to residents is \$18.00 per month.

Position Requirements

- ❖ Consultant will review proposals from Universal Cable and Continental Cable Companies.
- ❖ Explore other options, if any, and inform the Board of Directors of those options.
- ❖ Evaluate the existing cable system and make recommendations as to whether or not the current system needs to be upgraded.
- ❖ Determine if the satellite dishes need to be relocated from their present location, and what is the best location on site to receive the strongest quality signal with the least resistance.
- ❖ What is best: fiber optics versus fiber optics combined with coaxial.
- ❖ What equipment is required to accommodate each option considered with consideration of cost effectiveness without compromising quality.
- ❖ Price out cost to the ultimate user on a per unit basis for each option considered.
- ❖ Price the cost of establishing a direct purchase of cable by satellite and if this is a feasible option.
- ❖ Identify revenue possibilities and additional potential customers in the neighboring area.
- ❖ In addition, the Consultant must be willing to provide any additional information not expressed or implied by this “RFP” but may be required by FCC laws.

Memorandum

To: Rodney
From: Rae & Simone
Date: Monday, October 20, 1997
Subject: Cable Announcement
Telephone Repairs

Please delete the previous announcement and replace it with:

**PLEASE SUPPORT THE FISH FRY FUND RAISER
ON OCTOBER 24, 1997. ALL PROCEEDS GO TO THE
McKINNEY LEARNING CENTER FOR THE BENEFIT OF
OUR CHILDREN. FOR MORE INFORMATION PLEASE
CALL THE GRMHA OFFICE AT 868-0991.**

Also, we would like to know when you can begin repairing the telephone system. Cindy accepted your price quote and is prepared to draft a check. Please let us know when you can begin. Cindy wants a quote for a Network System (installed).

As always, THANKS!

October 7, 1997

To: Rodney/Universal Cable

From: GRMHA Staff

We would greatly appreciate your airing the following message until further notice (please delete the previous message):

COMING SOON...

THE GRMHA IS PLANNING

PRIVATE SHOWINGS OF THE NEW

APARTMENTS AND INFORMATION SESSIONS.

FOR MORE INFORMATION, CONTACT RAE OR SIMONE

at 868-0991 between 11 A.M. AND 7 P.M.

As always...we thank you.

Rae + Simone



Neighborhood Reinvestment Corporation

607 Boylston Street, 5th Floor
Boston, MA 02116

Tel: 617-450-0430
Fax: 617-450-0427

Rae McCray
Ginger Ridge MHA
1935 Wilson
Apt. 19
Calumet City, IL 60409



September 10, 1997

Dear Rae,

It was a pleasure to talk with you over the phone last week. I am enclosing one copy of the MHA Resident Training and Organizing Guide. If you want more copies, please let me know. The cost of the guide is \$25. A check can be made out to Neighborhood Reinvestment and sent to the address above to my attention.

I am also sending you an outline of some of the handouts and materials I have on organizing and leadership development. If you want a copy of any of these, you can circle the ones you are interested in and fax it back to me.

Good luck with your work and I'll look forward to speaking with you again.

Sincerely,

A handwritten signature in cursive script that reads "Diane Gordon".

Diane Gordon

Board of Directors

Eugene A. Ludwig, *Chairman*
Comptroller of the Currency

Shirlee P. Bowné, *Vice Chairman*
Vice Chairman, National Credit
Union Administration

Andrew Cuomo
Secretary of Housing and Urban Development

Andrew C. Hove, Jr.
Vice Chairman, Federal Deposit
Insurance Corporation

Laurence H. Meyer
Member, Board of Governors of the
Federal Reserve System

Nicholas P. Retsinas
Director, Office of Thrift Supervision
and Assistant Secretary for Housing/
Federal Housing Commissioner,
Department of Housing and
Urban Development

GINGER RIDGE

Marketing Proposal



American Marketing Services, Inc.
527 South Wells, Suite 400
Chicago, Illinois 60607

August 25, 1997

Summary of Corporate Credentials

- ◆ American Marketing is a **full service marketing corporation** which specializes in housing and community development.
- ◆ Senior staff have more than 20 years experience in designing strategic marketing campaigns for housing clients.
- ◆ AMS has created award-winning marketing programs and advertising campaigns with recognition from Institute of Real Estate Management (IREM) and Illinois Home Builders Association.
- ◆ Clients include top real estate companies in Chicagoland such as Habitat Company, Draper and Kramer, Jos. Cacciatore & Co., Rezmar, Mesirow Stein, and Chicago Dock and Canal Trust.
- ◆ AMS provides ongoing marketing consulting services to the City's Department of Housing (DOH), the Chicago Housing Authority (CHA), and the Illinois Housing Development Authority (IHDA).

**Mixed Income Housing/
Diversity Programs**

- ◆ Recent assignments in marketing mixed income rental communities include Villages of Westhaven (CHA), New Village at Washington Park (DOH), Park Apartments (IHDA), and Kimmelbrook Apartments (Youngstown Metropolitan Housing Authority, Youngstown, Ohio)
- ◆ Camelot Apartments in Joliet. Remarketing of a troubled development; new ad campaign, public relations, sales office, model and leasing staff.
- ◆ AMS's marketing and diversity program for Village of Matteson was featured in the New York Times and Tom Brokaw's NBC Dateline.
- ◆ Supervised the marketing program for Polk Street Station (Chicago) and the Carson Building (Quincy, Illinois). Both developments were historic rehabs and won mixed income populations successfully.

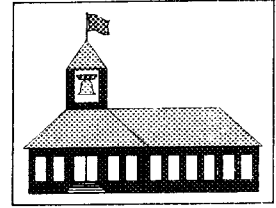
**AMS Marketing Service
for
Ginger Ridge**

- ◆ Provide experienced senior staff to direct the program (marketed over 4,500 units in last five years).
- ◆ Full service marketing from market research through creation of comprehensive marketing plan.
- ◆ AMS can provide all elements of the Ginger Ridge marketing communications program:
 - ◆ Model/sales office display
 - ◆ Signs and banner
 - ◆ Collateral materials brochure/floor plans/stationery
 - ◆ Media planning, advertising campaign
 - ◆ Direct mail
 - ◆ Public relations
 - ◆ Give aways
 - ◆ Staff training for mixed income
 - ◆ Shoppers report

June 5, 1997

Committee Reports

McKinney Center Committee



Members Presents: Marie Miles
Martha March
Marshall McCray
Tina M. Williams
James Rhodes
Pastor Burnside
Ruby Baggett
Diane Crawford (Consultant)
Carole G. Hall (Staff)
Rae C. McCray (Staff)
Cindy Holler (NCCDC)
Bill Goldsmith (NCCDC)

The committee met **May 7, 1997** to discuss the following issues:

- ☐ Friends of The Princeton H. McKinney Center
- ☐ Date for the next meeting.

Pastor Burnside opened the meeting at 5:12 p.m. with a prayer. Carole G. Hall was asked to explain, in detail, what the "Friends of the McKinney Center" is. She explained that approximately 18 months ago; she was exploring the idea of a committee that would work with the development of the McKinney Center. She also explained, "Funding sources have become scarce and we should consider building relationships to promote continued funding sources for the future".

Diann Crawford suggested that we comprise a list of "Hot Prospects". Those corporations/agencies who would be sensitive to the needs of the residents and the concept of The Center. Next Meeting date was scheduled for March 20, 1997, at 6:00pm.

After a long discussion; Marie Miles stated that, "We, the Committee, agree to the principles of the concept of the "Friends of the McKinney Center" Committee, and the McKinney Center Committee will oversee the operations of "The Friends". All agreed, since "The Friends" has yet to be established.

Bill Goldsmith and Cindy Holler joined our meeting at 6:00pm. Marie then asked Cindy to explain the concept of "The Friends" from her perspective. Simply stated; Cindy's concept was a group of powerful people to give funds for the programs.

Ruby Baggett had to leave a 6:25p.m.

The questions the Committee needed to consider are: (1) How much money do we need? (2) Money for bricks and mortar (Capital) for programs.

Ginger Ridge

Mutual Housing

Association

1935 Wilson

Columet City, Ind.

60409

708-868-0991

708-868-0994 Fax

Bill Goldsmith said, "We all agree that we need *friends* (*vis a vie*) for The McKinney Center...so who do we want to invite and impress?"

This led to the idea of a big party to do a show and dance at the Groundbreaking Ceremony for GR. James Rhodes said there are some people who attend his church that might be helpful; but the Committee must make a determination of what we need and how these people can help us.

Bill presented a brief history of how the concept of The McKinney Center came about. He also asked if we understood the relationship between the committee and staff. He asked who would be accountable? When he and Cindy are questioned, with regard to the actions of the Committee, who are they to direct them to? Tina Williams, Chairperson, said direct them to her. Diann, Cindy and Bill wanted to know, who would be empowered to act on behalf of the full committee when situations arose that needed to be handled prior to our regular monthly meeting?

Marie Miles moved that for those outside of The Princeton H. McKinney Center Committee: they may be directed to Tina M. Williams, the Chairperson; Diann Crawford, the Consultant; and Rae C. McCray, Staff, because they have been empowered to act on behalf of the full committee when situations deemed it necessary. Second and unanimous vote.

Next meeting date was set for June 4, 1997 at 5:30pm



A Subsidiary of
Community Action
Services, Inc.

450 West Taft Drive
South Holland, IL 60473

Phone: 708/596-0894
Fax: 708/596-0314

**Positive Partnerships
Advisory Board**

Debra T. Friedlein
Pamela S. Gecan
Richard J. Kress
Denise Presley
Elaine Walker
David Whittaker

Diann Crawford
Executive Director

**Community Action Services
Board of Directors**

Rev. Claude Porter, Chairman
Clarence J. Crooks, Esq.
Dr. Robert B. Donaldson, II
Phillip D. Peters
Rev. James Springfield
Alberta Steele
Elaine Walker

Michael D. Perry
Executive Director

June 2, 1997

Ms. Sandra Van
Head Start Director
CEDA
244 North Des Plaines
Chicago, IL 60606

Dear Sandra,

Enclosed is the architectural drawing for the Ginger Ridge McKinney Center. Finally we have a drawing that includes the Head Start area. While I know the drawing is small and is probably hard to read, it includes the following:

- Two 800sq ft classrooms, each equipped with a sink;
- One restroom with four toilets, one of which is handicapped accessible;
- One office that is 250 sq ft.

Is this acceptable?

On Friday, New Cities staff and I met with the architects to go over the proposed Head Start space and total project budget. At this point the McKinney Center is approximately \$40,000 over budget. In an attempt to balance expenses and revenue we:

- (1) Removed approximately 400 sq ft of non essential space;
- (2) Made a decision to use some lower cost materials in construction;
- (3) Raised the question regarding whether or not CEDA could assist with some build out costs.

Can CEDA help pay for the fire sprinkler and construction items required for child care licensing? These costs are estimated to be \$20,000. It would be extremely helpful if you could include these costs in your supplemental request. Please let me know ASAP.

Lastly, I previously faxed a copy of a Memorandum of Understanding which was intended to quell the fears that each of us face about proceeding without a contract. Please review and comment on the Memorandum. Any questions or concerns? I will set up a meeting in the few weeks so that you and the leadership of New Cities and Ginger Ridge have a chance to meet and sign that document.

Thanks.

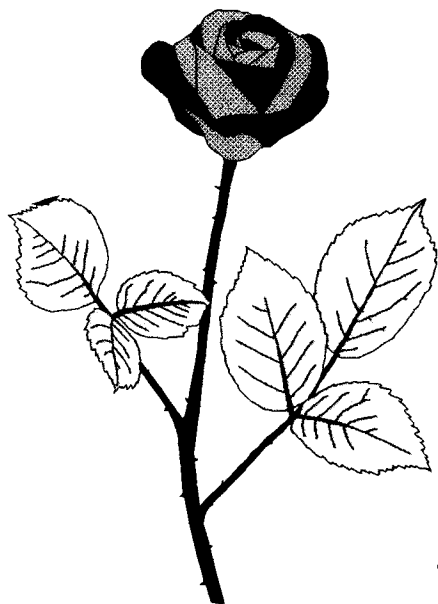
Sincerely,

A handwritten signature in cursive script that reads "Diann Crawford".

Diann Crawford

cc: Cindy Holler, New Cities

cc:



Especially For You!

Seniors Only Reception

You Choose the Date & the Time **Second Seniors Reception**

Date: May 20, 1997

Time: 4:30 to 6:00 (It will still be daylight)

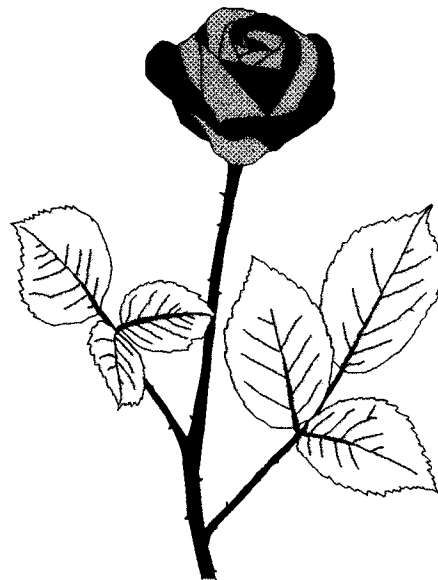
Place: 1900 Wilson (The community room across from the rental office)

Come out and bring your friends who are
Seniors

Food Will Be Served

Seniors Only!

60 Years and Older



Ginger Ridge Mutual Housing Association

DATE: May 23, 1997

TO: RODNEY, The Cable Guy

FROM: GRMHA Staff

RE: NOTICE TO BE PLACED ON CHANNEL 17

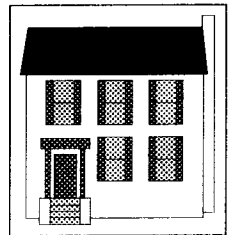
New People are going to be moving into Ginger Ridge and you have an opportunity to interview them before they become your neighbor. Come join the Screening Committee.

Date: May 29, 1997

Time: 6:00 p.m.

Location: 1935 Wilson Apartment # 20

Contact our office at (708) 868-0991 for additional information.



Ginger Ridge

Mutual Housing Association
1935 Wilson
Calumet City, Illinois 60409
708-868-0991
708-868-0994 Fax

**RESIDENT SURVEY
GINGER RIDGE APARTMENTS**

Name _____ Age: _____

How many people reside in your apartment? _____

Number of Adults: _____

Number of children: _____

Identify Ages of Each:

Child #1: _____

Child #2: _____

Child #3: _____

Child #4: _____

When thinking of the types of services or programs which could be available in the Ginger Ridge McKinney Center, please answer the following questions as they relate to your and your family.

1. Do you feel that residents of Ginger Ridge would like to have (or would benefit from) some type of supportive services on the property? Yes _____ No _____

2. Programs in the McKinney Center should be targeted to which of the following groups?
Children (including teens) _____
Adult Residents _____
Entire Family _____

3. How can we best help teenagers at Ginger Ridge enter adulthood as responsible and productive citizens? (May check more than one.)
Mentoring (role model) program _____
Big Brother/Big Sister program _____
Tutoring/ After-school help _____
Girl Scout/ Boy Scout troops _____
On the job training program _____
Counseling _____
Field trips; i.e., exposure to cultural events _____

4. Should we offer family field trips. Examples: Brookfield Zoo, Museum of Science and Industry, the Pumpkin Patch, etc.? Yes _____ No _____

Would you be willing to share in the cost of these field trips? Yes _____ No _____

5. Would it be useful to have someone available to refer residents to job training, parks and rec programs, counseling, senior services or other resources which exist in the community? Yes _____ No _____

6. Would you use a day care or after-school child care service in the McKinney Center, if it were available? Yes _____ No _____

If yes, would you be willing to pay a small fee for this service?

Yes _____ No _____

7. Do you think residents would use a Computer Learning Center if it were equipped with educational and job training software? Yes _____ No _____

Should this Computer Learning Center primarily be for adults, teens, or children?

Adults _____ Teens _____ Children _____ All Ages _____

8. How can we be of service to senior residents?

Offer activities/ get-togethers in the Center	_____
Provide resource information about senior services	_____
Arrange field trips and outings	_____
Provide opportunities for seniors to volunteer	_____
Offer transportation to senior programs in community	_____
Provide errand service (pharmacy, grocery, etc.)	_____
Offer fitness classes	_____
Wellness programs (Example: flu shots)	_____

9. Do you and/or family members participate in programs at Sand Ridge Recreation Center? Yes _____ No _____

If no, why not? _____

10. What types of recreational activities would you like to see offered on the grounds or in the McKinney Center? Check from the list below:

Outside Basketball court	_____
Playground	_____
Adult fitness classes	_____
Walking trail	_____
Organized leagues (Ex.: bowling, volleyball)	_____
Park area and green space	_____
Other: (specify)	_____

11. Here is a list of other ideas mentioned for the McKinney Center. Check those in which you have an interest.

Lending Library	_____
Counseling	_____
Parent Training Classes	_____
Job Training	_____
Employment Counseling	_____
Job Postings	_____
Food pantry	_____
Alcoholics Anonymous Meetings	_____
Weight Watchers Meetings	_____
Holiday gatherings	_____
Welcome Wagon	_____

12. If the McKinney Center had a Community Room, do you think you would use it for large gatherings such as birthday parties, reunions, etc.? Yes _____ No _____

What would it need to meet your needs? Check from the following list.

Enough room for 15-25 people	_____
Enough room for 25-50 people	_____
Kitchen	_____
Bathroom	_____
Attractive decor	_____
Affordable price	_____
Easy chairs or casual furniture	_____
Banquet furniture (tables/chairs)	_____
Clean up service	_____

What would you consider an affordable price for a 4-hour rental? _____

07-14-1997 01:55PM P.02

REV. PRINCETON H. MCKINNEY LEARNING CENTER



From the very first conversation about Ginger Ridge, the dream of Rev. McKinney and many insightful residents of Ginger Ridge was to have a community building where residents could find assistance and support. As plans were implemented to acquire and renovate the property, the Rev. Princeton H. McKinney Learning Center has remained at the forefront of every conversation.

Residents have had an active voice in determining all aspects of the building design and programming. They wanted the McKinney Center to offer affordable, safe, stimulating child care; challenging recreational and educational activities; state of the art computers with educational software and games; a wide range of sports and recreational events; and varied opportunities for residents of all ages to learn, play, and help each other.

The McKinney Center committee has worked hard to make the dream a reality. Programs planned for the Rev. Princeton H. McKinney Center at Ginger Ridge are numerous and varied. To date they have accomplished the following:

- ▶ **Approved a floor plan** and raised funds to build a facility which provides more than _____ sq ft of usable space for many activities.
- ▶ **Head Start pre-school program to be open in the spring.** A Head Start program, operated and administered by the Community and Economic Development Association (CEDA), will offer both full day and half day care for children ages 3-5 years old. This program will offer educational and learning experiences for children, as well as opportunities for parent involvement.
- ▶ **After School Program to open in the fall of 1998.** CEDA will also provide licensed after school care for children 8-14 years from 3:00 p.m. to 5:30 p.m. This program will provide homework help, recreation activities, field trips, and computer lab experience.
- ▶ **Program staff will plan and implement a wide and varied range of programs.** Grant funds have been committed to hire a Coordinator who will:
 - (1) Plan field trips;
 - (2) Organize basketball, volleyball, arts/ crafts and other recreation programs;
 - (3) Schedule community groups to provide parent training, health fairs, college and job fairs, etc.;
 - (4) Prepare a newsletter listing monthly activities and educational information;
 - (5) Open the facility as a warming/cooling center during extreme weather;
 - (6) Recruit and train resident volunteers to work in all programs
 - (7) Provide information and referral to community resources.
 - (8) Coordinate a Resident Advisory Committee which will make policy and operational decisions.

The Rev. Princeton H. McKinney Learning Center at Ginger Ridge is dynamic, pro-active, and responsive to residents' needs. The MHA is proud and excited to be able to offer these services.

WATCH FOR CENTER OPENING, SPRING 1998



Especially For You

Seniors Only Reception

You lived your life serving others now come and let us
serve you.

On Monday, April 14, 1997 at 4 o'clock PM, there will be
a very special reception just for you.

Come Eat a little Chicken, have some cake and ice cream,
drink some punch and talk to us.

Everything is free.

We need to hear how you feel about what is going on in
Ginger Ridge.

What you think is important to us.

Hosted by Ms. Martha March of 495
Sponsored by the Ginger Ridge Mutual Housing
Association

Date: April 14, 1997

Time: 4pm until 5:30pm (It will still be daylight)

Place: 1900 Wilson (the community room across the
from the rental office)

Seniors Only!
60 years and older

Ginger Ridge Mutual Housing Association

DATE: **March 19, 1997**

TO: **RODNEY, The Cable Guy**

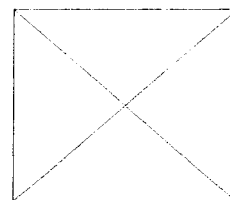
FROM: **GRMHA Staff**

RE: **NOTICE TO BE PLACED ON CHANNEL 17**

Ginger Ridge Mutual Housing Association has employment opportunities in all areas of construction.

If you are a current or former Trade Union Member, we want to make you an offer...A JOB OFFER.

Contact our office at (708) 868-0991 to apply.



Ginger Ridge

Mutual Housing Association
1935 Wilson
Calumet City, Illinois 60409
708-868-0991
708-868-0994 Fax

GINGER RIDGE MUTUAL HOUSING ASSOCIATION

Are you a card carrying member of a construction trade ? If you are...we want to make you an offer you can't refuse!

Linn-Mathes Inc., Riteway Construction and GRMHA have agreed to provide Ginger Ridge residents employment opportunities in construction and related trades (i.e. electricians, iron workers, laborers, etc.). Union membership or prior union membership is required.

If you are eligible, please contact our office at (708) 868-0991 to apply.

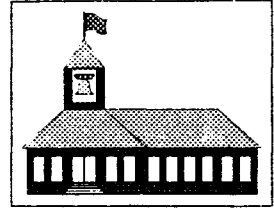
Ginger Ridge Mutual Housing Association is dedicated to the principle of minority inclusion during our rehabilitation process.

GRMHA Staff are: Carol Hall, Rae McCray and Simone Tanksley.

February 5, 1997

Committee Reports **Mckinney Center Committee**

Members Presents: Marie Miles
Martha March
Marshall McCray
Leon Bagget
Diane Crawford (Consultant)
Rae C. McCray (Staff)



The committee met on **January 22, 1997** along with Diane Crawford to discuss the following:

- ☐ Review of Positive Partnerships contract
- ☐ Overview of work completed October-December 1996
- ☐ Resident recommendations for the Center
- ☐ Affirm areas for program concentration
 - Preschool Care space
 - After-School Care space
 - Technology Center (Computer Learning Center) space
- ☐ Prioritize Child Care concentration

Members of the committee were unclear as to what Diane was contracted to do and consequently why were we paying her. We walked through the timeline portion of her contract and compared what tasks she has completed versus what she said she would complete. Next we discussed what residents wanted in the Center.

Two of the issues were offices in the Center and the laundry room. Marshall did not want any space dedicated to the above. Other members did not seem to mind office space; but the committee was unanimous with regard to the laundry room facility. "No laundry room in the Center."

The consensus: Affirmed space dedicated for the areas mentioned above including a basketball court preferably indoors but an outdoor court with a fence would be acceptabl. Marie expressed concerns and voiced a court was not a high priority of hers. Diane asked the committee, based on the demographics of Ginger Ridge's youth population, if we had to choose between Day care or After School Care which would it be. The committee choose to postpone Day Care for now, because there are more after school age children than preschool age children at G.R. However, they made it very clear: This information was to be used only as a last resort, this was not their ideal preference.

Ginger Ridge
Mutual Housing
Association
1935 Wilson
Cahmet City, Illinois
60409
708-868-0991
708-868-0994 Fax

These recommendations were presented to the architect the following day and after much deliberation, do to the rigid codes that must be meet to have Day Care - especially since the Center is to be use for a four fold purpose, architects were asked to design a Center without a Day Care facility. The architect presented us a design with a full indoor basketball court to be used also as a multipurpose room, offices laundry room, small computer room and small space dedicated for a room but not necessarily an After-school program class room using a prefab construction. This information was presented to the committee on January 30, 1997.

January 30, 1997

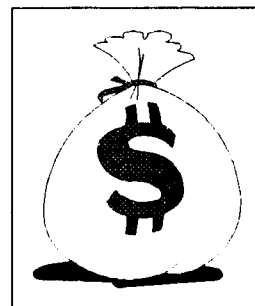
Members Present:	Marie Miles
	Martha March
	Marshall McCray
	Leon Bagget
	Ruby Bagget
	Darryl Rouson
	Tina Marie Greer
	Reubin Smith(resigned)
	Pastor Burnside
	Cindy Holler(Staff)
	Carole G. Hall (Staff)
	Rae C. McCray (Staff)

After much deliberation the committee decided that they wanted a half basketball court using the other half of the space for a multipurpose play area; 800sf for an After-school room; 400sf for a computer center; 5 offices, but no laundry room. Cindy explained that we had to have a laundry room because HUD money can only be used for housing and without the facility their could be some questions. The Committee gave in but still did not agree. We are scheduled to meet again in two weeks but no date was set.

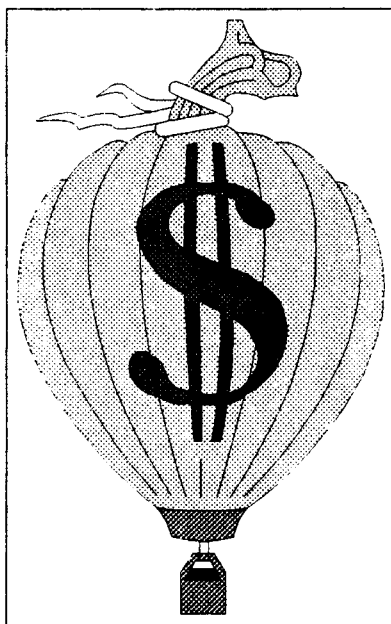
The architects are working on a design based on our budget, and incorporating all of the above as specified.

Finance Committee (Jan. 30, 1997)

Members Present: Marshall McCray
Darryl Rouson
Reubin Smith
Pastor Burnside
Cindy Holler, Staff
Rae C. McCray



Cindy Holler explained the financing structure covering all aspects of how G.R. is and will continue to be finance. Then Darryl brought his concern about the insurance issue before the committee. After must discussion the committee voted 2:1 to bring the following recommendation back to the board. Reubin moved that the recommendation be: "Go with Colonial for a year and if they don't work out, put contract out for bid. Darryl second. Cindy interjected that the contract must be an "apples to apples" deal and less expensive including the penalties. Darryl moved the previous motion be amended to include the latter and Rubin second. Pastor Burnside reiterated that this was only a recommendation and the Board had the final say as to whether they accept this recommendation or reject it. Marshall McCray stood firm on her belief that the present insurance contract be maintained since it would terminate near the end of this year, and that the insurance contract should be "bided out just like we do ever thing else."



GINGER RIDGE: A LIMITED-ACCESS COMMUNITY

The Ginger Ridge Mutual Housing Association in its attempt to “remake” Ginger Ridge has taken serious steps to design a complex which:

- Promotes Safety and Security
- Is sensitive to the needs of residents and surrounding businesses
- Creates a very aesthetically appealing environment
- While limiting access to promote safety and security, allows for intergration into the surrounding area.

The next several pages describe the fencing, security and gating plan for Ginger Ridge in picture format. It is important to understand that the Ginger Ridge Mutual Housing Association’s plan is much like efforts to create cul-de-sacs in Calumet City - a proposition for which there is much precedent.

FENCING PLAN

There are three types of fencing which will be utilized at Ginger Ridge which are described pictorially on the following pages. As proposed, a wrought iron fence/gate will be utilized at the entrances and exits to Ginger Ridge at Wilson and Merrill, Wilson and Memorial, Wilson and Jeffrey, and Clyde just south of Sibley (past the bank entrance). A chain link fence covered by various planting will be utilized at the back of the complex. (See the fencing elevation attached and the map with a legend on where such fencing will be utilized). It is important to note that the entire complex will not be fenced in - allowing for people to walk on to the complex around the main entrances or off major thoroughfares from Sibley Blvd. These are areas in which it was determined that it will be easy for management to monitor activity from the outside. However, automobile access will be limited in this plan

LIMITED-ACCESS PLAN

The Ginger Ridge Mutual Housing Association is proposing to limit access to the complex and to create a way to manage better who drives through the complex. Currently a great deal of activity occurs in the complex which can not be monitored either by the management or the exiting security force because of the openness of the site plan. Through the use of fencing and gates, the Ginger Ridge Mutual Housing Association proposes to be better able to monitor activity and manage and secure the complex. The colored map best describes this plan.

The Ginger Ridge Mutual Housing Association is proposing to construct a main gated entrance for entry and exits at Wilson and Merrill with a guard house which will have a 24-hour security guard. All non-resident visitors to the complex will have to pass by this gate and check in with the security guard in order to drive through the complex. It is important to note that non-visitors may drive through the complex after registering with the security guard at any time. The Ginger Ridge Mutual Housing Association is not proposing a dedication of any streets for use only by residents. Any member of the public may use the streets as long as they enter at the main gate and register their presence.

Another gate which will allow for entrance and exit by residents of the complex will be constructed on Clyde Ave., south of the Bank parking lot. Entrance and exits here will occur through an automatic card key system. This will allow for the use of the light at Sibley and Clyde by residents. An Exit gate for residents with a card key is proposed for Memorial Drive and Merrill and a Fire-Department only gate at Wilson and Jeffrey is proposed.

This proposed plan simply allows for the complete monitoring of automobile access at the complex and allows for an effective methodology for the Ginger Ridge Mutual Housing Association to manage safety and security at the complex.

LAW OFFICES

Stinespring, Lambert & Associates

An Association of Sole Proprietorships and Professional Corporations

2602 FLOSSMOOR ROAD
FLOSSMOOR, ILLINOIS 60422
708/799-0190
FAX # 708/799-7313

JERRY L. LAMBERT*
CONNIE J. LAMBERT
HARRY STINESPRING & ASSOC., P.C.
JOHN W. PLETA

* ALSO ADMITTED TO
PRACTICE IN FLORIDA
AND DISTRICT OF COLUMBIA

March 31, 1997

77 WEST WASHINGTON STREET
SUITE 1801
CHICAGO, IL 60602

3406 WEST ELM ST.
McHENRY, IL 60050

OF COUNSEL
JOHN J. JAWOR
MICHAEL E. LAVELLE
WARREN LUPEL
LOUIS HILFMAN
(HILFMAN & FOGEL, P.C.)
FRANK A. HAUENSCHILD

PLEASE REFER TO
FILE NO. 97-142

BY FAX

Ms. Cindy Holler
New Cities
1633 South Halsted
Harvey, IL 60426

Dear Cindy:

The City Council agreed to have their special meeting on April 15th at 6:30 p.m. in City Council chambers. The purpose of the meeting is to give the City Council a chance to ask questions without comment from any public forum. It is in reality their chance to get down to the facts of who is doing what to whom and when.

The Council is especially interested in knowing the direct relationships of the parties and I would strongly recommend that my suggestion to you that you prepare a packet for the Mayor and each of the Council members, as well as one for this office, including how the project came about, how it is funded, who is responsible for the maintenance of the project and, in general, create an organizational chart to be placed in each of the packets so that the Council clearly understands who will be in charge and to whom they should go if they don't like something that is happening at Ginger Ridge.

It is my belief that unless this is done in this fashion, the "communication" that the City Council wishes to have before them will be less than effective. They will particularly want to know about the fencing and the impact on streets since it is unclear whether public streets can be blocked off or fenced in by a private developer. I have had discussions with other municipal home rule unit attorneys as recently as a week ago where this very issue is in fact in contention. I am waiting for certain

LAW OFFICES

Stinespring, Lambert & Associates

Ms. Cindy Holler

March 31, 1997

Page Two

information from a community that has adopted this process, but they have not closed off the street and do not deny admission to anyone who wishes to drive through, although there is a gate located on the premises that has a 24-hour security person present. As I understand it, there would be no security person at any of your gates and this makes it more difficult to legally close off any public streets by fencing, etc. since there could be no police enforcement (at least this is my opinion preliminarily) which would deny access to any gated area where a public thoroughfare is requested.

Of course, if the streets were to be vacated and the developer accepted full responsibility for maintenance for the infrastructure, including sewers and lines underneath the streets, as well as the paving, maintenance, etc., there is a possibility that this could take place. However, any vacation of a street would have to go through the Zoning Board of Appeals, etc. and the vacation would have to be certified by the City Engineer indicating that there is no longer any need for that portion of the vacated street and/or alley.

You should also be prepared to discuss in particular your needs as it relates to the waiver of City fees, such as zoning, inspection, etc. As I understand it, you have had discussions with Dan Smits, who has indicated that the fees could be in excess of \$100,000 with a basic cost figure of nearly \$40,000. It is my recollection that you desire to have the City waive fees to the point where it is operating on a cost basis. Since it is very difficult for Director Smits to estimate such fees without detailed plans, I would strongly suggest that you may want to have a set of plans as detailed as you could make them and that they be given to him in advance so that he is aware as much as possible prior to the meeting on the 15th. I'm sure the City Council will look to Dan Smits for a bare bones recommendation which clearly indicates that the City will not be "out-of-pocket" on this project.

I received from Ed Antonietti's office a copy of documents entitled Ginger Ridge/New Cities, which included the executed Contract of Sale of the property from HUD, the Upfront Grant Agreement, the Bill of Sale and Assignment, and the Deed. Relative to the contract, I note that the purchase price includes a requirement that New Cities Community Development Corporation, an Illinois not-for-profit corporation, must deposit \$95,268 annually into a reserve for replacement account "payable on the basis commencing the first day of the first month following closing in an amount of \$7,939 per month and this shall be done each and every month for a period 40 years from the date of the deed." I was wondering whether or not the closing has taken place and whether such deposits have been made.

LAW OFFICES

Stinespring, Lambert & Associates

Ms. Cindy Holler

March 31, 1997

Page Three

I also note there were 13 riders to the contract which will be of interest to the City Council, namely (1) Enforcement; (2) Tenant-Based Section 8 Assistance; (3) Affordability of Units; (4) Equity Participation; (5) Lead-Based Paint Hazards; (6) Rental or Cooperative Use; (7) Rehabilitation and Relocation; (8) Compliance with Gautreaux Decree (I do not have a copy of that decree and would appreciate one at your earliest convenience); (9) Post-Closing Repair Requirements; (10) Upfront Grant Agreement; (11) Asbestos Inspection & Mitigation; and (12) Rescinding the Sale.

I would appreciate a copy of your New Cities Community Development Corporation charter and a certification that the corporation is in good standing with the Secretary of State. That may be obtained fairly quickly from the Secretary of State's office.

Relative to the Purchase Contract, I note in Rider #1 that HUD reserved the right "(a) to institute legal action to enforce performance and observance of these covenants, (b) to enjoin any acts which are violative of the covenants; and (c) exercise any other legal or equitable right of remedy." In addition, the Section 8 assistance provisions, according to the deed, "shall be enforceable by any tenant or applicant eligible for assistance under the Section 8 program." As you may know, the City Housing Department has its own Section 8 certification and to the extent that this provision may not be in compliance with the City's Section 8 certification authority, we will have to talk about that prior to the 15th.

I note on Rider #2 the deed requires ostensibly by virtually of Section 204 of the Housing & Community Development Amendments of 1978, 12 U.S.C. §1701z-12 that New Cities agrees "that it will not refuse unreasonably to lease a dwelling unit offered for rent, refuse to offer or sell cooperative stock or otherwise discriminate in the terms of tenancy or cooperative purchase and sale because any tenant or Grantee is the holder" of a Section 8 certificate. I would suggest that you be able to answer questions about this particular provision since I know the City Council, as do most of the south suburbs, believe that they have been unfairly determined to be an appropriate location for Section 8 housing as opposed, shall we say, to Kenilworth, Glen Ellyn and other north and northwest suburbs. I note that according to the deed and covenants related thereto, 276 units are not subject to a project-based Section 8 contract and I am wondering whether or not that is in conflict with the covenant to which these provisions may apply.

LAW OFFICES

Stinespring, Lambert & Associates

Ms. Cindy Holler
March 31, 1997
Page Four

The provisions of Rider #3, paragraphs 2(a) and (b) should be clearly explained to the City Council during your presentation. If the closing has taken place, I was wondering whether or not you have prepared the affordable unit waiting list required in paragraph 4 of Rider #3.

Relative to Rider #4, paragraph (3), it appears that HUD has a right to examine your books at any time apparently for the next 40 years. Is this a correct interpretation?

Relative to any transfer of units pursuant to Rider #4, paragraph (4), which grants the right of New Cities to sell units to individuals and families for home ownership purposes, please be advised that the City would require you to notify all potential sellers and buyers that the City has a point-of-sale inspection which requires an inspection of each and every unit sold within the City of Calumet City and that the buyer and the seller have legal obligations pursuant to that inspection, including, but not limited to, the payment of a transfer tax of \$8.00 per thousand payable one-half by the seller and one-half by the buyer. Upon any change of ownership, if the point-of-sale inspection indicates a lack of compliance with the Codes of the City of Calumet City, they will be brought up to Code prior to closing or, if approved by the Department of Inspectional Services, within 120 days of the closing. This, of course, must be incorporated into any approval by the City Council which overall will simply state that New Cities and all other persons involved with Ginger Ridge will have the obligation to ensure that the City's zoning and building codes are complied with for the length of the project and thereafter to the extent that these individuals can make such a representation.

Relative to Rider #6, paragraph (1), I would like some interpretation by your counsel that there is no conflict between a requirement that "the property will be maintained as rental or cooperative housing for a period of 40 years after the date of this deed" etc. and the earlier stated provision in Rider #4, paragraph (4) that the units may be sold. If it is the interpretation of your counsel that "cooperative housing" and "units sold" to home-owners are not in conflict, I would appreciate having such an opinion. In addition to the interpretation of paragraph (1), I would like some indication that paragraph (2) of Rider #6 also is not in conflict with the stated intention of paragraph (4) of Rider #4 to allow sales and whether or not each and every sale would require the approval of HUD. The same applies to paragraphs (3) and (4). This entire rider needs to be cross-checked for potential conflicts with other provisions of the agreement.

LAW OFFICES

Stinespring, Lambert & Associates

Ms. Cindy Holler

March 31, 1997

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Relative to Rider #7, if relocation is necessary, where does New Cities intend to relocate residents of Ginger Ridge during the required rehabilitation? Rider #7, paragraph (5), provides a rent limitation which seems to be inconsistent with your intention to rehabilitate and increase rents. I would appreciate if you or your counsel would examine that and check for possible conflicts. Paragraph (6) of the Rider, as do most of the riders, provides for an absolute right and taking by HUD, i.e., the right to re-enter and terminate the estate which was approved by the Grantee, namely New Cities, in this contract. It appears that HUD has its tentacles pretty well wrapped around New Cities in this contract and, as I indicated in our meeting, the City would want some assurance that it is not going to have another HUD project on its hands in ten years. This concern is extensive on the part of the City Council and the Mayor and I would be prepared to address this issue at the meeting of the 15th.

The Post-Closing Repair Requirements and the bonds related thereto do not seem to have anything to do with assurances that New Cities, a not-for-profit corporation, will be in a position to financially ensure all of the covenants in the various riders discussed herein. I would appreciate you being able to discuss financial viability of New Cities to meet all the requirements of the contract they signed.

I note in Rider #10 there is discussion of an Upfront Grant Agreement which was attached to the information from Ed Antonietti in Item 2. Moving to the Upfront Grant Agreement dated October 4, 1996, in Article I, paragraph A sets out the expenditures that will be engaged from the \$17,658,750.00 grant from HUD. It would be appropriate if you were able to discuss whether or not these funds will be adequate and where other funds are coming from relative to the rehabilitation, etc. I would also be interested in learning who will be the "construction manager" and ask whether or not that person will be familiar with code requirements of the City of Calumet City and be fully advised that he or she must cooperate with our Department of Inspectional Services. The same concern would be relative to the general contractor.

I note in paragraph F of Article II of the Upfront Grant Agreement, a "HUD Inspector" shall review New Cities' monthly draw requests and inspect the repairs that are in progress. Please be advised that whether or not the HUD Inspector agrees with the work in progress has been completed appropriately, the work in progress will have to comply with the City of Calumet City's Department of Inspectional Services' requirements, including building code ordinances. The architect, the

LAW OFFICES

Stinespring, Lambert & Associates

Ms. Cindy Holler
March 31, 1997
Page Six

inspector, the general contractor and construction manager should be made aware of this requirement in writing with a copy to this office.

If there are to be mortgage documents, this office would appreciate reviewing same to ascertain and be certain that none of the mortgage documents diminish the interests of the City as a quasi-party to this worthwhile project. Since New Cities will also be a mortgage-holder, along with the Illinois Housing Development Authority, we would be interested in assuring that subparagraph 2 of the mortgage requirement under Article III - Permitted Financing is clearly indicated in all HUD documents, i.e., that HUD have a junior lien subordinate to the terms and provisions of any lien or security interest granted by New Cities in connection with mortgage loans.

Relative to paragraph C of Article III, has it been determined that the non-HUD grants, i.e., from Cook County and the Federal Home Loan Bank, are loans or grants?

Since Article III, paragraph E, has a deadline of March 31, 1997 to secure permitted financing, the City would be interested in learning whether or not such financing has been obtained and approved by HUD.

Relative to Article VI of the Upfront Grant Agreement, particularly as it makes reference to the last sentence of paragraph B, what performance guarantee does the grantee have? Has the grantee or will the grantee enter into performance bonds since no liability attaches to New Cities or any officer, director, member, player or grantee for the completion of repairs. All of the documents make the grantee responsible for the completion of repairs, but this paragraph would seem to relieve grantee, i.e., New Cities, of any liability of New Cities to ensure the completion of the repairs. This seems to be a basic inconsistency with an obligation and possible remedy. As far as I can tell in my cursory review of the documents, the only remedy is for HUD to take it back; something the City would be most unhappy to see happen. I would be prepared particularly to discuss this paragraph and what remedies, if any, are available to the public, i.e., the citizens of Calumet City, to see to it that New Cities, which apparently has no liability according to this paragraph, will maintain its obligations over the next 40 years. This question certainly does not in any way denigrate New Cities, but it is a question of legality and since it is a particular concern that HUD not become a major landlord again in the City of Calumet City in particular as it relates to Ginger Ridge, this issue will have to be discussed forthrightly at the April 15th meeting.

LAW OFFICES

Stinespring, Lambert & Associates

Ms. Cindy Holler
March 31, 1997
Page Seven

Relative to Article XV, paragraph C, I will recommend to the City Council that New Cities be required to give notice to the City Attorney of the City of Calumet City of any determination by HUD that New Cities is in default of the agreement between HUD and New Cities.

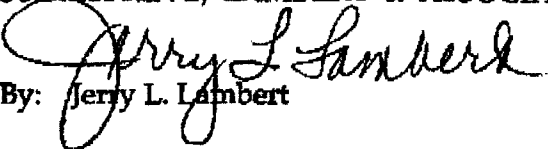
Recognizing that this correspondence is quite lengthy, I am providing it to you nearly two weeks prior to the meeting in the hope that your presentation will be focused and direct. The Mayor and City Council are always anxious to see an improvement of this size, particularly if it means that HUD property will be turned over to private developers and the citizens who reside in Calumet City are the direct beneficiaries. From my own personal observation, the project certainly looks worthwhile, although my observation has no weight or authority. The presentation on April 15th will go a long way to answering questions that the City Council has and I'm sure if the City Council's questions are answered appropriately, they will move forward to a general pre-approval stage at the April 24, 1997 meeting.

Should the City Council so conclude that they are satisfied, it would be my direction that a resolution be prepared according to New Cities Ginger Ridge development.

I look forward to continuing to work with you and your counsel.

Very truly yours,

STINESPRING, LAMBERT & ASSOCIATES


By: Jerry L. Lambert

JLL/pt

cc: Mayor Jerry Genova
City Council
Dan Smits, Director of Inspectional Services
Lawrence P. Gulotta, Esq.
Wesley B. Finch, The Finch Group
Edward A. Antonietti, Esq.

SITE PLAN,
UNIT DESIGNS
AND
ELEVATIONS

THE FINCH GROUP

Wesley E. Finch, Chairman
77 North Washington Street
Eighth Floor
Boston, MA 02114-1912 Fax: 617-742-4548 Phone: 617-742-4800

GINGER RIDGE PROPERTY MANAGEMENT

Organizational and Operational Make-up
SIGNATURE HOUSING SOLUTIONS , INC.

Office Location On-Site: 495 Clyde Ave., Calumet City Phone: (708) 862-2882 Fax: (708) 862-2888

Director of Property Management:	Thirlene Bronaugh
Director of Construction Management:	Max O'brien
Director of Maintenance:	Alvin Kellogg

Corporate Headquarters: 1425 Mount Read Blvd., Suite 250, Rochester, NY 14606

Executive Director: Christina Alletto
Phone: (716) 458-4530 Fax: (716) 458-9115

NEW CITIES COMMUNITY DEVELOPMENT CORPORATION

Board of Directors

Organizational and Operational Make-up

Corporate Office Location: 16333 S. Halsted, Harvey, IL Phone: 333-2009 Fax: 333-1625

President: Marge Cook, Faith United Methodist Church

Vice-President: Diann Stewart, Christ Temple Baptist

Secretary: Reubin Smith, South Suburban Missionary Baptist

Treasurer: Tom Paetch, St. Ann's Roman Catholic Church

New Cities Development Staff: William Goldsmith, Executive Director

Cindy Holler, Executive Director, New Cities Redevelopment Corporation

BOARD OF DIRECTORS MAKEUP

New Cities Community Development Corporation is the development arm of the South Suburban Action Conference — an organization of 25 churches in South Suburban Chicago dedicated to the revitalization of the region. The New Cities Community Development Corporation is elected by and from the member churches of SSAC.

GINGER RIDGE MUTUAL HOUSING ASSOCIATION

Board of Directors

Organizational and Operational Make-up

Office Location: 1925 Wilson Ave., Calumet City, IL 60409 Phone: 868-0991 Fax: 868-0994

President: Rev. Michael Burnside, Pastor, New Name Baptist Church

Chairman: Marshall McCray, Ginger Ridge Resident

Secretary: Rev. Wendy Witt, Pastor, Faith United Methodist Church

Calumet City Rep: Rev. Carl King, Director of Economic Development

New Cities On-Site MHA Staff:

Director of Resident Initiatives: Carole Hall

Resident Initiatives Staff: Rae McCray

Office Assistant: Simone Tanksley

BOARD OF DIRECTORS MAKEUP

RESIDENTS NOMINATE FIVE SEATS
FROM RESIDENTS AT GINGER RIDGE

THE MAYOR NOMINATES ONE SEAT FROM
LOCAL GOVERNMENT

3-5 AT LARGE SEATS
WHICH CAN BE FROM LOCAL COMMUNITY, RESIDENTS,
LOCAL BUSINESSES OR SCHOOL OR HEALTH CARE
INSTITUTIONS

NEW CITIES NOMINATES SEVEN SEATS

THE FINCH GROUP NOMINATES ONE SEAT

THE GINGER RIDGE PROJECT: AN ORGANIZATIONAL CHART

GINGER RIDGE MUTUAL HOUSING ASSOCIATION

This is a relatively new organization, sponsored by the New Cities Community Development Corporation. It is a not-for-profit corporation with a 19-member Board of Directors. (See attached chart for how Board of Directors is Selected and officers and directors) It has formed a Limited Partnership which it fully controls, and that is now the actual owner of the complex. Ginger Ridge Mutual Housing Association has hired both the co-developers of the complex and the property manager listed below to cause the redevelopment of the complex. It is a policy making body which developed the design and sets the direction for Ginger Ridge's future.

CO-DEVELOPERS/PROPERTY MANAGERS

NEW CITIES CDC

Is the project sponsor, has an office at the complex with three staff which provide support and training to the Board of Directors. It is the co-developer of the project and assists in implementing the Board of Director's policy decisions as it relates to the redevelopment and management of the complex. Also responsible for raising the necessary financing to redevelop the complex with the Finch Group.

THE FINCH GROUP

Is the Co-Developer responsible for raising the necessary financing, securing lenders and investors for the project, and overseeing the contractor and day-to-day construction activities. It has an on-site office devoted to this purpose

Signature Housing Solutions Inc., a subsidiary of the Finch Group manages the property and directs the day-to-day activities of the complex on behalf of the MHA. Signature has an on-site office with a staff of 24.

ORGANIZATIONAL INFORMATION

**REQUESTS FOR APPROVALS FROM
CALUMET CITY COUNCIL**

REQUESTS TO THE CALUMET CITY COUNCIL

- **Approval of the limited-access safety and security site plan put forth by the Ginger Ridge Mutual Housing Association which would involve the gating of several streets**
- **Approval of a building department fee which is representative of the cost to the City of overseeing and monitoring the project**

GINGER RIDGE TODAY			
Number of Units	Unit Type	Square Footage	Current Rent
174	Studio	320	\$280
440	1 BR / 1 BA	510	\$360
248	2 BR / 1 BA	698	\$450
72	2 BR / 1 BA	909	\$500
934	Total Units		

GINGER RIDGE AFTER REHABILITATION			
Number of Units	Unit Type	Square Footage	Proposed Rent
200	1 BR / 1 BA	647	\$525
72	2 BR Flat / 1 BA	862	\$695
80	2 BR Flat / 1 BA	910	\$615
89	2 BR TH / 1-1/2 BA	929	\$630
30	2 BR TH / 2-1/2 BA	1242	\$695
3	3 BR TH / 2 BA	1295	\$735
15	3 BR TH / 2- 1/2 BA	1558	\$765
489	Total Units		

UNIT COUNT AND RENT SCHEDULE

FUNDING SOURCES

GINGER RIDGE REDEVELOPMENT PROJECT

TAX-EXEMPT BONDS ISSUED BY THE ILLINOIS HOUSING AND DEVELOPMENT AUTHORITY - \$12.6 Million SECURED BY:

LASALLE NATIONAL BANK

**Letter of Credit
During Construction**

PATRICIAN MORTGAGE/FNMA

**FNMA Credit
Enhancement**

Permanent 20-year Loan

NEW CITIES

**Will Hold
\$3 million
in Bonds**

NEW CITIES COMMUNITY DEVELOPMENT CORPORATION Recieved a \$17,658,750 HUD Grant for the Project

\$11.2 million will be dedicated to the cost directly related to the actual re-construction of Ginger Ridge

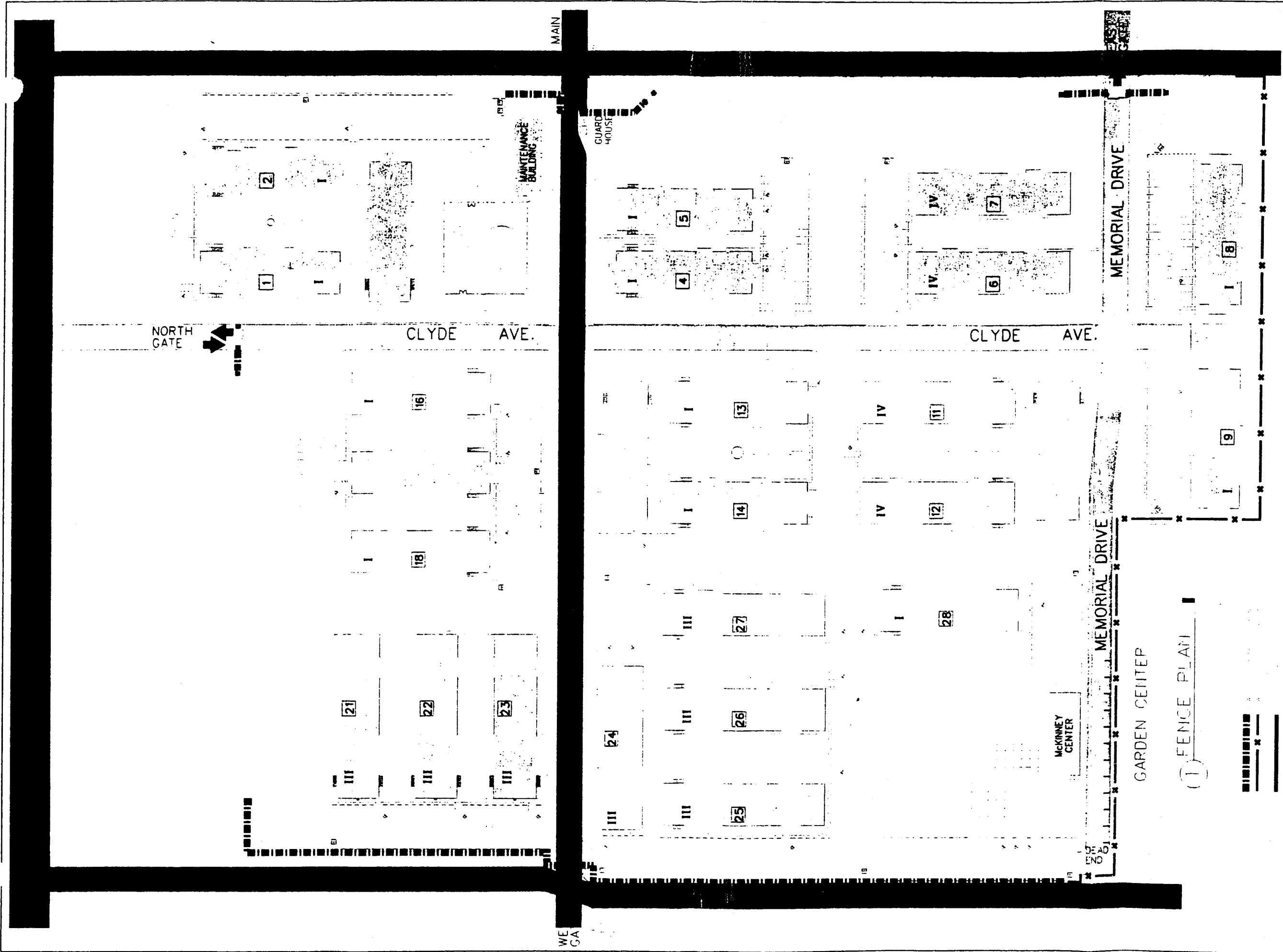
\$3,220,720 was dedicated to the cost of relocating tenants on a temporary and ~~permanent basis~~. Since it has been determined that no permanent relocation is necessary, \$1,325,786 will be returned to HUD.


\$4.1 million was dedicated to operating losses during the first 28 months of ownership by the GRMHA

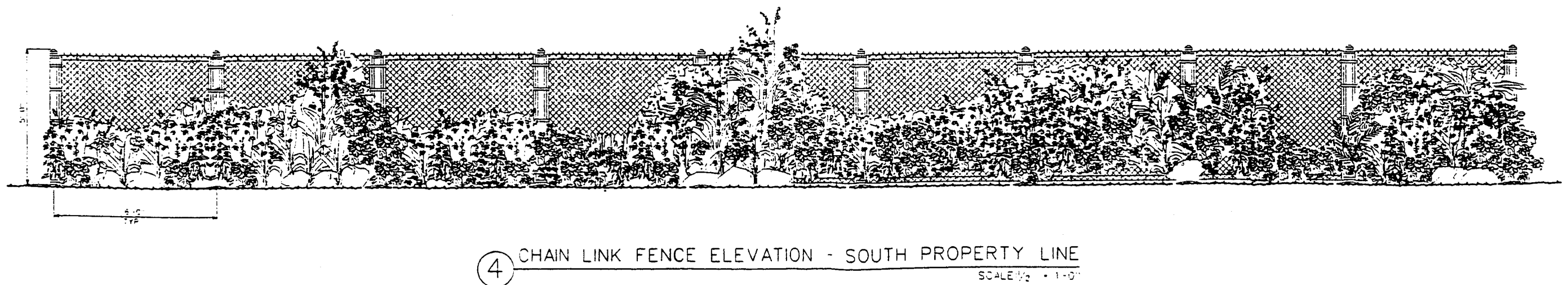
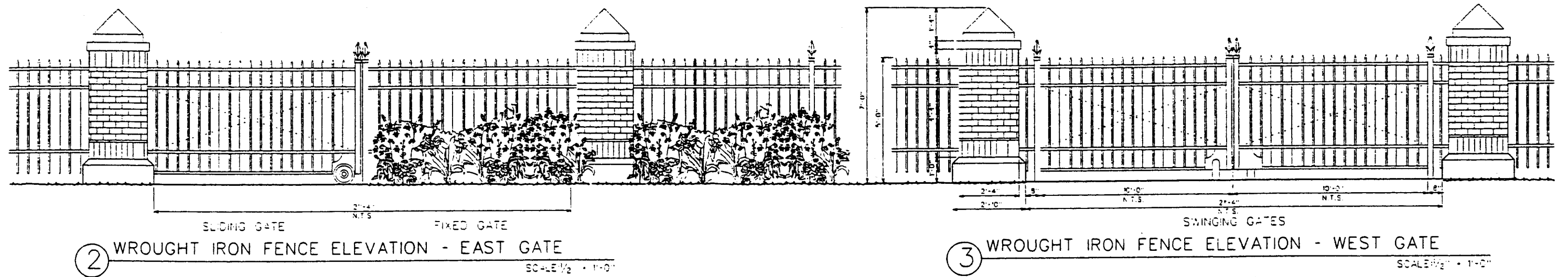
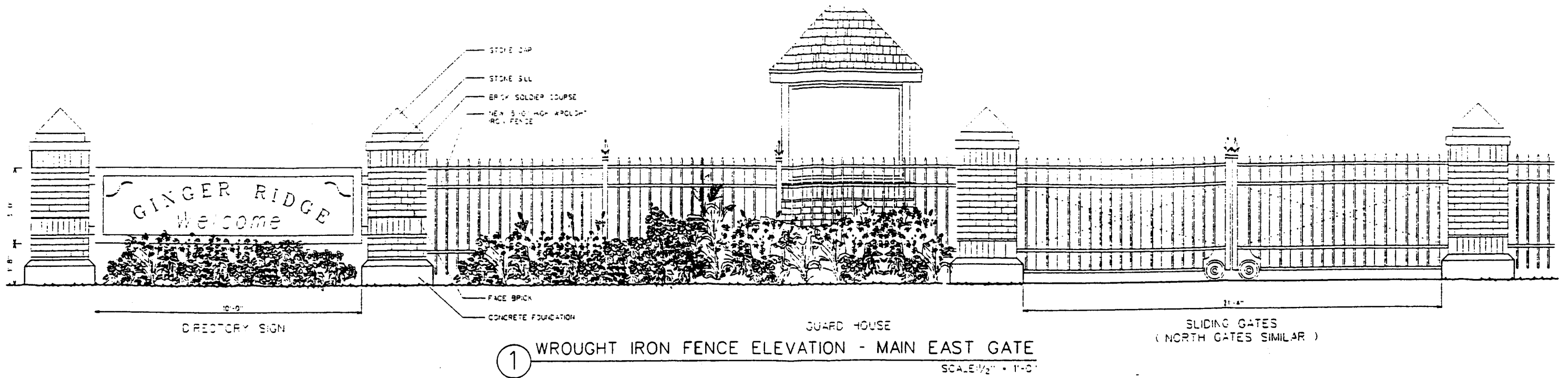
\$138,030 was dedicated to envronmental remediation

COOK COUNTY HOME PROGRAM FUNDS \$1,672,207 in a 1% , 20 Year Loan

EQUITY FROM TAX-CREDIT INVESTORS \$3,435,000



A-1.2			Wendell Campbell Associates, Incorporated	GINGER RIDGE APARTMENTS GINGER RIDGE MUTUAL HOUSING ASSOCIATION, INC.	
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proposes to be better able to monitor activity and manage and secure the complex. The colored map best describes this plan.

The Ginger Ridge Mutual Housing Association is proposing to construct a main gated entrance for entry and exits at Wilson and Merrill with a guard house which will have a 24-hour security guard. All non-resident visitors to the complex will have to pass by this gate and check in with the security guard in order to drive through the complex. It is important to note that non-visitors may drive through the complex after registering with the security guard at any time. The Ginger Ridge Mutual Housing Association is not proposing a dedication of any streets for use only by residents. Any member of the public may use the streets as long as they enter at the main gate and register their presence.

Another gate which will allow for entrance and exit by residents of the complex will be constructed on Clyde Ave., south of the Bank parking lot. Entrance and exits here will occur through an automatic card key system. This will allow for the use of the light at Sibley and Clyde by residents. An Exit gate for residents with a card key is proposed for Memorial Drive and Merrill and a Fire-Department only gate at Wilson and Jeffrey is proposed.

This proposed plan simply allows for the complete monitoring of automobile access at the complex and allows for an effective methodology for the Ginger Ridge Mutual Housing Association to manage safety and security at the complex.

GINGER RIDGE: A LIMITED-ACCESS COMMUNITY

The Ginger Ridge Mutual Housing Association in its attempt to “remake” Ginger Ridge has taken serious steps to design a complex which:

- Promotes Safety and Security
- Is sensitive to the needs of residents and surrounding businesses
- Creates a very aesthetically appealing environment
- While limiting access to promote safety and security, allows for intergration into the surrounding area.

The next several pages describe the fencing, security and gating plan for Ginger Ridge in picture format. It is important to understand that the Ginger Ridge Mutual Housing Association's plan is much like efforts to create cul-de-sacs in Calumet City - a proposition for which there is much precedent.

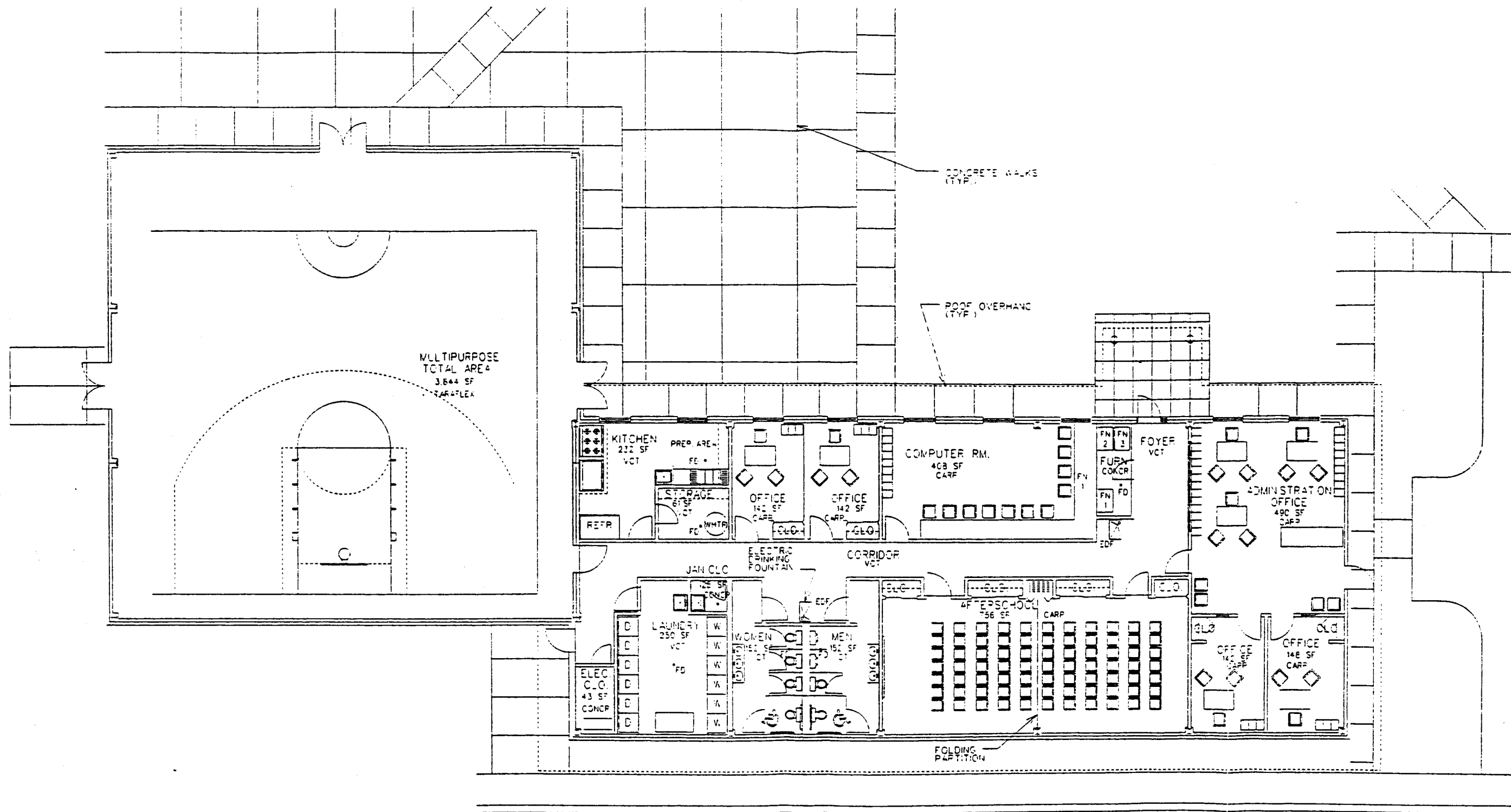
FENCING PLAN

There are three types of fencing which will be utilized at Ginger Ridge which are described pictorially on the following pages. As proposed, a wrought iron fence/gate will be utilized at the entrances and exits to Ginger Ridge at Wilson and Merrill, Wilson and Memorial, Wilson and Jeffrey, and Clyde just south of Sibley (past the bank entrance). A chain link fence covered by various planting will be utilized at the back of the complex. (See the fencing elevation attached and the map with a legend on where such fencing will be utilized). It is important to note that the entire complex will not be fenced in - allowing for people to walk on to the complex around the main entrances or off major thoroughfares from Sibley Blvd. These are areas in which it was determined that it will be easy for management to monitor activity from the outside. However, automobile access will be limited in this plan

LIMITED-ACCESS PLAN

The Ginger Ridge Mutual Housing Association is proposing to limit access to the complex and to create a way to manage better who drives through the complex. Currently a great deal of activity occurs in the complex which can not be monitored either by the management or the exiting security force because of the openness of the site plan. Through the use of fencing and gates, the Ginger Ridge Mutual Housing Association

FENCING/STREET
PLAN
AND ELEVATIONS



1 FLOOR PLAN
SCALE: 1/8" = 1'-0"

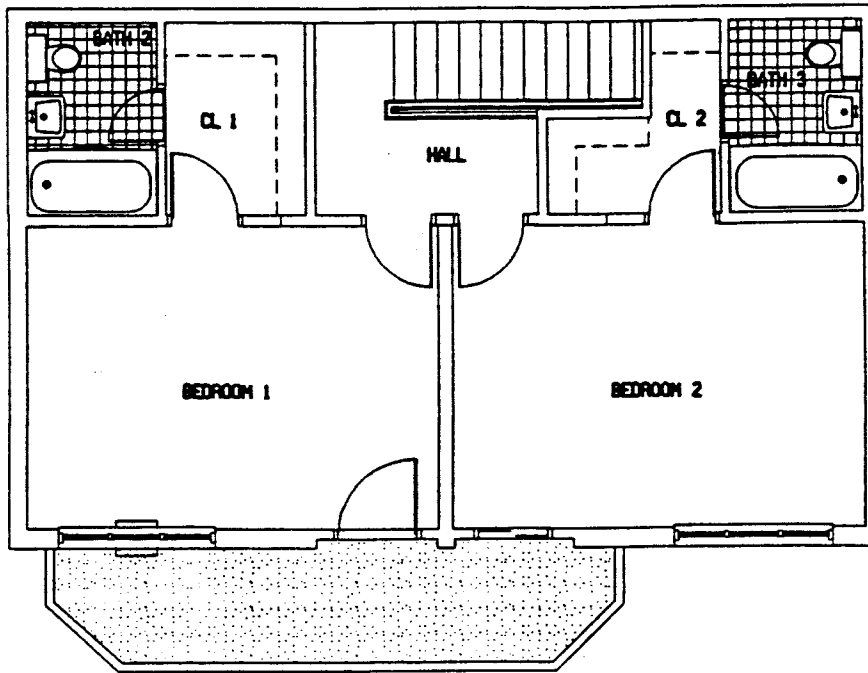
GYM BUILDING	• 3,644 SF
COMMUNITY BUILDING	• 4,264 SF
TOTAL	• 8,128 SF



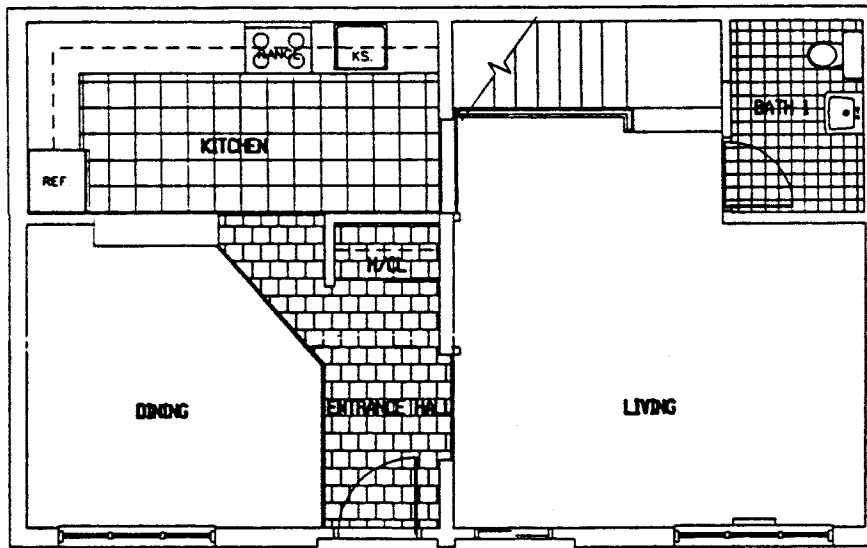
WENDELL CAMPBELL ASSOCIATES, INC.
1008 S. MICHIGAN AVE. CHICAGO, IL 60605
PH: 312-522-4244 FAX: 312-522-0338

GINGER RIDGE
CALUMET CITY, ILLINOIS

3-21-1997



② SECOND FLOOR PLAN
NOT TO SCALE



① FIRST FLOOR PLAN
NOT TO SCALE

UNIT DD-TOWNHOUSE (1,242 S.F.)



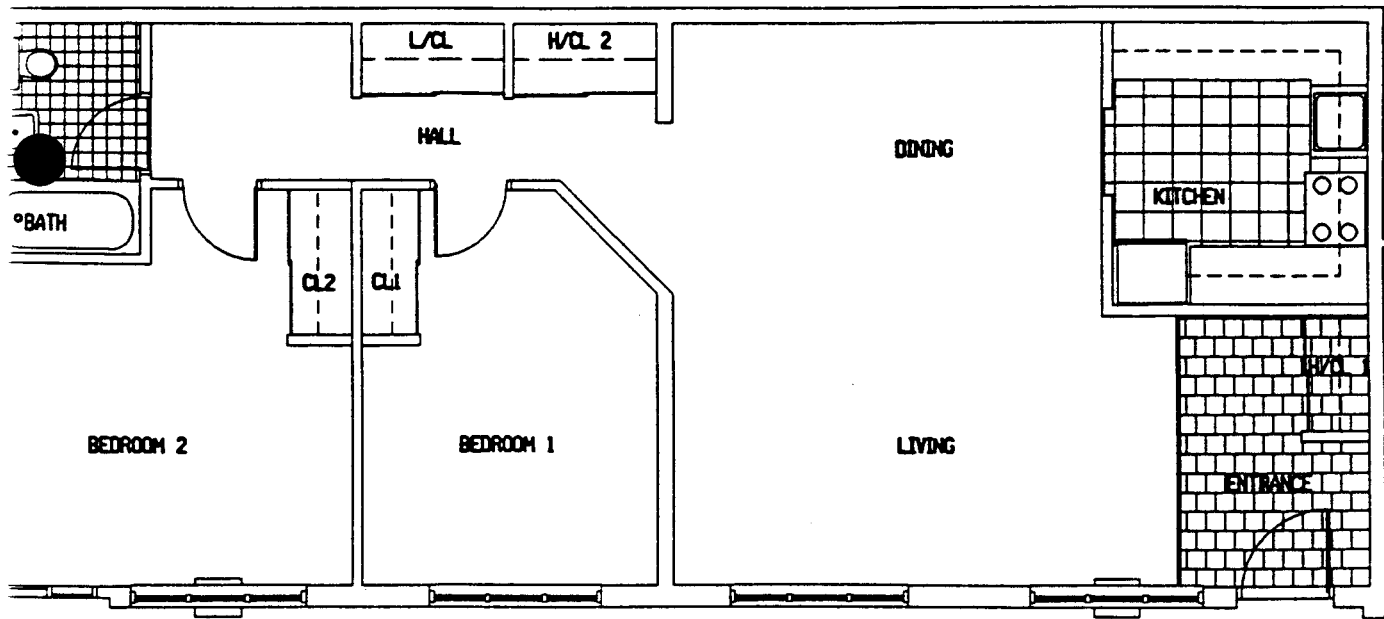
WENDELL CAMPBELL ASSOCIATES, INC.

1326 S. MICHIGAN AVE.
PH. (312) 922-4244

CHICAGO, IL. 60605
FAX. (312) 922-0338

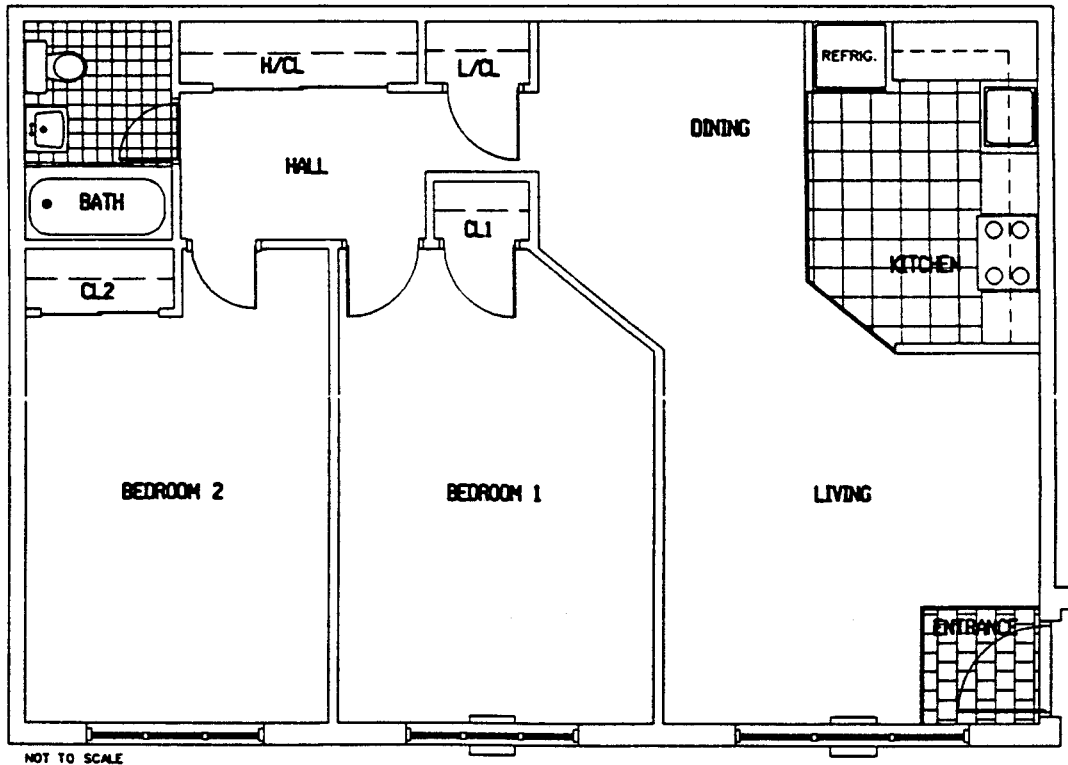
GINGER RIDGE
CALUMET CITY, ILLINOIS

3-31-1997



SCALE

UNIT BB-FLAT (929 S.F.)



NOT TO SCALE

UNIT C-FLAT (852 S.F.)



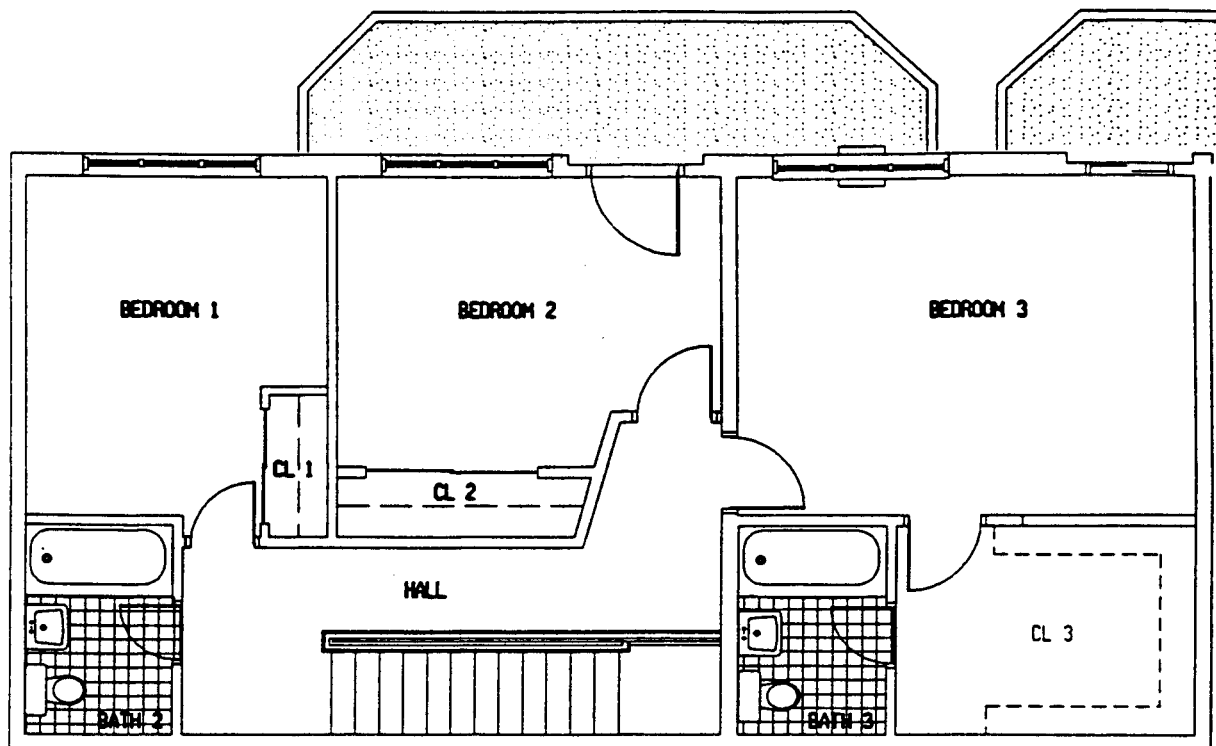
WENDELL CAMPBELL ASSOCIATES, INC.

1326 S. MICHIGAN AVE.
PH (312) 922-4244

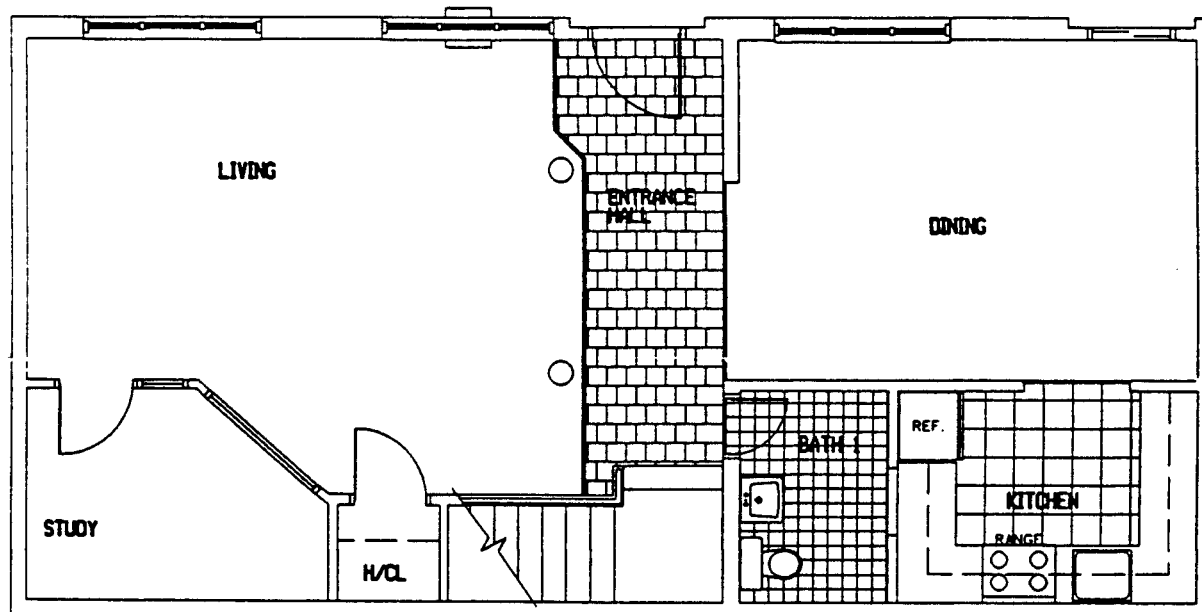
CHICAGO, IL. 60605
FAX. (312) 922-0338

GINGER RIDGE
CALUMET CITY, ILLINOIS

3-31-1997



② SECOND FLOOR PLAN
NOT TO SCALE



① FIRST FLOOR PLAN
NOT TO SCALE

UNIT BD-TOWNHOUSE (1,558 S.F.)



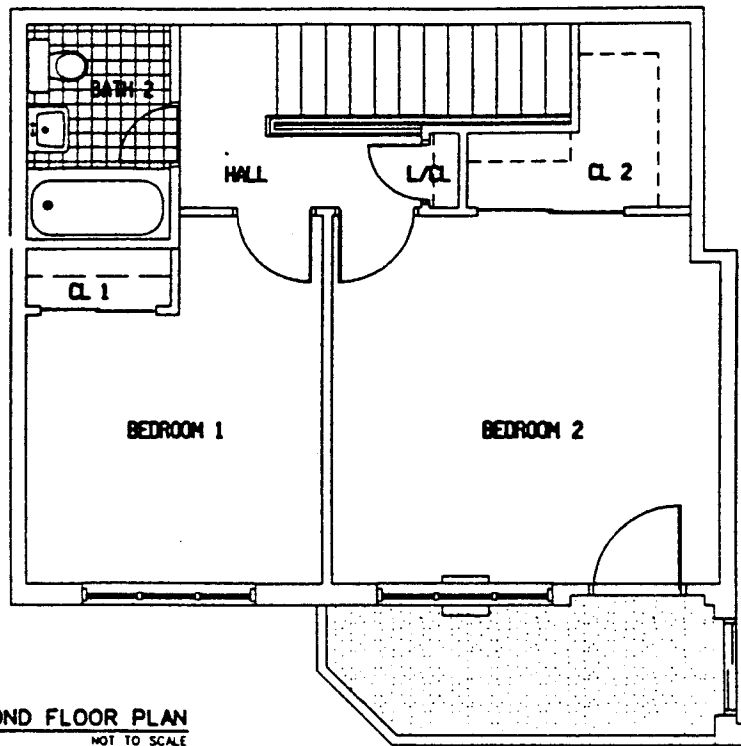
WENDELL CAMPBELL ASSOCIATES, INC.

1326 S. MICHIGAN AVE.
PH (312) 922-4244

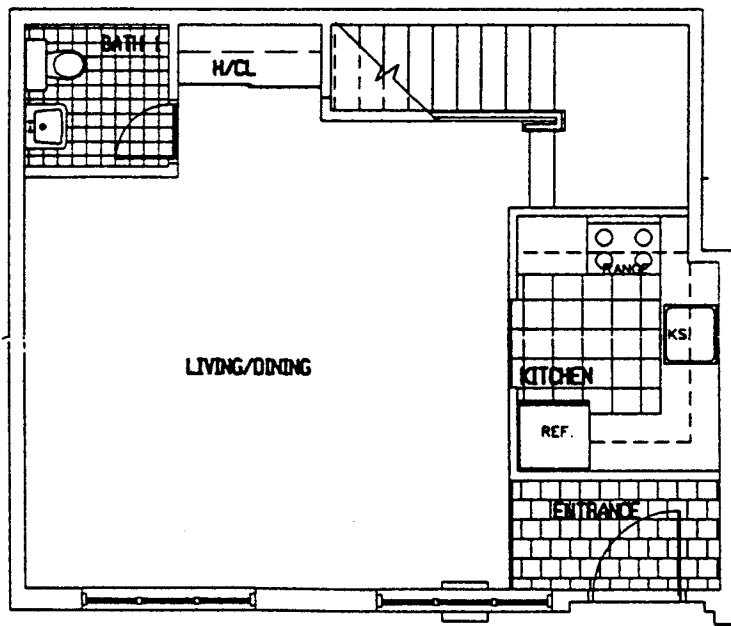
CHICAGO, IL 60605
FAX: (312) 922-0338

GINGER RIDGE
CALUMET CITY, ILLINOIS

3-31-1997



② SECOND FLOOR PLAN
NOT TO SCALE



① FIRST FLOOR PLAN
NOT TO SCALE

UNIT B-TOWNHOUSE (910 OR 929 S.F.)



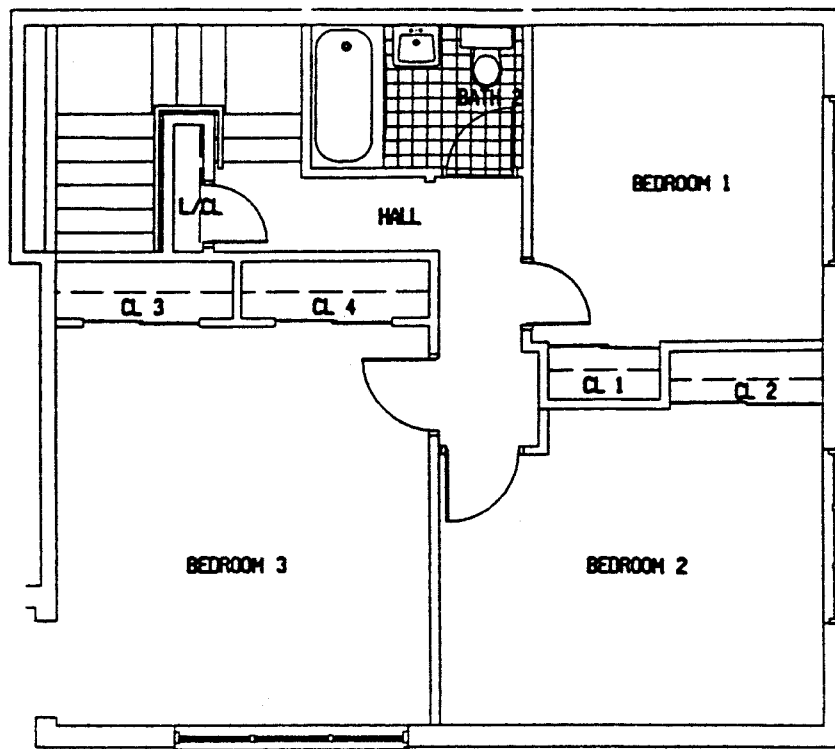
WENDELL CAMPBELL ASSOCIATES, INC.

1326 S. MICHIGAN AVE.
PH. (312) 922-4244

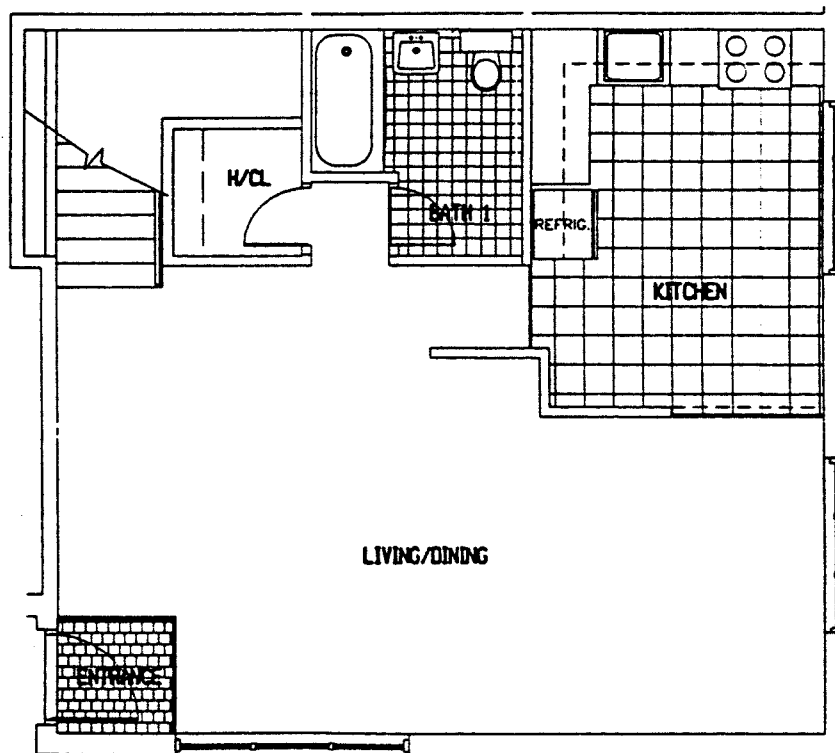
CHICAGO, IL. 60605
FAX. (312) 922-0338

GINGER RIDGE
CALUMET CITY, ILLINOIS

3-31-1997



② SECOND FLOOR PLAN
NOT TO SCALE



① FIRST FLOOR PLAN
NOT TO SCALE

UNIT A-TOWNHOUSE (1,295 S.F.)



WCA

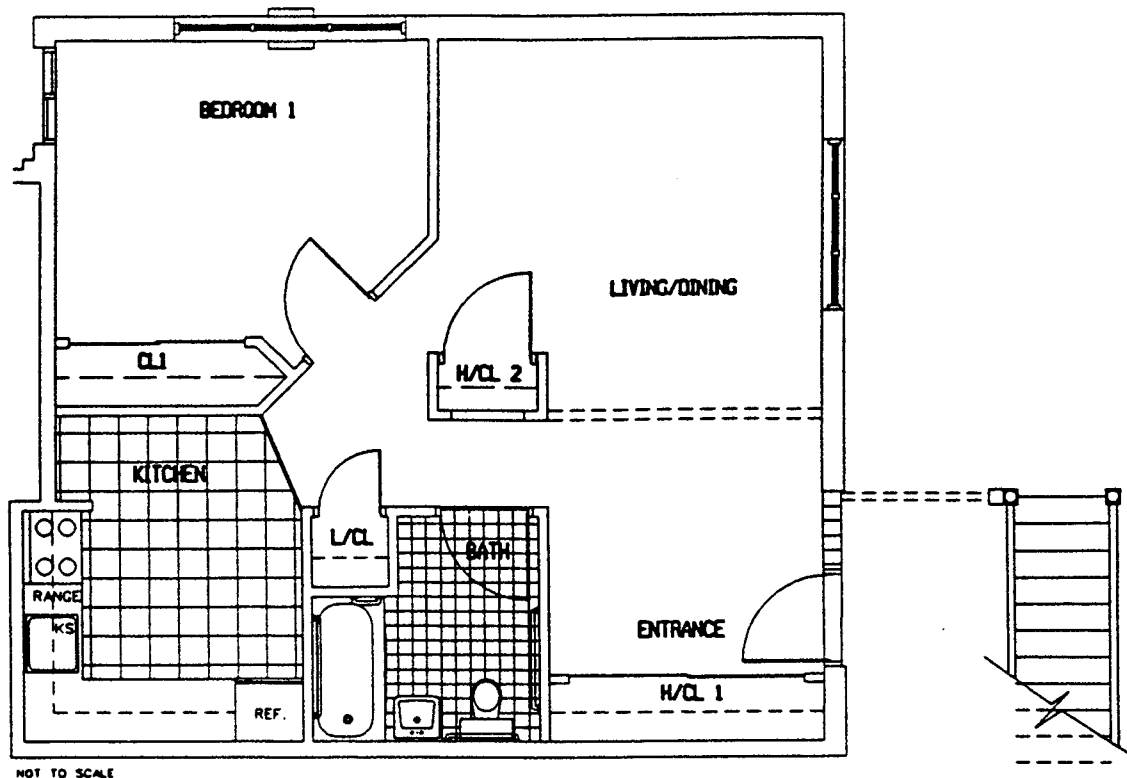
WENDELL CAMPBELL ASSOCIATES, INC.

1326 S MICHIGAN AVE.
PH. (312) 922-4244

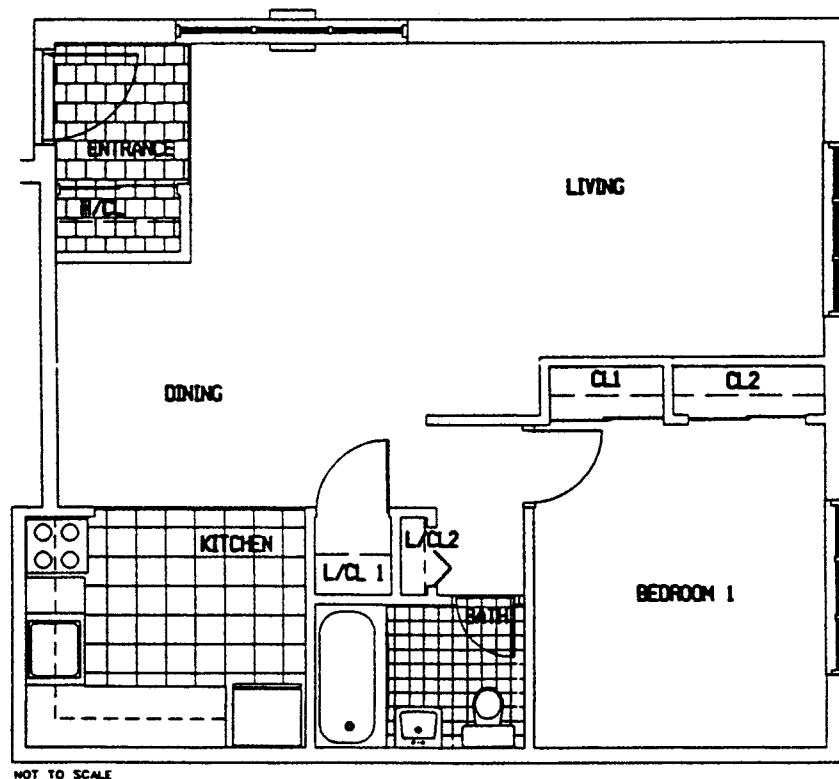
CHICAGO, IL. 60605
FAX. (312) 922-0338

GINGER RIDGE
CALUMET CITY, ILLINOIS

3-31-1997



UNIT A-FLAT HANDICAP (647 S.F.)



UNIT A-FLAT (647 S.F.)



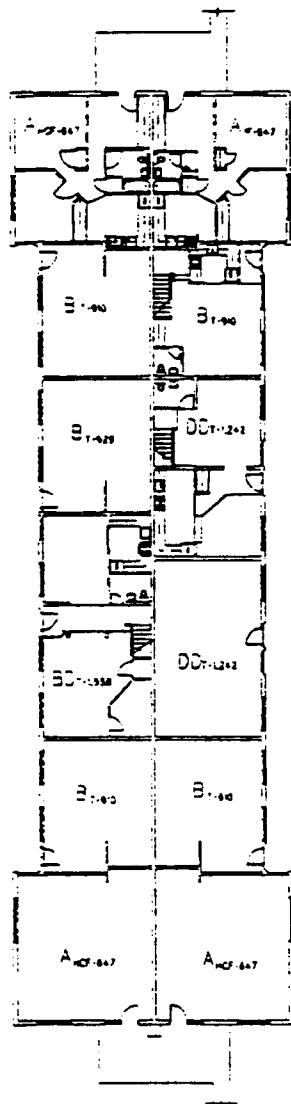
1326 S. MICHIGAN AVE.
PH. (312) 922-4244

WENDELL CAMPBELL ASSOCIATES, INC.

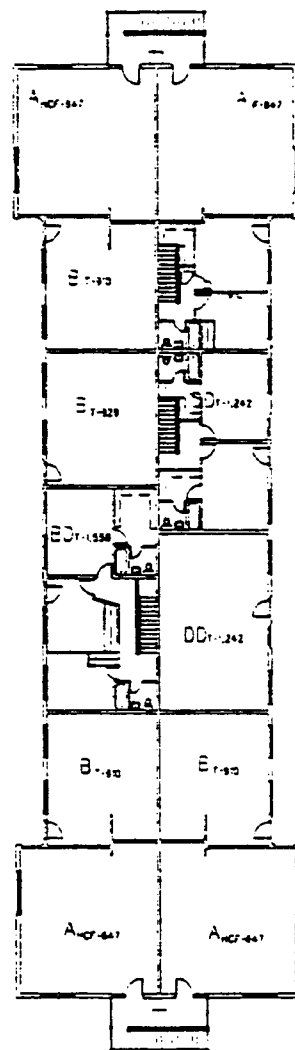
CHICAGO, IL. 60605
FAX. (312) 922-0338

GINGER RIDGE
CALUMET CITY, ILLINOIS

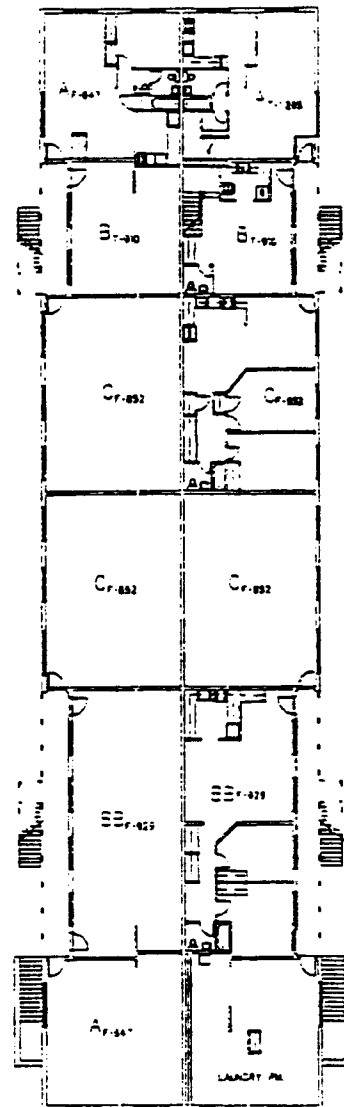
3-31-1997



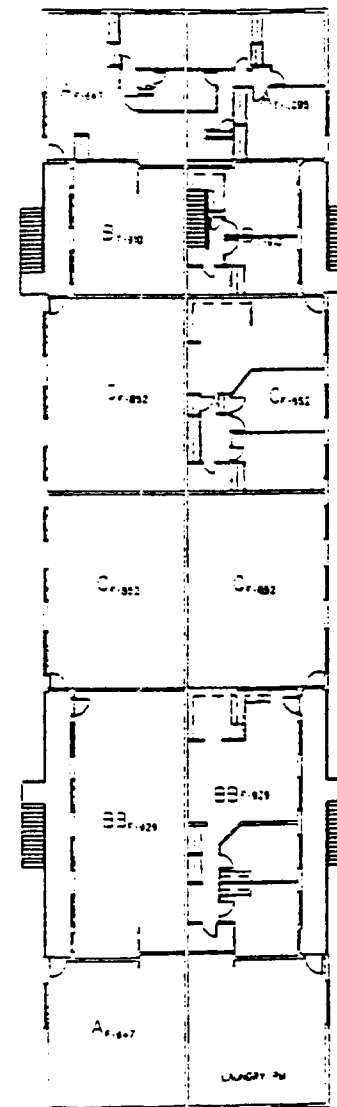
BUILDING TYPE I
FIRST FLOOR



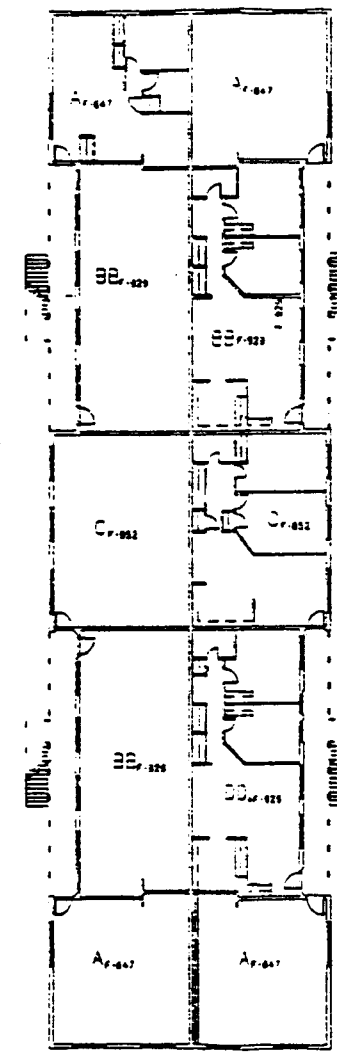
BUILDING TYPE I
SECOND FLOOR



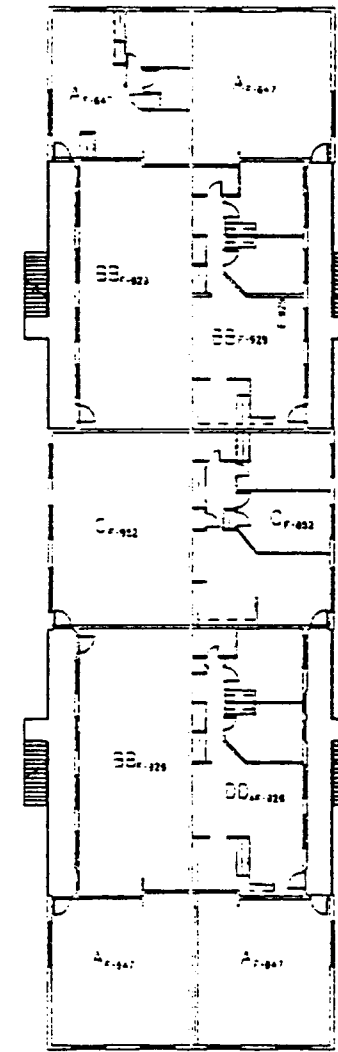
BUILDING TYPE III
FIRST FLOOR



BUILDING TYPE III
SECOND FLOOR



BUILDING TYPE IV
FIRST FLOOR



BUILDING TYPE IV
SECOND FLOOR



WENDELL CAMPBELL ASSOCIATES, INC.

1328 S. MICHIGAN AVE.
PH. (312) 922-4244

CHICAGO, IL 60605
FAX. (312) 922-3338

GINGER RIDGE
CALUMET CITY, ILLINOIS

3-31-99



Ginger Ridge Redevelopment

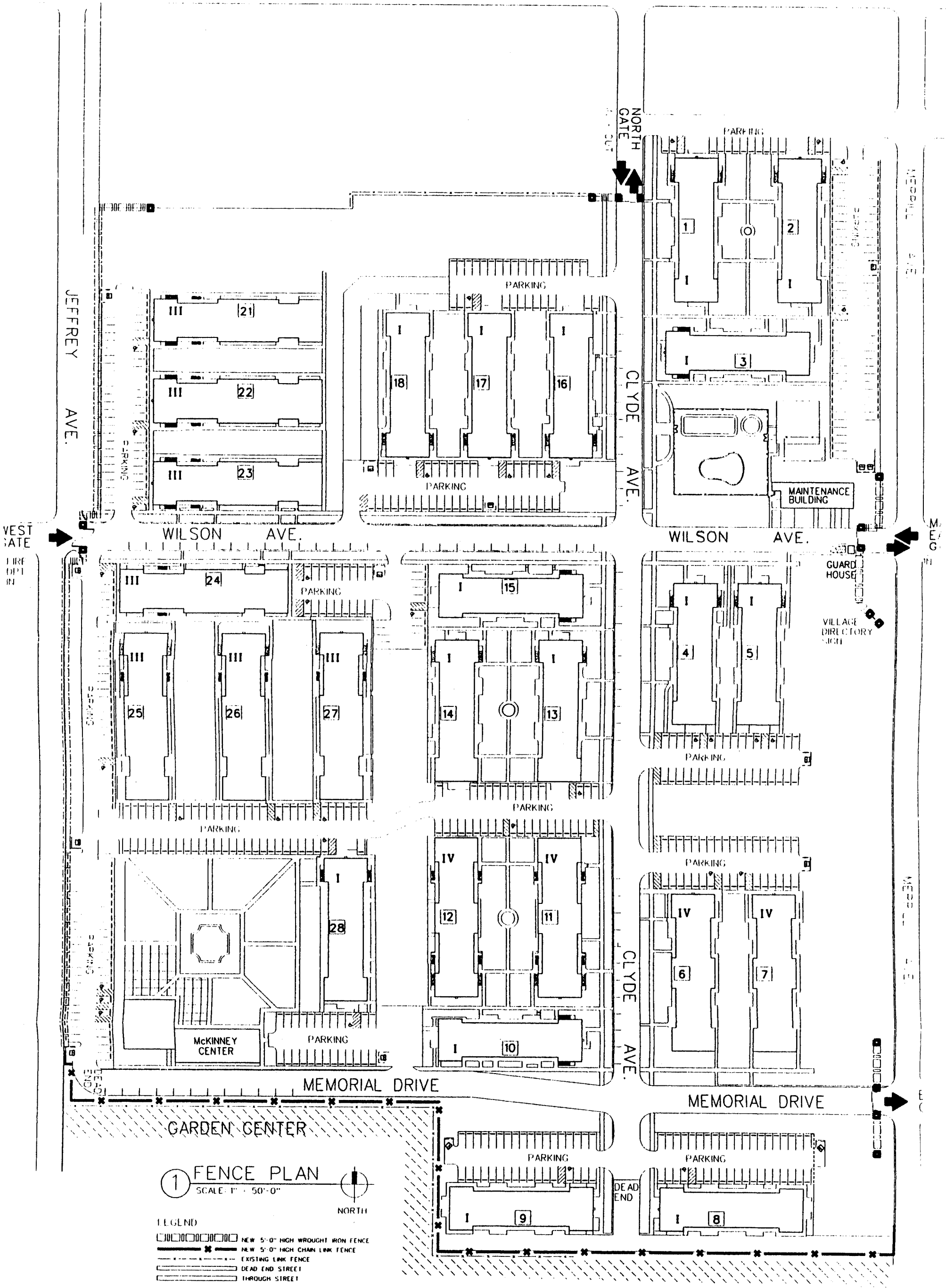
WENDELL CAMPBELL ASSOCIATES



Ginger Ridge Redevelopment

WENDELL CAMPBELL ASSOCIATES
ARCHITECTS - PLANNERS - CONSTRUCTION MANAGERS

SIBLEY ROAD



Project Name : Ginger Ridge Apartment
Project Number: formerly 071-10514
Location : Calumet City, Illinois

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PROPERTY DISPOSITION PROGRAM

CONTRACT OF SALE
Cash Sale

THIS CONTRACT, made this 27 day of September, 1996 is between the SECRETARY OF HOUSING AND URBAN DEVELOPMENT, ("Seller"), and New Cities Community Development Corporation, an Illinois not-for-profit corporation ("Grantee").

WITNESSETH THAT

1. PURCHASE AND SALE

In consideration of the covenants and agreements of the respective parties, as hereinafter set forth, Seller agrees to sell and Grantee agrees to purchase all of Seller's right, title and interest in and to the real estate situated in the City of Calumet City, County of Cook, State of Illinois, and more particularly described in the attached Exhibit entitled "Property Description," together with all improvements thereon and appurtenances thereto and the articles of equipment and other personal property owned by Seller and used in connection therewith, hereinafter referred to as the "Property".

2. PURCHASE PRICE

- a. The purchase price of the Property is \$1.00 (one dollar) to be paid at Closing.
- b. The purchase price, \$1.00, shall be paid at Closing, by money order, certified, cashier's or other bank check acceptable to HUD.
- c. In addition to the balance of the purchase price, Grantee will be required to deposit zero at Closing into a Reserve for Replacement account. Thereafter, Grantee will be required to deposit \$95,268 annually into the Reserve for Replacement account, payable on a monthly

basis commencing the first day of the first month following Closing in an amount of \$7,939 per month. This requirement shall expire forty years from the date of the deed.

- d. Payment and performance bonds must be provided to the Seller in accordance with the Rider entitled "Post-Closing Repair Requirements".

3. TENANT BASED RENTAL ASSISTANCE

Seller will provide through the Housing Authority of Cook County Certificates and/or Vouchers to 276 families that currently reside in the Project, as authorized by Section 8 of the Housing Act of 1937, 42 USC 1437f.

This provision is limited in its application for tenants or applicants with Section 8 Certificates or Vouchers, to those units which rent for an amount not greater than 120 percent of the Section 8 fair market rent for a comparable unit in the area as determined by the Seller.

4. CLOSING, CLOSING EXPENSES AND TRANSFER OF POSSESSION

- a. The sale shall be effective upon Closing.
- b. Grantee shall pay all closing costs and expenses, irrespective of local custom.
- c. Transfer of title to and possession of the Property, subject to the leases and tenancies herein referred, shall become effective as of the Closing.

5. PRORATIONS AND SECURITY DEPOSITS

a. Prorations

- i. Subject to the following provisions, irrespective of local custom and without affecting the Purchase Price, all rents and other income ("Income") and expenses shall be prorated between Grantee and Seller as of 11:59 p.m. of the day before the Closing.
- ii. Income. Seller shall be entitled to all Income, whether received or not received, attributable to the period prior to Closing, including, but not limited to, rents, delinquent rents, liability claims, insurance claims, damages and litigation settlements. If Grantee, after Closing receives Income due Seller, Grantee must pay it over to Seller immediately. Grantee shall be entitled to

all Income, whether received or not received, attributable to the period as of the day of Closing.

- iii. Expenses. Seller shall be responsible for payment of project-related expenses, whether paid or unpaid, attributable to the period prior to the day of Closing. Grantee shall be responsible for expenses, whether paid or unpaid, attributable to the period as of the day of Closing. To the extent invoices for such expenses are received by Grantee, such invoices shall be forwarded upon receipt directly to Seller. All refunds of expenses, including but not limited to tax refunds and Medicare and Medicaid payments/reimbursements, attributable to the period prior to the day of Closing shall belong to Seller and if any such refunds are received by Grantee, Grantee shall deliver them immediately to Seller.
- iv. Seller shall prepare a Settlement Statement as of the day of Closing listing all prorated items. If Seller and Grantee cannot agree on the amount of any prorated item(s) because the amount(s) cannot be verified prior to Closing, Seller, at Seller's option, may require Grantee to place the amount determined by the Seller to be owed by the Grantee, in a non-interest bearing escrow to be held by Seller to cover such disputed items. Seller shall apply the escrowed funds to the actual amounts due for the disputed items when Seller verifies such amounts. Subsequent to Closing, when Seller determines the amounts required to cover all prorated items(s), Seller shall prepare a revised Settlement Statement showing such amounts and shall provide a copy of the Settlement Statement to Grantee. Upon payment of all such amounts, any funds remaining in the escrow shall be paid by Seller to Grantee. If there are insufficient funds in escrow to pay all such amounts, Seller shall issue a bill to Grantee for the amount of additional funds due and Grantee shall immediately pay such amounts to Seller.
- v. Insurance coverage carried by Seller, if any, shall be cancelled as of 11:59 p.m. the day of the Closing.
- vi. Subsections i. through iv. shall remain in effect after the Closing, where applicable.

b. Security Deposits

Any security deposits collected from tenants and paid over or credited to Seller prior to the Closing shall be transferred and assigned to Grantee at the Closing, with the exception of security deposits which have been forfeited by the tenant in accordance with the terms of the tenant's lease. Notwithstanding State or local law, no other security deposits collected from tenants will be transferred by Seller to Grantee and Seller has no other liability with respect to security deposits. Grantee agrees to assume all responsibility and liability under State and local law with respect to the collection, application and return of security deposits.

6. FORM OF CONVEYANCE, INSPECTION, OBJECTIONS TO TITLE AND RIGHTS OF RESCISSION

- a. The Property shall be conveyed to the Grantee by special warranty deed in the form customarily used by Seller in the jurisdiction in which the Property is located. Title to the Property shall be good and marketable subject to existing tenancies, easements, zoning, covenants, restrictions and reservations of record. However, Seller shall not warrant those items deemed acceptable to Grantee pursuant to subsection (e) below.
- b. Any title evidence or survey desired by Grantee shall be obtained at the sole expense of the Grantee.
- c. If any defect in title renders the Property unmarketable, or if litigation is pending challenging the sale and/or the sale is enjoined and Seller does not cure the defect, settle the litigation or cause the injunction to be removed within a reasonable time, or Seller notifies Grantee in writing that it is unable or unwilling to cure the defect, settle the litigation or remove the injunction,
 - i. Grantee shall have the right to terminate this Contract by delivering to Seller written notice prior to the Closing. If such right is exercised, Seller shall return any earnest money deposit paid under Section 2 and extension fees paid under Section 10; and
 - ii. Seller reserves the right to rescind this Contract and to return any earnest money deposit paid under Section 2 and extension fees paid

under Section 10 of this Contract.

The return or tender of any earnest money deposit or extension fees shall release Seller from all obligations and liability to Grantee.

- d. The Property shall not be deemed unmarketable solely by reason of the existence of:
 - i. covenants, conditions and restrictions of record;
 - ii. private, public and utility easements, roads and highways;
 - iii. party wall rights and agreements;
 - iv. pending local building code violation proceedings;
 - v. existing leases and tenancies; and
 - vi. special taxes or assessments.
- e. Grantee shall have twenty-one (21) days from the date of execution of this Contract by Seller to notify Seller in writing of all defects in title appearing as of the date Grantee executes this Contract. If Grantee does notify the Seller in writing of any alleged defects within twenty-one (21) days after execution of this Contract by Seller, only those items in the notification will be addressed by Seller. All other title matters will be deemed acceptable to Grantee.
- f. Upon acceptance of a money order, certified, cashier's or other bank check by the Seller, Seller shall deliver to Grantee a duly executed deed conveying Seller's right, title and interest in the Property which Grantee immediately will present for recordation in the appropriate recorder's office.

7. AS-IS SALE; NO REPRESENTATIONS

- a. Grantee shall accept the Property "as is." Seller makes no representations or warranties concerning the physical condition of the Property. In addition, Seller does not represent or warrant the number and occupancy of revenue producing units, or any factor bearing upon the value of the Property, except the number of units receiving Section 8 assistance. It is Grantee's responsibility to assess the actual condition of the Property. If the Property is being sold with project-based Section 8 assistance, Grantee will be required to repair or

rehabilitate the Property so that it meets Section 8 housing quality standards.

- b. Grantee acknowledges that the purchase price set forth in Section 2 of this Contract is based on Grantee's valuation of the Project and not upon any representations by Seller. Grantee's failure to inspect, or to be fully informed as to any factor bearing upon the valuation of the Property, shall not affect the liabilities, obligations or duties of Seller under this Contract, nor be a basis for termination of this Contract or for the return of any extension fees paid pursuant to Section 10.

8. RISK OF LOSS AND RIGHTS OF RESCISSION

Until the Closing, Seller assumes the risk of loss from damage to the Property by any cause (including but not limited to fire, flood, earthquake, tornado and vandalism) other than willful acts of Grantee, and in the event of such damage will provide for the restoration of the Property to its condition immediately prior thereto, except that, if Seller determines that such damage is so extensive that Seller is unwilling to so restore the Property, Seller may rescind this Contract and return to Grantee any earnest money deposit paid to the Seller and any extension fees paid under Section 10. The sending of the notice of rescission and the return of such fees, or the tender thereof, shall release Seller from any and all claims by Grantee arising under this Contract. If offered by Seller and agreed to by Grantee, the cash due at Closing may be reduced by the estimated cost of restoration of the Property because of such damage, and such damage shall be added to the rehabilitation requirements provided for in the Rider entitled "Rehabilitation and Relocation."

9. TIME IS OF THE ESSENCE - LIQUIDATED DAMAGES

Time is of the essence in the performance of this Contract. The sale shall be closed at Seller's offices, or at such other place as may be agreed on by the parties in writing, within days following execution hereof by Seller, unless this Contract is extended pursuant to Section 10. Should Grantee fail or refuse to perform its obligations under this Contract (including, but not limited to, the failure to establish the legal entity that is to take title), any earnest money deposit paid to the Seller and any extension fees paid under Section 10 shall be retained by Seller as liquidated damages. However, Seller shall not retain said amounts as liquidated damages if Grantee is unable to perform due to unmarketable title.

10. EXTENSIONS

Extensions of time to close the sale are within Seller's sole and absolute discretion. Any extensions, if granted, will be on the following conditions:

- a. A written request for an extension must be received by Seller, at Seller's office where the Closing is to be held, within thirty (30) days following the execution of this Contract by Seller, or within any extension period and must be accompanied by the payment of the required extension fee. The request must state the reason for Grantee's inability to close the sale within the initial 30 day period or any extended period.
- b. Extensions shall be for 30 days.
- c. For each 30 day period requested by Grantee and approved by Seller, extension fees shall be equal to \$13.51, per unit, per day.
- d. These fees shall be retained by Seller and shall not be credited to the amount due from Grantee at Closing. However, if Grantee closes prior to the expiration of an extension period, the prorated amount of the extension fee, for the unused portion of the extension period, shall be credited toward the amount due from Grantee at Closing.
- e. The granting of one or more extensions shall not obligate Seller to grant additional extensions.
- f. If any form or instrument required by Seller is not submitted within sufficient and reasonable time for Seller's review or processing and such delay necessitates an extension of the Closing deadline, an extension fee must be paid for this period.
- g. Extension fee(s) must be transmitted pursuant to the wire transfer procedure set forth in the attached Exhibit entitled "Wire Transfer Instructions," and Grantee shall present to Seller, at the time the extension is requested, confirmation of the wire transfer.

11. Grantee RESTRICTIONS

- a. No Member of/or Delegate to Congress, or resident commissioner or local elected official, shall be admitted to any share or part of this Contract, or to any benefit arising from it. However, this provision does not apply to this Contract to the extent that this Contract is made with a corporation for the corporation's general benefit.
- b. If Grantee is or becomes suspended, debarred or

temporarily denied from participating in HUD programs prior to closing, this Contract shall be terminated. Any earnest money deposit paid under Section 2 or extension fees paid under Section 10 shall be retained by Seller as liquidated damages.

12. CONTRACT BINDING - RESTRICTIONS ON ASSIGNMENT OF CONTRACT

- a. This Contract shall be binding upon Grantee, its respective heirs, executors, administrators, successors and assigns.
- b. Seller must consent in writing to any assignment of this Contract and any person or entity to which this Contract is assigned must meet Seller's Previous Participation Requirements and Seller's other Grantee qualification requirements. Grantee agrees that Seller has 20 days in which to approve or deny any assignment request and acknowledges that, if this approval period extends beyond the original Contract term, or any extension thereof, Grantee will pay the extension fees required under Section 10 of this Contract to cover the approval period. Notwithstanding the foregoing, Grantee shall have the right to assign this contract to Ginger Ridge MHA ("MHA"), an Illinois not-for-profit corporation, provide the MHA assumes all obligations hereunder. Further, Seller understands and agrees to the transfer of the property to a partnership, the general partner of which will be a wholly owned subsidiary of the MHA.

13. OPERATION OF THE PROPERTY UNTIL CLOSING

From the date of Seller's execution of this Contract until Closing, Seller shall continue to operate and maintain the Property so that the Property will, except for normal wear and tear, be in substantially the same condition at Closing as on the date hereof. Seller may discard any worn out or useless items, but shall not otherwise remove from the Property any item or article except as may be necessary for repair.

14. LIMITATION OF LIABILITY

Notwithstanding any other provisions of this Contract, Seller's liability for damage to the Property or for any breach of this Contract shall not exceed the amount of funds paid by Grantee to Seller hereunder.

15. CONTRACT EXECUTED ON BEHALF OF BIDDER

If this Contract is executed on behalf of a corporation, partnership or other entity not as yet legally formed, such corporation, partnership or entity must be validly organized

and legally capable of performing its obligations under this Contract prior to the Closing. If the entity is unable to become legally formed and, therefore, cannot accomplish the Closing, the earnest money deposit and all extension fees will be retained by Seller.

16. FORMS

All forms and instruments referred to in this Contract shall be the standard HUD forms and instruments prepared by Seller and used by Seller in the jurisdiction in which the Property is located and shall contain such additional covenants and conditions required by this Contract, Prospectus and/or Request for Proposals.

17. ACKNOWLEDGMENT OF TERMS AND CONDITIONS OF SALE

Grantee affirms that it has full knowledge of the terms, conditions, and requirements contained in this Contract, the Prospectus, the Request for Proposals and the bid kit provided by Seller to Grantee.

18. COMPLETE AGREEMENT

This Contract supersedes all prior agreements and understandings related to the subject matter hereof, and may be changed, waived, discharged or terminated only by a written document, signed by the party against whom such change, waiver, discharge or termination is sought, except as otherwise provided herein.

19. GENDER AND NUMBER

Whenever the sense of this Contract so requires, the use of (1) the singular shall be deemed to include the plural, (2) the masculine gender shall be deemed to include the feminine or neuter gender, and (3) the neuter gender shall be deemed to include the masculine or feminine gender.

20. SEVERABILITY

If for any reason one or more of the provisions contained in this Contract shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Contract, but this Contract shall be construed as if such invalid, illegal or unenforceable provision never had been included in this Contract.

21. NOTICE

Any notice, request, information or other document to be given hereunder to any of the parties by any other party, shall be in writing and delivered personally or sent by an overnight or express mail service, with a return receipt, postage prepaid to the person and address set forth below. Any party may change the person or address to which notices are to be sent to it by giving written notice of such change to the other party in the manner herein provided for giving notice. The person, address and telephone number for the Department of Housing and Urban Development are Daniel Coughlin, 77 W. Jackson Blvd., Chicago, IL. 60604, 312-353-6236 ext. 2126. The person, address and telephone number for the Grantee are as provided below Grantee's signature on this Contract.

22. EXHIBITS

All exhibits described herein and attached hereto are fully incorporated into this Contract by this reference.

23. PARAGRAPH HEADINGS

The paragraph headings contained in this Contract are for convenience only and shall in no way enlarge or limit the scope of the paragraphs hereof.

24. MISCELLANEOUS PROVISIONS

- a. When the consent or approval of either party is required under the terms of this Contract, such consent or approval must be in writing.
- b. Grantee agrees that any restrictions to be placed in the Deed referred to in this Contract will run with the land.
- c. Whenever a number of days is referred to in this Contract, days shall mean calendar days. If any period of time expires on a non-Federal business day, Grantee or Seller shall have until the close of business of the next Federal business day to take whatever action is to be taken within the time period.

25. RIDERS TO THIS CONTRACT

The Riders checked and initialled by the parties are attached to and incorporated into this Contract and will be placed in the Deed to run with the land.

[Check applicable box(es)]

- ☒ Enforcement
- ☒ Tenant-Based Section 8 Assistance
- ☐ Project-Based Section 8 Assistance
- ☒ Affordability of Units
- ☐ Two Year Protection for Pre-Existing Very Low-Income Tenants
- ☒ Equity Participation
- ☐ Historic Preservation
- ☒ Lead-Based Paint Hazards
- ☒ Rental or Cooperative Use
- ☒ Rehabilitation and Relocation
- ☒ Compliance with Gautreaux Decree
- ☐ Mobile Home Parks
- ☐ Retirement Service Centers (ReSC)
- ☒ Post-Closing Repair Requirements
- ☒ Upfront Grant Agreement
- ☒ Other(s) - Specify: Asbestos - Inspect and Mitigate
- ☐ FHA Insurance Contingency
- ☒ Rescinding the Sale

IN WITNESS WHEREOF:

The Grantee has executed this Contract in triplicate the 27th day of September, 1996.

WITNESS:

David L. E. Con

NEW CITIES COMMUNITY
DEVELOPMENT CORPORATION

Grantee

By MARGE COOK
Signature

MARGE COOK
Typed Name of Signatory

President
Title of Signatory

16333 S Halsied
Address

Harvey, IL

708 333 - 2009
Telephone Number

Seller has executed this Contract in triplicate this 27th day of September, 1996.
(This line to be executed by Seller)

WITNESS:

Debra F. Robinson
President of Harvey

SECRETARY OF HOUSING AND URBAN
DEVELOPMENT

By Debra F. Robinson

page 13 of 13

LIST OF EXHIBITS

Property Description

Wire Transfer Instructions

EXHIBIT

PROPERTY DESCRIPTION

TRACT A:

PARCEL 1:

LOTS 16 TO 27 BOTH INCLUSIVE IN BLOCK 3; THE SOUTH 7.03 FEET OF LOTS 15 AND 28 IN BLOCK 3; THAT PORTION OF THE VACATED NORTH AND SOUTH ALLEY IN SAID BLOCK 3 LYING SOUTH OF THE NORTH LINE (EXTENDED EAST) OF THE SOUTH 7.03 FEET OF SAID LOT 15; THAT PORTION OF VACATED CHAPPEL AVENUE IN CALUMET CITY ILLINOIS, LYING SOUTH OF THE NORTH LINE (EXTENDED EAST) OF THE SOUTH 7.03 FEET OF SAID LOT 28 AND NORTH OF THE SOUTH LINE (EXTENDED EAST) OF LOT 22 IN BLOCK 3 ALL IN G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION, RECORDED JULY 17, 1925 IN BOOK 209 OF PLATS ON PAGE 34 AS DOCUMENT NUMBER 8978714, BEING A SUBDIVISION OF THE NORTH 1320 FEET OF THE WEST THIRD OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THAT PART OF THE WEST 1/2 OF THE EAST TWO THIRDS OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE CENTER LINE OF MICHIGAN CITY ROAD, IN COOK COUNTY, ILLINOIS

ALSO

PARCEL 2:

LOTS 26 TO 32 BOTH INCLUSIVE IN BLOCK 4; THE NORTH 32.44 FEET OF LOT 25 IN BLOCK 4; THAT PORTION OF VACATED JEFFERY AVENUE IN CALUMET CITY, ILLINOIS, LYING SOUTH OF THE NORTH LINE (EXTENDED WEST) OF SAID LOT 32 AND LYING NORTH OF THE SOUTH LINE (EXTENDED WEST) OF THE NORTH 32.44 FEET OF SAID LOT 25; THAT PORTION OF THE VACATED NORTH AND SOUTH ALLEY IN BLOCK 4 LYING NORTH OF THE SOUTH LINE (EXTENDED EAST) OF THE NORTH 32.44 FEET OF SAID LOT 25; LOTS 1 TO 7, BOTH INCLUSIVE IN BLOCK 4 (EXCEPT THE EAST 22 FEET OF SAID LOTS 1 TO 7 BOTH INCLUSIVE) AND THE NORTH 32.44 FEET OF LOT 8 IN BLOCK 4 (EXCEPT THE EAST 22 FEET THEREOF) ALL IN G. FRANK CROISSANT'S SUNNY LAWN AFORESAID, BEING A SUBDIVISION OF THE NORTH 1320 FEET OF THE WEST THIRD OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THAT PART OF THE WEST HALF OF THE EAST TWO THIRDS OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE CENTER LINE OF MICHIGAN CITY ROAD, IN COOK COUNTY, ILLINOIS

TRACT B

PARCEL 1:

LOTS 16 TO 27 BOTH INCLUSIVE, THE SOUTH 23.96 FEET OF LOT 15 AND THE SOUTH 23.96 FEET OF LOT 28 AND THAT PART OF THE VACATED NORTH AND SOUTH ALLEY LYING SOUTH OF THE NORTH LINE (EXTENDED EAST) OF THE SOUTH 23.96 FEET OF LOT 15 ALL IN BLOCK 2
SUNNY LAWN SUBDIVISION RECORDED JULY 17, 1925 IN BOOK 209

OF PLATS ON PAGE 34 AS DOCUMENT NUMBER 8978714, BEING A SUBDIVISION OF THE NORTH 1320 FEET OF THE WEST THIRD OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THAT PART OF THE WEST HALF OF THE EAST TWO THIRDS OF THE EAST HALF OF THE SOUTHWEST 1/4 OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14 LYING NORTH OF THE CENTER LINE OF MICHIGAN CITY ROAD; IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 2:

LOTS 1 TO 7 BOTH INCLUSIVE; LOTS 26 TO 32 BOTH INCLUSIVE; AND THE NORTH 15.61 FEET OF LOT 8 AND THE NORTH 15.61 FEET OF LOT 25 AND THAT PART OF THE VACATED NORTH AND SOUTH ALLEY LYING NORTH OF THE SOUTH LINE (EXTENDED EAST) OF THE NORTH 15.61 FEET OF LOT 25; ALL IN BLOCK 5 IN SAID G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION AFORESAID, BEING A SUBDIVISION OF THE NORTH 1320 FEET OF THE WEST 1/3 OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND THAT PART OF THE WEST 1/2 OF THE EAST 2/3 OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14 LYING NORTH OF THE CENTER LINE OF MICHIGAN CITY ROAD, IN COOK COUNTY, ILLINOIS.

TRACT C:

PARCEL 1:

LOTS 9 TO 24 BOTH INCLUSIVE, AND LOT 8 (EXCEPT THE NORTH 15.61 FEET THEREOF) AND LOT 25 (EXCEPT THE NORTH 15.61 FEET THEREOF) AND THE EAST-WEST VACATED ALLEY AND THAT PART OF THE VACATED NORTH-SOUTH ALLEY LYING SOUTH OF THE SOUTH LINE (EXTENDED EAST) OF THE NORTH 15.61 FEET OF LOT 25, ALL IN BLOCK 5 IN G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION, BEING A SUBDIVISION OF THE NORTH 1320 FEET OF THE WEST THIRD OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THAT PART OF THE WEST HALF OF THE EAST TWO THIRDS OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE CENTER LINE OF MICHIGAN CITY ROAD, IN G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION RECORDED JULY 17, 1925 IN BOOK 209 OF PLATS ON PAGE 34 AS DOCUMENT NUMBER 8978714, IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 2:

LOTS 1 TO 7 BOTH INCLUSIVE IN BLOCK 8 IN G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION AFORESAID.

PARCEL 3:

LOTS 1 TO 7 BOTH INCLUSIVE IN BLOCK 7 IN G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION AFORESAID.

ALSO

PARCEL 4:

LOTS 10 TO 18 BOTH INCLUSIVE, LOT 9 (EXCEPT THE NORTH 28 FEET THEREOF) LOT 19 (EXCEPT THE NORTH 68 FEET THEREOF) THAT PART OF THE VACATED NORTH-SOUTH ALLEY LYING SOUTH OF THE SOUTH LINE (EXTENDED EAST) OF THE NORTH 28 FEET OF LOT 9 AND THAT PART OF THE VACATED EAST-WEST ALLEY LYING WEST OF THE EAST LINE (EXTENDED NORTH) OF LOT 18, ALL IN BLOCK 6, ALL IN SAID G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION AFORESAID.

TRACT D:

PARCEL 1:

LOTS 8 TO 21, BOTH INCLUSIVE, AND THE VACATED NORTH-SOUTH ALLEY IN BLOCK 1 IN G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION RECORDED JULY 17, 1925 IN BOOK 209 OF PLATS ON PAGE 34 AS DOCUMENT NUMBER 8978714, BEING A SUBDIVISION OF THE NORTH 1320 FEET OF THE WEST THIRD OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THAT PART OF THE WEST HALF OF THE EAST TWO-THIRDS OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE CENTER LINE OF MICHIGAN CITY ROAD, IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 2:

LOTS 1 TO 8, BOTH INCLUSIVE, AND THE NORTH 28 FEET OF LOT 9; AND THE NORTH 68 FEET OF LOT 19, ALL OF LOTS 20 AND 21 AND THAT PART OF THE VACATED NORTH-SOUTH ALLEY LYING NORTH OF THE SOUTH LINE (EXTENDED EAST) OF THE NORTH 28 FEET OF SAID LOT 9 IN BLOCK 6 IN SAID G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION AFORESAID, IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 3:

LOTS 4, 5 AND 6 IN BLOCK 6 IN G. FRANK CROISSANT'S SHADOW LAWN, BEING A SUBDIVISION OF THAT PART OF THE WEST HALF OF THE SOUTH EAST QUARTER AND THE EAST THIRD OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE CENTER LINE OF MICHIGAN CITY ROAD, ALL IN COOK COUNTY, ILLINOIS, RECORDED AS DOCUMENT NUMBER 8978715.

TRACT E:

PARCEL 1:

LOTS 9 TO 24, BOTH INCLUSIVE OF THE EAST 22 FEET OF LOTS 1 TO 7 BOTH INCLUSIVE, THE EAST 22 FEET OF THE NORTH 32.44 FEET OF LOT 8, LOT 8 (EXCEPT THE NORTH 32.44 FEET THEREOF), LOT 25 (EXCEPT THE NORTH 32.44 FEET THEREOF) ALL IN BLOCK 4, ALL IN G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION RECORDED JULY 17, 1925 IN BOOK 209 OF PLATS ON PAGE 34 AS DOCUMENT NUMBER 8978714, BEING A SUBDIVISION OF THE NORTH 1320 FEET OF THE WEST THIRD OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS AND THAT PART OF THE WEST HALF OF THE EAST TWO-THIRDS OF THE EAST HALF OF THE SOUTH WEST

QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE CENTER LINE OF MICHIGAN CITY ROAD, COOK COUNTY, ILLINOIS, ALSO THAT PART OF THE HERETOFORE VACATED CHAPPEL AVENUE IN CALUMET CITY, ILLINOIS, LYING SOUTH OF THE NORTH LINE (EXTENDED EAST) OF SAID LOT 1 IN BLOCK 4, AND NORTH OF THE SOUTH LINE (EXTENDED EAST) OF SAID LOT 12 IN BLOCK 4 AND THAT PART OF THE HERETOFORE VACATED JEFFERY AVENUE IN CALUMET CITY, ILLINOIS, LYING SOUTH OF THE SOUTH LINE (EXTENDED WEST) OF THE NORTH 32.44 FEET OF LOT 25 IN BLOCK 4 AND NORTH OF THE SOUTH LINE (EXTENDED WEST) OF LOT 21 IN SAID BLOCK 4 AND THAT PART OF THE HERETOFORE VACATED NORTH-SOUTH ALLEY IN SAID BLOCK 4 LYING SOUTH OF THE SOUTH LINE (EXTENDED EAST) OF THE NORTH 32.44 FEET OF LOT 25 IN SAID BLOCK 4, ALSO THE HERETOFORE VACATED EAST-WEST ALLEY IN SAID BLOCK 4, IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 2:

LOTS 13, 14 AND 15 (EXCEPT THE SOUTH 23.96 FEET OF SAID LOT 15) LOT 28 (EXCEPT THE SOUTH 23.96 FEET THEREOF) ALL OF LOTS 29 AND 30, ALL IN BLOCK 2 AND THAT PORTION OF THE HERETOFORE VACATED NORTH-SOUTH ALLEY IN SAID BLOCK 2 LYING SOUTH OF THE NORTH LINE OF SAID LOT 13 IN BLOCK 2 EXTENDED EAST AND LYING NORTH OF THE NORTH LINE EXTENDED EAST OF THE SOUTH 23.96 FEET OF SAID LOT 15 IN BLOCK 2 ALL IN G. FRANK CROISSANT'S SUBDIVISION AFORESAID, BEING A SUBDIVISION OF THE NORTH 1320 FEET OF THE WEST THIRD OF THE EAST HALF OF THE SOUTHWEST 1/4 OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THAT PART OF THE WEST HALF OF THE EAST TWO THIRDS OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE CENTER LINE OF THE MICHIGAN CITY ROAD, IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 3:

LOT 13 (EXCEPT THE NORTH 16 FEET THEREOF) ALL OF LOT 14 AND LOT 15 (EXCEPT THE SOUTH 7.03 FEET OF SAID LOT 15): LOT 28 (EXCEPT THE SOUTH 7.03 FEET THEREOF) ALL OF LOT 29, LOT 30 (EXCEPT THE NORTH 16 FEET THEREOF), ALL IN BLOCK 3, IN THE AFORESAID SUBDIVISION AND THAT PORTION OF THE HERETOFORE VACATED NORTH AND SOUTH ALLEY IN SAID BLOCK 3 LYING SOUTH OF THE SOUTH LINE OF THE NORTH 16.00 FEET OF SAID LOT 13, IN BLOCK 3 EXTENDED EAST AND LYING NORTH OF THE NORTH LINE EXTENDED EAST OF THE SOUTH 7.03 FEET OF SAID LOT 15 IN BLOCK 3, AND THAT PART OF THE HERETOFORE VACATED CHAPPEL AVENUE (66.00 FEET WIDE) LYING NORTH OF THE NORTH LINE EXTENDED EAST OF THE SOUTH 7.03 FEET OF LOT 28, IN BLOCK 3 AND LYING SOUTH OF THE SOUTH LINE EXTENDED WEST OF THE NORTH 16.00 FEET OF LOT 13 IN BLOCK 2 TOGETHER WITH THE EAST 1/2 OF VACATED CHAPPEL AVENUE LYING NORTH OF THE SOUTH LINE OF THE NORTH 16 FEET OF LOT 13 IN BLOCK 2 EXTENDED WEST AND SOUTH OF THE NORTH LINE OF LOT 13 IN BLOCK 2 EXTENDED WEST IN SAID G. FRANK CROISSANT'S SUNNY LAWN SUBDIVISION AFORESAID, ALL IN COOK COUNTY, ILLINOIS

EXHIBIT
TO THE CONTRACT OF SALE

WIRE TRANSFER INSTRUCTIONS

INSTRUCTIONS FOR COMPLETING A REQUEST TO TRANSFER FUNDS BY WIRE

- ITEM 1 - RECEIVER-DFI#: The Treasury Department's ABA number for deposit message is 021030004. This number should be entered by the sending bank for all deposit messages sent to the Treasury.
- ITEM 2 - TYPE-SUBTYPE-CD: The type and subtype code will be provided by the sending bank.
- ITEM 3 - SENDER-DFI#: This number will be provided by the sending bank.
- ITEM 4 - SENDING-REF#: The sixteen character reference number is inserted by the sending bank at its option.
- ITEM 5 - AMOUNT: The transfer amount must be punctuated with commas and decimal points; use of the "\$" is optional. This item will be provided by the depositor.
- ITEM 6 - SENDER-DFI-NAME: This information is automatically inserted by the Federal Reserve Bank.
- ITEM 7 - RECEIVER-DFI-NAME: The Treasury Department's name for deposit messages is "TREAS NYC". This name should be entered by the sending bank.
- ITEM 8 - PRODUCT CODE: - A product code of "CTR" for customer transfer should be the first data in the RECEIVER - TEXT field. Other values may be entered, if appropriate, using the ABA's options. A slash must be entered after the product code.
- ITEM 9 - AGENCY LOCATION CODE: THIS ITEM IS OF CRITICAL IMPORTANCE. IT MUST APPEAR ON THE FUNDS TRANSFER DEPOSIT MESSAGE IN THE PRECISE MANNER AS STATED TO ALLOW FOR THE AUTOMATED PROCESSING AND CLASSIFICATION OF THE FUNDS TRANSFER MESSAGE TO THE AGENCY LOCATION CODE OF THE APPROPRIATE AGENCY. The agency's unique code must be specified in the funds transfer message in order for the funds to be correctly classified to the respective agency. The ALC identification sequence includes the beneficiary code field tag, BNF=, and identifier code, "/AC-", followed by the appropriate ALC number. This component must be in the following format:

BNF=/AC-86090300

The ALC identification sequence can, if necessary, begin on one line and end on the next line; however, the field tag "BNF =" must be one line and cannot contain any spaces.

ITEM 10 - THIRD PARTY INFORMATION: This contains the appropriate information to identify the reason for the funds transfer. The Originator to Beneficiary Information field tag "OBI =" is used to signify the beginning of the free-form third party text. The field tag "OBI =" must be on the same line and cannot contain any spaces. The field tag is placed following the ALC identification sequence and preceded by a space. An example of this data line is as follows:

BNF=/AC-86090300 OBI=

Wire Transfer Deposit Message
Format

(1) 021030004	(2)			
(3)	(4)	(5)		
(6)	(7)	(8)		
TREAS NYC/CTR/				
(9)	(10)			
BNF=/AC-86090300 OBI=				
Multifamily Project No.		Account 86X4072		
		Property Management System (PMS)		
Remitter		(202) 708-2510		

NOTE: Items 1, 7, 8, 9, and 10 must be completed as shown above.

RIDER 1 OF 12

ENFORCEMENT

The Deed shall include the following provisions:

The covenants set forth in this Deed shall run with the land hereby conveyed and, to the fullest extent permitted by law and equity, shall be binding for the benefit and in favor of and enforceable by the Seller and his successors in office.

The Seller shall be entitled to (a) institute legal action to enforce performance and observance of these covenants, (b) enjoin any acts which are violative of these covenants, and (c) exercise any other legal or equitable right or remedy with respect to these covenants.

In addition, the covenants, if any, set forth in this Deed relating to Section 8 assistance shall be enforceable by any tenant or applicant eligible for assistance under the Section 8 program.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Contract of Sale.

Grantee ____ (Must be initialled at time of submission of Bid.)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT

A handwritten signature in dark ink, appearing to be 'LHB', is written over the printed text 'SECRETARY OF HOUSING AND URBAN DEVELOPMENT'.

RIDER 2 OF 12

TENANT-BASED SECTION 8 ASSISTANCE

The Deed shall include the following provisions:

Nondiscrimination Against Section 8 Certificate Holders and Voucher Holders

In order to comply with Section 204 of the Housing and Community Development Amendments of 1978, 12 USC §1701z-12, as amended, the Grantee, for itself, its successors and assigns, agrees not to unreasonably refuse to lease a dwelling unit offered for rent, refuse to offer or sell cooperative stock, or otherwise discriminate in the terms of tenancy or cooperative purchase and sale because any tenant or Grantee is the holder of a Certificate of Family Participation or a Voucher under Section 8 of the United States Housing Act of 1937 (42 USC §1437f), or any successor legislation (hereinafter referred to as "Section 8"). This provision is limited in its application for tenants or applicants with Section 8 Certificates or Vouchers, to those units which rent for an amount not greater than 120 percent of the Section 8 fair market rent for a comparable unit in the area as determined by the Seller.

This covenant shall bind the Grantee, its successors, assigns and Grantees for value, for a period equal to the rental/cooperative use restriction, which is forty (40) years from the date of this Deed. In the event of a breach or a threatened breach of this covenant, the Seller, his successors in office and/or one or more third-party beneficiaries, shall be entitled to institute legal action to enforce performance and observance of such covenant and to enjoin any acts which are violative of such covenant. For the purposes of this covenant, a third-party beneficiary shall be any person who holds a Certificate of Family Participation or a Voucher under Section 8 or any equivalent document under successor legislation.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Contract of Sale.

Grantee ____ (Must be initialled at time of submission of Bid.)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT 

AFFORDABILITY OF UNITS

The Deed shall contain the following provision:

1. The Grantee covenants that 276 units in the Property, shall remain as affordable housing for very low- and low-income families. Such units consist of:
 - a. 0 units which are subject to a Project-based Section 8 contract; and,
 - b. 276 units which are not subject to a Project-based Section 8 contract.
2. Units which are not subject to a Project-based Section 8 contract shall remain as affordable housing for 40 years, for:
 - a. low-income families such that the rent does not exceed 30 percent of 80 percent of the area median income, as determined by the Secretary, and
 - b. very low-income families such that the rent does not exceed 30 percent of 50 percent of the area median income, as determined by the Secretary.
3. During such period as stated in paragraph 2., if the number of units occupied by very low- and low-income persons or families falls below the number of units specified in paragraph 1., the Grantee must seek to rent a sufficient number of units to very low- and low-income families to comply with paragraph 1.
4. Within 10 days after Closing, the Grantee shall prepare an Affordable Unit Waiting List which shall include all families that have applied for occupancy in the units specified in paragraph 1.b. The Grantee shall consider for occupancy each applicant family in the chronological order of application.

Such unit rental shall not discriminate against very low-income families. Grantee's shall not refuse occupancy to a very low-income family based upon financial inability to pay the affordable rent as stated in paragraph 2. unless a history of nonpayment or late payment of rent exists for that family.

5. The Grantee may make a reexamination of tenant family income, composition, and the extent of medical or other unusual expenses incurred by the family at least annually and not more often than quarterly. Upon recertification or tenant notification:

- a. If an increase to a very low-income family's income causes the family to become low-income, the Grantee must notify the tenant family of any increase in unit rent at least 30 days prior to such change.
- b. If a decrease to a low-income family's income causes the family to become very low-income, the Grantee must bring the unit rent into compliance with paragraph 2. within 30 days of notification of the tenant family's income change.

If a tenant family voluntarily does not submit to income recertification, that tenant family need not be considered a very low- or low-income family.

6. The Grantee shall certify to HUD annually that the requirements in the above paragraphs have been fulfilled.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Contract of Sale.

Grantee mc

SECRETARY OF HOUSING AND URBAN DEVELOPMENT 

RIDER 4 OF 12

EQUITY PARTICIPATION

The Deed shall include the following provisions:

- (1) If the Grantee, or any of its successors, assigns or Grantees for value sells, assigns, transfers or conveys the Property (collectively, a "Sale"), the Sale proceeds, less any expenses incurred by the Grantee, as approved by Seller, consisting of (1) reasonable transaction costs, (2) purchase price paid by the Grantee for the Property, (3) amounts previously paid by the Grantee to the Seller under paragraph (2) of this Rider since the sale of the Property from Seller to Grantee, or (4) other costs incurred but not yet paid by Grantee related to renovation and rehabilitation other than routine maintenance and repairs, and which are not funded by grant funds provided by the Seller, shall be assigned to the Seller in the following amounts:
 - (a) between the date of the Deed and fifteen years from the date of the Deed, one hundred (100) percent;
 - (b) between fifteen years, one day and twenty years from the date of the Deed, seventy-five (75) percent;
 - (c) between thirty years, one day and forty years from the date of the Deed, twenty-five (25) percent; and
 - (d) between thirty years, one day and forty years from the date of the Deed, twenty-five (25) percent.
 - (e) This restriction expires after forty years.
- (2) If the Grantee, its successors, assigns or Grantees for value, refinances without approval in writing from Seller, including without limitation the placement of any indebtedness secured by the Property ("Refinancing"), the proceeds from the refinancing, less any expenses incurred by the Grantee consisting of (1) reasonable transaction costs, (2) any mortgage debt paid off in connection with the refinancing, (3) costs paid by Grantee, as approved by Seller, related to renovation and rehabilitation other than routine maintenance and repairs, or (4) amounts previously paid by Grantee to Seller under this paragraph (2), shall be paid to the Seller in the manner provided in Section (1)(a) - (d), above.

- (3) The Grantee shall keep or cause to be kept, accurate records of account of any Sale or Refinancing and of the cost of renovation and rehabilitation. The Seller, during Grantee's normal working hours, shall have the right to enter and have free access to inspect all books and records of the Grantee. Upon the written request of the Seller, the Grantee shall retain an independent certified public accountant who shall prepare an accounting of any Sale, Refinancing, or cost of renovation or rehabilitation.
- (4) Notwithstanding the above three paragraphs, the Grantee may sell units to individuals and families for home ownership purposes and said homeowners could individually sell their interest in their units without triggering the equity participation requirements.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Contract of Sale.

Grantee mc (Must be initialled at time of submission of Bid.)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT 

LEAD-BASED PAINT HAZARDS

The Deed shall include the following provisions:

- (1) In order to comply with 42 USC §§4821-4886 and the regulations thereunder, 24 CFR Part 35, Subpart E and §200.825 (the "Regulations"), Grantee covenants that any lead-based paint hazards will be abated in accordance with the Regulations. Grantee shall certify to Seller (in a form acceptable to Seller) and Seller shall determine, through its inspection (or at its discretion, the inspection and certification of a local government official) that all lead based-paint hazards have been removed from the Property in accordance with the Regulations.
- (2) Grantee understands and agrees that Seller's inspection and finding of satisfactory performance is not intended to and does not constitute a guarantee that all lead based-paint and all potential lead-based paint hazards have been eliminated from the Property and does not relieve Grantee of its ongoing responsibility for complying with all applicable State and local lead based-paint laws and regulations.
- (3) Grantee agrees to indemnify defend, and hold Seller harmless from any liability arising by reason of Grantee's failure to perform Grantee's obligations under this Deed with respect to the elimination of lead based-paint health hazards, the prohibition against the use of lead based-paint, and Grantee's responsibility for complying with applicable State and local lead based-paint laws and regulations.

- (4) If temporary or permanent relocation is necessary because of such abatement, Grantee covenants that it will comply with paragraphs 5 through 8, below. Additionally, the Grantee covenants that it will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("Act"), as amended, 42 USC §4601, and the regulations thereunder, 49 CFR Part 24, when Project-based Section 8 assistance is provided by the Seller. The Grantee is responsible for ensuring compliance with the Act and regulations thereunder, notwithstanding any contractual obligations with third parties to comply with the Act and regulations. Grantee covenants that it will provide advance written notice of the expected displacement. The notice shall be provided as soon as feasible, describe the assistance and the procedures for obtaining the assistance, and contain the name, address and phone number of an official responsible for providing the assistance.
- (5) If temporary relocation is necessary because of such abatement, Grantee covenants that it will provide assistance to tenants in locating a decent, safe and sanitary dwelling/housing unit which, to the extent feasible, shall be in a location not generally less desirable than the Property, and reimburse tenants for:
- (a) Expenses of moving and any net increase in monthly housing cost (rent and reasonable utility costs) during the temporary displacement period.
 - (b) Expenses of returning to a repaired unit on the Property.
- (6) If permanent relocation is necessary because of such abatement, Grantee covenants that it will provide assistance, as described below, to tenants, as may be appropriate:
- (a) Advisory services, necessary to locate decent, safe and sanitary and affordable replacement housing which, to the extent feasible, shall be in a location not generally less desirable than the Property.
 - (b) Reimbursement for reasonable moving expenses, which need not exceed an amount determined by Seller to be reasonable considering the size of the household size and the circumstances surrounding the move.

- (7) The Grantee covenants not to increase the rent for any units, from the rent Seller is requiring a tenant to pay on the Closing date, until such unit meets all the abatement requirements set forth in (1), above. (In addition, rent for units to be covered by a Housing Assistance Payments Contract may be increased only pursuant to and following execution of such Contract.)
- (8) If Grantee fails to comply with (1), above, and no extension by written agreement has been granted by Seller, Seller and his successors in office shall be entitled to enter and terminate the estate hereby conveyed. This right and remedy may be exercised separately or in combination with the rights and remedies set forth in the Enforcement provision of this Contract.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Contract of Sale.

Grantee me (Must be initialled at time of submission of Bid.)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT BES

RIDER 6 OF 12

RENTAL OR COOPERATIVE USE

The Deed shall include the following provisions:

Use Restriction

- (1) The Grantee covenants that the Property will be maintained as rental or cooperative housing for a period of forty (40) years after the date of this Deed or such earlier time as the Seller may specify in writing (the "Restricted Period").
- (2) During the Restricted Period, the Grantee may not market dwelling units for any purpose other than rental or cooperative housing without the Seller's prior written approval.
- (3) Any change in the use or number of commercial units in the Property, from the use or number indicated as of the date of the Contract of Sale must receive prior written approval of the Seller.
- (4) Ownership by a mutual housing association will satisfy this use restriction.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Contract of Sale.

Grantee MC (Must be initialled at time of submission of Bid.)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT DB

REHABILITATION AND RELOCATION

The Deed shall include the following provisions:

Rehabilitation and Relocation Restriction

The Grantee covenants that it will comply with paragraphs 2 through 5, below. Additionally, the Grantee covenants it will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 USC §4601, and the regulations thereunder, 49 CFR Part 24, when Project-based Section 8 assistance is provided by the Seller. The Grantee is responsible for ensuring compliance with the Act and regulations, notwithstanding any contractual obligations with third parties to comply with the Act and regulations.

- (1) The Grantee covenants that the Property will be rehabilitated within twenty-eight (28) months from the date of this Deed, with extensions approved by Seller, in accordance with all applicable State and local laws, codes, ordinances and regulations, and for units receiving project-based Section 8, Section 8 Housing Quality Standards pursuant to 24 CFR Part 886, Subpart C, in addition to requirements set forth in any Post-Closing Repair Requirements sheet, Form HUD 9552 and its exhibits.
- (2) If temporary or permanent relocation is necessary because of such rehabilitation, Grantee covenants that it will provide advance written notice of the expected displacement. The notice shall be provided as soon as feasible, describe the assistance and the procedures for obtaining the assistance, and contain the name, address and phone number of an official responsible for providing the assistance.
- (3) If temporary relocation is necessary because of such rehabilitation, Grantee covenants that it will provide assistance to tenants in locating a decent, safe and sanitary dwelling/housing unit which, to the extent feasible, shall be in a location not generally less desirable than the Property, and reimburse tenants for:
 - (a) Expenses of moving and any net increase in monthly housing cost (rent and reasonable utility costs) during the temporary displacement period.
 - (b) Expenses of returning to a repaired unit on the Property.
- (4) If permanent relocation is necessary because of such

rehabilitation, Grantee covenants that it will provide assistance, as described below, to tenants, as may be appropriate:

- (a) Advisory services, necessary to locate decent, safe and sanitary and affordable replacement housing which, to the extent feasible, shall be in a location not generally less desirable than the Property.
 - (b) Reimbursement for reasonable moving expenses, which need not exceed an amount determined by Seller to be reasonable considering the size of the household size and the circumstances surrounding the move.
- (5) The Grantee covenants not to increase the rent for any unit, from the rent Seller is requiring a tenant to pay on the Closing date, until such unit meets all the rehabilitation requirements set forth in (1), above. (In addition, rent for units to be covered by a Housing Assistance Payments Contract may be increased only pursuant to and following execution of such Contract.)
- (6) If Grantee fails to comply with (1), above, and no extension by written agreement has been granted by Seller, Seller and his successors in office shall be entitled to exercise any available remedies including the right to enter and terminate the estate hereby conveyed. This right and remedy may be exercised separately or in combination with the rights and remedies set forth in the Enforcement rider to this Contract.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Contract of Sale.

Grantee mc (Must be initialled at time of submission of Bid.)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT DS

RIDER 8 OF 12

COMPLIANCE WITH GAUTREAUX DECREE

As of the Closing the Grantee shall provide Seller with evidence that it has executed an agreement with the Leadership Council for Metropolitan Open Communities in order to implement the provisions of the Consent Decree in Gautreaux v. Landrieu.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Contract of Sale.

Grantee *Me* (Must be initialled at time of submission of Bid.)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT *[Signature]*

RIDER 9 OF 12

POST-CLOSING REPAIR REQUIREMENTS

The Deed shall include the following provisions:

At Closing, the Grantee shall provide to Seller the following:

General Contractor performance and payment bonds meeting State and local codes as assurance of completion for post-closing repair requirements, as listed on Form HUD-9552 and its exhibits. Grantee must use HUD Form-2452 for the payment bond and HUD Form-2452A for the performance bond, or other documents acceptable to Seller.

a. Evidence of the existence of payment and performance bonds each in the amount of the total construction cost must be provided to Seller.

b. Grantee must follow the following requirements:

- i. The surety entity issuing the bonds must be included on the accredited U.S. Treasury list, Circular 570, published annually in the Federal Register on or about July 1 of each year;
- ii. The payment and performance bonds must not exceed limits listed in the Circular;
- iii. The payment and performance bonds must show Seller as payee, along with Grantee's mortgagee, at the mortgagee's request.

By initialling hereunder, the parties acknowledge that this Rider is incorporated into and is a part of the Contract of Sale.

Grantee *MC* (Must be initialled at time of submission of Bid.)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT *BED*

RIDER 10 OF 12

UPFRONT GRANT AGREEMENT

The Deed shall include the following provision:

Pursuant to the authority in Section 203(f)(4) of the Housing and Community Development Amendments of 1978, 12 USC 1701z-11, as amended by Section 101(b) of the Multifamily Housing Property Disposition Reform Act of 1994, Seller will provide Grantee with \$17,658,750 in Upfront Grant funds. New Cities and Seller have executed an Upfront Grant Agreement dated * , 19 , which specifies the terms and conditions of the use of the grant funds, given for the purpose of rehabilitating the Property.

* date to be determined upon execution by Seller and Grantee

By initialling hereunder, the parties acknowledge that this Rider is incorporated into and is a part of the Contract of Sale.

Grantee mc (Must be initialled at time of submission of Bid.)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT 

RIDER 11 OF 12

ASBESTOS--INSPECT AND MITIGATE

The Deed shall include the following provisions:

The Grantee covenants that the Property will be inspected and tested for asbestos containing materials (ACM). If ACM is found to be present, the ACM must be abated by city, county or State licensed/certified asbestos removal contractors and such abatement must be in compliance with State, OSHA and EPA requirements. The Purchaser must submit evidence substantiating the abatement and disposal of ACM, and must take appropriate action to protect the health and safety of residents and workers from hazards which may be associated with testing and abatement procedures.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and made a part of the Contract of Sale.

Grantee MC

SECRETARY OF HOUSING AND URBAN DEVELOPMENT DEB

RIDER 12 OF 12

RESCINDING THE SALE

The Deed shall include the following provision:

Seller and Grantee recognize the responsibility of the parties in undertaking partial demolition of Ginger Ridge and the major reconfiguration and rehabilitation of the remaining buildings. It is understood that construction financing will be in place by March 31, 1997 and that construction must begin by May 1, 1997 and continue to progress in reasonable fashion. Completion is expected by January 31, 1999. If financing is not in place by March 31, 1997 or if construction has not begun by May 1, 1997 Seller has the option to rescind the sale and require reconveyance of title.

By initialling hereunder the parties acknowledge that this Rider is incorporated into and made a part of the Contract of Sale.

Grantee MC

Secretary of Housing and Urban Development SSB

AFFIDAVIT OF TIME SPENT ON PROJECTS

I, Rae E. McCray, certify that I spent
100%

of my time as Resident Initiatives Organizer of New Cities working on
tasks related to the Ginger Ridge Project during the month of November.

Signed this 24th day of December, 1996

Mrs. Rae E. McCray

Dec. 2 when the county's Regional Board of School Trustees meets to discuss efforts to dissolve Puffer-Hefly Elementary District 69. Some parents have circulated petitions to eliminate the 406-student district and join with the larger Downers Grove Grade School District 68. Officials and other parents in the Puffer-Hefly district are challenging the effort to dissolve the district in unincorporated Downers Grove.

Wheeling: Susan Hathaway Tantillo, faculty adviser for the award-winning Wheeling High School newspaper, received her own accolade: the 1996 Carl Towley Award from the Journalism Education Association. She has served JEA as a regional director and is the Certification Commission chairwoman. She also served as editor of Newswire and has been a leader of the Northern Illinois Scholastic Press Association.



TEACHER OF THE WEEK

Leonard Hopkins, Naperville Central

High School: For students who learned what they know about law from television, Hopkins' law classes often come as a shock. The humanities teacher uses mock



jury trials, expert guest lecturers and field trips to Cook County courts as teaching tools. "I believe a majority of kids don't know how the system works and what their rights are," said Hopkins, who has taught for 20 years and was one of two area educators to win Teacher of the Year honors from the Constitutional Rights Foundation of Chicago. Hopkins teaches one class on constitutional law, one on criminal law.

He wrote the curriculum for the criminal law class, which is dubbed "street law" because it deals with issues students might face in society, including their legal rights if they are stopped or questioned by police. "They like it because it pertains to them."

Once the land was cleared, students would reseed it with prairie grasses and wildflowers. The result, the students argue, would be a more balanced ecosystem friendlier to birds, insects, animals and a greater variety of plant life. More importantly, they say, it would be the kind of ecosystem that existed here before the area was developed.

But the day after the class decided to adopt the land, County Board President John Stroger Jr., responding to criticism from anti-restoration residents, announced a moratorium on all

members say—and Colino agrees—that they have learned more than they could have hoped.

"All of a sudden all this commotion started, and we were involved because we went to the hearings," said 21-year-old Rosary College senior Kathleen Szawica.

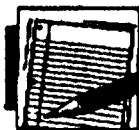
"This is probably one of the first classes where I've gotten hands-on experience," said Dinne Purpura, 21, also a senior at the school.

Tim Trendel, a 20-year-old junior, said he has learned that communica-

tioned on the Northwest side the loudest critics of the plan. argued that the controlled burr chemicals being used to clear trees, other plants were dangerous, and the forest preserve land was thinned out too much, removing natural buffers between homes and roads.

"The people who were doing originally didn't get the word—the people who were affected I Trendel said. "I think if you ei people, they would be for it."

Forest Preserve spokesman



'BURBS IN BRIEF

Addison: A 20-screen movie theater complex that seats almost 5,000 people and touts itself as the largest theater in the Chicago area recently opened in Addison. The Marcus Cinema offers state-of-the-art sound and projection systems, company officials said, as well as special features including some double-wide "love seats" and 12 theaters that offer tiered, stadium-style seating. Four more screens are scheduled to open next year at the complex at Interstate 355 and Lake Street.

Calumet City: A tenants association in the long-troubled Ginger Ridge apartment complex symbolically was handed the keys to the facility and announced that a planned \$30 million rehabilitation project would begin in February. With federal and city help, the tenants have formed a Mutual Housing Association to convert 940 apartments into town homes and apartments.

Des Plaines: The American Association of State and Local History has honored the Des Plaines Historical Society, singling out its programs on the city's Hispanic heritage as well as a program looking at winter holiday traditions. It was one of four Illinois community groups so-

honored. The programs were coordinated by the historical society's special projects coordinator, Angela Whit

Evanston: Hoping to avoid the embarrassing etics flap that arose after Northwestern University's appearance in last year's Rose Bowl, aldermen last week designated Mayor Lorraine H. Morton as the city's official representative to Northwestern's next bowl game. Last year several citizens charged that Morton violated the city's ice code in accepting a Rose Bowl trip from a Northwestern alumni group.

Ford Heights: The Cook County Sheriff's Department has budgeted full-time patrols through Nov. 1997, in Ford Heights after most of the suburb's police officers were indicted in October on federal corruption charges.

Highland Park: Faced with an attempt by some officers to break away from the union, the Teamsters said it no longer intends to represent the Highland Park police. Local 714 of the International Brotherhood of Teamsters declared its intention in a letter to the Illinois State Labor Relations Board. The push to withdraw from the union was led by Patrolman Carl Weaver, who eight years ago led an unsuccessful attempt by the officers to join the Fraternal Order of Police. Weaver said he was against accepting the Teamsters in 1994, adding that opposition increased after recent news reports about Local 714's troubles with its parent organization.

Ginger Ridge Mutual Housing Association

DATE: October 9, 1996

TO: RODNEY, The Cable Guy

FROM: ELLE

RE: NOTICE TO BE PLACED ON CHANNEL 17

Please place the following on channel 17 .

The Ginger Ridge Mutual Housing Association office located at 1935 Wilson, hours have changed to better accommodate you.

We will be opened from 11 o'clock am to 7pm, Monday through Friday. If you have any questions please call us at 868-0991.



Ginger Ridge

Mutual Housing Association
1935 Wilson
Calumet City, Illinois 60409
708-868-0991
708-868-0994 Fax

Ginger Ridge Mutual Housing Association BULLETIN

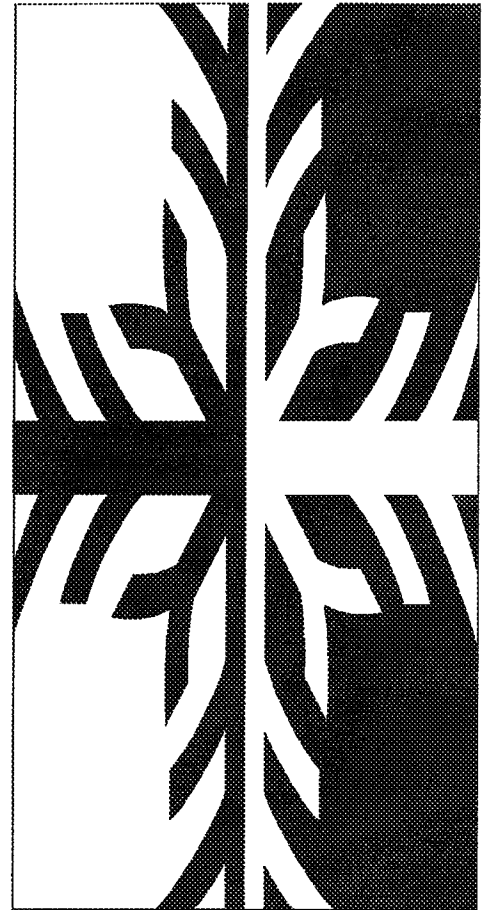
GINGER RIDGE TO BE SOLD TO MUTUAL HOUSING ASSOCIATION

By Mid-October, the Department of Housing and Urban Development will sell Ginger Ridge to the Ginger Ridge Mutual Housing Association.

Who is the Ginger Ridge Mutual Housing Association? It is a Board of Directors made up of residents of the complex, Calumet City, and local churches. This Board will oversee the re-development of the complex and hire a new property management company to run the complex. **THIS IS EXCITING NEWS!** (See the column to the left for the Board of Directors).

Most importantly, Ginger Ridge will be remade! Vacant buildings will be knocked down, units will be enlarged to create larger units and townhomes, and a building dedicated to community services will be built. **CHECK OUT THE ATTACHED REDEVELOPMENT UPDATE FOR MORE INFORMATION!**

Please note that besides some new faces, you should notice few changes at Ginger Ridge during the next six months.



Ginger Ridge Mutual Housing Association Board of Directors

REV. MICHAEL BURNSIDE, PRESIDENT
MARSHALL MCCRAY, CHAIRMAN
REV. WENDY WITT, SECRETARY
TINA MARIE WILLIAMS-GREEN
DENISE ECKHARDT
DARRELL ROBINSON
MARTHA MARSH
TONY LAND
CHRISTIE NICHOLSON
DIANN SYBART
DEACON JAMES SLAUGHTER
REUBEN SMITH
MARIL MILES
CHRISTINA ALLETTO
REV. MARK H. LARSON
MARLE COOK

Meet Signature Housing Inc.

Signature Housing Solutions Inc. will be the new property management entity at Ginger Ridge. This company is superior and highly specialized at working in complexes like Ginger Ridge and remaking them, all around the country.

Ms. Christina Alletto is the Executive Director of Signature Housing Solutions Inc. and she will, with Max O'Brien, hire staff and direct site operations at Ginger Ridge after the sale takes place.

In the coming weeks there will be plenty of opportunities for residents of Ginger Ridge to find out more about this management transition, and what it means for employment opportunities for the current staff.

The McKinney Center is Coming!



**Education!
Recreation!
Day Care Facilities!**

You Come Tell Us What You Want & How You Want It: Because the

McKinney Center is Coming!

**McKinney Center Focus Group Meetings will be Held on the following
Days:**

WHERE: 1935 WILSON #20
WHEN: DECEMBER 2, 1996
TIME: 7 :00 O'CLOCK PM

WHERE: 1935 WILSON #20
WHEN: DECEMBER 3, 1996
TIME: 11:00 O'CLOCK AM

**RELOCATION
MEETINGS FOR
THE FOLLOWING
DATES HAVE BEEN
CANCELED**

When: November 12, 1996

Where: 1900 Wilson Apt. # 8

Time: 11: 00 o'clock am

&

Tuesday November 12, 1996

Caroline Sibley School

7:00 o'clock p.m.



**BOTH MEETINGS SCHEDULED FOR TOMORROW ON
RELOCATION HAVE BEEN CANCELED. WE DO NOT
HAVE ANY NEW INFORMATION AT THIS TIME.**

**YOU WILL BE NOTIFIED AS SOON AS WE SCHEDULE
A NEW DATE.**

Ginger Ridge

Mutual Housing Association
1935 Wilson
Calumet City, Illinois 60409
708-868 0991
708-868 0994 Fax

*May your Holidays be filled with Joy and
Happiness!*

MEMORANDUM

TO: Darlene O'Keefe
FROM: Rosanna Tartaro
DATE: August 28, 1996
RE: Ginger Ridge Relocation

The following is a summary of the policies that Signature Housing Solutions would like to implement in its relocation plan for Ginger Ridge Apartments. Given the complicated nature of this project with the combination of federal and state funding, the development team has created a policy for relocation that is in the spirit of the statutory requirements of the Department of Housing and Urban Development. We would request that the Department approve the attached Relocation Plan prepared by Signature Housing Solutions, the future management entity for Ginger Ridge.

It has been assumed that all relocation benefits would be in effect as of the date that the sales contract is signed.

Permanent Relocation

Permanent Relocation is defined as any tenant for whom the owner may not make available an appropriately sized unit once rehabilitation is complete.

If an appropriately sized unit is made available to a tenant and the unit is considered affordable, the owner will have fulfilled its requirements and will not provide relocation benefits to that tenant. If a unit is available but not affordable, the tenant will qualify for "economic relocation" benefits as described below.

An appropriate sized unit will be defined as follows:

- 1 BR less than or equal to two
- 2 BR less than or equal to five
- 3 BR less than or equal to eight

Units will be considered affordable if tenants are not required to pay more than 30% of their annual gross income in rent.

Permanent Relocation benefits will consist of moving and rental assistance. The budgets for these types of assistance are delineated below.

Permanent Moving Assistance

Moving Company	\$550 (for moves less than 50 miles away)
Telephone	\$55
Cable	\$35
Miscellaneous	\$100 (i.e. packing services if elderly)
Average benefit per relocatee	\$740

Permanent Rental Assistance

The owner will pay the difference between the tenant's previous rent and the comparable market rent for a period of 42 months.

At Ginger Ridge all permanent relocation will occur for studios and 1 BR units because there will not be enough 1 BR's available to existing tenants.

There are no studio apartments in the immediate market, therefore all existing studio and 1 BR tenants must move into 1 BR units.

Based on the feasibility study, \$625 is the top end monthly market rent for 1 Bedrooms. The top end of today's market was used to account for increases in rent over the two year relocation period.

	<u>0 BR</u>	<u>1 BR</u>
Market rent	\$625	\$625
Current rent	\$280	\$360
Monthly difference in rents	\$345	\$265
Assistance over 42 months	\$14,490	\$11,130

Total Permanent Relocation Cost Estimate

Number of relocatees 101 (see attached sheet for assumptions)

Moving Assistance @ \$740 per unit	\$74,740
Rental Assistance - 27 Studios	\$391,230
Rental Assistance - 76 1 BR	\$845,880

Total Permanent Relocation Cost	\$1,311,850
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Temporary Relocation

Temporary Relocation benefits will be offered to any tenant for whom the owner has made available an appropriately sized unit, who chooses to stay at the property and meets applicable income limits, household size guidelines and is not in material breach of the lease or occupancy agreement.

Temporary Moving Assistance

Moving Company	\$400
Telephone	\$55
Cable	\$35
Miscellaneous	\$100
Average Benefit per move	\$590
Times 2 moves per unit	\$1,180

Each family will have to move twice in order to realize construction completion within 24 months.

Assume in October, there will be 499 units occupied	499
Less permanent relocatees	101
Less people who move of own volition	36
Remaining tenants to be temporarily relocated twice	362
Times cost per unit	\$1,180

Total Temporary Relocation Expense	\$427,160
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Economic Relocation

Economically displaced tenants are defined as those tenants who do not qualify for Section 8 and are earning incomes below 60% of median income. Because rents are set at 60% of median, this would result in a tenant paying more than 30% of their annual income towards rent. The tenant would therefore be economically displaced.

No family will receive economic displacement benefits if their rent payment is less than 30% of their gross income because they will receive Section 8 assistance.

Economic displacement benefits will consist of the difference between the rent that is affordable to the tenants and the rent they would pay at Ginger Ridge for a period of 42 months.

Affordable Rent Chart

Median Income \$54,100
Rents set at 30.00%

	51.00%	52.00%	53.00%	54.00%	55.00%	56.00%	57.00%	58.00%	59.00%
1 person	483	492	502	511	521	530	540	549	559
2 person	552	563	573	584	595	606	617	628	638
3 person	621	633	645	657	669	682	694	706	718
4 person	690	703	717	730	744	757	771	784	798
5 person	745	760	774	789	803	818	833	847	862
6 person	800	816	832	847	863	879	894	910	926
7 person	855	872	889	906	922	939	956	973	989
8 person	911	928	946	964	982	1,000	1,018	1,035	1,053

Shaded areas are rents that won't be "affordable" to people currently between 51% and 59% of median income.

The economic displacement benefits assumptions will be as follows:

	Max Rent at Ginger Ridge	Average Affordable Rent	Monthly Difference	42 months Benefits
1 person will live in a 1 BR	\$525	\$502	\$23	\$975
2 people will live in a 2 BR	\$635	\$595	\$40	\$1,676
3 people will live in a 2 BR	\$635	\$621	\$14	\$597

Income survey results (not yet available)

	Number	Econ. Displ. Benefits
Number of 1 person units between 51% and 59%	0	0
Number of 2 person units between 51% and 59%	0	0
Number of 3 person units between 51% and 59%	0	0
Totals	0	0 (to be determined)

Total Economic Displacement Cost	0
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Staffing Requirements

1 full time employee @	\$40,000
Taxes	\$8,800
Benefits	\$5,600

1 full time employee @	\$25,000
Taxes	\$5,500
Benefits	\$5,600

Total Staffing Expense	\$90,500
Times Two Years	\$181,000

Plus Administrative Exp	\$45,000	(includes transportation assistance for residents, document prep, office supplies, misc., etc.)
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Total Staffing & Admin.	\$226,000
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Summary of Relocation Costs

Permanent Relocation	\$1,311,850
Temporary Relocation	\$427,160
Economic Relocation	\$0 (to be determined when income survey results are available)
Staffin & Admin	\$226,000

Total Relocation	\$1,965,010
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Ginger Ridge Occupancy Fact Sheet

June Management report states that as of May 31, 1996, there were 559 occupied units

	0 BR	1 BR	2 BR	
1 person	80	157	21	
2 person	8	85	78	
3 person		13	71	
4 person		2	41	
5 person			3	Total Occupied
Totals	88	257	214	559

Move-Outs in June, July and August according to Arco move-out reports result in the following occupancy:

	0 BR	1 BR	2 BR	
1 person	74	147	20	
2 person	8	72	74	
3 person		11	69	
4 person		2	35	
5 person			2	Total Occupied
Totals	82	232	200	514

26.11% 73.89% Ratios of studios and 1 BR to total of studios and 1 BR

137 Difference between number of 1&2 person 0&1 BR units and the number of available 1 BR units(164)

36 Assume that 3 tenants in 0&1 BR units per month during the first 12 months will move of their own free volition and will not file for relocation benefits.

101 Remaining people for whom 1 BR units will not be available and will have to be permanently relocated.

Based upon the ratio of studios to 1 BR's, it has been assumed that 26 will move from studios and 75 will move from 1 BR'

26 Studios

75 1 BR

RELOCATION PLAN FOR GINGER RIDGE APARTMENTS

INTRODUCTION

The Ginger Ridge Mutual Housing Association (the "Owner") intends to acquire 31 two-story buildings in the south suburban community of Calumet City. The buildings will undergo extensive rehabilitation and upon completion, the development will consist of 467 units.

It is the intention of the Owner to encourage as many current residents to reside in the completed development, provided they are eligible, and meet the eligibility Requirements as outlined on Pages 3 and 4, Sections A through C of this Plan and, finally, contingent upon the availability of the proper size unit. This Relocation Plan has been prepared to facilitate the retention of existing tenants and to outline benefits and procedures for those tenants that will not return to the development. It sets forth the policies and administrative steps that will be adopted and implemented to insure the fair, equitable and timely delivery of relocation services and benefits.

Rehabilitation work will begin on February 1, 1997 with the total construction period being approximately 24 months. Due to the elimination of 6 buildings and the reconfiguration of most of the units, it will be necessary to relocate all residents while construction work is in progress. In addition, due to the decrease in the number of one bedrooms and the elimination of all studio's, it will be necessary to permanently relocate approximately 101 families.

As the result of the need to vacate the units during construction and the application of eligibility requirements, all affected existing residents will be temporarily relocated to vacant units currently within the development. The Owner anticipates that households will be temporarily relocated from their original unit and again once the rehabilitation work has been completed in their assigned unit. In other words, all residents who are eligible to remain at Ginger Ridge, will be required to move two times. Residents will receive Relocation Benefits for both moves, subject to all other requirements set forth in this plan. In addition, in response to the market and new proposed configuration of the complex 6 buildings containing 330 units will be demolished. There are currently 514 units occupied. Based on discussions with HUD this plan assumes that at the time of the ownership transfer, the property will have approximately 499 units occupied.

As part of the Owner's relocation program, the Owner will hire a Relocation Agent who will be responsible for implementing and supervising the relocation program.

I. THE RELOCATION PROCESS

Relocation activity will begin when the Owner takes possession of the buildings. Residents will be notified by hand-delivered or certified mail that a series of informational open houses will be held. (See Exhibit A). At that time, all residents in the development will be notified of a change in management.

At the open houses, representatives of the Owner and Managing Agent will make a detailed presentation of their respective programs and responsibilities. The presentation will include an overview of the development, the distribution of a packet containing written materials on the development, Eligibility Requirements, a description of the application process, a description of the Owner's relocation program and a copy of the lease agreement. All residents will be informed that if they qualify to return to the development but choose not to return, they will not be considered permanently displaced and will not be eligible for permanent relocation benefits.

At the end of each open house presentation, the Relocation Agent will arrange a personal interview with each lease holder in attendance to be conducted in his or her individual apartment. Each resident attending the open house will complete a Resident Information Card (Exhibit B) verifying his or her attendance and receipt of the information packet. After the appointment is made, one copy of the Resident Information Card will be given to the resident and the remaining two copies will be retained for the Owner's relocation files. Individual residents will be provided with a list of those materials or information which they should have on hand for their personal interviews and also the subsequent application, if appropriate. The Agent will also arrange interviews with residents listed on the Owner's Rent Roll but not attending the meeting. Within three weeks following the date of the last open house, all interviews for the affected buildings will be completed. The first open house will be held within 10 days of the closing.

Home Interviews

Each resident in the buildings will be interviewed. All Senior Citizens will be interviewed first.

At the home interview, the interviewer will review the resident's relocation and occupancy options in-depth, recording all information on the Tenant Profile Sheet, (Exhibit C), which will be used in the processing of tenants' applications. Emphasis will be placed on the benefits and services provided by the Owner. The Relocation personnel will maintain a file on each resident containing all pertinent information collected during the interview. The Agent and the Owner will review the Tenant Profile Sheets to determine which residents meet the eligibility requirements to receive temporary relocation benefits and assistance.

Residents will be asked to sign a statement at the time of the personal interview acknowledging the meeting, their understanding that they have seven (7) working days in which to file an application for a rehabilitated apartment and their receipt of a written copy of the relocation benefits and assistance. (See Exhibit D). For the sake of convenience, the resident may also choose to fill out and file his or her application for housing immediately following the personal interview. The Relocation Agent will have rental applications on hand for those residents wishing to make application on the date

the personal interview is conducted. At this time, residents will also be asked to turn in their current lease which is canceled and sign a lease agreement which will include a written description of rules and regulations of the management and also a list of potential material violations of the lease such as non-payment which could result in an eviction and possible judgment.

Applications from current residents will be processed routinely and will be evaluated against Eligibility Requirements. The Agent will confer with the Owner before sending acceptance letters to residents. All residents will be notified of their acceptance within 120 days following the meeting with the Owner.

Eligibility Requirements

There will be three types of Relocation benefits offered to residents of Ginger Ridge Apartments. Specifically:

- I. Temporary Relocation Benefits
- II. Permanent Relocation Benefits
- III. Economic Displacement Benefits

The following criteria will be used in determining those eligible for temporary relocation.

A. Temporary Relocation:

Tenants who qualify under the following:

- Applicable income limit
- Household size guidelines
- Not in material breach of the lease or occupancy agreement which results in an Eviction and possible Judgment.

B. Tenants who do not qualify for Temporary displacement benefits:

- Tenants who move into the building after the Owner has obtained title to the property, provided such tenants have received notice of the impending rehabilitation and intent to terminate occupancy prior to their move-in.
- Tenants who qualify to return to the property but choose not to return.
- Tenants who are in serious or repeated Violation of Lease or Occupancy Agreement, i.e. non-payment of rent or destructive behavior which results in an eviction and possible judgment.

- All individuals who are not lawful tenants, i.e. not listed on the lease or lawfully occupying a unit.

Temporary Relocation

An acceptance letter (Exhibit E) will be sent to each approved application and the applicant will be offered a Conditional Rental Commitment, (See Exhibit F) which if signed by the applicant, guarantees him or her a unit in the completed development. The applicant must accept the conditional offer and return a signed copy to the Relocation Office.

Upon acceptance of the Conditional Rental Commitment Offer, residents will enter into a Relocation Agreement (See Exhibit G) which spells out the precise benefits they are to receive. A summary of the temporary benefits is outlined later in this plan.

Notices

All residents will receive a Written Notice to Vacate, at least 45 days prior to the date they must vacate their unit. (See Exhibit I). The Written Notice to Vacate, will be sent certified mail, return receipt requested. The Owner's Relocation Agent will send the Written Notice to Vacate to residents eligible for temporary relocation assistance. Those residents who must be temporarily relocated will be assisted by the Owner's Relocation Agent in relocating to a vacant unit within the development and in arranging moves.

II. PERMANENT RELOCATION

The following criteria will be used in determining those eligible for Permanent Relocation Benefits.

- offered to anyone who currently resides at the property for whom there will not be an appropriately sized unit, once the rehabilitation work has been completed, unless the residents income is such that 30% of their income is at or exceeds the rents at Ginger Ridge once the rehabilitation work is complete. In that case, no benefits are required and none will be offered.

Residents will receive a formal notice (Exhibit-) notifying them of their eligibility for Permanent Relocation Benefits. They will be instructed to sign and return the notice within 10 days.

Upon receipt of the signed notice, residents will enter into a Permanent Relocation Agreement (See Exhibit G) which spells out the precise benefits they are to receive. A summary of the temporary benefits is outlined later in this plan.

Notices

All residents will receive a Written Notice to Vacate, at least 45 days prior to the date

they must vacate their unit. (See Exhibit I). The Written Notice to Vacate, will be sent certified mail, return receipt requested. The Owner's Relocation Agent will send the Written Notice to Vacate to residents eligible for temporary relocation assistance. Those residents who must be temporarily relocated will be assisted by the Owner's Relocation Agent in relocating to a vacant unit within the development and in arranging moves.

II. ECONOMIC RELOCATION

The following criteria will be used in determining those eligible for Economic Relocation Benefits.

- Those residents who do not qualify for Section 8 and earning incomes below 60% of the median income and who, because the rents will be set at 60% of the median, will be required to pay more than 30% their annual income towards rent.
- Economic Benefits would consist of the difference between the rent paid prior to the relocation and the new rent set after the rehabilitation and relocation has occurred. Payment would be made for a period of 42 months.
- Residents eligible for Economic Benefits would also be eligible for all benefits offered through the Temporary Benefits plan and thus subject all terms and requirements set forth for such.

An acceptance letter (Exhibit E) will be sent to each approved application and the applicant will be offered a Conditional Rental Commitment, (See Exhibit F) which if signed by the applicant, guarantees him or her a unit in the completed development. The applicant must accept the conditional offer and return a signed copy to the Relocation Office.

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Agent in relocating to a vacant unit within the development and in arranging moves.

III. KEY POLICIES

A. Priority for assignment of units

All bona fide residents of the building who are in occupancy at the time title to the building passes to the Owner, will be given absolute priority for rehabilitated units, provided they meet applicable eligibility requirements and provided that there are appropriately sized units available. Applications from this priority group will be accepted, processed, and decided upon prior to acceptance of applications from the general public. Elderly residents of the buildings will be given preference for one bedroom occupancy.

B. Lease Agreement

A Lease Agreement for the development has been prepared and will be executed by all tenants who wish to continue occupancy until the relocation process begins.

C. Unit Guarantees

Applicants approved for tenancy in the rehabilitated development will receive a written commitment for a unit at the time their application is approved. The form of the guarantee is a Conditional Rental Commitment which is binding on the Owner and which may only be revoked for the specific reasons detailed in the document itself. Each applicant accepted will be notified within 45 days of acceptance of the specific apartment unit reserved for him or her in the development. The unit will accommodate the family size of the applicant. If the applicant is placed in a building other than the building of original occupancy, this reassignment will not be considered permanent displacement.

D. Adequate Notification

All residents who will be relocated will be given forty-five (45) days prior written notice. Such notice will be delivered by certified mail, return receipt requested. Copies of the return receipts will be made available to the Owner.

All residents still in occupancy 15 days prior to the expiration of the 45-day period will also receive a 15-day reminder.

E. Provision of Services and Benefits

All residents who will be retained in the development will be provided by the Owner with relocation services and benefits.

F. Eviction

The eviction process will be used only as a last resort in vacating the building in preparation for construction. However, eviction proceedings will be taken by the Owner for the following reasons:

1. Failure to pay rent;
2. Maintenance of a nuisance or use of the premises for illegal purposes;
3. Repeated material breach of the lease or occupancy agreement which results in an Eviction and possible Judgment;

III. ADMINISTRATIVE PREPARATIONS FOR RELOCATION ACTIVITIES

A. Relocation Staff

1. The Owner will hire a highly qualified individual to serve as the Relocation Agent. The Agent will implement the Relocation Plan.
2. The Agent will participate in a series of orientation sessions to sensitize him/herself to all aspects of rehabilitation that impact upon relocation. If additional consulting services are required, the Owner is prepared to contract for such services.

B. Systems Development

1. A system will be established for recording, cataloging and retrieving information on each resident. A complete file for each resident in occupancy will be maintained in the office. Each file will contain:
 - Rental Application
 - Resident Information Card
 - Conditional Rent Commitment
 - Relocation Agreement
 - Copies of verification documents used to determine eligibility
 - Copies of documents used to verify tenancy
 - Copies of all notifications and correspondence
 - Address and Rent of Temporary Housing
 - Copies of Payments received
 - Tenant Profile Sheet

2. The Agent and Owner have instituted an accounting system to record and monitor the disbursement of all of the Owner's relocation expenses. Records of the receipts of all incurred expenses will be submitted to HUD as required upon completion of the relocation process.

C. Communications

1. The Relocation Agent will prepare an information packet for distribution to existing tenants. The information will address the following basic issues in a straight-forward manner:
 - * A basic description of the development's rehabilitation program.
 - * A statement indicating the availability of subsidized rentals for qualified households.
 - * A basic description of the application process and a list of items with which residents should be provided at the time of their application for residency.
 - * A copy of the lease agreement to be executed. A statement that no person lawfully occupying property and who is not delinquent with rental payments will be required to move without at least 90 days written notice.
 - * A statement of purpose of the relocation program and a brief indication of the assistance and benefits available.
 - * A statement encouraging occupants to visit the relocation office, to cooperate with the relocation staff, and to notify the relocation office prior to moving.
 - * A summary of the eviction policy.
 - * The addresses, telephone number(s), and hours of the Relocation and Management Offices.
2. The Relocation Agent will prepare and the Owner and its attorneys will review all written communications that are to be received by households affected by the relocation activity. Such letters and notices will be worded in a straight-forward manner.

D. Housing Service

1. The Relocation Agent will assign vacant units that are appropriate for use by residents on a temporary basis. Depending on the availability of vacant units, consideration will be given where possible, to relocate residents to units within close proximity of their current apartments.
2. The Relocation staff will also provide several services that assist residents in the difficult process of relocation:
 - * The Agent will solicit bids of reliable moving companies and the Owner will pay for the cost of each move for temporary and permanent relocation, through the relocation fund.
 - * Development of a working relationship with Commonwealth Edison, Ameritech, and people's Gas Company to help residents establish utility service at the new residences.
 - * If a senior citizen or a handicapped person requires assistance in packing their belongings, the Agent will arrange for the assistance through the moving company hired by the Owner.

E. Residency Verification

1. The Owner's Relocation/Marketing Agent will take whatever steps are feasible to enable them to validate the claims of residents that they were residents of the development at the time the Owner took possession of the building in which they claim to be a resident. Such documents will include gas, light or phone bills, lease, former Owner's rent roll, or current rent receipts, or canceled checks.

IV. RELOCATION SCHEDULE AND BUDGET

A. Construction/Relocation

1. The total construction period will be approximately 24 months. The first building is scheduled for completion in June, 1997. Construction will begin on vacant buildings first and proceed in phases of four buildings at a time.

B. Distribution of Relocation Workload

1. The total number of households requiring relocation services and benefits is estimated to be 463. It is expected that 78% of the residents will remain in the development and be temporarily relocated. It is expressly understood that exact numbers of relocatees cannot be determined until the

home interviews are completed.

C. Type and Level of Moving Benefits for Temporary, Permanent and Economic Relocation

1. The benefits described below to be provided by the Owner will be available for all residents returning to a completed apartment.

- a. Moving Allowance

A moving allowance is provided by the Owner to cover eligible tenants' moving costs to transport their belongings to their temporary apartments and back to their completed units in the development or if necessary, to a new location permanently. Because of the time constraints and number of residents to be relocated, residents will be required to utilize the bonded, licensed moving company provided by the Relocation Office. Payment will be made directly to the moving company. At this time we estimate that each temporary move, within the development will average \$400 per unit, and for a permanent move \$550 per unit.

- b. Packing Allowance

Residents who are senior citizens or handicapped and require assistance packing may choose to utilize a packing service that provided by the Owner's retained moving company. The packing allowance will be paid by the Owner's Relocation Office and shall not exceed \$150.00 per household. The Relocation Office must be notified at least two weeks in advance of the date of expected move in order to make the necessary arrangements.

c. Out-of-Pocket Expenses

Any resident who must relocate for a period may also be reimbursed for verifiable, reasonable out-of-pocket expenses such as utility and telephone connection or disconnection, assuring tenant has utility or telephone service in his or her name prior to temporary relocation. We have estimated an average expense of \$55 for the transfer of phone service and \$35 for the transfer of cable service, per unit per move.

The Relocation Agent shall provide copies of receipts for all out-of-pocket expenses to Owner.

d. Additional Services

The Owner's relocation staff will assist the tenant in making arrangements with the telephone company, electricity company, and the gas company for the transfer of utility services.

SUBMITTED on behalf of: Ginger Ridge Mutual Housing Association by Signature Housing Solutions, Inc.

Signed: Christina Alletto, CPM
Executive Director

Date

APPROVED BY:

HUD

Date

Ginger Ridge Mutual Housing Association

THANK YOU
FOR
LETTING US
INSPECT
YOUR
APARTMENT



Ginger Ridge

Mutual Housing Association

1935 Wilson

Calumet City, Illinois 60409

708-868-0991

708-868-0994 Fax

G.R.M.H.A.
STAFF

Ginger Ridge Mutual Housing Association

July 29, 1996

Dear Neighbor:

***WE WILL BE
INSPECTING
APARTMENTS IN YOUR
BUILDING ON
TOMORROW, JULY 30,
1996.***

*It is absolutely necessary that we inspect
your refrigerator, stove, air conditioner,
weak floor boards, carpeting and
bathroom, in preparation for the coming
renovations.*

*Please leave the top lock off or call us at
868-0991 for additional information.*

*Sincerely,
G.R.M.H.A. STAFF*



Ginger Ridge

Mutual Housing Association
1935 Wilson
Calumet City, Illinois 60409
708-868-0991
708-868-0994 Fax

July 23, 1996

Dear Neighbor:

SORRY WE MISSED YOU

*It is absolutely necessary that we inspect
your refrigerator, stove, air conditioner,
weak floor boards, carpeting and
bathroom, in preparation for the coming
renovations.*

*Please call us at 868-0991 and let us know
when we can inspect your unit. You do not
need to be home, just give us permission to
enter your unit and leave the top lock off
that day.*

*Sincerely,
G.R.M.H.A. STAFF*



Ginger Ridge

Mutual Housing Association
1935 Wilson
Calumet City, Illinois 60409
708-868-0991
708-868-0994 Fax

Ginger Ridge Mutual Housing Association

Ginger Ridge Mutual Housing Association

July 12, 1996

Deputy Officer Steve Eiseman
1100 South Hamilton
Chicago, IL 606

Via Fax: 1-(312) 433-7935

Dear Officer Eiseman:

Thank you for taking time out of your busy day to talk with me last week in reference to taking a group of youth out to the Juvenile Detention Center. We are excited and looking forward to the big event on July 26, 1996. We will be arriving via a chartered bus of twenty youth between the ages of 8 years old to 17 years old, and five adults.

You mentioned 9:30am as a good time for us to arrive, and that is perfect for us. However, what I need to know is how long this presentation last, so I can book the bus for the correct length of time.

Please contact me at (708) 868-0991 or feel free to fax the information to me at (708) 868-0994.

Sincerely,

Mrs. Rae McCray

Mrs. Rae McCray, Asst. Director
Resident Initiatives Program



Ginger Ridge

Mutual Housing Association
1935 Wilson
Cahmet City, Illinois 60409
708-868-0991
708-868-0994 Fax

PRESS RELEASE

GINGER RIDGE APARTMENTS

CALUMET CITY, IL

June 21, 1996

The Ginger Ridge Mutual Housing Association (the "MHA") announced that an agreement in principal has been finalized with the United States Department of Housing and Urban Development ("HUD") which will enable the MHA to acquire Ginger Ridge Apartments and commence substantial rehabilitation of the property. The structuring of the transaction permits a fast track timeline that assumes a general contractor will be selected by mid-September of this year. The total construction budget is estimated to be in the \$13 million range, with construction contemplated to commence shortly after January 1, 1997.

The MHA was incorporated in March, 1996 by its sponsoring organization, New Cities Community Development Corporation ("New Cities"), also an Illinois not-for-profit. Board members of the MHA will include representatives from New Cities, residents of Ginger Ridge as well as the surrounding community, the city of Calumet City, and The Finch Group, the Boston-based joint venturor. New Cities will be entertaining proposals from contractors with full bonding capacity who are interested in taking on the role of general contractor for the redevelopment of Ginger Ridge. The general contractor ultimately chosen must demonstrate an ability to structure participation in the rehabilitation by local and minority sub-contractors.

New Cities and The Finch Group have contracted with the MHA to be co-developers of the Property. The physical rehabilitation will reduce the density of Ginger Ridge through the demolition of several buildings and the combining of units in order to create an apartment complex which parallels the surrounding market in appearance. The amenities offered at Ginger Ridge will surpass those offered in the market and will include the creation of a community center called the McKinney Center.

For more information regarding the general contractor selection process, contact:

Cindy Holler
New Cities Community Development Corporation
16333 S. Halsted Avenue
Harvey, IL 60426
(708)333-2009

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NEW YORK, SUNDAY, JUNE 2, 1996

\$3 beyond the gre

U.S. Getting Public Housing Closer to the Ground

By NEIL MacFARQUHAR

NEWARK, June 1 — Flexing the toe of her sneaker, Sheila Ingram digs through the patchy baldness of the lawn in Oscar E. Miles Village, a new public town-house project in the heart of Newark. Every few minutes she unearths an inch-long broken glass vial with a tapered blue, red or green plastic screw top and displays it triumphantly.

"This place is a drug haven; they sell just as much here as they did in the towers," she says, scoffing at a neighbor who argues that the low-rise developments have brought nothing but good.

"Your son sells drugs," Mrs. Ingram yells.

"My son does not," the woman answers. After another outburst from Ingram, she slightly tempers her denial. "He does not sell from my house," she says.

The 150 units in their village represent an emerging face for public housing, around the country and particularly in Newark, where officials hope an ambitious program will not only replace monolithic towers with small, grassy squares and low buildings, but will also foster a sense of community among residents. Rather than feeling isolation and the stigma associated with a high-rise public dwelling, residents may be more inclined to exert control over their surroundings to combat the drug

Low-Rise Family Units Replace Big Towers; Newark Is Leader

deals and crime that have gripped housing projects for years, housing experts say.

"The history is clear that the high rises just don't work and we have to replace them," said Henry G. Cisneros, Secretary of the Department of Housing and Urban Development. "This has the potential to change American cities because so many are damaged by the out-of-control conditions in public housing."

After 12 years of destroying 22,000 apartments, the Department of Housing and Urban Development is in the middle of an eight-year plan to

spend more than \$2.5 billion to tear down 100,000 apartments in high-rise buildings nationwide. In total, about 10 percent of public housing constructed in the building boom of the 1950's and 60's will be knocked down.

The pace of change has accelerated over the last year because of new Federal legislation pushed by both Democrats and Republicans giving local housing authorities more autonomy and streamlining legal guidelines on how tenants are chosen, managed and evicted.

But advocates for the poor say the Government is putting too much stock in just reducing the scale of its housing, that many problems remain to be tackled. They also regret the mass destruction of the older units, arguing that some roof overhead is better than none at all, given the slow pace at which the units are replaced

Continued on Page 36, Column 1

and the extent of homelessness. Residents like Mrs. Ingram are skeptical that enough is being done to change the mentality of the people transferred into the latest developments. "Sure it is better living conditions, but if you don't change the environment, do something about the drug problem, these places will eventually look like the rest," Mrs. Ingram said.

"They want to sugarcoat it like it is so much better," she said, referring to a nearby upscale town house development. "They want to name it like this is Society Hill. This is Society Hill. This is still a hellhole."

In Newark, with the dynamiting of the last two of eight towers at Colbus Homes scheduled for Sunday, the city will have brought down 15 of the towers slated for demolition. At least eight high-rise buildings are expected to remain. Having already demolished 700 low-rise units, Newark is among most cities in changing its public housing largely because of a law passed by housing advocates in 1987.

But except for New York City, almost every major city in the country — including Los Angeles, San Francisco, Houston, St. Louis, Dallas, New Orleans, Atlanta, Detroit, Denver, San Francisco and Washington — will be tearing down infamous apartment towers

New York City Bucks a Trend

Baltimore plans to raze about 100 buildings in four public housing projects, becoming the first city to eliminate all its public high-rise buildings. Philadelphia has destroyed 10 buildings in its Raymond Row houses, and Chicago plans to tear down its notorious Cabrini Green housing projects.

"This will change the skyline of many American cities and change the fabric of many cities," Mr. Cisneros said.

No towers are coming down in New York, considered a national anomaly in public housing. It has almost 3,000 buildings in five boroughs with about 600,000 residents.

Only 392 of those buildings are three stories or smaller, but housing experts point to several factors that have contributed to less decay in New York's high-rises than in those of other cities. First, the buildings were rarely set apart from the rest of the neighborhood.

*It's takes a
Ginger Ridge
Village to raise
a Ginger Ridge
child.*

**Bring a school picture and a this signed consent
form to allow our children to participate in a
village safety album for our Ginger Ridge Children**

Parent Signature for Permission _____

A Ginger Ridge Village Child

Child Name _____

Address _____

Phone# _____

Noticeable Births/ Id Marks _____
Allegories _____

Emergency Medical Information _____

Mother Name _____

Mother Day # _____

Father Name _____

Father Day # _____

Emergence Day # _____

Ginger Ridge Arts and Craft Waiver

We Love all our children and *need your support*. To allow your children to participate in *arts* and *crafts* we need *your permission* and participation.

Children between the age of :

- 3-7 **Coloring Books**
- **Paper Mask**
-
- 8-18 **Wood Racks**
- **Picture Frames**
- **Jewelry Boxes**
- **Barrettes**
- **Key Chains**
-

We are asking for a small donation of .50 for children ages 3 yrs. to 12 yrs. old and \$1.00 for youth 13 yrs. to 18 yrs. old. If you cannot afford to give a donation please talk to us.

Child Name _____

Child Address _____

Parent Name _____

I _____ give permission for _____

to participate in arts and crafts with the Ginger Ridge Mutual Housing Association. As the parent/legal guardian I will not hold the Ginger Ridge MHA and Associates liable for any damages to my child's/children clothing or bodily harm or personal injury.

Implementation of Summer Youth Project

May 24, 1996

Cindy Holler

Attached are the drafts for McKinney Center RFP review , Home Colleges Learning Center and the staff training. My plans are to use the attachments in our June staff training to describe the GRMHA focus at the same time introduce and inform the new staff.

Agenda:

- Good morning HUGS and kisses 😊 😊 😊 2mins
 - Ice Breaker -Building a battleship team work 10mins
 - Cindy- who? What? And Why? NCRC 5mins
 - Staff meeting 30 mins
 - History of GRMHA -Rae I'll work with her to tell the organizing history 5mins
 - Summer Youth Project. 5Mins
 - Create, Request, soliciting, and Review for consulting services 20 mins
1. Research
 2. Acknowledging and determine your need. Outline the tasks.
 3. The cost and how can you pay for their services
 4. Identify who can do the job and create outline task (RFP) explaining your needs and who should be part of this process. Mail and date for return
 5. Call discusses your needs and clarify theirs
 6. Review and select the best for your money
- Ice Breaker -Your definition of and how you plan on empowering residents of NCRC 15mins

Ice Breaker: What is organizing and why do we need to be good at it in this line of work . How do you use this tool daily in your life.

Opening of conversation

Ask them to name five things that make you smile

- Staff training for GRMHA 25mins
- 1. Goals of GRMHA-Mission of residents
 2. How we plan to implement our goals -mission of NCRC
 3. Outline Task over the next months
 4. Skills of staff who do what? -self developed
 5. How to organize
- Developing the GRMHA staff goals for nine months. 15mins
- Ice Breaker -GIFTS** Each person write down some they admire about a CO-worker or tell them

Implementation of Summer Youth Project

STAFF TASK LIST

Task	Skills Needed	Staff Person
Youth Survey Questions		
Computers setup		
Meeting the residents		
Letter Writing		
Report Writing		
Filing system development		
Newspaper writer		
Who can talk them self through any door		
Meeting notes arrangement		
Workshop Development		
Workshop facilitator		
Street Organizer		

Implementation of Summer Youth Project

<i>ates</i>	<i>Activity</i>	<i>Metaphysics</i>	<i>Tools</i>	<i>numbers</i> #
ne 15, 1996	GRMHA YOUTH KICK- OFF CELEBRATION	To be handled by the focus group staff.	Flyers	\$563
ne 17-22, 96	YOUTH—DO YOU KNOW ✓	Answering youth question and breaking the ice. Arrange for the first field trip Work through the Business organization <i>permission</i>	3- Ice Breakers <i>Rules - worksheets</i> Field trip & snacks follows	\$95 \$200
ne 17-22/96	WHITE LINING TABLE CLOTHES	Explain how to developing a working relationship in the community. Work with the local Hospitality colleges. Workshop on etiquette and hospitalities Careers. <i>8-12</i> Build a database of all contacts STAFF Contacts: 1. BUSINESS 2. YOUTH (questions and information packets to be developed)	Business introduction meeting /information package Staff visit institutions and restaurant in the area, arranging for a dinning out experience for the youth Youth Workshop comes from the university of Hospitality Division	\$200
ne 29	LETS MAKE SOME MONEY	Youth Enterpurship introduction Business plan development marketing strategy planning for first event	Information packages on GRMHA and NCCDC Survey package for profiles, employment skills, how they can get involve and rental requirements	
<i>June 17-22</i> ly 9-10	<i>ON going</i> CREATING A RESUME FOR	Employment Needs of youth and families. Youth summer employment workshop <i>Telen</i>		

Implementation of Summer Youth Project

<i>ates</i>	<i>Activity</i>	<i>Metaphysics</i>	<i>Tools</i>	<i>numbers</i> #
	SUMMER EMPLOYMENT	Skill assessments needs Resume writing adult education needs Community employment and education training needs		
ly 13-14	GUESS'S WHO IS COMMING TO DINNER COMMUNITY FOCUS GROUP BARBECUE/ FAMILY STYLE	Community focus meeting to be handled by the focus group staffing Site Designed. Community cook out to follow.	Arrange for a site visit to a scare straight program Have quest speakers talk about their non-traditional employment	
ly 15-19, 96	I CAN BE!		Contact local business and arrange for employment opportunities and./or interviews for our youth What is a business Workshop from a business or college	\$0
ly 22-23, 96	YOUTH RAP-IF I WAS THE DEVELOPOR			
ly 29-31,	FAMILY	YOUTH WILL WORK FOOD TABLES AS A BUSINESS		

Implementation of Summer Youth Project

<i>ates</i>	<i>Activity</i>	<i>Metaphysics</i>	<i>Tools</i>	<i>numbers #</i>
96	NIGHT-OLD FASHION BLOCK PARTY			
gust 1-5	WHAT DOES I LOOK LIKE....IS MY CLOTHES TALKING			
gust 11-12, 96	WHO AM I --I'M BAAB ORDEAD			
gust 19,24, 96	TEEN CHAT ... I DON'T WANTA GROW UP			
gust 26-27, 96	FAMILY ROLE -IF I WAS THE PARENT			
gust 29, 96				

Town Hall Meeting On Crime & Public Safety Seminar

**Wednesday, March 27, 1996 at
T.F. North High School Auditorium • 755 Pulaski Road
Town Hall Meeting at 6 PM with Mayor Genova & Chief Vallis
Safety Seminar at 7 PM with J.J. Bittenbinder & Chief Vallis**



A Message From Mayor Genova —

"As the Chief Executive Officer of our city, I have two long term goals which I feel are directly related: the safety and security of each resident and the increase in our property values. The qualities of a community determine its property values — economic opportunity, good schools and above all, a safe place for our families.

Because our city government has set a new standard for efficiency and fiscal responsibility by balancing three budgets and eliminating a \$1.8 million deficit, we have been able to expand our role in providing public safety services by

increasing the police force by 25%. As a result, not only has the local crime rate decreased by 16%, with violent crime down even more dramatically, but property values have begun increasing again at a 5% annual rate. The credit for implementing our public safety programs deservedly belongs to Police Chief George Vallis, one a new breed of well educated law enforcement professionals from the FBI Academy. The new crime prevention strategies and tactics he has implemented work well, and our residents are extremely pleased with the results."

The 19 new police officers Calumet City is in the process of hiring and training were made possible by the crime prevention initiatives established by President Bill Clinton last year. The increased presence of our police officers on the streets of the city has done as much to inhibit criminal activity as any other new program. In order to achieve this goal, Mayor Genova accepted two invitations to visit the White House while attending conferences sponsored by the U.S. Conference of Mayors. Personal presentations to President Clinton, officials, and staff members at the White House resulted in the largest **"MORE COPS"** grant awarded to any municipality except Chicago.

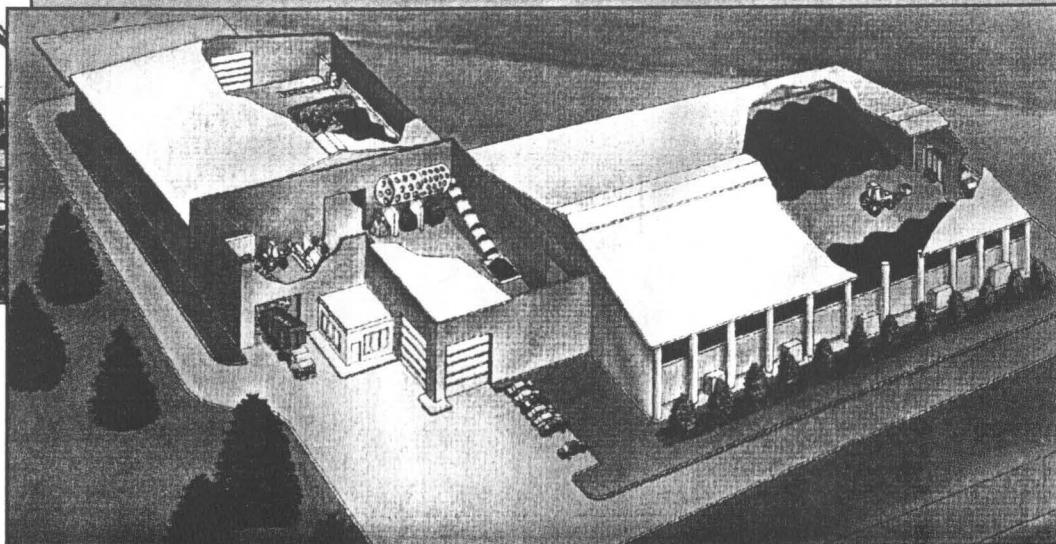


The Calumet City Crime Prevention Committee was created last year after initial disagreements over how to best address the crime problem in the Astor Street area. Headed by community activist Joe Crowell, the committee has worked with city officials and employees to achieve substantial progress in reducing the crime rate. A Neighborhood Watch Program, a new tenant screening process, plans for cul-de-sacs and the erection of a barricade around South River Point Plaza have resulted in no violent crimes in the last 18 months. Landlords have taken a new interest in Astor Street safety since we have enforced the *"disorderly house ban"*, which can cost landlords a \$200 fine for every police visit to habitually troublesome tenants.

The condemnation and acquisition of the crime infested Best Lodge on Sibley Boulevard will be completed within 8 months. Calumet City has hired the firm of Pettigrew & Trkla to plan the conversion of the motel into a senior housing complex similar to the Dorchester in Dolton. The estimated \$700,000 purchase price will be financed with a 15 year mortgage which will be paid through reasonable rents and meal service charges to senior residents of the rehabilitated facility. Not only will we be eliminating a blight on the community and raising local property values, but we will be adding 100 good neighbors to the area. Within two years, we hope to eliminate the senior housing waiting list for clean, safe and attractive senior housing.



Out with the old, in with the new.



Economic Growth & Redevelopment Of State Street Will Prevent Criminal Activity

The redevelopment of State Street has become a national model for the economic renewal of older suburban communities. Many communities in the Midwest that have been experiencing periods of decline are looking to Calumet City's three point plan to revitalize their economies. *First*, condemn the blighted area. *Second*, plan for redevelopment using economic incentives. *Third*, follow through by actively pursuing new businesses for your city.

The demolition of the 30 taverns, liquor stores, girlie joints and deteriorated houses along State Street and State Line Road will be completed by the end of the year, reducing the overall number of liquor licenses by 26. The \$7 million in bonds used to finance the demolition needs to be paid back at a rate of \$450,000 per year for 15 years. Our city has already broken even on this deal with the revenue to be generated through the recently approved \$8 million indoor, state-of-the-art yard waste recycling plant owned by Reading Energy (see artists drawing above). Additional projects planned for the area include a \$25 million light industrial park and a \$500,000 addition to the Dyna-Gel company, which will generate combined annual tax revenues of \$3 million.

With more people working at good jobs and with less opportunity for anti-social behavior at run down gin mills, State Street is transforming from something we were once ashamed of to something our residents can be most proud of – a model for urban renewal.



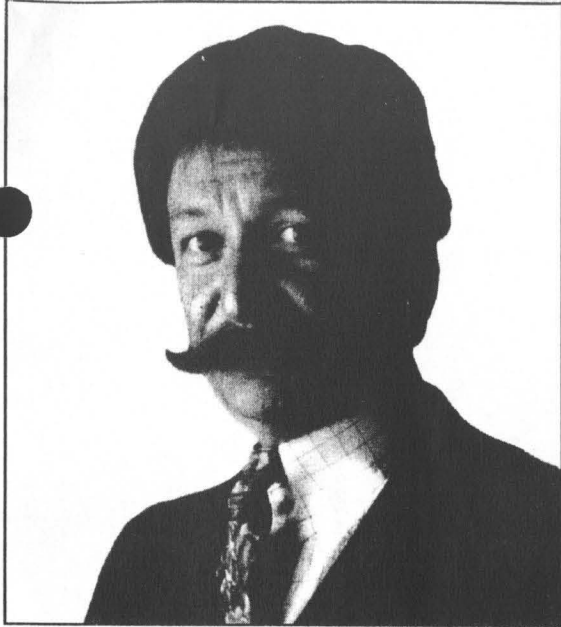
Chief Vallis' Report On State Crime Statistics

Statistics provided to our department by the Illinois Criminal Justice Authority indicate that the overall crime rate for Calumet City dropped another 5% for 1995, for a 16% total drop over the past two years. Major property and violent crimes were reduced even more dramatically. We believe our new community policing programs have an effect on how criminals do business, and more of them are doing it away from Calumet City.

The Police Department is also helping to support itself by using the proceeds from an interjurisdictional drug sting operation to rehabilitate the fitness and training room for police officers. Drug seizure funds totalling \$418,000 have also financed a new police telephone system installed as of December, 1995, which includes a voice mail system citizens can use to leave messages for individual officers.

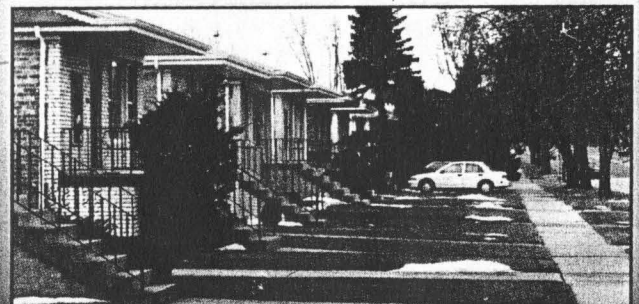
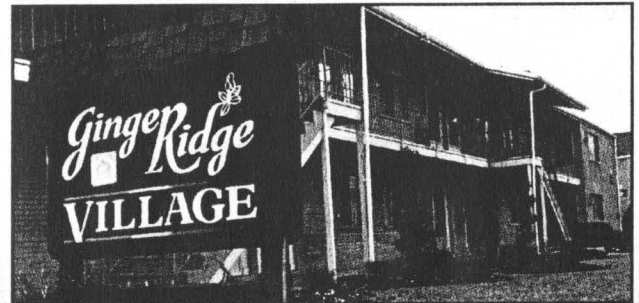
J.J. Bittenbinder — Featured Speaker

J.J. Bittenbinder is a retired Chicago Police homicide detective who is a nationally recognized expert on crime scene investigation and police training and instruction. You may recognize him from his appearances on numerous daytime talk shows and as the featured expert in two PBS specials: **"How To Avoid Being A Victim"** and **"Straight Talk for Kids, Teens & Parents"**. Topics to be discussed may include safety in public places, safety needs of the elderly, car jackings, where to carry valuables, how to deal with approaching strangers, children's safety needs, preventing 'after banking' robberies, and much more.



Ginger Ridge Apartments Transformation Less Units, New Owners, Better Neighbors

Calumet City has arranged for HUD to transfer ownership of Ginger Ridge to private owners using a \$10 million HUD loan and a \$15 million private investment. The 935 unit complex will be reduced to 475 units through the demolition of six buildings and the renovation of all others. The final plan calls for the conversion of the 475 units into privately owned homes by the year 2004. Only current Ginger Ridge residents and other Calumet City residents will be eligible to buy the converted Ginger Ridge townhomes. This project was initiated by the Mayor in order to eliminate public housing and Section 8 subsidies in our city, to encourage tenants to become tax paying homeowners, and to raise the property values of the area.



Mayor Jerry Genova
Calumet City Hall
205 Pulaski Road
Calumet City, IL 60409

To: Postal Patron
Calumet City, Illinois
60409

Bulk Rate
U.S. Postage
PAID
Permit No. 229
Calumet City, IL

Town Hall Meeting On Public Safety

Transformation planned for Ginger Ridge

HUD to provide \$10 million for rehabilitation

By Molly Sullivan
Staff Writer

The dilapidated Ginger Ridge apartment complex will be transformed into a tenant-owned community under a public-private partnership unveiled Saturday.

The U.S. Department of Housing and Urban Development has agreed to pump about \$10 million into an estimated \$20 million project where the 934 apartments will be rehabilitated into 495 larger, more livable units.

The project was unveiled at a news conference at Operation PUSH on Chicago's South Side where U.S. Housing Secretary Henry Cisneros was joined by Ginger Ridge residents, members of the South Suburban Action Conference, Calumet City Mayor Jerry Genova and U.S. Rep. Jesse Jackson Jr. (D-2nd.)

"By breathing new life into what is the largest concentration of vacant apartments in the south suburbs, we hope to restore pride in a community and reverse a trend of blight, flight and crime," Jackson said.

The announcement ends a three-year effort by Ginger Ridge residents, the South Suburban Action Conference and the New Cities Development Corp. to gain control of the apartment complex

at Sibley Boulevard east of the Calumet Expressway.

HUD had rejected a proposal by the city to run the complex through a management company. Genova had been critical of HUD previously and last month said the complex, the biggest HUD-owned property in the country, should be the top priority.

Saturday, Genova joined the chorus of those who praised HUD's efforts.

"It's been three years ... and we've all worked hard to come to this day. The people of Ginger Ridge do not deserve blight, deterioration and lawlessness. What they deserve is what we hope to provide them with this strong coalition. ... They deserve housing that is clean, in a safe environment."

HUD acquired the Ginger Ridge complex after the former owners defaulted on their loan in 1991. The complex has had a 50 percent vacancy rate almost since it opened just under 20 years ago, and years of absentee landlords have contributed to its downfall, officials have said.

Recent changes in the law have paved the way for the partnership announced Saturday.

Under terms of the agreement, HUD will offer some \$10 million and the New Cities group will raise the rest of the money through private sources.

HUD then will sell the renovated complex for \$1 to a non-profit group, the Ginger Ridge Mutual Housing Association, which will run the apartment complex.

"After a long tenure and troubled history, this project will very soon be turned over to the com-



Bill Konway/Daily Southtown

Marshall McCray, president of the Ginger Ridge Tenant Council, speaks Saturday at Operation PUSH about her dreams for redevelopment of the dilapidated complex, as Calumet City Mayor Jerry Genova watches.

munity organization who will make something of it," Cisneros told a group of residents who applauded the announcement.

"It is an overbearing complex that is a reminder of good intentions at one point and a financial system gone awry," he said. "We have to together plan a development that turns out to be a positive asset to Calumet City and a positive asset to the neighborhood

in which it is located."

Cisneros pledged financial support but said "just as important, we will bring the commitment of the department to see that the revitalization of Ginger Ridge is a clear success."

A jubilant Marshall McCray, president of the Ginger Ridge Tenant Council, was near tears as she hugged Cisneros and thanked him.

"This is our victory, this is our celebration and we can just shout and we can just sing because we have come a long way," McCray said.

She was most pleased with the addition of a community center that will become the focal point of the renovated apartment complex.

The center will provide family-oriented recreational programs.

Chicago Tribune

Sunday, March 10, 1991

Chicago Sun-Times **NEWS** Sunday, March 10, 1991

Calumet City Rehab Set

BY JON SCHMID
STAFF REPORTER

Private and public funds will be used to give new life to a Calumet City complex that would accommodate 495 families and stop the spread of inner city ills to the south suburbs, U.S. Housing Secretary Henry Cisneros said Saturday.

Cisneros pledged that the government would pay half of the \$20 million it will take to rehabilitate the Ginger Ridge apartments, located on Sibley and the Calumet Expy.

About half of the 934 apartments in the complex are empty because existing units are too small to attract renters, said Mark Larson, president of New Cities Community Development Corp, which will raise the remaining \$10 million.

"By breathing new life into what is the largest concentration of vacant apartments in the south suburbs, we hope to restore pride in a community that has been plagued by blight, flight and crime," said U.S. Rep. Jesse L. Jackson Jr. (D-Chicago) at a press at Operation PUSH headquarters.

The Department of Housing and Urban Development acquired the complex after the former owners went into default in 1991.

The plan calls for HUD to sell the rebuilt complex for \$1 to a partnership consisting of New Cities and a housing association;

The rehab would create 495 larger apartments from the existing units and include construction of a community center. The goal of the partnership will be to keep the apartments affordable to low-income residents.

HUD to sell Cal City complex after rehab

By Julie Deardorff
TRIBUNE STAFF WRITER

U.S. Housing and Urban Development Secretary Henry Cisneros announced on Saturday HUD's plan to transfer ownership of the troubled Ginger Ridge Apartments in Calumet City to a non-profit south suburban organization.

Before the 36-building, 934-unit complex at Sibley Boulevard and the Calumet Expressway changes hands, however, it will undergo a \$20 million renovation. The renovation is to be financed jointly by HUD and the Hazel Crest-based New Cities Community Development Corp.

After the rehabilitation, Cisneros said, HUD plans to sell the complex for \$1 to a not-for-profit partnership managed by New Cities, Calumet City and Ginger

Ridge residents. No timetable was given for the project's completion.

"After a long, troubled history, we're turning the project over to a community organization that will make something of it," said Cisneros, who was joined by U.S. Rep. Jesse Jackson Jr. (D-Chicago) at Operation PUSH headquarters in Chicago. "The work here will serve as a model for this scale of work. It takes more than financial connections to make this work. It takes an informed, active, enlightened, community-based spirit."

The announcement culminated three years of sometimes stormy negotiations among HUD and the South Suburban Action Conference (which created New Cities), a coalition of church leaders, Cook County and Calumet City officials and Ginger Ridge residents.

"The people of Ginger Ridge

don't deserve blight, deterioration and lawlessness," said Calumet City Mayor Jerry Genova, who last April called HUD the "largest slumlord in the country" when his city wanted to find a private developer to take over the complex. "What they do deserve is what we're going to give them."

Of the 934 apartments in the crime-plagued complex, half are vacant and 176 are tiny units of 310 square feet.

The buildings, which HUD acquired in 1991 when the former owners went into default, have never had more than a 50 percent occupancy rate, according to Rev. Mark Larson, president of New Cities.

The renovation project also calls for construction of a community center to offer family-oriented recreation programs.

WESLEY E. FINCH

March 14, 1996

Marshall McRae
Michael Burnside

Dear Marshall, Michael and everyone else:

I apologize for not being with you this evening at the Ginger Ridge Mutual Housing Association meeting. If there was one meeting I wanted to be present at, it certainly would be this one. I hope after you give thanks for your accomplishments to date, you take a few minutes to celebrate.

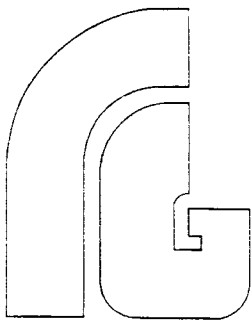
I remember standing on the sidewalk with Marshall - she was convinced that we would never get to where we are today. And I remember standing in this room with her - when she convinced me we would. Who can forget when Rae took on the Assistant Secretary for Housing and scored a clear knockout. Or the confrontation in Congressman Weller's office (what a terrific and surprising friend he has turned out to be) with the Office of General Council and the Inspector General.

We have all come a long way together, but speaking from many years of experience, we still have a long way to go. In fact, tonight while you are gathered, I am already focused on the next step, meeting with the Chairman of FNMA, and you can be sure lobbying for their participation in financing Ginger Ridge.

Once again, congratulations!



gr313



THE FINCH GROUP

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BOSTON, MA 02114-1919
FAX (617) 742-4548
PHONE (617) 742-4800

March 14, 1996

Ms. Marshall McCray
Co-Chair of Ginger Ridge Mutual Housing Association
525 Jeffery, Suite #6
Calumet City, IL 60409

Rev. Michael Burnside
Co-Chair of Ginger Ridge Mutual Housing Association
16022 Marion Drive
South Holland, IL 60473

Jerome P. Genova, Mayor
City of Calumet City
204 Pulaski Road
Calumet City, IL 60409

Re: Ginger Ridge Apartments Letter Agreement
Calumet City, Illinois

Dear Sirs and Mesdames:

This letter, when executed by the above named addressees, will create an agreement between the members and Board of Directors of the Ginger Ridge Mutual Housing Association (the "MHA") which is inclusive of the officers of the Ginger Ridge Tenants Council, The Finch Group and the New Cities Community Development Corporation ("New Cities"). The Finch Group and New Cities will act as co-developers of Ginger Ridge, providing various development functions both prior and subsequent to the date of this Letter Agreement. In addition, The Finch Group and its associated entities TFG Equities, Inc. and Signature Housing Solutions, Inc. (the three Finch Group entities together being "TFG"), will provide services relating to structuring and placing so-called Low Income Housing Tax Credit Equity and property management services. New Cities will also hire staff to direct resident initiatives at the site, sponsor the formation and development of the MHA, train residents and community leadership to participate in the MHA and sponsor the on-site creation of the McKinney Learning Center.

The MHA, wanting to keep TFG and New Cities involved as key ingredients to revitalizing and rehabilitating Ginger Ridge Apartments, agrees to work exclusively with TFG and New Cities under the following understanding:

- TFG and New Cities agree to continue to use their diligent efforts to assist the MHA in the revitalization, rehabilitation and operation of Ginger Ridge.
- TFG and New Cities reaffirm that they will not work with anyone except the MHA in such efforts.

The importance of finalizing and executing this Letter Agreement now is due to the recent shift in the anticipated funding of the pre-development costs. Both New Cities and The Finch Group will only be compensated from debt and equity sources that are contemplated to become available to fund the rehabilitation and revitalization of Ginger Ridge. (See attached March 1, 1996 Estimated Sources and Uses of Funds.) New Cities will borrow against these anticipated revenues from a Cook County program to be repaid once rehabilitation is completed (as defined as "Substantial Completion" by the American Institute of Architects). The Finch Group will fund its own pre-development costs. Thus, both parties require formalization of their relationship with the MHA to assure their future compensation and reassure lenders of repayment.

The MHA, New Cities and TFG agree to use their diligent efforts to structure line items in the final funding schedule for the following:

New Cities

Support Services

Anticipated \$433,886

(Includes 3 Resident Initiatives staff over four years plus a Social Service Contract with a person who will design social services for the MHA and resident initiatives as well as raise money for the McKinney Center.)

MHA Capitalization/Property Management/Resident Initiatives

Anticipated \$445,828

(Assumes that this amount will be set aside to fund the fifth year of MHA /resident initiatives, social services and costs related to the operations of the McKinney Center and to capitalize a community/resident based property management company sponsored by New Cities ("New Management", or an entity to be named at a later date), which will take over management from Signature Housing Solutions. \$250,000 will be set aside from this line item for these purposes, with the remaining \$195,828 to be advanced once sufficient operating reserves are established and breakeven operations are achieved in the three to five years following Substantial Completion.)

TFG

<u>Calumet City - Legal & Organization</u>	<u>Anticipated \$200,000</u>
<u>- Consultant's Fee</u>	<u>Anticipated \$ 50,000</u>

(To reimburse TFG for actual expenses incurred in settlement of Performance Management claims against the City of Calumet City and to represent the City of Calumet City.)

To Be Funded From Debt and Equity:

*TFG Equities - TFG Equities, Inc. will be paid a total of 16.9% of the gross equity raised as a securities broker/dealer and financial structuring consultant fee. TFG Equities will be responsible for all direct costs of equity placement **except** legal representation of the MHA.*

The Finch Group and New Cities - Developer fees will be split equally until such time as New Cities receives \$486,954. Subsequent to such time, The Finch Group will receive 100% of remaining developer fees until the split of developer fees equals 69.15% to The Finch Group and 30.85% to New Cities. Thereafter, The Finch Group will receive 69.15% of any additional developer fees paid, with New Cities receiving 30.85% of the additional fees. Developer fees are anticipated to equal 15% of the total funding less anticipated HUD grant(s).

To Be Funded From Property Operations: (All require HUD approval)

Signature Housing Solutions - Signature Housing Solutions, Inc. will earn a management fee equal to 5.5% of gross collected income for providing property management services. Signature Housing will receive a five-year contract with a two-year extension. During such extension, New Management will become involved in the day to day property management of Ginger Ridge and at the end of the two-year extension it is anticipated that New Management will take over property management. Furthermore, Signature Housing agrees to loan up to 18.18% of its management fee (or 1% of gross collected income) to help fund social services performed by New Management. Such advances will earn interest at the lesser of 1% less than the prime rate as published in the Wall Street Journal, or 5%. The loan must be repaid prior to termination of the management contract with Signature Housing Solutions, Inc.

New Cities - New Cities will receive fees from the operations of the property equal to 1% and 2% of gross collected income, respectively to pay for staffing of resident initiatives and the McKinney Center for the MHA.

-4-

The MHA, New Cities and TFG acknowledge and agree that any breach of any of their respective obligations under this Letter Agreement will substantially and materially damage the business and goodwill of the other parties, that such damage would be difficult to measure and that monetary compensation would be inadequate, and consequently agree that in the event of a breach of this Letter Agreement, the non-breaching parties shall be entitled, in addition to monetary damages and any other remedies available to such parties under this Letter Agreement (i) to equitable, including injunctive relief and (ii) to the recovery of all costs incurred by such party in the enforcement of this Letter Agreement, including reasonable attorney's fees.

Finally, this Letter Agreement constitutes the entire agreement between the parties hereto with respect to its subject matter, superseding all prior negotiations, communications, contracts and other agreements, courses of dealing and the like between or among the parties. This Letter Agreement may be supplemented by such further agreements as may be necessary to fully effectuate the foregoing.

TFG and New Cities remain committed to working with the MHA for the eventual success of Ginger Ridge.

Sincerely,

New Cities

Cindy Holler
Authorized Signatory

Sincerely,

TFG

Rosanna P. Tartaro
Rosanna P. Tartaro
Authorized Signatory

AGREED TO AND ACCEPTED BY:
Ginger Ridge Mutual Housing Association:

Marshall McCray
Marshall McCray, Co-Chair

MHA Board Vote March, 1996
Date of Vote

Rev. Michael Burnside, Co-Chair

Attested to:

Rev. Michael A. Burnside
by Secretary of MHA

CONFIRMED: _____
Mayor Jerome P. Genova, City of Calumet City

ATTENTION GINGER RIDGE MUTUAL HOUSING ASSOCIATION BOARD MEMBERS!

VICTORY IS OURS!!!!

Attached are some of the press clippings from the Press Conference on Ginger Ridge this past weekend!!! This victory also means we must move forth quickly on a number of business items at our next meeting on Thursday, March 14th. This meeting will start at 7:00 and will be located at Calumet Federal Savings Bank.

Enclosed you will find two items which require your review prior to the meeting. They include:

- 1) The Memorandum of Understanding which was signed and publicly announced by HUD this past weekend and;
- 2) A "Tasks and Timeline Proposal" which was submitted to Cook County to fund the Resident Initiatives portion of the proposed contract. This ultimately allowed the project to move forward despite the failure of the first RFP to be awarded.
- 3) A Letter of Agreement which will be acted upon by the Ginger Ridge Mutual Housing Association on Thursday night. This letter of agreement outlines the roles and responsibilities of the Finch Group and New Cities Community Development Corporation and specifies a fee arrangement for the parties involved. This is necessary to draw down on funding from Cook County so as to begin our efforts at Ginger Ridge.

SEE YOU ON THURSDAY NIGHT!!!!!!

MetroChicago

SUNDAY, MARCH 10, 1996

4 Section 4 Chicago Tribune, Sunday, March 10, 1996 C ★

HUD to sell Cal City complex after rehab

By Julie Deardorff
TRIBUNE STAFF WRITER

U.S. Housing and Urban Development Secretary Henry Cisneros announced on Saturday HUD's plan to transfer ownership of the troubled Ginger Ridge Apartments in Calumet City to a non-profit south suburban organization.

Before the 36-building, 934-unit complex at Sibley Boulevard and the Calumet Expressway changes hands, however, it will undergo a \$20 million renovation. The renovation is to be financed jointly by HUD and the Hazel Crest-based New Cities Community Development Corp.

After the rehabilitation, Cisneros said, HUD plans to sell the complex for \$1 to a not-for-profit partnership managed by New Cities, Calumet City and Ginger

Ridge residents. No timetable was given for the project's completion.

"After a long, troubled history, we're turning the project over to a community organization that will make something of it," said Cisneros, who was joined by U.S. Rep. Jesse Jackson Jr. (D-Chicago) at Operation PUSH headquarters in Chicago. "The work here will serve as a model for this scale of work. It takes more than financial connections to make this work. It takes an informed, active, enlightened, community-based spirit."

The announcement culminated three years of sometimes stormy negotiations among HUD and the South Suburban Action Conference (which created New Cities), a coalition of church leaders, Cook County and Calumet City officials and Ginger Ridge residents.

"The people of Ginger Ridge

don't deserve blight, deterioration and lawlessness," said Calumet City Mayor Jerry Genova, who last April called HUD the "largest slumlord in the country" when his city wanted to find a private developer to take over the complex. "What they do deserve is what we're going to give them."

Of the 934 apartments in the crime-plagued complex, half are vacant and 176 are tiny units of 310 square feet.

The buildings, which HUD acquired in 1991 when the former owners went into default, have never had more than a 50 percent occupancy rate, according to Rev. Mark Larson, president of New Cities.

The renovation project also calls for construction of a community center to offer family-oriented recreation programs.

Sunday Sun-Times

MARCH 10, 1996

Calumet City Rehab Set

BY JON SCHMID
STAFF REPORTER

Private and public funds will be used to give new life to a Calumet City complex that would accommodate 495 families and stop the spread of inner city ills to the south suburbs, U.S. Housing Secretary Henry Cisneros said Saturday.

Cisneros pledged that the government would pay half of the \$20 million it will take to rehabilitate the Ginger Ridge apartments, located on Sibley and the Calumet Expy.

About half of the 934 apartments in the complex are empty because existing units are too small to attract renters, said Mark Larson, president of New Cities Community Development Corp, which will raise the remaining \$10 million.

"By breathing new life into what is the largest concentration of vacant apartments in the south suburbs, we hope to restore pride in a community that has been plagued by blight, flight and crime," said U.S. Rep. Jesse L. Jackson Jr. (D-Chicago) at a news conference at Operation PUSH headquarters.

The Department of Housing and Urban Development acquired the complex after the former owners went into default in 1991.

The plan calls for HUD to sell the rebuilt complex for \$1 to a partnership consisting of New Cities and a housing association.

The rehab would create 495 larger apartments from the existing units and include construction of a community center. The goal of the partnership will be to keep the apartments affordable to low-income residents.

Ginger Ridge Mutual Housing Association

Meeting Agenda

Thursday, March 14, 1996 7:30 P.M.

Co-chairs: Rev. Michael Burnside, New Cities Cdc
Marshall Mccray, Ginger Ridge

Opening Prayer and Introduction of All Present

Approval of Agenda

Report and Outcome from Cisneros/Jackson Visit

Update of Grmha Incorporation Configuration

Cook County Funding Update:

1. Finch Group Reports and Visit Plans
2. Agreement Letter Between:
Ginger Ridge Mutual Housing Association
New Cities Community Development Corporation
And, the Finch Group

Ginger Ridge Site Status Issues: the Residents

Next Meeting Date



MAR 05 1996

U.S. Department of Housing and Urban Development

Illinois State Office
77 W. Jackson Blvd.
Chicago, Illinois 60604-3507

William Goldsmith, Executive Director
New Cities Community Development Corporation
16333 South Halsted
Harvey, Illinois 60426

Dear Mr. Goldsmith:

SUBJECT: Ginger Ridge - Memorandum of Understanding
Project No.: 071-10514

This letter will outline the terms and conditions pursuant to which the U.S. Department of Housing and Urban Development ("HUD") intends to transfer the above-referenced project to an entity created and controlled by New Cities Community Development Corporation ("Sponsor"), an Illinois not-for-profit corporation. This memorandum of understanding also updates our Letter of Intent dated June 30, 1995. Subject to the terms, covenants, conditions and contingencies set forth herein, HUD and Sponsor agree as follows:

1. HUD currently owns the Ginger Ridge apartment complex, a 934 unit formerly co-insured project located in Calumet City, Illinois ("Project"). HUD desires to transfer the Project for the price of one dollar to a limited partnership or not-for-profit entity created and controlled by Sponsor pursuant to the provisions of the Multifamily Housing Property Disposition Reform Act of 1994 ("Act") and the regulations ("Regulations") implementing the Act. Sponsor intends to create a mutual housing association form of ownership for the purpose of providing Project residents with the opportunity for active and meaningful participation after a period of training and transition. HUD intends to pursue such transfer for the purposes of (1) preserving the Project so that it can remain available and affordable to current residents, (ii) preserving and revitalizing the neighborhood surrounding the Project, (iii) maintaining the Project in a decent, safe, and sanitary condition, (iv) minimizing the involuntary displacement of tenants of the Project, and (v) providing homeownership opportunities to residents of the Project through the creation by Sponsor of a mutual housing association.

2. As promptly as possible after the date hereof, HUD shall develop and initiate a disposition plan for the Project ("Disposition Plan") that specifies terms and conditions for a negotiated sale of the Project to Sponsor substantially in accordance with the terms and conditions set forth herein, subject to compliance with all applicable HUD policies, procedures, regulations and guidelines.
3. In order to ensure that the Project will meet future anticipated operating and repair expenses, HUD and Sponsor will, as a part of the Disposition Plan, agree upon a plan for rehabilitation. The repair plan may be commenced by HUD prior to transfer of the Project and completed by Sponsor in accordance with requirements specified by HUD.

The terms of this plan will be formulated from the results of a feasibility study. The feasibility study will be conducted by an independent firm selected through a Request for Proposal ("RFP"). The selection panel for the RFP is currently reviewing submissions received for this study. It is anticipated that the contract will be awarded by April 15, 1996. The results of the study will also determine the level of HUD's financial commitment to the Project and HUD's involvement in the overall operation of the Project.

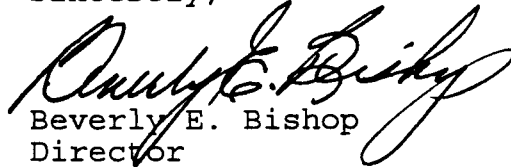
4. As promptly as possible after the date hereof, and contingent upon the results of the feasibility study, HUD and Sponsor will consult with one another to determine a process by which the parties may agree upon the selection of an architect, general contractor and other consultants for the rehabilitation of the Project, the selection of such architect, general contractor and consultants to be made in a manner consistent with rules and regulations, if any, that may be applicable to the selection of such contractors under the Disposition Plan.
5. As promptly as possible after the date hereof, Sponsor shall apply for debt and equity financing for the Sponsor Improvements, the budget therefore to have been approved in advance by HUD. Sponsor shall provide HUD with commitments or other reasonable assurances satisfactory to HUD that Sponsor and Ginger Ridge Development have obtained debt and equity funding in an amount sufficient to ensure completion of the Sponsor Improvements.

6. Subject HUD's development of the Disposition Plan and compliance with any other policies, procedures, rules, regulations and guidelines applicable to the disposition of the multifamily housing projects, HUD and Sponsor shall enter into such other agreement as may be necessary to effectuate the foregoing.

Please acknowledge your agreement to the terms and conditions of this memorandum of understanding by signing the enclosed copy of this letter and returning it to the undersigned.

Thank you for your continued participation in HUD programs.

Sincerely,


Beverly E. Bishop
Director
Office of Housing

ACCEPTED AND AGREED this _____ day
of March, 1996.

N E W C I T I E S C O M M U N I T Y
D E V E L O P M E N T C O R P O R A T I O N

By _____

TASKS AND TIMELINE FOR MUTUAL HOUSING ASSOCIATION PROPOSAL

The following sheet intends to lay out tasks related to the three Mutual Housing Associations under development by the New Cities Community Development Corporation. These tasks have been laid out in three intervals in a linear format based upon a 2-year timeline.

New Cities is requesting funding for this proposal based upon the attached budget. Budgeted costs are based upon eligible uses for CHDO operating support such as salaries, supplies, rent and overhead, training, etc.

Please note that the task and timeline sheet lists progress expected to be completed in the intervals described. While this may be revised from time to time based upon actual external realities, it is meant to be utilized to monitor progress by funders for the formation of the Mutual Housing Associations.

New Cities requests that Cook County authorize drawdowns within the proposed intervals, based upon tasks completed, and with respect to its fiscal year operating costs. For example, Interval #2 spans between 1996 and 1997. Because New Cities Operating Year ends on December 31, 1996, New Cities will likely request funds for tasks completed during the first three months of Interval #2 so as to meet its operating budget obligations. Cook County will utilize the Task and Timeline proposed below to monitor progress within each of the intervals.

Ginger Ridge Mutual Housing Association

Objective #1 Organizational Development of the Ginger Ridge Mutual Housing Association and the New Cities Community Development Corporation as it relates to this entity.

Objective #2 To prepare Residents of Ginger Ridge for Ownership of the Ginger Ridge Complex through a Mutual Housing Association through a dynamic Counseling, Education, and training program.

Objective #3 To provide re-development related technical assistance to the residents of Ginger Ridge and the community through the Mutual Housing Association which will oversee the re-design and the financing of the complex.

Objective #4 Design/Financing of the On-site "McKinney Resident Learning and Training Center" which will house the support services necessary for residents to actively participate in the Mutual Housing Association Ownership entity.

January 1, 1996-September 30, 1996

Organizational Development

Interview and Recommend Candidates for Director of Resident Initiatives

Hire Resident Initiatives Director

Form Sponsoring Mutual Housing Association Board of Directors and Design Future Configuration of Board. Perform extensive community interviews to seat additional members to Board of Directors.

Organize New Cities internal capacity and perform extensive staff training to ready it for responsibilities as it relates to Ginger Ridge.

Negotiate contract with NeighborWorks and Chicago Mutual Housing Network to provide training and technical assistance to New Cities staff.

Resident Initiatives

Perform extensive (more than 75) One-To-One Interviews with residents of Ginger Ridge based upon leadership potential and recommendations from existing Tenant's Council.

Organize four focus groups of residents and community leadership to participate in "Design Feasibility Process" with HUD selected contractor which will determine design and HUD contribution to the project.

Design Curriculum for Training utilizing the following resources:

- NeighborWorks Mutual Housing Association Training Curriculum
- Chicago Mutual Housing Network Curriculum
- Resident Management Curriculum develop by CHA

Hiring, Programmatic Design and Implementation with Residents of Mutual Housing "Youth Workers".

Design and Issue RFP for Consultants to Design and Raise Money for the McKinney "Learning Center" at Ginger Ridge. Select contractor.

Ginger Ridge Re-Development and Financing

Selection of HUD Contract to Perform Feasibility Analysis of Ginger Ridge which will decide HUD contribution to the project.

Staff monthly Ginger Ridge Mutual Housing Association. Meetings to insure oversight and coordination of all activities in the design/development process.

Negotiate co-development agreement with the Finch Group

Begin to interview architects, contractors, first mortgage financing, and equity financing in preparation for Phase #1 of Development plan. Begin development of temporary relocation plan.

McKinney Resident Learning and Counseling Center

Contractor chosen to design and fundraise for McKinney Learning Center participates in Resident Meetings to design programmatic and support services in a manner which support the capacity of the residents to participate actively in the oversight and management of the complex. Programmatic Design completed.

October 1, 1996-June 30, 1997

Organizational Development

Interview and Hire One-Full time and One Part-Time Resident Initiatives Staff

Formalize Mutual Housing Association Board of Directors, elect officers and develop by-laws and Articles of Incorporation.

Continue to organize New Cities internal capacity and perform extensive staff training to ready it for responsibilities as it relates to Ginger Ridge. Begin assessments/budgets of development of locally-based property management firm to take over from the Finch Group after 5-years.

Implement contracts with NeighborWorks and Chicago Mutual Housing Network to provide training and technical assistance to New Cities staff.

Resident Initiatives

Utilize Ginger Ridge Mutual Housing Association meetings as training vehicles and decision-making vehicles for oversight of the Re-development plan.

Continue One-To-One Interviews with residents of Ginger Ridge based upon leadership potential and recommendations from existing Tenant's Council.

Form Resident Congress "Sponsoring Committee". Design eventual committee structure.

Implement Training Curriculum for Mutual Housing Association utilizing the following resources:

- NeighborWorks Mutual Housing Association Training Curriculum
- Chicago Mutual Housing Network Curriculum

-Resident Management Curriculum develop by CHA
Begin regular training to establish full Resident Congress.

Continue Programmatic Design and Implementation with Residents of Mutual Housing "Youth Workers".

Oversee Consultants for the McKinney "Learning Center" at Ginger Ridge. Insure that Program Design is complete, physical design of the complex begins and that a realistic fundraising plan is developed.

Development and Implement of Temporary Relocation plan with Residents.

Ginger Ridge Re-Development and Financing

Staff monthly Ginger Ridge Mutual Housing Association. Meetings to insure oversight and coordination of all activities in the design/development process.

Work with the Finch Group to develop a pro-forma for financing the re-development plan. Submit first mortgage financing, and equity financing proposals for re-developing the complex. Gain Tax-Credit allocation from IHDA. Gain HUD and GRMHA approval on pro-forma.

With the Finch Group, interview architect and contractor utilizing HUD's process to implement Phase #1 of the Redevelopment Plan. Gain approval from Ginger Ridge Mutual Housing Association Board.

Gain HUD approval on Phase #1 of construction and implement construction plan. Complete Phase #1.

Ready necessary documentation for transfer of title to Ginger Ridge Mutual Housing Association.

McKinney Resident Learning and Counseling Center

Contractor chosen to design and fundraise for McKinney Learning Center participates in Resident Meetings to physically and financially design programmatic and support services in a manner which support the capacity of the residents to participate actively in the oversight and management of the complex. Physical Design completed and financial design approved. Fundraising begins.

June 30, 1997-December 31, 1997

Organizational Development

Continue monthly Mutual Housing Association Board of Directors meetings to oversee and coordinate activities at the complex.

Continue to organize New Cities internal capacity and perform extensive staff training to ready it for responsibilities as it relates to Ginger Ridge. Continue assessments/budgets of development of locally-based property management firm to take over from the Finch Group after 5-years.

Oversee contracts with NeighborWorks and Chicago Mutual Housing Network to provide training and technical assistance to New Cities staff.

Resident Initiatives

Utilize Ginger Ridge Mutual Housing Association meetings as training vehicles and decision-making vehicles for oversight of the Re-development plan.

Continue One-To-One Interviews with residents of Ginger Ridge based upon leadership potential and recommendations from existing Tenant's Council.

Design Election Process for Resident Congress and its relationship to the Mutual Housing Association Board. Work with Sponsoring Resident Congress to formalize committee structure and schedule 1998 elections.

Design Membership Dues structure and implement membership campaign.

Continue Training Curriculum for Mutual Housing Association utilizing the following resources:

- NeighborWorks Mutual Housing Association Training Curriculum
- Chicago Mutual Housing Network Curriculum
- Resident Management Curriculum develop by CHA

Continue Programmatic Design and Implementation with Residents of Mutual Housing "Youth Workers".

Oversee Consultants for the McKinney "Learning Center" Monitor fundraising plan and implementation of program..

Continue to implement of Temporary Relocation plan with Residents.

Ginger Ridge Re-Development and Financing

Staff monthly Ginger Ridge Mutual Housing Association. Meetings to insure oversight and coordination of all activities in the design/development process.

Work with the Finch Group to gain first mortgage commitments, and equity financing. Develop operating budgets.

Gain approval from Ginger Ridge Mutual Housing Association Board and from HUD to take title to property

Close with HUD and have Ginger Ridge Mutual Housing Association take title to the complex. Oversee with the Finch Group the Commencement of Phase #2.

McKinney Resident Learning and Counseling Center

Fundraising is actively implemented. Some programs being implemented.

TWO YEAR BUDGET
COOK COUNTY HOME PROGRAM PROPOSAL
GINGER RIDGE MUTUAL HOUSING ASSOCIATION
"A New Ownership Strategy for the South Suburbs"

New Cities Community Development Corporation as a certified Community Housing Development Organization, seeks an operating support loan from the Cook County HOME Program to pay for costs associated with building the capacity to establish a new type of ownership entity in South Suburban Chicago. This loan will be repaid through two dedicated line items in the Development Budget for the Ginger Ridge Mutual Housing Association. They include: Support Services and Developer Fee line items.

Eligible Activities will include: New Cities and Local Ginger Ridge MHA Organizational Development
Resident Initiatives and Training
Development of a Learning Center at the Ginger Ridge Complex dedicated to dealing with resident training and counseling
Re-Development Design and Financing

Funds for this Operating Support Loan will be drawn down based upon progress reports submitted at established intervals: Two 9-month Intervals, and one 6 month interval. The attached task and timeline proposal identifies progress expected to be developed during this identified intervals. New Cities does respectfully request however, that attention be paid to its year-end cash flow needs and that as progress is verified within these intervals, funds may be advanced upon the direction of the HOME Coordinator.

January 1, 1996-September 30, 1996

New Cities/Local Ginger Ridge MHA Organizational Dev.

Executive Director - 65% Time	33,803
Executive Director - Benefits	12,979
Administration/Overhead @ 15%	7,017
<i>Total for Organizational Development</i>	<i>\$53,799</i>

Resident Initiatives

Resident Initiatives Coordinator	\$37,500
Resident Coordinator - Benefits	\$7,500
Resident Initiative Staff - 1 Full Time/1 Pt	\$0
Resident Initiatives Benefits	\$0
Administration and Overhead @ 15%	\$6,750
<i>Total for Resident Initiatives</i>	<i>\$51,750</i>

McKinney Resident Learning and Counseling Center

Ginger Ridge Resident Learning and Counseling Center Design	\$30,000
Resident Learning and Counseling Center Staff	\$0
Administration @ 15%	\$0
<i>Total for McKinney Resident Learning and Counseling Center</i>	<i>\$30,000</i>

Ginger Ridge Re-Development Design and Financing

R&D Director @ 85%	\$40,500
R&D Director-Benefits	\$8,100
Administration and Overhead	\$7,290
<i>Total for Re-Development Design and Financing</i>	<i>\$55,890</i>
<i>Office Equipment and Supplies</i>	<i>\$6,000</i>

Total Cost for 1st Interval: ***\$197,439***

October 1, 1996-June 30, 1997

New Cities/Local Ginger Ridge MHA Organizational Dev.

Executive Director - 65% Time	34,930
Executive Director - Benefits	13,204
Administration/Overhead @ 15%	7,220

Total for Organizational Development ***\$55,354***

Resident Initiatives

Resident Initiatives Coordinator	\$38,250
Resident Coordinator - Benefits	\$7,650
Resident Initiative Staff - 1 Full Time/1 Pt	\$20,000
Resident Initiatives Benefits	\$4,000
Administration and Overhead @ 15%	\$10,485

Total for Resident Initiatives ***\$80,385***

McKinney Resident Learning and Counseling Center

Ginger Ridge Resident Learning and Counseling Center Design	\$30,000
Resident Learning and Counseling Center Staff	\$0
Administration @ 15%	\$0

Total for McKinney Resident Learning and Counseling Center ***\$30,000***

Ginger Ridge Re-Development Design and Financing

R&D Director @ 85%	\$41,850
R&D Director-Benefits	\$8,370
Administration and Overhead	\$7,533

Total for Re-Development Design and Financing ***\$57,753***

Office Equipment and Supplies ***\$3,000***

Total Cost for 2nd Interval: ***\$226,492***

July 1, 1997-December 31, 1997

New Cities/Local Ginger Ridge MHA Organizational Dev.

Executive Director - 70% Time	23,662
Executive Director - Benefits	10,950
Administration/Overhead @ 15%	5,192

Total for Organizational Development **\$39,804**

Resident Initiatives

Resident Initiatives Coordinator	\$25,750
Resident Coordinator - Benefits	\$5,150
Resident Initiative Staff - 1 Full Time/1 Pt	\$20,000
Resident Initiatives Benefits	\$4,000
Administration and Overhead @ 15%	\$8,235

Total for Resident Initiatives **\$63,135**

McKinney Resident Learning and Counseling Center

Ginger Ridge Resident Learning and Counseling Center Design	\$0
Resident Learning and Counseling Center Staff	\$0
Administration @ 15%	\$0

Total for McKinney Resident Learning and Counseling Center **\$0**

Ginger Ridge Re-Development Design and Financing

R&D Director @ 85%	\$28,350
R&D Director-Benefits	\$5,670
Administration and Overhead	\$5,103

Total for Re-Development Design and Financing **\$39,123**

Office Equipment and Supplies **\$0**

Total Cost for Last Interval: **\$142,062**

TOTAL COSTS FOR HOME OPERATING SUPPORT PROPOSAL **\$565,993**

27 February 1996

Mr. George R. Skagerberg
B.A.R.T.
1661 Harbor, Suite 3-E
Calumet City, IL 60409

Dear Mr. Skagerberg:

I want to thank you for your statement to our board at our meeting on February 22. Your concern for the residents of Calumet City and your desire that our proposed redevelopment of the Ginger Ridge complex be a success was shared by all present. Before informing you of our board's response to the list of requests you made, I must first inform you of our previous history with The Finch Group and our response to the newspaper articles which have caused you so much concern.

It was precisely the desire to transform Ginger Ridge from a troubled housing project into a model community for the nation that motivated New Cities to investigate the capacity and practices of The Finch Group once The Finch Group's involvement in the redevelopment of Ginger Ridge was proposed by Mayor Genova and encouraged by H.U.D. After many contacts were made to government officials, community groups and residents of areas in which The Finch Group had been active, we were pleased to discover that the Finch Group was highly respected in the area of redeveloping troubled H.U.D. housing projects. After a number of face-to-face meetings with Mr. Wesley Finch, Chairperson of The Finch Group, we realized that we shared a fundamental vision of Ginger Ridge as a re-designed community of residents who both manage and own their own home, and who were provided support in terms of services that would enable each to improve their quality of life. Since that time The Finch Group has been an invaluable ally in helping New Cities and the residents of Ginger Ridge move towards the fruition of that vision.

Despite this on-going relationship, like you, we were concerned by the newspaper reports of alleged mismanagement by The Finch Group of certain properties in the states of New York and Massachusetts. We expressed these concerns to Mr. Finch (who incidentally was the first person to notify us of these reports) and he readily agreed to meet personally with the sponsoring committee of the Ginger Ridge Mutual Housing Association (Ginger Ridge M.H.A.), the eventual owners of the project, on Tuesday, February 6th. At this meeting he supplied us with copies of the newspaper articles and statements of support from residents, police and community groups from each of the projects mentioned in the articles. In addition to Mr. Finch's explanation of the reported problems, the Ginger Ridge M.H.A. formed an ad-hoc committee to further investigate the reports by directly contacting the individuals mentioned in both the newspaper accounts and in the

statements of support offered by Mr. Finch. At the conclusion of this process, the committee recommended that the relationship between New Cities and The Finch Group as it concerns the redevelopment of Ginger Ridge be affirmed. The board of directors of New Cities has agreed to this recommendation. The sponsoring committee of the Ginger Ridge M.H.A. will hear this recommendation at its next meeting.

Now concerning your specific requests of the board of directors:

* "Public explanation as to why 'deplorable conditions' at FINCH GROUP (sic.) were not disclosed..." The sites in the newspaper reports are in New England and did not cause public attention until this month. Mr. Finch notified New Cities of the reports on the day before their publication. In our prior investigation of the reputation of The Finch Group, no such concerns were raised.

* "Announce public meeting at or around Ginger Ridge affected area to explain SAFEGUARDS (sic.) to protect the community..." At this time no such meeting is planned. But as to your concern that Ginger Ridge never be mismanaged by the Finch Group, I can describe the structure of the relationship of The Finch Group to the Ginger Ridge M.H.A. as proposed to H.U.D. In terms of property management, the Finch Group will be employed by the Ginger Ridge M.H.A. on a temporary basis until the M.H.A. in conjunction with New Cities takes over this role. The time of this employment is estimated to be five years. Overseeing The Finch Group's practices will be the M.H.A. board itself which will be made up of local residents, church members, business and government leaders. The broad range of experience and expertise of this kind of local board of directors would be united for the express purpose of making the Ginger Ridge complex a safe and appealing place to live for the residents as well as an asset for the surrounding community. Should any mismanagement take place, the M.H.A. board would have the power and the responsibility to take any action necessary to correct the problem.

* "A special informative NEWSLETTER (sic.)...passed out to all households in the 3rd and 4th wards..." and "Periodic Updates..." The board thought that this was a little unreasonable and not very cost-effective, especially as we are still in negotiations with H.U.D. concerning the Ginger Ridge redevelopment. As developments in the negotiations happen, the public will be informed through more traditional means such as press releases and press conferences. We are hoping to host a press conference in the near future in which HUD, Cook County, Calumet City, New Cities, the Ginger Ridge M.H.A. and the residents of Ginger Ridge can announce the agreed-upon plan for the sale and redevelopment of Ginger Ridge. In the meantime, New Cities board meetings remain open to the public and all interested parties are invited to attend. These meetings occur at the New Cities offices on the fourth Thursday of every month, barring religious holidays, beginning at 6:00 p.m.

* "FINCH GROUP SHOULD HOLD A PUBLIC MEETING TO INTRODUCE THEMSELVES...AND EXPLAIN PROBLEMS (sic.)..." Obviously this is a request that

should be made to The Finch Group. It is not New Cities role or desire to defend the past practices of one of our partners. Our confidence in the capacity and policies of The Finch Group remains high. We are also confident in Mr. Finch's ability to defend himself and the practices of his corporation. We agree with you that such a public meeting would go far in reassuring the residents of Ginger Ridge and Calumet City that this proposal holds great potential for the betterment of their community and we will so inform The Finch Group.

If I may summarize the New Cities board of directors' response to your statement:

1. We reserve the right to work with whomever we deem capable and appropriate in helping us fulfill our Christian mission to improve the economic and personal quality of life of south suburban residents (our neighbor).
2. At this time we reaffirm our decision to work with The Finch Group in the redevelopment of Ginger Ridge.
3. We agree that The Finch Group should make a local response to concerns raised over published newspaper articles reporting alleged mismanagement of certain New England properties, as it has already done so for us. Furthermore, we will encourage The Finch Group to do so.

I hope I have clearly communicated to you to position of the board of directors of the New Cities Community Development Corporation. Again we appreciate your concern for the residents of Ginger Ridge and Calumet City and hope that you know we share them.

Sincerely,

The Rev. Mark H. Larson
President

Congressman Jesse Jackson, Jr.
Second Congressional District of Illinois
17330 South Halsted Street
Homewood, Illinois

26 February 1996

Secretary Henry Cisneros
Department of Housing and Urban Development
451 7th Street, S.W.
Washington, DC 20410

Subj: Redevelopment of Ginger Ridge, Calumet City

Dear Secretary Cisneros,

On Saturday, 24 February 1996, I had a two hour conversation with over a dozen representatives from the Ginger Ridge Tenants Council, the South Suburban Action Conference (SSAC), and New Cities CDC.

Included in the conversation were Marshall McCray, President of the Ginger Ridge Tenants Council and two other officers of the tenant's council and residents of Ginger Ridge. Also present were Rev. Princeton McKinney, President of SSAC; Fr. Len Dubi, Founding Pastor of SSAC; and Rev. Mark Larson, President of New Cities. I was also impressed that a representative from Fannie Mae was present for Saturday meeting to add their support and clarify their interest in participating in the redevelopment of Ginger Ridge.

I was most impressed with the broad community representation of this group, as I was impressed with their vision for the redevelopment of Ginger Ridge. Having visited Ginger Ridge, I am aware of how misaligned this complex is with its surrounding housing market. I believe that the vision offered by the SSAC/New Cities/Ginger Ridge Tenants Council partnership is the right one for the residents, the broader Calumet City community, and for HUD.

Recently I met with Mayor Genova of Calumet City. Again, I was impressed with his support of this project and the confidence that he has in the SSAC/New Cities/Ginger Ridge Tenants Council partnership, along with the Finch Group, to transform Ginger Ridge into a national model for how the community can work with government and the private sector.

With a solid vision and a solid partnership, this is exactly the type of project that we should be able to deliver on quickly. It is my understanding that after nearly three years of negotiations, events seem to be moving forward. I understand that President John Stroger of Cook County has committed significant County HOME funds to support a resident initiative strategy that will lay the groundwork for the Mutual Housing

Association and the involvement of the residents and community in redevelopment planning process.

It is also my understanding that the selection process for a Design Firm that will confirm the proposed redevelopment model and its associated costs is in full swing and will conclude in the next several weeks. *Civil*
months!

The community representatives informed me that they are expecting a letter from Ms. Beverly Bishop this week confirming the above stated progress. This letter will provide Cook County with the necessary documentation to complete its processing of the County's funding contribution. I would appreciate if you would ensure that this letter has in fact been written and meets Cook County's requirements.

Finally, the SSAC/New Cities/Ginger Ridge Tenants Council representatives highlighted the opportunities that may be afforded to your office through the Continuing Resolution. If, in fact, the CR could be helpful in moving the Ginger Ridge project forward, I would ask you to explore this opportunity to the fullest extent.

As you know, I have included the redevelopment of Ginger Ridge as a central focus for your visit to the second congressional district on March 9th. We will have a contingent from the SSAC/New Cities/Ginger Ridge Tenants Council partnership present for a meeting to start at approximately noon.

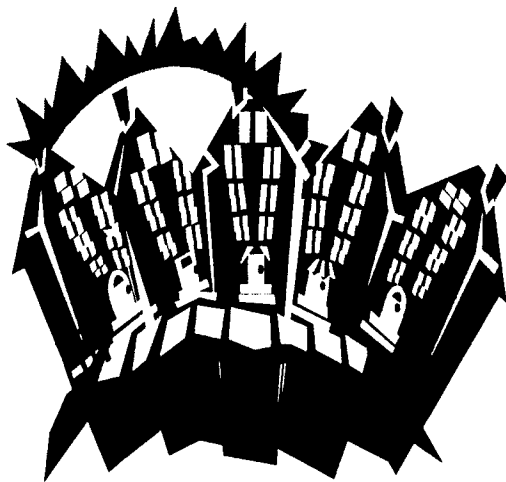
It would be my hope that at that meeting your office will be able to detail exactly what our options are at Ginger Ridge and a clear timeline for implementing them.

One thing that I have learned about SSAC and New Cities is they are an incredibly determined, faithful, and resourceful group of community leaders. My hope, as I am sure is yours, is to allow them to turn their energy from negotiations to implementation. The residents of Ginger Ridge deserve it, and we will all benefit from it.

Sincerely,

Congressman Jesse Jackson, Jr.

SATURDAY MARCH 9, 1996 AT 9:00 AM
REFRESHMENTS & BRIEFING



JOIN THE CELEBRATION
WITH THE
GINGER RIDGE MUTUAL HOUSING ASSOCIATION
&
SECRETARY OF HUD, HENRY CISNEROS
IN THE SIGNING OF
THE MEMORANDUM OF UNDERSTANDING
FOR THE REDEVELOPMENT OF GINGER RIDGE
SATURDAY MARCH 9, 1996
AT
OPERATION P.U.S.H.
50th and Drexel

FREE BUS TRANSPORTATION WILL LEAVE PROMPTLY AT 10:00 AM.
MANAGEMENT OFFICE 495 GINGER LANE ROAD (CLYDE)



CONGRESSMAN
JESSE JACKSON, JR.

Press Release

Secretary of HUD, Henry Cisneros, will join Congressman Jesse Jackson, Jr., and members of SSAC, New Cities CDC, the Ginger Ridge Tenants Council, and Mayor Genova to announce a redevelopment agreement for Ginger Ridge.

Text

On Saturday, March 9th, 11:30 a.m., at Project Push, located at 50th Street and Drexel, Secretary Cisneros will announce a formal Letter of Intent to transfer Ginger Ridge "to an entity created and controlled by New Cities Community Development Corporation."

Furthermore, the Secretary will announce HUD's commitment to provide funding for the redevelopment of Ginger Ridge. HUD's funding level will be determined by taking the overall projected cost of the redevelopment project and subtracting the amount of funds that project can raise through debt and equity.

HUD, along with residents of Ginger Ridge and members of New Cities, are presently working through a process to hire a design firm that will confirm the redevelopment vision and the redevelopment costs, which then will define HUD's funding commitment level.

According to Rev. Princeton H. McKinney, President of the South Suburban Action Conference (SSAC), "This commitment represents a significant advancement of what has been a difficult journey. We feel blessed by this announcement."

Congressman Jesse Jackson, Jr., who played a key role in arranging the meeting with the Secretary on Saturday stated, "The reason this announcement is important, is because it means that all

more

• For Immediate Release—March 8, 1996

the major players are now on the same page. HUD has been long committed to making this project work. Now we know how it is going to work.”

Once completed, Ginger Ridge will be owned by a Mutual Housing Association, which will be a not-for-profit corporation that gives the local residents significant input and responsibility into the development and management of the complex. “The board of directors of the mutual housing association will be comprised of Ginger Ridge residents, members of SSAC/New Cities, officials from Calumet City as appointed by the Mayor, and members of the broader Calumet City community.

HUD has been committed to working with a partnership that included New Cities, the Ginger Ridge Tenants Council, and the City of Calumet City. Nevertheless, there has been a number of false starts over the past couple years—usually because of technical reasons. Under this agreement, HUD has received clearance from all levels.

According to Rev. Mark Larson, President of New Cities, “It is important to recognize the important roles that many public, private and community partners have played. Joseph Cardinal Bernardin, Bishop Sheldon Deucker, Bishop H. George Anderson, Mayor Genova, Senator Carol Mosely-Braun, Congressman Weller, Congressman Jesse Jackson, Jr., as well as, some key HUD officials have joined hands with thousands of church leaders and community residents to ensure that this project remained on course.”

“Now that we have an agreement, it is time to move forward, stated Marshall McCray, President of the Ginger Ridge Tenants Council, “My concern is for my kids and my seniors. We need to make sure that Ginger Ridge is good place for them to live.”

THE GINGER RIDGE MUTUAL HOUSING ASSOCIATION

PROJECT DESCRIPTION

The Redevelopment of the Ginger Ridge Apartment Complex in Calumet City has been the most complex, grandest in scope, and important housing development project attempted by SSAC and New Cities leadership, staff, and partners.

It involves the redevelopment of 934 unit HUD foreclosure, located just south of Sibley Blvd. and just east of the Calumet Expressway.

Over 400 units are presently vacant. Even though the vast majority of residents are good, hardworking families, the complex has been plagued with crime

1) **Deconversion of Units** from 934 to 495 with a reduction of buildings from 31 to 25, and many floor plans doubling in size.

2) **McKinney Support Services Center** - including space for daycare, headstart, after school and tutorial programs, senior center, and family-based recreation.

3) **A mixed-income development** that maximizing the balance between affordability and market alignment.

4) **Sixteen million dollars** of construction contracts delivered to local economy.

HISTORY OF THE PROJECT COLLABORATION

Since the establishment of New Cities in 1989, Rev. Princeton McKinney, President of SSAC, has always envisioned a large scale housing initiative that would include critical support services to enable young families to better their family's economic future in an inter-generational environment that values seniors and youth.

When the possibility of New Cities being central to the redevelopment of Ginger Ridge manifested, the fit with Rev. McKinney's vision was clear. Ginger Ridge was also important because many SSAC member churches were located in proximity to the complex, and many SSAC church and business partners lived in or operated near the complex.

Furthermore, based on some initial conversations, we discovered that Ginger Ridge possessed many hard working families, who shared our vision for what Ginger Ridge could be. A set of principles of redevelopment were subsequently established that included: 1) Deconversion of units; 2) vast improvement of floor plans; 3) establishment of a social services center (the McKinney Center); 4) affordability; and 5) the maximizing of local job creation through construction contracts.

Now the project is moving forward based on almost two years of negotiations between SSAC/New Cities, HUD, Mayor Jerry Genova, the Illinois Housing Development Authority, and The Finch Group, and through the support of people like Cardinal Joseph Bernardin, Bishop Sherman Hicks,

PROJECT PARTNERS

*South Suburban Action Conference: Community Organizing
New Cities CDC: Project Developer and Support Services Provider
The Finch Group: Project Developer & Equity Placement
Mayor Jerry Genova and Calumet City: Board Members*

*Ginger Ridge Tenants Council: Board Members
Department of Housing and Urban Development: Property Disposition & Funding Assistance
Illinois Housing Development Authority: Equity through LIHTC*

CALUMET CITY STAR

Bringing Local News Home

SUNDAY, MARCH 10, 1996

New Ginger Ridge plan is unveiled by Jackson, U.S.

By Robin Tanko

United States Secretary of Housing and Urban Development Henry Cisneros and U.S. Rep. Jesse Jackson, Jr. (D-2nd District) announced Saturday a \$20 million plan to redevelop the Ginger Ridge apartment complex in Calumet City.

According to Cisneros, the Ginger Ridge rehabilitation project, located just south of Sibley Blvd. and east of the Calumet Expressway, will be HUD's largest public-private community partnership in the Midwest.

The multi-million renovation will be jointly financed by HUD and the south suburban-based New Cities Community Development Corp., which has rehabilitated over 500 housing units in the South Suburbs since 1990.

Developers will basically double the size of the apartments and the several hundred small, dilapidated or vacant units will be converted into larger, more modern, more livable units.

Plans include the "deconversion" of the current 934 units — of which 400 are vacant — to 495 and also reducing the

number of buildings from 31 to 25.

Each new converted apartment will be made up of two existing units, which will be combined and rehabbed from top to bottom.

"By breathing new life into what is the largest concentration of vacant apartments in the South Suburbs, we hope to restore pride in a community and reverse a trend of blight, flight and crime," Jackson said.

Calumet City Mayor Jerry Genova said the rebirth of Ginger Ridge is the latest in a series of city redevelopment projects.

"These projects will improve the image of our city and make it a better place to raise a family," Genova said.

HUD expects to launch a feasibility study in April. After that, architects will be hired and bids for the reconstruction work will be requested.

Once renovation is complete, ownership will be transferred for \$1 to the Ginger Ridge Mutual Housing Association, a non-for-profit home ownership model. Residents also will be involved in every aspect reconstruction.

As part of the complex's rebirth, Cook County has agreed to finance several resident initiatives to assist the transfer of owner from HUD to the residents, including

seminars on real estate management and basic home maintenance.

The redevelopment plan also includes the construction of the McKinney Support Services Center, a Ginger Ridge community center, which will provide families with recreational programs, day care, tutorial programs and senior center.

Saturday's announcement culminates a three-year effort by HUD, New Cities, the South Suburban Action Conference, area church leaders, Calumet City officials and Ginger Ridge tenants.

"We feel blessed by the announcement," the Rev. Princeton McKinney said, the founding president of SSAC.



MetroChicago

SUNDAY, MARCH 10, 1996

4 Section 4 Chicago Tribune, Sunday, March 10, 1996 C ★

HUD to sell Cal City complex after rehab

By Julie Deardorff
TRIBUNE STAFF WRITER

U.S. Housing and Urban Development Secretary Henry Cisneros announced on Saturday HUD's plan to transfer ownership of the troubled Ginger Ridge Apartments in Calumet City to a non-profit south suburban organization.

Before the 36-building, 934-unit complex at Sibley Boulevard and the Calumet Expressway changes hands, however, it will undergo a \$20 million renovation. The renovation is to be financed jointly by HUD and the Hazel Crest-based New Cities Community Development Corp.

After the rehabilitation, Cisneros said, HUD plans to sell the complex for \$1 to a not-for-profit partnership managed by New Cities, Calumet City and Ginger

Ridge residents. No timetable was given for the project's completion.

"After a long, troubled history, we're turning the project over to a community organization that will make something of it," said Cisneros, who was joined by U.S. Rep. Jesse Jackson Jr. (D-Chicago) at Operation PUSH headquarters in Chicago. "The work here will serve as a model for this scale of work. It takes more than financial connections to make this work. It takes an informed, active, enlightened, community-based spirit."

The announcement culminated three years of sometimes stormy negotiations among HUD and the South Suburban Action Conference (which created New Cities), a coalition of church leaders, Cook County and Calumet City officials and Ginger Ridge residents.

"The people of Ginger Ridge

don't deserve blight, deterioration and lawlessness," said Calumet City Mayor Jerry Genova, who last April called HUD the "largest slumlord in the country" when his city wanted to find a private developer to take over the complex. "What they do deserve is what we're going to give them."

Of the 934 apartments in the crime-plagued complex, half are vacant and 176 are tiny units of 310 square feet.

The buildings, which HUD acquired in 1991 when the former owners went into default, have never had more than a 50 percent occupancy rate, according to Rev. Mark Larson, president of New Cities.

The renovation project also calls for construction of a community center to offer family-oriented recreation programs.

Sunday Sun-Times

MARCH 10, 1996

Calumet City Rehab Set

BY JON SCHMID
STAFF REPORTER

Private and public funds will be used to give new life to a Calumet City complex that would accommodate 495 families and stop the spread of inner city ills to the south suburbs, U.S. Housing Secretary Henry Cisneros said Saturday.

Cisneros pledged that the government would pay half of the \$20 million it will take to rehabilitate the Ginger Ridge apartments, located on Sibley and the Calumet Expy.

About half of the 934 apartments in the complex are empty because existing units are too small to attract renters, said Mark Larson, president of New Cities Community Development Corp, which will raise the remaining \$10 million.

"By breathing new life into what is the largest concentration of vacant apartments in the south suburbs, we hope to restore pride in a community that has been plagued by blight, flight and crime," said U.S. Rep. Jesse L. Jackson Jr. (D-Chicago) at a news conference at Operation PUSH headquarters.

The Department of Housing and Urban Development acquired the complex after the former owners went into default in 1991.

The plan calls for HUD to sell the rebuilt complex for \$1 to a partnership consisting of New Cities and a housing association.

The rehab would create 495 larger apartments from the existing units and include construction of a community center. The goal of the partnership will be to keep the apartments affordable to low-income residents.



Local

**Dolton kids
bubbling with
imagination**

Page B-1

THE ILLINOIS TIMES

10 sections, 166 pages

Sunday, March 10, 1996

HUD gives blessing to Ginger Ridge plan

■ Secretary Henry Cisneros promises HUD will turn over apartment complex to New Cities and their partners for redevelopment, and will commit funds to help finance the project.

BY LARRY GALICA
Times Correspondent

CHICAGO — The much-awaited redevelopment of Calumet City's Ginger Ridge apartment complex moved a step closer to reality Saturday when HUD committed funds to the renovation project and agreed to turn over the complex to local control.

U.S. Department of Housing and Urban Development Secretary Henry Cisneros said HUD will commit \$10 million toward the redevelopment of Ginger Ridge if local sources come up with the rest of the funding for the estimated \$25 million renovation.

Cisneros also announced that HUD,

which has owned Ginger Ridge since 1991 when the complex's private owners defaulted, would turn over ownership of the complex to a partnership. The new owners would include New Cities Development Corp., South Suburban Action Conference, The Finch Group, Calumet City officials, Ginger Ridge tenants and others.

Cisneros and U.S. Rep. Jesse Jackson Jr., D-Chicago, announced HUD's commitment to the Ginger Ridge project during a late Saturday morning press conference at Operation PUSH headquarters on the city's South Side.

In addition to Cisneros and Jackson,

See HUD, Page A-4

HUD

Continued from Page A-1

Calumet City Mayor Jerry P. Genova, SSAC and New Cities leaders and several Ginger Ridge tenants attended the press conference.

"After a long tenure and troubled history, this project will very soon be turned over to the community organization who will make something of it," Cisneros said.

"In addition to the commitment (by HUD) to transfer the keys of the project under this program that allows (HUD) to take foreclosed property and then return it to the community on a nominal basis, we plan to bring significant financial assistance to the table," Cisneros said.

"The community has indicated that they will be able to raise substantial amounts of money local-

ly, and we will at least match that," Cisneros said.

Following the press conference, Cisneros, Genova, New Cities President the Rev. Mark Larson and others signed an enlarged copy of HUD's letter of intent to commit funds and turn over Ginger Ridge to local control.

The potential partners in the redevelopment of Ginger Ridge unveiled plans to take over the apartment complex and renovate it about one year ago, said William Goldsmith, New Cities Development Corp. executive director.

But the partners could not get started on the renovation work until HUD made a formal commitment to provide funding and turn over the complex. That happened Saturday during Cisneros' press conference, Goldsmith said.

FROM PAGE ONE

"They have never been close to before. This is a huge step forward," Goldsmith said.

"HUD said to us very clearly we're not willing to make a public statement until we're convinced you can do the deal," he said. "The fact that the secretary is making a public statement means they know they can do the deal now."

Here's what will happen under the redevelopment program of the Ginger Ridge apartment complex:

■ Twenty-five of the 31 apartment buildings in the complex will be renovated; six will be demolished.

■ The complex's current 934 living units, of which half are now vacant, will be reduced to 495 units. Two apartments, one on the first floor and another on the second

floor, will be combined into one townhouse-style apartment. Downstairs will be kitchen and other facilities; upstairs will be bedrooms. About 105 units on the first floor of the buildings will be remodeled to be handicapped accessible.

■ The complex's current 505 tenants will be given first choice of remodeled units. The units, aimed for low- and middle-income families, will be rented for an affordable rate. There will be no subsidized housing.

■ The first floor of one building will be converted into a community center called the McKinney Support Services Center, named for SSAC's founding president, Rev. Princeton McKinney. The center will provide day care, Head Start, after school programs and other recreational ac-

tivities for complex residents.

■ Current residents will have a say-so in the redevelopment and future management of the apartment complex. They will be part of a not-for-profit group, a subsidiary of New Cities Development Corp., which will have board members that include Ginger Ridge tenants, community residents and Calumet City officials.

■ Cook County will commit \$250,000 in funds for "resident initiatives" that will include seminars on real estate management and home maintenance.

Work on this two-year renovation project will begin next month, Goldsmith said.

A design firm will be hired April 15 to confirm plans for the renovation, figure the cost and provide the basic design concept. By

summer, an architect and contractor will be hired to perform work. Construction could start this year or early next.

HUD will formally turn the keys of the complex to a local partnership sometime in

The \$15 million in local funding will come from local institutions in the form of mortgages and low-income family credits from the Illinois Housing Development Association. Property tax money will be used for the redevelopment project.

Genova was pleased with Cisneros' commitment. He predicted he would empower Ginger Ridge residents with the right to make their own decisions regarding redevelopment of the complex and regarding future management of the complex.

GINGER RIDGE MUTUAL HOUSING ASSOCIATION

NAME	ADDRESS	PHONE	DAY PHONE	INTEREST
Carroll Kelly	14132 S. Michigan	708-849-7857	708-333-2009	New Cities Staff
John M. Greer	543 Ginger Lane	708-891-3877		Tenant Council
Carole Wall	16333 S. Ashland	708-768-4557	708-333-2009	Yacht Warden
Jenn Cooper	534 Ginger Lane	708-730-9101		Tenant
Marshee McGraw	559 Minier Ln	708-891-5211		Tenant Council
MARCELLA RUSTENIK	FRANKFORD IL 7756 W ALMOND CT			SAC ST ANN PARISHIONER
J. Glen Lemmon	1120 N. 175 th St	708-799-6442	Same	St. Ann's SAC
Kathy Daggett	1937 Wilson #5	708-730-0572	868-6640	Tenant
Virginia J. Jell	14735 Riverside Dr	708-333-2730	Same	Sen. Services - SSAC
Tom PRETSCH	19501 Ashland Way Mokena	708-479-8146	312-362-8157	NEW CITIES / SSAC
Gerald Rabow	14751 Oak St Naperville	708-841-8702	SAME	V-Pres of Our Church
E.J. HARRIS	503 Ginger Lane Apt 17	708-862-3560	Same	
Bruce M. Smith	15033 Ashland Homewood	(708) 331-4346	(708) 333-1220 ex. 264	Secy of New Cities CDC
James McPhail	1945 Wilson #26	(708) 868-1299	(312) 553-7308	VP GRTC
Arnold B. Bunge	16022 Amin Dr. South Hill	708-333-2561	708-596-0112	New Cities / SSAC
Shirley Jackson	3541 W 172 nd St. Joliet	(708) 799-9187	Same	D.C.C. Church
Orin Mahon	51 W 171 st St. Joliet	(708) 389-9735	Same	D.C.C. Church

Marlene Mack 495 Maple St #10 868-0313 Same Child Development

GINGER RIDGE MUTUAL HOUSING ASSOCIATION

[illegible]



GINGER RIDGE MUTUAL HOUSING ASSOCIATION

**(GINGER RIDGE RESIDENTS AND LEADERS FROM SOUTH SUBURBAN CHURCHES
OF THE SOUTH SUBURBAN ACTION CONFERENCE)**

MEETING DATE!

Where: Calumet Federal Savings Bank
1350 E. Sibley Blvd.
Dolton, IL

When: March 14, 1996 7:00 PM

The ball is now in our court and we have much to do to prepare ourselves for creating a new Ginger Ridge! We will discuss our next steps in the battle, the hiring of two new youth workers, and several organizational development issues.

Please see a description of the minutes from our last meeting!



MEETING MINUTES FOR GINGER RIDGE MUTUAL HOUSING ASSOCIATION February 6, 1996

Present: Rev. Michael Burnside, New Name Baptist Church
Marshall McCray, President, Ginger Ridge Tenant's Council
Tina Williams-Greer, Secretary, Ginger Ridge Tenant's Council
Denise Eckhardt, Vice-President, Ginger Ridge Tenant's Council
Althea Ellis, Ginger Ridge Resident
Rae McCray, Ginger Ridge Resident
Rev. Mark Larson, President, New Cities CDC, Our Savior's Lutheran
Diann Stewart, Vice-President, New Cities CDC, Christ Temple Baptist
Deacon Slaughter, Calumet City Resident, South Suburban MB Church
Reubin Smith, Secretary, New Cities CDC, South Suburban MB Church
Rev. Wendy Witt, Pastor, Faith United Methodist Church
Marge Cook, Faith United Methodist Church
Marie Miles, Calumet City Resident
Marion Kelliher, New Cities CDC, Queen of Apostles Church
Theresa Yeager, Queen of Apostles Church
Sam Jenkins, Grace Baptist Church
Wes Finch, The Finch Group
Mayor Jerry Genova, Calumet City
Tim Sweeney, SSAC Staff
Cindy Holler, New Cities Staff
William Goldsmith, New Cities Staff
Carole Hall, New Cities Staff

A long discussion took place with regard to the status of the Ginger Ridge project. Mayor Genova was present for this portion of the meeting and promised to contact Cook County and Congressman Jerry Weller to get each to affirm their support for Ginger Ridge and the proposal pending with Cook County to fund resident initiatives at the site.

Mayor Genova promised to support the location of a permanent polling place at Ginger Ridge after a question from the residents was raised regarding the moving of the polling place. Mayor Genova, after once again affirming his support, left the meeting.

The discussion focused on a earlier phone call with Helen Dunlap where it was proposed to "drop" the first RFP for organizing residents out at Ginger Ridge and ask Cook County to fill in this gap with a loan to be repaid from line items in the development budget. It was decided to:

Continue to put pressure from the Archdiocese, the Residents, and the Various Denomination Heads to move forward with Ginger Ridge.

Continue to put pressure from the Archdiocese, the Residents, and the Various Denomination Heads to move forward with Ginger Ridge.

Schedule a meeting with Cook County and HUD immediately to discuss Cook County funding a portion of the project costs which New Cities will bear.

Ask at the time for a press conference be called to announce the sale of the complex to the Ginger Ridge Mutual Housing Association.

A motion to appoint the following persons to a Panel to oversee HUD's choice of firms for the feasibility study out at Ginger Ridge was put forward:

Althea Ellis
Marie Miles
Cindy Holler

It was seconded and carried unanimously.

Finally, a long discussion took place led by Wesley Finch regarding articles which had appeared in a Boston newspaper about he and his firm. Questions were then asked by those present. At the end of the discussion, it was decided to form a committee of the Board to further investigate the information put forth by Mr. Finch and then to issue a press statement regarding the position of the Board. (See attached subsequent statement).

Meeting was adjourned and the next meeting scheduled for March 14.

SAVE THE DATE!

***At the request of both SSAC
and the Ginger Ridge
Residents, Congressman
Jackson is setting up a small
meeting with the Ginger
Ridge Mutual Housing
Association leadership and
Henry Cisneros on March
9th.***

***(Save the date from 10:00-
2:00 - more details later!)***



GINGER RIDGE MUTUAL HOUSING ASSOCIATION

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GINGER RIDGE MUTUAL HOUSING ASSOCIATION MEETING

Thursday, March 14, 1996
7:00 p.m.

Co-chairs: Rev. Michael Burnside, New Cities CDC
Marshall McCray, Ginger Ridge

A G E N D A

Opening Prayer and Introduction of All Present

Approval of Agenda

Report and Outcome from Cisneros/Jackson Visit Marshall McCray

Update of GRMHA Incorporation Configuration
Rev. Burnside
Marshall McCray
Rev. Wendy Witt

Cook County Funding Update:
1. Finch Group Reports and Visit Plans to New York Carole Hall
2. Agreement Letter
Between GRMHA, NCCDC, and Finch Group Cindy Holler

Ginger Ridge Site Status Issues
1. The Residents
2. Youth Workers

NPA: Confirmation of Attendees

Next Meeting Date



MAR 05 1996

U.S. Department of Housing and Urban Development

Illinois State Office
77 W. Jackson Blvd.
Chicago, Illinois 60604-3507

William Goldsmith, Executive Director
New Cities Community Development Corporation
16333 South Halsted
Harvey, Illinois 60426

Dear Mr. Goldsmith:

SUBJECT: Ginger Ridge - Memorandum of Understanding
Project No.: 071-10514

This letter will outline the terms and conditions pursuant to which the U.S. Department of Housing and Urban Development ("HUD") intends to transfer the above-referenced project to an entity created and controlled by New Cities Community Development Corporation ("Sponsor"), an Illinois not-for-profit corporation. This memorandum of understanding also updates our Letter of Intent dated June 30, 1995. Subject to the terms, covenants, conditions and contingencies set forth herein, HUD and Sponsor agree as follows:

1. HUD currently owns the Ginger Ridge apartment complex, a 934 unit formerly co-insured project located in Calumet City, Illinois ("Project"). HUD desires to transfer the Project for the price of one dollar to a limited partnership or not-for-profit entity created and controlled by Sponsor pursuant to the provisions of the Multifamily Housing Property Disposition Reform Act of 1994 ("Act") and the regulations ("Regulations") implementing the Act. Sponsor intends to create a mutual housing association form of ownership for the purpose of providing Project residents with the opportunity for active and meaningful participation after a period of training and transition. HUD intends to pursue such transfer for the purposes of (1) preserving the Project so that it can remain available and affordable to current residents, (ii) preserving and revitalizing the neighborhood surrounding the Project, (iii) maintaining the Project in a decent, safe, and sanitary condition, (iv) minimizing the involuntary displacement of tenants of the Project, and (v) providing homeownership opportunities to residents of the Project through the creation by Sponsor of a mutual housing association.

2. As promptly as possible after the date hereof, HUD shall develop and initiate a disposition plan for the Project ("Disposition Plan") that specifies terms and conditions for a negotiated sale of the Project to Sponsor substantially in accordance with the terms and conditions set forth herein, subject to compliance with all applicable HUD policies, procedures, regulations and guidelines.
3. In order to ensure that the Project will meet future anticipated operating and repair expenses, HUD and Sponsor will, as a part of the Disposition Plan, agree upon a plan for rehabilitation. The repair plan may be commenced by HUD prior to transfer of the Project and completed by Sponsor in accordance with requirements specified by HUD.

The terms of this plan will be formulated from the results of a feasibility study. The feasibility study will be conducted by an independent firm selected through a Request for Proposal ("RFP"). The selection panel for the RFP is currently reviewing submissions received for this study. It is anticipated that the contract will be awarded by April 15, 1996. The results of the study will also determine the level of HUD's financial commitment to the Project and HUD's involvement in the overall operation of the Project.

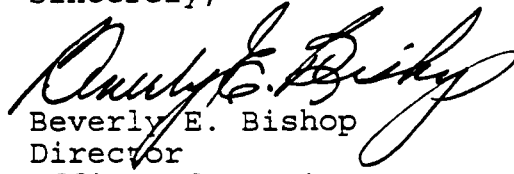
4. As promptly as possible after the date hereof, and contingent upon the results of the feasibility study, HUD and Sponsor will consult with one another to determine a process by which the parties may agree upon the selection of an architect, general contractor and other consultants for the rehabilitation of the Project, the selection of such architect, general contractor and consultants to be made in a manner consistent with rules and regulations, if any, that may be applicable to the selection of such contractors under the Disposition Plan.
5. As promptly as possible after the date hereof, Sponsor shall apply for debt and equity financing for the Sponsor Improvements, the budget therefore to have been approved in advance by HUD. Sponsor shall provide HUD with commitments or other reasonable assurances satisfactory to HUD that Sponsor and Ginger Ridge Development have obtained debt and equity funding in an amount sufficient to ensure completion of the Sponsor Improvements.

6. Subject HUD's development of the Disposition Plan and compliance with any other policies, procedures, rules, regulations and guidelines applicable to the disposition of the multifamily housing projects, HUD and Sponsor shall enter into such other agreement as may be necessary to effectuate the foregoing.

Please acknowledge your agreement to the terms and conditions of this memorandum of understanding by signing the enclosed copy of this letter and returning it to the undersigned.

Thank you for your continued participation in HUD programs.

Sincerely,


Beverly E. Bishop
Director
Office of Housing

ACCEPTED AND AGREED this _____ day
of March, 1996.

NEW CITIES COMMUNITY
DEVELOPMENT CORPORATION

By _____

MetroChicago

SUNDAY, MARCH 10, 1996

4 Section 4 Chicago Tribune, Sunday, March 10, 1996 C ★

HUD to sell Cal City complex after rehab

By Julie Deardorff
TRIBUNE STAFF WRITER

U.S. Housing and Urban Development Secretary Henry Cisneros announced on Saturday HUD's plan to transfer ownership of the troubled Ginger Ridge Apartments in Calumet City to a non-profit south suburban organization.

Before the 36-building, 934-unit complex at Sibley Boulevard and the Calumet Expressway changes hands, however, it will undergo a \$20 million renovation. The renovation is to be financed jointly by HUD and the Hazel Crest-based New Cities Community Development Corp.

After the rehabilitation, Cisneros said, HUD plans to sell the complex for \$1 to a not-for-profit partnership managed by New Cities, Calumet City and Ginger

Ridge residents. No timetable was given for the project's completion.

"After a long, troubled history, we're turning the project over to a community organization that will make something of it," said Cisneros, who was joined by U.S. Rep. Jesse Jackson Jr. (D-Chicago) at Operation PUSH headquarters in Chicago. "The work here will serve as a model for this scale of work. It takes more than financial connections to make this work. It takes an informed, active, enlightened, community-based spirit."

The announcement culminated three years of sometimes stormy negotiations among HUD and the South Suburban Action Conference (which created New Cities), a coalition of church leaders, Cook County and Calumet City officials and Ginger Ridge residents.

"The people of Ginger Ridge

don't deserve blight, deterioration and lawlessness," said Calumet City Mayor Jerry Genova, who last April called HUD the "largest slumlord in the country" when his city wanted to find a private developer to take over the complex. "What they do deserve is what we're going to give them."

Of the 934 apartments in the crime-plagued complex, half are vacant and 176 are tiny units of 310 square feet.

The buildings, which HUD acquired in 1991 when the former owners went into default, have never had more than a 50 percent occupancy rate, according to Rev. Mark Larson, president of New Cities.

The renovation project also calls for construction of a community center to offer family-oriented recreation programs.

MARCH 10, 1996

Calumet City Rehab Set

BY JON SCHMID
STAFF REPORTER

Private and public funds will be used to give new life to a Calumet City complex that would accommodate 495 families and stop the spread of inner city ills to the south suburbs, U.S. Housing Secretary Henry Cisneros said Saturday.

Cisneros pledged that the government would pay half of the \$20 million it will take to rehabilitate the Ginger Ridge apartments, located on Sibley and the Calumet Expy.

About half of the 934 apartments in the complex are empty because existing units are too small to attract renters, said Mark Larson, president of New Cities Community Development Corp, which will raise the remaining \$10 million.

"By breathing new life into what is the largest concentration of vacant apartments in the south suburbs, we hope to restore pride in a community that has been plagued by blight, flight and crime," said U.S. Rep. Jesse L. Jackson Jr. (D-Chicago) at a news conference at Operation PUSH headquarters.

The Department of Housing and Urban Development acquired the complex after the former owners went into default in 1991.

The plan calls for HUD to sell the rebuilt complex for \$1 to a partnership consisting of New Cities and a housing association.

The rehab would create 495 larger apartments from the existing units and include construction of a community center. The goal of the partnership will be to keep the apartments affordable to low-income residents.

Memorandum

To: Ginger Ridge Mutual Housing Association (GRMHA)
From: Carole Grant Hall
Date: Friday, March 8, 1996
Subject: Letter of Agreement for the GRMHA

With the agreement from HUD, Cook County has agreed to fund pre-development cost, and we must enter into an official agreement. This formal agreement between the GRMHA, NCCDC and TFG will allow both NCCDC and TFG to be paid for work they have done toward the revitalization of Ginger Ridge and for their continuous work. NCCDC will need to borrow against expected developers fees, TFG will cover their own pre-development costs. We must agree and accept the anticipated funding line for NCCDC @ \$433,886, for resident initiatives and the McKinney Center development; GRMHA Capitalization for Property Management & Resident Initiatives @ \$445,828. In addition, we must agree and accept a @ \$200,000 fee for TFG to end the "Heywood Brothers" relationship. A developers fee of \$1,092,026 will be directed to TFG for its work in developing the property. NCCDC will receive \$486,974 for its role.

(See attached charts for more break down.)

The following entities agree to be exclusive "Partners" in the development of the GRMHA:

BOARD OF DIRECTORS - APPOINTED BY NCCDC

Ginger Ridge Tenants Council	Nominating 5 seats
The Finch Group (3 entities)	Nominates 1 seat
New Cities Community Development Corporation	Maintaining 7 seats
City of Calumet City	Nominates 1 seat

TFG and NCCDC will work diligently to assist the design and development of a Mutual Housing Association model exclusively for the Ginger Ridge Apartments. Each partner has the following responsibilities:

GRMHA

This will be the ownership corporation and will include residents of the complex, SSAC-NCCDC churches, and representatives from the community.

Ginger Ridge Tenants Council and its officers will participate and represent the interest of the residents in Ginger Ridge.

Ginger Ridge Tenants Council will work with TGF and NCCDC who are co-developers of Ginger Ridge

TFG

TFG prior to this agreement and following this agreement, will function as the co-developers of the property with NCCDC

TFG will develop relationships with investors for the purpose of Low-Income Tax Credit Equity

TFG over the next five years will participate in dual management and training with GRMHA

NCCDC

NCCDC will hire staff to direct residents' initiatives at Ginger Ridge. Staff will help to sponsor the formation and development of the GRMHA.

NCCDC will work with GRMHA to train residents and community leadership to participate in the MHA.

NCCDC and GRMHA will work toward the creation of the McKinney Learning Center.

NCCDC will co-develop the property with TFG.



The Star's in the
Development of GRMHA



GRTC



NCCDC



GRMHA



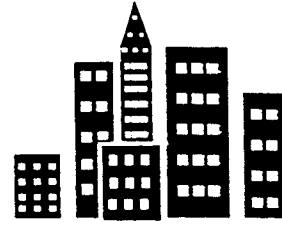
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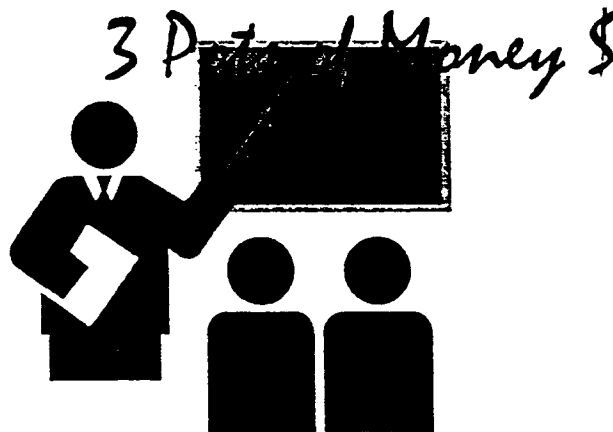
TFG

Total Development Cost

Debit = 1St
MGT. \$9.4M
&
Equity =
Tax Credits
\$2.7M



HUD \$10.2 Million (?)



County Loan/Grant \$565,993

Who Gets Paid

\$\$\$

Development
Budget

**New Cities
Development
Staff Over
3-years
\$452,454**

**MHA
Property
Management
McKinney
Center
\$ 445,828**

Heywood Brothers
\$200,000

**TGF
&
NCCDC
Co-Developers
15% of
Total Funding**

**TGF Broker Fee

16.9% gross
equity
legal fees
excludes**

Operation
Budget

Signature Housing
Solution's Inc. (TGF)
5.5% Management
fees
5 year contract with a
2 year dual /GRMHA

Kindness Loan
18.18%

To Fund
McKinney
Center &
Residents
Initiatives

New Cities With Fees
From Operations
committee
1% for Social Services
2% Residents Initiatives
@ \$90,000

*The Creativeness of
what we can do!!!!*



New Cities

NEW CITIES COMMUNITY DEVELOPMENT CORP.

16333 S. Halsted
Harvey, IL 60426
(708) 333-2009

P.O. Box 1035
Harvey, IL 60426
Fax (708) 333-1625

March 8, 1996

Ms. Marshall McCray
Co-Chair of Ginger Ridge Mutual Housing Association
525 Jeffery, Suite #6
Calumet City, IL 60409

Rev. Michael Burnside
Co-Chair of Ginger Ridge Mutual Housing Association

Jerome P. Genova, Mayor
City of Calumet City
204 Pulaski Road
Calumet City, IL 60409

Re: Ginger Ridge Apartments Letter Agreement
Calumet City, Illinois

Dear Sirs and Mesdames:

This letter, when executed by the above named addressees, will create an agreement between the members and Board of Directors of the Ginger Ridge Mutual Housing Association (the "MHA") which is inclusive of the officers of the Ginger Ridge Tenants Council, The Finch Group and the New Cities Community Development Corporation ("New Cities"). The Finch Group and New Cities will act as co-developers of Ginger Ridge, providing various development functions both prior and subsequent to the date of this Letter Agreement. In addition, The Finch Group and its associated entities TFG Equities, Inc. and Signature Housing Solutions, Inc. (the three Finch Group entities together being "TFG"), will provide services relating to structuring and placing so-called Low Income Housing Tax Credit Equity and property management services. New Cities will also hire staff to direct resident initiatives at the site, sponsor the formation and development of the MHA, train residents and community leadership to participate in the MHA and sponsor the on-site creation of the McKinney Learning Center.

The MHA, wanting to keep TFG and New Cities involved as key ingredients to revitalizing and rehabilitating Ginger Ridge Apartments, agrees to work exclusively with TFG and New Cities under the following understanding:

- TFG and New Cities agree to continue to use their diligent efforts to assist the MHA in the revitalization, rehabilitation and operation of Ginger Ridge.
- TFG and New Cities reaffirm that they will not work with anyone except the MHA in such efforts.

The importance of finalizing and executing this Letter Agreement now is due to the recent shift in the anticipated funding of the pre-development costs. Both New Cities and The Finch Group will only be compensated from debt and equity sources that are contemplated to become available to fund the rehabilitation and revitalization of Ginger Ridge. (See attached March 1, 1996 Estimated Sources and Uses of Funds.) New Cities will borrow against these anticipated revenues from a Cook County program to be repaid once rehabilitation is completed (as defined as "Substantial Completion" by the American Institute of Architects). The Finch Group will fund its own pre-development costs. Thus, both parties require formalization of their relationship with the MHA to assure their future compensation and reassure lenders of repayment.

The MHA, New Cities and TFG agree to use their diligent efforts to structure line items in the final funding schedule for the following:

New Cities

Support Services

Anticipated \$433,886

(Includes 3 Resident Initiatives staff over four years plus a Social Service Contract with a person who will design social services for the MHA and resident initiatives as well as raise money for the McKinney Center.)

MHA Capitalization/Property Management/Resident Initiatives

Anticipated \$445,828

(Assumes that this amount will be set aside to fund the fifth year of MHA /resident initiatives, social services and costs related to the operations of the McKinney Center and to capitalize a community/resident based property management company sponsored by New Cities ("New Management", or an entity to be named at a later date), which will take over management from Signature Housing Solutions. \$250,000 will be set aside from this line item for these purposes, with the remaining \$195,828 to be advanced once sufficient operating reserves are established and breakeven operations are achieved in the three to five years following Substantial Completion.)

TFG

<u>Calumet City - Legal & Organization</u>	<u>Anticipated \$200,000</u>
<u>- Consultant's Fee</u>	<u>Anticipated \$ 50,000</u>

(To reimburse TFG for actual expenses incurred in settlement of Performance Management claims against the City of Calumet City and to represent the City of Calumet City.)

To Be Funded From Debt and Equity:

*TFG Equities - TFG Equities, Inc. will be paid a total of 16.9% of the gross equity raised as a securities broker/dealer and financial structuring consultant fee. TFG Equities will be responsible for all direct costs of equity placement **except** legal representation of the MHA.*

The Finch Group and New Cities - Developer fees will be split equally until such time as New Cities receives \$486,954. Subsequent to such time, The Finch Group will receive 100% of remaining developer fees until the split of developer fees equals 69.15% to The Finch Group and 30.85% to New Cities. Thereafter, The Finch Group will receive 69.15% of any additional developer fees paid, with New Cities receiving 30.85% of the additional fees. Developer fees are anticipated to equal 15% of the total funding less anticipated HUD grant(s).

To Be Funded From Property Operations: (All require HUD approval)

Signature Housing Solutions - Signature Housing Solutions, Inc. will earn a management fee equal to 5.5% of gross collected income for providing property management services. Signature Housing will receive a five-year contract with a two-year extension. During such extension, New Management will become involved in the day to day property management of Ginger Ridge and at the end of the two-year extension it is anticipated that New Management will take over property management. Furthermore, Signature Housing agrees to loan up to 18.18% of its management fee (or 1% of gross collected income) to help fund social services performed by New Management. Such advances will earn interest at the lesser of 1% less than the prime rate as published in the Wall Street Journal, or 5%. The loan must be repaid prior to termination of the management contract with Signature Housing Solutions, Inc.

New Cities - New Cities will receive fees from the operations of the property equal to 1% and 2% of gross collected income, respectively to pay for staffing of resident initiatives and the McKinney Center for the MHA.

The MHA, New Cities and TFG acknowledge and agree that any breach of any of their respective obligations under this Letter Agreement will substantially and materially damage the business and goodwill of the other parties. that such damage would be difficult to measure and that monetary compensation would be inadequate. and consequently agree that in the event of a breach of this Letter Agreement, the non-breaching parties shall be entitled, in addition to monetary damages and any other remedies available to such parties under this Letter Agreement (i) to equitable, including injunctive relief and (ii) to the recovery of all costs incurred by such party in the enforcement of this Letter Agreement, including reasonable attorney's fees.

Finally, this Letter Agreement constitutes the entire agreement between the parties hereto with respect to its subject matter, superseding all prior negotiations, communications, contracts and other agreements, courses of dealing and the like between or among the parties. This Letter Agreement may be supplemented by such further agreements as may be necessary to fully effectuate the foregoing.

TFG and New Cities remain committed to working with the MHA for the eventual success of Ginger Ridge.

Sincerely,

New Cities

Sincerely,

TFG

Cindy Holler
Authorized Signatory

Robert A. James, Jr., Esq.
Authorized Signatory

AGREED TO AND ACCEPTED BY:
Ginger Ridge Mutual Housing Association:

Marshall McCray, Co-Chair

MHA Board Vote

March, 1996
Date of Vote

Attested to:

Rev. Michael Burnside, Co-Chair

by Secretary of MHA

CONFIRMED: _____
Mayor Jerome P. Genova, City of Calumet City

TASKS AND TIMELINE FOR MUTUAL HOUSING ASSOCIATION PROPOSAL

The following sheet intends to lay out tasks related to the three Mutual Housing Associations under development by the New Cities Community Development Corporation. These tasks have been laid out in three intervals in a linear format based upon a 2-year timeline.

New Cities is requesting funding for this proposal based upon the attached budget. Budgeted costs are based upon eligible uses for CHDO operating support such as salaries, supplies, rent and overhead, training, etc.

Please note that the task and timeline sheet lists progress expected to be completed in the intervals described. While this may be revised from time to time based upon actual external realities, it is meant to be utilized to monitor progress by funders for the formation of the Mutual Housing Associations.

New Cities requests that Cook County authorize drawdowns within the proposed intervals, based upon tasks completed, and with respect to its fiscal year operating costs. For example, Interval #2 spans between 1996 and 1997. Because New Cities Operating Year ends on December 31, 1996, New Cities will likely request funds for tasks completed during the first three months of Interval #2 so as to meet its operating budget obligations. Cook County will utilize the Task and Timeline proposed below to monitor progress within each of the intervals.

Ginger Ridge Mutual Housing Association

Objective #1 Organizational Development of the Ginger Ridge Mutual Housing Association and the New Cities Community Development Corporation as it relates to this entity.

Objective #2 To prepare Residents of Ginger Ridge for Ownership of the Ginger Ridge Complex through a Mutual Housing Association through a dynamic Counseling, Education, and training program.

Objective #3 To provide re-development related technical assistance to the residents of Ginger Ridge, and the community through the Mutual Housing Association which will oversee the re-design and the financing of the complex.

Objective #4 Design/Financing of the On-site "McKinney Resident Learning and Training Center" which will house the support services necessary for residents to actively participate in the Mutual Housing Association Ownership entity.

January 1, 1996-September 30, 1996

Organizational Development

Interview and Recommend Candidates for Director of Resident Initiatives

Hire Resident Initiatives Director

Form Sponsoring Mutual Housing Association Board of Directors and Design Future Configuration of Board. Perform extensive community interviews to seat additional members to Board of Directors.

Organize New Cities internal capacity and perform extensive staff training to ready it for responsibilities as it relates to Ginger Ridge.

Negotiate contract with NeighborWorks and Chicago Mutual Housing Network to provide training and technical assistance to New Cities staff.

Resident Initiatives

Perform extensive (more than 75) One-To-One Interviews with residents of Ginger Ridge based upon leadership potential and recommendations from existing Tenant's Council.

Organize four focus groups of residents and community leadership to participate in "Design Feasibility Process" with HUD selected contractor which will determine design and HUD contribution to the project.

Design Curriculum for Training utilizing the following resources:

- NeighborWorks Mutual Housing Association Training Curriculum
- Chicago Mutual Housing Network Curriculum
- Resident Management Curriculum develop by CHA

Hiring, Programmatic Design and Implementation with Residents of Mutual Housing "Youth Workers".

Design and Issue RFP for Consultants to Design and Raise Money for the McKinney "Learning Center" at Ginger Ridge. Select contractor.

Ginger Ridge Re-Development and Financing

Selection of HUD Contract to Perform Feasibility Analysis of Ginger Ridge which will decide HUD contribution to the project.

Staff monthly Ginger Ridge Mutual Housing Association. Meetings to insure oversight and coordination of all activities in the design/development process.

Negotiate co-development agreement with the Finch Group

Begin to interview architects, contractors, first mortgage financing, and equity financing in preparation for Phase #1 of Development plan. Begin development of temporary relocation plan.

McKinney Resident Learning and Counseling Center

Contractor chosen to design and fundraise for McKinney Learning Center participates in Resident Meetings to design programmatic and support services in a manner which support the capacity of the residents to participate actively in the oversight and management of the complex. Programmatic Design completed.

October 1, 1996-June 30, 1997

Organizational Development

Interview and Hire One-Full time and One Part-Time Resident Initiatives Staff

Formalize Mutual Housing Association Board of Directors, elect officers and develop by-laws and Articles of Incorporation.

Continue to organize New Cities internal capacity and perform extensive staff training to ready it for responsibilities as it relates to Ginger Ridge. Begin assessments/budgets of development of locally-based property management firm to take over from the Finch Group after 5-years.

Implement contracts with NeighborWorks and Chicago Mutual Housing Network to provide training and technical assistance to New Cities staff.

Resident Initiatives

Utilize Ginger Ridge Mutual Housing Association meetings as training vehicles and decision-making vehicles for oversight of the Re-development plan.

Continue One-To-One Interviews with residents of Ginger Ridge based upon leadership potential and recommendations from existing Tenant's Council.

Form Resident Congress "Sponsoring Committee". Design eventual committee structure.

Implement Training Curriculum for Mutual Housing Association utilizing the following resources:

- NeighborWorks Mutual Housing Association Training Curriculum
- Chicago Mutual Housing Network Curriculum

-Resident Management Curriculum develop by CHA
Begin regular training to establish full Resident Congress.

Continue Programmatic Design and Implementation with Residents of Mutual Housing "Youth Workers".

Oversee Consultants for the McKinney "Learning Center" at Ginger Ridge. Insure that Program Design is complete, physical design of the complex begins and that a realistic fundraising plan is developed.

Development and Implement of Temporary Relocation plan with Residents.

Ginger Ridge Re-Development and Financing

Staff monthly Ginger Ridge Mutual Housing Association. Meetings to insure oversight and coordination of all activities in the design/development process.

Work with the Finch Group to develop a pro-forma for financing the re-development plan. Submit first mortgage financing, and equity financing proposals for re-developing the complex. Gain Tax-Credit allocation from IHDA. Gain HUD and GRMHA approval on pro-forma.

With the Finch Group, interview architect and contractor utilizing HUD's process to implement Phase #1 of the Redevelopment Plan. Gain approval from Ginger Ridge Mutual Housing Association Board.

Gain HUD approval on Phase #1 of construction and implement construction plan. Complete Phase #1.

Ready necessary documentation for transfer of title to Ginger Ridge Mutual Housing Association.

McKinney Resident Learning and Counseling Center

Contractor chosen to design and fundraise for McKinney Learning Center participates in Resident Meetings to physically and financially design programmatic and support services in a manner which support the capacity of the residents to participate actively in the oversight and management of the complex. Physical Design completed and financial design approved. Fundraising begins.

June 30, 1997-December 31, 1997

Organizational Development

Continue monthly Mutual Housing Association Board of Directors meetings to oversee and coordinate activities at the complex.

Continue to organize New Cities internal capacity and perform extensive staff training to ready it for responsibilities as it relates to Ginger Ridge. Continue assessments/budgets of development of locally-based property management firm to take over from the Finch Group after 5-years.

Oversee contracts with NeighborWorks and Chicago Mutual Housing Network to provide training and technical assistance to New Cities staff.

Resident Initiatives

Utilize Ginger Ridge Mutual Housing Association meetings as training vehicles and decision-making vehicles for oversight of the Re-development plan.

Continue One-To-One Interviews with residents of Ginger Ridge based upon leadership potential and recommendations from existing Tenant's Council.

Design Election Process for Resident Congress and its relationship to the Mutual Housing Association Board. Work with Sponsoring Resident Congress to formalize committee structure and schedule 1998 elections.

Design Membership Dues structure and implement membership campaign.

Continue Training Curriculum for Mutual Housing Association utilizing the following resources:

- NeighborWorks Mutual Housing Association Training Curriculum
- Chicago Mutual Housing Network Curriculum
- Resident Management Curriculum develop by CHA

Continue Programmatic Design and Implementation with Residents of Mutual Housing "Youth Workers".

Oversee Consultants for the McKinney "Learning Center" Monitor fundraising plan and implementation of program..

Continue to implement of Temporary Relocation plan with Residents.

Ginger Ridge Re-Development and Financing

Staff monthly Ginger Ridge Mutual Housing Association. Meetings to insure oversight and coordination of all activities in the design/development process.

Work with the Finch Group to gain first mortgage commitments, and equity financing. Develop operating budgets.

Gain approval from Ginger Ridge Mutual Housing Association Board and from HUD to take title to property

Close with HUD and have Ginger Ridge Mutual Housing Association take title to the complex. Oversee with the Finch Group the Commencement of Phase #2.

McKinney Resident Learning and Counseling Center

Fundraising is actively implemented. Some programs being implemented.

DRAFT AGENDA
GINGER RIDGE MUTUAL HOUSING ASSOCIATION
MEETING WITH HENRY CISNEROS,
SECRETARY OF THE DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT

December 18, 1995

11:00 AM

Ginger Ridge Community Room

- I. Opening Prayer - Rev. Princeton McKinney**
- II. Welcome to All and Introduction of
Congressman Jerry Weller - Mayor Jerry Genova**
- III. Purpose of Meeting
-Congressman Jerry Weller**
- III. Who and What Is The Ginger Ridge Mutual Housing
Association? - Rev. Michael Burnside, Co-Chair GRMHA**

**Introduction of SSAC/New Cities Churches and
Ginger Ridge Tenant's Council and Residents and how
they formed the Mutual Housing Association**
- IV. Presentation of Principles for Redevelopment -
Marshall McCray, Co-Chair GRMHA or Resident
Designated by Tenants**

**-Presentation of Principles
-Introduction of Congressman Weller**
- V. Introduction of Secretary Henry Cisneros -
Congressman Jerry Weller**
- VI. Announcements and Comments by Secretary Cisneros
-Announcement of Intention to Sell Complex to the
Ginger Ridge Mutual Housing Association**
- VII. Closing Prayer - Rev. Mark H. Larson**
- VIII. Tour of Complex**
- IX. Post-Meeting Questions and Answers from Residents**

MEETING ANNOUNCEMENTS FOR GINGER RIDGE MUTUAL HOUSING ASSOCIATION

To: Ginger Ridge Mutual Housing Association
Board Members/Executive Committee Tenant's Council

From: Cindy Holler, New Cities

Re: Visit from Secretary Cisneros to Ginger Ridge
December 18, 1995
11:00 AM - 12:00 AM
Ginger Ridge Community Room

Attached you will find a DRAFT agenda developed by Wes Finch and myself for the meeting with Secretary Cisneros which is being circulated for comment. The goal of the meeting as proposed in this agenda will be for Secretary Cisneros to demonstrate his support to the Ginger Ridge Redevelopment effort and give confidence to the local HUD office to move forward quickly on this project despite Helen Dunlap's eventual departure. He is expected to announce HUD's intention to sell the complex to the newly formed Ginger Ridge Mutual Housing Association. The agenda will be circulated to the Mayor and Congressman Weller on Wednesday for comment. "This should be as Rae put it - a real "shake each others hands meeting!" It will be important that each contingent be well represented. Any substantive comments to the agenda should be forwarded to myself or Rev. Burnside by Wednesday before we send it to Weller's Office. Otherwise we would like to have a brief strategy conversation on Saturday as described below.

As we discussed on Saturday with Tina and Marshall, we hope to have a crowd of 40-50 on hand at the community room on that day, with the residents trying to produce 20-25 people and New Cities and SSAC producing 20-25. (There needs to be room for press and others as well)

In order to finalize/walk-thru the agenda and to check in on our turnout from both organizations, we wanted to have a very brief pre-meeting with Rev. Burnside, Rev. McKinney and whoever can attend from the Executive Committee (especially Marshall or whoever she designates to speak from the residents and whoever is working on turnout). This has been tentatively scheduled to accomodate Rev. Burnside's schedule for Saturday, December 16th at 12:00 noon out at Ginger Ridge in the Community Room. We expect a 30 minute meeting if we start right at 12:00. Please let us know ASAP whether the appropriate residents can attend.

November 10, 1995

Althea -

Ed Hinsberger told me today that the conference call will go on for Wednesday at 8:30 am, provided that the government doesn't shut down tomorrow. If they shut down, no conference call. We also talked about the Oversight Committee for the RFP Feasibility Study to be done at Ginger Ridge. At a SSAC/New Cities meeting this weekend it was clear that they would like representation on the committee from their constituency. When I spoke to Ed Hinsberger today about that he agreed that this could be done but only if one of the two seats he spoke to you about could become one of these seats, and seemed unwilling to expand the committee to accommodate two residents and a seat for SSAC/New Cities. (He would have to expand his team by a member so they could continue to outvote us and he doesn't want to do that!) I have a number of thoughts about how we can both be represented that I'd like to talk to you about -- please give me a call tonight at 849-7887 if you can. (I have meetings back to back tomorrow!)

As promised - here is proposal which we submitted to HUD for RFP which you as residents and HUD officials will be reviewing. Please note that New Cities has categorized its costs for intensely developing the MHA concept and the principles for redevelopment at Ginger Ridge during the next three years. We have submitted these same costs to a Cook County program which will allow us to "borrow" funds for developing the MHA. Whatever costs which HUD deems unacceptable we will have to "borrow" from Cook County to be repaid by developer's fees from this project and others like it. The less we have to borrow, the more we can do out at Ginger Ridge. The more we borrow, the more we will have to spread the time of the employees on other projects.

Enclosed also are some resumes of people under consideration for the Resident Initiatives Director at Ginger Ridge. I am working to narrow the field currently and I hope by our next meeting in December the residents and representatives from the Churches, SSAC/New Cities will be able to meet and give input on the final candidate(s). Tina is going to meet one candidate tomorrow briefly.

Cindy Holler

**FIRST ORGANIZATIONAL MEETING FOR
GINGER RIDGE MUTUAL HOUSING
ASSOCIATION**

**December 7, 1995
7:30 PM - 9:30**

**Calumet Federal Savings Bank
1350 E. Sibley Blvd.
(at Sibley and Calumet Expressway)
Entrance off the parking lot on Sibley Blvd.
Take Elevator to PH floor (Penthouse Floor)**

**Attendees: Ginger Ridge Tenant's Council
 New Cities/SSAC Board Members
 The Finch Group
 New Cities Staff**

**We will interview two candidates for Resident
Initiatives positions and consider our 1996 WorkPlan!**

**GINGER RIDGE MUTUAL HOUSING ASSOCIATION
FIRST ORGANIZATIONAL MEETING**

December 7, 1995

*Co-Chairpersons: Rev. Michael Burnside.
New Cities CDC*

*Marshall McCray, President,
Ginger Ridge Tenant's Council*

*While the meeting begins at 7:30 P.M. the bank will be open at
7:00 P.M for anyone who would like to come early and get
briefed on the status of the Ginger Ridge Project.*

- I. Opening Prayer and Introductions of All Present**
*- Name of all participants, organization, and
why they are interested in the GR Project*
- II. Presentation of Work Plan for Ginger Ridge
Mutual Housing Association Formation and
Ginger Ridge Re-Development Effort**
- III. Introduction and Interview of Resident Initiatives
Candidate #1**
- IV. Introduction and Interview of Resident Initiatives
Candidate #2**
- V. De-Brief and Comments on Candidates**
- VI. Evaluation of Meeting and Closing Prayer**