

MINUTES OF THE SPECIAL MEETING

OF THE

COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

Wednesday, January 9, 2019

The Commissioners of the Chicago Housing Authority held a Special Meeting on Wednesday, January 9, 2019, at approximately 10:05 a.m. at the Charles A. Hayes Family Investment Center, 4859 South Wabash in Chicago, IL.

Pursuant to the Open Meetings Act, Chairman John Hooker announced that Commissioners were notified of the special meeting via a Notice of Special Meeting, as noted below. The Notice was also sent to interested parties on CHA's Notice List, posted on CHA's website and the main lobbies of CHA Corporate Offices (60 East Van Buren, Chicago, IL) and the Charles A. Hayes Family Investment Center. Per Chairman Hooker, the purpose of the meeting is to consider the following agenda item: Settlement of litigation in the matter of Dorothy Gautreaux, et al, vs. CHA, 66 C 1459.

If required, pursuant to the Open Meetings Act, 5 ILCS 120/2, Commissioners would vote to go into Closed Meeting to possibly discuss matters under the following exceptions: personnel related matters under (c) (1); purchase, sale and lease of real estate property under (c) (5) and (c) (6); sale or purchase of securities, investments or investment contracts under (c) (7); security procedures under (c) (8); pending/imminent/probable litigation under (c)(11); the establishment of reserves under (c)(12) and audit reviews under (c)(29).

The meeting was called to order by Chairman Hooker, and upon roll call, those present and absent were as follows:

Present: Craig Chico
Dr. Mildred Harris
John Hooker
Cristina Matos
Debra Parker
Francine Washington

Absent: Matthew Brewer
Meghan Harte
James Matanky
Bill Thanoukos

Also, present were Eugene Jones, Chief Executive Officer; James Bebley, Chief Legal Officer; Chicago Housing Authority staff members and the General Public.

There being a quorum present, the meeting duly convened, and business was transacted as follows:

Commissioner Mathew Brewer then joined the meeting in session at approximately 10:09 a.m. and Commissioner James Matanky joined the meeting in session at 10:19 am.

Notice of the meeting appeared as follows:

**NOTICE OF SPECIAL MEETING
OF
THE BOARD OF COMMISSIONERS**

YOU ARE HEREBY NOTIFIED that the Board of Commissioners of the Chicago Housing Authority will hold a Special Meeting on Wednesday, January 9, 2019, at 10:00 a.m. at the Charles Hayes Family Investment Center, 4859 South Wabash, Chicago, Illinois.

The Commissioners will meet to consider the following agenda item:

1. Settlement of litigation in the matter of Dorothy Gautreaux, et al, vs. CHA, 66 C 1459.

The Commissioners may go into closed executive session pursuant to the Open Meetings Act, 5 ILCS 120, to discuss matters under the following exceptions:

- a. personnel related matters under (c)(1); and
- b. purchase, sale and lease of real estate property under (c)(5) and (c)(6);
- c. pending, probable or imminent litigation under (c) (11)
- d. audit reviews under (c) (29).

**Lee Chuc-Gill, Secretary
CHA Board of Commissioners**

Date: January 3, 2019

**CERTIFICATE AS TO SERVICE OF NOTICE
OF SPECIAL MEETING**

I, Lee Chuc-Gill, the duly appointed, qualified and acting as Board Secretary of the Chicago Housing Authority, do hereby certify that on January 3, 2019, I served, in the manner provided in the By-laws of said Authority, upon each of the Commissioners of said Authority named in the foregoing NOTICE OF SPECIAL MEETING, a true and correct copy of the said NOTICE OF SPECIAL MEETING.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 9th day of January 2019.

Lee Chuc-Gill
Secretary, Board of Commissioners

**WAIVER OF NOTICE OF AND CONSENT TO
SPECIAL MEETING**

The following Commissioners of the Chicago Housing Authority, pursuant to Section 3, of Article II of the Bylaws, do hereby accept service of the foregoing NOTICE OF SPECIAL MEETING, waiving any and all irregularities in such service and in said NOTICE OF SPECIAL MEETING and do hereby consent and agree that the said Commissioners of said Chicago Housing Authority shall meet at the time in said NOTICE OF SPECIAL MEETING and for the purpose therein stated:

- Matthew Brewer
- Craig Chico
- Dr. Mildred Harris
- Meghan Harte
- John Hooker
- James Matanky
- Cristina Matos
- Debra Parker
- Bill Thanoukos
- Francine Washington

Chairman Hooker then informed the public that late last month CHA and BPI announced a proposed settlement in the landmark Gautreaux Housing Discrimination case. The proposed settlement would establish a framework to end more than 50 years of litigation and court supervision of public housing in Chicago.

Eugene Jones, Chief Executive Officer, and James Bebley, Chief Legal Officer, then provided Commissioners and the public with details of the proposed Settlement and steps CHA will take to complete its Gautreaux obligations.

(Item No. 1)

On August 9, 1966, Plaintiffs Dorothy Gautreaux (now deceased) and other African-American tenants who lived in public housing projects, along with applicants for public housing filed a complaint against CHA alleging race discrimination. The Gautreaux Plaintiffs alleged that CHA's policies with respect to the selection of sites for public housing and for the assignment of tenants were racially discriminatory and violated their constitutional rights. The court certified the class of Gautreaux Plaintiffs and granted summary judgment against CHA, finding that CHA selected housing project sites in predominantly black neighborhoods and used racial quotas to limit the number of blacks in housing projects in predominantly white neighborhoods. To prohibit the future use of discriminatory site selections and tenant assignments, racial quotas and to remedy the past effects of same, in 1969, the court entered an order that did three things: 1) divided the city into limited and general areas and required CHA to build/acquire units in limited and general areas on a one to one ratio; 2) prohibited assignment of tenants on a racial basis and required CHA to file a Tenant Assignment Plan with the court that was race neutral; and 3) prohibited CHA from building developments that concentrated public housing families and prohibited housing units higher than three floors. **The Proposed Settlement:** The parties recognize that the conditions which led to the 1969 court order no longer exist. Over the years the parties have jointly sought and obtained numerous orders that have waived and/or amended various aspects of the 1969 court order. Rather than continue to seek court approval on a piece meal basis, the parties have tentatively agreed to replace the 1969 court order with a settlement agreement that would address four primary strategy areas as well as, set a framework for a foreseeable end to this litigation. The first area involves CHA's Plan for Transformation in mixed-income developments currently underway or planned. The second area covers traditional public housing, project-based vouchers and scattered-site units, in limited, general and opportunity areas. The third area involves establishing goals for the Housing Choice Voucher Program. The fourth and final area requires CHA to identify plans to replicate the Altgeld early learning centers at four other CHA traditional developments. The settlement terms would include specific goals and benchmarks for CHA developments currently in process or a framework for future developments not currently on the "drawing board." Finally, the settlement agreement would have a finite, foreseeable end date, after which all plaintiffs and court oversight would end. The parties acknowledge that the terms must be designed to provide CHA with flexibility to adjust and be responsive to changes in circumstances. Accordingly, the resolution for Item No. 1 approves authority to replace the current judgment order with a settlement agreement. The settlement agreement would set forth specific benchmarks for CHA to meet and an end date by which all claims against CHA would be dismissed with prejudice.

Chairman Hooker then invited residents and the public at large to address the Board.

Following Public Participation, Chairman Hooker presented a Motion for the approval of **Item No. 1 – Settlement Agreement in the matter of Dorothy Gautreaux et al vs. CHA.**

RESOLUTION NO. 2019-CHA –1

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 9, 2019, entitled "AUTHORIZATION TO SETTLE THE MATTER OF": DOROTHY GAUTREAUX, ET AL. vs. CHICAGO HOUSING AUTHORITY, AN ILLINOIS MUNICIPAL CORPORATION, ET AL. CASE NO. 66-CV-1459 to approve authority to replace the current judgment order with a settlement agreement. The settlement agreement would set forth specific benchmarks for CHA to meet and an end date by which all claims against CHA would be dismissed with prejudice.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer and the Chief Legal Officer, to enter into a settlement agreement replacing the current judgment order. The settlement agreement, as submitted and approved by the court, would set forth specific benchmarks for CHA to meet and an end date by which all claims against CHA would be dismissed with prejudice in the matter of DOROTHY GAUTREAU, ET AL. vs. CHICAGO HOUSING AUTHORITY, AN ILLINOIS MUNICIPAL CORPORATION, ET AL. CASE NO. 66-CV-1459;

THAT The settlement agreement will address four major areas. The first area involves CHA's Plan for Transformation in mixed-income developments currently underway or planned. The second area covers traditional public housing, project based vouchers and scattered-site units, in limited, general and opportunity areas. The third area involves establishing goals for the Housing Choice Voucher Program. The fourth and final area requires CHA to identify plans to replicate the Altgeld early learning centers at four other CHA traditional developments;

THAT The settlement terms would include specific goals and benchmarks for CHA developments currently in process or a framework for future developments not currently on the "drawing board." Finally, the settlement agreement would have a finite, foreseeable end date, after which all plaintiffs and court oversight would end. The parties acknowledge that the terms must be designed to provide CHA with flexibility to adjust and be responsive to changes in circumstances; and

THAT The Chief Executive Officer and the Chief Legal Officer are further delegated authority to make such agreements or changes necessary to effect the goals and purposes of this Resolution.

The Motion to adopt the resolution for Item No. 1 was seconded by Commissioner Matanky and the voting was as follows:

Ayes: Matthew Brewer
Craig Chico
Dr. Mildred Harris
John Hooker
James Matanky
Cristina Matos
Debra Parker
Francine Washington

Nays: None

There being no questions or discussion, Chairman Hooker thereupon declared said Motion carried and said resolution adopted.

There being no further business to come before the Board, upon Motion made by Commissioner Washington and seconded by Commissioner Parker, the special board meeting of January 9, 2019, was adjourned at approximately 10:34 am.

s/b: Lee Chuc-Gill, Secretary
Custodian and Keeper of Records