

IN THE  
UNITED STATES COURT OF APPEALS  
FOR THE SEVENTH CIRCUIT

U.S.C.A. – 7th Circuit  
RECEIVED

No. 05-4174

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CHICAGO ACORN, WYVONIA PICKETT,  
CALLIE DAVIS, et al.,

GINO J. AGNELLO  
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Plaintiffs-Appellants,

) Appeal from the United States District  
) Court for the Northern District of Illinois.

v.

) No. 05 C 3049,

UNITED STATES DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT  
and ALPHONSO R. JACKSON,

) Blanche M. Manning, Judge.  
)  
)

Defendants-Appellees.

**DEFENDANTS-APPELLEES' RESPONSE TO  
APPELLANTS' MOTION TO EXPEDITE BRIEFING AND ORAL ARGUMENT**

Pursuant to this court's order dated November 9, 2005, defendants-appellees respond as follows:

1. Appellants are four current residents of Lawndale Restoration, a privately-owned, multifamily housing project in Chicago, and an organization purporting to represent the interests of low-income Chicago residents like the tenants at Lawndale, who are in need of affordable housing. Although appellants assert they are acting on behalf of all Lawndale residents, no class was certified by the district court.

2. Appellees ("HUD"), who insured the now-defaulted Lawndale mortgage, are in the process of obtaining the property so that it can be conveyed to the City of Chicago. According to Edward Hinsberger, the Director of Chicago Multifamily Housing for HUD, the agency has been in

contract discussions with the City of Chicago for a number of months. HUD has submitted a draft contract of sale to the City of Chicago and the parties have tentatively set December 21, 2005 as the closing date.

3. Notwithstanding the proposed closing date, there are several actions which must occur before the sale to the City of Chicago can be consummated. First, HUD has not yet obtained a deed-in-lieu of foreclosure on the property from the current Lawndale owners. If HUD does not get the deed, it will initiate foreclosure proceedings on Lawndale. Should that occur, the target closing date would be pushed to January 2006 at the earliest.

4. In addition, the City of Chicago must obtain approval from the City Council before the Lawndale sale can be finalized. To the best of HUD's knowledge, the City of Chicago has not yet presented this matter before the City Council. The Council usually meets only once per month. Thus, in light of the uncertainties as to when HUD will actually obtain ownership of Lawndale and when, if at all, the City Council would approve the Lawndale sale, the December 21, 2005 date is truly an estimate.

5. Furthermore, according to a recent survey of the current Lawndale residents, the overwhelming majority want the sale to the City of Chicago to be finalized so that they can exercise their right to obtain a voucher and move elsewhere. Last month, HUD sent a detailed letter to all Lawndale residents, advising them of the upcoming sale to the City of Chicago and explaining that residents have the option of either continuing to reside at Lawndale or receiving a housing assistance voucher now and moving to a different location.

6. The survey results indicate that out of 907 currently occupied units, 226 have opted to stay while 576 want to move now. In other words, of the approximately 88% of tenants who

responded to the survey, 72% desire the exact the opposite of what the appellants are attempting to force HUD to do, which is to continue with project-based Section 8 assistance at Lawndale and thereby prevent all residents from moving elsewhere so that they can live in decent and safe housing immediately.


7. In fact, since this lawsuit was filed in April 2005, HUD staff has received and responded to literally hundreds of telephone calls from Lawndale residents regarding complaints about the inadequate physical condition of their individual units, rodent infestation, security concerns, and drug and/or criminal activity. Indeed, HUD staff has been overwhelmed by calls and personal visits from Lawndale residents seeking Housing Choice Vouchers and relocation assistance. Thus, appellants' concern about alleged violations of the rights of Lawndale residents who move out is misplaced.

8. Given that the Lawndale residents are living in dire conditions and so many of them desire to leave, it hardly seems fair that the plans of those residents, HUD, the City of Chicago and developers who are eager to purchase and rehabilitate this property, should be held up by a few individuals.

9. HUD submits that an expedited schedule is unnecessary as the rights of those who object to its disposition plan will be amply protected if this Court reverses the decision of the district court, as those affected individuals can simply seek individual injunctive relief tailored to their particular circumstances.

Respectfully submitted,

PATRICK J. FITZGERALD  
United States Attorney

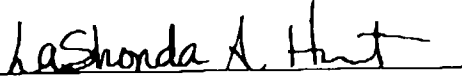
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**CERTIFICATE OF SERVICE**

LaShonda A. Hunt, an attorney, certifies that on November 10, 2005, she caused the foregoing **DEFENDANTS-APPELLEES' RESPONSE TO APPELLANTS' MOTION TO EXPEDITE BRIEFING AND ORAL ARGUMENT** to be served by First Class U.S. mail, postage prepaid and facsimile, upon the following counsel of record:

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