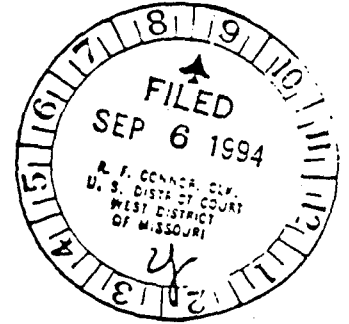


IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF MISSOURI
WESTERN DIVISION



DORETHA TINSLEY, et al.,)
)
 Plaintiffs,)
)
 v.)
)
 HENRY CISNEROS, Secretary of)
 the U.S. Department of Housing)
 and Urban Development; and the)
 HOUSING AUTHORITY OF KANSAS CITY,)
 MISSOURI,)
)
 Defendants.)

No. 89-0023-CV-W-1

ORDER

On July 6, 1993 this Court placed the Housing Authority of Kansas City, Missouri ("HAKC") in receivership and appointed Joseph James, Regional Counsel for the United States Department of Housing and Urban Development ("HUD"), as the receiver. Thereafter, counsel for HUD advised the Court that under 28 U.S.C. § 958, the Court could not appoint Joseph James as receiver due to his position as an employee of the United States. The Court rescinded the appointment of Joseph James and appointed United States Magistrate Judge Robert E. Larsen as a special master pending the appointment of a receiver pursuant to 28 U.S.C. §636(b)(2).

Accordingly, the Special Master having appointed an Advisory Committee to select a receiver for the HAKC, and the Advisory Committee having recommended the appointment of TAG Associates of Kansas City, Inc. ("TAG") as receiver, it is ORDERED:

1. APPOINTMENT -- TAG is hereby appointed receiver of the HAKC, and will serve at the pleasure of this Court.

2. POWERS -- The Receiver shall have the authority necessary and available to provide relief to the plaintiff tenants, and to transform the HAKC into a functional housing authority, one that provides decent, safe, and sanitary dwellings for families of lower income. To this end, the Receiver shall have full power to direct, control, manage, administer and operate the property, funds and staff of the HAKC, subject to the future orders of this Court. The Receiver shall have the powers given the HAKC under Mo.Rev.Stat. §§ 99.010 - 99.050, 99.060, 99.080 - 99.132 and 99.200 - 99.231. All the powers vested in the HAKC commissioners by these statutes are suspended and in lieu thereof are vested in the Receiver.

3. DUTIES -- The Receiver shall perform the financial, contractual, legal, administrative, and personnel (including hiring and firing of employees) duties for the HAKC. These duties specifically include, but are not limited to, the following:

a. preserve, protect and administer all the property and assets of the HAKC.

b. fulfill all of the obligations required of the HAKC under the Consent Decrees presently in effect in the U. S. District Court for the Western District of Missouri.

c. do all acts necessary to transform the HAKC into a functional housing authority, one that provides decent, safe, and sanitary dwellings for families of lower income, in substantial compliance with all applicable laws and regulations.

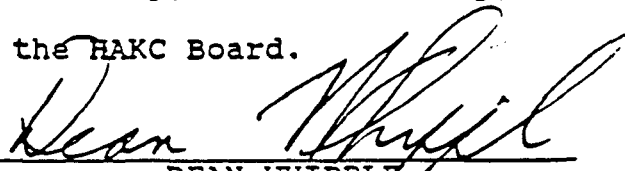
4. REPORTS -- The Receiver shall not later than 90 days after accepting this appointment submit to the Court and the

parties a 12-month plan detailing the manner by which the Receiver intends to fulfill its above-mentioned duties. Said plan shall include a proposed budget. Thereafter, the Receiver shall submit to the Court and the parties monthly status reports listing the significant actions taken by the Receiver during the month. Said reports shall include those expenditure requests for which the Receiver needs the Court's authorization.

5. IMMUNITY -- The Receiver and members of its staff shall have the status of officers and agents of this Court, and as such shall be vested with such immunities as by law vest with this Court. HAKC and HUD shall indemnify the receiver and member of its staff for liabilities, damages and losses incurred and shall pay, upon a certification of expenses approved by the Court, all expenses reasonably incurred in defending any lawsuit or administrative proceeding in which the Receiver or one or more of its employees are named as a party, either personally or as an employee of the Receiver, or in which liability may otherwise attach to them, if such suit or proceeding is based on or arises out of any action taken within the scope of the receivership as defined above.

6. COMPENSATION -- The Receiver shall be paid a reasonable fee for its services in an amount to be approved by this Court. The per annum target cost will be set forth in the 12-month plan, and the Receiver's monthly requests for compensation will be submitted in the monthly status reports. Said compensation shall be paid by the HAKC and from funds paid to it by HUD.

7. MODIFICATION -- This order may be modified as necessary to assure the success of this receivership, and eventually, to return the operation of the HAKC to the HAKC Board.



DEAN WHIPPLE
UNITED STATES DISTRICT JUDGE

DATED: Sept 6, 1994