

**MINUTES OF THE REGULAR MEETING**  
**OF THE**  
**COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY**  
**March 27, 2018**

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, March 27, 2018, at approximately 11:00 a.m. at the CHA Corporate Offices located at 60 E. V in Chicago, IL.

Chairman Hooker called the meeting to order and upon roll call those present and absent were as follows:

Present:                    Craig Chico  
                                  Dr. Mildred Harris  
                                  Meghan Harte  
                                  John Hooker  
                                  Cristina Matos  
                                  Francine Washington

Absent:                     Matthew Brewer  
                                  Jack Markowski

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:

In the absence of Jack Markowski, Chairman of the Finance & Audit Committee, Vice Chairman Craig Chico presented his report. Per Commissioner Chico, the Finance & Audit Committee held its regular meeting at 8:30 a.m. today at the CHA Corporate Offices. Commissioner Chico chaired the meeting and the following committee members were present as well: Commissioners Brewer, Harte and Matos. Present also but not counted for the quorum were Chairman John Hooker and Commissioner Francine Washington. Committee members then voted to adjourn to closed session to discuss certain audit reviews and investigatory matters. Committee members then returned to open session and discussed, voted and recommended for approval the following four items.

On behalf of the Finance & Audit committee, Commissioner Chico presented an Omnibus Motion for approval of Items 1 through 4.

**(Item 1)**

The resolution for Item 1 approves the FY2017 Moving to Work (MTW) Annual Report and authorize CHA to submit the FY2017 MTW Annual Report to HUD. Submission of the FY2017 MTW Annual Report fulfills CHA's annual reporting requirements and supports CHA's goal of successful continued compliance with the obligations of HUD's MTW Demonstration Program. The MTW Annual Report provides information necessary for HUD to assess CHA's performance in FY2017 in its operations as well as activities authorized by the MTW Program. CHA has complied with the requirements of the Amended and Restated MTW Agreement and HUD regulations regarding the submission of annual reports.

**RESOLUTION NO. 2018-CHA-9**

**WHEREAS,** The Board of Commissioners has reviewed the Board Letter dated March 20, 2018, requesting approval of the FY2017 MTW Annual Report and authorization to submit the FY2017 MTW Annual Report to HUD attached hereto;

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

**THAT,** The Board of Commissioners hereby approves the FY2017 Moving to Work Annual Report and grants authorization to the Chief Executive Officer, the Board Chairperson, or their designee to make any final updates as deemed necessary;

**THAT,** This approval of the FY2017 MTW Annual Report supersedes any and all conflicting language found in prior CHA MTW Annual Reports;

**THAT,** The Board of Commissioners grants authorization to submit the FY2017 MTW Annual Report to the U.S. Department of Housing and Urban Development upon Board approval. Such approval shall constitute conclusive evidence of the Board's approval of any and all such changes.

**(Item 2)**

The resolution for Item 2 ratifies the acceptance of a grant award from HUD in the amount of \$819,137 under HUD's Family Self-Sufficiency (FSS) Program. This grant award may only be utilized to support the employment of 15 FSS program coordinators, who will provide Public Housing and Housing Choice Voucher (HCV) families with economic, financial and education-based programming to become self-sufficient. On December 18, 2017, the CHA received official written notice of the grant award from HUD and required that the CHA execute and return the Grant Agreement within 72 hours of receipt. The Chief Executive Officer of the CHA timely executed and returned the Grant Agreement to HUD on December 20, 2017 in accordance with HUD's requirements. These funds are part of CHA's 2018 Budget.

**RESOLUTION NO. 2018-CHA-10**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 20, 2018 entitled "Recommendation to ratify the acceptance of a Grant Award from the U.S. Department of Housing and Urban Development ("HUD") for the Family Self-Sufficiency Program"

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

**THAT,** the Board of Commissioners ratifies the Chief Executive Officer's acceptance of a grant award from the United States Department of Housing and Urban Development ("HUD") in the amount of \$819,137, under HUD's Family Self-Sufficiency (FSS) Program.

**(Item 3)**

The resolution for Item 3 approves the purchase of insurance coverage for CHA's Property Managers' Insurance Program (PMIP) through its insurance broker of record, Arthur J Gallagher & Company (AJG), for the period of April 1, 2018 through March 31, 2019 for an aggregate amount of \$857,752, based on a fixed-rate contract, as follows: (1) Primary General Liability coverage written through First Specialty/Swiss Re American Holding in an amount of \$428,514; (2) Umbrella Liability coverage written through First Specialty/Swiss Re American Holding in an amount of \$321,238; and (3) Excess Liability written through

Allied Word Assurance Company (AWAC) in an amount of \$108,000. The PMIP was created in 1999 as the solution to provide liability protection for the Authority and its property management firms, during a period when no insurer would cover the Authority's extreme risks. In 2001 the CHA received an exemption from HUD allowing it to purchase insurance through a licensed insurance broker. This is the third PMIP insurance placement has been conducted by Arthur J Gallagher, our broker of record. The process included submitting insurance specifications, claim data, and resident demographics to underwriters to formulate pricing for insurance coverage. The specifications were submitted to 28 insurers, some of which quoted multiple lines of coverage.

**RESOLUTION NO. 2018-CHA-11**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated March 20, 2018 entitled: AUTHORIZATION TO PURCHASE INSURANCE COVERAGE FOR PROPERTY MANAGERS' INSURANCE PROGRAM COVERAGE FROM FIRST SPECIALTY/SWISS RE AMERICAN HOLDINGS FOR GENERAL LIABILITY AND UMBRELLA LIABILITY COVERAGE, AND ALLIED WORLD ASSURANCE COMPANY (AWAC) FOR EXCESS LIABILITY COVERAGE.

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

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to purchase the insurance coverage for CHA's Property Managers' Insurance Program ("PMIP") through its insurance broker of record, Arthur J Gallagher & Company ("AJG"), for the period of April 1, 2018 through March 31, 2019 for an amount of \$857,752, based on a fixed-rate contract as follows: (1) Primary General Liability coverage written through First Specialty/Swiss Re American Holding in an amount of \$428,514; (2) Umbrella Liability coverage written through First Specialty/Swiss Re American Holding in an amount of \$321,238; and (3) Excess Liability written through Allied Word Assurance Company ("AWAC") in an amount of \$108,000.

This award is not subject to the Contractor's compliance with the CHA's MBE/WBE/DBE/ Section3 hiring and insurance requirements.

**(Item 4)**

The resolution for Item 4 approves professional services contracts with attorneys, underwriters and other finance professionals (as listed below) to assist in the structure, issuance and delivery of Chicago Housing Authority bonds. CHA anticipates leveraging anticipated future MTW funding through the issuance and sale of bonds and the application of the proceeds to support CHA's mission to provide safe, decent and affordable housing in the City of Chicago. For the purposes of CHA's anticipated bond transactions, PFM Financial Advisors LLC is serving as the Authority's Independent Registered Municipal Advisor. CHA's executive team anticipates returning to the Board at a subsequent meeting for authorization of a not-to-exceed \$350 million bond issuance. CHA will contract with attorneys to serve in the following capacities: 1) **Lead Bond Counsel** – (a) Kutak Rock LLP, (b) Ice Miller LLP, (c) Pugh, Jones & Johnson, P.C., (d) Ballard Spahr LLP; (e) Foley & Lardner LLP; (f) Taft Stettinius & Hollister LLP and (g) Miller, Canfield, Paddock and Stone, P.L.C.; 2) **Bond Co-counsel** – (a) Charity & Associates, P.C., (b) Burke Burns & Pinnelli Ltd. (c) Pugh, Jones & Johnson, P.C., and (d) Neal & Leroy, LLC.; 3) **Issuer's Counsel** – (a) Kutak Rock LLP, (b) Ice Miller LLP, (c) Pugh, Jones & Johnson, P.C., (d) Ballard Spahr LLP, (e) Burke Burns & Pinnelli Ltd., (f) Taft Stettinius & Hollister LLP and (g) Miller, Canfield, Paddock and Stone, P.L.C.; 4) **Disclosure Counsel** – (a) Kutak Rock LLP, (b) Ice Miller LLP, (c) Pugh, Jones & Johnson, P.C., (d) Ballard Spahr LLP, (e) Burke Burns & Pinnelli Ltd., (d) Foley & Lardner LLP, (e) Taft Stettinius & Hollister, (f) Miller Canfield PLC.; and 5)

**Disclosure Co-counsel** – (a) Charity & Associates, P.C.; (b) Pugh, Jones & Johnson, P.C., and (c) Burke Burns & Pinnelli Ltd. CHA will also contract with bond underwriting firms to serve in the following roles: 1) Senior Manager – Cabrera Capital Markets, LLC and 2) Co-Managers: George K. Baum & Company, Mesirow Financial, Inc., UBS Financial Services Inc. and Blaylock Van, LLC.

**RESOLUTION NO. 2018-CHA-12**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority (“Board”) has reviewed the Board Letter dated March 20, 2018 entitled “RECOMMENDATION TO ENTER INTO PROFESSIONAL SERVICES CONTRACTS WITH ATTORNEYS, UNDERWRITERS AND OTHER FINANCE PROFESSIONALS TO ASSIST IN THE STRUCTURE, ISSUANCE AND DELIVERY OF CHICAGO HOUSING AUTHORITY BONDS,”

**WHEREAS,** the Chief Executive Officer recommends that the Board award and authorize contracts for professional services to certain attorneys, underwriters and other finance professionals in accordance with the recommendations in the Board Letter, as attached;

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

**THAT,** the Board of Commissioners awards and authorizes the Chief Executive Officer or his designee to enter into professional services contracts with attorneys, underwriters and other finance professionals to assist in the structure, issuance and delivery of Chicago Housing Authority bonds, such contracts to be for a base period of two (2) years with two (2) one-year renewal option periods, for each of the identified roles; and

**THAT,** the Board of Commissioners further delegates authority to the Chief Executive Officer or his designee to exercise discretion to award any renewal options, provided that no more than one option may be awarded in a one-year period.

The Motion to adopt resolutions for Items 1 through 4 was seconded by Commissioner Harte and the voting was as follows:

Ayes:	Craig Chico Dr. Mildred Harris Meghan Harte John Hooker Cristina Matos Francine Washington
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Nays:	None
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There being no questions or discussion, Chairman Hooker thereupon declared said Motion carried and said resolutions adopted.

In the absence of Matthew Brewer, Chairman of the Real Estate Operations Development committee, Vice-Chairman Chico then presented his report. Per Commissioner Chico, the Real Estate Operations Development Committee held its monthly meeting earlier today. Commissioner Brewer chaired the meeting and the following committee members were present as well: Commissioners Harris and Washington. Although Chairman Hooker and Commissioners Chico, Harte and Matos were also present they were not counted toward the quorum. Commissioners then discussed the items appearing on the agenda. During the Real Estate Operations Development committee’s public participation session,

Committee Chair Brewer had to leave the meeting in session and the quorum was lost. Vice-Chairman Chico continued chairing the meeting and announced that voting of items for the Real Estate Operations Development Committee member would take place at the Board meeting.

On behalf of the Real Estate Operations Development Committee, Vice Chairman Chico then presented an Omnibus Motion for approval of Items 5 through 9; 9A through 14 and Item No. 16.

**(Item 5)**

The resolution for Item No. 5 approves amendments to Contract No. 11429 with CVR Associates, Inc. and to Contract No. 11430 with Nan McKay & Associates to extend each contract for up to six (6) months and provide additional compensation in amounts not-to-exceed \$9,678,452.00 and \$3,484,313.00, respectively. Furthermore, the Board of Commissioners authorized the Chief Executive Officer to modify and/or negotiate the duration of the extensions with CVR and NMA to align with applicable transition or other efforts and initiatives as the CHA deems advisable. The CHA HCV Program has been organized into administrative components in order to provide consistent communication, an adequate separation of duties and higher quality of services across the program.

**RESOLUTION NO. 2018-CHA-13**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 20, 2018 entitled “RECOMMENDATION TO EXTEND THE CONTRACTS WITH CVR ASSOCIATES, INC. AND NAN MCKAY & ASSOCIATES FOR HCV ADMINISTRATION”

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

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute amendments to Contract No. 11429 with CVR Associates, Inc. (“CVR”) and to Contract No. 11430 with Nan McKay & associates (“NMA”) to extend the contracts and provide for additional compensation in the amounts not-to-exceed \$9,678,452.00 and \$3,484,313.00, respectively. Furthermore, the Board of Commissioners authorizes the Chief Executive Officer or his designee to modify and/or negotiate the duration of the extensions with CVR and NMA to align with applicable transition or other efforts and initiatives as the CHA deems advisable.

This award is subject to the Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 hiring and insurance requirements.

**(Item 6)**

In September and October 2017, CHA issued and released Requests for Proposals (RFPs) to perform the following: administer the Housing Choice Voucher (HCV) Program; manage and conduct inspections for the Tenant-based HCV, Project-based Voucher (PBV), Moderate Rehabilitation (Mod Rehab), Rental Assistance Demonstration (RAD) and Public Housing (PH) program, and administer the HCV Call Center. The RFPs were advertised in area newspapers, Assist Agency and CHA Portal. Three different evaluation teams evaluated and scored the proposals. Qualified firms were invited to make oral presentations to the evaluation teams, participate in negotiations calls and submit Best and Final offers. The evaluation scores demonstrated that Nan McKay & Associates and CVR Associates, Inc. would provide the best overall combination of industry expertise, experienced management personnel, program approach and advantageous cost structure. Accordingly, the resolution for Item 6 approves award of contracts as follows: Nan McKay & Associates: HCV Administration Option A: HCV Regional Office Administration; Central, (ii) South, and (iii) West; HCV Administration Option B: Wait List and New Admissions;

HCV Inspections, including PBV, Mod Rehab, RAD and PH and HCV Call Center. CVR Associates, Inc.: HCV Administration Option C: Owner Services and HCV Administration Option D: Communications, Workshops, and Events. The contracts awarded to Nan McKay & Associates and CVR Associates, Inc., in an aggregate amount of \$128,815,437.29 (which includes the maximum incentives amount) consists of a combined contract value of \$75,648,957.07 for a three (3) year base term plus two (2) one-year option terms in the aggregate not-to-exceed amount of \$53,166,480.22

**RESOLUTION NO. 2018-CHA-14**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 20, 2018 entitled “Authorization to enter into contracts with Nan McKay & Associates and CVR Associates, Inc. for: 1) Administration of Housing Choice Voucher Programs; 2) Tenant-based Housing Choice Voucher, Project-based Voucher, Moderate Rehabilitation, Rental Assistance Demonstration and Public Housing programs; and 3) Administration of Housing Choice Voucher Call Center”.

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

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into contracts with Nan McKay & Associates and CVR Associates, Inc. in an aggregate not-to-exceed amount of \$128,815,437.29 (which includes the maximum incentive amounts), consisting of a combined contract value of \$75,648,957.07 for a three (3) year base term, plus two (2) one-year option years in the amount of \$53,166,480.22 to provide: 1) administration of Housing Choice Programs; 2) managing and conducting inspections for Tenant-based Housing Choice Voucher, Project-based Voucher, Moderate Rehabilitation, Rental Assistance Demonstration, and Public Housing programs; and 3) administration of the Housing Choice Voucher Call Center. The Board delegates authority to the Chief Executive Officer to use his discretion to exercise the option year terms of the respective contracts. Each option term shall only be exercised individually.

This award is subject to the Contractor’s compliance with the CHA’s MBE/WBE/DBE/ Section 3 hiring and insurance requirements.

**(Item 7)**

The resolution for Item 7 authorizes the Chief Executive Officer to: 1) Commit CHA Funds in an amount not-to-exceed \$7,550,000 for Redevelopment and Remediation Activities for Washington Park (45<sup>th</sup> & Cottage Grove) Phase I; 2) Submit a Development Proposal and Evidentiary Documents to HUD; 3) Execute a Remediation Agreement for an amount not-to-exceed \$1,250,000; 4) Approve a Tenant Selection Plan, Lease, and Lease Riders for Washington Park (45<sup>th</sup> & Cottage Grove) Phase I; 5) Convey Land by Deed and/or Ground Lease; and 6) perform such actions as may be necessary or appropriate to implement the foregoing. In April 2010, CHA and The Habitat Company LLC, in its court-appointed Gautreaux Development Manager position, issued a two-part solicitation, a Request for Qualifications-Request for Proposals (RFQ-RFP) to redevelop a CHA-owned site on the northwest corner of 45<sup>th</sup> and Cottage Grove as well as vacant in-fill city-owned lots in the general area of 44<sup>th</sup> Street and Langley Avenue. This CHA land formerly contained two public housing high rise buildings which were part of the properties commonly known as part of the Washington Park properties. Under the solicitation, the CHA aimed to restore the historic character of Cottage Grove with a vibrant new mixed-income, mixed-use property containing approximately 150-185 residential units, including 40 apartments for public housing families, and up to 25,000 square feet of retail/commercial space. On February 9, 2011, CHA selected the Brinshore-Michaels development team to redevelop the 45<sup>th</sup> and Cottage Grove site. Presently, CHA seeks to proceed with the first phase of development contemplated

under the redevelopment plan for 45<sup>th</sup> and Cottage Grove. The Phase I rental development will create two mixed-use, elevator buildings along the Cottage Grove corridor in the Grand Boulevard community. The new property will contain 84 residential units including 21 CHA, 38 affordable, and 25 market rate apartments. Additionally, it will offer 16,000 square feet of commercial spaces. The not-to-exceed CHA funding of \$7,550,000 will be provided for redevelopment and a not-to-exceed amount of \$1,250,000 in CHA funding will be allocated for remediation activities. The total estimated residential project budget is approximately \$37.2 million. The development budget is subject to an Illinois Affordable Housing Tax Credit (donation tax credit) award and the construction contract.

**RESOLUTION NO. 2018-CHA-15**

**WHEREAS,** The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 20, 2018 entitled “Authorization to 1) Commit Chicago Housing Authority Funds in an amount not-to-exceed \$7,550,000 for Redevelopment and Remediation Activities for Washington Park (45<sup>th</sup> & Cottage Grove) Phase I; 2) Submit a Development Proposal and Evidentiary Documents to the United States Department of Housing and Urban Development (HUD); 3) Execute a Remediation Agreement for an amount not-to-exceed \$1,250,000; 4) Approve a Tenant Selection Plan, Lease, and Lease Riders for 45<sup>th</sup> & Cottage Grove Phase I; 5) Convey Land by Deed and/or Ground Lease; and 6) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.”

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

**THAT,** The Board of Commissioners authorizes the Chief Executive Officer or his designee to: 1) Commit Chicago Housing Authority Funds in an Amount Not to Exceed \$7,550,000 for Redevelopment and Remediation Activities for Washington Park (45<sup>th</sup> & Cottage Grove) Phase I; 2) Submit a Development Proposal and Evidentiary Documents to the United States Department of Housing and Urban Development (HUD); 3) Execute a Remediation Agreement for an amount not-to-exceed \$1,250,000; 4) Approve a Tenant Selection Plan, Lease, and Lease Riders for 45<sup>th</sup> & Cottage Grove Phase I; 5) Convey Land by Deed and/or Ground Lease; and 6) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

This award is subject to the Contractor’s compliance with the CHA’s MBE/WBE/DBE/ Section 3 hiring and insurance requirements.

**(Item 8)**

The resolution for Item 8 authorizes representative from Chicago Housing Administration LLC (CHA LLC) to form Caroline Hedger Housing Development, LLC and Caroline Hedger Senior Housing LP and to close the transaction for the refinancing of Caroline Hedger Apartments; issue and sell Multifamily Housing Revenue Notes in an aggregate amount not to exceed \$40,000,000; secure permanent financing in an amount not to exceed \$25,000,000; transfer the Caroline Hedger Apartments property from CHA LLC to CHSH LP, ground lease the underlying property and finance the sale through seller financing to CHSH; and consent to the transfer of the Rental Assistance Demonstration (RAD) Housing Assistance Payment (HAP) contract to CHSH LP. Caroline Hedger Apartments is a 26-story designated senior housing building located at 6400 N. Sheridan. In June 2014, the CHA Board of Commissioners approved a contract with Madison Construction to perform comprehensive modernization and life safety of the building. To date, the costs for this rehabilitation exceed \$44 Million. At the time of the initial resolution for modernization of the property, it was the CHA’s intention to keep open all options for permanent financing, including the reimbursement of costs spent

through the potential future issuance of tax-exempt bonds. A CHA controlled entity will serve as the developer and CHA will create a new ownership entity known as Caroline Hedger Senior Housing LP (the “Owner” or “CHSH”). CHA LLC will transfer the ownership of the improvements to the Owner, bonds will be issued, and the Owner will borrow the funds from the CHA with the proceeds used to reimburse CHA for capital costs spent on the Project. Next, a limited partner (99.99%) represented by a private low-income housing tax credit (LIHTC) investor and a special limited partner (if needed) will be admitted as is typical in LIHTC transactions. Caroline Hedger Housing Development, LLC (CHHD, LLC) will remain the general partner (GP) with a .01% ownership interest. The purpose of the Owner will be to acquire, own, and operate Caroline Hedger Senior Apartments. The rehabilitation is substantially completed and is expected to be placed in service in 2018. As further set forth in the operating agreement, the GP will be responsible for managing the affairs of the Owner. The GP or a designated CHA-controlled development LLC will also contract with the Owner to provide development services, for which the developer will be paid a development fee. The GP will guarantee to the limited partner and/or the Owner certain matters customary in tax credit transactions. However, such guarantees will be satisfied solely from assets of the Owner, CHHD, LLC, and the developer and not from the assets of CHA. Pursuant to the operating agreement governing CHHD, LLC, the designated officers will have authority to conduct the day-to-day affairs of CHHD, LLC subject to the control of the CHA Board of Commissioners. In addition, certain significant actions set forth in the operating agreement will require approval by the CHA Board of Commissioners.

#### **RESOLUTION NO. 2018-CHA-16**

**WHEREAS,** the Chicago Housing Authority, a municipal corporation and a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (collectively, the “Authority”), including without limitation the Housing Authorities Act, 310 ILCS 10/1 et seq., and all laws amendatory and supplemental thereto, including in particular the Local Government Debt Reform Act, 30 ILSCS 350/1 et seq. (the “Act”), is authorized by the laws of the State of Illinois (the “State”), including without limitation in the Act, to issue its revenue Bonds and Notes for the purposes set forth in the Act and to permit the expenditure of the proceeds thereof to finance the costs of the development, rehabilitation, and renovation of multifamily rental housing located in the jurisdiction of the Authority; and

**WHEREAS,** Caroline Hedger Senior Housing LP (the “Borrower”) proposes to refinance the costs of the acquisition, rehabilitation, and renovation of Caroline Hedger Senior Apartments Project consisting of 449 rental units of public housing in Chicago, Illinois (the “Senior Apartments Project”); and

**WHEREAS,** at the time of the initial financing of the costs of the acquisition, rehabilitation, and renovation of the Senior Apartments Project, it was the Authority’s intention to keep open all options for permanent financing, including the reimbursement of costs spent through the potential future issuance of tax-exempt bonds or notes;

**WHEREAS,** the proceeds of a portion of the costs of the Senior Apartments Project will be financed through the issuance by the Authority of its Multi-Family Housing Revenue Notes (the “Notes”); and

**WHEREAS,** the proceeds of the Notes will be loaned to the Borrower; and

**WHEREAS,** a determination has been made by the Authority that the Senior Apartments Project constitutes “multifamily rental housing” within the meaning of the Act and that the financing thereof will meet the public purposes of the Acts; and



**WHEREAS,** pursuant to and in accordance with the provisions of the Act, the Authority is now prepared to proceed with the financing of a portion of the costs of the Senior Apartments Project through the issuance and sale of the Notes pursuant to a Note Issuance Agreement (the “Note Issuance Agreement”) among the Authority, a purchaser to be approved as provided herein (the “Note Purchaser”), and a fiscal agent as approved herein or an affiliated entity as fiscal agent (the “Fiscal Agent”); and

**WHEREAS,** certain income and other rental restrictions required by Sections 42 and 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”) related to the Senior Apartment Project will be specified in one or more Land Use Agreement; and

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

**THAT,** the Chief Executive Officer, or his designee, is authorized to execute all documents needed for the formation of Caroline Hedger Housing Development, LLC and Caroline Hedger Senior Housing LP and a development entity (if needed) with related documents needed for the formation of said entities and to close the transaction for the refinancing of Caroline Hedger Apartments;

**THAT,** the Board hereby delegates to the Chief Executive Officer or his designee, authority to select a bond or note purchaser and related fiscal agent, provided that such selection is made within the parameters of the Authority’s procurement practices;

**THAT,** the Chief Executive Officer, or his designee, is authorized to execute all documents to issue and sell Multifamily Housing Revenue Notes (one or more series) in an aggregate amount not to exceed \$40,000,000 (the “Notes”) in substantially the same form as documents previously approved in connection with the issuance and sale of the Authority’s other multifamily housing revenue notes to a purchaser and related fiscal agent as approved by the Chief Executive Officer;

**THAT,** the Chief Executive Officer, or his designee, is authorized to secure permanent financing in an amount up to \$25,000,000;

**THAT,** the Board hereby delegates to the Chief Executive Officer or his designee, authority to negotiate and accept the terms and provisions of all financing documents on behalf of the Authority, provided that such terms and provisions shall be within the parameters of the Act and any applicable Authority policies and practices;

**THAT,** the Chief Executive Officer, or his designee, is authorized to execute all documents needed to transfer the Caroline Hedger Apartments property from CHA LLC, ground lease the underlying property and finance the sale through seller financing to Caroline Hedger Senior Housing LP;

**THAT,** the Chief Executive Officer, or his designee, is authorized to execute all documents in order to transfer the Rental Assistance Demonstration (RAD) Housing Assistance Payment (HAP) contract to Caroline Hedger Senior Housing LP;

**THAT,** the Chief Executive Officer, or his designee, is authorized to execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing; and

**THAT** within thirty (30) days of closing the latest of the transactions authorized in this Resolution, the Chief Executive Officer shall file, with the Board Secretary for distribution to the Commissioners, a report setting forth the final terms of the transactions.

**(Item 9)**

The resolution for Item 9 ratifies the formation and approves the operation of CHA Community Support Corporation, an Illinois not-for-profit entity, in connection with the Altgeld Gardens Library, Community Resource Center and Daycare Project and other prospective development projects. CHA formed the CHA Community Support Corporation to allow its participation and ownership in the development and financing of mixed-finance projects such as the Altgeld Gardens Library, Community Resource Center and Daycare Project that expects to utilize funding sources from a combination of CHA and New Markets Tax Credits (NMTC). CHA could not act as both the leverage lender and Qualified Active Low-Income Community Business (the QALICB is the owner) in the ownership structure of a NMTC project. CHA Community Support Corporation has been formed to be the Sponsor and owner entity that will qualify as a QALICB and thereby, eligible to apply for and receive NMTC.

**RESOLUTION NO. 2018-CHA-18**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 20, 2018 entitled “Authorization to: (1) Ratify the Formation and Approve the Operation of CHA Community Support Corporation, an Illinois not-for-profit entity, in connection with the Altgeld Gardens Library, Community Resource Center and Daycare Project and Other Prospective Development Projects: and (2) Execute and Deliver such other documents and perform such actions as may be necessary and appropriate to implement the foregoing”.

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

**THAT,** the Board of Commissioners approves: (1) the ratification of formation and operation of CHA Community Support Corporation, an Illinois not-for-profit entity, in connection with the Altgeld Gardens Library, Community Resource Center and Daycare Project and other prospective Development Projects; and (2) authorizes the execution and delivery of such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

**(Item 10)**

The resolution for Item 10 approves a Housing Assistance Payment (HAP) contracts for Property Rental Assistance (PRA) for up to sixteen units at North Avenue Apartments and thirty-two units at Washington Park Apartments for a 15-year term. North Avenue Apartments is a 4-story, elevator and walk-up apartment building containing twenty-four units located at 2654 W. North Ave, in the West Town community. PRA provides rental assistance to 16 units. North Avenue Apartments is owned by North and Talman Family LP an entity of Hispanic Housing Development Corporation (HHDC). Washington Park Apartments is a 5-story, elevator and walk-up residential building containing sixty-

three units located at 5000 South Indiana Avenue in the Grand Boulevard community. The development consists of studio apartments. PRA assists 32 studio units that provide housing to homeless and disabled individuals. Washington Park Apartments is owned by the Affordable Housing Preservation Foundation (AHPF), which was formed in 1992 to respond to the critical need for quality housing for low-income households in Chicago and throughout Illinois. Washington Park Apartments is managed by East Lake Management Group, Inc.

**RESOLUTION NO. 2018-CHA-19**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 20, 2018 entitled “Authorization to Execute 1) Housing Assistance Payment Contracts for Property Rental Assistance at A) North Avenue Apartments and B) Washington Park Apartments; and 2) all other documents as may be necessary or appropriate to implement the foregoing.

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

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a 1) Housing Assistance Payment Contracts for Property Rental Assistance at A) North Avenue Apartments and B) Washington Park Apartments; and 2) all other documents as may be necessary or appropriate to implement the foregoing.

**(Item 11)**

The resolution for Item 11 approves an Agreement to enter into Housing Assistance Payments (AHAP) contract and a Housing Assistance Payments (HAP) contract for Lawrence and Ravenswood Apartments (LRA). Initial contract rents will be determined by market comparables and fair market rents applicable at the time the HAP contract is executed. All rent determinations will comply with federal regulations and CHA policy. LRA is a new construction residential property located at in the Lincoln Square community. The surrounding area offers a thriving residential and commercial neighborhood. LRA is being developed under the City of Chicago’s Affordable Requirements Ordinance. The property is in an Opportunity and Gautreaux General area. LRA will contain a total of 167 units for families in two 4-story. PRA will assist 17 units (10%): 9 studios, 6 one-bedroom and 2 two-bedroom units. Tenants will come from CHA waitlists. FEPH-HIGHLAND PARK, LLC is the ownership entity for Harlem Irving Companies (HIC).

**RESOLUTION NO. 2018-CHA-20**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 20, 2018 entitled “Recommendation to Execute 1) Agreement to enter into Housing Assistance Payments (AHAP) contract and Housing Assistance Payments (HAP) contract for Lawrence and Ravenswood Apartments; and 2) all other documents as may be necessary or appropriate to implement the foregoing.”

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

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute 1) Agreement to enter into Housing Assistance Payments (AHAP) contract and Housing Assistance Payments (HAP) contract for Lawrence and Ravenswood Apartments; and 2) all other documents as may be necessary or appropriate to implement the foregoing.

**(Item 12)**

The resolution for Item 12 approves the Chicago Transit Authority (CTA) agreement with Constellation New Energy – Gas Division for the supply of natural gas. The CTA’s natural gas supply contract was competitively bid and includes the ability to lock in wholesale rates instead of retail, and enables the CHA to hedge against potential market price fluctuations through use of multi-tiered price/risk management options. The CHA has utilized this type of contract since Illinois deregulated the energy market and has consistently locked in natural gas rates lower than the local market rate for operational savings. This contract is for natural gas supply only. The CHA will continue to maintain accounts and pay delivery charges to People’s Gas, which is the only option for natural gas delivery in Chicago. Participating in this contract will also provide the CHA access to experienced energy market analysts and trading professionals at Constellation New Energy, LLC to track natural gas supply market trends and to forecast pricing fluctuation.

**RESOLUTION NO. 2018-CHA-21**

**WHEREAS**, the Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated March 20, 2018 – entitled “AUTHORIZATION TO PARTICIPATE ON THE CHICAGO TRANSIT AUTHORITY AGREEMENT WITH CONSTELLATION NEW ENERGY – GAS DIVISION, LLC FOR THE SUPPLY OF NATURAL GAS”.

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

**THAT**, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a contract with Constellation New Energy, Inc. in an amount not to exceed \$16,800,800 over the term of the contract, March 20, 2018 until May 31, 2022.

**(Item 13)**

The resolution for Item No. 13 approves additional funding in the aggregate amount of \$14,779,872 to serve as contingency funds which may be applied to the Professional Security Services contracts covering the CHA’s portfolio of properties. The increased aggregate funding amount of \$14,779,872 shall serve as a contingency funding for services totaling no more than \$4,926,624 for balance of the base term of these agreements, and no more than \$4,926,624 for each of the two (2) one-year option terms reserved to the CHA under the respective Professional Security Services contracts with AGB Investigative Services, Inc., Kates Detective & Security Agency and Allpoints Security and Detective, Inc. The Chief Executive Officer shall utilize his discretion to enter into amendment(s) to the respective contracts, including the exercise of any available option(s), but the CEO shall not exercise more than one option in any year with each vendor.

**RESOLUTION NO. 2018-CHA-22**

**WHEREAS**, on January 17, 2017, the Board of Commissioners of the Chicago Housing Authority approved Resolution No. 2017-CHA-8 entitled “AUTHORIZATION TO ENTER INTO PROFESSIONAL SERVICES AGREEMENTS WITH AGB INVESTIGATIVE SERVICES, INC., KATES DETECTIVE & SECURITY AGENCY, AND ALLPOINTS SECURITY AND DETECTIVE, INC. TO PROVIDE SECURITY SERVICES AT VARIOUS CHA PROPERTIES”; and

**WHEREAS**, the Chief Executive Officer recommends that the Board of Commissioners of the Chicago Housing Authority (CHA) approve an increase in funding in the amount of \$14,779,872 to serve as contingency funds for contracts authorized under Resolution No. 2017-CHA-8 for the provision of professional security services across the CHA portfolio of properties.

The additional funding amount of \$14,779,872 shall serve as an aggregate contingency for services totaling no more than \$4,926,624 for the balance of the contracts' base term, and totaling no more than \$4,926,624 for each of the two (2) one-year option terms reserved to CHA, which are to be exercised at the discretion of the Chief Executive Officer; and

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 20, 2018 entitled: "AUTHORIZATION FOR ADDITIONAL CONTINGENCY FUNDING FOR PROFESSIONAL SERVICES AGREEMENTS PROVIDING SECURITY SERVICES AT VARIOUS CHA PROPERTIES".

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

**THAT,** The Board approves additional funding in the aggregate amount of \$14,779,872 to serve as contingency funds for those Professional Services Contracts awarded to the vendors identified in Resolution No. 2017-CHA-8 to provide professional security services across the CHA portfolio of properties. The additional funding amount of \$14,779,872 shall serve as aggregate contingency funding for services totaling no more than \$4,926,624 for the balance of the contracts' base term, and no more than \$4,926,624 for each of the two (2) one-year option terms reserved to the CHA under such contracts. The Chief Executive Officer may utilize his discretion to enter into amendment(s) to the respective vendor contracts, including the exercise of any available option(s), but the Chief Executive Officer shall not exercise more than one option in any year with each vendor.

Further, the Chief Executive Officer or his designee is authorized to assign or allocate the additional contingency funding approved herein to any one or all of the three (3) existing security contracts referenced herein, based upon the safety and security needs of the various CHA properties.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE/Section 3 hiring and insurance requirements.

**(Item 14)**

The resolution for Item 14 amends the participation in the New York City Housing Authority agreement with The Gordian Group to continue to implement, manage and grow the Section 3 Job Order Contracting (JOC) Mentoring Program in the amount of \$2,575,000 for the original 2.5 base years' contract. When CHA initially contracted with the Gordian Group to facilitate the Section 3 JOC program the goal was to execute \$30M of construction task orders over the 2 ½ year contract period. With the increase in the number Section 3 Businesses from 46 to 107 and with the growing capabilities of these businesses the program has already exceeded its goal by reaching \$48M in task order completed, in-progress or assigned. The program is planned to continue to grow through the end of the contract term to over \$60M. The requested amendment to the Gordian group contract is to support the continued growth and success of this program.

**RESOLUTION NO. 2018-CHA-23**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated March 20, 2018 entitled: AUTHORIZATION TO AMEND THE PARTICIPATION ON NEW YORK CITY HOUSING AUTHORITY AGREEMENT WITH THE GORDIAN GROUP TO PROVIDE PROFESSIONAL SERVICES TO

MANAGE SECTION 3 JOB ORDER CONTRACTING (JOC) MENTORING PROGRAM;

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

**THAT,** The Chief Executive Officer recommends that the Board of Commissioners (Board) of the Chicago Housing Authority (CHA) amend the participation in the New York City Housing Authority agreement with The Gordian Group to implement and manage a Section 3 Job Order Contracting (JOC) Mentoring Program in an amount of \$2,575,000, for a total not to exceed amount of \$5,150,000, for the original 2.5 base years' contract.

This amendment is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE/ Section 3 hiring and insurance requirements.

**(Item 15 – This Number Not Used)**

**(Item 16)**

The resolution for Item 16 approves an additional \$6.5 million of funding to the Participation Agreement between the Chicago Housing Authority (CHA) and CDW Government, LLC (CDW) for Enterprise Hardware, Software and Technology Consulting Services. In March 2016, the CHA's Board of Commissioners authorized the Chief Executive Officer to participate in the City of Chicago's master purchasing agreement with CDW. Pursuant to that Board authorization and Resolution, CHA entered into a Participation Agreement with CDW in an amount not-to-exceed \$3.6 million and provided for a term that would run conterminously with the Master Agreement and any option or extension term(s) exercised under the Master Agreement, which collectively would not exceed five (5) years in total for CHA purposes. In October 2017, the City informed the CHA that it had amended its Master Agreement with CDW by exercising the first two-year option under that Master Agreement, which effectively extended its term through September 30, 2019. During 2017, ITS utilized the Participation Agreement to procure unplanned security solution in response to the newly discovered vulnerabilities in Microsoft Windows operating systems and Intel/AMD hardware processors, as well as the Network Penetration test results totaling approximately \$1.1M. There is a need to continually invest in CHA's infrastructure to upgrade and enhance systems. Currently the five primary areas of planned upgrades and enhancements are: network/telecommunications; information systems software/application; desktop and general computing support; information security solutions/services specifically cyber security, firewalls, anti-virus and Video Surveillance.

**RESOLUTION NO. 2018-CHA-24**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated March 20, 2018 entitled "Recommendation to Add Additional Funding to the Participation Agreement Between the Chicago Housing Authority and CDW Government, LLC for Enterprise Hardware, Software and Technology Consulting Services"

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

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to add \$6,500,000.00 in additional funding to the Participation Agreement (Contract No. 11761) between the Chicago Housing Authority and CDW Government, LLC for Enterprise Hardware, Software and Technology Consulting Services.

This award is subject to the Contractor's compliance with the CHA's applicable MBE/WBE/DBE/ Section 3 hiring and insurance requirements.

The Motion to adopt the resolutions for Items 5 through 9; 9A through 14 and Item No. 16 was seconded by Commissioner Matos and the voting was as follows:

Ayes: Craig Chico  
Dr. Mildred Harris  
Meghan Harte  
John Hooker  
Cristina Matos  
Francine Washington

Nays: None

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

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

At the conclusion of Public Participation and upon Motion made by Chairman Hooker and properly seconded by Commissioner Washington, the Commissioners adjourned to Closed Session. Chairman Hooker announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately 45 minutes to discuss personnel related matters; purchase, sale and lease of real estate property; pending, probable or imminent litigation; review of closed meeting minutes and audit reviews.

Following Closed Session, Commissioners reconvened in Open Session.

Chairman Hooker called the meeting to order and upon roll call those present and absent were as follows:

Present: Craig Chico  
Dr. Mildred Harris  
Meghan Harte  
John Hooker  
Cristina Matos  
Francine Washington

Absent: Matthew Brewer  
Jack Markowski

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

Chairman Hooker then announced that during Closed Session Commissioners discussed Items 17, 18 and 19. Chairman Hooker then presented an Omnibus Motion for the approval of Items 17, 18 and 19.

**(Item 17)**

**RESOLUTION NO. 2018-CHA-25**

**WHEREAS**, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 20, 2018 seeking authorization to: 1) Enter into a Purchase and Sales Agreement with Ogden Washtenaw Commercial LLC to convey a portion of CHA land

known as Ogden Courts East; 2) Execute a deed to convey a portion of Ogden Courts East in fee simple to Ogden Washtenaw LLC; and (3) Execute and deliver such documents and perform such actions as may be necessary or appropriate to implement the forgoing.

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

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to: 1) Enter into a Purchase and Sales Agreement with Ogden Washtenaw Commercial LLC to convey a portion of CHA land known as Ogden Courts East; 2) Execute a deed to convey a portion of Ogden Courts East in fee simple to Ogden Washtenaw LLC; and (3) Execute and deliver such documents and perform such actions as may be necessary or appropriate to implement the forgoing.

This award is not subject to the Contractor's compliance with CHA's MBE/WBE/DBE/Section 3 hiring and insurance requirements.

**(Item 18)**

**RESOLUTION NO. 2018-CHA-26**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 20, 2018 entitled "Recommendation to 1) Execute a Purchase and Sale Agreement for property located at 4659 S. Cottage Grove Ave., Chicago Illinois to be repurposed for Housing Choice Voucher program administration; and 2) Execute and deliver such other documents and perform actions as may be necessary or appropriate to implement the foregoing.

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

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) Execute a Purchase and Sale Agreement for property located at 4659 S. Cottage Grove Ave., Chicago Illinois; and 2) Execute and deliver such other documents and perform actions as may be necessary or appropriate to implement the foregoing.

**(Item 19)**

The resolution for Item 19 ratifies the selection, appointments and removal of employees below Grade Level 74 as follows: offer of employment to 10 applicants; promotion of 6 current employees; resignation of 5 employees and termination of 1 employee.

**RESOLUTION NO. 2018-CHA-27**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated March 20, 2018, entitled "Approval of Personnel Actions":

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

**THAT,** the Board of Commissioners hereby approves the requested personnel actions.

The Motion to adopt the resolutions for Items 17, 18 and 19 was seconded by Commissioner Harte and the voting was as follows:



Ayes: Craig Chico  
Dr. Mildred Harris  
Meghan Harte  
John Hooker  
Cristina Matos  
Francine Washington

Nays: None

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

There being no further business to come before the Commissioners, upon Motion made by Commissioner Chico and seconded by Commissioner Washington, the board meeting of March 27, 2018 was adjourned.

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Lee Chuc-Gill, Secretary  
Custodian and Keeper of Records