

MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY
January 19, 2016

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, January 19, 2016, at approximately 1:05 p.m. at the CHA Corporate Offices, 60 E. Van Buren, 12th Floor Loft, in Chicago, IL.

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

Present:	Matthew Brewer Craig Chico Dr. Mildred Harris John Hooker Jack Markowski Bridget Reidy Francine Washington
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Absent:	Mark Cozzi Harriet Johnson
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Also present were Eugene Jones, Acting 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:

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 one hour 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.

The Commissioners subsequently reconvened in Open Session at approximately 2:40 p.m.

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

Present:	Matthew Brewer Craig Chico Dr. Mildred Harris John Hooker Jack Markowski Bridget Reidy Francine Washington
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Absent: Mark Cozzi
Harriet Johnson

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

Chairman Hooker announced that during closed session, commissioners discussed the following matters: Items 1, 1A, 2 and 2A.

Commissioner Reidy then presented a Motion for the approval of Items 1, 1A, 2 and 2A.

(Item 1)

RESOLUTION NO. 2016-CHA-1

WHEREAS, the Board of Commissioners has reviewed the Board Letter date January 19, 2016 entitled "AUTHORIZATION TO SETTLE THE MATTER OF: LARRY SEXTION VS. CHICAGO HOUSING AUTHORITY & WOODLAWN COMMUNITY DEVELOPMENT CORPORATION, No. 12 L 325, requesting authorization to enter into a settlement agreement in the amount of \$132,500 in the matter of Larry Sextion vs. Chicago Housing Authority and Woodlawn Community Development Corporation, Case No. 12 L 325.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his/her designee, to enter into a settlement agreement in the amount of \$132,500 in the matter of Larry Sextion vs. Chicago Housing Authority and Woodlawn Community Development Corporation, Case No. 12 L 325, subject to approval by the U. S. Department of Housing and Urban Development ("HUD").

(Item 1A)

RESOLUTION NO. 2016-CHA-2

WHEREAS, The Board of Commissioners has reviewed the Board Letter dated January 19, 2016, entitled AUTHORIZATION FOR PAYMENT OF GAUTREAUX PLAINTIFF'S COUNSEL, BUSINESS AND PROFESSIONAL PEOPLE FOR THE PUBLIC INTEREST ("BPI"), ATTORNEYS' FEES AND EXPENSES FOR THE PERIOD OF 2013 AND 2014, requesting authorization to pay BPI attorneys' fees and expenses.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Legal Officer, or his designee, to pay Gautreaux litigation attorney's fees to Gautreaux Plaintiff's Counsel, Business and Professional People for the Public Interest ("BPI"), for the period of 2013 and 2014, in the amount of \$775,000 for attorneys' fees and expenses.

(Item 2)

RESOLUTION NO. 2016-CHA-3

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 19, 2016 entitled "Authorization to: 1) Acquire sixteen public housing units and sixteen parking spaces at Domain Lofts from the Chicago Metropolitan Housing Development Corporation (CMHDC); 2) Commit Chicago Housing Authority (CHA) funds not to exceed \$550,000; 3) Forgive the original \$1,498,606 CHA loan and any accrued; and 4)

Execute and deliver such other documents and perform such actions as may be necessary to implement the foregoing”

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Acting Chief Executive Officer or his designee to: 1) Acquire sixteen one-bedroom public housing units and sixteen parking spaces at Domain Lofts from CHMDC; 2) Commit CHA funds not to exceed \$550,000; 3) Forgive the original \$1,498,606 CHA loan and any accrued interest; and 4) Execute and deliver such other documents and perform such actions as may be necessary to implement the foregoing.

(Item 2A)

RESOLUTION NO. 2016-CHA-4

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 19, 2016 entitled “Request for authorization to: 1) Acquire a 6-unit residential building at 2138 W. Touhy under the Pilot Acquisition and Redevelopment (PAR) Program using the Federal Home Loan Bank line of credit; 2) Negotiate and execute acquisition and related financing documents as necessary; 3) Authorize the pledge of GNMA securities from the CHA Non-Federal portfolio as needed; and 4) Perform such actions as may be necessary or appropriate to implement the foregoing.”

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Acting Chief Executive Officer or his designee to: 1) Acquire a 6-unit residential building located at 2138 W. Touhy under the Pilot Acquisition and Redevelopment (PAR) Program using the Federal Home Loan Bank (“FHLB”) line of credit; 2) Negotiate and execute acquisition and related financing documents as necessary; 3) Authorize the pledge of GNMA securities from the CHA Non-Federal portfolio as needed; and 4) Perform such actions as may be necessary or appropriate to implement the foregoing. In the event CHA desires to subsequently seek HUD approval to designate and operate all or a portion of the units as public housing and HUD grants such approval, CHA will undertake all steps necessary or appropriate to implement the conversion of the units accordingly.

The Motion to adopt resolutions for Items 1, 1A, 2 and 2A was seconded by Commissioner Brewer and the voting was as follows:

Ayes: Matthew Brewer
Craig Chico
Dr. Mildred Harris
John Hooker
Jack Markowski
Bridget Reidy
Francine Washington

Nays: None

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

Commissioner Matthew Brewer then presented the report of the Finance & Personnel Committee meeting. Per Commissioner Brewer, the Finance & Personnel committee met on January 6, 2016 at the CHA Corporate Offices located at 60 E. Van Buren in Chicago. Commissioner Cozzi chaired the meeting and the following committee members were also present: Commissioners Chico, Markowski and Brewer. Present also, but not counted for the quorum was Chairman Hooker. Commissioners then adjourned to closed session to discuss Item 3 – Personnel Actions and the yearend evaluation of Acting CEO Jones. At approximately 10:45 a.m., Commissioners returned to open session and approved Item No. 3. Item 3 and Acting CEO’s Jones performance evaluation was also discussed in the Board Meeting’s closed session.

On behalf of the Finance & Personnel Committee, Commissioner Brewer then presented a Motion for the approval of Item 3.

(Item 3)

RESOLUTION NO. 2016-CHA-5

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 6, 2016, entitled “Approval of Personnel Actions”:

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

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

The Motion to adopt resolution for Item 3 was seconded by Commissioner Chico and the voting was as follows:

Ayes: Matthew Brewer
Craig Chico
Dr. Mildred Harris
John Hooker
Jack Markowski
Bridget Reidy
Francine Washington

Nays: None

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

Based on the consensus of the Personnel Committee and the Board, Commissioner Brewer then presented a Motion for the approval of a bonus of \$10,000 to Acting CEO Jones based on his performance evaluation and current employment contract.

The Motion to approve a bonus of \$10,000 to the Acting CEO was seconded by Commissioner Chico and the voting was as follows:

Ayes: Matthew Brewer
Craig Chico
Dr. Mildred Harris
John Hooker
Jack Markowski
Bridget Reidy
Francine Washington

Nays: None

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

Committee Chairwoman Mildred Harris then presented the report for the Tenant Services Committee. Per Commissioner Harris, the Tenant Services committee met on Tuesday, January 19, 2016, at the CHA Corporate Offices located at 60 East Van Buren in Chicago. Commissioner Harris chaired the meeting and the following committee members were present as well: Commissioners Brewer, Chico and Washington. Present also, but not counted for the quorum were Commissioner John Markowski and Chairman Hooker. After presentation by staff, committee members discussed and voted on the three items appearing on the agenda.

On behalf of the Tenant Services Committee members, Commissioner Harris then presented an Omnibus Motion for the approval of Items 4, 5 and 6.

(Item 4)

The resolution for Item 4 approves entering into a Funding Agreement with the Central Advisory Council (CAC) in an amount not-to-exceed \$1,116,835 for the period of January 1, 2016, through December 31, 2016. A Funding Agreement between CHA and the CAC is required by HUD. The purpose of the CAC, as the jurisdiction-wide resident council for CHA Residents, is to act as a vehicle for resident participation and to represent the interests of the residents of CHA family and senior buildings. The role of a resident council is to improve the quality of life and resident satisfaction, and to participate in self-help initiatives to create a positive living environment for families living in public housing. The Funding Agreement shall be used to fund tenant participation activities (e.g. stipends, operating expenses) and for costs incurred in carrying out tenant participation activities (e.g. expenses related to resident council elections). New activity for 2016 includes: LAC Elections, programs and initiatives provided directly by the CAC that benefit CHA public housing residents and a Section 3 Grant program that will provide small grants for residents in need of business development assistance.

RESOLUTION NO. 2016-CHA-6

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 19, 2016 entitled "AUTHORIZATION TO ENTER INTO A FUNDING AGREEMENT WITH THE CENTRAL ADVISORY COUNCIL";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Acting Chief Executive Officer or his designee to enter into a Funding Agreement with the Central Advisory Council in an amount not-to-exceed \$1,116,835 for the period of January 1, 2016 through December 31, 2016.

(Item 5)

The CHA advertised a Request for Proposal (RFP) in August 2015 to solicit vendors to provide employment training and placement for CHA residents in the Summer Food Service and Golden Diners Programs. The RFP was advertised in area newspapers and was posted on the CHA website and in the CHA Supplier Portal. Additionally, 71 Assist Agencies and 262 Section 3 Business Concerns received notification of the solicitation. The CHA also directly solicited 98 firms. A Pre-Proposal Conference was held in September 2015 with representatives from three firms in attendance. In October 2015, the CHA received three proposals; all three were deemed responsive. An Evaluation Committee consisting of five members evaluated the responsive proposals. After the Evaluation

Committee completed its review of the responsive proposals, the total points awarded each Respondent resulted in two firms falling within the competitive range and participating in oral presentations held in November 2015. Based upon the evaluations of the written proposal and the oral presentations, and the Respondents' overall proposed fee proposal, it was determined that Hill Food Service Consulting, Inc. HFC can provide the best overall service and value to CHA. Accordingly, the resolution for Item 5 approves award of contract to HFC in the amount of \$3,273,719 for a two-year base term, with three (3) one-year option periods subject to future board approval, to provide employment training and placement for participants in the Summer Food and Golden Diners Programs.

RESOLUTION NO. 2016-CHA-7

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 19, 2016, entitled "RECOMMENDATION TO ENTER INTO A CONTRACT WITH HILL FOOD SERVICE CONSULTING TO PROVIDE EMPLOYMENT TRAINING AND PLACEMENT FOR PARTICIPANTS IN THE SUMMER FOOD AND GOLDEN DINERS PROGRAMS"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Acting Chief Executive Officer or his designee to enter into a contract with Hill Food Service Consulting (HFC) in the amount of \$3,273,719 for a two-year base term, with three (3) one-year option periods subject to future board approval, to provide employment training and placement for participants in the Summer Food and Golden Diners Programs.

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

(Item 6)

In 2014, CHA determined it would pursue a Sponsor Based voucher strategy to support unit delivery as well as to support local and national initiatives to end homelessness. CHA initially proposed the Sponsor Based program as a local, non-traditional MTW program. However, after exploration and clarification from HUD, CHA decided to implement the program within standard regulations, utilizing project-based vouchers and master leasing, through the existing Property Rental Assistance program. The resolution for Item 6 approves a Demonstration Program to utilize up to 50 of the 350 vouchers in the Sponsor Based Voucher Program for homeless families under the Demonstration/Pilot Program Initiative process established and approved by the Board of Commissioners in August 2014. Homeless families will be identified through the Chicago Department of Family and Support Services using the Homeless Management Information System and may not be selected from CHA's waiting list.

RESOLUTION NO. 2016-CHA-8

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated January 19, 2016 entitled: "RECOMMENDATION TO APPROVE A DEMONSTRATION PROGRAM TO UTILIZE SPONSOR BASED VOUCHERS FOR HOMELESS FAMILIES"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to approve a Demonstration Program to utilize up to 50 of the 350 vouchers in the Sponsor Based Voucher Program for homeless families under the Demonstration/Pilot Program Initiative process established and approved by the Board of Commissioners in

August 2014; homeless families will be identified through the Chicago Department of Family and Support Services using the Homeless Management Information System and may not be selected from CHA's waiting list.

The Motion to adopt resolutions for Items 4, 5 and 6 was seconded by Commissioner Washington and the voting was as follows:

Ayes: Matthew Brewer
Craig Chico
Dr. Mildred Harris
John Hooker
Jack Markowski
Bridget Reidy
Francine Washington

Nays: None

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

Commissioner Bridget Reidy then presented the report for the Operations and Facilities Committee. Per Commissioner Reidy, the Operations and Facilities committee met on Tuesday, January 19th at the CHA Corporate Offices, 12th Floor Loft, in Chicago. Present at the meeting were Commissioners Chico, Harris, Markowski and Washington. Present also, but not counted for the quorum was Chairman Hooker and Commissioner Brewer.

On behalf of the Operations & Facilities Committee members, Commissioner Reidy then presented a Motion for the approval of Item 7A.

(Item 7 – This Number Not Used)

(Item 7A)

The resolution for Item 7A authorize the Chief Executive Officer to enter into an intergovernmental agreement with the City of Chicago, Chicago Public Schools, Chicago Transit Authority, City Colleges of Chicago, Chicago Park District, and the Public Building Commission for a period of five years to work cooperatively to implement and effectuate the recommendations of the Procurement Reform Task Force. This taskforce was convened by the City of Chicago Honorable Mayor Rahm Emanuel to improve efficiency, increase accountability, and economize public funds in government procurement. The Mayor charged the Procurement Reform Task Force with a mandate to identify opportunities for the City of Chicago and its sister agencies to implement uniform best practices governing the award, management, and oversight of contracts in an effort to improve efficiency, increase accountability, and economize public funds. Based on a comprehensive survey of procurement and related topics, reviews of agency documents and other materials, and in-person meetings, the Procurement Reform Task Force drafted and adopted a set of 43 findings in the areas of competition, efficiency, transparency, integrity and uniformity. The Procurement Reform Task Force also developed a series of 31 recommendations which will build a better procurement system throughout the City of Chicago by increasing efficiency, maximizing competition, reducing the burden on vendors, leveraging buying power and achieving more robust oversight. The CHA commitments will be subject to applicable laws and regulations including, but not limited to those of the U.S. Department of Housing and Urban Development.

RESOLUTION NO. 2016-CHA-9

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated January 19, 2016 entitled “Authorization to enter into an intergovernmental agreement with the city of Chicago, Chicago public schools, Chicago Transit Authority, city colleges of Chicago, Chicago Park District and the Public Building Commission” ;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into an intergovernmental agreement with the City of Chicago, Chicago Public Schools, Chicago Transit Authority, City Colleges of Chicago, Chicago Park District, and the Public Building Commission for a period of five (5) years to work cooperatively to implement and effectuate the recommendations of the Procurement Reform Task Force, a body convened by the City of Chicago Honorable Mayor Rahm Emanuel and consisting of the aforementioned agencies, to improve efficiency, increase accountability, and economize public funds in government procurement, subject to applicable laws and regulations including, but not limited to those of the U.S. Department of Housing and Urban Development.

The Motion to adopt resolution for Item 7A was seconded by Commissioner Washington and the voting was as follows:

Ayes: Matthew Brewer
Craig Chico
Dr. Mildred Harris
John Hooker
Jack Markowski
Bridget Reidy
Francine Washington

Nays: None

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

Jack Markowski, Chairman of the Real Estate Development committee, then presented his report. Per Commissioner Markowski, the Real Estate and Development committee met on Tuesday, January 19th at approximately 1:50 p.m. at the CHA Corporate Offices, 60 East Van Buren in Chicago. Commissioner Markowski chaired the meeting and present also at the meeting were Commissioners Brewer, Harris and Reidy. Although Commissioners Chico, Washington and Hooker were also present they were not counted toward the quorum. After presentation by staff, committee members discussed and voted on the items appearing on the agenda.

On behalf of the Real Estate Development Committee, Commissioner Markowski then presented an Omnibus Motion for the approval of Items 8 and 10.

(Item 8)

The resolution for Item 8 approves submittal of a Rental Assistance Demonstration (RAD) Financing Plans to HUD and enter into RAD Conversion Commitments with HUD for Hilliard 1 Senior, Hilliard 1 Family, Hilliard 2 Senior, Hilliard 2 Family, and Caroline Hedger Apartments; commit CHA funds not to exceed \$650,000 to fund deposits to the replacement reserves; execute Housing Assistance Payment (HAP) Contracts under the HUD RAD program and execute such other documents as may be

required to implement the foregoing. The total estimated budget for initial rehabilitation needs at Hilliard will be covered by a loan from the City of Chicago to the limited partner owners. The rehabilitation at Caroline Hedger Apartments is already underway. The deposits of CHA MTW funds into the replacement reserves for the four Hilliard buildings and Caroline Hedger Apartments will not exceed \$650,000. In October 2013, the CHA Board of Commissioners authorized CHA to submit a portfolio application to HUD to transition 64 properties (10,935 public housing units) as Project-Based Voucher (PBV) units and submit to HUD property-specific applications for 50% of the properties under the Rental Assistance Demonstration (RAD) program. The RAD program is a HUD-initiated program that has two primary benefits 1) to provide a more stable funding stream to publically-managed housing developments; and 2) to provide opportunities to leverage private and other external financing for capital improvements. In June 2015, CHA received a RAD portfolio award to transition 10,880 public housing units to PBV units across 2 phases. This award represents the largest award in the country. Phase 1 of the portfolio must complete the RAD transition by July 2016. The remaining properties (Phase 2) must transition by July 2017.

RESOLUTION NO. 2016-CHA-10

WHEREAS, the Authority will submit Rental Assistance Demonstration (RAD) Financing Plans to the United States Department of Housing and Urban Development (HUD) for Hilliard 1 Senior, Hilliard 1 Family, Hilliard 2 Senior, Hilliard 2 Family and Caroline Hedger Apartments (Subject Properties); and

WHEREAS, the Authority will enter into RAD Conversion Commitments with HUD for the Subject Properties; and

WHEREAS, the Authority will Execute Housing Assistance Payments (HAP) Contracts under HUD's RAD program for the Subject Properties; and execute such other documents as may be required under the RAD program for the financing and operations of the Subject Properties; and

WHEREAS, Hilliard Homes I Limited Partnership was organized to own and operate Hilliard 1 Senior and Hilliard 1 Family Apartments, and the general partner is HH1 Development Corporation. The CHA ground leases the underlying land to the owner; and

WHEREAS, Hilliard Homes II Limited Partnership was organized to own and operate Hilliard 2 Senior and Hilliard 2 Family Apartments, and the general partner is HH2 Development Corporation. The CHA ground leases the underlying land to the owner.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, Section 1. The Authority is authorized to submit Rental Assistance Demonstration (RAD) Financing Plans to the United States Department of Housing and Urban Development in connection with Hilliard 1 Senior, Hilliard 1 Family, Hilliard 2 Senior, Hilliard 2 Family and Caroline Hedger Apartments.

Section 2. The Authority is authorized to enter into RAD Conversion Commitments with HUD for Hilliard 1 Senior, Hilliard 1 Family, Hilliard 2 Senior, Hilliard 2 Family, and Caroline Hedger Apartments (RAD Commitments).

Section 3. The Authority is authorized to execute Housing Assistance Payments (HAP) Contracts under the United States Department of Housing and Urban Development Rental Assistance Demonstration program for Hilliard 1 Senior, Hilliard 1 Family, Hilliard 2 Senior, and Hilliard 2 Family; and execute such other documents as may be required under the RAD program for the financing and operations of Hilliard 1 Senior, Hilliard 1 Family, Hilliard 2 Senior, and Hilliard 2 Family, and Caroline Hedger Apartments.

Section 4. The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such

declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 5. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 6. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

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

(Item 9 – This Number Not Used)

(Item 10)

The resolution for Item 10 authorizes the Acting Chief Executive Officer to acquire Crowder Place (3801 N Pine Grove, 41 units), Mulvey Place (416 W Barry, 37 units), and Devon Place (1950 W Devon, 33 units) totaling 111 units; utilize the previously approved BMO Harris Bank unsecured line of credit for a term up to 12 months for the acquisition; negotiate and execute transaction and related financing documents; enter into a Housing Assistance Payments contract for up to 71 units; and perform such actions as may be necessary or appropriate to implement the foregoing. These three apartment buildings are currently owned and operated by Westminster Place (formerly Presbyterian Homes) as affordable senior housing. All three buildings are located within Opportunity or General Areas (Lakeview and West Ridge) of the City. If acquired, CHA would own and operate all 111 units as affordable senior housing assisted by CHA. 71 units would be assisted through PRA and 40 units would be operated as public housing. Following acquisition, Development would seek Board approval to 1) Refinance to repay the line of credit; 2) Issue bonds for low income housing tax credit financing; and 3) Provide a CHA capital loan estimated at approximately \$8.5 million. Crowder Place is a 41-unit, five-story building containing 11 studios, 26 one-bedroom and 4 two-bedroom apartments located in the 44th Ward in the Lakeview Community Area. There are also 20 parking spaces for residents use on site. 26 of the units are currently occupied. If acquired, eligible residents would be assisted through PRA. At turnover, units would be leased to CHA waitlist seniors. The vacant units would be public housing. The property includes community and laundry rooms. The elevator was upgraded six years ago and the building is fully sprinklered. Rehabilitation costs are estimated to be \$25,000 per unit for roof replacement, updating kitchens and baths, and replacing flooring as necessary. The value of the 30-year HAP contract is estimated to be \$15.8 million. Mulvey Place is a 37-unit, five-story elevator building containing 10 studios, 26 one-bedrooms and 1 two-bedroom apartment located in the 44th Ward in the Lakeview Community Area. There are also 22 parking spaces for residents use on site. 21 units are currently occupied. If acquired, eligible residents would be assisted through PRA. At turnover, units would be leased to CHA waitlist seniors. The vacant units would be public housing. The property includes community and laundry rooms. The elevator was upgraded six years ago and the building is fully sprinklered. Rehabilitation costs are estimated to be \$25,000 per unit for updating kitchens and baths, and replacing flooring as necessary. The value of the 30-year HAP contract is estimated to be \$12.5 million. Devon Place is 33-unit, four story elevator building containing 3 studios, 9 one-bedroom and 21 two-bedroom apartments located in the 46th Ward in the West Ridge Community Area. There are also 34 parking spaces for residents use on site. 23 units are currently occupied. If acquired, income eligible residents would be assisted through PRA. At turnover, the units would be leased to CHA waitlist seniors. Ten of those units would be set aside for grand families. The vacant units would be public housing. The property includes community and laundry rooms. Improvements within the past decade include a new roof, newer plumbing, updated electrical system, new drywall and masonry and tuckpointing work. The property is fully sprinklered and all units were rehabbed with new cabinets, tile flooring, dishwashers and microwaves. Minimal repairs are needed

and are estimated at \$7,500 per unit. The value of the 30-year HAP contract is estimated to be \$10.4 million. The purchase price for all 3 buildings is \$19,000,000 plus estimated operating reserves of \$194,300 and estimated closing costs of \$211,975 totaling \$19,406,305 or approximately \$175,000 per unit. This amount is within HUD's allowable Total Development Cost Limits. The interest rate for the unsecured loan shall not exceed 2% over prime rate at the time of borrowing and shall be for a term up to 12 months.

In light of the litigation surrounding this matter, the approval of Item 7 was amended, subject to compliance of all current leases with CHA and HUD policies and regulations and formal approval of HUD. Further the CEO and Chief Legal Officer are delegated the authority to enforce this condition.

RESOLUTION NO. 2016-CHA-11

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 19, 2016 entitled "Authorization to: 1) acquire Crowder Place (3801 N Pine Grove, 41 units), Mulvey Place (416 W Barry, 37 units), and Devon Place (1950 W Devon, 33 units) totaling 111 units; 2) utilize the previously approved BMO Harris Bank unsecured line of credit for a term up to 12 months for the acquisition; 3) negotiate and execute transaction and related financing documents; 4) enter into a Housing Assistance Payments contract for up to 71 units; and 5) perform such actions as may be necessary or appropriate to implement the foregoing."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, The Board of Commissioners has reviewed the Board Letter dated January 19, 2016 entitled "Authorization to: 1) acquire Crowder Place (3801 N Pine Grove, 41 units), Mulvey Place (416 W Barry, 37 units), and Devon Place (1950 W Devon, 33 units) totaling 111 units; 2) utilize the previously approved BMO Harris Bank unsecured line of credit for a term up to 12 months for the acquisition; 3) negotiate and execute transaction and related financing documents; 4) enter into a Housing Assistance Payments contract for up to 71 units; and 5) perform such actions as may be necessary or appropriate to implement the foregoing."

THAT, In light of the litigation surrounding this matter, approval is subject to compliance of all current leases with CHA and HUD policies and regulations and formal approval of HUD. Further the CEO and Chief Legal Officer are delegated the authority to enforce this condition.

The Motion to adopt resolution for Items 8 and Amended Item 10 was seconded by Commissioner Brewer and the voting was as follows:

Ayes:	Matthew Brewer Craig Chico Dr. Mildred Harris John Hooker Jack Markowski Bridget Reidy 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.

(Item 11 – This Number Not Used)

Per Chairman Hooker, the CHA By-Laws provide that the Chairman shall nominate and subject to the approval of the Commissioners, appoint a Vice-Chairman. Chairman Hooker then nominated Commissioner Craig Chico to fill the vacant position of Vice-Chairman and presented a Motion for the approval of Item 12.

(Item 12)

RESOLUTION NO. 2016-CHA-12

WHEREAS, Mayor Rahm Emanuel appointed Craig Chico to the Board of Commissioners of the Chicago Housing Authority on October 28, 2015; and

WHEREAS, the City Council of the City of Chicago approved the Mayor’s appointment of Mr. Chico on November 18, 2015; and

WHEREAS, Mr. Chico has accepted the appointment as a Commissioner of the Chicago Housing Authority; and

WHEREAS, the Chicago Housing Authority By-Laws provide that the Chairman shall nominate and, subject to the approval of the Commissioners, appoint a Vice Chairman; and

WHEREAS, Chairman John T. Hooker desires to nominate and appoint Mr. Chico as Vice-Chairman of the Board of Commissioners;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT: Mr. Chico is hereby approved as Vice Chairman of the Board of Commissioners of the Chicago Housing Authority.

THAT: Mr. Chico shall perform the duties of the Chairman in the absence of the Chairman, or in the case of the disability of the Chairman.

THAT: This resolution is effective immediately.

The Motion to adopt the resolution for Items 12 was seconded by Commissioner Washington and the voting was as follows:

Ayes: Matthew Brewer
Craig Chico
Dr. Mildred Harris
John Hooker
Jack Markowski
Bridget Reidy
Francine Washington

Nays: None

There being no questions or discussion, Chairman Hooker thereupon declared said Motion carried and said resolution adopted. In the absence of the Chairman, the Vice-Chairman shall perform the duties of the Chairman.

Per Chairman Hooker, in his continuing effort to reorganize the board and committee organization, greater efficiencies will be created by streamlining the functions related to Human Resources, Resident Services, Real Estate, Development and other areas. The resolution for Item 13 revises the existing committee structure and other related committee powers and functions.

Commissioner Chico then presented a motion for the approval of Item 13.

(Item 13)

RESOLUTION NO. 2016-CHA-13
**AUTHORIZATION ESTABLISHING THE BOARD OF COMMISSIONERS COMMITTEE
STRUCTURE(S) AND OTHER RELATED
COMMITTEE POWERS AND FUNCTIONS**

WHEREAS, the Chicago Housing Authority (the “Authority”) has been created by, and exists under, the Housing Authorities Act, 310 ILCS 10/1 et seq., as amended (the “Act”); and

WHEREAS, pursuant to the Act, the management and control of the Authority is vested in ten commissioners (herein after referred to as the "Board of Commissioners" or the “Board”); and

WHEREAS, Section 8 of the Act provides that the Authority shall have “all the powers necessary or convenient to carry out and effectuate the purposes and provisions” of the Act, 310 ILCS 10/8; and

WHEREAS, pursuant to the Act, the Board adopted By-Laws (the “By-Laws”); and

WHEREAS, Section 1 of the By-Laws of the Authority provides, inter alia, that: The Commissioners may by resolution make any delegation of discretionary powers or ministerial duties, to be exercised in accordance with the standards, limitations, and controls which shall be set up in such resolution and which shall not be inconsistent with the Authorities Act to any committee or committees of one or more chosen from among their number. Any action taken in the name of the Authority by a person or persons to whom such powers or duties have been so delegated shall be the action of the Authority and binding upon it, provided such action is pursuant to and within the scope of the delegation resolution, and consistent with the Housing Authorities Act and other applicable law.

**NOW, THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY,
COOK COUNTY, ILLINOIS, AS FOLLOWS:**

SECTION ONE – COMMITTEES

- 1.1** The Board has determined that it is in the Authority's best interest to: (1) combine the previously created Finance Committee and the Audit Committee into the new Finance & Audit Committee; (2) combine the previously created Operations and Facilities Committee and the previously created Real Estate Development Committee into the new Real Estate Operations Development Committee; (3) redefine the membership composition of the Committees; (4) amend and restate the purposes and powers of each Committee, including the adoption or restatement of certain charter(s) set forth herein; (5) terminate the Personnel Committee and refer all substantive personnel matters to the full Board; and (6) to define the authority and procedures for establishing and administering certain standing and/or ad hoc subcommittees of the Board.

1.2 Establishment of Committees.

The Board hereby provides for and establishes three (3) Committees of the Board with the titles and areas of responsibilities as follows:

1. **Finance & Audit Committee**: the consideration of all matters related to the revenues and outlays of the Authority, including all purchases and contracts except those matters under the Real Estate Operations Development Committee areas of responsibilities, and the policies and procedures related thereto, and the consideration of all audit and other matters.
2. **Real Estate Operations Development Committee**: the consideration of all matters relating to the creation, acquisition, or development of any and all new units to be subsidized by the Authority; the redevelopment or disposition of any and all real property owned by or under the control of the Authority, the demolition of any housing units owned by or under the control of the Authority; the rehabilitation of any housing units including those that shall in the future be counted toward the 25,000 unit goal of the Authority's Restated and Amended Moving to Work Agreement; the operation, maintenance, and repair of facilities; professional and construction services for the acquisition, development, rehabilitation, redevelopment, demolition, disposition and replacement of facilities, and the policies and procedures related thereto; and the operation and administration of the Housing Choice Voucher program.
3. **Tenant Services Committee**: the consideration of all matters related directly to the social and personal well-being of residents, including tenant selection and retention, security, youth programs, elderly programs, employment training and readiness programs and other economic development and social services issues.
4. The Personnel Committee is hereby terminated with all responsibilities of that committee reverting to the Board.

1.3 Section Ex-officio member; Chair.

The Chairperson of the Board shall be an *ex-officio* voting member of each Committee, but shall not be counted present for purposes of establishing a quorum of the Committee, unless also an official member of any such Committee. The Chairperson will appoint the Committee members to each Committee, and will select one of the Committee members to serve as the Committee Chair for each Committee.

1.4 Composition of Committees.

Each Committee shall consist of five (5) Commissioners as regular members in addition to any *ex-officio* members.

1.5 Meetings.

Each committee may meet, when deemed necessary, prior to the regular meeting of the Board to consider issues pertinent to such committee. Each committee shall establish annually a calendar of its regular meetings for the next twelve months. The Committee Chair, Chairperson of the Board of Commissioners (“Chairperson”), or any two (2) Committee members may call a special meeting upon at least 48 hours prior notice, all in compliance with the Open Meetings Act.

1.6 Voting.

The affirmative vote of 3 members of a committee is necessary to adopt any motion or resolution unless a greater number is otherwise required, except in the event of three to three tie vote, the motion or resolution fails.

1.7 Quorum.

The physical attendance of at least 3 members (excluding *ex-officio* members) shall be required to establish a quorum. Members not physically present may participate in meetings in accordance with the Open Meetings Act.

1.8 Vacancies.

Any vacancy on a Committee created by a vacancy in any Commissioner’s office shall be filled by the person succeeding to such Commissioner’s office.

SECTION TWO - DELEGATED AUTHORITY TO THE CHIEF EXECUTIVE OFFICER

2.1 Housing Authorities Act. Section 6 of the Act, provides, *inter alia*, as follows:

The commissioners shall, from time to time, select and appoint a chief executive officer and officers and employees, including engineering, architectural and legal assistants, as they may require for the performance of their duties, and may prescribe the duties and compensation of each officer and employee or expressly delegate that authority to the chief executive officer;

This proposed Resolution, pursuant to Section 6 and various other provisions in the Act, delegates certain authority regarding personnel matters to the Chief Executive Officer. The Board, however, retains final decision-making authority over personnel decisions.

2.2 Powers Delegated to Chief Executive Officer With Respect to Officers and Employees at Grade Level 74. The Board hereby authorizes and delegates to the Chief Executive Officer the power to: 1) make findings and recommendations regarding the selection, appointment, and removal of officers and employees at Grade Level 74 and 2) prescribe the duties and compensation of each such officer and employee of the Authority. For purposes of this resolution, Officers and Employees at Grade Level 74 shall be limited

to those executive officers or chief officers that are both 1) Grade Level 74 and 2) are identified on any current organization chart as direct reports to the Chief Executive Officer. The Chief Executive Officer shall exercise such authority within the constraints of the approved budget for the fiscal year in which such delegated action is taken. The responsibilities of the Chief Executive Officer as delegated herein shall be implemented in a manner that promotes the efficient disposition of all matters within the jurisdiction of the Authority and is consistent with the requirements of applicable federal, state, and local laws, rules, and regulations.

2.3 Chief Executive Officer’s Report of Findings and Recommendations regarding Selection, Appointment, and Removal of Officers and Employees at Grade Level 74.

- a) The Chief Executive Officer shall submit to the Board for its review and approval in advance of regular Board meetings a report setting forth findings and recommendations concerning the selection, appointment and removal of officers and employees at Grade Level 74 in a Report of Personnel Findings Recommendations and Action (the “Report”) which shall include, without limitation, a statement of the purpose of and necessity for the recommended actions(s).

- b) In the event that the Chief Executive Officer determines that, good business practices or other appropriate circumstances exist that support the selection, appointment, or removal of certain officers and employees in advance of the regular Board meetings, the Chief Executive Officer is authorized to take such action with the prior approval of the Chairperson. A description of such action shall be included in the Report for ratification by the Board.

2.4 Powers Delegated to Chief Executive Officer With Respect to Officers and Employees Below Grade Level 74. The Board hereby authorizes and delegates to the Chief Executive Officer the power to 1) select, appoint, and remove officers and employees below Grade Level 74 (and any other officers or employees other than those described in Section 2.2) in advance of Board meetings and request ratification of such actions at regular Board meetings; and 2) prescribe the duties and compensation of each such officer and employee of the Authority. The Chief Executive Officer shall exercise such authority within the constraints of the approved budget for the fiscal year in which such delegated action is taken. The responsibilities of the Chief Executive Officer as delegated herein shall be implemented in a manner that promotes the efficient disposition of all matters within the jurisdiction of the Authority and is consistent with the requirements of applicable federal, state, and local laws, rules, and regulations.

2.5 Chief Executive Officer’s Request for Ratification of Selection, Appointment, and Removal of Officers and Employees Below Grade Level 74. The Report the Chief Executive Officer shall submit to the Board for its review and ratification of the selection, appointment and removal of officers and employees below Grade Level 74, shall set forth the purpose and necessity of such actions. Such Report shall describe the qualifications of any officer or employee selected or appointed and shall certify that such officer or employee was properly evaluated under CHA hiring standards and practices prior to selection or appointment.

- 2.6 Delegation by CEO.** The Chief Executive Officer may, as he or she deems appropriate, delegate to appropriate staff the investigatory, research or information gathering requirements of the Chief Executive Officer's delegated responsibilities as described herein. Any person carrying out these delegated activities shall not have the authority to make any decisions regarding the selection, appointment, removal, duties or compensation of any officers or employees of the Authority.
- 2.7 Revocation of Authority.** The Board may revoke in whole or in part any specific or implied delegation to the Chief Executive Officer.
- 2.8 Severability.** In the event that any provision, clause, sentence, section or other part of this Resolution is held to be invalid, unconstitutional, void or unenforceable, the remaining provisions of this Resolution shall remain in full force and effect, it being the intent of the Board in adopting this Resolution that no portion hereof or provision contained herein shall become inoperative or fail by reason of unconstitutionality or invalidity of any other portion or provision.
- 2.9 Effective Date.** This Resolution shall be in full force and effect after its passage as provided by law, and shall and is hereby deemed to supersede any prior conflicting or inconsistent Resolution(s) of this Board in its/their entirety. Any other resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

The Motion to adopt the resolution for Items 13 was seconded by Commissioner Washington and the voting was as follows:

Ayes:	Matthew Brewer Craig Chico Dr. Mildred Harris John Hooker Jack Markowski Bridget Reidy 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 resolution adopted.

Chairman Hooker then presented commissioners and the public with an overview of his CHA activities.

Eugene Jones, Acting Chief Executive Officer, then presented his monthly report to the Commissioners.

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

There being no further business to come before the Commissioners, upon Motion made and seconded, the Regular board meeting of January 19, 2016, was adjourned.

Chairman John Hooker
Chicago Housing Authority

Lee Chuc-Gill, Secretary
Custodian and Keeper of Records