

MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

March 21, 2017

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, March 21, 2017, at approximately 9:45 a.m. at the CHA Corporate Offices, 60 East Van Buren, 12th Floor Loft in Chicago, IL.

Chairman Hooker announced that the March 21st meeting location had to be changed due to the state budget crisis and furlough of employees from Northeastern Illinois University, the original scheduled location for today's meeting.

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

Present: Craig Chico
 Mark Cozzi
 Dr. Mildred Harris
 John Hooker
 Jack Markowski
 Cristina Matos

Absent: Matthew Brewer
 Meghan Harte
 Francine Washington

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:

Upon Motion made and properly seconded the minutes for the Regular Meeting of February 21, 2017 was approved as submitted.

Commissioner Jack Markowski, Chairman of the Finance & Audit committee, then presented his report. Per Commissioner Markowski the Finance & Audit Committee held its regular meeting at 8:30 a.m. today at the CHA Corporate Offices, 60 East Van Buren, 12th Floor Loft in Chicago, IL. Commissioner Markowski, chaired the meeting and the following Committee members were present as well: Commissioners Cozzi, Harte and Matos. Present also but not counted for the quorum was Chairman Hooker. Committee members then voted to adjourn to closed session to discuss certain audit reviews and investigatory matters with the Internal Audit team. Committee members then returned to open session and discussed, voted and recommended for approval Items No. 1, 2 and 3.

On behalf of the Finance & Audit Committee, Commissioner Markowski presented an omnibus motion for approval of Items 1, 2 and 3.

Commissioner Meghan Harte joins the meeting in session at approximately 9:55 a.m.

(Item 1)

The resolution for Item 1 ratifies the acceptance of a grant award from HUD in the amount of \$452,000 from HUD's ROSS for Education Project SOAR, increase the FY 2017 comprehensive budget by the same amount, and authorize CHA to utilize the grant funds to enter into an agreement with the Northeastern University Center for College Access and Success in the amount of \$20,000. The ROSS for Education program, also known as Project SOAR (Students + Opportunities + Achievements = Results), is a new two-year demonstration program reflecting HUD's commitment to expand educational services to youth living in HUD-assisted public housing. Research shows there are large gaps in college attendance by family income that are not driven by level of preparation. A key barrier to college attendance is that low-income youth are least likely to complete the Free Application for Federal Student Aid (FAFSA) even though they are most in need of financial aid. The ROSS for Education program provides grant funding to public housing authorities to deploy education navigators to provide individualized assistance to public housing youth between the ages of 15-20 and their families in FAFSA completion, financial literacy and college readiness, post-secondary program applications and post-acceptance assistance.

RESOLUTION NO. 2017-CHA-31

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 21, 2017 entitled "RECOMMENDATION TO RATIFY THE ACCEPTANCE OF A GRANT AWARD FROM THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") AND ENTER INTO AN AGREEMENT WITH THE NORTHEASTERN UNIVERSITY CENTER FOR COLLEGE ACCESS AND SUCCESS"

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

THAT, the Board of Commissioners ratifies the acceptance of a grant award from the United States Department of Housing and Urban Development ("HUD") in the amount of \$452,000 from HUD's ROSS for Education Project SOAR, authorizes an increase to the FY 2017 comprehensive budget by the same amount, and authorize CHA to utilize the grant funds to enter into an agreement with the Northeastern University Center for College Access and Success in the amount of \$20,000.

(Item 2)

The resolution for Item 2 approves the purchase of insurance coverage for CHA's Property Managers' Insurance Program (PMIP) through its insurance broker of record, Arthur J Gallagher & Company, for the period of April 1, 2017 through March 31, 2018 for an aggregate amount not-to-exceed \$841,078 as follows: (1) Primary General Liability coverage written through First Specialty/Swiss Re American Holding in an amount not-to-exceed \$411,608; (2) Umbrella Liability coverage written through First Specialty/Swiss Re American Holding in an amount not-to-exceed \$321,470; and (3) Excess Liability written through Allied Word Assurance Company in an amount not-to-exceed \$108,000. The PMIP was created in 1999 as the solution to provide liability protection for the Authority and its property management firms. By purchasing insurance to cover all liabilities associated with the management of the portfolio, the Authority is able to control claims and expenses within the self-insured layer while maintaining consistent coverage for itself and each Property Manager, even when management firms or insurers transition. The current Property Management contract requires the Property Manager to

participate in the PMIP. The Authority utilizes a commercial insurance brokerage firm to place all of its Property & Casualty insurance coverages. This is done because insurance products can only be purchased through a licensed insurance broker. In 2001 the CHA received an exemption from HUD allowing it to purchase insurance through a licensed insurance broker. This is the third major insurance placement 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 29 insurers, some of which quoted multiple lines of coverage.

RESOLUTION NO. 2017-CHA-32

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated March 21, 2017 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, 2017 through March 31, 2018 for an aggregate amount not-to-exceed \$841,078 broken down as follows: (1) Primary General Liability coverage written through First Specialty/Swiss Re American Holding in an amount not-to-exceed \$411,608; (2) Umbrella Liability coverage written through First Specialty/Swiss Re American Holding in an amount not-to-exceed \$321,470; and (3) Excess Liability written through Allied Word Assurance Company ("AWAC") in an amount not-to-exceed \$108,000.

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

(Item 3)

A Request for Proposal was advertised in area newspapers inviting qualified vendors to provide proposals for Mobile Services and Equipment. Proposals from three Respondents were received and reviewed by an evaluation team. All three Respondents, were invited to oral presentations. After oral presentations and respective negotiation discussions, Best and Final Offers (BAFO) were requested and received. After scoring the initial proposals, oral presentations, and the BAFO's, AT&T's proposal was determined to be the most advantageous to the Authority. Accordingly, the resolution for Item 3 approves award of contract to AT&T Inc. to provide mobile equipment, accessories and services in an amount not-to-exceed \$1,167,246 for a three-year base term, from May 1, 2017 through April 30, 2020, with two one-year options in an amount not-to-exceed \$389,082 per option year, for an aggregate not-to-exceed contract amount of \$1,945,410. The Board delegates authority to the Chief Executive Officer to use his discretion to exercise the options. The Chief Executive Officer shall not exercise more than one option in any year. CHA requires equipment consisting of Smartphones, Tablets and Hotspots, in order to support its day-to-day operations. The technology is used to increase staff productivity and to provide increased customer service to CHA's stakeholders.

RESOLUTION NO. 2017-CHA-33

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 21, 2017 entitled “AUTHORIZATION TO ENTER IN AN AGREEMENT WITH AT&T FOR MOBILE EQUIPMENT AND 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 enter into a contract with AT&T, Inc. to provide Mobile Equipment and Services for a three (3) year base term from May 1, 2017 through April 30, 2020, in an amount not-to-exceed \$1,167,246, with two (2) one-year options, in the not-to-exceed amount of \$389,082 per year, for an aggregate total not-to-exceed compensation amount of \$1,945,410.

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

The Motion to adopt the resolutions for Items 1, 2, and 3 was seconded by Commissioner Harte and the voting was as follows:

Ayes:	Craig Chico Mark Cozzi Dr. Mildred Harris Meghan Harte John Hooker Jack Markowski Cristina Matos
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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 No. 4)

The resolution for Item 4 approves the FY2016 Moving to Work (MTW) Annual Report and authorize the CEO to submit the report to HUD for approval. Submission of the FY2016 MTW Annual Report fulfills CHA’s annual MTW reporting requirements and supports CHA’s goal of successful continued compliance with the obligations of HUD’s MTW Demonstration Program. CHA and HUD signed the original MTW Agreement on February 6, 2000, which allowed CHA to implement the original Plan for Transformation. CHA’s Amended and Restated MTW Agreement with HUD was fully executed on June 26, 2008, which extended CHA’s participation in the MTW Demonstration Program through FY2018. On April 14, 2016, HUD extended the MTW Agreement through 2028. As part of the MTW Agreement, CHA is required to submit an Annual Report to HUD, due 90 days after the end of the fiscal year. The FY2016 Annual Report provides information necessary for HUD to assess CHA’s performance in FY2016 in its operations, as well as activities authorized by the MTW Demonstration Program.

After presentation by staff, Commissioners discussed the following: unit delivery and progress of 25,000 unit goal. A Commission recommended that the report be shared with the public.

Commissioner Harte presented a Motion for approval of Item No. 4.

RESOLUTION NO. 2017-CHA-34

WHEREAS, The Board of Commissioners has reviewed the Board Letter dated March 21, 2017 requesting approval of the FY2016 MTW Annual Report, attached hereto;

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

THAT, The Board of Commissioners hereby approves the FY2016 Moving to Work Annual Report and authorizes the Chief Executive Officer, the Board Chairperson, or their designee to make any final updates as deemed necessary;

THAT, This approval of the FY2016 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 FY2016 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.

The Motion to adopt the resolution for Item 4 was seconded by Commissioner Cozzi and the voting was as follows:

Ayes:	Craig Chico Mark Cozzi Dr. Mildred Harris Meghan Harte John Hooker Jack Markowski Cristina Matos
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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.

(Item No. 5 – This Number Not Used)

(Item No. 6)

The resolution for Item 6 approves submittal of Rental Assistance Demonstration (RAD) financing plans to HUD and enter into two RAD Conversion Commitments with HUD for the following two properties: Judge Fisher Apartments, and Las Americas Apartments; commit CHA funds not to exceed \$18,118,040 to fund initial deposits to the replacement reserves, rehabilitation and site work, as well as transaction costs; execute Housing Assistance Payment (HAP) contracts and such other documents as may be required for the financing and operation of the listed properties; transfer ownership of the improvements to Chicago Housing Administration LLC and execute 99-year ground leases for the underlying land; and execute and deliver such other documents and perform such actions as may be necessary or appropriate

to implement the foregoing. RAD provides an opportunity for housing authorities to utilize either project-based voucher (PBV) or project-based rental assistance contracts to stabilize funding for up to 185,000 units of public housing. A primary goal of RAD is to use long-term contracts to leverage private financing for capital improvements while preserving affordability. Through the RAD program, HUD provides rental subsidies to the owners of properties pursuant to a long-term Housing Assistance Payment (HAP) contract that will be renewed at the expiration of each 20-year contract term. This ensures the units remain affordable to low-income households. Residents will continue to pay 30% of their income towards rent. **Judge Fisher Apartments**, located at 5821 N. Broadway, is a 22-story building designated as senior public housing that currently contains 199 residential rental units. The building is located on a .95-acre site and was built in 1964. The building needs completion of rehabilitation that is underway, including exterior façade repairs, windows and elevator modernization. The CHA Board previously authorized the submission of a RAD financing plan to enter into a RAD Conversion Commitment with HUD in May 2016. However, subsequent to Board approval, it was discovered that additional work was needed at the property and additional plans were required; therefore, a financing plan was not submitted to HUD at that time. **Las Americas**, located at 1611 S. Racine, is a 9-story building designated as senior public housing that currently contains 212 residential rental units. The building is located on a 3.3-acre site and was built in 1976. The building needs exterior shell repairs, common area renovations, and elevator modernization. Longer range plans include more extensive rehabilitation over the next 20 years. Since CHA intends to assume the role of contract administrator for all of the portfolio properties converting to RAD a separate entity, Chicago Housing Administration LLC, has been established pursuant to Resolution No. 2015-CHA-109, to own the converted RAD properties. CHA is the sole member of Chicago Housing Administration LLC. At the RAD conversion closing(s), CHA will transfer ownership of the improvements to Chicago Housing Administration LLC and execute a 99-year Ground Lease for the underlying land.

Commissioner Markowski presented a motion for the approval of Item No. 6.

RESOLUTION NO. 2017-CHA-35

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 21, 2017 requesting authorization to submit financing plans under the Rental Assistance Demonstration program as well as execute and deliver such 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 Chief Executive Officer or his designee is authorized to submit Rental Assistance Demonstration Financing Plans to the United States Department of Housing and Urban Development for Judge Fisher Apartments and Las Americas Apartments.

THAT the Chief Executive Officer or his designee is authorized to enter into RAD Conversion Commitments for Judge Fisher Apartments and Las Americas Apartments on behalf of the Authority and Chicago Housing Administration LLC.

THAT, the Chief Executive Officer or his designee is authorized to execute Housing Assistance Payment Contracts under the United States Department of Housing and Urban Development Rental Assistance Demonstration program for Judge Fisher Apartments and Las Americas Apartments on behalf of the Authority and the Chicago Housing

Administration LLC, and execute such other documents as may be required for the financing and operation of the properties on behalf of the Authority and Chicago Housing Administration LLC.

THAT, the Authority is authorized to commit CHA funds from the RAD budget not to exceed \$ 18,118,040 to fund initial replacement reserves and other rehabilitation costs as well as transaction costs for Judge Fisher Apartments and Las Americas Apartments.

THAT, the Chief Executive Officer or his designee is authorized to execute documents on behalf of the Authority and Chicago Housing Administration LLC to enable the Authority to transfer ownership of the improvements to Chicago Housing Administration LLC and enter into 99-year ground leases for the underlying lands for Judge Fisher Apartments and Las Americas Apartments.

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.

The Motion to adopt the resolution for Item 6 was seconded by Commissioner Chico and the voting was as follows:

Ayes:	Craig Chico Mark Cozzi Dr. Mildred Harris Meghan Harte John Hooker Jack Markowski Cristina Matos
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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.

(Item No. 7)

The resolution for Item No. 7 approves modification to the contract with Madison Construction totaling \$1,748,967.16. The original scope of work at Caroline Hedger Apartments was to bring the building into compliance with the City of Chicago's High Rise Sprinkler and Life Safety ordinances and to modernize the building. This project was designed in late 2012 prior to the implementation of the revised CHA design standards. However, after construction began at Caroline Hedger, the scope of work increased significantly due to the widespread discovered conditions such as deteriorated plumbing risers and asbestos encountered while trying to complete the original base scope of work. Due to the overwhelming amount of discovered conditions found during construction, the scope of work of this project grew substantially. As a result, this extended the regular construction timeline significantly. The construction project at Caroline Hedger is expected to be completed in August 2017. These change orders will address the remaining outstanding issues before construction is complete. CHA has an established internal change order process that vets potential change orders prior to approval for additional contract values under the Significant Actions Policy and prior to seeking board approval for those above the threshold. The CHA Change Order process involves a comprehensive evaluation of a potential change by the change order committee comprised of CCD leadership and legal staff.

After presentation by staff on Item 6, a question and answer session ensued. Matters discussed included construction completion date; per unit cost; rehab versus demolition of building due to construction cost; cumulative cost of change orders and percentage of change orders due to discovered conditions. A Commissioner requested staff to provide a report comparing the number of change orders received prior to the newly established internal change order process was implemented.

Commissioner Chico presented a Motion for the approval of Item No. 7.

RESOLUTION NO. 2017-CHA-36

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 21, 2017 entitled “Authorization to Execute a Contract Modification for C-11464 for Modernization and Life Safety Upgrades at Caroline Hedger”.

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 modification to C-11464 with Madison Construction for the Modernization and Life Safety Upgrades at Caroline Hedger in an amount not-to-exceed \$1,748,967.16.

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

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

Ayes:	Craig Chico Mark Cozzi Dr. Mildred Harris Meghan Harte John Hooker Jack Markowski Cristina Matos
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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.

(Item No. 8)

The CHA issued an Invitation for Bid (IFB) in February 2017 to procure a general contractor to complete a full modernization of the Scattered Site properties located at 3640 and 3650 W. Congress Parkway and 3647 W. 5th Avenue. The IFB was advertised in area newspapers and on the CHA website. CHA solicited 37 vendors, including 385 Section 3 businesses. A total of eight responsive bids were received and All Chicago, Inc. submitted the lowest lump sum bid. Accordingly, the resolution for Item No. 8 approves award of contract to All Chicago in the firm fixed price of \$9,575,200.00 plus a not-to-exceed amount of \$574,512.00 in contingency (6%, which is in line with industry standards) strictly

limited to potential change orders justified as discovered conditions or code compliance issues for a total not-to-exceed amount of \$10,149,712.00. The Congress Parkway Apartments are located near the south border of Garfield Park at 3640 and 3650 W. Congress Parkway and 3647 W. 5th Ave. These Scattered Site family buildings are bounded on the east by Millard Avenue, on the north by 5th Avenue, on the west by the Eisenhower Expressway and on the south by Independence Boulevard. The site is adjacent to the Irene McCoy Gaines Senior Apartments. The mid-rise buildings consist of three (3), three-story buildings, all the same in size and appearance. Each mid-rise building shares a common courtyard and contains 12 dwelling units, totaling to 36 units. These mid-rise buildings are partially occupied but will be vacant at start of construction. The apartments are currently three-bedroom units and this project will convert them to two-bedroom units. This project will also improve the exterior site conditions by upgrading the parking lot, sidewalks, landscaping and utility replacement/relocation. This project will also convert one residential unit to a computer lounge for resident's use on the ground floor of 3650 W. Congress. At completion, this construction project will return 36 newly renovated units to the leasing portfolio. According to an assessment report on the buildings Prepared by Holabird & Root, LLC., the overall condition of the buildings is extremely poor. The envelope of each building needs repair of the brick surfaces, tuck pointing, and cleaning. The existing electrical service requires replacement with a new metered service per building. The mechanical systems and roofing systems are beyond their effective useful life and replacement is required. The impact of the wear and tear throughout the years is apparent and all finishes and systems are deteriorated and in substandard conditions. The Congress Parkway Apartments modernization project will require the general contractor to remove and replace all interior finishes, drywall, doors, flooring, kitchen and bathroom cabinetry and all mechanical, electrical and plumbing systems in 36 units. Additional mechanical, electrical and plumbing improvements are being made and all existing exposed corridors are being enclosed, and entry vestibules are being added to all three structures.

After presentation by staff on Item No. 8, Commissioners discussed the following matters: unit cost; new construction vs. rehab or demolition of building due to construction cost and funding of project.

Commissioner Chico presented a Motion for the approval of Item No. 8.

RESOLUTION NO. 2017-CHA-37

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 21, 2017 entitled "Recommendation to Award a Contract for the Modernization of Congress Parkway Apartments".

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 a contract with All Chicago, Inc. for the complete modernization of the Congress Parkway Apartments in the firm fixed price of \$9,575,200.00 plus a not-to-exceed amount of \$574,512.00 in contingency (6%, which is in line with industry standards) strictly limited to potential change orders justified as discovered conditions or code compliance issues for a total not-to-exceed amount of \$10,149,712.00.

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

The Motion to adopt the resolution for Item 8 was seconded by Commissioner Matos and the voting was as follows:

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

Nays: Mark Cozzi
Jack Markowski

Chairman Hooker thereupon declared said Motion carried and said resolution adopted by majority vote.

Commissioner Markowski then read the following statement: “My organization, Community Investment Corporation has a contract with US Bank to service US Bank’s loan on Midwest Apartments. As a result, I have recused myself from the discussion and any vote on this matter.” Commissioner Markowski then left the meeting in session.

(Item No. 9)

The resolution for Item 9 approves an Agreement to enter into A Housing Assistance Payment Contract (AHAP) for Midwest Apartments; and Housing Assistance Payment Contracts (HAP) for Midwest Apartments and Leland Apartments. 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. Midwest Apartments is a thirteen-story, historic building built in 1926 located at 6 N. Hamlin Boulevard in the West Garfield Park community in a Limited Area. Midwest Apartments is included the Mayor’s SRO Preservation Initiative to preserve affordable housing throughout Chicago. An AHAP is required before the developer can start façade renovations. The HAP Contract must be issued before CHA waitlist tenants move in. The property contains 276 studio units of approximately 300 square feet and up-to 69 units will be assisted by project-based vouchers through CHA’s PRA program. The term of the HAP contract will be 30 years. All utilities are included and each apartment has a private bathroom and kitchen. Parking is available on the west side of the building in a surface lot on Madison. There is a controlled entry system and security cameras throughout the building and at all entrances. All PRA residents will come from CHA waitlists. Existing vacant units will be filled once the HAP is signed. Midwest Limited Partnership owns the property and Holsten Real Estate Development Corporation (Holsten) is part of the ownership entity. Holsten has operated the building for over 20 years. Holsten has developed over 2,400 units of housing and manages over 2,400 affordable, public, and market rate housing in the Chicagoland area through their management company Holsten Management Company. **Leland Apartments** is a six-story, 137-unit existing building at 1207 W. Leland Avenue in the Uptown community in a General Area, approximately one block south of an Opportunity Area. The building was purchased in May, 2000 by Leland Neighborhood Development Corporation, a subsidiary of Heartland Housing, Inc. The 137 total units consist of 108 studios with 250 square feet and 29 1-bedroom units with 500 square feet. All units have full kitchens and bathrooms, with all utilities included. Currently the building is 95% occupied, and provides housing to approximately 50% men and 50% women who range in ages from 30 to 70 years old. The property currently has 14 PRA units and is seeking a second PRA contract for 20 additional PRA units with a term of 30 years. The new PRA units will have a preference for veterans. Of the 20 additional units, 8 units will be studios and 12 will be one-bedroom units. All units will be filled from CHA waitlist(s) tenants as vacancies occur, with a veteran’s preference. The building includes 4,000 square feet of commercial space, a community room, office spaces for property management and social services and a small courtyard space. All residential units are above the 1st floor. On-site security will be

provided through security cameras monitored by the 24-hour security guard at the front desk. Supportive services will be available for residents, but are not required.

Commissioner Harris presented a Motion for the approval of Item No. 9.

RESOLUTION NO. 2017-CHA-38

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 21, 2017 entitled “Recommendation to Execute 1) an Agreement to enter into A Housing Assistance Payment Contract for Midwest Apartments; 2) Housing Assistance Payment Contracts for A) Midwest Apartments and B) Leland Apartments; and 3) 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) an Agreement to enter into A Housing Assistance Payment Contract for Midwest Apartments; 2) Housing Assistance Payment Contracts for A) Midwest Apartments and B) Leland Apartments; and 3) all other documents as may be necessary or appropriate to implement the foregoing.

The Motion to adopt the resolution for Item 9 was seconded by Commissioner Cozzi and the voting was as follows:

Ayes:	Craig Chico Mark Cozzi Dr. Mildred Harris Meghan Harte John Hooker Cristina Matos
Recused:	Jack Markowski
Nays:	None

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

(Item No. 10)

The resolution for Item No. 10 approves commitment of CHA funds not to exceed \$10,000,000 for Diversey Manor Apartments and submit Rental Assistance Demonstration (RAD) Financing Plans to HUD; execute a Project-Based Voucher (PBV) RAD Housing Assistance Payment (HAP) Contract for 45 units and execute such other documents as may be required for the financing and operation of Diversey Manor Apartments. Diversey Manor Apartments will be located within the Belmont Cragin northwest side community area in an Opportunity Area. The site boundaries are: Diversey Avenue - north, Linder - east, Parker - south and Central Avenue - west. Bus lines are located adjacent to the property on W. Diversey and Central Avenue. The 3.75-acre site currently includes a former neighborhood bank and parking lot that will be demolished to provide a clear site for the new Diversey Manor. The new property will have a furnished lobby, management office, two elevators, secured entrances, mail room and laundry room. The developer, Metropolitan Housing Development

Corporation (MHDC), will construct a three-story building to provide 98 new housing units consisting of 23 studios and 75 one-bedroom apartments with 45 parking spaces. All 45 CHA units will be family units. Rents for all units will be set at affordable levels for households who have incomes at or below 60% Area Median Income. The not-to-exceed \$10 million CHA funds will cover a portion of the project construction costs. CHA plans to provide approximately \$9,300,000, or \$206,667 for redevelopment of each of the 45 CHA units, for the project budget.

Commissioner Harris presented a Motion for the approval of Item No. 10.

RESOLUTION NO. 2017-CHA-39

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 21, 2017 entitled “Authorization to 1) Commit Chicago Housing Authority funds not to exceed \$10,000,000 for Diversey Manor Apartments; 2) Submit a Project-Based Voucher (PBV) Rental Assistance Demonstration (RAD) Financing Plan to the United States Department of Housing and Urban Development (HUD) and enter into a RAD Conversion Commitment for Diversey Manor Apartments; 3) Execute a PBV RAD Housing Assistance Payment (HAP) Contract for 45 units and execute such other documents as may be required for the financing and operation of Diversey Manor Apartments; and 4) 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 not to exceed \$10,000,000 for Diversey Manor Apartments; 2) Submit a Project-Based Voucher (PBV) Rental Assistance Demonstration (RAD) Financing Plan to the United States Department of Housing and Urban Development (HUD) and enter into a RAD Conversion Commitment for Diversey Manor; 3) Execute a PBV RAD Housing Assistance Payment (HAP) Contract for 45 units and execute such other documents as may be required for the financing and operation of Diversey Manor; and 4) 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.

The Motion to adopt the resolution for Item 10 was seconded by Commissioner Harte and the voting was as follows:

Ayes:	Craig Chico Mark Cozzi Dr. Mildred Harris Meghan Harte John Hooker Jack Markowski Cristina Matos
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Nays:	None
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There being no further questions or discussion, Chairman Hooker thereupon declared said Motion carried and said resolution adopted.

(Item No. 11)

The resolution for Item 11 approves the Tenant Selection Plan, Lease and Lease Riders for the Julia C. Lathrop Homes Phase 1A and Subsequent Rental Phases and amends the CHA Admissions and Continued Occupancy Policy to incorporate such documents as an addendum thereto; Lathrop was constructed in 1938 and consisted of 32 low-rise buildings for a total of 925 units on 34 acres of land. Lathrop was one of the original three “demonstration projects” which were the first public housing developments in the city of Chicago. The overall revitalization plan for historic Lathrop includes a multi-phased, mixed-income, mixed-use development that will be conducted over three on-site phases and will consist of 1,116 total residential units of which 400 will be Rental Assistance Demonstration (RAD) program units. It is understood that the developer has an interest and desire to implement its own lease forms and policy that encourages consistent community standards for the effective management of the development.

Commissioner Harte presented a Motion for the approval of Item No. 11.

RESOLUTION NO. 2017-CHA-40

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated March 21, 2017 entitled “Authorization to: 1) Approve the Tenant Selection Plan, Lease and Lease Riders for the Lathrop Homes Phase 1A and subsequent rental phases and amend the CHA Admissions and Continued Occupancy Policy to incorporate such documents as an addendum thereto; and 2) 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) Approve the Tenant Selection Plan, Lease and Lease Riders for the Lathrop Homes Phase 1A and subsequent rental phases and amend the CHA Admissions and Continued Occupancy Policy to incorporate such documents as an addendum thereto; and 2) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

The Motion to adopt the resolution for Item 11 was seconded by Commissioner Markowski and the voting was as follows:

Ayes: Craig Chico
Mark Cozzi
Dr. Mildred Harris
Meghan Harte
John Hooker
Jack Markowski
Cristina Matos

Nays: None

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

(Item No. 12)

The resolution for Item 12 consents to the withdrawal of MB Real Estate Services from the Madden Wells Phase I Homeownership Development Team; and approves the addition of The Community Builders (TCB) to the Development Team. The resolution also amends the Development Agreement and Settlement Agreement for Madden Wells Phase I Homeownership. It is the intent of the CHA to implement a sustainable, community-sensitive revitalization program with the goal of creating a vibrant community on the remaining vacant CHA land that was formerly part of the Ida B. Wells, Darrow Homes, Wells Extension, and Madden Park Homes public housing developments. Over the last twelve years, CHA has worked in collaboration with its development partners, Oakwood Boulevard Associates (OBA) and Granite Partners for Oakwood Boulevard (GPOB), to create 863 mixed-income housing units in the new Oakwood Shores development on a portion of the site. In October 2012, the CHA, GPOB and Oakwood Funding, the holder of the Promissory Note executed by Granite, executed a Settlement Agreement. Under the terms of the agreement, undeveloped land designated for Phase 1C for homeownership units was returned to CHA. CHA paid a settlement amount to Oakwood Funding to regain ownership of the parcels. The Amended Settlement Agreement sets forth the terms of repayment to CHA. In September 2016, Granite Development Corp. as the managing member of GPOB, requested to remove MB Real Estate Services as a member of the for sale Phase 1 development team and add TCB, a partner on the successful phases of rental development. These changes will be incorporated in the First Amendment to the Development Agreement for Madden Wells Phase I Homeownership and First Amendment to the Settlement Agreement. The Office of the General Counsel, Department of Procurement and Contracts and Development agree that the withdrawal of MB Real Estate Services and replacement of TCB as a member of the development team will not materially affect the procurement for several reasons. While MB Real Estate services' experience in rental property management was important to the team, their responsibilities in the partnership can be absorbed by TCB. TCB is a national developer and has the capacity to assume MB Real Estate Services' responsibilities. TCB also has previous experience as the development partner on the rental portion of this development and numerous other City projects.

Commissioner Markowski presented a Motion for the approval of Item 12.

RESOLUTION NO. 2017-CHA-41

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 21, 2017 entitled "Authorization to 1) Consent to the withdrawal of MB Real Estate Services from the Madden Wells Phase I Homeownership Development Team; 2) Consent to the addition of The Community Builders to the Development Team; 3) Amend the Development Agreement and Settlement Agreement for Madden Wells Phase I Homeownership; and 4) 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) Consent to the withdrawal of MB Real Estate Services from the Madden Wells Phase I Homeownership Development Team; 2) Consent to the addition of The Community Builders to the Development Team; 3) Amend the Development Agreement and Settlement Agreement for Madden Wells Phase I Homeownership; and 4) Execute and

deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

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

Ayes: Craig Chico
Mark Cozzi
Dr. Mildred Harris
Meghan Harte
John Hooker
Jack Markowski
Cristina Matos

Nays: None

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

(Item No. 13)

The resolution for Item No. 13 ratifies the following personnel actions: five offer of employment to applicants and promotion of six current employees.

Commissioner Harris presented a Motion for the approval of Item No. 13.

RESOLUTION NO. 2017-CHA-42

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated March 21, 2017, 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 resolution for Item 13 was seconded by Commissioner Chico and the voting was as follows:

Ayes: Craig Chico
Mark Cozzi
Dr. Mildred Harris
Meghan Harte
John Hooker
Jack Markowski
Cristina Matos

Nays: None

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

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 by Commissioner Brewer and seconded by Commissioner Chico, the board meeting of March 21, 2017 was adjourned at approximately 10:55 a.m.

John Hooker, Chairman
Chicago Housing Authority

Lee Chuc-Gill, Secretary
Custodian and Keeper of Records