

MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY
May 19, 2015

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, May 19, 2015, at approximately 8:35 a.m. at the CHA Corporate Offices, 60 E. Van Buren, 12th Floor Loft, in Chicago, IL.

Chairperson Z. Scott called the meeting to order and upon roll call those present and absent were as follows:

Present: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
Harriet Johnson
Jack Markowski
Z. Scott
Rodrigo Sierra

Absent: Francine Washington

Also present were Michael Merchant, Chief Executive Officer; Scott Ammarell, 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 Chairwoman Scott and properly seconded by Commissioner Sierra, Commissioners adjourned to Executive Session. Chairwoman Scott 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 9:35 a.m.

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

Present: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
Harriet Johnson
Jack Markowski
Bridget Reidy
Z. Scott
Rodrigo Sierra
Absent: Francine Washington

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

After Motion made by Commissioner Cozzi and properly seconded by Commissioner Johnson the Minutes for the Regular and Closed meetings of April 21, 2015, were unanimously approved as submitted.

Committee Chair, Dr. Mildred Harris, then presented the report of the Tenant Services committee. Per Commissioner Harris, the Tenant Services Committee held its regularly scheduled meeting on Wednesday, May 13, 2015, at approximately 1:00 p.m. at the CHA's Corporate Offices, 12th Floor Loft. In addition to Commissioner Harris, the following committee

members were present as well: Commissioners Brewer, Johnson, and Washington. Although Commissioner Markowski was present for this meeting, he is not a member of this committee and was not counted toward the quorum. Committee members then discussed, voted, and recommended for approval the resolutions for Items 1 through 3.

On behalf of the Tenant Services Committee, Commissioner Harris then presented an Omnibus Motion for approval of Items 1 through 3.

Item 1)

The resolution for Item 1 approves acceptance of a grant award and approval of an Intergovernmental Agreement with the Chicago Department of Family and Support Services (DFSS) in the amount of \$1,158,300 for the Summer Youth Employment Program (SYEP). The resolution also approves an increase in the Resident Services budget in order to amend contracts with CHA's current FamilyWorks providers in an additional aggregate amount not-to-exceed \$300,000 to implement and administer the Summer Youth Employment Program. The intention of SYEP is to provide Chicago youth and young adults with safe, meaningful summer experiences, while learning valuable and transferable skills that connect life lessons and academic preparation, ultimately enhancing participants' long-term employment prospects. Participants receive ongoing job readiness instruction and career exploration integrated with a paid employment placement for 6 weeks. FamilyWorks providers match CHA youth with employers throughout Chicago, based on youth interest. CHA participates in the One Summer Chicago initiative, which is a collaborative effort between the City of Chicago, Cook County and the civic and business communities, to provide summer programming for CHA youth. As a partner in One Summer Chicago, CHA will be providing paid academic enhancement and workforce development opportunities to 3,000 CHA youth in 2015. For the past three years, as part of the One Summer Chicago initiative, CHA has collaborated with DFSS to provide paid summer opportunities to CHA youth through the SYEP program.

RESOLUTION NO. 2015-CHA-36

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated May 13, 2015 entitled "RECOMMENDATION TO ACCEPT A GRANT AWARD AND EXECUTE AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF CHICAGO DEPARTMENT OF FAMILY AND SUPPORT SERVICES, AND INCREASE THE RESIDENT SERVICES BUDGET IN ORDER TO AMEND FAMILYWORKS PROVIDER CONTRACTS TO IMPLEMENT AND ADMINISTER A SUMMER YOUTH EMPLOYMENT PROGRAM."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to:

- 1) Accept a grant award and execute an Intergovernmental Agreement with the Chicago Department of Family and Support Services ("DFSS") in the amount of \$1,158,300 for the Summer Youth Employment Program ("SYEP"). This grant award from DFSS may only be utilized to pay wages for 2,100 youth workers; and 2) Increase the Resident Services budget in order to amend contracts with CHA's current FamilyWorks providers in an additional aggregate amount not-to-exceed \$300,000 to implement and administer SYEP.

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

Item 2)

The resolution for Item 2 approves the first of two one-year options with TEC Services, Inc. to continue to provide oversight, maintenance and program coordination at CHA computer labs in an amount not-to-exceed \$1,350,000 under Contract No. 11302. CHA owns and operates eight computer labs at CHA sites, including Altgeld Gardens, Dearborn Homes, Lake Parc Place, Lawndale Gardens, Lowden Homes, Wentworth Gardens, Major Adams Community Center, and the Family Investment Center. The Program Model includes oversight, maintenance and program coordination; on-site staffing, technical support and monitoring, and an ongoing schedule of

programming and open lab time; digital literacy internet and network installation and maintenance, customer service and business writing.

RESOLUTION NO. 2015-CHA -37

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated May 13, 2015, entitled “RECOMMENDATION TO EXERCISE THE FIRST ONE-YEAR OPTION WITH TEC SERVICES CONSULTING, INC. TO PROVIDE OVERSIGHT, MAINTENANCE AND PROGRAM COORDINATION AT CHA COMPUTER LABS.”

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to exercise the first one-year option reserved under Contract 11302 with TEC Services Consulting, Inc. to provide oversight, maintenance and program coordination at CHA computer labs in an amount not-to-exceed \$1,350,000.

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

(Item 3)

The resolution for Item 3 ratifies the acceptance of a grant award from the Department of Housing and Urban Development (HUD) in the amount of \$3,000,000 for the Jobs Plus Pilot Program and increases the Resident Services Department budget accordingly throughout the duration of the four year grant. This grant award from HUD may only be utilized to support CHA’s efforts to improve employment and earnings outcomes for residents of Altgeld Gardens through supports such as work readiness, employer linkages, job placement and financial literacy. The resolution also approves sub-contract agreements with the named partners for the grant, Chicago Cook Workforce Partnership (CCWP) in an amount not-to-exceed \$773,000 and Metropolitan Family Services (MFS) in an amount not-to-exceed \$800,000.

RESOLUTION NO. 2015-CHA-38

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated May 13, 2015 entitled “1) RATIFY AND ACCEPT A GRANT AWARD FROM THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (“HUD”) IN THE AMOUNT OF \$3,000,000 FOR THE JOBS PLUS PILOT PROGRAM (“JOBS PLUS”) AND INCREASE THE RESIDENT SERVICES DEPARTMENT BUDGET ACCORDINGLY THROUGHOUT THE DURATION OF THE FOUR YEAR GRANT (COST CENTER 362); AND 2) ENTER INTO SUB-CONTRACT AGREEMENTS WITH THE NAMED PARTNERS FOR THE GRANT, CHICAGO COOK WORKFORCE PARTNERSHIP (“CCWP”) IN AN AMOUNT NOT-TO-EXCEED \$773,000 AND METROPOLITAN FAMILY SERVICES (“MFS”) IN AN AMOUNT NOT-TO-EXCEED \$800,000.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to:

- 1) Ratify and accept a grant award from the Department of Housing and Urban Development (“HUD”) in the amount of \$3,000,000 for the Jobs Plus Pilot Program (“Jobs Plus”) and increase the Resident Services Department budget accordingly throughout the duration of the four year grant (Cost center 362); and 2) Enter into sub-contract agreements with the named partners for the grant, Chicago Cook Workforce Partnership (“CCWP”) in an amount not-to-exceed \$773,000 and Metropolitan Family Services (“MFS”) in an amount not-to-exceed \$800,000.

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 resolutions for Items 1, 2 and 3 was seconded by Commissioner Johnson and the voting was as follows

Ayes: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
Harriet Johnson
Jack Markowski
Bridget Reidy
Z. Scott
Rodrigo Sierra

Nays: None

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

Committee Jack Markowski, then presented the report for the Operations and Facilities Committee meeting. Per Commissioner Markowski, the Operations and Facilities committee met on Wednesday, May 13, 2015 at the CHA Corporate Offices, 12th Floor Loft in Chicago. Commissioner Markowski chaired the meeting and the following Commissioners were also present: Commissioners Harris and Washington. Present also, but not counted for the quorum, were Commissioners Johnson and Brewer. After presentation by staff, committee members discussed and voted on the two items appearing on the agenda.

On behalf of the Operations & Facilities Committee, Commissioner Markowski then presented an Omnibus Motion for the approval of Items 4 and 5.

(Item 4)

The resolution for Item 4 approves a two-year extension option with Constellation Energy Services, Inc. for the supply and delivery of electricity to various CHA residential sites and facilities in an amount not-to-exceed \$6,632,320. The Electricity Supply and Delivery Agreement offers CHA the opportunity to purchase its electrical needs at wholesale 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 is planning to utilize this contractual capability and current low pricing in the energy market to lock in favorable electricity rates for two-one year periods in an effort to decrease CHA's exposure to market volatility. Market indicators suggest that the current electricity commodity rates are expected to increase in the next two years. Therefore, it is in the best interest of the CHA to present an extension option for two-one year periods before the current base term of the contact is complete. The CHA continues to utilize Com Ed for the distribution of electricity from the Chicago's central delivery gate to actual CHA buildings. The associated local distribution costs are not included within the scope or budget of this contract and will continue to be billed separately.

Commissioner Bridget Reidy recused from voting on Item 4.

RESOLUTION NO. 2015-CHA-39

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated May 13, 2015 - entitled "AUTHORIZATION TO EXERCISE TWO ONE-YEAR EXTENSION OPTIONS WITH CONSTELLATION ENERGY SERVICES, INC. (AS SUCCESSOR TO INTEGRYS ENERGY SERVICES, INC.) FOR THE SUPPLY AND DELIVERY OF ELECTRICITY TO VARIOUS CHA RESIDENTIAL SITES AND FACILITIES"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a contract amendment exercising both the first and second options reserved under Contract #11319 with Constellation Energy Services, Inc. (as the successor to Integrys Energy Services, Inc., pursuant to a merger) for the period from August 1, 2015 through July 31, 2017 to purchase electricity supply and delivery services and to increase the existing not to exceed compensation amount under Contract #11319 by an amount not to exceed \$6,632,320, resulting in a new aggregate compensation in an amount not to exceed \$15,332,320.

(Item 5)

The resolution for Item 5 authorizes staff to proceed with the application process for an additional 13 properties under Phase 1 of CHA's Rental Assistance Demonstration (RAD) program portfolio application to HUD. These additional properties serve, in part, as a contingency plan for original Phase 1 properties that may not move forward in accordance with Phase 1 programmatic deadlines. In 2012, Congress authorized the RAD program. RAD provides an opportunity for housing authorities to utilize either project-based voucher 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. CHA submitted a portfolio application to HUD on October 24, 2013, to transition 10,935 units within two phases under the RAD program. CHA anticipates an award will be issued soon. Once an award is issued, CHA will be required to achieve certain programmatic milestones within specified deadlines. In the event there are properties within Phase 1 that cannot meet the deadlines associated with the RAD award, CHA has identified 13 properties originally reserved for Phase 2 that may move up in queue either as additional Phase 1 properties or as substitutions.

RESOLUTION NO. 2015-CHA-40

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated May 13, 2015 requesting authorization to proceed with the application process for 13 properties within Phase 1 of CHA's RAD portfolio application.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners hereby authorizes CHA staff to proceed with the application and substitution process for Phase 1 of CHA's RAD application, as needed or required.

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

Ayes: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
Harriet Johnson
Jack Markowski
Z. Scott
Rodrigo Sierra

Recusal: Bridget Reidy

Nays: None

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

Commissioner Bridget Reidy then presented the report for the Real Estate and Development Committee. Per Commissioner Reidy, the Real Estate and Development committee met on Wednesday, May 13, 2015 at the CHA Corporate Offices located at 60 East Van Buren in Chicago. Present at the meeting were Commissioners Matthew Brewer, Mildred Harris and Jack Markowski. Present also, but not counted for the quorum, was Commissioner Washington. After presentation by staff, Item 6 (Master Planning Technical Services at Oakwood Shores) was deferred for vote to today's board meeting. At the request of staff, however, Item 6 has been held and will be presented at the June meetings. Item 8 was discussed, voted and recommended for Board approval. Commissioner Markowski had to recuse himself on Items 7 and 9 so Commissioner Brewer presided over the meeting.

On behalf of the Real Estate Development Committee, Commissioner Reidy then presented an Omnibus Motion for the approval of Items 7, 8 and 9.

(Item 6 – This Number Not Used)

(Item 7)

The resolution for Item 7 approves execution of a preliminary letter of commitment for a PRA Housing Assistance Payments Contract for eleven units at 7245 N. Rogers. This preliminary letter of commitment will be valid for one year in order to allow the developer to secure development and construction financing from other sources. Once all financing is secured, the full development plans will be submitted to CHA Board prior to execution of any contract. 7245 N. Rogers consists of a 3-story elevator building containing 42 units in the Rogers Park community area consisting of 12 studios, 24 one-bedroom and 6 two-bedroom units. Three studios, 6 one-bedroom and 2 two-bedroom units will be PRA for families. Building amenities will include a large community room and computer center and laundry facilities on each floor. The Developer for this project is CMHDC. CMHDC was established in 1982 to serve as a financial instrument for CHA to provide funding for affordable housing development. In 1997, CMHDC transitioned into a non-profit corporation focusing on the development and operations of affordable housing. In August 2014, CMHDC was approved as one of CHA's Pre-qualified Development Teams; Skender Construction will be the general contractor and Ludwig & Company will be the property manager.

Commissioner Markowski recused from voting on Item 7.

RESOLUTION NO. 2015-CHA-41

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated May 13, 2015 requesting authorization to execute a preliminary commitment letter valid for one year for PRA assistance for 7245 N. Rogers Avenue;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a preliminary commitment letter valid for one year for PRA assistance for 7245 N. Rogers Avenue.

(Item 8)

The resolution for Item 9 approves execution of a Housing Assistance Payments Contract (HAP) for 3714 W. Wrightwood. This contract will result in more affordable housing opportunities for families by providing Property Rental Assistance (PRA) for five apartments. The PRA units would count towards CHA's Altgeld Match Unit and/or Horner Superblock replacement obligations. 3714 W. Wrightwood is a 3-story, 12-unit building located in the Logan Square community area, containing 12 units consisting of 2 one-bedroom units, 7 two-bedroom units, 2 three-bedroom units and 1 four-bedroom unit. The PRA unit mix will be 1 one-bedroom unit, 2 two-bedroom units, 1 three-bedroom unit and 1 four-bedroom unit. The Developer, Data Properties, Inc., is a for-profit real estate investment and property management firm created to acquire and manage rental property in Chicago. They currently own and manage 220 units in 19 buildings in the city. In January 2013, Data Properties was selected by CHA to become a member of the Housing Choice Voucher Owners Excellence Program. The owner/manager of 3714 W. Wrightwood will lease all of the PRA-assisted units to eligible families from CHA's waiting lists. CHA will make these referrals from the Public Housing and PRA waiting lists as well as families whose right of return under the Relocation Rights Contract has not been satisfied. CHA's waiting lists will be exhausted prior to utilization of a site-based waiting list.

RESOLUTION NO. 2015-CHA-42

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated May 13, 2015 requesting authorization to execute a Housing Assistance Payments Contract for 3714 W. Wrightwood;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1.) execute a Housing Assistance Payments Contract (HAP) for 3714 W. Wrightwood; and 2.) execute all other documents as may be necessary or appropriate to implement the foregoing.

(Item 9)

The resolution for Item 9 approves a Housing Assistance Payments Contract (AHAP) for Jeffery Towers. Jeffery Towers is a 7-story elevator building located in the South Shore community area, containing 135 units consisting of 54 studio and 81 one-bedroom apartments for individuals and families. The PRA unit mix will be 10 studios and 33 one-bedroom apartments. The scope of work includes replacement of all major building systems including plumbing, heating, electrical, elevators and sprinklers, total replacement of all kitchen fixtures and appliances, restoration or total replacement as needed of all bathroom fixtures and restoration or replacement of drywall and flooring throughout the building. The Developer for Jeffery Towers is Illinois Housing Development Corporation (IHDC), a non-profit corporation whose mission is to create and preserve affordable housing for low-income families who are homeless or at risk of homelessness. Since being established in 1992, IHDC has created 13 developments across Chicago producing over 600 units of affordable and supportive housing. The owner/manager of Jeffery Towers will lease all of the PRA-assisted units to eligible individuals and families from CHA's waiting lists. CHA will make these referrals from the Public Housing and PRA waiting lists as well as individuals and families whose right of return under the Relocation Rights Contract has not been satisfied. CHA's waiting lists will be exhausted prior to utilization of a site-based waiting list.

Commissioner Markowski recused from voting on Item 9.

RESOLUTION NO. 2015-CHA-43

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated May 13, 2015 requesting authorization to execute an Agreement to Enter into a Housing Assistance Payments Contract for Jeffery Towers;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1.) execute an Agreement to enter into a Housing Assistance Payments Contract (AHAP) for Jeffery Towers; 2.) execute a Housing Assistance Payments Contract (HAP) for Jeffery Towers; and 3.) execute all other documents as may be necessary or appropriate to implement the foregoing.

The Motion to adopt resolutions for Items 7, 8 and 9 was seconded by Commissioner Sierra and the voting was as follows:

Ayes:	Matthew Brewer Mark Cozzi Dr. Mildred Harris Harriet Johnson Jack Markowski Bridget Reidy Z. Scott Rodrigo Sierra
Recusal:	Jack Markowski (<i>for Items 7 and 9 only</i>)
Nays:	None

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

Committee Chair Mark Cozzi then presented the report of the Finance & Personnel Committee meeting. Per Commissioner Cozzi, the Finance & Personnel committee met on Wednesday, May 13, 2015, at the CHA Corporate Offices located at the CHA Corporate Offices, 60 E. Van Buren in Chicago. Present at the meeting were Commissioners Johnson, Brewer and Markowski. Present also, but not counted for the quorum, was Commissioner Washington. After presentation by staff, committee members discussed and voted on the items appearing on the agenda.

On behalf of the Finance & Personnel Committee, Commissioner Cozzi then presented a Motion for the approval of Item 10.

(Item 10)

The resolution for Item 10 ratifies the following personnel actions for the month of May 2015: offer of employment to two applicants for Procurement Specialist; offer of employment to applicant for Manager, Financial Compliance; offer of employment to applicant for Contract Compliance Specialist; promotion of employee to Asset Manager; promotion of employee to Business & Reporting Analyst and transfer of employee to Victim Assistance Program Liaison. The Chief Executive Officer certifies that the mentioned actions were properly vetted and/or evaluated pursuant to established CHA protocol.

RESOLUTION NO. 2015-CHA-44

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated May 13, 2015, 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 10 was seconded by Commissioner Markowski and the voting was as follows:

Ayes: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
Harriet Johnson
Jack Markowski
Bridget Reidy
Z. Scott
Rodrigo Sierra

Nays: None

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

Michael Merchant, Chief Executive Officer, then presented his monthly report to the Commissioners.

Chairwoman Scott 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 May 19, 2015, was adjourned at approximately 9:45 a.m.

Z. Scott
Chairwoman, Chicago Housing Authority

Lee Chuc-Gill, Secretary
Custodian and Keeper of Records