

MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY
November 17, 2015

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, November 17, 2015, at approximately 8:40 a.m. at the Charles Hayes Family Investment Center, 4859 S. Wabash, 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 Mark Cozzi Dr. Mildred Harris John Hooker Harriet Johnson Jack Markowski Francine Washington
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Absent:	Bridget Reidy Rodrigo Sierra
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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 Markowski, the Commissioners adjourned to Executive 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 9:50 a.m.

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

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

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

After Motion made by Commissioner Washington and properly seconded by Commissioner Johnson the Minutes for the Regular and Closed meetings of October 20, 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, November 12, 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 Johnson and Washington. Present also, but not counted for the quorum were Commissioners Cozzi, Markowski and Chairman Hooker. Committee members then discussed, voted, and recommended for approval the resolutions for Items 1 thru 5.

On behalf of the Tenant Services Committee, Commissioner Harris then presented an Omnibus Motion for approval of Items 1 through 5.

(Item 1)

The resolution for Item 1 authorizes the Chief Executive Officer or his designee to exercise the second one-year option of Contract 11192 with the Chicago Urban League for the business and entrepreneurship program for CHA residents, in an amount not-to-exceed \$200,000. The new aggregate not-to-exceed contract amount is \$1,201,464. As part of CHA's Section 3 policy and the 2013 Voluntary Compliance Agreement (VCA) with HUD regarding Section 3, CHA is required to not only do business with Section 3 Business Concerns, but has also agreed to provide certain outreach and development support for resident owned businesses. Under the modified Entrepreneurship Program, the Chicago Urban League will conduct outreach to market its existing menu of programs to CHA residents. Residents will be assessed and referred to the most appropriate Urban League program; those who do not currently meet eligibility for programs will be referred to the Urban League's external partners to build individual skills sets necessary to move toward successful entrepreneurship. A portion of this agreement will be used to cover any fees associated with the Urban League's programs and approved external partner programs, including business incubator opportunities, on a first-come, first-serve basis. However, many of the Urban League's programs are free of charge to participants. In total, the Urban League will provide support and training to approximately 100 CHA residents during the second option year.

Commissioner Washington voted "Nay" on Item 1 only.

RESOLUTION NO. 2015-CHA-99

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 2015 entitled "AUTHORIZATION TO EXERCISE THE SECOND ONE YEAR OPTION WITH THE CHICAGO URBAN LEAGUE";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Acting Chief Executive Officer or his designee to exercise the second one-year option of Contract 11192 with the Chicago Urban League for the business and entrepreneurship program for CHA residents, in an

amount not-to-exceed \$200,000. The new aggregate not-to-exceed contract amount is \$1,201,464.

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

(Item 2)

The resolution for Item 2 authorize the Acting Chief Executive Officer or his designee to exercise the first one-year contract options for: 1) Beacon Therapeutic Diagnostic & Treatment Center in an amount not-to-exceed \$1,597,369; 2) Catholic Charities of the Archdiocese of Chicago in an amount not-to-exceed \$2,113,812; 3) Centers for New Horizons, Inc. in an amount not-to-exceed \$ 2,103,517; 4) Employment & Employer Services, Inc. in an amount not-to-exceed \$3,397,197; 5) Heartland Human Care Services, Inc. in an amount not-to-exceed \$2,757,221; 6) Holsten Human Capital Development in an amount not-to-exceed \$959,108; 7) Metropolitan Family Services in an amount not-to-exceed \$2,204,747, 8) Near West Side Community Development Corporation in an amount not-to-exceed \$1,144,410; and 9) UCAN in an amount not-to-exceed \$1,722,619; and to establish a contingency amount of \$720,000 for an aggregate not-to-exceed amount of \$18,720,000 for FamilyWorks service providers for the period of January 1, 2016, through December 31, 2016, with three (3) remaining additional one-year options subject to future Board authorization. Resident Services provides case management, workforce development, housing support, health and wellness, education, asset building and other supportive services to CHA residents through a variety of contracts and partnerships. Programs are specifically designed and targeted toward youth, adult and senior populations. In 2016, the FamilyWorks service providers will continue providing targeted services to address individual resident needs. The nine contractors were procured through a competitive procurement completed in and assigned to a regional area or development in December 2014; these regional assignments will remain consistent in 2016. FamilyWorks utilizes a targeted services model focused on outreach to families who have the greatest need for services. FamilyWorks will target outreach to ensure families with youth are connected with programs and services appropriate to their development stage. Accordingly, program measurements will focus on priority outcomes for youth ages 0-24 (early childhood education, school performance, out of school time programs, college preparation and enrollment, etc.). In 2016, 10/1/99 families with a Right of Return will continue to be included in the Target Population, and employment services will still be available for all adults who request assistance. In 2016, more than 10,000 families will have access to the FamilyWorks program, including a component of having resource staff available at HCV satellite offices.

RESOLUTION NO. 2015-CHA-100

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 2015 entitled "AUTHORIZATION TO EXERCISE THE FIRST ONE-YEAR CONTRACT OPTIONS FOR BEACON THERAPEUTIC, CATHOLIC CHARITIES OF CHICAGO, CENTERS FOR NEW HORIZONS, EMPLOYMENT & EMPLOYER SERVICES, HEARTLAND HUMAN CARE SERVICES, HOLSTEN HUMAN CAPITAL DEVELOPMENT, METROPOLITAN FAMILY SERVICES, NEAR WEST SIDE COMMUNITY DEVELOPMENT CORPORATION AND UCAN AS FAMILYWORKS SERVICE PROVIDERS FOR CHA FAMILIES";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Acting Chief Executive Officer or his designee exercise the first one-year contract options for: 1) Beacon in an amount not-to-exceed \$1,597,369; 2) Catholic Charities in an amount not-to-exceed \$2,113,812;

3) CNH in an amount not-to-exceed \$ 2,103,517; 4) EES in an amount not-to-exceed \$3,397,197, 5) HHCS in an amount not-to-exceed \$2,757,221; 6) HHCD in an amount not-to-exceed \$959,108; 7) MFS in an amount not-to-exceed \$2,204,747; 8) NWS in an amount not-to-exceed \$1,144,410; 9) UCAN in an amount not-to-exceed \$1,722,619; and to establish a contingency amount of \$720,000 for an aggregate not-to-exceed amount of \$18,720,000 for FamilyWorks service providers for the period of January 1, 2016 through December 31, 2016, with three (3) remaining additional one-year options subject to future Board authorization.

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

(Item 3)

The resolution for Item 3 approves an Intergovernmental Agreement (IGA) with the City Colleges of Chicago in an amount not-to-exceed \$1,600,000 to provide education and training programs for CHA residents for the period of January 1, 2016, through December 31, 2017. The goal of this IGA is to continue supporting CHA residents by creating a continuum of education and training opportunities that allow residents to advance progressively to higher levels of education over time. This collaboration with CCC will ultimately result in better paying careers in areas of industry growth and stability for CHA residents. During 2016/2017, the IGA with CCC will continue to provide tuition for CHA residents to attend CCC programs, after financial aid is exhausted. Residents can participate in certificate programs and earn their Associates Degree at City College locations throughout Chicago, in most cases at no cost. The IGA allows for the delivery of educational services for CHA residents at various educational levels and provides support while residents are engaged in CCC programs. CHA and CCC will continue to collaborate on initiatives and launch targeted campaigns in specific industries during peak enrollment periods, to enhance outreach and promote the educational opportunities and services available.

RESOLUTION NO. 2015-CHA-101

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 2015 entitled "AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY COLLEGES OF CHICAGO";

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 an Intergovernmental Agreement with the City Colleges of Chicago in an amount not-to-exceed \$1,600,000 to provide education and training programs for CHA residents for the period of January 1, 2016 through December 31, 2017.

This award is subject to the Contractor's compliance with insurance requirements.

(Item 4)

The resolution for Item 4 approves an Intergovernmental Agreement (IGA) with the Chicago Park District (CPD) to provide year-round park district programs to CHA youth in an amount not to exceed \$450,000 for the period of January 1, 2016, through December 31, 2016. CHA's Resident Services Division is charged with supporting youth and adults on the path to self-sufficiency, which includes providing positive engagement opportunities for youth during out-of-school time. To assist in meeting this goal, CHA partners with CPD to provide year-round park district programs for CHA youth. Since

2002, CHA and CPD have collaborated to provide year-round park district programs for CHA youth who otherwise may not be able to participate due to cost. CPD programs provide youth with age-appropriate activities, while assisting working parents by offering safe and constructive programs for children during out-of-school time. This IGA offers reduced program fees for CHA youth for year-round voucher programs (e.g., Summer Camp, Vacation Camps, etc.) and the remaining program fees are split between CHA and CPD. CHA and CPD will continue to collaborate to bring supplemental programming to Park Districts near CHA developments (e.g., Windy City Hoops, Counselor in Training Program, Junior Bears football, etc.).

RESOLUTION NO. 2015-CHA-102

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 2015 entitled “AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CHICAGO PARK DISTRICT TO DELIVER YOUTH RECREATIONAL PROGRAMMING”;

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 an Intergovernmental Agreement with the Chicago Park District to provide year-round park district programs for CHA youth in an amount not-to-exceed \$450,000 for the period of January 1, 2016 through December 31, 2016.

This award is subject to the Contractor’s compliance with insurance requirements.

(Item 5)

The resolution for Item 5 approves an Intergovernmental Agreement (IGA) with the Chicago Department of Family and Support Services (DFSS) to provide support services for CHA families, in an amount not-to-exceed \$1,582,000 for the period of January 1, 2016 through December 31, 2016. CHA’s Resident Services Division is charged with supporting youth and adults on the path to self-sufficiency, which includes providing supportive services to families that assist them in meeting their goals. In order to accomplish this, CHA and DFSS collaborate each year to provide services in the areas of early childhood development, out-of-school time for youth, senior services, family programming and homelessness prevention. In addition to current programming, DFSS will implement a Home Visiting Pilot Project at Altgeld Gardens and provide supportive services to CHA residents utilizing sponsor-based vouchers.

RESOLUTION NO. 2015-CHA-103

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 2015 entitled “AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CHICAGO DEPARTMENT OF FAMILY AND SUPPORT SERVICES”;

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 an Intergovernmental Agreement with the Chicago Department of Family and Support Services to provide support services for CHA families in an amount not-to-exceed \$1,582,000 for the period of January 1, 2016 through December 31, 2016.

This award is subject to the Contractor’s compliance with insurance requirements.

The Motion to adopt resolutions for Items 1 through 5 was seconded by Commissioner Cozzi and the voting was as follows:

Ayes: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
John Hooker
Harriet Johnson
Jack Markowski

Abstained: Francine Washington (on Item 1 only)

Nays: None

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

Commissioner Jack Markowski then presented the report for the Operations and Facilities Committee. Per Commissioner Markowski, the Operations and Facilities committee met on Wednesday, November 12, 2015 at the CHA Corporate Offices located at 60 E. Van Buren in Chicago. Present at the meeting were Commissioners Harris, Markowski and Washington. Present also, but not counted for the quorum was Commissioner Johnson and Washington. After presentation by staff, committee members discussed and voted on the items appearing on the agenda.

On behalf of the Operations & Facilities Committee, Commissioner Markowski then presented an Omnibus Motion for the approval of Items 6, 8 and 10.

(Item 6)

The resolution for Item 6 approves the Housing Choice Voucher (HCV) Homeless Veterans Initiative under the Demonstration/Pilot Program process established and approved by the Board of Commissioners in September 2014. In accordance with the Admissions and Continued Occupancy Policy (ACOP) for Public Housing and the Housing Choice Voucher Administrative Plan, CHA operates a number of demonstration programs and special initiatives that provide subsidized housing for a special population of people in need. ***HCV Homeless Veterans Initiative:*** CHA will provide up to 150 vouchers per year to house veterans enrolled in Supportive Services for Veteran Families (SSVF). The SSVF program is funded by the United States Department of Veteran Affairs (VA) and is administered through various local non-profit organizations to provide supportive services for low or very low-income veteran families residing in or transitioning to permanent housing. These services are designed to increase the housing stability of veteran families that are at-risk of or experiencing homelessness. SSVF providers offer the following services: housing stability case management and housing location and inspection; emergency financial assistance to acquire or maintain permanent housing; tenant rights and responsibilities education and support; asset development and financial literacy; job readiness and employment placement services, and referrals for health care, daily living, wellness, transportation, legal, and child care services.

RESOLUTION NO. 2015-CHA-104

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 2015 entitled "AUTHORIZATION TO APPROVE ONE DEMONSTRATION/PILOT PROGRAM";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to approve the HCV Homeless Veterans Special Initiative, as described in the “Chicago Housing Authority Demonstration Program and Special Initiatives Overview” document attached hereto.

(Item 8)

The resolution for Item 8 approves revisions to the Housing Choice Voucher (HCV) Administrative Plan, which include: simplifying the Plan to make it easier to understand and use by removing procedural language while maintaining all policies required by HUD and updating and correcting minor policies as needed to be consistent with HUD requirements and current practice. A 31-day public comment period was conducted from September 16 through October 16, 2015. Announcements for the public comment process appeared on CHA’s website and in the Chicago Defender, Chicago Sun-Times, and Hoy newspapers. In addition, the HCV team engaged the Participant Council, the Owner Council and a broad range of community-based organizations in discussion on the proposed revisions. During the public comment period, both residents and the public alike were able to submit comments orally and in writing, regarding the revisions to the HCV Administrative Plan. CHA also held three public hearings during the 31-day comment period, on September 29, September 30 and October 7, 2015. Prior to finalizing these revisions, the CHA gave consideration to comments received during the public comment period.

RESOLUTION NO. 2015-CHA-105

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 2015 entitled “AUTHORIZATION TO APPROVE REVISIONS TO THE HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer, or his designee, to approve the revisions to the HCV Administrative Plan, attached hereto.

(Item 10)

The resolution for item 10 approves the Option Year 1 for eleven Indefinite Delivery Indefinite Quantity contracts for Authority-wide Architectural and Engineering (A&E) services with Globetrotters Engineering Corporation, Harley Ellis Devereaux, Holabird & Root LLC, Koo and Associates, Ltd., Pappageorge Haymes Partners, Perimeter Architects, Roula Associates Architects, Chtd., Schroeder Murchie Niemiec Gazda-Auskainis Architects, Ltd. (SMNG-A), Smith Harding Joint Venture, Solomon Cordwell Buenz, and SPAAN Tech, Inc. The CHA is in need of continuing the A&E services for the new 2016 major capital improvement and capital maintenance projects. The current A&E Indefinite Delivery Indefinite Quantity contracts were originally approved by the Board in November 2013 and end on December 31, 2015. CHA Board of Commissioner approval is required to exercise Option Year 1. After the expiration of the Option Year, the contracts for authority-wide architectural and engineering services will need to be re-bid. The Option Year will not require any additional funding because the program has a remaining reserve balance of \$21,900,000.00 which is sufficient for projects in 2016.

RESOLUTION NO. 2015-CHA-106

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 2015 entitled “AUTHORIZATION TO EXERCISE OPTION YEAR 1 FOR ELEVEN (11) CONTRACTS FOR AUTHORITY-WIDE ARCHITECTURAL AND ENGINEERING SERVICES”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Acting Chief Executive Officer or his designee to amend the Indefinite Delivery Indefinite Quantity Contracts for Authority-wide architectural and engineering services to exercise Option Year 1 with the following eleven (11) A/Es: Globetrotters Engineering Corporation, Harley Ellis Devereaux, Holabird & Root LLC, Koo and Associates, Ltd., Pappageorge Haymes Partners, Perimeter Architects, Roula Associates Architects, Chtd., Schroeder Murchie Niemiec Gazda-Auskainis Architects, Ltd. (SMNG-A), Smith Harding Joint Venture, Solomon Cordwell Buenz, and SPAAN Tech, Inc.

The Motion to adopt resolutions for Items 6, 8 and 10 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
John Hooker
Harriet Johnson
Jack Markowski
Francine Washington

Nays: None

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

Commissioner Markowski then informed board members that while Item 7 was discussed and presented for vote at the November 12th Committee Meeting, the Motion to consider a vote did not receive a second and no vote was held.

Commissioner Markowski then presented a Motion for the approval of Item 7.

(Item 7)

The resolution for Item 7 approves amending contract No. 11429 with CVR Associates, Inc. (CVR) and Contract No. 11430 with Nan McKay & Associates (NMA) to exercise both the first one-year options in amounts not to exceed \$16,151,378.00 and \$8,106,556.00, respectively, and to add \$3,074,183.00 to the base term total for Contract No. 11430 to cover for an expected shortfall due to an increase of more than 9,000 Housing Choice Voucher Program Participants and the expansion of the Family Self-Sufficiency (FSS) program. The HCV Department believes that these extensions are absolutely necessary to ensure the continuation of the program operations and provide consistent services. The CHA HCV Program has been organized into administrative components in order to provide consistent communication, an adequate separation of duties and higher quality of services across the program.

RESOLUTION NO. 2015-CHA-107

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated November 12, 2015 entitled: AUTHORIZATION TO amend and EXERCISE THE OPTIONs for CONTRACT NO. 11429 WITH CVR ASSOCIATES, INC. AND CONTRACT NO. 11430 WITH NAN MCKAY & ASSOCIATES, INCLUDING ADDING FUNDS TO BASE PERIOD FOR CONTRACT NO. 11430;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to amend contract no. 11429 with CVR Associates, Inc. (“CVR”) and contract no. 11430 with Nan McKay & Associates (“NMA”) to exercise both the first one-year options in amounts not to exceed \$16,151,378.00 and \$8,106,556.00, respectively, and to add \$3,074,183.00 to the base term total for contract no. 11430 to cover for an expected shortfall due to an increase of more than 9,000 Housing Choice Voucher Program Participants and the expansion of the Family Self-Sufficiency (“FSS) program.

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 resolutions for Item 7 was seconded by Commissioner Johnson and the voting was as follows:

Ayes: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
John Hooker
Harriet Johnson
Jack Markowski

Nays: Francine Washington

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

Commissioner Markowski informed board members that Item 9 was presented and discussed at the November 12th committee meeting, however, it resulted in a tie vote.

Commissioner Markowski then presented a motion for the approval of Item 9.

(Item 9)

The resolution for Item 9 authorizes the Chief Executive Officer or his designee to exercise the option year contract with 15 CHA’s hearing officers and presenters for the period of January 1, 2016 – December 31, 2016, in an aggregate amount not –to exceed \$900,000 for the Housing Choice Voucher (HCV) Informal Hearing Program (IHP). Pursuant to HUD rules and regulations, and the CHA Administrative Plan, the Authority must offer an informal hearing for certain CHA determinations relating to the individual circumstance of a participant family. The purpose of the informal hearing is to consider whether the CHA’s decisions related to the family’s circumstances which affect their HCV voucher, are in accordance with the law, HUD regulations and CHA policies. The CHA is not permitted to terminate a family’s assistance until the time allowed for the family to request an informal hearing has elapsed, and any requested hearing has been completed. The families may contest an adverse decision in the Circuit Court of Cook County. In mid - 2011 the CHA transitioned the HCV IHP from its HCV Contract Administrators to the Office of General Counsel (OGC) to conduct the IHP, the OGC procured the services of a legal recruiter to assist the CHA in the recruitment of 15 attorneys as temporary employees to act as HCV hearing officers and presenters. During the summer of 2012, the OGC revised the IHP and effective October 1, 2012, the 6 hearing officers and presenters who remained with the IHP were made independent contractors. The OGC once again procured the services of a legal recruiter to recruit 15 additional independent contractors/ attorneys for a total of 21 attorneys (12 Hearing Officers and 9 Presenters) for a 1-year term (October 1, 2012 through September

30, 2013) with a 1-year option to provide hearing officer and presenter services for the IHP. In 2014 the Board of Commissioners approved a 15-month contract (October 1, 2014 – December 31, 2015) with a 1-year option to provide hearing officer and presenter services for the IHP with the then current independent contractors. Currently, there are 11 Hearing Officers and 4 Presenters.

RESOLUTION NO. 2015-CHA-108

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 2015 entitled “AUTHORIZATION TO EXERCISE THE OPTION YEAR OF THE HEARING OFFICERS’ AND PRESENTERS’ CONTRACTS FOR THE CHA HOUSING CHOICE VOUCHER INFORMAL HEARING PROGRAM”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Acting Chief Executive Officer or his designee to exercise the 1 year option of contracts with the following CHA hearing officers and presenters for an aggregate amount not-to-exceed \$900,000:

<u>HCV Hearing Officer/Contract</u>		<u>HCV Presenter/Contract</u>		
•	Frederick Bates	11499	Allison Getz Caldwell	11188
•	Joy Airaudi	11500	Lee Hauserman	11170
•	June Brown	11501	Lillian Wafford	11190
•	Joseph Chico	11503	Claudia Silvia-Hernandez	11189
•	Margaret Fitzpatrick	11504		
•	Denis Guest	11505		
•	Keli Knight	11506		
•	Sheila Maloney	11507		
•	Elizabeth Simon	11508		
•	Joel Skinner	11509		
•	Allison Wood	11510		

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

Ayes: Matthew Brewer
 Mark Cozzi
 Dr. Mildred Harris
 John Hooker
 Harriet Johnson
 Jack Markowski

Nays: Francine Washington

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 Wednesday, November 12, 2015, at the CHA Corporate Offices located at 60 East Van Buren, 12th Floor Loft in Chicago. Commissioner Markowski chaired the meeting and present also were Commissioners Cozzi and Harris. Although Commissioners Johnson, Washington and Hooker were also present they were not counted toward the quorum since they are not members of the Real Estate Development

committee. 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 11 through 13.

(Item 11)

The resolution for Item 11 approves staff to proceed with the process to create legal entity structure(s) to own and finance certain properties within CHA's RAD portfolio. HUD mandates that the role of owner and Housing Assistance Payment (HAP) contract administrator must be separated into two legal entities. Currently, CHA intends to assume, for all of the portfolio properties converting to RAD, the role of contract administrator for each of the Housing Assistance Payment (HAP) contracts. As a result, CHA is required to establish, as necessary, a separate ownership structure for the properties currently owned by CHA and converting to RAD. If needed, the establishment of separate single purpose entities would enable CHA to pursue low income housing tax credits and/or other sources of financing. This approach would also ensure that the same federal, state and local tax exemptions, sales tax exemption and property tax exemption are available to each of the separate legal structures.

RESOLUTION NO. 2015-CHA-109

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated November 12, 2015 requesting authorization to create legal entity structure(s) to own and finance properties within the Rental Assistance Demonstration (RAD) program portfolio.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners hereby authorizes CHA staff to proceed with the legal entity structuring process, as necessary and appropriate, for the ownership of RAD properties.

(Item 12)

The resolution for Item 12 authorize the Acting Chief Executive Officer to: submit Rental Assistance Demonstration (RAD) Financing Plans to HUD and Enter Into RAD Conversion Commitments with HUD for Kenmore Apartments, Pomeroy Apartments, and Britton Budd Apartments; commit CHA funds not to exceed \$2,000,000 to fund initial rehabilitation work and 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. Capital Needs Assessments (CNA) were prepared for Kenmore Apartments, Pomeroy Apartments, and Britton Budd Apartments to determine the capital needs of the properties over the 20 year initial term of the proposed HAP contract. Capital improvements identified as initial needs are financed at closing and are generally expected to be completed within the first two years after conversion. The CNA also identifies the amount of funding needed to capitalize a replacement reserve for each property, which is intended to cover all identified capital needs associated with the CNA over the 20-year HAP contract period. CHA plans to fund approximately \$65,000 from CHA MTW funding to conduct energy-efficiency related rehabilitation work for Kenmore Apartments, Pomeroy Apartments, and Britton Budd Apartments. This rehab activity is expected to be completed within 12 months of conversion. CHA plans to fund approximately \$1,935,000 from CHA MTW funding as deposits into the replacement reserves of Kenmore Apartments, Pomeroy Apartments, and Britton Budd Apartments.

RESOLUTION NO. 2015-CHA-110

- WHEREAS,** the Authority will submit Rental Assistance Demonstration (RAD) Financing Plans to the United States Department of Housing and Urban Development for Kenmore Apartments, Pomeroy Apartments and Britton Budd Apartments; and
- WHEREAS,** the Authority will enter into RAD Conversion Commitments with HUD for Kenmore Apartments, Pomeroy Apartments and Britton Budd Apartments; and
- WHEREAS,** the Authority will Execute Housing Assistance Payments (HAP) Contracts under the United States Department of Housing and Urban Development Rental Assistance Demonstration (RAD) program for Kenmore Apartments, Pomeroy Apartments and Britton Budd Apartments; and execute such other documents as may be required under the RAD program for the financing and operations of Kenmore Apartments, Pomeroy Apartments and Britton Budd Apartments; and
- WHEREAS,** Kenmore Senior Housing Limited Partnership was organized to own, and operate Kenmore Apartments, and the general partner is Kenmore Housing Development, LLC, of which the CHA is the sole member; and
- WHEREAS,** Pomeroy Senior Housing Limited Partnership was organized to own and operate Pomeroy Apartments, and the general partner is Pomeroy Housing Development, LLC, of which the CHA is the sole member; and
- WHEREAS,** Surf Senior Housing Limited Partnership was organized to own and operate Britton Budd Apartments, and the general partner is Surf Housing Development, LLC, of which the CHA is the sole member.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

- THAT,**
- Section 1. The Authority is authorized to submit Rental Assistance Demonstration (RAD) Finance Plans to the United States Department of Housing and Urban Development in connection with Kenmore Apartments, Pomeroy Apartments, and Britton Budd Apartments.
- Section 2. The Authority is authorized to enter into RAD Conversion Commitments with HUD for Kenmore Apartments, Pomeroy Apartments, and Britton Budd 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 Kenmore Apartments, Pomeroy Apartments and Britton Budd Apartments; and execute such other documents as may be required under the RAD program for the financing and operations of Kenmore Apartments, Pomeroy Apartments and Britton Budd Apartments.
- Section 4. Authorization is hereby given for Kenmore Housing Development, LLC, the general partner of Kenmore Senior Housing Limited Partnership, for various significant actions to be undertaken by the general partner (either in its own capacity or as the general partner of the partnership) as may be required by this Resolution, including amendment to the partnership agreement; and the Kenmore General Partner Designated Officers and each of them hereby, is authorized to execute and deliver such documents, certificates, and undertakings of the general partner (either in its own capacity or as the general partner of the partnership) as may be required by this Resolution.
- Section 5. Authorization is hereby given for Pomeroy Housing Development, LLC, the general partner of Pomeroy Senior Housing Limited Partnership, for various significant actions to be undertaken by the general partner (either in its own capacity or as the general partner of the partnership) as may be required by this Resolution, including amendment to the partnership agreement; and the Pomeroy General Partner

Designated Officers and each of them hereby, is authorized to execute and deliver such documents, certificates, and undertakings of the general partner (either in its own capacity or as the general partner of the partnership) as may be required by this Resolution.

Section 6. Authorization is hereby given for Surf Housing Development, LLC, the general partner of Surf Senior Housing Limited Partnership, for various significant actions to be undertaken by the general partner (either in its own capacity or as the general partner of the partnership) as may be required by this Resolution, including amendment to the partnership agreement; and the Britton Budd General Partner Designated Officers and each of them hereby, is authorized to execute and deliver such documents, certificates, and undertakings of the general partner (either in its own capacity or as the general partner of the partnership) as may be required by this Resolution.

Section 7. 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 8. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 9. 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 13)

In June 2015, the CHA solicited responses from firms or teams interested in performing Appraisal Services. The solicitation was advertised in area newspapers in addition to BuySpeed and the CHA website. Of the four proposals submitted, three submissions were deemed responsive. Based upon the evaluation of the written proposals it was determined that Applied Real Estate Analysis Inc. and PF Appraisals, Inc. be awarded contracts. Proposals were evaluated on several factors including the firm's qualifications, experiences and past performance, the responsiveness of the proposed statement of work, and the quality of the proposed work plan. Each Professional Services Agreement shall have a not-to-exceed amount of \$100,000 with a base term of two years and two one-year option periods. There is an additional \$150,000 allocated for future appraisal services to be issued to the two firms on a rotating task order basis for the remaining term of each contract.

RESOLUTION NO. 2015-CHA-111

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 2015 entitled "RECOMMENDATION TO ENTER INTO PROFESSIONAL SERVICES AGREEMENTS FOR APPRAISAL SERVICES FOR REAL ESTATE TRANSACTIONS AND PROPERTY ACQUISITIONS WITH APPLIED REAL ESTATE ANALYSIS, INC., AND PF APPRAISALS, INC."

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 Professional Services Agreements for Appraisal Services for real estate transactions and property acquisitions with:

APPRAISAL SERVICES FIRMS:

Applied Real Estate Analysis, Inc.

PF Appraisals, Inc.

Each Professional Services Agreement shall have a not-to-exceed (NTE) amount of \$100,000 with a base term of two years and two (2) one-year option periods. There is an additional \$150,000 allocated for future appraisal services to be issued to the two (2) firms on a rotating task order basis for the remaining term of each contract.

The Motion to adopt resolutions for Items 11, 12 and 13 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
John Hooker
Harriet Johnson
Jack Markowski
Francine Washington

Nays: None

There being no questions or discussion, Chairman Hooker 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 November 12, 2015 at the CHA Corporate Offices located at 60 E. Van Buren in Chicago. Present at the meeting were Commissioners Johnson and Markowski. Present also, but not counted for the quorum was Commissioner Washington and Hooker. 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 an Omnibus Motion for the approval of Items 14 through 19.

(Item 14, 15 and 16)

The resolutions for Item 14, 15 and 16 approves entering into a loan modification with PNC Real Estate to reduce the interest rate on the PNC Loans for C/S Harrison Courts Limited Partnership; Lathrop Elderly Limited Partnership and Loomis Courts Limited Partnership; submit FHA loan modification packages to HUD for approval and execute and deliver such other documents and perform such other actions as may be necessary to implement the foregoing. Harrison Courts consists of three apartment buildings located at 2910, 2930 and 2950 W. Harrison Street in Chicago, Illinois. The seven-story buildings were constructed in 1950. Each building encompasses approximately 30,730 gross square feet and currently contains forty-two (42) apartments for a total of one-hundred and twenty-four (124) units. The property was completely renovated in 2007 using low income housing tax credits. Lathrop Elderly is located at 2717 North Leavitt Street in Chicago, Illinois. The property contains ninety-two (92) units. The property was completely renovated in 2007 using low income housing tax credits. Loomis Courts consists of two apartment buildings located at 1314 and 1342 West 15th Street in Chicago, Illinois. The seven-story buildings were constructed in 1951. Each building encompasses approximately 52,180 gross square feet and currently contains sixty-two (62) apartments for a total of one-hundred and twenty-four (124) units. Currently, Harrison Courts, Lathrop

Elderly and Loomis Courts are in good condition. However, the properties are in need of capital improvements to prevent deterioration. Since interest rates are currently at historical lows, CHA now has an opportunity to substantially reduce its debt service requirements and take advantage of freed up capital to address needed repairs. The CHA solicited term sheets to refinance the properties from eight lenders and two proposals were received for each property. PNC offered the most advantageous loan for each property because it had the least costs and the term of the loan would not be extended. The second proposal offered a lower interest rate, however due to the extension of the maturity, their proposal was more expensive. The PNC mortgage offered a relatively new FHA program called an Interest Rate Reduction (IRR". The IRR program was started by FHA in April 2013 as an alternative to refinancing under Section 223(a) (7). IRRs provide a way to reduce the interest rate on existing FHA multifamily mortgage loans thereby significantly improving the property's cash flow. IRRs can only be offered by the existing FHA mortgage and offer a streamlined process, the maturity date remains the same and the principal balance of the loan does not increase. Over the remaining life of the loan, the PNC mortgage will save the property \$1,227,383 for Harrison Courts; \$1,312,633 for the Lathrop property and \$1,881,359 for the Loomis Courts property.

RESOLUTION NO. 2015-CHA-112

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated November 12, 2015 entitled: AUTHORIZATION TO 1) ENTER INTO A LOAN MODIFICATION WITH PNC REAL ESTATE TO REDUCE THE INTEREST RATE ON THE PNC LOAN FOR C/S HARRISON COURTS LIMITED PARTNERSHIP; 2) EXECUTE AND DELIVER ANY ALL NECESSARY MODIFICATION DOCUMENTS FOR THE PNC LOAN; 3) SUBMIT A FHA LOAN MODIFICATION PACKAGE TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR APPROVAL; AND 4) EXECUTE AND DELIVER SUCH OTHER DOCUMENTS AND PERFORM SUCH OTHER 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 Chief Executive Officer to 1) enter into a loan modification with PNC Real Estate to reduce the interest rate on the PNC Loan for C/S Harrison Courts Limited Partnership; 2) execute and deliver any all necessary modification documents for the PNC Loan; 3) submit a FHA loan modification package to the United States Department of Housing and Urban Development for approval; and 4) execute and deliver such other documents and perform such other actions as may be necessary or appropriate to implement the foregoing.

(Item 15)

RESOLUTION NO. 2015-CHA-113

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated November 12, 2015 entitled: AUTHORIZATION TO 1) ENTER INTO A LOAN MODIFICATION WITH PNC REAL ESTATE TO REDUCE THE INTEREST RATE ON THE PNC LOAN FOR C/S LATHROP ELDERLY LIMITED PARTNERSHIP; 2) EXECUTE AND DELIVER ANY ALL NECESSARY MODIFICATION DOCUMENTS FOR THE PNC LOAN; 3) SUBMIT A FHA LOAN MODIFICATION PACKAGE TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR APPROVAL; AND 4)

EXECUTE AND DELIVER SUCH OTHER DOCUMENTS AND PERFORM SUCH OTHER 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 Chief Executive Officer to 1) enter into a loan modification with PNC Real Estate to reduce the interest rate on the PNC Loan for C/S Lathrop Elderly Limited Partnership; 2) execute and deliver any all necessary modification documents for the PNC Loan; 3) submit a FHA loan modification package to the United States Department of Housing and Urban Development for approval; and 4) execute and deliver such other documents and perform such other actions as may be necessary or appropriate to implement the foregoing.

(Item 16)

RESOLUTION NO. 2015-CHA-114

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated November 12, 2015 entitled: AUTHORIZATION TO 1) ENTER INTO A LOAN MODIFICATION WITH PNC REAL ESTATE TO REDUCE THE INTEREST RATE ON THE PNC LOAN FOR C/S LOOMIS COURTS LIMITED PARTNERSHIP; 2) EXECUTE AND DELIVER ANY ALL NECESSARY MODIFICATION DOCUMENTS FOR THE PNC LOAN; 3) SUBMIT A FHA LOAN MODIFICATION PACKAGE TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR APPROVAL; AND 4) EXECUTE AND DELIVER SUCH OTHER DOCUMENTS AND PERFORM SUCH OTHER 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 Chief Executive Officer to 1) enter into a loan modification with PNC Real Estate to reduce the interest rate on the PNC Loan for C/S Loomis Courts Limited Partnership; 2) execute and deliver any all necessary modification documents for the PNC Loan; 3) submit a FHA loan modification package to the United States Department of Housing and Urban Development for approval; and 4) execute and deliver such other documents and perform such other actions as may be necessary or appropriate to implement the foregoing.

(Item 17)

The CHA advertised an RFP on July 2015, to solicit vendors to competitively procure insurance coverages for the Property Managers' Insurance Program (PMIP) and the Authority's Property and Management Liability coverages, coordinated through the Authority's Risk Management Department. The RFP was advertised in area newspapers. Additionally, 71 Assist Agencies and 228 Section 3 Business Concerns received notification of the solicitation. The CHA also directly solicited 34 firms, posted the solicitation announcement on the CHA website and in the CHA Supplier Portal. Of the five proposals received all five were deemed responsive. After review by the evaluation committee, the total points awarded each Respondent resulted in three firms falling within the competitive range and moving forward with oral presentations. Based upon the evaluations of the written proposal, oral presentations, and the overall proposed fee, including the Best and Final Offer, it was determined that Arthur J. Gallagher & Company provide the best overall service and value to CHA. Accordingly, the resolution for Item 17 approves award of contract to Arthur J. Gallagher & Company, to perform

insurance brokerage and consulting services for a base term of two years, in an amount of \$379,270, and three one-year option periods, at \$189,635 per option year, for an aggregate amount of \$568,905, for a total contract amount of \$948,175.

RESOLUTION NO. 2015-CHA-115

WHEREAS, The Board of Commissioners has reviewed the memorandum dated November 12, 2015 entitled “AUTHORIZATION TO ENTER INTO A FIRM FIXED FEE CONTRACT WITH ARTHUR J GALLAGHER & COMPANY, FOR INSURANCE BROKERAGE AND CONSULTING SERVICES”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorize the Chief Executive Officer or his designee to execute a firm fixed fee contract with Arthur J Gallagher & Company, to perform insurance brokerage and consulting services for a base term of two years in an amount of \$379,270, and three one-year option periods, at \$189,635 per option year, for an aggregate amount of \$568,905, for a total contract amount of \$948,175.

(Item 18)

The resolution for Item 18 approves and adopts the FY2016 Comprehensive Budget. The FY2016 Comprehensive Budget totaling \$1.067 billion includes the following fund categories: MTW Fund-total revenue for FY2016 is \$1.041 billion. The MTW Fund combines the Low-Rent, Capital and Section 8 programs into a block grant as allowed by HUD under the Amended and Restated MTW agreement. Total MTW Fund revenues consist of Housing Assistance Subsidy, Capital Grant Funds, Operating Subsidy, MTW Reserves, Block Grant, Dwelling Rental Income, RAD, Interest Income and Other Income. Section 8 Fund (Non-MTW) - total revenue for this program is \$18.9 million. These contracts provide appropriations for approximately \$9.3 million of Mod Rehab vouchers, \$9.1 million Veteran's Affairs Supportive Housing (VASH) vouchers, and \$467.9 thousand Mainstream vouchers for housing assistance based on annual contributions contracts from HUD. Hope VI Fund - total revenue equals \$3.4 million. These funds are used for revitalization and community and supportive services programs. Other Funds - total revenue is \$4.3 million. Revenue consists of federal and local grants that will be used to enhance or augment funding for critical programs and services that the CHA provides to its residents. The estimated sum of all revenues for FY2016 plus the amount of FY2015 fund balance available for appropriation in FY2016 is equal to the estimated sum of all expenditures to be made/incurred during FY2016 and any unpaid liabilities at the beginning of FY2016.

RESOLUTION 2015-CHA-116

WHEREAS, the Board of Commissioners has reviewed the Board letter dated November 12, 2015, entitled “APPROVAL OF THE FY2016 COMPREHENSIVE BUDGET”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners, hereby approves the attached, “FY2016 COMPREHENSIVE BUDGET”, and finds with respect to said Budget:

1. that the proposed expenditures are necessary for the efficient and economical operation of the Chicago Housing Authority for the purpose of serving low-income families;
2. that the financial plan is reasonable in that it indicates funding sources adequate to cover all proposed expenditures, and does not provide for use of Federal funding in

excess of that payable under the provisions of the applicable Federal regulations;
and

3. that all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract in accordance with the Amended and Restated Moving To Work Demonstration Agreement of the Chicago Housing Authority with the U.S. Department of Housing and Urban Development.

THAT, the Acting Chief Executive Officer or his designee and Chief Finance Officer are authorized to execute and forward to the U.S. Department of Housing and Urban Development all necessary budget documents and supporting information when applicable.

(Item 19)

The resolution for Item 19 approves and ratifies the following Personnel Actions: offer of employment to four applicants; promotion of four employees and temporary reassignment of one employee. The CEO certifies that all these actions were properly evaluated and vetted pursuant to established CHA protocols.

RESOLUTION NO. 2015-CHA-117

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 12, 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 Items 14 through 19 was seconded by Commissioner Washington and the voting was as follows:

Ayes: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
John Hooker
Harriet Johnson
Jack Markowski
Francine Washington

Nays: None

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

Committee Chair Matthew Brewer then presented his report. Per Commissioner Brewer, the Audit Committee held a Special Meeting on November 4, 2015, at approximately 1:00 p.m., at the CHA Corporate Offices, 60 E. Van Buren, 12th Floor Loft. Commissioner Cozzi chaired the meeting and the following committee members were present: Commissioners Hooker and Johnson and Karen Caldwell, our general community member. The purpose of the special meeting was to discuss in closed meeting certain personnel matters; audit and investigatory review matters; and the review of closed meeting matters with the Internal auditor and inspector general pursuant to the Open Meeting Act 5 ILCS 120/2 under the following exceptions: (c)(1); (c)(11); (c)(21); and (c)(29). The special meeting was also called to vote on one matter in Open Session. There being a quorum present,

committee members adjourned to closed session to discuss the matters mentioned above and subsequently returned to open session. In open session committee members discussed and approved a recommendation for approval of the proposed 2016 Inspector General and Internal Audit Budgets. No Board vote is necessary at this time since approval has been granted under Item 18 – Approval of the 2016 Comprehensive Budget.

(Item 20)

Since 2001, CHA has co-sourced with professional firms to assist with its governance, risk mitigation, and compliance responsibilities by performing duties as an internal audit service provider. Annually, the CHA Audit Committee approves an audit plan of projects based upon a risk assessment. CHA's Director, Audit Management and Compliance, working with the internal audit service provider, issues engagement scoping memos to stakeholders involved in the audit projects. The internal audit service provider must understand the overall scope and budget, and develop an audit approach for specific projects. Upon completion of the audit process, reports are communicated to the Audit Committee. Accordingly, the CHA advertised a Request For Proposal (RFP) in August 2015 soliciting vendors to perform internal audit services. 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 251 Section 3 Business Concerns received notification of the solicitation. The CHA also directly solicited 403 firms. Of the four proposals all four were deemed responsive. An Evaluation Committee consisting of three CHA staff members and two Audit Committee members evaluated the responsive proposals. After the Evaluation Committee completed its review of the four proposals, the total points awarded each respondent resulted in two firms falling within the competitive range and moving forward with oral presentations. Based upon the evaluations of the written proposals, oral presentations, and the overall proposed fee, including the Best and Final Offer, RSM US LLP received the highest combined number of points during the evaluation process for the criteria scored and is recommended to provide the best overall service and value to CHA. The resolution for Item 20 approves award of contract to RSM US LLP to perform internal audit services for a base term of three-years in an amount not-to-exceed \$3,000,000, and two one-year option periods in an amount not-to-exceed \$2,000,000, for a total amount not-to-exceed \$5,000,000.

Commissioner Brewer then submitted a Motion for the approval of Item 20.

Commissioners Brewer and Cozzi abstained from voting on this item.

RESOLUTION NO. 2015-CHA-118

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated NOVEMBER 17, 2015 entitled: AUTHORIZATION TO ENTER INTO A FIRM FIXED RATE CONTRACT WITH RSM US LLP FOR INTERNAL AUDIT SERVICES;

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 firm fixed rate contract with RSM US LLP to perform internal audit services for a base term of three-years in an amount not-to-exceed \$3,000,000 and two (2) one-year option periods in an amount not-to-exceed \$2,000,000, for a total amount not-to-exceed of \$5,000,000.

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 resolution for Item 20 was seconded by Commissioner Washington and the voting was as follows:

Ayes: Dr. Mildred Harris
John Hooker
Harriet Johnson
Jack Markowski
Francine Washington

Abstain: Matthew Brewer
Mark Cozzi

Nays: None

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

Commissioner Washington then presented a Motion for the approval of Item 21.

(Item 21)

The resolution for Item 21 approves and adopt the CHA’s Minimum Wage Requirement and authorize the CEO or his designee, and the Deputy Chief of Procurement and Contracts to promulgate and maintain administrative procedures, practices and forms to implement the Minimum Wage Requirement. In cooperation with other sister agencies of the City of Chicago and in keeping with similar initiatives undertaken to support improved conditions and a living wage in Chicago, the CHA has established the Minimum Wage Requirement to provide that vendors performing work under CHA contracts shall pay a minimum wage to covered employees performing on covered contracts at a level of Thirteen Dollars per hour (\$13.00/hr.). The Minimum Wage rate is subject to periodic adjustments tied to inflation, and the Requirement includes various definitions and other terms and provisions necessary for transparent and efficient administration. The CHA draws authority for adopting a minimum wage from Illinois law. Under Section 26 of the Illinois Housing Authorities Act, a public housing authority is permitted to set minimum wage and maximum hour provisions for labor in its contracts. Section 26 also permits a public housing authority to include contractual provisions requiring contractors to comply with any conditions which the federal government may have attached to the project and its funding. The Minimum Wage Requirement substantially mirrors the 2014 Executive Order Number 2014-1 (Minimum Wage Increase) signed by Chicago Mayor Rahm Emanuel, but incorporates certain terms and distinctions necessary to ensure the proper function and application of the Requirement in a manner fully consistent with federal laws, rules and regulations applicable to CHA activities. Due to overlapping state and federal mandates that are applicable to CHA operations and activities, the CHA Minimum Wage Requirement contains a number of terms and provisions that address issues that are unique to CHA as a federally funded agency (for example, certain federal requirements, like Davis-Bacon prevailing wage labor levels, preempt inconsistent state or local wage ordinances where they may overlap). The Minimum Wage Requirement defers to federal prevailing wage provisions in any situation where a conflict might arise.

RESOLUTION NO. 2015-CHA-119

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated November 17, 2015 entitled: “ADOPTION OF THE CHICAGO HOUSING AUTHORITY’S MINIMUM WAGE REQUIREMENT”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Chicago Housing Authority Minimum Wage Requirement is adopted, and shall take effect as of December 1, 2015.

THAT, the Board of Commissioners authorizes the Chief Executive Officer and the Deputy Chief for Procurement and Contracts to promulgate and maintain administrative procedures to implement the Minimum Wage Requirement.

The Motion to adopt resolution for Item 21 was seconded by Commissioner Johnson and the voting was as follows:

Ayes: Matthew Brewer
Dr. Mildred Harris
John Hooker
Harriet Johnson
Jack Markowski
Francine Washington

Abstain: Mark Cozzi

Nays: None

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

Commissioner Johnson then presented a motion for the approval of Item 22.

(Item 22)

It is recommended that the Board of Commissioners approve the attached amended CHA Procurement Policy and authorize the Chief Executive Officer (CEO) or his designee to implement the policy. The Office of the General Counsel and the Department of Procurement and Contracts have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly. The CHA Procurement Policy has been amended in order to align it with the U.S. Department of Housing and Urban Development's ("HUD") recent issuance of revised procurement standards in its Code of Federal Regulations ("CFR"). HUD 2 CFR 200.317-326 now replaces HUD 24 CFR 85.36. The revised procurement standards are generally consistent with the previous standards, but include a change in dollar thresholds for both Micro-Purchases, which has been increased from \$2,500 to \$3,000, and the Simplified Acquisition Threshold, which has been increased from \$100,000 to \$150,000 and establishes the limit for the use of small purchase procedures.

RESOLUTION NO. 2015-CHA-120

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated November 17, 2015 requesting approval of the amended Chicago Housing Authority Procurement Policy;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to implement the amended Chicago Housing Authority Procurement Policy.

The Motion to adopt resolution for Item 22 was seconded by Commissioner Brewer and the voting was as follows:

Ayes: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
Harriet Johnson
Jack Markowski
John Hooker
Francine Washington

Nays: None

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 activities during the month of October.

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 November 17, 2015, was adjourned.

Chairman John Hooker
Chicago Housing Authority

Lee Chuc-Gill, Secretary
Custodian and Keeper of Records