

**JOURNAL OF THE PROCEEDINGS
OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF COOK COUNTY (HACC)**

**BOARD MEETING
Housing Authority of Cook County
175 W. Jackson Blvd., Suite 350
Chicago, IL
April 13, 2017, 2017 2:03pm**

ROLL CALL

PRESENT: Hipolito "Paul" Roldan, Chair
Wendy Walker Williams, Vice Chair
Polly Kuehl, Commissioner
Nilda Soler, Commissioner

CALL- IN: Saul H. Klibanow, Commissioner

HACC STAFF: Richard Monocchio, Executive Director and Secretary
Alesia Hushaw, Chief of Staff
Jon Duncan, General Counsel
Karl Becker, Chief Financial Officer
Sheryl Seiling, Director of Rent Assistance
Monica Slavin, Director of Occupancy and Compliance
Deborah O'Donnell, Procurement Manager
Jessica Del Valle, Manager Strategic Initiatives
Holly Wallace, Manager of Educational Programs and Partnerships
Rebecca Argandona, FSS Coordinator
Phyllis Johnson, FSS Coordinator
Diane Cornejo, Community Choice Program Counselor
Nick Mathiowdis, Mobility Counselor, Community Choice Program
Marylita Edwards, CCP Counselor
Debbie Kyker, Executive Assistant
Vivienne Ouma, Housing Specialist

Other Attendee(s): Valentino Caushi, Apex Construction
Tamyla Tate, Vera Yates Resident
Sondra Bearden, Vera Yates Resident

JOURNAL OF PROCEEDINGS FOR APRIL 13, 2017

CALL TO ORDER

Chair Paul Roldan called the April 13, 2017 Regular Board Meeting of the Housing Authority of Cook County (HACC) Board of Commissioners to order at 2:03 p.m.

PUBLIC COMMENTS

Chair Paul Roldan opened the floor for public comments. Tamyla Tate addressed the Board of Commissioners. She is a Vera Yates Resident who is in the process of being evicted from her Public Housing unit. She is coming before the Board of Commissioners seeking support. Ms. Tate stated that she had 30 days remaining in her unit. The tenant went to court and entered into a settlement agreement which required her to vacate the unit. She wants to remain in the community to see Vera Yates thrive. She is also a part of the Section 3 program and she is still not employed. Ms. Tate said that she would also like to start a Tenant Council for the tenants at the property.

CONSENT AGENDA

Chair Paul Roldan moved for approval of the Minutes of the March 21, 2017 Special Meeting of the HACC Board of Commissioners. The motion was seconded by Commissioner Polly Kuehl. Discussion ensued and an error was identified in the last paragraph of page five (where Chairman Paul Roldan was incorrectly identified as Chairman Polly Kuehl) A motion to correct the Regular Board Meeting Minutes accordingly was made, seconded, and carried with all "ayes," and the motion to adopt the Regular Board Meeting Minutes, as corrected, carried with all "ayes."

PRESENTATION OF RESOLUTIONS

RESOLUTION NO. 2017 - HACC-06

AUTHORIZING THE EXECUTIVE DIRECTOR TO ORGANIZE LIMITED LIABILITY COMPANIES TO TAKE FURTHER CORPORATE ACTION IN FURTHERANCE OF REDEVELOPMENT OF PROPERTIES IN NILES AND WHEELING, ILLINOIS – HUNTINGTON APARTMENTS AND WHEELING TOWER

A discussion ensued about the next round of the HACC rehabilitation properties for the Huntington Apartments and Wheeling Tower. The deal is scheduled to close with 9% tax credits at the end of June and construction will begin shortly after that. This is the HACC's third 9% credit deal.

Discussion ensued about giving Executive Director Monocchio authority to move ahead with this process. The new era in Washington, proposed cuts to the HUD budget and the failure of the health reform bill may cause Congress to focus on tax reform. The issue revolves around the risk associated with moving forward with these deals, paying lawyers and contractors.

The 4% deal that the HACC is working on is going to close in August. The HACC is confident that the deals are going to close, in spite of the status of the Illinois state budget which provides a portion of the funding. Looking ahead the HACC is working on a 9% deal that is scheduled to close in June (Des Plaines and Niles). All of the leg work has been completed.

General Counsel Jon Duncan raised the procedural issue that before a vote can be taken on the resolutions, in order to comply with requirements of the Illinois Open Meetings Act, a vote must first be taken by all of the Commissioners who are physically present in the room to approve the participation of Commissioner Saul Klibanow, who is participating in the meeting by telephone. Chair Paul Roldan requested a motion to approve the participation of Commissioner Klibanow by telephone, which was moved by Vice Chair Wendy Walker Williams and seconded by Commissioner Polly Kuehl. The motion carried with all "ayes."

Chair Paul Roldan then requested a motion to approve Resolution 2017-06 which was moved by Commissioner Polly Kuehl and seconded by Commissioner Saul Klibanow. The motion carried with all "ayes."

RESOLUTION NO. 2017-HACC-07

AUTHORIZING THE EXECUTIVE DIRECTOR IN HIS CAPACITY AS CHIEF EXECUTIVE OFFICER AND PRESIDENT OF SOUTH SUBURBAN SENIOR LIVING, LLC., TO ENTER INTO A CONTRACT WITH APEX CONSTRUCTION GROUP, INC., AS GENERAL CONTRACTOR IN CONNECTION WITH THE TURLINGTON BROWN REDEVELOPMENT PROJECT

This is part of the South Suburban project which is funded with 4% tax credits. The County is also working on another financial scenario to help make up for the gap in funding. Originally, HOME and Community Development Block Grant (CBDG) dollars had been pledged to this project but the County over committed, which required the HACC to come up with an alternative. The Turlington Brown Project is projected to close in August. This particular public housing property houses many disabled and elderly tenants. Turlington was built in the 70's and has never been rehabbed. However, the Edward Brown Homes had a moderate rehab about 10 years ago.

There were approximately eight bidders for this contract. Apex was the lowest bidder and it is also a Section 3 business. Apex is committed to hiring three additional residents and subcontracting with another Section 3 business for all of the cabinets. The construction company committed 35% Minority Business Enterprise participation, which computes to \$3.3 million and 15% to Woman Owned Businesses which is about \$1.4 million for this project. The HACC staff recommends that Apex be awarded the contract to do the rehabilitation.

Chair Roldan requested a motion to approve Resolution 2017-07 which was moved by Vice Chair Wendy Walker Williams and seconded by Commissioner Nilda Soler. The motion carried with all "ayes."

RESOLUTION NO. 2017-HACC-08

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT WITH THE COOK COUNTY JUSTICE ADVISORY COUNCIL, A DEPARTMENT OF THE COUNTY OF COOK

Cook County received one million dollars to help three hundred kids in Ford Heights, Robins and Harvey. The HACC is a Co-Grantee. The program is in the stage of getting community input. The County requested a change in the Intergovernmental Agreement because they believe that the HACC's procurement process is more efficient than theirs is. The HACC is now responsible for doing the Request for Proposals for the agencies that are going to apply for money to assist at-risk youth. This is a great opportunity for the HACC.

Chair Paul Roldan requested a motion to approve Resolution 2017-08 which was moved by Vice Chair Wendy Walker Williams and seconded by Commissioner Polly Kuehl. The motion carried with all "ayes."

EXECUTIVE DIRECTOR PRESENTATION

Executive Director Monocchio has been fighting against the federal budget proposals. Cook County President Preckwinkle asked the HACC to be an advocate on behalf of housing. Monique Bond and Executive Director Monocchio are using Social Media and WBBM radio to inform the public about the budget crisis.

Chair Paul Roldan had a discussion with Jean Jones from McArthur about the surge in budgetary cuts, a 13-14 % cut at HUD and the chances of the vouchers being cut short. Mr. Jones mentioned the analogy of three "pots of dough" in Public Housing and the last pot is housing vouchers. He believes that if expenses need to be cut and money needs to be found, the voucher program would be the last pot to be pulled from.

The proposed cut is 300 million dollars from the voucher program, 600 million dollars from the operating subsidy, and 1.3 billion dollars cut from the capital fund (which would cripple Public Housing Agencies). The estimated 300 million dollar cut to the voucher program would equate to a loss of 200,000 vouchers nationally.

It is believed that the tax credit program will survive, in spite of the uncertainty regarding the federal budget.

Mobility Presentation by Phyllis Johnson and Rebecca Argandona

Phyllis Johnson gave a presentation about the home ownership program. She joined the Family Self-Sufficiency (FSS) and home ownership program in 2015. The program has taken off. Today there are about 59 home owners under the program. We currently have nine participants who became home owners since 2016. There are 3 people in 2017 who purchased homes through the home ownership program and there are 18 people who are currently shopping for a home. The families on this particular program are employed or collecting Social Security Benefits.

The Housing Choice Voucher participants are able to access the financial literacy program to work on improving their credit scores. As a result, the tenants are able to increase their credit score. In turn, they are able to access the IHDA funds, which provides the down payment assistance program. Participants can get up to ten thousand dollars. As long as the participants stay within the Cook County jurisdiction, they will get the down payment assistance. Tenants are also trained in routine home maintenance (plunging toilets, furnace maintenance, etc.). Part of the goal of Family Self-Sufficiency ("FSS") is to have the HACC participants fix their credit and become home owners. The HACC also has three Section 3 clients employed at the Loop office who came through the FSS program.

The purpose of the FSS program is to encourage Housing Choice Voucher Participants to become economically independent and self-sufficient. There are briefings held about four or five times a week. It is the coordinators' responsibility to attend these briefings and promote the FSS program. The housing specialists also often refer HCV participants to the FSS program. The program is also marketed on the

website and in the lobby. There are three targeted areas for this program: those that are not working, those that are working, but their income is low, and the group that is ready to move on.

The program works by tenants filling out an interest form. Next they are invited to an enrollment meeting and they are given a presentation about how the program works. Third, they are required to complete an assessment, which illuminates their goals (home ownership, fix their credit etc.). Finally, the participants are required to sign a five year contract. The tenants often want to go back to school and the coordinators are there to support them (there is a meeting once a year).

The HACC is working hard to bring these services to our tenants through workshops. There was a workshop held by LADDER UP at the HACC's Turlington location and another held at Pearlman. The workshops ran all day and focused on repairing credit and financial budgeting. There will also be another workshop held in July for women's businesses.

An escrow calculation is completed at the end of the five year contract. Once the tenant gains employment they are responsible for a portion of their rent. Each time rent increases due to earned income wages, the HACC compares the difference between the initial rent and the tenant's new rent share. The difference results in an Escrow Credit.

The FSS Program has been very successful. There are 250 active participants, 40 new tenants enrolled in 2017 and a total of 8 graduates in 2017. The HACC paid out a total of \$72,546 to the FSS graduates. The FSS Program is funded with a grant through HUD. Unfortunately, if the HACC has to continue to make financial cuts, the FSS program could be on the chopping block.

The HACC is currently reaching out to all HCV voucher participants to participate in the program.

Mobility Presentation by Nick Mathiosis and Marylita Edwards

As of July 1, 2016, the HACC increased the number of mobility counselors from one to five. The program is designed to move our HCV participants to opportunity areas. Research has proven that individuals that moved into these areas had an overall better outcome.

Housing Choice Voucher participants who are interested in moving to opportunity areas have to go through a series of steps before they are admitted into the program. First, each client gets a personalized action plan. They are assigned a mobility counselor at the first meeting. The mobility counsellors assist the tenants by reaching out to perspective landlords. There is a one thousand dollar deposit requirement for these areas.

In order to access the benefits of the mobility program, the tenants are required to complete four different workshops.

The first workshop is for the Community Choice Program Orientation, an introduction to the program.

The second workshop is a financial training for financial literacy, Credit & Loan Servicing. This training covers basic topics such as deposits and credit services offered by banks, how to use a checking account, how to create and use a budget, the importance of saving, and how to obtain and use credit effectively. The Mobility Counselors have developed creative tools to teach tenants about communicating with landlords, home ownership, inspections and budget literacy.

The third workshop is about the landlord/tenant relationship. This training covers the rights and responsibilities of landlords and tenants and the laws that govern them. For example, what happens if a landlord takes a tenant's security deposit without sufficient cause.

The fourth workshop is the Housing Search. The mobility counselor assists the participants in finding a neighborhood that is comfortable for the tenant and supports their needs. The counselor helps the tenants find the best leasing situation.

A discussion ensued about the push back regarding how some landlords view the Housing Choice Voucher Program. Some landlords decline leasing units to Housing Choice Voucher participants because they are not familiar with the program or they heard negative things about the program.

Next, the presenter gave remarks about Voucher Shaming Syndrome. Voucher Shaming Syndrome occurs when a voucher holder has had a negative experience with a landlord, which caused the participant to be ashamed of the assistance that they are receiving. Tenants do not always tell their coordinators about these situations because they are ashamed.

Financial Report by Karl Becker

Chief Financial Officer Karl Becker began his presentation by first focusing on Low Income Public Housing and the decrease in subsidy on the public housing side. The HACC is not sure where the federal budget is going. Most of the expenses that the HACC has incurred were due to the rehab projects.

The HACC's fiscal year ends in March.

The Housing Choice Voucher program is doing well, due to increased voucher utilization. However, the HACC will have to bring that down because of the budget situation.

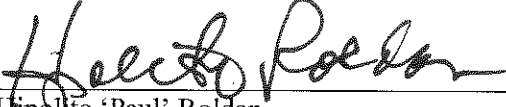
Karl Becker reported that the profit coming from portability and Colbert program are driving the administration fee for the Housing Choice Voucher Program. HUD is attempting to reduce the HACC's fees. This will be offset by the changes to the Administrative Plan regarding the subsidy standard.

ADJOURNMENT

Chair Paul Roldan requested a motion to adjourn the Regular Meeting of the Board, which was moved by Commissioner Polly Kuehl and seconded by Vice Chair Wendy Walker Williams. The motion carried with all "ayes."

The Regular Board Meeting was adjourned at approximately 3:51pm

Respectfully submitted by:



Hipolito 'Paul' Roldan
Chair



DATE

Richard Monocchio

Richard J. Monocchio
Executive Director

6/17/17

DATE