

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

**REGULAR MEETING
Housing Authority of Cook County (HACC)
Boardroom
November 19, 2015 at 2:03 PM**

ROLL CALL

PRESENT: Hipolito "Paul" Roldan, Chair
Wendy Walker Williams, Vice Chair
Edna Carter, Commissioner
Deniece Jordan-Walker, Commissioner
Nilda Soler, Commissioner
Saul H. Klibanow, Commissioner

HACC STAFF: Richard Monocchio, Executive Director and Secretary
Jon Duncan, General Counsel
Olukayode Adetayo, Chief Financial Officer
James Harney, Director of Asset Management
Sheryl Seiling, Director of Rent Assistance
Monica Slavin, Director of Occupancy and Compliance
Veronica Shirkevich, Director of Human Services
Monique Bond, Director of Public Relations
Shana Jackson, Legal Counsel
Debbie Kyker, Executive Assistant
Jackie Hodges, Assistant Director of Rent Assistance
Vivienne Ouma, HACC Housing Specialist
Kathleen Williams, HACC Housing Specialist

Other Attendee(s): Stan McCright, McCright & Associates
Betty Boles, SEIU Local 73
Karen Webster, SEIU Local 73
Laurie Nowak, Cook County Environmental Group

JOURNAL OF PROCEEDINGS FOR NOVEMBER 19, 2015

CALL TO ORDER

Hipolito ‘Paul’ Roldan, Chair, called the November 19, 2015 regular meeting of the Housing Authority of Cook County (HACC) Board of Commissioners to order at 2:03PM.

GENERAL PUBLIC COMMENTS

None.

CONSENT AGENDA

Approval of the Minutes of the September 17, 2015 Regular meeting of the Housing Authority of Cook County (HACC) Board of Commissioners which was moved by Commissioner Saul Klibanow and seconded by Commissioner Nilda Soler. The motion carried with all “ayes”.

PRESENTATION OF RESOLUTIONS

The Board of Commissioners next considered pending resolutions, as follows:

SUMMARY RESOLUTION NO. 2015-HACC-22

A RESOLUTION RATIFYING PROPOSED AMENDMENTS TO THE COLLECTIVE BARGAINING AGREEMENTS FOR ALL REPRESENTED EMPLOYEES

The previously existing Collective Bargaining Agreement for Maintenance Employees between the Housing Authority of Cook County (HACC) and the Service Employees International Union, Local 73 (SEIU) expired on December 31, 2014.

The previously existing Collective Bargaining Agreement for Administrative and Clerical Employees between the Housing Authority of Cook County (HACC) and the Service Employees International Union, Local 73 (SEIU) expired on March 31, 2015.

Neither side requested bargaining for new Collective Bargaining Agreements for either agreement within the times contemplated by the previous agreements, so both of the previously existing Collective Bargaining Agreements automatically rolled over for an additional year at the same terms.

The previous Collective Bargaining Agreements for these two groups of employees did not contemplate any employee salary increases, bonuses or cost-of-living adjustments for the period after their original expiration dates in the event of an automatic rollover extension of the agreements.

Because the previous Collective Bargaining Agreements were silent on the issue of wage and benefit changes for any rollover period, HACC Management determined that it was in the best interest of the agency to open negotiations with the SEIU, limited to the subjects of wages, health insurance and classification for both groups of represented employees.

Negotiations between the HACC and SEIU regarding the amendments to the Collective Bargaining Agreements for both groups of represented employees commenced on August 10, 2015, and concluded on October 18, 2015, when a tentative agreement was reached, subject to ratification by the SEIU membership and the HACC Board of Commissioners.

The HACC and the SEIU's tentative agreement provided that represented employees would receive a one-time lump sum bonus payment in the amount of \$700 as additional compensation, and that this amount would not be added to the employees' base salaries. A change was also agreed to allowing HACC employees the option to contribute additional amounts to the HACC 401(k) plan. Most of the remaining provisions of the previous Collective Bargaining Agreements would remain the same, pending any future negotiations for successor agreements.

The SEIU recently notified the HACC that both groups of represented employees had voted to ratify the tentative agreement that was reached on October 18, 2015.

The proposed amendments to the Collective Bargaining Agreements remain subject to ratification by the HACC Board of Commissioners.

Here is a brief summary of the proposed major changes:

Employee compensation

Employees who have completed their probationary period will receive a one-time signing bonus in the amount of \$700 (subject to the customary tax withholdings) during the next payroll period after this Board's approval of the amendments to the Collective Bargaining Agreements. This amount will not be added to the employees' base salaries.

Pension contributions

The previous Collective Bargaining Agreements were negotiated when the HACC was operating under its previous defined contribution employee pension plan, which was replaced in 2014 with a 401(k) Plan.

Under the previous Collective Bargaining Agreements, additional employee optional contributions to the former HACC pension plan were limited to 7.4% of their annual salaries.

The HACC 401(k) Plan that went into effect on August 1, 2014 provided a more favorable option for the employees than was contemplated by the previous Collective Bargaining Agreements,

allowing the employees to make additional tax-deferred contributions at the employee's option beyond the limitations of the previous Collective Bargaining Agreements.

Under the proposed amendments, the HACC is continuing to contribute an amount equal to 6.0% of the employee's annual salary into the HACC 401(k) Plan as the employer contribution, as it had done under the previous defined contribution plan. The HACC's employer contributions have been fully funded and are paid in full.

To make the terms of the Collective Bargaining Agreements consistent with the HACC's 401(k) Plan, the proposed amendments will remove the previous 7.4% employee contribution limitation and states instead that the employees have the option of contributing to the new 401(k) Plan up to the maximum amounts allowed by the Internal Revenue Code.

For the 2015 tax year, employees who are 49 years of age or younger have an annual 401(k) contribution limit of \$18,000 per year under federal law. In addition, employees who are 50 years of age or older may contribute "catch-up" payments up to an additional \$6,000, for a total employee contribution up to \$24,000 per year. The Internal Revenue Service recently announced that these 401(k) contribution limits will remain at these 2015 levels for the 2016 tax year.

Employee Health Insurance

Employees will continue to contribute 12% of the premium for their health insurance. The HACC will continue to pay 88% of the premium.

Term

Duration of the previous Maintenance Collective Bargaining Agreement, as amended, is extended for one additional year, January 1, 2012 through December 31, 2015.

Duration of the Administrative and Clerical Collective Bargaining Agreement, as amended, is extended for one additional year, April 1, 2013 through March 31, 2016

The HACC Executive Director recommends the ratification of the proposed amendments to the Collective Bargaining Agreements as tentatively agreed to by the negotiation committee.

Jon Duncan, General Counsel, gave a description of the SEIU agreements that had expired for the Administrative and Maintenance which consisted of the employee compensation, pension contributions, health insurance, and the term of the agreement(s). Mr. Duncan stated that there were nine sessions held for the bargaining and the resolution was that all employees will receive a one-time payment for the year 2015 only in the amount of \$700.

Chair Roldan requested a motion to approve Resolution 2015-22 which was moved by Commissioner Saul Klibanow and seconded by Commissioner Nilda Soler. The motion carried with all "ayes".

SUMMARY
RESOLUTION NO. 2015 – HACC-23

A Resolution Authorizing the Executive Director to Award a Contract to McCright & Associates to Conduct the Housing Quality Standard Inspection Services for all Housing Choice Voucher Holders Administered by Housing Authority of Cook County

A resolution authorizing the Executive Director to enter into a contract with McCright & Associates in an amount not to exceed \$427,737.50 to complete the HQS Inspection Services for all Housing Choice Vouchers administered by HACC for the base period of the contract and authorizes the Executive Director under his discretion to exercise the four (4) one-year options in an amount not to exceed \$1,749,6387.24, subject to funds availability and satisfactory contract performance for an aggregate not to exceed amount of \$2,177,375.74.

In accordance with HUD's Housing Quality Standards (24 CFR 982.401) and Agency policy, the Housing Authority of Cook County is responsible to perform initial inspections, special inspections, biannual inspections, emergency inspections, abatement inspections, quality control inspections and follow-up inspections for units found initially to be non-compliant. Each "Area" and "Inspectable Item" shall be inspected to determine compliance based on the Housing Quality Standard (HQS) protocol. The Housing Authority of Cook County (HACC) has found it fiscally prudent to contract out the HQS Inspections Services of the HCV Program in order to save money and become a more efficient Agency.

The HACC staff are respectfully requesting the Board to authorize the Executive Director to enter into a contract with McCright, in an amount not to exceed \$427,737.50 to complete the HQS Inspection Services for all Housing Choice Vouchers administered by HACC for the base period of the contract and authorizes the Executive Director under his discretion to exercise the four (4) one-year options in an amount not to exceed \$1,749,6387.24, subject to funds availability and satisfactory contract performance for an aggregate not to exceed amount of \$2,177,375.74.

McCright was determined to be the highest ranked, responsive, responsible Respondent to the Request for Proposal No. 2015-100-048 for Housing Quality Standards (HQS) Inspections with a score of 95 points out of 100 points.

Stan McCright, Owner of McCright & Associates, presented information to reflect that inspections have been caught up. Mr. McCright stated that McCright took the opportunity given by HUD to change some of the operative environment, specifically self-certification. Mr. McCright further stated that McCright also took the opportunity to now perform bi-annual inspections.

Chair Roldan asked what types of inspections are being completed, such as initial move-in inspections or re-certification inspections, and if there is an income certification on an annual basis.

Mr. McCright replied that initial inspections do take place when a family first wants to move into a unit. Mr. McCright further replied that those units must be inspected and cannot be self-certified. Furthermore, Mr. McCright stated that every two years the agency will go back and re-inspect that unit. Richard Monocchio, Executive Director, explained that the HACC is required to recertify participants' income annually.

Mr. McCright stated that McCright also constantly monitors call center performance. He stated that there has been a drop in inspection numbers, but there has not been a corresponding drop in phone calls being received.

Commissioner Saul Klibanow asked is there is a breakdown of the type of phone calls being received. Mr. McCright stated that this is the information that McCright is now looking to answer, but expects this number to drop.

Commissioner Saul Klibanow stated that when there is an increase in self-certifications, it is presumed that this will reduce the number of phone calls, but that it just may be the opposite. Sheryl Seiling replied that if a tenant or landlord is unhappy, the first phone call has to be to the HACC because orders of inspections come out of the HACC's office.

Commissioner Saul Klibanow asked does HACC keep track of the calls received in the HACC's office from the tenant regarding inspections. Sheryl Seiling replied, no. Jackie Hodges replied that HACC has been keeping track special inspections.

Commissioner Edna Carter asked have the residents been notified of the change from annual to bi-annual inspections. Jackie Hodges replied, yes.

Chair Roldan requested a motion to approve Resolution 2015-23, which was moved by Commissioner Saul Klibanow and seconded by Commissioner Nilda Soler. The motion carried with all "ayes".

**SUMMARY
RESOLUTION NO. 2015-HACC-24**

**A Resolution setting the regular housing authority board of commissioners meeting schedule
for the calendar year 2016**

A resolution setting a public meeting schedule for the Board of Commissioners of the Housing Authority of Cook County for the calendar year 2016.

Section 2.02(a) of the Illinois Open Meetings Act [5 ILCS 120/2.02(a)] requires government agencies to publish a schedule of its regular meeting dates at the beginning of each calendar or fiscal year, stating the dates, times and places of such meetings.

Article III, Section 2 of the By-Laws of the Housing Authority of Cook County adopted on September 13, 2012 (“By-Laws”) provides that regular meetings of the Authority’s Board of Commissioners shall be held at the Authority’s Central Office on the second Thursday of each month or at other places within Cook County or at other times as the Authority may designate with public notice in the manner required by law.

Prior to 2013, the HACC Board of Commissioners held its regular meetings on a monthly basis. Starting in 2013, the regular public meetings of the HACC Board of Commissioners have been held on a bi-monthly basis, adding Special Meetings with public notice as have been required by the business needs of the Housing Authority.

For the past few years, Special Meetings of the Board of Commissioners have been required to be added during the months of June and December in order to accommodate particular HUD documentary submission requirements. For example, HUD’s requirements for the submission of the Public Housing Authority’s Annual Plan in mid-January of each year effectively requires that a Board of Commissioners meeting must be held each year during the month of December in order for the Board to approve the submission of the Annual Plan to HUD and to allow sufficient time for another Board meeting to be held in January (before the HUD submission deadline) in the event that the Board disapproves of the submission at the December Board meeting.

A staff analysis of cyclical HUD submission requirements concluded that the need for at least one Special Meeting, and possibly two, could be eliminated if the HACC’s annual bi-monthly meeting schedule were shifted so that a regular bi-monthly meeting would fall instead during the month of December instead of the adjoining months November and January as has been done in recent years.

Shifting the regular bi-monthly meeting schedule so that a regular meeting falls in December also results in a regular meeting falling during the month of June, which would eliminate the need for any Special Meeting of the Board of Commissioners to be held in June.

The proposed regular public meeting schedule for 2016 also contemplates that the Board of Commissioners meetings for the months of June, August, October and December 2016 be held on the third Thursdays of those months rather than the second Thursdays. This one-week shift for those months is suggested in order to accommodate HACC staffing preparation needs in advance of the Board of Commissioners for those months.

The HACC staff recommends adoption of the attached regular public meeting schedule for 2016.

In order to make the more efficient use of the time of the Board of Commissioners, the HACC staff recommends adopting a regular public meeting schedule for 2016 that will shift the bi-monthly meetings back by one month, with public meetings to be held in February, April, June, August,

October and December. This will eliminate the need to hold a Special Meeting during the month of December, 2016.

In order to make more efficient use of the HACC administrative staff time, the staff recommends holding the Board of Commissioners meetings for the months of June, August, October and December 2016 be held on the third Thursdays of those months rather than the second Thursdays.

Jon Duncan, General Counsel stated that with the Illinois Open Meetings Act requires the HACC to public every year the schedule of the meetings for the year. Mr. Duncan further stated that in looking at the cyclical requirements the HACC has had with HUD filings, there has been a need for a special meeting in December. Therefore, Mr. Duncan stated that the HACC decided to schedule the meetings by starting in December and working backward.

Chair Roldan requested a motion to approve Resolution 2015-24 which was moved by Vice Chair, Wendy Walker Williams and seconded by Commissioner Edna Carter. The motion carried with all "eyes".

EXECUTIVE DIRECTOR'S REPORT

DEVELOPMENT

EVANSTON – Project is nearing completion. All units in Perlman have been rehabilitated and the common areas are being completed. At Walchirk, 80% of the units have been rehabilitated.

ARLINGTON HEIGHTS/SKOKIE – Closing is scheduled for Monday 11/23/15 and work will begin on 11/24/15.

WHEELING/NILES – The HACC's 9% tax credit application was not approved by IHDA. The HACC will reapply in February, 2016.

PORTFOLIO – Physical needs assessments and financial projections are being developed for 525 units in the South region. This is expected to be a 4% tax credit deal using mortgage revenue bonds. Significant soft funds (HOME, CDBG, IHDA trust fund) will be needed to make this project a reality. Pre-development expected to be completed next month.

SECURITY

An MOU is being finalized with the Cook County Sheriff's Office. Two Sheriff's police will be assigned exclusively to family sites in Ford Heights, Robbins and Chicago Heights. When completed, a resolution will come to the board.

Commissioner Deniece Jordan-Walker asked what type of vetting process HACC has, such as background checks and prior conduct of these officers. Jon Duncan replied that these will be employees from the Sheriff's department and the HACC will have a right to say no to a particular employee. Mr. Monocchio replied that the HACC can put into place a vetting process.

Commissioner Saul Klibanow asked whether the HACC has a set of rules of conduct for the residents that they are aware of. Richard Monocchio replied, yes.

HUMAN SERVICES

HACC PROMISE PROGRAM – Agreements are being negotiated with Prairie State and Moraine Valley community colleges to increase enrollment of HACC families living in the respective college districts. The program will begin in the Fall, 2016 semester. Resolutions will be submitted to the Board when negotiations are complete.

HUMAN RESOURCES

HACC successfully completed bargaining with the SEIU. A resolution to that effect has been presented to the Board.

IT

Work is underway to increase the technical capabilities of the Authority. Specifically, the HACC will create web based interfaces for tenants and landlords to make the process quicker and more efficient.

PANELS/TOURS

Executive Director Richard Monocchio participated in a panel discussion on mental health and housing at Hartgrove Behavioral Hospital in Chicago, with a number of providers and advocates.

Mr. Monocchio also participated in a panel discussion in Washington, DC with bankers and legislators on how to combat urban blight.

Congresswoman Jan Schakowsky toured the buildings under construction in Evanston.

A presentation on HACC goals and accomplishments was made to President Preckwinkle and her cabinet.

FINANCIAL REPORT

For the financial report there no time was available for the presentation that was to be given to the board members by Olukayode Adetayo. However, a detailed written financial report was included in the Board Meeting packet.

HUMAN SERVICES REPORT

Veronica Shirkevich passed out a presentation to the board members on the HACC events. Veronica stated that the HACC is connecting with local community colleges for educational opportunities. She stated that Moraine Valley and Prairie State Community Colleges are offering a variety of educational programs geared to youth between the ages 18 and 24. Veronica stated the HACC is currently in the process of a joint recruitment effort for both HCV and LIPH clients. Veronica stated that college tuition of up to \$8,000 per year will be offered.

Veronica also spoke on the Guardian Angel Award Ceremony for children from the HACC's Robbins family site was involved in a gardening project at the Edward Brown Apartments and were award Certificates of Appreciation.

CONSTRUCTION UPDATE

A construction update was given by James Harney. Mr. Harney stated that all the units at Pearlman are completed. He further stated that as of Monday, November 16, 2015, 15 units still needed to be occupied, but interviews were being conducted. Furthermore, Mr. Harney stated that the HACC is almost 93% completed with the building and anticipate a completion date of January 15, 2016 (minus the landscaping).

Chair Roldan asked what is the scope of work in the building -- plumbing, electricity, roof, windows. James Harney replied yes.

Mr. Harney stated that the Walchirk site is almost 83% complete with a completion date anticipated for January 30, 2016.

ADJOURNMENT

Chair Roldan requested a motion to adjourn the Regular Meeting of the Board which was moved by Commissioner Nilda Soler and seconded by Commissioner Deniece Jordan-Walker. The motion carried with all "ayes".

Accordingly, the Regular Meeting of the Housing Authority of the Cook County Board of Commissioners adjourned at 3:59PM.

Respectfully submitted by:

Hipolito 'Paul' Roldan
Chair

December 17, 2015

DATE

Richard J. Monocchio
Executive Director

December 17, 2015

DATE