

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

**SPECIAL BOARD MEETING
Housing Authority of Cook County
175 W. Jackson Blvd., Suite 350
Chicago, IL
March 21, 2017, 2017 10:03AM**

ROLL CALL

PRESENT: Hipolito "Paul" Roldan, Chair
Wendy Walker Williams, Vice Chair
Saul H. Klibanow, Commissioner
Nilda Soler, Commissioner
Deniece Jordan-Walker, Commissioner (via conference call)
Polly Kuehl, Commissioner (via conference call)

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
Deborah O'Donnell, Procurement Manager
Jessica Del Valle, Manager Strategic Initiatives
Monique Bond, Communications Director
Candice Grimes, Paralegal
Debbie Kyker, Executive Assistant
Vivienne Ouma, Housing Specialist

Other Attendee(s): Pam Gecan, Urban Relocation Services
June Webb, Urban Relocation Services
Christopher Jones, Housing Opportunities Unlimited (HOU)
Mike Hugelier, Madison Construction
Rob Ferrino, Madison Construction

JOURNAL OF PROCEEDINGS FOR MARCH 21, 2017

CALL TO ORDER

Chair Paul Roldan called the March 21, 2017 Special Board Meeting of the Housing Authority of Cook County (HACC) Board of Commissioners to order at 10:03 a.m.

PUBLIC COMMENTS

No public comments given.

CONSENT AGENDA

Approval of the Minutes of the February 9, 2017 Regular Meeting and the February 9, 2017 Executive Session of the HACC Board of Commissioners which were moved by Chair Paul Roldan and seconded by Commissioner Saul Klibanow. Commissioner Nilda Soler noted that the minutes contained a misdesignation of Executive Director Monocchio's name. Chair Paul Roldan moved to amend the Regular Board Meeting Minutes to correct the error on page four. The motion to amend the Regular Board Meeting Minutes carried with all "ayes," and the motion to adopt the Regular Board Meeting Minutes, as corrected, carried with all "ayes." A motion was made and seconded for approval of the minutes of the Executive Session of February 9, 2017. The motion carried with all "ayes."

PRESENTATION OF RESOLUTIONS

RESOLUTION NO. 2017 - HACC - 03

AUTHORIZING THE APPROVAL OF AMENDMENTS TO THE ADMINISTRATIVE PLAN FOR THE HOUSING CHOICE VOUCHER PROGRAM

Executive Director Monocchio recently took a trip to Washington, DC, where he discussed various proposed cuts to Housing programs with Members of Congress and their staffs. Proposed cuts include a 14% cut to HUD's budget, zeroing out the Community Development Block Grant Program (CDBG) and The Home Program, steep cuts to the voucher program and the elimination of all safety net programs, including education.

Executive Director Monocchio mentioned that the HACC's Housing Choice Voucher program has been at 100% utilization of vouchers. HUD's budget under the Congressional continuing resolution is going to force the HACC to cut 700 to 800 vouchers. However, the HACC is going to keep those participants that are already on the program housed. This budget will not allow the HACC to proceed with the special voucher programs (such as housing the homeless, housing people coming out of nursing homes and mobility). Any voucher that turns over will be lost.

Executive Director Monocchio had planned on opening the waiting list at some point, but the budget will not permit it.

Executive Director Monocchio noted that when Congress zeros things out of the budget they make it sound like a compromise, such as with CDBG and Home, when both programs are necessary to finance operations. This proposed budget could jeopardize the RAD projects.

Executive Director Monocchio was in Washington when the budget was presented and he met with some Republican Members of Congress and their staffs who understand how housing programs work. Executive Director Monocchio believes that the HACC must make immediate changes to the program to keep as many people housed as possible and to save money. Board Chair Paul Roldan mentioned that tax reform is going to make things worse for the HACC.

Director of Rent Assistance Sheryl Seiling made a presentation on how the HACC can reduce expenses in the Housing Choice Voucher program. Two years ago Congress released funds, which allowed people all over the country to lease up. Since a regular budget resolution has not been adopted by Congress for the current fiscal year, the framework for the continuing resolution is coming from the 2016 budget, but that budget is too low. The HUD projection is a 93.9% proration of the 2016 budget. Our goal is not to terminate people without warrant. The HACC picked up 125 vouchers a month from 2015 to 2016. In order to reduce the expenses the HACC cannot reissue the vouchers that fall off of the program by normal attrition. Sheryl noted that 30 to 70 vouchers turnover in an average month through attrition.

The payment standards in opportunity areas is higher (an additional \$760 a month) than it is in non-opportunity areas. Even with the proposed cuts the HACC still expects about a 1.4 million dollar shortfall for this fiscal year. The HACC has to focus on how to reduce the payment standards in opportunity areas. The HACC may have to issue zero bedroom vouchers to single person households (studio voucher). The Housing Assistance Payment would decrease and cause the tenant to pay more when the subsidy standards change.

The HACC plans to implement these changes effective August 1. Information about subsidy standards will be sent out in the August renewal packets. Therefore, tenants will be aware of the change 120 days in advance. The people who are going to move are more likely to notice a change in their rent portion or unit size.

Mobility counseling may have to be cancelled, due to the growth in opportunity areas. These proposed cuts have nothing to do with the Trump Administration's announced budgetary plans for the next budget cycle. Instead, this is the result of the continuing Congressional budget resolution for the current fiscal year.

Chairman Paul Roldan asked whether there is a way to change the HUD formula, to adjust the portion that tenants pay based on their income? Sheryl Seiling responded that under HUD regulations the tenant must pay 30% of their adjusted income. Executive Director Monocchio informed the Board of Commissioners that there may be some legislative changes.

Sheryl Seiling described another plan to reduce spending by restricting move in dates to the first day of the month, for current participants only. Sheryl also stated that the HACC was also imposing a temporary moratorium on rent increase requests (landlords requests for rent increases are being denied), due to insufficient funds. In order to pick up the project based voucher programs, the proration rate would need to increase to 97%. Sheryl Seiling stated that additional amendments must be made if the proration is below 97%.

Chair Paul Roldan requested a motion to approve Resolution 2017-03 which was moved by Commissioner Polly Kuehl and seconded by Commissioner Saul Klibanow. The motion carried with all "ayes."

RESOLUTION NO. 2017-HACC-04

AUTHORIZING THE EXECUTIVE DIRECTOR IN HIS CAPACITY AS CHIEF EXECUTIVE OFFICER AND PRESIDENT OF COOK COUNTY SUBURBAN REDEVELOPMENT LLC., TO ENTER INTO A CONTRACT WITH MADISON CONSTRUCTION COMPANY AS GENERAL CONTRACTOR IN CONNECTION WITH THE HUNTINGTON AND WHEELING REDEVELOPMENT PROJECT

Procurement Manager Deborah O'Donnell made a presentation regarding the bid tabulation for the Huntington and Wheeling rehabilitation project. The procurement was out for 45 days, and was advertised in the *Chicago Tribune* and online. There were eleven bids in total and Madison Construction Company was the lowest bidder. The HACC also had previous experience with Madison Construction Company as it had done the work on the Perlman and Walchirk project in Evanston. Madison Construction Company was able to hire a section 3 business. They have also hired low income employees.

Chairman Paul Roldan requested that Deborah O'Donnell explain in detail the process of the award. Deborah O'Donnell said all bids come to the front office and are file stamped with time and date. The "bid opening" takes place in the board room and the process is open to the public. In an Invitation for Bids type of procurement, the lowest responsible and responsive bid is presented to the Board for final approval.

Chair Roldan requested a motion to approve Resolution 2017-04 which was moved by Vice Chair Wendy Walker Williams and seconded by Commissioner Saul Klibanow. The motion carried with all "ayes."

RESOLUTION NO. 2017-HACC-05

AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACTS WITH URBAN RELOCATION SERVICES, INC., AND HOUSING OPPURTUNITES UNLIMITED FOR RELOCATION SERVICES FOR THE FIRST PHASE OF THE RENTAL ASSISTANCE DEMONSTRATION AWARD

The HACC rehabs are very complicated, but have been managed very well. The HACC wants to increase its capacity by bringing another relocation company on board. There will be 700 units under rehabilitation.

Deborah O'Donnell described the bidding process for this procurement. The HACC did a Request for Proposal, which is different from the Invitation For Bid process that was described above. In this type of procurement, the price is still considered in the evaluation, but the best qualified vendor is the most important criteria.

The HACC had an evaluation committee which consisted of three members. This type of meeting is closed to the public. The committee went through all of the proposals (running financial reports and background checks). The committee evaluated all of the information and came up with recommendations.

Chairman Paul Roldan asked where will the tenants be relocated to during the rehabilitation process? Executive Director Monocchio said that he hopes that the tenants can be relocated within the building. Chief of Staff Alesia Hushaw stated that the relocation can be done in house for Huntington and Wheeling. However, coordination between the Construction workers and Relocation team is imperative for the success of this project. If the HACC is not able to accommodate a tenant due to unit availability, the tenant will be sent to an extended stay hotel at the expense of the HACC.

Chairman Paul Roldan and Vice Chair Wendy Walker Williams asked if the HACC has any Section 3 programs. General Counsel Jon Duncan stated that there are two ways to comply with Section 3, one of which is where tenants can form a Section 3 enterprise. The other way is when a company hires residents that are eligible for Section 3.

Chair Paul Roldan requested a motion to approve Resolution 2017-05 which was moved by Vice Chair Wendy Walker Williams and seconded by Commissioner Saul Klibanow. The motion carried with all "ayes."

Chair Paul Roldan asked if there are any other questions. Vice Chair Wendy Williams wanted to know the HACC's progress with appointing a resident commissioner. Executive Director Monocchio said that an election for a resident commissioner had been held and that we are working with the County Board President to get the nominee approved by the County Board.

ADJOURNMENT

Chair Paul Roldan requested a motion to adjourn the Special 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 Special Board Meeting was adjourned at approximately 10:54 a.m.

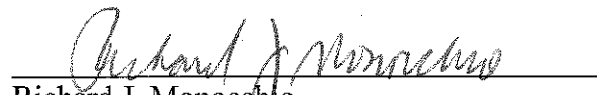
Respectfully submitted by:



Hipólito 'Paul' Roldan
Chair



DATE



Richard J. Monocchio
Executive Director



DATE