

Pursuant to Executive Order 03-04-2022 signed by Governor Pritzker and guidance provided by legal counsel, the Lake County Housing Authority conducted this meeting by audio and video conferencing without a physical quorum present in the boardroom. Executive Order 03-04-2022 declares the entire State of Illinois as a disaster area per Section 4 of the Illinois EMA Act. Lake County Housing Authority has determined an in-person meeting is not practical or prudent at this time because of the declared disaster. Public access to this meeting was available as follows: Zoom platform <https://us02web.zoom.us/j/89322817211> or Telephone 1 312-626-6799 and Enter Meeting ID 893 2281 7211.

Consequently, the March 17, 2022, Regular Board Meeting of the Commissioners of the Housing Authority of the County of Lake was held as a teleconference via the Zoom platform. A public notice of the meeting and the opportunity for telephonic access by the public has been posted on LCHA's social media and website (www.lakecountyha.org).

The Regular Board Meeting of the Commissioners of the Housing Authority of the County of Lake, Illinois, was held March 17, 2022, via Zoom and at the Lake County Housing Authority Central Office, 33928 North US Highway 45, Grayslake, IL 60030.

(Commissioners participated in this Board Meeting via teleconference.)

Present: Dr. H. Lee Jordan, Jr., Chair
 John Idleburg, Commissioner
 Susan Malter, Commissioner
 Beverly Mull, Commissioner
 Dr. Charles Nozicka, Commissioner

Absent: Kevin Considine, Vice Chair

LCHA Staff physically present at 33928 North US Highway 45, Grayslake, IL 60030.
 Lorraine Hocker, Executive Director/CEO
 Khadija Darr, Chief Financial Officer
 Valerie Rogers, Executive Secretary

Posting of the notice of this meeting and agenda complied with the requirements of the Open Meetings Act (5 ILCS 120/2.02(a)). The notice and agenda were posted prior to 12:30 p.m. on Tuesday, March 15, 2022, at the principal office, 33928 North US Highway 45, Grayslake, IL 60030 and on the Agency's website, www.lakecountyha.org.

ROLL CALL

Noting that a quorum of Commissioners was present, Dr. Jordan called the meeting to order at 12:31 p.m. Roll call was taken, and the following Commissioners were present: Idleburg, Malter, Mull, Nozicka, Jordan. Absent: Considine. One (1) commissioner position is vacant.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

PUBLIC COMMENT

Public comments were accepted by email at publiccomment@lakecountyha.org or by leaving a voice message at (847) 223-1170 ext. 2320. Comments received by 9:00 a.m. on March 17, 2022, are to be read at the appropriate time in the agenda.

On 2/16/22, one public comment was received by email asking about the construction at Midlothian Manor in Lake Zurich. It was asked what work is being done and the plans for this property. LCHA replied by email on 2/17/22.

On 3/16/22, one public comment was received by email requesting information provided at the Resident Advisory Board meeting held 3/15/22. LCHA replied by email on 3/16/22.

On 3/16/22, one public comment was received by email stating the LCHA has requested financial support from the Lake County Housing Commission for the Landlord Outreach Education Program. It noted, according to the information presented by the Housing and Community Development Commission at today's meeting, the total cost of this program is \$245,000. It asked to please explain the costs behind Lake County's program as well as the goal which it is trying to achieve (such as benchmarks, etc.) LCHA will be replying by email.

Dr. Jordan opened the floor for public comment. There were no other Public Comments.

MINUTES – 2/17/22 REGULAR MEETING

After discussion, Commissioner Mull moved, seconded by Commissioner Idleburg to approve the Minutes of the February 17, 2022 Regular Meeting. The Board voted as follows: Ayes: Idleburg, Malter, Mull, Jordan. Abstain: Nozicka. Nays: None. Absent and Not Voting: Considine. Motion Carries.

FINANCE REPORT

The list of bills and financial report were submitted by Chief Financial Officer Khadija Darr.
(See Exhibits 08, 09)

CFO Khadija Darr reported we are in a good position as an agency, actively monitoring HCV utilization, our HAP and admin costs.

She noted we are actively managing our operation costs on the public housing program specifically in maintenance and administration.

The financial department is preparing for the Moving To Work program, understanding the financial aspects of the program.

She stated the Fiscal Year 2021 audit is scheduled to begin the week of April 11, 2022.

After discussion, Commissioner Malter moved, seconded by Commissioner Mull to approve the list of bills as presented. The Board voted as follows: Ayes: Idleburg, Malter, Mull, Nozicka, Jordan. Nays: None. Absent and Not Voting: Considine. Motion Carries.

REPORTS

The following reports for March 2022 were provided.

Public Housing	Zachary Stone, Director of Facilities (Exhibit 01)
Procurement.....	Zachary Stone, Director of Facilities (Exhibit 02)
Property Disposition.....	Derek Eovaldi, Property Disposition Coordinator (Exhibit 03)
Housing Choice Voucher, PBV ¹ , Portability & Collections	Jennifer Ferguson, Director of HCV & Compliance (Exhibit 04)
FSS ² , Housing Counseling, Mainstream Vouchers & FUP ³	Heidi Semenek, Director of FSS & Special Programs (Exhibit 05)
FOIA/OMA ⁴ , Travel-Training	Valerie Rogers, Executive Secretary/FOIA & OMA (Exhibit 06)

Other Matters

1. On 3/4/22, Governor Pritzker extended the State's COVID-19 Disaster Declaration over all counties in Illinois for another 30 days. Accordingly, the Board of Commissioners Meeting on 3/17/22 will be a virtual meeting through Zoom as a physical gathering is not practical or prudent at this time because of the declared disaster.
2. Executive Director/CEO Lorraine Hocker welcomed and introduced the Board to newly appointed Commissioner Dr. Charles Nozicka. His appointment has been filed with the Lake County Recorder of Deeds thereby allowing him voting privileges. Dr. Nozicka will fill the term of Irina Mishalov, expiring 4/16/23. She stated Dr. Nozicka is an excellent addition to the Board, and we are grateful to have his expertise and experience. (See Exhibit 07)
3. Ms. Hocker said Lake County Housing Authority is further elated to announce Commissioner John Idleburg has agreed to serve another term as Commissioner. His appointment was also confirmed at Lake County's Board Meeting 3/8/22. Commissioner Idleburg's term will expire 4/16/2027. (See Exhibit 07)
4. HUD's Real Estate Assessment Center (REAC) assists in improving housing quality by performing accurate, credible, and reliable assessments of HUD's real estate portfolio.

In response to the coronavirus pandemic and following public health guidance, HUD suspended most in-person housing inspections in 2020 early by the Real Estate Assessment Center (REAC).

¹ Project-Based Vouchers

² Family Self-Sufficiency Program

³ Family Unification Program

⁴ Freedom of Information Act. Open Meetings Act.

As of June 2021, HUD REAC inspections have resumed addressing the backlog of REAC Inspections that accumulated during COVID.

LCHA was notified HUD will be conducting REAC inspections beginning Friday, April 1, 2022 at 8:00 a.m. REAC Inspectors will be selecting random Lake County Housing units in AMP 3 during the month of April. Prior to this inspection, LCHA staff member will schedule pre-inspections to evaluate the units and make any necessary repairs.

REAC: Real Estate Assessment Center
AMP 3: Asset Management Project 3
Beach Haven Towers Round Lake Beach, Kuester Manor Lake Zurich,
Millview Manor Antioch, Orchard Manor Antioch

5. Ms. Hocker reported an all-staff meeting was held 3/16/22, to review LCHA's mission, vision and value statements. The meeting served as a focal point for what our services mean to our community. She stated it was well received. It is the first face-to-face meeting in two years.

NEW BUSINESS

Resolution 2022-23 Accepting the Final Financial Audit for FY 2020

All PHAs must submit their unaudited and audited financial data to HUD on an annual basis. The financial information must be: (1) Prepared in accordance with Generally Accepted Accounting Principles (GAAP), as defined by HUD; and (2) Submitted electronically in the format prescribed by HUD using the Financial Data Schedule (FDS).

The unaudited financial information must be submitted to HUD annually, no later than 2 months after the PHA's fiscal year end.

The audited financial statements are required no later than 9 months after the PHA's fiscal year end, in accordance with the Single Audit Act and 2 CFR part 200, subpart F.

All PHAs that meet the federal assistance threshold (expends \$750,000 or more) stated in the Single Audit Act and 2 CFR part 200, subpart F, must also submit year-end audited financial information.

In addition to the submission of information as required by this section, a PHA shall provide one copy of the completed audit report package and the Management Letter issued by the Independent Auditor to the local HUD field office having jurisdiction over the PHA.

In 2021, LCHA contracted with Rubino & Company to conduct our required audit. Rubino's contract is for a one (1) year period with an option of two (2) additional one (1) year terms. The final audit report from Rubino for FYE 2020 (Fiscal Year Ending 9/30/20) is provided for your review.

Ms. Hocker introduced Allan Kitchen from Rubino. Mr. Kitchen provided an overview of the audit results.

Mr. Kitchen explained audits are performed under several different standards. Regular auditing standards that affect all entities in U.S. are called Generally Accepted Auditing Statements.

Because LCHA has federal funding, government auditing standards are also involved, laid on top of regular auditing standards. They require auditors have training in performing audits in accordance with government auditing standards. A separate report on internal control and compliance is required based on government auditing standards.

Previously, if the federal government had an issue with a program, they sent an auditor to audit the single program. That could get cumbersome and costly for every single program to be audited separately. The Single Audit reduced the costs and burden of each program being audited separately. All agencies could rely on the Single Audit to ensure the federal dollars were being spent properly.

LCHA is subject to the Single Audit; a rigorous, organization-wide audit or examination of an entity that expends \$750,000 or more of federal assistance. He explained there are three (3) basic reports:

Financial Statements

The first report is an opinion, or a disclaimer thereof, on whether LCHA's financial statements are presented in conformity with US Generally Accepted Accounting Principles.

Report on the financial statements was unmodified. We believe the financial statements are fairly presented. It's the highest level can be given on the financial statements.

Internal Control and Compliance Under Govt Auditing Standards

This is an entity level review. The second report is about the status of internal controls relative to the financial statements and major programs.

Report on Compliance – no issues to report.

Internal Control – Rubino had to report a prior period adjustment required due to a HUD audit of the Mainstream Program. If an auditing firm did not report a prior period adjustment, made no report of material weakness, the federal reviewers would deem the independent auditing firm was not performing properly.

The third report is an opinion, or a disclaimer thereof, on the degree to which LCHA has complied with laws, regulations, and the terms and conditions of the federal assistance awards. (See summary below.)

Mr. Kitchen explained the biggest part of the audit is the single audit on the major program, the Voucher Program. The voucher program constitutes 90% of LCHA funding. LCHA's Capital Fund Program and the Public Housing Program will be audited every third year as we have to include those at least once every 3 years.

The Voucher Program is the major federal one this year.

Report on Compliance – expressed an unmodified opinion. We believe you complied with the requirements related to the voucher program.

Report on Internal Controls – no material weaknesses to report. The highest reporting we can do under Single Audit.

Summary on Single Audit – after much work on the compliance aspects of the program - unmodified opinion. We believe you complied with the requirements of the program.

Mr. Kitchen implied LCHA should be happy with the Voucher Program, it is being administered the way the federal government would want you to administer it.

After discussion, Commissioner Mull introduced the following Resolution:

RESOLUTION NO. 2022-23

ACCEPTING THE FINAL AUDIT OF LCHA FOR FISCAL YEAR 2020

WHEREAS, the Housing Authority of the County of Lake (“LCHA”) is required to have an annual audit performed by an Independent Public Accounting firm; and

WHEREAS, the firm of Rubino & Company, conducted a financial audit of LCHA for the fiscal year ended September 30, 2020; and

WHEREAS, the audit report has been presented to the Board of Commissioners for their review; and

WHEREAS, it is necessary that the Board of Commissioners accept LCHA’s Audited Financial Statements, the Independent Auditors’ Report, and the Management’s Discussion and Analysis for the period ended September 30, 2020;

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the County of Lake accepts as submitted by Rubino & Company, the Audited Financial Statements, the Independent Auditors’ Report, and the Management’s Discussion and Analysis for the period ended September 30, 2020.

(See Exhibits 10, 11)

After discussion Commissioner Mull moved, seconded by Commissioner Malter to adopt Resolution 2022-23.

Roll Call Vote:

Ayes:Idleburg, Malter, Mull, Nozicka, Jordan

Nays:None

Absent:Considine

Abstain:None

Motion:Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on March 17, 2022.

Resolution 2022-24 Amending to HCV Administrative Plan – 5-II.E. Voucher Term, Extensions, and Suspensions

This amendment to the Administrative Plan is intended to refine the wording within 5-II.E. VOUCHER TERM, EXTENSIONS, AND SUSPENSION, and add the Emergency Housing Voucher (EHV), Statewide Referral Network (SRN), Veterans Affairs Supportive Housing (VASH), and Family Unification Program (FUP) programs to the list of programs which will now be eligible for voucher extensions without the need to meet regular HCV requirements.

After discussion, Commissioner Mull introduced the following Resolution:

RESOLUTION 2022-24

AMENDING THE HCV ADMINISTRATIVE PLAN
5-II.E. VOUCHER TERM, EXTENSIONS, AND SUSPENSIONS

WHEREAS, LCHA's Special Programs Leadership is requesting to amend the HCV Administrative Plan to refine the wording within, and include the Emergency Housing Voucher (EHV), Statewide Referral Network (SRN), Veterans Affairs Supportive Housing (VASH), and Family Unification Program (FUP) programs within 5-II.E. VOUCHER TERM, EXTENSIONS, AND SUSPENSION; and

WHEREAS, by including those programs within 5-II.E. VOUCHER TERM, EXTENSION, AND SUSPENSION; those programs will now be eligible for voucher extensions without the need to meet regular HCV requirements to receive voucher extensions.

NOW, THEREFORE, BE IT RESOLVED, the following Sections are amended as follows;
and

BE IT FURTHER RESOLVED, the amended Sections are effective from the date of adoption on the 17th day of March 2022.

New language is indicated in red. Deleted language is shown in ~~strikeout~~.

AMEND:

Voucher Term [24 CFR 982.303]

The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher [24 CFR 982.303(a)].

LCHA Policy

The initial voucher term will be 120 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period.

Extensions of Voucher Term [24 CFR 982.303(b)]

The PHA has the authority to grant extensions of search time, to specify the length of an extension, and to determine the circumstances under which extensions will be granted. There is no limit on the number of extensions that the PHA can approve. Discretionary policies related to extension and expiration of search time must be described in the PHA's administrative plan [24 CFR 982.54].

PHAs must approve additional search time if needed as a reasonable accommodation to make the program accessible to and usable by a person with disabilities. The extension period must be reasonable for the purpose.

The family must be notified in writing of the PHA's decision to approve or deny an extension. The PHA's decision to deny a request for an extension of the voucher term is not subject to informal

review [24 CFR 982.554(c)(4)].

LCHA Policy

The PHA will **may** approve **one or more** additional extensions only in the following circumstances:

It is necessary as a reasonable accommodation for a person with disabilities.

The family is participating in LCHA’s C.H.O. I.C.E.S program.

The C.H.O. I.C.E.S program allows for an addition 30 day Voucher extension for families that can document search efforts in an LCHA designated opportunity area.

The family is participating in LCHA’s Mainstream, **Emergency Housing Voucher, Statewide Referral Network, Veterans Affairs Supportive Housing, or Family Unification** programs.

Any request for an additional extension must include the reason(s) an additional extension is necessary. The PHA may require the family to provide documentation to support the request or obtain verification from a qualified third party.

All requests for extensions to the voucher term must be made in writing and submitted to the PHA prior to the expiration date of the voucher (or extended term of the voucher).

The PHA will decide whether to approve or deny an extension request within 10 business days of the date the request is received and will immediately provide the family written notice of its decision.

(See Exhibit 12)

After discussion Commissioner Mull moved, seconded by Commissioner Malter to adopt Resolution 2022-24.

Roll Call Vote:

Ayes:Idleburg, Malter, Mull, Jordan

Nays:None

Absent:Considine

Abstain:Nozicka

Motion:.....Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on March 17, 2022.

Resolution 2022-25 Collection Write-Offs April 2022 – Housing Choice Voucher (HCV)

Writing off bad debts is a periodic event. All accounts have been terminated, skipped, evicted, etc. and sent to the collection agency.

After discussion, Commissioner Idleburg introduced the following Resolution:

RESOLUTION NO. 2022-25

AUTHORIZATION FOR FY 2022/APRIL COLLECTION LOSSES – PUBLIC HOUSING

WHEREAS, the policy of the Housing Authority of the County of Lake, Illinois is to write-off accounts of tenants that have been terminated from the program or the former tenant’s location is unknown;

THEREFORE, BE IT RESOLVED that the following tenant accounts are to be transferred to the allowance for doubtful accounts and sent to the Authority’s collection company.

<u>Account #</u>	<u>Amount</u>	<u>Amp</u>	
0128-7	\$1,358.96	2	
0161-14	\$2,208.88	2	
0181-23	\$159.89	2	
0355-10	\$822.84	2	
0337-11	\$219.00	2	
0221-17	\$885.83	3	
0234-15	\$2,224.82	3	
0215-5	\$236.81	3	passed away
	\$8,117.03		

(See Exhibit 13)

After discussion Commissioner Idleburg moved, seconded by Commissioner Mull to adopt Resolution 2022-25.

Roll Call Vote:

Ayes:Idleburg, Malter, Mull, Nozicka, Jordan
 Nays:None
 Absent:Considine
 Abstain:None
 Motion:Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on March 17, 2022.

Resolution 2022-26 Authorization to Submit the Section 18 Disposition Application and Execute Sales Contract for Seven (7) Properties in the Communities of Lake Zurich and Mundelein - AMPS 4 & 5

As we have requested a few times last year, 2021, we are continuing to dispose of the properties that we own in our Scattered Sites Portfolio. We are currently in the process of disposing of another batch of seven (7) homes located in Lake Zurich and Mundelein.

As we have done in the past, the board acceptance of this resolution is part of the process.

After discussion, Commissioner Mull introduced the following Resolution:

RESOLUTION 2022 - 26

AUTHORIZATION TO SUBMIT THE SECTION 18 DISPOSITION APPLICATION AND EXECUTE SALES CONTRACT FOR SEVEN (7) PROPERTIES IN THE COMMUNITIES OF LAKE ZURICH AND MUNDELEIN - AMPS 4 & 5

WHEREAS, the Lake County Housing Authority (LCHA) owns seven (7) single-family residential properties in the communities of Lake Zurich and Mundelein; and

WHEREAS, LCHA desires to sell the properties to the general public and/or non-profit instrumentalities as it aligns with the PHA's goals and Public Housing reposition strategy; and

WHEREAS, as directed by HUD, LCHA conducted a meeting with the Resident Advisory Board and received letters of support from the officials of the correlating local governmental bodies; and

WHEREAS, in order to obtain the approval of U.S. Department of Housing and Urban Development (HUD), pursuant to Section 18 of the 1937 Housing Act, 24 CFR part 970 and PIH Notice 2018-04 LCHA needs to submit a disposition application to the Special Applications Center (SAC) office at HUD;

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the County of Lake Approves and Authorizes the Submission of the Section 18 Disposition Applications for the properties listed above to the U.S. Department of Housing and Urban Development; and

BE IT FURTHER RESOLVED, the LCHA Executive Director is authorized to execute the final form of the agreements and any supporting HUD documents to facilitate the sale of the properties above; and

BE IT FURTHER RESOLVED, if the Section 18 applications are accepted and approved by HUD, the Executive Director/CEO is authorized to execute applicable contract sales agreements and take all actions necessary to dispose of the properties shown above without further deliberation or action by the Board of Commissioners of Lake County, IL.

(See Exhibit 14)

After discussion Commissioner Mull moved, seconded by Commissioner Idleburg to adopt Resolution 2022-26.

Roll Call Vote:

Ayes:Idleburg, Malter, Mull, Nozicka, Jordan

Nays:None

Absent:Considine

Abstain:None

Motion:.....Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on March 17, 2022.

Commissioner Roundtable – Discussion

Dr. Jordan welcomed Dr. Charles Nozicka to the Board of Commissioners and expressed gratitude for his willingness to serve.

Commissioner Nozicka said he is a retired emergency physician, still teaching at Chicago Medical School. He has been conducting community advocacy throughout his career. He stated housing is close to his heart. He works extensively with Lake County United Housing Group for the proposed Waukegan housing project and with Winchester House. He works with the mental health team to bring crisis stabilization teams to our county. He appreciated the warm welcome.

Commissioner Malter relayed several months ago she brought up the topic of race and housing and was referred to a source. She spoke extensively with Carlos. He advocates for the Latino community. She is interested in the separation of the Waukegan Housing Authority. She thought there to be issues of racism that led to creation of separate housing authorities. She intends to pursue the topic.

Commissioner Mull also welcomed Commissioner Nozicka and commended Commissioner Idleburg for his willingness to serve another term on the Board.

Executive Session – Personnel Matters

At 1:03 p.m. Commissioner Mull moved, seconded by Commissioner Idleburg to go into Executive Session to discuss Personnel Matters. The Board voted as follows: Ayes: Idleburg, Malter, Mull, Nozicka, Jordan. Nays: None. Absent and Not Voting: Considine. Motion Carries.

The Board returned to open session at 1:16 p.m. and roll call was taken. Present: Idleburg, Malter, Mull, Nozicka, Jordan. Absent: Considine.

The Board discussed Personnel Matters. No action was taken during the Executive Session.

There being no further business to come before the Board, Commissioner Malter moved, seconded by Commissioner Mull to adjourn the meeting. The Board voted as follows: Ayes: Idleburg, Malter, Mull, Nozicka, Jordan. Nays: None. Absent and Not Voting: Considine. Motion Carries. Meeting adjourned at 1:18 p.m.

Dr. H. Lee Jordan, Jr.
Chair

Lorraine Hocker, Executive Director/CEO
Secretary/Treasurer