

The Regular Board Meeting of the Commissioners of the Housing Authority of the County of Lake, Illinois, was held February 20, 2020, at the Lake County Housing Authority Central Office, 33928 North US Highway 45, Grayslake, IL 60030.

(Physically present unless noted otherwise.)
Present: Dr. H. Lee Jordan, Jr., Chairman
John Idleburg, Vice Chairman
Susan Malter, Commissioner
Beverly Mull, Commissioner

Absent: Kevin Considine, Commissioner
Diana O'Kelly, Commissioner
Curtis Robinson, Commissioner

LCHA Staff: Lorraine Hocker, Executive Director/CEO
Ofelia Navarro, Deputy Director
Khadija Darr, Chief Financial Officer
Valerie Rogers, Executive Secretary

Others Present: Jean Kenol, Authority Attorney

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, February 18, 2020 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, Chairman Jordan called the meeting to order at 12:30 p.m. Roll call was taken, and the following Commissioners were present: Idleburg, Malter, Mull, Jordan. Absent: Considine, O'Kelly, Robinson.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

PUBLIC COMMENT

Chairman Jordan opened the floor for public comment. No one requested to be heard.

MINUTES – 1/16/20 REGULAR MEETING

MINUTES – 1/16/20 EXECUTIVE SESSION - Personnel Matters, Pending & Probable Litigation,
Real Estate Transactions & Semi-Annual Review of Executive Session Minutes.

After discussion, Vice Chairman Idleburg moved, seconded by Commissioner Mull to approve the Minutes of the January 16, 2020 Regular Meeting and Executive Session-Personnel Issues, Pending & Probable Litigation, Real Estate Transactions & Semi-Annual Review of Executive Session Minutes. The Board voted as follows: Ayes: Malter, Mull, Idleburg, Jordan. Nays: None. Absent and Not Voting: Considine, O'Kelly, Robinson. Motion Carries.

FINANCE REPORT

The list of bills and financial report was submitted by Chief Financial Officer Khadija Darr.
(See Exhibits 09, 10)

Khadija reported:

Housing Choice Voucher was funded at 83% for Administrative.

Housing Assistance subsidy was funded at 101%.

LCHA is recording an administrative cash flow deficit for HCV due to an equity transfer to compensate for the OIG payment.

1st Quarter Budget Variances Greater Than 15%: HCV income deficit due to continual underfunding.

Administrative Funding was also underfunded and LCHA is collecting less fraud recovery.

Housing Assistance Payments showed high variance due to underfunding.

Public Housing program is reporting an operating surplus.

Operating subsidy income is greater than budgeted. AMP 4 struggles to sustain an operating cash due to higher maintenance and administrative costs.

Public Housing liabilities increased as they carry two years of pilot costs. Lake County has not cashed the pilot check from last year or the current year. Lake County acknowledged a glitch in their system and requested checks be reissued.

Public Housing variances for 1st Quarter: Less tenant rental income; AMP 5 struggles to collect rent.

Expenses-variances LCHA paying less utilities due to timeliness of payment or tenants paying more of the utilities.

COCC operating income trending less than budgeted due to expenses higher than income.

LCHA has not recognized our 2020 Capital Funds. We are allowed to use 10% of our Capital Funds for COCC. LCHA did receive notice we have been approved for our Capital Funds of approximately \$1.5 M of which 10% can be applied to COCC. 1st Quarter Budget variances is income.

Business Activities. LCHA rentals are operating at surplus. No activity for Midlothian Manor.

No revenue from developments. Budget variance for Business Activities are from operating income as projected but not received. Maintenance expenses for Business Activities is less than budgeted.

Cash flow from operations is less than budgeted due to realizing less revenue.

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

REPORTS

The following reports for January 2020 were provided.

Public Housing Program, LCHA Rentals..... Aaron Broeski, Director of Public Housing
Maintenance, Public Housing Inspections..... (Exhibit 02)

Housing Choice Voucher Program..... Gilma Beachem, Dir. of Housing Choice Voucher
(Exhibit 03)

Minutes of the Regular Board Meeting

February 20, 2020

Page 3 of 7

PBV¹, RHI², Mainstream Vouchers, Jennifer Clemons-Ferguson, Director of Compliance
Portability, Collections & Fraud..... (Exhibit 04)

FSS³, Housing Counseling Heidi Semenek, Dir. FSS, Special Programs & FUP⁴
(Exhibit 05)

Human Resources..... Lefran Elgezdi, Director of Human Resources
(Exhibit 06)

FOIA/OMA⁵, Travel-Training Valerie Rogers, Executive Secretary/FOIA & OMA
(Exhibit 07)

Other Matters

1. As per the Illinois Governmental Ethics Act at 5 ILCS 420/4A-105, by May 1 of each year a Statement of Economic Interest must be filed by each person whose position at that time (calendar year 2019) subjects him to the filing requirements of Section 4A-101 or 4A-101.5.

Most of the Commissioners will be contacted through their LCHA email address for completion of the Statement of Economic Interest (SEI). Completing the form online is the easiest and most efficient method. After the May 1 deadline, a paper form will need to be completed, taken to the county office and a fine paid in order to complete the requirement. Fines can escalate to \$100/day.

2. On 1/24/20, after the final REAC inspections were completed, HUD reported LCHA scored as a *Standard Performer*. ED/CEO Lorraine Hocker was extremely grateful for the FYE 2018 report achievement. It was an outstanding group effort and just solidifies that LCHA will establish ourselves, as a *High Performance Agency* FYE 2019. (See Exhibit 08)
3. On February 13, 2020, HUD's Office of Capital Improvements (OCI) announced the award of more than \$2.7 billion in FY 2020 Capital Fund Formula Grant Awards to 2,882 housing authorities in all 50 states, as well as the District of Columbia, Guam, Puerto Rico and the U.S. Virgin Islands.

LCHA received \$1,555,433.00 for FY 2020. These Capital Fund Formula Grants are not yet available in the electronic Line of Credit Control System (eLOCCS). The processing guidance posted on HUD's website explains the steps that PHAs and HUD must complete before the grants are made available in eLOCCS and before the funds may be drawn down.

¹ Project-Based Vouchers

² Regional Housing Initiative

³ Family Self-Sufficiency Program

⁴ Family Unification Program

⁵ Freedom of Information Act. Open Meetings Act.

NEW BUSINESS

Approval of Travel/Training Expenses for Executive Director and/or Commissioners

1. Lorraine Hocker, Executive Director/CEO
PHADA 2020 Commissioners' Conference, Phoenix, AZ. 1/5/20-1/8/20
2. Lorraine Hocker, Executive Director/CEO
US Bank Multi-Family Investor Summit 2.0, Chicago, IL 1/11/20

Commissioners and the Executive Director/CEO must complete and submit a Travel Authorization Form or an Expense Report Form to the Board for approval by a roll call vote at an open meeting. A roll call vote by the Board is also required when combined travel expenditures for any one event is greater than \$4,000.00.

After discussion, Commissioner Malter introduced the following Resolution:

RESOLUTION 2020-39

**APPROVAL OF TRAVEL REPORT EXPENSES FOR
COMMISSIONERS AND/OR EXECUTIVE DIRECTOR**

WHEREAS, the Illinois General Assembly enacted Public Act 99-0604, known as the “Local Government Travel Expense Control Act”, which Act becomes effective on January 1, 2017; and

WHEREAS, pursuant to the Act, non-home rule units of local government are required to establish regulations with respect to allowable travel, meal and lodging expenses; and

WHEREAS, on 2/16/17 By Resolution 2017-54 the Board approved the policy governing the combined travel, meal, and lodging expenses for any one travel event, incurred by its employees and officers to be effective 3/2/17; and

WHEREAS, expenses for travel, meals and lodging of the Executive Director/Chief Executive Officer and any member of the Board of Commissioners of the Lake County Housing Authority may only be approved by roll call vote at an open meeting of the Board of Commissioners of the Lake County Housing Authority;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the County of Lake hereby grants approval of the Expense Reports as attached here for a member of the Board of Commissioners and/or for the Executive Director.

(See Exhibits 11, 12, 13)

After discussion Commissioner Malter moved, seconded by Vice Chairman Idleburg to adopt Resolution 2020-39.

Roll Call Vote:

Ayes:Malter, Mull, Idleburg, Jordan

Nays:None

Absent:Considine, O'Kelly, Robinson

Abstain:None

Motion:Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on February 20, 2020.

Approval of Illinois Public Housing Authorities Cooperative Agreement Between Lake County Housing Authority & North Chicago Housing Authority For Advisory Services with HCV & Public Housing Program Operations

In the absence of trained staff, LCHA believes the most efficient and cost-effective strategy to support a smooth-running process is to partner with North Chicago Housing Authority's staff. NCHA has knowledgeable employees and the agency is agreeable to constructive working relationship.

After discussion, Commissioner Malter introduced the following Resolution:

RESOLUTION 2020-40

APPROVAL OF ILLINOIS PUBLIC HOUSING AUTHORITIES COOPERATIVE

AGREEMENT BETWEEN LAKE COUNTY HOUSING AUTHORITY AND

NORTH CHICAGO HOUSING AUTHORITY FOR ADVISORY SERVICES WITH

HCV & PUBLIC HOUSING PROGRAM OPERATIONS

WHEREAS, Lake County Housing Authority (LCHA) recognizes gaps in certain aspects of its Housing Choice Voucher (HCV) and Public Housing Programs operations; and

WHEREAS, North Chicago Housing Authority (NCHA) has on-site personnel experienced in these programs and compliance with HUD regulations; and

WHEREAS NCHA has reviewed the scope of work and affordability of their staff knowledgeable in these programs; and

WHEREAS, LCHA's immediate need and the benefits to NCHA commingle to form an efficient and cost-effective working relationship; and

WHEREAS, Lake County Housing Authority will continue to be responsible for assuring compliance with all applicable rules and regulations under LCHA's Policies, the Annual Contributions Contract (ACC) with HUD, Federal Regulations and applicable State and Local laws; and

WHEREAS, the above-referenced PHAs are entering into this cooperative agreement in compliance with HUD regulations at 2 CFR 200.318 (e) for the express purpose of utilizing local resources and provide opportunities to underserved residents of both jurisdictions;

NOW, THEREFORE, BE IT RESOLVED, the attached Cooperative Agreement will be incorporated as presented herein; and

BE IT FURTHER RESOLVED, this Cooperative Agreement commences on the 20th of February 2020 and shall be in effect through February 19, 2022, unless earlier terminated or extended as provided therein.

(See Exhibits 14, 15)

After discussion Commissioner Malter moved, seconded by Commissioner Mull to adopt Resolution 2020-40.

Roll Call Vote:

Ayes:Malter, Mull, Idleburg, Jordan

Nays:None

Absent:Considine, O’Kelly, Robinson

Abstain:None

Motion:.....Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on February 20, 2020.

Project-Based Vouchers – Request for Proposals - Discussion

We are developing a Request For Proposal for Project-Based Vouchers in Lake County. LCHA has been in discussions for a senior development in the Mundelein area. The tax credit application submission is due by 3/23/20 so we would like to begin the process for receiving interest from the public.

Commissioner Roundtable - Discussion

This time scheduled for discussion of non-action items initiated by members of the Board.

Commissioner Malter felt it worthwhile to ascertain the total property measurement owned by LCHA, in terms of square footage, and to ultimately set goals for permeable v. impervious percentages. It was suggested to look towards outside sources for conducting a survey as it was admittedly, a large undertaking and the agency has many existing priorities. ED/CEO Lorraine Hocker reiterated the plans to conduct a Physical Needs Assessment of the public housing properties which may capture this information.

Commissioner Malter explained she works on the Parent/Teacher Advisory Committee for the Waukegan Public Schools. They are striving to be more open to the voices of the community (parents, students, families). There are a lot of people in public housing whose kids are in the Waukegan Public Schools. Public schools have not communicated with families that their voices are valuable. Therefore, they are holding town hall meetings to communicate services and events. ED/CEO Lorraine Hocker offered to post announcements at LCHA Commissioner Malter would provide.

Minutes of the Regular Board Meeting

February 20, 2020

Page 7 of 7

Executive Session – Personnel Matters, Pending & Probable Litigation, Real Estate Transactions & Semi-Annual Review of Executive Session Minutes

At 12:54 p.m. Vice Chairman Idleburg moved, seconded by Commissioner Mull, to go into Executive Session to discuss Personnel Matters and Real Estate Transactions. The Board voted as follows: Ayes: Malter, Mull, Idleburg, Jordan. Nays: None. Absent and Not Voting: Considine, O’Kelly, Robinson. Motion Carries.

The Board returned to open session at 1:01 p.m. and roll call was taken. Present: Malter, Mull, Idleburg, Jordan. Absent: Considine, O’Kelly, Robinson.

The Board discussed Personnel Matters and Real Estate Transactions. No action was taken during the Executive Session.

ADJOURNMENT

There being no further business to come before the Board, Commissioner Malter moved, seconded by Commissioner Mull to adjourn the meeting. The Board voted unanimously in favor of the motion. Motion Carries. Meeting adjourned at 1:02 p.m.

Dr. H. Lee Jordan, Jr.
Chairman

Lorraine Hocker, Executive Director/CEO
Secretary/Treasurer