

Pursuant To Executive Order 2020-07 Signed By Governor Pritzker And Guidance Provided By Legal Counsel, The Lake County Housing Authority Conducted All Of This Meeting By Use Of Telephonic Or Electronic Means Without A Physical Quorum Present In The Boardroom. Public Access To This Meeting Was Available As Follows:

Call: 1 312-626-6799 And Enter Meeting ID 890 0404 9855.

Consequently, the May 2020 Regular Board Meeting of the Housing Authority of the County of Lake was held as an audio-only teleconference.

The Regular Board Meeting of the Commissioners of the Housing Authority of the County of Lake, Illinois, was held May 21, 2020, telephonically and at the Lake County Housing Authority Central Office, 33928 North US Highway 45, Grayslake, IL 60030.

(Commissioners participated in this Board Meeting via audio teleconference.)

Present: John Idleburg, Vice Chairman
Kevin Considine, Commissioner
Susan Malter, Commissioner
Beverly Mull, Commissioner
Diana O'Kelly, Commissioner

Absent: Dr. H. Lee Jordan, Jr., Chairman
Curtis Robinson, Commissioner

(Participating via audio teleconferencing)

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

Others: Eric Hanson, 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, May 19, 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, Vice Chairman Idleburg called the meeting to order at 12:32 p.m. Roll call was taken, and the following Commissioners were present: Considine, Malter, Mull, O'Kelly, Idleburg. Absent: Jordan, Robinson.

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 May 21, 2020 are to be read at the appropriate time in the agenda. No Public Comments were submitted either by email or telephone by 9:00 a.m. on 5/21/20.

Minutes of the Regular Board Meeting

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

MINUTES – 4/16/20 REGULAR MEETING

MINUTES – 4/16/20 EXECUTIVE SESSION - Real Estate Transactions

After discussion, Commissioner Considine moved, seconded by Commissioner O’Kelly to approve the Minutes of the April 16, 2020 Meeting and Executive Session-Real Estate Transactions. The Board voted as follows: Ayes: Considine, Malter, Mull, O’Kelly, Idleburg. Nays: None. Absent and Not Voting: Jordan, 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:

F2019 Annual Fiscal Audit Update

The F2019 audit is still in progress; expected to wrap up by month end
COVID-19 issues delayed the audit, however HUD audit submission deadlines will be met
Requested to have auditors present the F2019 audit report at audit completion

Received CY2020 HCV June Thru August Renewal Funding Estimate; \$7,272,957/\$2.4M Per Month

The increased funding amounts are based on LCHA's reported housing assistance expense activity
The funding is based on the agency's validated existing need (Feb-Mar) plus a 2% margin
The projected renewal is a 5% increase over the existing funding trend of \$2.3M

CY 2020 Capital Fund

HUD has approved an additional 5% of Capital Funds to be transferred to PHA operations
The supplemental 5% (\$77,771) will assist with the preparation, prevention, and response to COVID-19

Agency Operating Funding

HCV HAP (housing assistance) was funded at 97% for the month
HCV administrative assistance was funded at 111% for the month
HCV received \$533,268 CARES Act Administrative funds to assist with COVID related admin costs
LRPH received \$249,399 CARES Act Operating Funds to assist with COVID related operating costs

COVID-19 Direct Financial Impact on LCHA -Update

Rent revenues experienced a slight decline month to date; collection ratio is 86%
PH late fees were suppressed for another consecutive month in light of the Eviction Moratorium
The agency is experiencing increased COVID related operating costs (materials, PPE, OT, admin etc.)
PHA's will be required to account for CARES Act expenditures via additional reporting mechanisms yet TBD by HUD
The supplemental CARES ACT funding has limited availability through CYE 2020

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

REPORTS

The following reports for April 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)
PBV ¹ , RHI ² , Mainstream Vouchers,	Jennifer Clemons-Ferguson, Director of Compliance Portability, Collections & Fraud.....	(Exhibit 04)
FSS ³ , Housing Counseling	Heidi Semenek, Dir. FSS, Special Programs & FUP ⁴	(Exhibit 05)
Human Resources.....	Lefran Elgezdi, Director of Human Resources	(Exhibit 06)
FOIA/OMA ⁵ , Travel-Training	Valerie Rogers, Executive Secretary/FOIA & OMA	(Exhibit 07)

Other Matters

1. LCHA has been notified of our selection for participation in Round 4 of the Foreclosure Prevention Program Graduated Fund (FPPG). LCHA's grant award amount is \$100,000.00. (See Exhibit 08)
2. LCHA has been in discussion with *A Safe Place*, a provider of services exclusively addressing domestic violence in Lake County, for the possible use of Midlothian Manor. The 12-unit building in Lake Zurich is currently vacant.

NEW BUSINESS

Executive Session – Personnel Matters, Real Estate Transactions

No Executive Session was held.

Adopting A Revised Procurement Policy to Comply with Federal Requirements

After careful review of LCHA's current Procurement Policy, it became evident that revisions were needed in order to comply fully with the OMB procurement rules for federal funding sub-recipients.

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.

LCHA was assisted in the preparation of the new policy by MaryAnn Russ, a consultant with knowledge and experience in procurement requirements, both in her current position and as a former Deputy Assistant Secretary of HUD for Public and Assisted Housing Operations and as a former CEO of several large housing agencies.

The Procurement Policy drafted by Ms. Russ has been reviewed by all LCHA's key staff and the operational staff have received training on the new requirements.

The new policy has the advantage of providing greater flexibility to LCHA's administrators than the previous policy.

After discussion, Commissioner O'Kelly introduced the following Resolution:

RESOLUTION 2020-48

ADOPTING A REVISED PROCUREMENT POLICY

TO COMPLY WITH FEDERAL REQUIREMENTS

WHEREAS, as a subrecipient of Federal funding from the U. S. Department of Housing and Urban Development (HUD), the Lake County Housing Authority (LCHA) is subject to requirements related to the purchase of goods and services; and

WHEREAS, the federal entity establishing the rules for such purchasing is the Office of Management and Budget; and

WHEREAS, in order to comply with OMB's rules, it is necessary to revise LCHA's current Procurement Policy;

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of LCHA adopts the attached revised Procurement Policy, which shall be used hereafter for the purchase of all materials, goods and services.

(See Exhibits 11, 12)

After discussion Commissioner O'Kelly moved, seconded by Commissioner Considine to adopt Resolution 2020-48.

Roll Call Vote:

Ayes:Considine, Malter, Mull, O'Kelly, Idleburg

Nays:None

Absent:Jordan, Robinson

Abstain:None

Motion:Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on May 21, 2020.

Approval of a Memorandum of Understanding Between Lake County Housing Authority & Lake County Workforce Development/Job Center of Lake County

By Resolution 2020-02, the Board approved the MOU between LCHA and Lake County Workforce Development/Job Center of Lake County. The MOU describes cost sharing, service access, service delivery and other matters essential to the establishment of effective local workforce development services under WIOA⁶ (§678.705). The MOU is between 16 federally funded programs delivered by 11 partner agencies and the Workforce Development Board and has been approved by the Lake County Board. This is a cost sharing agreement – facility costs are shared by all partners based on an FTE (Full Time Equivalent) methodology. The MOU requires approval each year. LCHA finds the benefits advantageous for our clients and wishes to continue.

After discussion, Commissioner Considine introduced the following Resolution:

RESOLUTION 2020-49

**APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN
LAKE COUNTY HOUSING AUTHORITY & LAKE COUNTY WORKFORCE
DEVELOPMENT/JOB CENTER OF LAKE COUNTY**

WHEREAS, on July 22, 2014, President Obama signed the Workforce Innovation and Opportunity Act (WIOA); and

WHEREAS, WIOA provides resources, services and leadership tools for the workforce system that improves employer engagement and competitiveness for success in the global marketplace by helping individuals find good jobs, retain employment and advance job-related skill sets; and

WHEREAS, Lake County has been designated as a local workforce development area by the State of Illinois; and

WHEREAS, WIOA requires Lake County to develop and submit workforce compliance plans in order for Lake County to receive WIOA Formula funding; and

WHEREAS, the Memorandum of Understanding, in cooperation with its partners, establishes a collaborative framework encouraging cooperation, collaboration, communication, policy and technical guidance and governance to assist with the efficient and effective participation in the WIOA implementation in Lake County, Illinois; and

WHEREAS, Lake County and the Lake County Workforce Development Board have reviewed and approved the Job Center of Lake County Memorandum of Understanding; and

WHEREAS, Lake County Housing Authority's Family Self Sufficiency Program is a voluntary program for participants who wish to improve their financial situation emphasizing employment as well as education and training; and

⁶ The Workforce Innovation and Opportunity Act (WIOA) (Pub.L.113-128)

WHEREAS, Lake County Housing Authority’s Housing Counseling Program serves the needs of Lake County residents in various areas related to housing, including: Homebuyer Education, Pre-Purchase Counseling, Post-Purchase and Foreclosure Prevention, Mortgage Default Counseling, Financial and Budgeting Counseling and Rental Counseling; and

WHEREAS, Lake County Housing Authority wishes to participate as a partner in the Memorandum of Understanding;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of LCHA hereby approves the Executive Director and/or her designee to execute the Memorandum of Understanding between Lake County Housing Authority and Lake County Workforce Development/Job Center of Lake County in substantially the form attached hereto and incorporated herein by reference.

(See Exhibits 13, 14)

After discussion Commissioner Considine moved, seconded by Commissioner Mull to adopt Resolution 2020-49.

Roll Call Vote:

Ayes:Considine, Malter, Mull, O’Kelly, Idleburg

Nays:None

Absent:Jordan, Robinson

Abstain:None

Motion:.....Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on May 21, 2020.

Authorizing Sale of Real Estate 339 Fairway Road, Lake Zurich, Lake County, Il 60047

Previous discussions with the Board indicated the shared view of the sale of vacant land LCHA purchased from HUD under the *Dollar Home Initiative*. The purchase utilized LCHA’s non-federal funds.

We have a committed buyer for the property at 339 Fairway Road, Lake Zurich, IL and wish to proceed with the execution of the sales contract.

After discussion, Commissioner Considine introduced the following Resolution:

RESOLUTION 2020-50

AUTHORIZING THE SALE OF REAL ESTATE

339 FAIRWAY ROAD, LAKE ZURICH, LAKE COUNTY, IL 60047

WHEREAS, the Lake County Housing Authority (LCHA) owns real estate commonly known as 339 Fairway Road, Lake Zurich, Lake County, IL 60047 (the Property); and

WHEREAS, the Property was acquired as part of HUD's Dollar Homes initiative that helped local governments to foster housing opportunities for low to moderate income families by offering them the opportunity to purchase qualified HUD-owned homes for \$1 each; and

WHEREAS, no federal funds were utilized for the deposit or purchase of the Property; and

WHEREAS, by Board Resolution 2012-212, authorization was given to demolish the structure on this property as code requirements and general repairs were cost prohibitive; and

WHEREAS, the rebuilding on the Property would be in contradiction to HUD's expressed measure to transition public housing units to a more sustainable platform; and

WHEREAS, LCHA proposes to dispose of the Property at fair market value to the highest bidder; and

WHEREAS, the proposed disposition of the Property was included in the most recently approved PHA Plan;

NOW, THEREFORE, BE IT RESOLVED by the Lake County Housing Authority Board of Commissioners that the Board accepts the final offer for the Property submitted by Roca Builders, Inc.; and

BE IT FURTHER RESOLVED, that the Executive Director/CEO is hereby instructed to accept the offer for the Property at 339 Fairway Road, Lake Zurich, Lake County, IL 60047 on behalf of the Board as well as any and all documents and papers necessary in connection with the closing and transfer of title of the Subject Property.

(See Exhibits 15, 16)

After discussion Commissioner Considine moved, seconded by Commissioner Mull to adopt Resolution 2020-50.

Roll Call Vote:

Ayes:Considine, Malter, Mull, O'Kelly, Idleburg

Nays:None

Absent:Jordan, Robinson

Abstain:None

Motion:.....Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on May 21, 2020.

Approval of Real Estate Transaction – AIM North Development Corp. - Purchase & Sale of Hebron Apartments, Zion, IL – Tax Credit Partnership

LCHA Attorney Eric Hanson explained Hebron Apartments will be a tax credit project that AIM North Development Corp. NFP is participating in. Under AIM North's current by-laws, the LCHA Board of Commissioners must approve projects contemplated by AIM.

He explained a developer is purchasing an existing, occupied apartment building. The plan is for the developer to substantially rehab the project with the support of tax credits. The appraised value is approximately \$4M but the sales contract will be for \$3.8M. Since the not-for-profit AIM will be

purchasing the property, AIM will realize tax credits through the Illinois Housing Development Authority (IHDA) for 50% of the difference between the appraised value and the sales price (the donation or discounted price).

The closing is scheduled for December 2020. At that time, AIM will buy the property for \$3.8M and immediately sell the property for \$3.8M. AIM will realize a \$10,000 profit for the transaction. AIM will be providing professional services to the Partnership and/or personal services to tenants or prospective tenants in the Project for at least ten (10) years after the Project is rehabilitated. The mix of professional and personal services to be provided will be determined by mutual agreement of AIM and the Partnership and may be subject to change over time, but it is anticipated by both Parties that said services may include but shall not be limited to the following possible activities:

- (a) assisting with assessing the service needs of the residents at the Project and vetting potential service providers for the Project;
- (b) assisting with the design and implementation of an array of services for tenants of the Project;
- (c) assisting with Project regulatory compliance and reporting requirements with IHDA, HUD, and other Project funders; and
- (d) assisting with oversight and interactions with Project's management agent. AIM shall provide at least 300 hours of such services annually to the Project. The Partnership shall pay AIM \$3,000 annually for providing these services to the Project.

Neighborhood stabilization and improvements will be attained, that might not have otherwise been realized, by enabling the project to move forward with the help of the tax credits.

After discussion, Commissioner Considine introduced the following Resolution:

RESOLUTION 2020-51

**AUTHORIZATION OF AIM NORTH DEVELOPMENT CORPORATION NFP TO
ENTER IN TO A SALES CONTRACT FOR HEBRON TOWNHOUSE APARTMENTS**

WHEREAS, AIM North Development Corporation NFP, an Illinois not for profit corporation ("AIM") is a subsidiary of the Lake County Housing Authority; and

WHEREAS, AIM and Hebron Townhouse Apartments, LP, an Illinois limited partnership are pursuing the acquisition, rehabilitation and preservation of the Hebron Townhouse Apartments located at 2705-19 Hebron, Zion, Illinois 60099 (the "Property") for a sale/purchase price that will generate State of Illinois Affordable Housing Tax Credits (the "State Donation Tax Credits"); and

WHEREAS, AIM desires to enter into the Sales Contract (the "Contract"), a copy of which is attached hereto as Exhibit "A," for the sale of the Property to Hebron Townhouse Apartments, L.P. for the sales price of \$3,800,000.00 which will generate State Donation Tax Credits to provide additional resources to assist with the acquisition, rehabilitation and preservation of the Property as affordable housing; and

WHEREAS, AIM desires to enter into the Sales and Purchase Contracts (collectively the "Contract"), a copy of which is attached hereto as Exhibit "A," for the purchase of the Property from Zion Associates, LLC, an Illinois limited liability company and sale of the Property to Hebron Townhouse

Apartments, L.P. for the sales/purchase price of \$3,800,000.00 which will generate State Donation Tax Credits to provide additional resources to assist with the acquisition, rehabilitation and preservation of the Property as affordable housing; and

WHEREAS, AIM desires to enter into the Memorandum of Agreement (the “MOA”), attached hereto as Exhibit “B,” with Hebron Townhouse Apartments, LP which defines the terms of the relationship between the parties; and

WHEREAS, pursuant to AIM’s bylaws, the Lake County Housing Authority must approve of this transaction;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Lake County Housing Authority does hereby approve authorizing AIM North Development Corporation NFP to execute the Contract and MOA with Hebron Townhouse Apartments, LP, in substantially the form of the attached Contract, subject to final attorney review and modification.

(See Exhibits 17, 18, 19, 20)

After discussion Commissioner Considine moved, seconded by Commissioner Mull to adopt Resolution 2020-51.

Roll Call Vote:

Ayes:Malter, Mull, O’Kelly, Idleburg

Nays:None

Absent:Jordan, Robinson

Abstain:Considine

Motion:.....Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on May 21, 2020.

Commissioner Roundtable - Discussion

This time scheduled for discussion of non-action items initiated by members of the Board. No discussion pursued.

ADJOURNMENT

There being no further business to come before the Board, Commissioner O’Kelly moved, seconded by Commissioner Mull to adjourn the meeting. The Board voted unanimously in favor of the motion. Motion Carries. Meeting adjourned at 1:08 p.m.

John D. Idleburg
Vice Chairman

Lorraine Hocker, Executive Director/CEO
Secretary/Treasurer