

**Pursuant to Executive Order 2020-07 signed by Governor Pritzker and guidance provided by legal counsel, the Lake County Housing Authority conducted 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 828 3310 6903.**

Consequently, the August 20, 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 August 20, 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, Commissioner  
Susan Malter, Commissioner  
Beverly Mull, Commissioner  
Diana O’Kelly, Vice Chairman

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

Present: (Physically present at 33928 North US Highway 45, Grayslake, IL 60030.)  
LCHA Staff: Lorraine Hocker, Executive Director/CEO  
Ofelia Navarro, Deputy Director  
Khadija Darr, Chief Financial Officer  
Lefran Elgezdi, Director of Human Resources  
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, August 18, 2020 at the principal office, 33928 North US Highway 45, Grayslake, IL 60030 and on the Agency’s website, [www.lakecountyha.org](http://www.lakecountyha.org).

#### ROLL CALL

Noting that a quorum of Commissioners was present, Vice Chairman O’Kelly called the meeting to order at 12:30 p.m. Roll call was taken, and the following Commissioners were present: Idleburg, Malter, Mull, O’Kelly. Absent: Considine, Jordan, Robinson.

#### PUBLIC COMMENT

Public comments were accepted by email at [publiccomment@lakecountyha.org](mailto:publiccomment@lakecountyha.org) or by leaving a voice message at (847) 223-1170 ext. 2320. Comments received by 9:00 a.m. on August 20, 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 8/20/20. Vice Chairman O’Kelly opened the floor for public comment. No one requested to be heard.

MINUTES – 7/9/20 ANNUAL MEETING  
MINUTES – 7/9/20 REGULAR MEETING

After discussion, Commissioner Malter moved, seconded by Commissioner Idleburg to approve the Minutes of the July 9, 2020 Annual and Regular Meetings. The Board voted as follows: Ayes: Idleburg, Malter, Mull, O’Kelly. Nays: None. Absent and Not Voting: Considine, Jordan, Robinson.  
Motion Carries.

**FINANCE REPORT**

The list of bills and financial report was submitted by Chief Financial Officer Khadija Darr.  
(See Exhibits 11, 12)

Khadija reported:

**LRPH/Public Housing Program**

LRPH continues to function at an operating deficit pending the recognition of the CFP 2020 1406 funds-\*exp July 2020.

Dwelling rents are down an aggregated 35% with Amps 4 and 5 having the most challenge with collecting rents since COVID-19.

LRPH maintenance expense continues to exceed budgeted projections despite efforts to cut operating costs.

CARES Act supplemental operating subsidy were deployed in July to fund some of the operating losses.

**HCV/ Voucher Program**

The HCV HAP expense has increased consistently over the past quarter and is static at just over \$2.5 mil. HCV HAP subsidy was funded at just 96% for the month; 3% higher than last month; program reserves absorbed the deficit.

HCV Admin (administrative costs) were funded closer to 100%, at just 98% for the month; program reserves absorbed the shortage.

Per recent HAP renewal funding notices; HUD will fund us proportionate to our reported need for Sep and Oct based on lease up activity.

**Mainstream Program**

Mainstream lease up has improved substantially following HUD's recapture of the Mainstream frontload of funds.

The spike in lease up activity resulted in a negative Mainstream (HAP) Reserve balance of \$109k to date. Until the program is consistently adequately funded it will operate at a deficit.

A HHR request was initiated to fund the Mainstream activity increase in an effort to restore the negative RNP.

**CARES ACT Financial Update**

Management is consistently in the process of actively exploring COVID-19 eligible costs specific to the needs of LCHA staff and participants.

The following is the funding break down by cost center/program as appropriated to the authority on behalf of COVID-19: CARES ACT FUNDING \$1,740,298.

HCV Admin \$1,100,173

COCC \$110,016

PH Ops \$249,399

CFP Admin \$280,710

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

## REPORTS

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

## Other Matters

1. PHAs were advised of the availability of Shortfall funding to eligible Public Housing Agencies (PHAs) administering the public housing program. As established in the Federal Fiscal Year 2020 Further Consolidated Appropriations Act, Shortfall Funding encompasses a \$25 million set-aside of Public Housing Operating Funds to assist eligible PHAs who are experiencing or at-risk of financial insolvency.

LCHA has been identified as an eligible agency and plans to submit an application. The deadline for applications is August 26, 2020.

HUD has defined financial insolvency to include PHAs experiencing current insolvency or near insolvency, based on their operating reserves. A PHA that has less than the equivalent of one month of operating expenses held in reserve is experiencing current insolvency. A PHA with one month or more but less than two months of reserves is experiencing near insolvency. HUD believes that assisting PHAs in increasing their operating reserves up to two months will have the greatest impact on stabilizing the PHA’s financial position for those PHAs experiencing insolvency. Therefore, subject to the additional conditions in the Notice, any PHA that has fewer

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<sup>1</sup> Project-Based Vouchers

<sup>2</sup> Regional Housing Initiative

<sup>3</sup> Family Self-Sufficiency Program

<sup>4</sup> Family Unification Program

<sup>5</sup> Freedom of Information Act. Open Meetings Act.

than two months of operating expenses held in reserve will be eligible to receive Shortfall funding.

LCHA submitted an applied for additional HAP funding due to a PUC HAP increase. We are requesting about \$1,573,800.

2. LCHA was notified by HUD of the successful close out of FY17 and FY18 FSS Grants. (See Exhibits 08, 09)
3. LCHA was notified by HUD of the successful close out of FY17 and FY18 Capital Fund Program Grants pending the annual audit. (See Exhibit 10)
4. LCHA received the final report of the Financial Statements for the Year Ending 9/30/19 and Reports on Compliance and Internal Control conducted by Barrale Renshaw CPAs and Advisors LLC. We anticipate they will be joining our Zoom meeting for a review. (See Exhibit 23)

## NEW BUSINESS

### Amending The Personnel Policy – Work Schedules

On July 8, 2020 Lake County Housing Authority engaged Clark, Baird & Smith to conduct an audit of the Housing Authority's practices under the Families' First Coronavirus Response Act (FFCRA) to help ensure compliance both with the legal requirements of the FFCRA, and with best practices under the law.

Per the attorney, earlier this year, the Department of Labor (DOL) revised its regulations under the Fair Labor Standards Act (FLSA). The new regulations now clearly provide that pay for a bona fide meal period can be excluded from the calculation of the regular rate of pay unless the parties have treated the meal period as hours worked. See 29 C.F.R. 778.320(b). Under these regulations, the Housing Authority's practice of paying for a 30-minute meal period and excluding that pay from the calculation of the regular rate of pay are lawful on their face. To the extent employees' paychecks sometimes reflect 42.5 hours of straight time pay and overtime only after 42.5 hours of time, the policy is lawful because 2.5 hours of this time are paid meal periods that can be excluded from the calculation of hours worked. While this policy and practice is lawful on its face, extreme caution was urged by the attorney. If the employees who are on site more than 40.0 hours per week are the same employees that sometimes work through lunch, then the Housing Authority could be liable for unpaid overtime premiums.

Therefore, at the advice of the auditing attorney and to minimize risk to Lake County Housing Authority, we would like to amend the employee handbook to include overtime pay at 40 hours per week and not 42.5 hours per week.

After discussion, Commissioner Malter introduced the following Resolution:

### **RESOLUTION 2020-56**

#### **AMENDING THE PERSONNEL POLICY - WORK SCHEDULES**

**WHEREAS**, it is appropriate and necessary from time to time to review the Employee Handbook;  
and

**WHEREAS**, the Employee Handbook as currently worded allows a one-half hour meal period and misinterpretation about the determination of overtime pay; and

**WHEREAS**, the current policy allows a one-half hour meal period and one-half hour is not enough time for rest and meal; and

**WHEREAS**, increasing the meal period to one hour allows employees the needed time for a rest and meal period; and

**WHEREAS**, the current policy does not include the paid lunch in calculating overtime and a recent audit revealed paid lunch hours should be included hours when calculating overtime;

**NOW, THEREFORE, BE IT RESOLVED** that the Employee Handbook be and is hereby amended by modifying the Work Schedules paragraph in Section 13 to the following:

### **13. WORK SCHEDULES**

**Regular Work Week** - The regular work week is Monday through Friday and consists of forty (40) hours. Normal business hours are 8:00AM until 4:00PM. An employee whose workday is five (5) hours or more shall be permitted one ~~half~~ hour meal period. Employees may *not* work through a meal period to shorten the normal workday.

**Flexible Working Hours** – Employees are encouraged to work flexible working hours. If an employee is required to work more than eight (8) hours in one (1) day, every effort should be made to work less than eight (8) hours another day **within the same work week** to avoid overtime.

Employees with written authorization from their Supervisor may establish a firm fixed schedule of flexible working hours outside of the Authority's normal business hours.

**Overtime** - To comply with wage and hour regulations, the following definitions have been adopted:

The work period for overtime calculations is based upon a seven (7)-day work period beginning Sunday and ending Saturday. All hours worked by non-exempt personnel over forty (40) in this work period will be compensated at one and one-half times (1½) his/her regular rate of pay.

**Non-Exempt staff will be eligible for overtime if the needs of the LCHA require an Employee to work more than forty (40) hours in a work week. ~~Paid lunch time(s) will not be considered hours of worked time for the purposes of calculating overtime.~~**

**BE IT FURTHER RESOLVED**, that these changes are effective with the passage of this Resolution.

(See Exhibit 13)

After discussion Commissioner Malter moved, seconded by Commissioner Mull to adopt Resolution 2020-56.

Roll Call Vote:

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

Nays: .....None

Absent: .....Considine, 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 August 20, 2020.

Authorization To Submit The Section 18 Disposition Application-35906 Green Bay Road, Waukegan, IL

The National Housing Law Project describes Demolition and Disposition as follows in their PUBLIC HOUSING RESOURCES/September 7, 2017:

Section 18 of the United States Housing Act of 1937 (USHA) provides that public housing agencies (PHAs) may demolish or dispose of public housing with approval from the Department of Housing and Urban Development (HUD).

A PHA submitting an application for the disposition of public housing must certify to one of the following:

- (1) Retention of the property is not in the best interests of the public housing residents because of conditions in the area surrounding the development that adversely affect the health or safety of the residents or the feasible operation of the development,
- (2) That retention is not in the best interest of the public housing residents because disposition allows the acquisition, development or rehabilitation of other properties that will be more efficiently or effectively operated as low-income housing, or
- (3) That the PHA has otherwise determined that disposition is appropriate for other reasons as set forth in the statute.

In the event of a disposition, the PHA may be required to provide residents an opportunity to purchase the development.

A PHA must also certify that it consulted with the residents and local governmental officials, that the PHA Annual Plan authorized the action and that the PHA will comply with the relocation provisions of Section 18. The Green Bay Road unit is currently vacant.

LCHA held the required Resident Advisory Board Meeting on 7/31/20. Despite extensive outreach there were no residents who attended. The RAB Meeting summary is attached. (See Exhibit 14)

As this property is in unincorporated Waukegan, LCHA reached out to the Director of Planning, Building & Development, Eric Waggoner for discussion and support. (See Exhibit 15)

LCHA is beginning to reposition its Public Housing portfolio, specifically its Scattered Sites. As such, LCHA is proposing to sell 35906 Green Bay Road to align with the goals of the PHA and the PHA plan.

After discussion, Commissioner Idleburg introduced the following Resolution:

**RESOLUTION 2020-57**

**AUTHORIZATION TO SUBMIT THE SECTION 18 DISPOSITION APPLICATION**

**FOR 35906 GREEN BAY ROAD, WAUKEGAN, IL**

**WHEREAS**, the Lake County Housing Authority (LCHA) owns a vacant single-family residential property located at 35906 Green Bay Road, Waukegan, IL and

**WHEREAS**, LCHA desires to sell the property to the general public as it aligns with the PHA's goals and Public Housing reposition strategy; 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 Application 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 property located at 35906 Green Bay Road, Waukegan, IL.

(See Exhibit 16)

After discussion Commissioner Idleburg moved, seconded by Commissioner Mull to adopt Resolution 2020-57.

Roll Call Vote:

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

Nays: .....None

Absent: .....Considine, 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 August 20, 2020.

**Reaffirming the Authorization to Accept the Grant and to Enter into The Funding Agreement for IHDA's Community Outreach & Assistance**

The State of Illinois has allocated State Coronavirus Urgent Remediation Emergency Funds to provide **Emergency Rental Assistance (ERA)** to Illinois tenants unable to pay their rent. Only tenants that are already carrying an unpaid rent balance from March through present day can apply. Tenants will have to certify that the reason they could not pay their rent was due to a COVID-19 related loss of income on or after March 1, 2020. Approved applicants will receive a one-time grant of \$5,000 to be credited against

arrearages in rent incurred since March 1, 2020 with any remaining balance applied forward as a pre-payment of rent extending up to and through December 2020.

Assistance will be paid directly to property owner or landlord on behalf of the tenant. As a condition of the acceptance of the ERA, landlords must agree to not initiate nor carry out eviction proceedings on the tenant for the duration of the ERA coverage period. The ERA will be offered first to renters in areas that have been disproportionately-impacted by the pandemic and then rolled out in phases to renters across the State. Assistance will be available on a first-come, first-approved basis until the funds are exhausted. ERA cannot be applied to rent in 2021.

The State of Illinois has allocated State Coronavirus Urgent Remediation Emergency Funds to provide **Emergency Mortgage Assistance (EMA)** to Illinois homeowners unable to pay their mortgage. Only homeowners with mortgage arrearages (or in forbearance) from March through present day can apply. Homeowners will have to certify that the reason they could not pay their mortgage in full was due to a COVID-19 related loss of income on or after March 1, 2020. Approved applicants will receive a one-time grant of EMA to be credited against the reinstatement balance incurred since March 2020 and applied as a pre-payment of monthly mortgage payments through December 2020. Assistance will be paid directly to the mortgagor's loan servicer on behalf of the homeowner. The EMA will be offered first to homeowners in areas that have been disproportionately-impacted by the pandemic and then rolled out in phases to homeowners across the State. Assistance will be available on a first-come, first-approved basis until the funds are exhausted. EMA cannot be applied to rent in 2021.

*Purpose of Community Outreach and Assistance ("COA") Grant*

IHDA issued a Request for Applications for COA from housing counseling agencies, community-based organizations, non-profit organizations and legal assistance groups. Funded partner agencies will assist IHDA in operating the EMA and ERA programs specifically by assisting Illinois residents with the Programs' information and outreach, the online application process, directing and assisting residents whose income has been impacted by COVID-19 by identifying other available resources, and post-assistance activities, including client follow up.

LCHA submitted, & was approved, to receive a grant (\$60,000) through Community Outreach and Assistance (COA). With this grant, LCHA's Housing Counseling program will participate in the Emergency Rental Assistance for Illinois Renters & Emergency Mortgage Assistance for Illinois Renters.

IL Housing Development Authority (IHDA) is requesting a Board resolution accepting the grant. Due to time restrictions placed by IHDA, and after informal discussion with the Board, ED/CEO Lorraine Hocker executed the documents. We now seek your reaffirmation.

After discussion, Commissioner Malter introduced the following Resolution:

**RESOLUTION 2020-58**

**REAFFIRMING THE AUTHORIZATION TO ACCEPT THE GRANT AND  
TO ENTER INTO THE FUNDING AGREEMENT FOR  
IHDA'S COMMUNITY OUTREACH & ASSISTANCE**

**WHEREAS**, the Board of Commissioners of Lake County Housing Authority, an Illinois not-for-profit corporation (the "Corporation") met on August 20, 2020 and adopted the following Resolutions all of



which are in accordance with the laws of the State of Illinois, and the Articles of Incorporation and By-Laws of the Corporation; and

**WHEREAS**, the Illinois Housing Development Authority (the “Authority”) has agreed to issue to the Corporation a grant for Community Outreach and Assistance (the “COA”) to assist the Authority in operating the Emergency Rental Assistance Program and the Emergency Mortgage Assistance Program (collectively, the “Programs”) in an amount not to exceed Sixty Thousand and 00/100 Dollars (\$60,000.00) (the “Grant”), and the Corporation will use the Grant funds solely and exclusively for eligible activities in connection with COA and for no other purpose; and

**WHEREAS**, the Board of Commissioners deems it to be in the best interest of the Corporation to accept the Grant;

**THEREFORE, BE IT RESOLVED**, the Board of Commissioners of the Corporation hereby authorizes the acceptance of the Grant; and

**BE IT FURTHER RESOLVED** that the Corporation is authorized to enter into a Funding Agreement for COA (the “Agreement”) with the Authority wherein the Corporation agrees to perform COA services in return for the Grant; and

**BE IT FURTHER RESOLVED** that the Corporation hereby accepts the Grant, agrees to deliver and/or execute the Agreement and any and all other instruments, certifications and agreements as may be necessary or desirable for the Corporation to perform all of its obligations and duties under COA (including any amendments, other agreements or supplements); and

**BE IT FURTHER RESOLVED** that Lorraine Hocker, the Executive Director/CEO of the Corporation, without the necessity or requirement for the signature of another person, is hereby authorized, empowered, and directed to execute on behalf of the Corporation the Agreement and all other documents and instruments relating to the Grant to be delivered to the Authority in connection with the closing of the Grant and take such further action on behalf of the Corporation as they deem necessary to effectuate the foregoing Resolutions; and

**BE IT FURTHER RESOLVED** that the Board of Commissioners of the Corporation hereby ratifies, authorizes, confirms and approves any prior action of the Corporation taken in furtherance of the foregoing resolutions and any and all documents and instruments previously executed on behalf of the Corporation in connection with the Grant.

Authorization on behalf of the Board of Commissioners of the Housing Authority of the County of Lake and signed in authentication, the 20<sup>th</sup> day of August, 2020.

(See Exhibits 17, 18)

After discussion Commissioner Malter moved, seconded by Commissioner Mull to adopt Resolution 2020-58.

Roll Call Vote:

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

Nays: .....None

Absent: .....Considine, 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 August 20, 2020.

Approval of and Authorization to Submit The Capital Fund Program (CFP)  
5-Year Action Plan (2020-2024)

LCHA is required to submit a Capital Fund Program (CFP) Five-Year Action Plan and a CFP annual budget to HUD for approval on its Capital Fund Program open grants. LCHA uses a rolling Five-Year Action Plan and therefore, submits the Five-Year document annually.

The CFP Five-Year Action Plan must describe the capital improvements necessary to ensure long-term physical and social viability of the PHA's public housing developments, including the capital improvements to be undertaken within the five-year period, their estimated costs, status of environmental review, and any other information required for participation in the CFP, as prescribed by HUD. To be entitled to fungibility, PHA's must have an approved Five-Year Action Plan. Except in the case of emergency/disaster work, the PHA shall not spend Capital Funds on any work that is not included in an approved CFP Five-Year Action Plan and its amendments.

The required Resident Advisory Board Meeting was held 7/8/20 and the required Public Hearing was held 7/10/20. Neither session was attended by residents and/or the public. The summaries are attached. (See Exhibits 19, 20)

Attached you will find the Resolution, the CFP Five Year Action Plan (FY 2020-FY 2024) and the CFP FY 2020 budget.

After discussion, Commissioner Mull introduced the following Resolution:

**RESOLUTION 2020-59**

**APPROVAL OF AND AUTHORIZATION TO SUBMIT**

**THE CAPITAL FUND PROGRAM (CFP) 5-YEAR ACTION PLAN (2020-2024)**

**WHEREAS**, the Capital Fund Annual Submission was decoupled from the PHA Plan submission in 24 CFR part 905 which was published on October 24, 2013 and became effective on November 25, 2013; and

**WHEREAS**, pursuant to 24 CFR 905, the Housing Authority of the County of Lake (LCHA) is required to submit a Capital Fund Program 5-Year Action Plan and a Capital Fund Program FY 2020 Budget; and

**WHEREAS**, the Housing Authority of the County of Lake has prepared its Capital Fund Program 5-Year Action Plan for Federal Fiscal Years (FFs) 2020-2024 describing capital improvements needed to ensure long-term viability of the Agency's public housing developments; and

**WHEREAS**, in FY 2019, all PHAs are required to submit their Capital Fund Program (CFP) 5-Year Action Plans and Budgets within HUD's Energy and Performance Information Center (EPIC)

system; the electronic CFP submission process replaced the paper submission process that was retired at the end of 2017; and

**WHEREAS**, PHAs are required to have on file a copy of a Board Resolution approving the PHA's CFP 5-Year Action Plan, including ones submitted in the EPIC system; and

**WHEREAS**, the requisite public notices have been given; and

**WHEREAS**, the Chief Financial Officer, Director of Public Housing and Director of IT in conjunction with the Executive Director/Chief Executive Officer has prepared said plans as attached, and requests that the Board of Commissioners of the Housing Authority of the County of Lake approve and authorize submission to the US Department of Housing and Urban Development;

**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 Capital Fund Program 5-Year Action Plan (2020-2024) to the U.S. Department of Housing and Urban Development as presented.

(See Exhibits 21, 22)

After discussion Commissioner Mull moved, seconded by Commissioner Malter to adopt Resolution 2020-59.

Roll Call Vote:

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

Nays: .....None

Absent: .....Considine, 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 August 20, 2020.

Amending The Housing Choice Voucher Administrative Plan-Adopting Biennial Inspections

This HUD provision authorizes PHAs to conduct unit inspections every other year instead of annually. Permitting biennial inspections for HCV units will reduce the administrative and financial burden on PHAs and high-performing landlords and enable PHAs to concentrate their inspection resources on the more marginal and higher-risk units. Additionally, this provision can assist PHAs in avoiding duplicative inspections at properties where there are other program inspections, such as under the LIHTC program.

After discussion, Commissioner Idleburg introduced the following Resolution:

**RESOLUTION 2020 – 60**

**AMENDING THE HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN**

**ADOPTING BIENNIAL INSPECTIONS**

**WHEREAS**, from time to time it is reasonable and necessary to revise administrative plans; and

**WHEREAS**, HUD regulations at 24 CFR §982.405, PHA Initial And Periodic Unit Inspections, states (a) The PHA must inspect the unit leased to a family prior to the initial term of the lease, at least biennially during assisted occupancy, and at other times needed, to determine if the unit meets the HQS; and

**WHEREAS**, On March 27, 2020, The CARES Act (Public Law 116-136) was signed into law as a response to the SARS-CoV-2 Coronavirus pandemic, and the disease (COVID-19) it causes; and

**WHEREAS**, Pursuant to this Act, the Department of Housing and Urban Development (HUD) waived and established alternative requirements for numerous statutory and regulatory requirements for the Public Housing and Housing Choice Voucher (HCV) programs and encouraged PHAs to use existing inspection flexibilities; and

**WHEREAS**, pursuant to the CARES Act, if not already, HUD encouraged PHAs to consider adopting biennial inspections (HUD Notice PIH 2016-05);

**NOW, THEREFORE BE IT RESOLVED**, that Chapter 8-II.C. ANNUAL/BIENNIAL HQS INSPECTIONS [24 CFR 982.405(a)] be amended as follows;

**8-II.C. ANNUAL/BIENNIAL HQS INSPECTIONS [24 CFR 982.405(a)]**

**Currently reads;**

LCHA Policy

Each unit under HAP contract must be inspected within 12 months of the last full HQS inspection.

The PHA will accept the results of inspections performed by HUD or for other housing programs such as HOME or LIHTC.

**Change to;**

LCHA Policy

Each unit under HAP contract must be inspected within 24 months of the last full HQS inspection. If a unit is found to have life-threatening HQS failing items, the owner of that unit will be required to participate in annual inspections for all units for the period of 24 months before being returned to biennial inspections. This does not apply to life-threatening HQS fails caused by tenants. One or more substantiated complaints will also require the owner of that unit to participate in annual inspections for all units for the period of 24 months before being returned to biennial inspections.

The PHA reserves the right to require annual inspections of any owner at any time.

The PHA will accept the results of inspections performed by HUD or for other housing programs such as HOME or LIHTC

**BE IT FURTHER RESOLVED**, that the Amended and Restated Administrative Plan of Lake County Housing Authority is hereby adopted, in its entirety, as the Administrative Plan of Lake County Housing Authority effective as of 9/1/20; and

**BE IT FURTHER RESOLVED**, that previous Administrative Plans, insofar as such Administrative Plans conflict with the Amended and Restated Administrative Plan of 9/1/20, are hereby rescinded.

(See Exhibit 24)

After discussion Commissioner Idleburg moved, seconded by Commissioner Mull to adopt Resolution 2020-60.

Roll Call Vote:

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

Nays: .....None

Absent: .....Considine, 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 August 20, 2020.

Commissioner Roundtable - Discussion

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

Commissioner Mull inquired as to the response for the Emergency Rental Assistance program. Deputy Director Ofelia Navarro reported the deadline to apply has been extended due to recent storm-related power outages. ERA applications will be accepted until 8/28/20.

Commissioner Mull complimented ED/CEO Lorraine Hocker as she accompanied Commissioner Mull through Shiloh Towers to address some concerns. Commissioner Mull noted Lorraine reminded residents of social distancing and the wearing of masks.

CFO Khadija Darr introduced Louis Barrale, Partner at Barrale Renshaw CPAs who conducted LCHA’s FYE 9/30/19 financial audit. Mr. Barrale reported the audit went well despite the auditor’s inability to be on-site. He stated his only concern was a significant drop in cash. He said it would something the auditor would watch. He explained it appeared due to an increase in operational expenses. He explained it as a trend to be noted and watched.

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 in favor of the motion. Motion Carries. Meeting adjourned at 1:03 p.m.

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Diana O’Kelly  
Vice Chairman

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Lorraine Hocker, Executive Director/CEO  
Secretary/Treasurer