

**WINNEBAGO COUNTY HOUSING AUTHORITY
JULY 21, 2016 REGULAR MEETING
MINUTES**

Call to Order, Roll Call, Pledge of Allegiance

Chairman Wescott called the meeting to order at 5:30 p.m. Following the call to order, roll call was taken.

The following Board Members were in attendance:

Present:	Chairman Fred S. Wescott Commissioner Ron Ballard Commissioner Tunaya S.M. Beaudry Commissioner Alanna D. Conard Commissioner James E. Hughes
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Absent:	Vice Chairman Dina M. Getty Commissioner Pearl Hawks
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Also present: Executive Director Alan Zais, Assistant Executive Director Felicia Davis, Finance Director Vickie Huwe and James R. Pirages of the law firm of Hinshaw & Culbertson LLP.

Following roll call, Chairman Wescott led those in attendance in reciting the Pledge of Allegiance.

Introduction of Guests

None.

Changes to Agenda

None.

Public Comments

None.

Executive Director's Report

Executive Director Alan Zais noted that part of the Consent Agenda is a resolution about a new Procurement Policy. He noted that the changes within the proposed policy primarily involve dollar amounts and that the new policy was necessary because the former policy was so antiquated. However, Alan advised the Board that the revised policy is not yet complete inasmuch as staff is working with legal counsel on a more comprehensive policy. He said that the policy that is the subject of the Consent Agenda is an interim policy pending the completion of the comprehensive policy changes.

Alan also discussed the Resolution on the Consent Agenda involving IT services. He said that numerous IT contractors had been contacted; Assistant Executive Director Felicia Davis noted that she had contacted 20 contractors but only 4 had responded with proposals. It was noted that the proposal by the Winnebago County Department of Information Technology was by far the least costly of the proposals received.

Alan also noted that the WCHA has been advised by Senator Dick Durbin that it has been awarded a Family Self-Sufficiency Award in the amount of \$132,936.00. Alan said that the award helps the WCHA provide the salaries of two (2) staff members that would otherwise have to be funded through other sources.

Alan discussed the recent trip made to the Portland NAHRO Conference by representatives of the WCHA. Alan said that NAHRO had given an award to the WCHA for the Veterans' House and it also gave an award to the Boone County Housing Authority for its Family Expansion Program. Alan also advised the Board that while this is yet to officially be announced, he understands that the Veterans' House will receive the National Award of Excellence at NAHRO's October meeting in New Orleans and that the WCHA will also receive an award for the Veterans' House from Nan McKay at its September meeting in San Antonio. The award from Nan McKay includes 2 complimentary registrations for attendance at that conference in San Antonio.

Alan also noted that Chairman Wescott, Vice Chairman Getty and he had met with Rockford Police Chief Dan O'Shea as well as separately with Sheriff Gary Caruana to discuss a proposed residence program for police officers in homes that are obtained by the WCHA through the National Stabilization Trust Program. Alan reminded the Board that these homes could be made available to police officers free or at low rent and proposed this to Chief O'Shea and Sheriff Caruana, both of whom he indicated were very receptive. Alan said that he is putting together a proposal that will be sent to the Chief and to the Sheriff. Alan reminded the Board that Chief O'Shea had used such a program while he was working in Elgin. Chief O'Shea had advised Alan of his need to consult with the City Council and Alan had, in turn, told Chief O'Shea that the WCHA Board is very progressive and will entertain whatever ideas that may result from the City Council's review.

Alan also advised the Board of the "Conversations Over Pizza Program" that has been operated by the Housing Authority of the City of Freeport and its Executive Director, Larry Williams. Alan noted that Larry Williams has been more than willing to assist the WCHA with introducing such a Program within the WCHA's operations and a meeting has been set for Monday, July 28, 2016 for Larry and Alan to meet with Chief O'Shea and Sheriff Caruana to discuss this Program.

Commissioner Conard noted that Winnebago County Board Chairman Scott Christiansen is interested in the Residency Program for police within the WCHA's properties and has said that money would be available through the County for this purpose. Alan reminded the Board that it was through Winnebago County that the National Stabilization Trust Program homes have become available and that the County was used as the pass-through for the WCHA's receipt of the first two (2) homes. Commissioner Hughes noted that he would like to see the placement of police in residences in the Kishwaukee School area and also noted that having teachers involved in a similar program is also being considered.

Alan advised the Board that he had been contacted by Andre from Gorman & Company about possible developments in Boone County. Alan reminded the WCHA Board that such discussions would be subject to review and approval by the Boone County Housing Authority Board. Nevertheless, Alan said that he is planning to talk to Andre to entertain whatever suggestions he may have. Alan reminded the Board that there is an affordable housing shortage in Boone County and that he views the upcoming meeting with Andre as an exploratory meeting - - after which he will have to discuss the issue with the Boone County Housing Authority Board.

Chairman Wescott asked Alan about what was going on with the proposed development in Cherry Valley. Alan noted that he has not heard anything recently from the proposed developer and that he has been disappointed by their lack of follow through to his communications on this issue.

With regard to the Westport Village Development in Freeport, Alan stated that the project has become bogged down over the project-based vouchers and the approval of the use of those vouchers by HUD. Alan said that the Housing Assistance Program (HAP) contract must go with the new ownership of Westport, which includes Winnebago Homes Association. Alan said that the ownership of Westport wanted HUD to okay this despite the fact that Alan had advised them that such was unnecessary. The process of securing approval through HUD has resulted in delay and complications as the ownership proceeded with seeking HUD approval despite the WCHA's recommendation otherwise. Alan also noted that Citibank now wants a collateral assignment on the HAP contract. Alan said that throughout this review process legal counsel has been involved in this transaction on the WCHA's behalf.

Consent Agenda

A motion was made to approve the items on the Consent Agenda. That motion was made by Commissioner Conard and seconded by Commissioner Hughes. The items on the Consent Agenda were approved by unanimous vote of the five (5) Commissioners present with none against and two (2) Commissioners absent.

Financial Report

Finance Director Vickie Huwe noted that HUD did not fund the WCHA's Section 8 Program for June because it believed that the WCHA had too much cash in the bank for that Program. As a result, the WCHA had to use approximately \$71,000.00 of HUD-held reserves. Vickie noted that the WCHA is in the process of closing the "sweep account" at Alpine Bank because since the advent of the HUD-Held Reserves program, the WCHA does not have the on hand funds to warrant keeping that account open.

Vickie also discussed the audit that is being conducted of the Ken-Rock Apartments (which are managed by WCHA). Vickie said that there have been two (2) findings by the auditor. The first finding involved a payment that was made for Ken-Rock - - one that had been being made by Ken-Rock for the past 28 years - - that the auditor advised the WCHA could not be made. Vickie said that the WCHA had initially raised this issue to the auditor after the payment was made and the auditor had made a finding that the payment should not have been made despite the long-standing past practice.

The second finding in the Ken-Rock audit involved the fact that Ken-Rock is not doing "earned income verifications". Alan advised the Board that former Assistant Executive Director Linda Cornell used to complete these verifications and had access to the software program through HUD for that purpose. However, with Linda's departure, HUD needs to give access to the software to someone else at the WCHA and, thus far, HUD has not given rights to access to that software - - which, in turn, resulted in the finding. Alan noted that inasmuch as these findings involve Ken-Rock, it will not affect any of the WCHA's scoring.

Old Business

None

New Business

None

Commissioner Comments

Commissioner Beaudry raised an issue with regard to families who are participating in the WCHA's Programs who are in quandary about working. She said that obviously these families are low income and that the WCHA makes beautiful homes available for them. However, when residents try to start working, they are penalized for it. She noted that some people won't try to go to work because they are in the same spot financially as if they were not working due to the increasing percentage of the rent that is assessed under HUD's requirements. While she believes that working is still the better thing to do, some people are not motivated to work -- especially if financially they are going to be in the same position regardless of whether they work.

Alan commented that because someone gets a job does not mean that they have a financial safety net. Alan noted that unlike some other housing authorities, the WCHA does not believe that the resident can fix his/her life in only 12 months. He noted that there are options available to such families through 1) the Family Self-Sufficiency Program – where money paid as part of the rent is put aside for the resident's future use and 2) the Moving to Work Program – where the resident does not pay a percentage of income but instead pays a flat rent.

Commissioner Beaudry noted that the current situation (outside of the FSS Program and Moving to Work) does not allow residents to put money aside. Commissioner Beaudry also complimented the WCHA's landscaping contractor which she said had done a great job on her home and had gone above and beyond in their efforts.

Chairman Wescott thanked Jessica for picking up Vice Chairman Getty and him at O'Hare following their recent return from the NAHRO Conference in Portland.

Commissioner Hughes thanked Chairman Wescott for the approval given by Chairman Wescott's County Board Committee for \$600,000.00 for redevelopment in the Kishwaukee School area. He noted that with the Kishwaukee School Project, the community has an opportunity to provide mixed housing for that area.

Commissioner Beaudry inquired as to whether the WCHA sponsors any summer programs for kids. Alan noted that through the partnership that the WCHA maintains with the Rockford Park District, the Rockford Park District has programs available for the WCHA's participants.

Executive Session

None.

Action Taken From Executive Session

None.

Adjournment

A motion to adjourn the meeting was made by Commissioner Hughes and that motion was seconded by Commissioner Ballard. The motion passed by unanimous voice vote of all five (5) Commissioners present with none against and two (2) Commissioners absent. The meeting adjourned at 6:01 p.m.

Respectfully submitted,

Alanna D. Conard, Recording Secretary