

**WINNEBAGO COUNTY HOUSING AUTHORITY
FEBRUARY 23, 2018
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 present:

Present:	Chairman Fred S. Wescott Vice Chairman Dina M. Getty Commissioner Ron Ballard Commissioner Alanna D. Conard
Absent:	Commissioner Pearl Hawks Commissioner James E. Hughes

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. Also present as a guest was Tasha Reddic; Tasha is a nominee for commissioner.

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

Changes to Agenda

None.

Public Comments

None.

Executive Director's Report

Executive Director Alan Zais indicated that his written report had been included in the Board packet materials that the Commissioners had previously received.

Alan advised the Board that the Winnebago County Housing Authority (WCHA) has been awarded seven (7) Veterans Assistance Supportive Housing (VASH) vouchers (along with five (5) that were awarded to the Boone County Housing Authority). These vouchers are Section 8 vouchers that can be used for homeless veterans and their families.

With regard to the Regional Housing Initiative, Alan said that there was a "kick off" call last Friday, February 16, 2018, and that a steering committee is being established. He advised the Board that if any of the Commissioners are interested in participating, they should let him know;

he noted that this initiative looks promising. He said that this is one of two demonstration programs in the nation.

Alan also reported on the Graduated Reentry Program which is being coordinated by New York University and the Illinois Department of Corrections. He said that this program is for nonviolent offenders who will be released early and allowed to participate in this program. He said that the program has been approved by IHDA, and that we can begin to implement it now. Alan said that this is a “pet project” of the Director of the Illinois Department of Corrections, as well as of the Director of IHDA and is in keeping with a task force established by Governor Rauner. Alan said that he has spoken with Bob Campbell of Zion Development who has agreed to partner with WCHA and host the program at the Grand Hotel property. This program will use RHSP vouchers to provide housing assistance.

Alan also reported on the status of his discussions with Rich Wallach of IFF. Alan was previously in contact with IFF regarding the development of a site at the corner of West State and Johnston; IFF had been previously working with the Rockford Housing Authority (RHA) on this development, but had approached the WCHA about participating in place of the RHA. Alan noted that as a result of his discussions with Mr. Wallach, he is concerned about proceeding with this project because of the absence of clear answers to questions that the WCHA has about this matter. Alan gave several examples of interactions with Mr. Wallach and unanswered questions and other issues that had led him to recommend that the WCHA not participate in this development. He said that he is not comfortable with what is going on with the project and recommended not proceeding. The consensus of the Board was in support of Alan’s recommendation not to participate.

Alan also discussed the status of the Hosmer and Brewster developments in Freeport. He said that WCHA's taking on the management responsibilities for those developments is on track along with the hope of keeping the staff that is presently there. He noted, however, that there may be some issues with regard to some of the staff being overpaid, which may make it necessary for the WCHA to select a different manager for those properties. Alan mentioned that he had met with Babette, the Director of the Housing Authority of the City of Freeport, and reminded the Board of the ongoing issues at the HACF. He mentioned that the WCHA should be thinking ahead because with only 250 housing units now being operated by the HACF, he does not see that operation as being sustainable. He indicated that the HACF is already rated as being “troubled” and that he expects that within the next twelve (12) months the WCHA may be asked to assume a management role for the HACF. He said that only political issues might get in the way of that happening.

With regard to procurement issues, Alan distributed a draft letter to Daniel Sherrod at the HUD office in Chicago. Mr. Sherrod is the new Director for Illinois and has raised some issues for the WCHA with regard to the home on 15th Avenue and being paid for that property. Alan said that the WCHA has been working on this for over a year. Winnebago Homes Association (WHA) presently owns the home and is supposed to sell it to the WCHA. He said, however, that HUD, through Mr. Sherrod, is holding up the \$69,000 that would be used for this transaction. He said that Mr. Sherrod had questions about WHA and would only approve this transaction if the Board Chair confirms that direction has been given to staff that this will not happen again (a transaction of the type that is presently pending between WHA and WCHA with regard to the 15th Avenue

home), and that the WCHA will change its procurement policies. Alan said that the WCHA cannot commit to what Mr. Sherrod has requested as the acquisition process was correct and as previously approved by HUD in 2014, and as HUD cannot exercise acquisition approval for WHA, and so had written the draft letter to Mr. Sherrod for Chairman Westcott's signature. He said that he will send this letter to Mr. Sherrod along with the revised procurement policies.

Alan also discussed the Longwood Plaza property which is owned by Zion Development. Alan indicated that it is a nice building, but is having some issues with unusable rooms due to problems with its roof. While Zion had asked the WCHA to contribute project-based vouchers to this property, he does not want to do this inasmuch as he is holding the remaining project-based vouchers for a future development in Cherry Valley. Therefore, Alan had advised Zion that the WCHA would not give the project-based vouchers. However, he said that he had recommended that they participate in the RAD 2 (like Westport in Freeport) and, as a result, Zion is in the process of applying for that program. He said that, if approved, Zion will need to pick a housing authority to administer RAD 2 and that the WCHA will be happy to assist with that task.

Alan also reported on a recent conversation he had with Mayor McNamara who he had run into at a fundraiser. He said that Mayor McNamara had asked if WCHA had ever considered taking over the RHA. Alan said that the RHA will soon be considered a "troubled" entity and there are many issues there that he believes will soon become public. Alan sent Mayor McNamara a report that he had previously prepared for the WCHA Board that discusses the options surrounding possible management arrangements between the WCHA and RHA. Alan said that the difficulty with the RHA is its distressed properties and, therefore, if the WCHA was to take over additional responsibilities at RHA it would have to be a managed event, much like the situation in Fresno, California and/or like the BCHA. He said that this type of relationship would require approval from both agencies' boards as well as approval of their sponsoring governmental units.

Finally, Alan discussed the EnVision Center which is being promoted by Secretary Carson of HUD. The WCHA has been asked to participate in this and, as a result, an application has been submitted which was supported by Mayor McNamara. The application was submitted on behalf of WCHA, RHA and the Boone County Housing Authority. Alan said that if this is awarded, it would be a very high profile designation, and would help with the WCHA if the MTW Program moves forward in the future.

Consent Agenda

A motion to approve the items on the Consent Agenda was made by Vice Chairman Getty. That motion was seconded by Commissioner Conard. The items on the Consent Agenda were approved by unanimous roll call vote of the four (4) Commissioners present with none against and two (2) Commissioners absent.

Financial Report

Financial Director Vickie Huwe reported that there are cash flow issues at both the Boone County Housing Authority and Winnebago Homes Association which, in turn, are resulting in cash flow problems for the WCHA. She advised that the BCHA had approved a payment of

\$5,000 from its reserves to pay to the WCHA (given the fact that they are behind in their payments). It was also noted that if HUD would approve the payment for the 15th Avenue house, that would solve many of the current financial problems. She noted that a budget revision will be presented at the March Board Meeting.

Old Business

Attorney Pirages noted that the items on the Agenda involving the confirmation and public notice of actions taken at the January 18, 2018 meeting for the minutes of the Executive Sessions from the following meetings:

- February 25, 2015
- March 19, 2015
- May 21, 2015
- August 20, 2015
- September 17, 2015
- November 19, 2015
- December 17, 2015
- January 27, 2016
- March 17, 2016
- October 20, 2016

While noting that no further action is needed by the Board (since a vote had been taken at the January 18, 2018 meeting making those minutes available), confirmation and public notice of that prior action was set forth in the agenda for this meeting (the February 23, 2018 meeting) and is also to be reflected in the minutes of this meeting.

New Business

None.

Commissioner Comments

None.

Executive Session

A motion was made pursuant to 5 ILCS 120/2(c)(21) and pursuant to 5 ILCS 120/2(c)(1) to go into closed session for “discussion of minutes of meetings lawfully closed under this Act, whether for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06”, and to consider the “appointment, employment, compensation, discipline, performance or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity.” That motion was made by Vice Chairman Getty and seconded by Commissioner Ballard; the motion was approved by unanimous roll call vote of all four (4) Commissioners present with none against and two (2) Commissioners absent. The Executive Session commenced at 6:03 p.m. and concluded at 6:08 p.m. The motion to come out of Executive

Session was made by Commissioner Ballard and seconded by Commissioner Conard and was approved by unanimous roll call vote of all four (4) Commissioners present with none against and two (2) Commissioners absent.

Action Taken from Executive Session

A motion was made by Commissioner Ballard that was seconded by Vice Chairman Getty to make available for public inspection the minutes of the Executive Sessions from certain previous meetings, including the following meetings:

January 21, 2010
March 16, 2017
August 23, 2017
October 19, 2017
November 16, 2017
December 20, 2017

The motion was passed by unanimous roll call vote of the four (4) Commissioners present with none against and two (2) Commissioners absent. It was noted that a statement will be included on the Agenda for the March 15, 2018 meeting confirming that these records are no longer confidential and are available for public inspection.

Adjournment

A motion to adjourn the Board meeting was made by Vice Chairman Getty and seconded by Commissioner Ballard. The motion to adjourn the meeting was approved by unanimous voice vote of all four (4) Commissioners present with none against and two (2) Commissioners absent. The meeting adjourned at 6:10 p.m.

Respectfully submitted,

Alanna Conard, Recording Secretary