

**WINNEBAGO COUNTY HOUSING AUTHORITY
JANUARY 18, 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 Alanna D. Conard Commissioner James E. Hughes
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Absent:	Commissioner Ron Ballard Commissioner Pearl Hawks
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Also present: Executive Director Alan Zais, Assistant Executive Director Felicia Davis, and James R. Pirages of the law firm of Hinshaw & Culbertson LLP. Also present was Paul Wieland of Wieland & Company, Inc.

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

Public Hearing on the FY2018 Agency Plan, the FY2018 Housing Choice Voucher Administrative Plan and the FY2018 Annual Admissions and Continued Occupancy Policy.

A motion to open the Public Hearing on these matters was made by Vice Chairman Getty; that motion was seconded by Commissioner Conard. The motion to open the Public Hearing was approved by a unanimous roll call vote of the four (4) Commissioners present with none against and two (2) Commissioners absent.

The Public Hearing opened at 5:31 p.m. Executive Director Alan Zais noted that Notice of the Public Hearing had been published and otherwise properly advertised and that the related materials had been on display and open for inspection for an appropriate time period. Executive Director Alan Zais further stated that no one from the public was present to comment about the FY2018 Agency Plan, the FY2018 Housing Choice Voucher Administrative Plan and the FY2018 Annual Admissions and Continued Occupancy Policy; he also noted that no written comments had been submitted despite the previously-given Public Notice.

A motion to close the Public Hearing was made by Commissioner Conard; that motion was seconded by Commissioner Hughes. The motion to close the Public Hearing was approved by unanimous roll call vote of the four (4) Commissioners present with none against and two (2) Commissioners absent. The Public Hearing closed at 5:32 p.m.

Introduction of Guests

Executive Director Alan Zais introduced accountant Paul Wieland of Wieland & Company, Inc. who distributed drafts of the Financial Statements and Independent Auditor's Report covering both the Winnebago County Housing Authority (WCHA) and the Winnebago Homes Association (WHA). Mr. Wieland said that once these materials have been finally approved by the Department of Housing and Urban Development (HUD) they will be finalized and electronically submitted. Mr. Wieland reviewed the Financial Statements and Independent Auditor's Report and highlighted the fact that "no findings" were identified with regard to the WCHA's or the WHA's operations. Executive Director Alan Zais thanked Mr. Wieland for his assistance with not only the Financial Statements and Independent Auditor's Report but also with last year's issues with the PHAS scoring; he noted that Mr. Wieland greatly assists the WCHA and WHA with the complexity of the financial reporting regarding their operations. Mr. Wieland departed the meeting at 5:35 p.m.

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. He noted that included in that report was information on the Administrative Plan, the Admissions and Continued Occupancy Policy and the Agency Plan. He said that most of the materials involved in those documents have been previously discussed with the Board at prior meetings. He commented that the Agency Plan is less difficult to complete due to the WCHA's status as a "high performer".

Alan cited to the information in his report about the Family Self-Sufficiency money again being received by the WCHA. He also commented about the Affirmatively Furthering Fair Housing Initiative (about which he had previously reported at earlier meetings). He noted that the City of Rockford has been handling this initiative locally. He also cited to the fact that the WCHA has not yet taken action on this due to the fact that the directives associated with this initiative have been continuously changing and the costs to an agency proceeding with such plans are projected at being \$30,000.00 to \$50,000.00; therefore, the WCHA has not yet taken action because it was awaiting further direction about the initiative and thought that at the appropriate time the WCHA would partner with others in completing this task. He reported that recent developments show that the Affirmatively Furthering Fair Housing Initiative remains "on hold" so, thus far, the WCHA has not invested any time or money in connection with this initiative.

Alan also reported on the status of the Rockford Housing Authority (RHA) and the Housing Authority of the City of Freeport (HACF). Alan noted his belief that the HACF received a PHAS scoring of approximately 67 and he predicted that it would soon be considered to be a "troubled" agency for a variety of reasons, including its lack of an audit. He also said that the

HACF's status has not resulted from the actions or inaction of the current administration (that has only been in place for a brief time period); he noted his belief that HUD may ultimately ask the WCHA to do more for the HACF.

With regard to RHA, Alan stated that it is also substandard in its utilization and that due to its low PHAS score, it could also become "troubled" in the future. He noted his understanding that RHA wishes to separate its connection with Gorman & Company due to its dissatisfaction with Gorman's work.

Alan also reported on the work of the Regional Housing Initiative. He said that he had received an e-mail from Brian Gillen of the regional HUD office (where he serves as the Community Resource Coordinator) requesting information from Alan regarding contact information for the Mayors of Rockford, Belvidere and Freeport. Alan indicated that he had counseled Mr. Gillen about not approaching the Mayors in this manner with respect to the Regional Housing Initiative due to the caution that needs to be exercised as to how this initiative is rolled out. He said that it is important to have community leaders briefed so as not to be otherwise concerned about an initiative unknown to them; Alan stressed the importance of these community leaders perceiving the WCHA as being partners and friends. Alan wanted the Board to be aware of this contact by Mr. Gillen.

Alan also reported that the WCHA had been approached by another developer considering a development in the Cherry Valley area. This developer has acquired land and wants project-based vouchers in support of fifty (50) senior units in Cherry Valley. Alan said that he had suggested to the developer that the developer first talk with Cherry Valley Township about the WCHA's involvement as well as the involvement of Section 8 vouchers in order to be open and up front about these matters and that this should be accomplished before any overtures are made to the Illinois Housing Development Authority (IHDA) or others. Alan advised the Board that the WCHA would be unable to become involved in this initiative this year especially given the IHDA filing deadline of March 2, 2018. Alan commented that the WCHA staff has been so busy this year with Westport being finished, assisting with tasks at Freeport, etc. and that the timing was not right for the WCHA and its staff to become involved in this Cherry Valley development this year. However, he said he told the developer that the WCHA would revisit this issue during 2018 and that the discussions may come up again in August or September of 2018.

Alan also commented that Zion Development wants WCHA to become involved in the Longwood Manor development. Alan indicated that the WCHA has not been interested in this project.

Alan also advised the Board that during his discussions with Mr. Gillen from HUD, Mr. Gillen had also raised the issue of regional housing and commented that the WCHA should consider greater involvement at the RHA, including possibly running the RHA. Alan said that he had commented to Mr. Gillen about the WCHA's continued interest in being a partner with RHA and doing things at arms-length with RHA but stressed that the WCHA and its Board are reluctant to otherwise become involved with the RHA, particularly due to the RHA's level of distressed housing and image issues.

There was then discussion about the condition of the Brewington Oaks development operated by RHA. Alan said that the WCHA's success in maintaining quality housing has been largely tied to the steps that it takes to meet weekly, review vacancies and quickly prepare housing for occupancy by new tenants. He said that the WCHA has such a good "team" that assists with these efforts.

Consent Agenda

A motion to approve the items on the Consent Agenda was made by Commissioner Hughes. 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 was not present for this meeting. Executive Director Alan Zais noted that the cash flow was presently tight because of January expenses, including insurance renewals. He also commented that the proposed budget will soon be finalized and added that HUD had frontloaded the money for Hosmer and Brewster (as reported at a previous meeting).

Old Business

Attorney Pirages noted that the items on the Agenda involving the confirmation and public notice of actions taken at the December 20, 2017 meeting for the minutes of the Executive Sessions from the following meetings:

January 14, 2014
March 20, 2014
August 21, 2014
September 18, 2014
October 30, 2014

While noting that no further action is needed by the Board (since a vote had been taken at the December 20, 2017 meeting making those minutes available), confirmation and public notice of that prior action was set forth in the agenda for this meeting (the January 18, 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) 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”. That motion was made by Commissioner Hughes and seconded by Vice Chairman Getty; 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 5:59 p.m. and concluded at 6:03 p.m. The motion to come out of Executive Session was made by Commissioner Hughes and seconded by Vice Chairman Getty 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 Hughes that was seconded by Commissioner Conard to make available for public inspection the minutes of the Executive Sessions from certain previous meetings, including the following meeting:

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

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 February 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 Hughes. The motion to adjourn the meeting was approved by unanimous voice call vote of all four (4) Commissioners present with none against and two (2) Commissioners absent. The meeting adjourned at 6:03 p.m.

Respectfully submitted,

Alanna Conard, Recording Secretary

