

MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY
June 19, 2018

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, June 19, 2018, at approximately 11:00 a.m. at the CHA Corporate Offices located at 60 E. Van Buren in Chicago, IL.

Chairman Hooker then called the meeting to order and upon roll call those present and absent were as follows:

Present: Matthew Brewer
Craig Chico
Dr. Mildred Harris
Meghan Harte
John Hooker
Jack Markowski
Cristina Matos

Absent: Francine Washington

Also present were Eugene Jones, Chief Executive Officer; James Bebley, Chief Legal Officer; Chicago Housing Authority staff members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Jack Markowski, Chairman of the Finance & Audit committee, then presented his report. Per Commissioner Markowski, the Finance & Audit Committee held its regular meeting at 8:30 a.m. today at the CHA Corporate Offices. Commissioner Markowski chaired the meeting and the following committee members were present as well: Commissioners Brewer, Harte and Matos. Present also but not counted for the quorum were Chairman John Hooker, Vice-Chairman Craig Chico and Commissioner Jack Markowski. Committee members then voted to adjourn to closed session to discuss certain audit reviews and investigatory matters. Committee members then returned to open session and discussed, voted and recommended for approval the following five items.

On behalf of the Finance & Audit Committee, Committee Chairman Markowski presented an Omnibus Motion for the approval of Items 1 through 5.

(Item 1)

HUD requires public housing authorities to annually publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Accordingly, the resolution for Item 1 approves the CHA's Single Audit Report, Financial Statement Audit and Comprehensive Annual Financial Report for the year ended December 31, 2017, and authorize the CEO to submit such documents to HUD. The CHA is required to submit the Single Audit

Report to HUD by September 30, 2018, nine months after the end of its fiscal year (December 31, 2017). For the year ended December 31, 2017, the Authority engaged Ernst and Young to audit its results and issue the Comprehensive Annual Financial Report in accordance with HUD requirements.

RESOLUTION NO. 2018-CHA-39

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 19, 2018 and attached hereto entitled “Recommendation to Accept and Submit to HUD the Chicago Housing Authority’s Single Audit Report, Financial Statement Audit and Comprehensive Annual Financial Report for The Year Ended December 31, 2017”

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

THAT, The Board of Commissioners hereby accepts the Authority’s 2017 Single Audit Report, and Financial Statement Audit and Comprehensive Annual Financial Report for The Year Ended December 31, 2017

THAT, The Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to submit the Single Audit Report, Financial Statement Audit and Comprehensive Annual Financial Report for the year ended December 31, 2017 to the U.S. Department of Housing and Urban Development.

(Item 2)

The resolution for Item 2 approves the execution and delivery of the final form of Master Trust Indenture, Supplemental Trust Indenture, if required, Bond Purchase Agreement, the Bonds and such other documentation in order to issue and sell not more than \$350,000,000 principal amount of Chicago Housing Authority General Obligation Bonds in one or more tax-exempt and/or taxable series. The Chicago Housing Authority will complete numerous capital projects in the next 3-5 years using these bond proceeds. The projects include needed repairs and maintenance to CHA’s public housing portfolio and development projects that will result in new mixed income and project-based voucher units. The bond proceeds allow CHA to accelerate these projects into that 3-5-year timeframe as opposed to completing the projects over a significantly longer period of time on a pay-as-you-go process utilizing annual HUD funding. The Authority will be providing more and better housing units sooner by using the proceeds of this bond issue. The proceeds of the bond issue will be used to: (i) finance certain capital costs of the CHA, including capitalized interest; (ii) fund an account in the Debt Service Reserve Fund for the Bonds; (iii) pay costs associated with the issuance of the Bonds; and (iv) to reimburse CHA for allowable Capital expenditures.

RESOLUTION NO. 2018-CHA-40

Resolution providing for the issuance of not to exceed \$350,000,000 aggregate principal amount of General Obligation Bonds in one or more tax-exempt and/or taxable series of the Chicago Housing Authority pursuant to an Indenture; authorizing the sale thereof pursuant to a Purchase Contract; authorizing the preparation, execution and distribution of a Preliminary Official Statement and an Official Statement; authorizing the execution

and delivery of a Continuing Disclosure Undertaking; authorizing the execution and delivery of a Tax Certificate; and related matters.

* * *

WHEREAS, the Chicago Housing Authority, a municipal corporation and a body corporate and politic, duly organized and validly existing under and by virtue of the laws of the State of Illinois (the “Authority”), is authorized by the laws of the State of Illinois (the “State”), including, without limitation, the Housing Authorities Act, 310 ILCS 10/1, et seq., and all laws amendatory and supplemental thereto, including in particular the Local Government Debt Reform Act, 30 ILCS 350/1, et seq., as amended (collectively, the “Act”) to acquire and dispose of improved or unimproved property, to remove unsanitary or substandard conditions, to construct and operate housing accommodations, to regulate the maintenance of housing projects and to borrow, expend, loan, invest, and repay monies for the purposes set forth in the Act and such powers are public objects and governmental functions essential to the public interest; and

WHEREAS, the Authority has the power to issue its bonds to finance in whole or in part the cost of acquisition, purchase, construction, reconstruction, improvement, alteration, extension or repair of any project or undertaking pursuant to the Act and to secure such bonds by pledges of its revenues, or in any other manner provided under the Act; and

WHEREAS, the Board of Commissioners of the Authority (the “Board”) has considered the needs of the Authority and, in so doing, the Board has determined that sufficient capital funds of the Authority are not available to pay for various capital improvements of the Authority including, in connection with said work, acquisition of all land or rights in land, mechanical, electrical, and other services necessary, useful, or advisable thereto (the “Project”), all as projected in the Authority’s 5-year capital plan, and the Board has deemed and does now deem it advisable, necessary and in the best interests of the Authority to finance the Project; and

WHEREAS, the Board has determined the total cost of the Project and expenses incidental thereto, including financial, legal, architectural, and engineering services related to such work provided for in this Resolution to be not to exceed \$350,000,000, plus estimated investment earnings which may be received on said sum prior to disbursement; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Authority desires to authorize the issuance and sale of not to exceed \$350,000,000 aggregate principal amount of its general obligation bonds, in one or more series, the interest on which may be excludable from gross income from the holders thereof (“Tax-Exempt Bonds”) or includable in gross income of the holders thereof (“Taxable Bonds”), to be issued as bonds or other obligations permitted to be issued under the Act (collectively, the “Bonds”); and

WHEREAS, the proceeds of the Bonds will be applied to finance the Project, fund a debt service reserve deposit, fund a capitalized interest deposit and pay the costs of issuing the Bonds, each as applicable; and

WHEREAS, the Authority proposes (a) to issue the Bonds pursuant to a trust indenture between the Authority and a corporate trustee (the “Indenture”), which shall establish, among other things, the terms of the Bonds and the security therefor, (b) to sell the Bonds to the underwriters thereof pursuant to a bond purchase agreement (the “Purchase Contract”) and to distribute a preliminary official statement and a final official statement in connection therewith, (c) to undertake continuing disclosure for the Bonds pursuant to a Continuing Disclosure Undertaking (as defined herein) and (d) to execute a non-arbitrage certificate (the “Tax Certificate”) with respect to the Tax-Exempt Bonds; and

WHEREAS, the Bonds shall not be a debt of any city, village, incorporated town or county, or the State or any political subdivision thereof other than the Authority and neither the city, village, incorporated town or the county, nor the State or any political subdivision thereof (other than the Authority) will be liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than those of the Authority; and

WHEREAS, the Authority expects to apply the proceeds of the Tax-Exempt Bonds and the Taxable Bonds to reimburse itself for certain expenditures relating to the Project paid prior to the date of this Resolution or that will be paid on or after the date of this Resolution (collectively, the “Expenditures”); and

WHEREAS, for purposes of Treasury Regulation Section 1.150-2, to the extent that proceeds of the Tax-Exempt Bonds are applied to reimburse the Authority for Expenditures, such Expenditures shall have been paid not earlier than 60 days prior to the date of this Resolution; and

WHEREAS, the Board deems it in the best interests of the Authority to direct any one or more of the Chief Executive Officer (or his designee), Chief Financial Officer, Chief Investment Officer, Chief Procurement Officer or Chief Legal Officer (each an “Authorized Officer”), with the concurrence of a second Authorized Officer, to take all steps necessary to issue the Bonds for the purposes authorized hereby; and

NOW, THEREFORE, Be It Resolved by the Board of Commissioners of the Chicago Housing Authority;

Section 1. Authority Incorporation of Preambles. The Board hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

Section 2. Authorization of Bonds; Bond Details. The issuance and sale of the Bonds, in one or more series, as Tax-Exempt and/or Taxable Bonds, are hereby authorized for purposes of financing the Project, funding a debt service reserve deposit, funding a capitalized interest deposit and paying the costs of issuing the Bonds, each as applicable. The Board hereby authorizes and directs one or more of the Authorized Officers, with the concurrence of a second Authorized Officer, to specify the final terms of the Bonds in the Indenture, including, without limitation, the final principal amounts, series designations, denominations and forms thereof, the maturity schedule(s) and security therefor, the redemption provisions applicable thereto, and such other terms, conditions and provisions as shall be deemed necessary or advisable; provided that the Bonds shall be issued in an aggregate principal amount not to exceed \$350,000,000, shall bear interest at rates that do not exceed 7%, and shall mature not later than 30 years from their date of issuance.

Section 3. Authorization of Indenture. The Indenture is hereby authorized to be executed and delivered substantially in the form of indentures commonly used by the Authority or other issuers of municipal bonds in transactions similar to that described in this Resolution, subject to the parameters set forth herein and subject further to such changes, insertions, omissions and completion of blanks and terms therein relating to the Bonds as shall be approved by two or more of the Authorized Officers. The Indenture shall be executed by two Authorized Officers, and the execution of the Indenture by such Authorized Officers shall be conclusive evidence of their approval.

Section 4. Sale of Bonds; Authorization of Purchase Contract. The Treasurer is hereby authorized and directed to deliver the Bonds to Cabrera Capital Markets, LLC, as senior managing underwriter and as representative of the underwriters (collectively, the “Underwriters”) identified in the Purchase Contract. Authority is hereby delegated to any one of the Authorized Officers, with the concurrence of a second Authorized Officer, (i) to sell all, but not less than all, of the Bonds to the Underwriters at an aggregate purchase price of not less than par, net of underwriters’ fees, plus accrued interest on the Bonds (if any) from their dated date to their date of delivery and (ii) to determine all of the terms and details of the Bonds not determined in this Resolution including, without limitation, whether to procure credit enhancement for the Bonds.

The Authorized Officers and the Secretary are authorized and directed to deliver the Purchase Contract in the name of and on behalf of the Authority. The Purchase Contract shall be executed by two Authorized Officers and shall be substantially in the form of purchase agreements commonly used by the Authority or other issuers of municipal bonds in transactions similar to that described in this Resolution, with such changes as necessary to reflect the terms and provisions of the Bonds and the Indenture, and to reflect such other changes as an Authorized Officer, with the concurrence of a second Authorized Officer, shall determine are necessary or desirable in connection with the sale of the Bonds. The execution of the Purchase Contract by two Authorized Officers shall be conclusive evidence of their approval. No person holding any office of the Authority, either by election or appointment, shall be in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the transaction described in the Purchase Contract.

Section 5. Authorization of Preliminary and Final Official Statements. A preliminary official statement and a final official statement are each hereby authorized to be prepared and distributed in connection with the sale of the Bonds in such form as shall be approved and executed by two or more Authorized Officers. The execution of the final official statement by two Authorized Officers shall be conclusive evidence of their approval.

Section 6. Tax Covenants; Authorization of Tax Certificate; Noncompliance with Tax Covenants. The proceeds of Tax-Exempt Bonds shall not be used in a manner, and the Authority shall not take, permit to be taken, or fail to take any action, which would cause any Tax-Exempt Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code, or which would adversely affect the exclusion from gross income of the interest on the Tax-Exempt Bonds under Section 103 of the Code and applicable regulations, rulings, and decisions. The Tax Certificate shall be executed by two Authorized Officers and shall be in the form of non-arbitrage certifications commonly used by the Authority or other issuers of municipal bonds in transactions similar to that described in this Resolution and acceptable to Bond Counsel (as defined in the Indenture) and two or more Authorized Officers, setting forth such covenants and certifications as shall be necessary to ensure the excludability of interest on the Tax-Exempt Bonds from gross income for federal tax purposes.

Section 7. Reimbursement Declaration. For purposes of and in accordance with Treasury Regulation Section 1.150-2, the Authority hereby declares its intent to apply proceeds of the Tax-Exempt Bonds, if issued, to reimburse itself for certain Expenditures incurred not earlier than 60 days prior to the date of this Resolution.

Section 8. Authorization of Continuing Disclosure Undertaking. Each Authorized Officer and the Secretary are hereby authorized, empowered and directed to deliver an undertaking under Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the “Continuing Disclosure Undertaking”). The Continuing Disclosure Undertaking shall be executed by two Authorized Officers, and when executed and delivered on behalf of the Authority as herein provided, the Continuing Disclosure Undertaking will be binding on the Authority and the officers, employees and agents of the Authority, and the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed.

Section 9. Execution and Filing. The Bonds shall be signed by the Chairperson and Secretary, and shall be countersigned by the Treasurer, and the seal of the Authority shall be affixed thereto or printed thereon, and in case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Final forms and execution versions of any and all documents related to the Bonds, including, without limitation, the Indenture, the Purchase Contract, the preliminary official statement, the final official statement, the Tax Certificate and the Continuing Disclosure Undertaking, shall be placed on file with the Secretary.

Section 10. Delegation of Authority. This Resolution is adopted and the actions herein are authorized in contemplation of compliance by the Authority with all applicable rules, policies, programs and regulations of the United States Department of Housing and Urban Development (“HUD”). Each of the Authorized Officers is hereby delegated authority to take any and all further actions and to obtain and/or execute and deliver such further contracts, documents, papers and certificates as shall be necessary for the Authority to comply with such rules, policies, programs and regulations of HUD; provided that the authority delegated to each Authorized Officer pursuant to this paragraph shall not be effective absent the concurrence of a second Authorized Officer.

From and after the effective date of this Resolution, the Authorized Officers are further delegated authority to enter into new contracts, and/or amend or extend existing contracts (without further Board action) as they deem necessary or advisable to accomplish the purposes set forth in this Resolution. The Authorized Officers are further delegated authority to do all things necessary and essential to effectuate the provisions of any such contract, including the execution of the Indenture, the Purchase Contract, the Continuing Disclosure Undertaking and any other contracts, documents, papers and certificates incidental thereto or necessary to carry out the provisions hereof and thereof, including the Tax Certificate and the hiring or further retention of professionals and experts. The authority delegated to each Authorized Officer pursuant to this paragraph shall not be effective absent the concurrence of a second Authorized Officer. The execution of such other contracts, documents, papers and certificates by two Authorized Officers shall be conclusive evidence of their approval.

Section 11. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 12. Repeal. All ordinances, resolutions or parts thereof in conflict herewith be and the same are hereby repealed, and this Resolution shall be in full force and effect forthwith upon its adoption.

(Item 3)

The resolution for item 3 approves the revised CHA Debarment Policy and Procedures. The current policy was adopted in 1994. The revised Debarment Policy and Procedures will update CHA’s procedures to better align with the current state of best practices in the administration and enforcement

of debarment and suspension activities. The revisions and updates to the Debarment Policy and Procedures reflect two additional goals: (a) streamlining various administrative elements of the Policy to provide the CHA with greater flexibility in managing and administering the formal debarment process; and (b) aligning elements of CHA's procurement and debarment practices with those of Chicago's Sister Agencies to leverage greater communication, transparency and management of debarment activities across Sister Agencies and support the integrity of their respective procurement processes and practices. The revisions also incorporate recommendations from the Mayor's Procurement Reform Task Force, which was comprised of the various local Sister Agencies. The CHA and Chicago Sister Agencies will exchange information regarding their debarment activities.

RESOLUTION NO. 2018-CHA-41

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 19, 2018, entitled "RECOMMENDATION TO ADOPT THE REVISED CHA DEBARMENT POLICY AND PROCEDURES" and concurs in the recommendation contained therein;

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners adopts the revised Chicago Housing Authority Debarment Policy and Procedures, effective as of June 19, 2018, which shall replace the previously effective Debarment Policy and Procedures, substantially in the form of Attachment A.

(Item 4)

The resolution for Item 4 approves the policy that establishes the requirements for compliance with the Illinois Identity Protection Act, 5 ILCS 179/1 *et seq* to ensure the confidentiality and integrity of Social Security Numbers collected, maintained and used by the CHA. The goal of the Act's requirements that limit the collection, access and use of Social Security Numbers is to protect against the threat of identity theft. CHA staff will receive an update and training on the new Social Security Number Protection Policy at a subsequent CHA-wide training session.

RESOLUTION NO. 2018-CHA-42

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 19, 2018, entitled "RECOMMENDATION TO ADOPT SOCIAL SECURITY NUMBER PROTECTION POLICY" and concurs in the recommendation contained therein;

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners adopts the Chicago Housing Authority Social Security Number Protection Policy in the form attached.

(Item 5)

The resolution for Item 5 approves the extension for Contract No. 11770 with Pugh, Jones and Johnson, P.C. for services as the CHA Ethics Officer and Equal Employment Opportunity (EEO) Officer. The contract extension will be for a one-year period, effective from July 1, 2018, through June 30, 2019.

Services performed under the extension to Contract No. 11770 shall be subject to the annual appropriated budget for the Office of the Chief Legal Officer applicable to all aggregated Legal Services Agreements. The CHA's Ethics Policy establishes the position of Ethics Officer to be appointed by the CHA's Board of Commissioners, with preference given to an independent contractor outside of the CHA. The vendor's performance has been satisfactory during the term of the agreement.

RESOLUTION NO. 2018-CHA-43

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 19, 2018 entitled "Recommendation to Extend the Contract with Pugh, Jones and Johnson, P.C. for Ethics Officer and EEO Officer Services."

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into an amendment to Contract No. 11770 with Pugh, Jones and Johnson, P.C. extending the contract from July 1, 2018 through June 30, 2019, to continue the vendor's performance of Ethics Officer and Equal Employment Opportunity Officer services to the CHA. Services performed under the amendment to Contract No. 11770 shall be subject to the annual appropriated budget for the Office of the Chief Legal Officer applicable to all aggregated Legal Services Agreements.

This award is subject to the Contractor's compliance with the CHA's applicable MBE/WBE/DBE/ Section 3 hiring and insurance requirements.

The Motion to adopt resolutions for Items 1 through 5 was seconded by Commissioner Chico and the voting was as follows:

Ayes: Matthew Brewer
 Craig Chico
 Dr. Mildred Harris
 Meghan Harte
 John Hooker
 Jack Markowski
 Cristina Matos

Nays: None

There being no questions or discussion, Chairman Hooker thereupon declared said Motion carried and said resolutions adopted.

Matthew Brewer, Chairman of the Real Estate Operations Development committee, then presented his report. Per Commissioner Brewer, the Real Estate Operations Development Committee held its monthly meeting earlier today. Commissioner Brewer chaired the meeting and the following committee members were present as well: Commissioners Harris and Markowski. Although Chairman Hooker and Commissioners Chico, Harte and Matos were also present they were not counted toward the quorum. Committee members then discussed, voted and recommended for approval the seven items appearing on the agenda.

On behalf of the Real Estate Operations Development committee, Commissioner Brewer presented an Omnibus Motion for approval of Items 6 through 12.

(Item 6)

The Resolution for Item 6 approves an agreement with Constellation New Energy – Electricity Division for the supply of electricity. The State of Illinois’ electricity supply contract was competitively bid and includes the ability to lock in wholesale rates instead of retail, and enables the CHA to hedge against potential market price fluctuations through use of multi-tiered price/risk management options. The CHA has utilized this type of contract since Illinois deregulated the energy market, and has consistently locked in rates for electricity which are lower than the local market rate for operational savings. This contract is for electricity supply only, the CHA will continue to maintain accounts and pay delivery charges to ComEd, which is the only option for electricity delivery in Chicago. Participating in this contract will also provide the CHA access experienced energy market analysts and trading professionals to track electricity supply market trends and to forecast pricing fluctuation.

Chairman Hooker abstained from voting on Item No. 6.

RESOLUTION NO. 2018-CHA-44

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated June 9, 2018 – entitled “AUTHORIZATION TO PARTICIPATE IN THE STATE OF ILLINOIS AGREEMENT WITH CONSTELLATION NEW ENERGY SERVICES – ELECTRICITY DIVISION, LLC FOR THE SUPPLY OF ELECTRICITY”

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a contract with Constellation New Energy, Inc. in an amount not to exceed \$ 4,578,035 over the term of the contract, August 1st, 2018 until December 31, 2019. Any future renewal terms approved by the State of Illinois up to a total of 3 years with an annual amount not to exceed \$ 3,231,554.

(Item 7)

The resolution for Item No. 7 approves contract modifications with Koo, LLC totaling \$169,775.00 to compensate the Architect-of-Record for additional design services necessitated by the enhancements, plus construction administration and oversight services associated with the desired phasing of the Nathaniel Pope Elementary School. Upon authorization of this contract modification, the revised total contract value for the Architect-of-Record will be an amount not to exceed \$1,176,995.00. The former Nathaniel Pope Elementary School is a decommissioned Chicago Public School building located in Chicago’s North Lawndale neighborhood at 1852 S. Albany Avenue and is adjacent to Douglas Park. The CHA purchased the building from the Chicago Board of Education and the Public Building Commission. The CHA awarded a contract to Koo, LLC in September 2016 for the professional design services to convert and renovate the former elementary school into a mixed-use building which will contain office space, residential units and community space. The project has now undergone changes to increase the number of residential units constructed, which is in furtherance of the CHA’s mission and

goal to provide more housing, and also to enhance the community/theater space for the benefit of the surrounding community. The renovated building will provide not fewer than 19 residential units from the original 14 units, new office space for the Housing Choice Voucher Program's west satellite office and a renovated two-story 700 seat auditorium/theater for internal use and external community use.

RESOLUTION NO. 2018-CHA-45

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 19, 2018 entitled "Authorization to Execute a Contract Modifications to Contract 12034 Professional Design Services for the Conversion and Renovation of 1852 S. Albany".

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a contract modification to C-12034 with Koo, LLC for professional design services for the conversion and renovation of 1852 S. Albany for a total amount not-to-exceed amount of \$169,775.00.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE/ Section 3 hiring and insurance requirements.

(Item 8)

The CHA issued an Invitation for Bid (IFB) in April 2018 to solicit general contractors to complete construction work for the Conversion and Renovation of the former Pope School property located at 1852 S. Albany. CHA solicited 18 vendors, 31 assist agencies and 388 Section 3 businesses and Procurement Infor Rich Client Administration Commodity Codes for Construction. Of the three 3 responsive bids received, A.L.L. Masonry Construction Company, Inc. submitted the lowest lump sum bid. Accordingly, the resolution for Item 8 approves award of contract to A.L.L. Masonry Construction Company for the Conversion and Renovation of 1852 S. Albany for a total not-to-exceed amount of \$14,643,292.00. The former Nathaniel Pope Elementary School is a decommissioned Chicago Public School building located in Chicago's North Lawndale neighborhood at 1852 S. Albany. This contract award is for construction work pertaining to the conversion and renovation of the First and Second Floors of the building. The General Contractor will renovate and reconfigure the Administrative Office areas on the First and Second floors and complete building envelope restoration and exterior/site work. This work will include exterior and interior architectural renovations, renovation and conversion of classrooms into office spaces, new elevators, new built-in casework, architectural woodwork restoration, new mechanical, electrical, lighting, plumbing, and sprinkler systems, exterior stone and brick repairs/restoration, window replacement, roof repairs, and new site grading, formal garden, and parking lot. The third-floor residential portion and the auditorium/theater space will be left as a 'white box' for renovation in the near future under a separate contract.

RESOLUTION NO. 2018-CHA-46

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 19, 2018 entitled "Recommendation to Award a Contract for the Conversion and Renovation of 1852 S. Albany".

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a contract with A.L.L. Masonry Construction Company, Inc. for the Conversion and Renovation of 1852 S. Albany in the firm fixed price of \$13,814,426.00 plus a not-to-exceed amount of \$828,866.00 in contingency (6%, which is in line with industry standards) strictly limited to potential change orders justified as discovered conditions or code compliance issues for a total not-to-exceed amount of \$14,643,292.00.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 and insurance requirements.

(Item 9)

CHA released a Request for Qualification (RFQ) for Mixed-Finance Pre-Qualification for Development Teams in March 2018. CHA solicited 1,086 vendors through advertisements posted in area newspapers, and posted on the CHA Web-site and in the Procurement Infor Rich Client Administration. A total of five responses were received. Proposals were evaluated and scored based on the evaluation criteria. Four firms met or exceeded the acceptable minimum threshold established by the Contracting Officer. Accordingly, the resolution for Item 9 approves the following four teams for mixed-income and mixed-use developments: Three Corners Development; McLaurin Development Partners LLC; MVAH Partners LLC; The Michaels Development Company – DL3 Realty. The RFQ provides a method to pre-qualify developers and creates opportunities for CHA to provide capital loans and operating funds for new construction and rehabilitation of multi-family, mixed-income and mixed-use projects that directly benefit CHA residents. The selected respondents will be issued a "Letter of Qualification" and have two years from the date of that letter to submit proposals to CHA. CHA may provide financial investment or enter-into-long term leases for the units, subject to Board, HUD and other approvals, if necessary.

RESOLUTION NO. 2018-CHA-47

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 19, 2018 entitled "Recommendation to approve Four (4) development teams for mixed-income housing and mixed-use development delivery through the Pre-Qualified Development Team approach."

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to approve the following four (4) Development Teams for mixed-income housing and mixed-use development delivery through the Pre-Qualified Development Team (PDT) approach: The following teams are recommended to be approved for mixed-income and mixed-use developments:

- Three Corners Development
- McLaurin Development Partners LLC
- MVAH Partners LLC
- The Michaels Development Company – DL3 Realty

(Item 10)

The resolution for Item 10 approves funding in an amount not to exceed \$7,000,000 in CHA funds to the Chicago Park District to construct a new recreational center at East 15th and South Loomis Avenue; and also approves agreement with the Chicago Park District or a related entity and perform such actions as may be necessary or appropriate to implement the foregoing. The Chicago Park District will construct a 100,000 SF recreational center. The multi-purpose facility is designed to provide year-round programming for the region. The building will include a multi-purpose artificial turf field, a practice track, multi-purpose hard court space, community room, and associated support functions. Outdoor facilities will include an artificial combination field for baseball, football, lacrosse, and soccer. The cost of the Addams Recreation Center construction project stands at \$20 million. Contributions for this project will be given by The City of Chicago, The Chicago Park District, The Chicago Housing Authority, The Inner City Education, and Recreation Foundation, Exelon. The center is expected to be completed by late 2019 or early 2020.

RESOLUTION NO. 2018-CHA-48

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 19, 2018 entitled “Authorization to 1) Fund an amount not to exceed \$7,000,000 in CHA funds to the Chicago Park District to construct a new recreational center at East 15th and South Loomis Avenue; and 2) Execute an agreement with the Chicago Park District or a related entity and perform such actions as may be necessary or appropriate to implement the foregoing”.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) Fund an amount not to exceed \$7,000,000 in CHA funds to the Chicago Park District to construct a new recreational center at East 15th and South Loomis Avenue; and 2) Execute an agreement with the Chicago Park District or a related entity and perform such actions as may be necessary or appropriate to implement the foregoing”.

(Item 11)

The resolution for Item 11 authorizes the formation of an Owner entity, with related documents needed for the formation of said entities and authorizes various significant actions which will be taken. Such actions include the execution and delivery of various financing, acquisition, and other development and/or management documents. This property is part of the CHA’s wider portfolio of properties to be converted to RAD. Patrick Sullivan Apartments is a 22-story designated senior housing building located at 1633 W. Madison. The building, which contains 480 units, was built in 1963 and is located on an approximately 3.6-acre site.

RESOLUTION NO. 2018-CHA-49

WHEREAS, the Chicago Housing Authority proposes to finance Patrick Sullivan Apartments consisting of 480 rental units in Chicago, Illinois; and

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 19, 2018 entitled “Recommendation to (1) Form Patrick Sullivan Housing LLC, and to close the transaction for the refinancing of Patrick Sullivan

Apartments and the reimbursement to the Chicago Housing Authority of costs related thereto; (2) Secure permanent financing in an amount not to exceed \$32 Million; (3) Transfer the Patrick Sullivan Apartments property to Patrick Sullivan Housing LLC, ground lease the underlying property and finance the sale through seller financing to Patrick Sullivan Housing LLC; (4) Execute a Rental Assistance Demonstration Housing Assistance Payment contract with Patrick Sullivan Housing LLC; and (5) Execute and deliver such other documents and perform such actions as many be necessary or appropriate to implement the foregoing.”

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Chief Executive Officer, or his designee, is authorized to: (1) Form Patrick Sullivan Housing LLC, and to close the transaction for the refinancing of Patrick Sullivan Apartments and the reimbursement to the Chicago Housing Authority of costs related thereto; (2) Secure permanent financing in an amount not to exceed \$32 Million; (3) Transfer the Patrick Sullivan Apartments property to Patrick Sullivan Housing LLC, ground lease the underlying property and finance the sale through seller financing to Patrick Sullivan Housing LLC; (4) Execute a Rental Assistance Demonstration Housing Assistance Payment contract with Patrick Sullivan Housing LLC; and (5) Execute and deliver such other documents and perform such actions as many be necessary or appropriate to implement the foregoing.

This award is not subject to compliance with CHA’s MBE/WBE/DBE/Section 3 hiring and insurance requirements.

(Item 12)

The resolution for Item 12 authorizes the CEO to submit a Disposition Application to HUD for the disposition of CHA land and to execute a ground lease with SOS Children’s Villages (SOS) for real estate commonly known as 1301 S. Racine Avenue. In 2013, CHA disposed of seven parcels of CHA land to SOS for the construction of their 72-unit foster home facility located on the 1400 block of Washtenaw in Roosevelt Square. At the time, the site was valued at \$1,500,000. SOS agreed to a three-year community benefit program valued at \$684,559 annually. In 2016, SOS requested 39,000 SF of vacant land located at 1301 S. Racine for the construction of a new community and administrative facility. The community center would provide programming for youth located at their foster home facility, programming for the greater community, and administrative offices for SOS staff. A January 2017 appraisal completed by PF Appraisals valued the Racine property at \$1,900,000. An update completed by PF Appraisals in May 2018 valued the land at \$2,070,000. SOS has committed to a new community benefits program valued at \$3,400,000.

RESOLUTION NO. 2018-CHA-50

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 19, 2018 entitled “Authorization to 1) Submit a Disposition Application to HUD for the disposition of CHA land 2) Execute a ground lease with SOS Children’s Villages for real estate commonly known as 1301 S. Racine Avenue and 3) Execute and deliver such other documents and perform such activities as may be necessary or appropriate to implement the foregoing”.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) Submit a Disposition Application to HUD for the disposition of CHA land 2) Execute a ground lease with SOS Children’s Villages for real estate commonly known as 1301 S. Racine Avenue and 3) Execute and deliver such other documents and perform such activities as may be necessary or appropriate to implement the foregoing.

The Motion to adopt the resolutions for Items 6 through 12 was seconded by Commissioner Markowski and the voting was as follows

Ayes: Matthew Brewer
Craig Chico
Dr. Mildred Harris
Meghan Harte
John Hooker (abstained from voting on item #6 only)
Jack Markowski
Cristina Matos

Nays: None

There being no questions or discussion, Chairman Hooker thereupon declared said Motion carried and said resolutions adopted.

Chairman Hooker then announced the resignation of Commissioner Jack Markowski. Per Chairman Hooker, Commissioner Markowski submitted his resignation to the Mayor and the Board which they reluctantly accepted.

Chairman Hooker then invited residents and the public at large to address the Board.

Immediately following Public Participation and upon Motion made by Chairman Hooker and properly seconded by Commissioner Harte, the Commissioners adjourned to Closed Session. Chairman Hooker announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately 30 minutes to discuss personnel related matters; purchase, sale and lease of real estate property; pending, probable or imminent litigation; review of closed meeting minutes and audit reviews.

Following Closed Session, Commissioners reconvened in Open Session.

Chairman Hooker called the meeting to order and upon roll call those present and absent were as follows:

Present: Matthew Brewer
Craig Chico
Dr. Mildred Harris
Meghan Harte

John Hooker
Jack Markowski
Cristina Matos

Absent: Francine Washington

There being a quorum present, the meeting duly convened and business was transacted as follows:

Upon motion made by Chairman Hooker and properly seconded by Commissioner Brewer, the open and closed minutes for meetings of May 15, 2018 were approved as submitted.

The Chairman then announced that during Closed Session Commissioners discussed Items 13 through 15. A Motion to approve Items No. 13 through 15 was presented by Commissioner Brewer and properly seconded by Commissioner Chico.

(Item 13)

RESOLUTION NO. 2018-CHA-51

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 19, 2018, entitled “AUTHORIZATION TO SETTLE THE MATTER OF”: Mary Haywood, Martha Lewis, Annie Stubenfield, A.D. Lindsey, Essie McAllister and Sandra Walton (“Class Representatives” or “Plaintiffs”) vs. Chicago Housing Authority, an Illinois Municipal Corporation, Case No. 1:15-CV-8317 requesting authorization to enter into a class settlement agreement in the amount of \$6,675,000 in the matter Mary Haywood, Martha Lewis, Annie Stubenfield, A.D. Lindsey, Essie McAllister and Sandra Walton (“Class Representatives” or “Plaintiffs”) vs. Chicago Housing Authority, an Illinois Municipal Corporation, Case No. 1:15-CV-8317.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Legal Officer, to enter into a class settlement agreement in the amount of \$6,675,000 in the matter of Mary Haywood, Martha Lewis, Annie Stubenfield, A.D. Lindsey, Essie McAllister and Sandra Walton (“Class Representatives” or “Plaintiffs”) vs. Chicago Housing Authority, an Illinois Municipal Corporation, Case No. 1:15-CV-8317; and

THAT the Chief Legal Officer and the Chief Executive Officer are further authorized to negotiate, enter into and execute any and all further agreements or orders to effectuate the purposes approved in this Resolution.

(Item 14)

RESOLUTION NO. 2017-CHA-52

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 19, 2018 entitled “Recommendation to 1) Acquire four 6-unit residential buildings at 2603-2617 North Harlem Avenue for public housing; 2) Negotiate and execute acquisition and related financing documents; 3) Submit a Final Site Approval

Application to the United States Department of Housing and Urban Development; and 4) Perform such actions as may be necessary or appropriate to implement the foregoing.”

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) Acquire four 6-unit residential buildings at 2603-2617 North Harlem Avenue for public housing; 2) Negotiate and execute acquisition and related financing documents; 3) Submit a Final Site Approval Application to the United States Department of Housing and Urban Development; and 4) Perform such actions as may be necessary or appropriate to implement the foregoing, subject to HUD approval.

(Item 15)

The resolution for Item 15 ratifies the following personnel actions for positions below Grade 74: offer of employment to five applicants and promotion of 6 current employees.

RESOLUTION NO. 2018-CHA-53

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 19, 2018, entitled “Approval of Personnel Actions”:

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the requested personnel actions.

The Motion to adopt the resolutions for Items 13 through 15 was seconded by Commissioner Chico and the voting was as follows:

Ayes: Matthew Brewer
Craig Chico
Meghan Harte
Dr. Mildred Harris
John Hooker
Jack Markowski
Cristina Matos

Nays: None

There being no questions or discussion, Chairman Hooker thereupon declared said Motion carried and said resolutions adopted.

There being no further business to come before the Commissioners, upon Motion made by Commissioner Harris and seconded by Commissioner Chico, the board meeting of June 19, 2018 was adjourned.

Lee Chuc-Gill, Secretary
Custodian and Keeper of Records