

**MINUTES OF THE REGULAR MEETING**  
**OF THE**  
**COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY**

**April 15, 2014**

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, April 15, 2014 at approximately 8:45 a.m. at the CHA Corporate Offices, 60 E. Van Buren, 12<sup>th</sup> Floor Loft in Chicago, IL.

Chairwoman Z. Scott called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Matthew Brewer
	Dr. Mildred Harris
	Harriet Johnson
	Myra King
	Jack Markowski
	Bridget Reidy
	Z. Scott
	Rodrigo Sierra

Absent:	Mark Cozzi
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Also present were Michael Merchant, Chief Executive Officer, Scott Ammarell, 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:

Upon Motion made by Chairman Scott and properly seconded by Commissioner Sierra, the Commissioners adjourned to Executive Session. Chairwoman Scott announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one hour to discuss personnel related matters, pending, probable or imminent litigation and audit reviews.

The Commissioners subsequently reconvened in Open Session and upon roll call, those present and absent were as follows:

Present:	Matthew Brewer
	Dr. Mildred Harris
	Harriet Johnson
	Myra King
	Jack Markowski
	Bridget Reidy
	Z. Scott
	Rodrigo Sierra
Absent:	Mark Cozzi

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

After Motion made by Commissioner Sierra and seconded by Commissioner Markowski the Minutes for the Regular and Closed meetings of March 18, 2014 were unanimously approved as submitted.

Commissioner Harriet Johnson then presented the report for the Personnel Committee. Per Commissioner Johnson during closed meeting, Commissioners discussed Item 1-Approval of Personnel Actions. On behalf of the Personnel Committee, Commissioner Johnson presented a Motion for the approval of Item 1.

**(Item 1)**

**RESOLUTION NO. 2014-CHA-34**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated April 15, 2014, entitled "Approval of Personnel Actions":

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

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

The Motion to adopt resolution for Item 1 was seconded by Commissioner Sierra and the voting was as follows:

Ayes:	Matthew Brewer
	Dr. Mildred Harris
	Harriet Johnson
	Myra King
	Jack Markowski
	Bridget Reidy
	Z. Scott
	Rodrigo Sierra

Nays:	None
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted.

Commissioner Bridget Reidy, Chairwoman of the Operations and Facilities committee then presented her report. Per Commissioner Reidy, the Operations Committee did not officially meet due to a lack of quorum. However, Commissioners and the public were briefed on the four items appearing on the agenda, and the items were open to comments and questions from Commissioners and the public, but for the record, no vote was taken. .

On behalf of the Operations Committee, Commissioner Reidy then presented an Omnibus Motion for the approval of Items 2 through 5.

**(Item 2)**

The resolution for Item 2 approves a Purchasing and Sale Agreement with XS Tennis Village LLC (Developer), approves submittal of a Disposition Application to HUD for CHA vacant land near Robert Taylor; dispose of the CHA land by negotiated sale and any other action necessary to implement the foregoing. XS Tennis is seeking to acquire and develop approximately 13.2 acres of real property owned by the CHA. The Robert Taylor land has been vacant for over a decade. The Project shall consist of the construction of an indoor tennis facility, housing 10 regulation-size tennis courts, 12 'mini' tennis courts, a running track, fitness center, 'temporary' basketball courts, classrooms and training space. Developer's goal is to train between 400 to 500 students per year and employ 20 coaches as well as 20 additional support staff. The tennis/sport facility will create a year-round recreational space; establishing a safe haven for children during the after school hours. The appraisal updated on February 6, 2014, to assess the value of the CHA land, estimated the highest and best use (build-to-suit mixed-use residential and commercial development) market value to be \$7.00/SF, and it estimated the highest and best intended use (tennis facility) market value to be \$3.50 S/F. XS Tennis has offered to pay CHA \$2,000,000 (approx. \$3.50/SF-highest and best intended use market estimate) and to provide commensurate benefits to CHA residents in the form of scholarships and jobs equivalent to \$2,600,000 over a ten year period, for a total value of \$4,600,000. In addition, the Developer agrees to commensurate benefits that include reserving annually 60 class scholarships valued at \$180,000 for CHA youth in the XS Tennis programs, and reserving for CHA residents 2-3 employment opportunities (jobs) for a total annual salary compensation not to exceed \$80,000.

**RESOLUTION NO. 2014-CHA-35**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated April 9, 2014 entitled Authorization to 1) Enter into a Purchase and Sales Agreement with XS Tennis Village LLC; 2) Submit a Disposition application to HUD for the disposition of CHA land commonly referred to as the vacant Robert Taylor site near 53<sup>rd</sup> Street and State Street, Chicago, Illinois (the "CHA Land") by negotiated sale; 3) Dispose of the CHA Land by negotiated sale pursuant to the Purchase and Sale Agreement upon HUD approval of the Disposition application; and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) Enter into a Purchase and Sales Agreement with XS Tennis Village LLC; 2) Submit a Disposition application to HUD for the disposition of CHA land commonly referred to as the vacant Robert Taylor site near 53<sup>rd</sup> Street and State Street, Chicago, Illinois (the "CHA Land") by negotiated sale; 3) Dispose of the CHA Land by negotiated sale pursuant to the Purchase and Sale Agreement upon HUD approval of the Disposition application; and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

**(Item 3)**

The resolution for Item 3 approves an agreement to enter into a Housing Assistance Payments Contract for 625 West Division. The property will include new construction of an 18-story elevator building located in the Near North Side community area with 240 units, of which 24 units will be PRA. Building amenities include a fitness center, pocket park, business center, community room, rooftop

patio, and on-site property management. The developer for the project will be Gerding Edlen, a for-profit development firm based in Portland. Gerding Edlen is active in urban markets such as Portland, San Francisco, Los Angeles, and Boston, where they have experience with mixed-income developments. It is the intent of the owner/manager of 625 W. Division to lease all of the PRA-assisted units to eligible families from the CHA's waiting lists. CHA will refer families from the Public Housing and PRA waiting lists as well as families whose right of return under the Relocation Rights Contract has not been satisfied. The CHA waiting lists will be exhausted prior to utilization of a site-based waiting list.

#### **RESOLUTION NO. 2014-CHA-36**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated April 9, 2014 requesting authorization to execute an Agreement to Enter into a Housing Assistance Payments Contract for 625 W. Division;

#### **THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) execute an Agreement to enter into a Housing Assistance Payments (AHAP) Contract for 625 W. Division; 2) execute a Housing Assistance Payments (HAP) Contract for 625 W. Division; and 2) execute all other documents as may be necessary or appropriate to implement the foregoing.

#### **(Item 4)**

The resolution for Item 4 approves an agreement to enter into a Housing Assistance Payments Contract for West Humboldt Place located at 3533-3545 W. Chicago located in the Near North Side community area with 13 units, of which 4 units will be PRA. Building amenities include a multi-purpose, computer and conference rooms, on-site property management and supportive services. The Children's Place Association (Developer) develops programs for children and families challenged by HIV/AIDS and other health conditions. The Children's Place helps more than 400 Chicago-area children and caregivers annually. It is the intent of the owner/manager of West Humboldt Place to lease all of the PRA-assisted units to eligible disabled families from the CHA's waiting lists. CHA will refer disabled families from the Public Housing and PRA waiting lists as well as disabled families whose right of return under the Relocation Rights Contract has not been satisfied. The CHA waiting lists will be exhausted prior to utilization of a site-based waiting list.

#### **RESOLUTION NO. 2014-CHA-37**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated April 9, 2014 requesting authorization to execute an Agreement to Enter into a Housing Assistance Payments Contract for West Humboldt Place;

#### **THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) execute an Agreement to enter into a Housing Assistance Payments (AHAP) Contract for West Humboldt Place; 2) execute a Housing Assistance Payments (HAP) Contract for West Humboldt Place; and 2) execute all other documents as may be necessary or appropriate to implement the foregoing.

**(Item 5)**

The resolution for item 5 approves the CHA's Section 3 Policy. The CHA's previous Section 3 Policy did not include the requirements of the Voluntary Compliance Agreement (VCA). The policy has been updated to include the VCA requirements and provides a comprehensive explanation of both the hiring and contracting requirements. The policy supports all other Section 3 documents stipulated under the VCA, including the Section 3 Plan and bi-annual reports. The CHA's Section 3 Policy incorporates all the requirements put forth in the regulations and VCA.

**RESOLUTION NO. 2014-CHA-38**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated April 9, 2014, entitled "RECOMMENDATION TO APPROVE THE CHICAGO HOUSING AUTHORITY'S SECTION 3 POLICY";

**THEREFORE BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners hereby approves the Chicago Housing Authority's Section 3 Policy and authorizes the Chief Executive Officer or his designee(s) to implement such Policy.

The Motion to adopt resolutions for Items 2, 3, 4 and 5 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Matthew Brewer  
Dr. Mildred Harris  
Harriet Johnson  
Jack Markowski  
Bridget Reidy  
Z. Scott  
Rodrigo Sierra

Nays: Myra King

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

Chairwoman Scott then presented a Motion for the approval of Item 6.

**(Item 6)**

**RESOLUTION NO. 2014-CHA-39**

**RESOLUTION TO AMEND RESOLUTION NO. 2014-CHA-5 AND  
THE CHICAGO HOUSING AUTHORITY AUDIT COMMITTEE CHARTER**

**WHEREAS**, the Chicago Housing Authority (the "**Authority**") has been created by, and exists under, the Housing Authorities Act, 310 ILCS 10/1 *et seq.*, as amended (the "**Act**"); and

**WHEREAS**, pursuant to the Act, the management and control of the Authority is vested in ten commissioners (herein after referred to as the "**Board of Commissioners**" or the "**Board**"); and

**WHEREAS,** Section 8 of the Act provides that the Authority shall have “all the powers necessary or convenient to carry out and effectuate the purposes and provisions” of the Act, 310 ILCS 10/8; and

**WHEREAS,** Section 1 of the By-Laws of the Authority provides, *inter alia*, that:  
The commissioners may by resolution make any delegation of discretionary powers or ministerial duties, to be exercised in accordance with the standards, limitations, and controls which shall be set up in such resolution and which shall not be inconsistent with the “Act in Relation to Housing Authorities” to any committee or committees of one or more chosen from among their number. Any action taken in the name of the Authority by a person or persons to whom such powers or duties have been delegated shall be the action of the Authority and binding upon it, provided such action is pursuant to and within the scope of the delegation resolution, and consistent with “An Act in Relation to Housing Authorities”; and

**WHEREAS,** the Board has determined that it is in the Authority's best interest to amend the first sentence of Section 2 of Resolution No. 2014-CHA-5, which established an Audit Committee and adopted the CHA's Audit Committee Charter and amend the Audit Committee Charter both with respect to the number of members to be appointed to the Audit Committee.

**NOW, THEREFORE, BE IT RESOLVED THE CHICAGO HOUSING AUTHORITY**

**THAT** the recitals set forth above are incorporated in their entirety as if fully set forth in this Section 1; and

**THAT** the Board hereby adopts this Resolution, which amends the "**Composition of Committee and Selection of Members**" section of the Audit Committee Charter on page 2 by deleting the first sentence and restating it as follows:

"The audit committee shall consist of five (5) members, including four (4) members of the Board of Commissioners and one (1) outside member chosen from the general community, all of whom must be independent of Chicago Housing Authority operations",

and which amends Section 2 of Resolution No. 2014-CHA-5 by deleting the first sentence of Section 2 of the Resolution and restating it as follows:

"In accordance with the Audit Committee Charter, which is attached to this Resolution and hereby adopted by the Board of Commissioners, there is hereby established an Audit Committee which shall be comprised of five (5) members, including four (4) members selected from the Board of Commissioners and one (1) member selected from the general community (the "**Audit Committee**", or "**Committee**"), all of whom must be independent of Chicago Housing Authority operations."

**THAT** the Board reaffirms the adoption of the Audit Committee Charter and the establishment of the Audit Committee by Resolution No. 2014-CHA-5, as hereby amended by this Resolution:

**THAT** **Effective date:** This Resolution shall be in full force and effect after its passage as provided by law, and any other resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

The Motion to adopt resolution for Item6 was seconded by Commissioner Brewer and the voting was as follows:

Ayes: Matthew Brewer  
Dr. Mildred Harris  
Harriet Johnson  
Jack Markowski  
Bridget Reidy  
Z. Scott  
Rodrigo Sierra

Nays: Myra King

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted.

Chairwoman Scott then introduced the resolution for Item 8 – Recommendation to appoint Karen Caldwell as member of the Audit Committee.

**(Item 7)**

**RESOLUTION NO. 2014-CHA-40**  
**A RESOLUTION REVISING THE BOARD OF**  
**COMMISSIONERS COMMITTEE STRUCTURE**

**WHEREAS,** the Chicago Housing Authority (the “**Authority**”) has been created by, and exists under, the Housing Authorities Act, 310 ILCS 10/1 *et seq.*, as amended (the “**Act**”); and

**WHEREAS,** pursuant to the Act, the management and control of the Authority is vested in ten commissioners (herein after referred to as the “**Board of Commissioners**” or the “**Board**”); and

**WHEREAS,** Section 8 of the Act provides that the Authority shall have “all the powers necessary or convenient to carry out and effectuate the purposes and provisions” of the Act, 310 ILCS 10/8; and

**WHEREAS,** Section 1 of the By-Laws of the Authority provides, *inter alia*, that:  
The commissioners may by resolution make any delegation of discretionary powers or ministerial duties, to be exercised in accordance with the standards, limitations, and controls which shall be set up in such resolution and which shall not be inconsistent with the “Act in Relation to Housing Authorities” to any committee or committees of one or more chosen from among their number. Any action taken in the name of the Authority by a person or persons to whom such powers or duties have been delegated shall be the action of the Authority and binding upon it, provided such action is pursuant to and within the scope of the delegation resolution, and consistent with “An Act in Relation to Housing Authorities”; and

**WHEREAS,** the Board by Resolution No. 2008-CHA-52 revised the Board's Committee structure for the then existing Board Committees of Finance, Operations and Facilities, and Tenant Services; and

**WHEREAS,** the Board by Resolution No. 2012-CHA-49 established a Personnel Committee consisting of three (3) members; and

**WHEREAS,** the Board by Resolution No. 2014-CHA-5 established an Audit Committee consisting of three members, comprised of two (2) members from the Board and one (1) member from the general community; and

**WHEREAS,** the Board has determined that it is in the Authority's best interest to establish a Real Estate Development Committee; and

**WHEREAS,** the Board has determined that it is in the Authority's best interest to (1) combine the Finance Committee and the Personnel Committee; (2) clarify the purpose of the Operations and Facilities Committee in light of the newly created Real Estate Development Committee; and (3) change the membership composition of the Committees.

**NOW, THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY, COOK COUNTY, ILLINOIS, AS FOLLOWS:**

- Section 1. Incorporation of Recitals.** The recitals set forth above are incorporated in their entirety as if fully set forth in this Section 1.
- Section 2. Establishment of Committees.** The Board hereby provides for and establishes five (5) Committees of the Board with the titles and areas of responsibilities as follows:

1. **Finance and Personnel Committee:** the consideration of all matters related to the revenues and outlays of the Authority, including all purchases and contracts, and the policies and procedures related thereto, reviewing matters pertaining to personnel as set forth in Resolution No. 2012-CHA-49 as amended by Resolution No. 2013-CHA-98 including but not limited to, overseeing the activities of the Chief Executive Officer and authorized staff regarding the personnel matters delegated to the Chief Executive Officer pursuant to Resolution No. 2012-CHA-49 as amended by Resolution No. 2013-CHA-98.
2. **Real Estate Development Committee:** the consideration of all matters relating to the creation, acquisition, or development of any and all new units to be subsidized by CHA; the redevelopment or disposition of any and all real property owned by or under the control of CHA; the demolition of any housing units owned by or under the control of CHA; and the rehabilitation of any housing units that shall in the future be counted toward the 25,000 unit goal of the Authority's Restated and Amended MTW Agreement.
3. **Operations and Facilities Committee:** the consideration of all matters related to: the operation, maintenance, and repair of facilities, and to the extent not a responsibility of the Real Estate Development Committee, professional and construction services for the redevelopment, modernization, demolition and



replacement of facilities, and the policies and procedures related thereto; and the operation and administration of the Housing Choice Voucher program.

4. **Tenant Services Committee**: the consideration of all matters related directly to the social and personal well-being of residents, including tenant selection and retention, security, youth programs, elderly programs, employment training and readiness programs and other economic development issues.
5. **Audit Committee**: the consideration of all audit and other matters as specifically set forth in Resolution No. 2014-CHA-5, as such resolution may be amended from time to time.

**Section 3. Ex-officio member; Chair.** The Chairperson of the Board shall be an ex-officio voting member of each Committee, but shall not be counted present for purposes of establishing a quorum of the Committee, unless also an official member of any such Committee. The Chairperson will appoint the Committee members to each Committee, and will select one of the Committee members to serve as the Committee chair for each Committee.

**Section 4. Composition of Committees.** In addition to ex-officio member, each Committee shall consist of five (5) Commissioners as regular members, with the exception of the Audit Committee, whose membership is governed by Resolution No. 2014-CHA-5, as such resolution may be amended from time to time.

**Section 5. Meetings.** Each committee may meet, when deemed necessary, prior to the monthly meeting of the full Board of Commissioners to consider issues pertinent to such Committee. Each committee shall establish annually a calendar of its regular meetings for the next twelve months and the Committee Chair, Chairman of the Board of Commissioners ("Chairman"), or any two (2) Committee members may call a special meeting upon at least 48 hours prior notice, all in compliance with the Open Meetings Act.

**Section 6. Voting.** The affirmative vote of 3 members of a committee is necessary to adopt any motion or resolution unless a greater number is otherwise required.

**Section 7. Vacancies.** Any vacancy on a Committee created by a vacancy in any Commissioner's office shall be filled by the person succeeding to such Commissioner's office.

**Section 8. Effective date.** This Resolution shall be in full force and effect after its passage as provided by law, and shall and is hereby deemed to supersede Resolution No. 2008-CHA-52 in its entirety. Any other resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

The Motion to adopt resolution for Item 7 was seconded by Commissioner Johnson and the voting was as follows:

Ayes:	Matthew Brewer
	Dr. Mildred Harris
	Harriet Johnson
	Myra King
	Jack Markowski
	Bridget Reidy
	Z. Scott
	Rodrigo Sierra

Nays:	None
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted.

Since this was Commissioner King's last meeting on the CHA Board of Commissioners, On behalf of the Board and staff, Chairperson Scott acknowledged Commissioner King for her tireless service and commitment to CHA and for being an active and vocal advocate for CHA residents. Chairwoman Scott then announced that Francine Washington, the newly elected CAC Chairwoman, was appointed by Mayor Emanuel to replace Commissioner King.

Michael Merchant, Chief Executive Officer then presented his monthly report to the Commissioners.

Chairwoman Scott then invited residents and the public at large to address the Board.

There being no further business to come before the Commissioners, upon Motion made and seconded the April 15, 2014 meeting of the Board of Commissioners was adjourned.

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Z. Scott  
Chairwoman, Chicago Housing Authority

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Lee Chuc-Gill, Secretary  
Custodian and Keeper of Records