

**MINUTES OF MEETING OF DECATUR HOUSING AUTHORITY
OF THE CITY OF DECATUR, ILLINOIS**

Special Meeting

The Board of Commissioners of Decatur Housing Authority met in special session at the Don F. Davis Center, 1808 East Locust Street, Decatur, Illinois at 3:30 p.m. on Thursday, June 15, 2017.

Chairperson Campbell-Hein called the meeting to order and upon a call of the roll, those present (all attended in person) and absent were as follows:

Present: Lisa Campbell-Hein, Chairperson
Shelith Hansbro, Commissioner
Jenny Sykes, Commissioner
James E. Alpi, Secretary-Treasurer
James A. Jankowicz, Legal Counsel

Absent: Shad Etchason, Vice Chairman
William Gosch, Commissioner

There being a quorum present and the meeting duly convened, opening ceremonies were conducted with the reciting of the pledge of allegiance and business was transacted as follows:

Chairperson Campbell-Hein presented the Open Time of the agenda.

Hearing no comment, Chairperson Campbell-Hein presented the Minutes from the Regular Meeting of April 13, 2017. Commissioner Sykes moved to accept the Minutes of April 13, 2017 as presented. Commissioner Hansbro seconded the motion.

Hearing no comment, Chairperson Campbell-Hein called for a roll call vote. All voted "Aye" except Commissioner Sykes who abstained. The motion carried.

Chairperson Campbell-Hein presented the Minutes from the Regular Meeting held on May 11, 2017. Commissioner Hansbro moved to accept the Minutes of May 11, 2017 as presented. Commissioner Sykes seconded the motion.

Hearing no comment, Chairperson Campbell-Hein called for a roll call vote. All voted "Aye" except Commissioner Hansbro, who abstained. The motion carried.

Chairperson Campbell-Hein presented the Rent Roll/L&O Summary Report for the month of May 2017. Commissioner Sykes moved to receive and file the report. Commissioner Hansbro seconded the motion.

Mr. Alpi reported occupancy at the scattered sites is at a record high of 99% and he is very excited about this. He further stated that two AMPs are at 100% occupied.

Hearing no further comment, Chairperson Campbell-Hein called for a roll call vote. All voted "Aye". The motion carried.

Chairperson Campbell-Hein presented the Housing Choice Voucher Program Occupancy report for the month of May 2017. Commissioner Hansbro moved to receive and file the report. Commissioner Sykes seconded the motion.

Brenda Kraus reported they dropped down a bit but have signed six new leases. She further reported that they opened the waiting list and received 597 applications so they now have

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a pool of fresh applicants to pull from.

Hearing no further comment, Chairperson Campbell-Hein called for a roll call vote. All voted “Aye”. The motion carried.

Chairperson Campbell-Hein presented the Wabash Crossing Occupancy Report for the month of May 2017. Commissioner Sykes moved to receive and file the report. Commissioner Sykes seconded the motion.

Mr. Alpi reported that occupancy is at 76% overall and this is not acceptable. We still have not seen a plan for how they will achieve 97%. We had a conversation with HUD and based on the lack of progress, we scheduled a meeting at HUD with East Lake but it was postponed and will be rescheduled as soon as possible.

Hearing no further comment, Chairperson Campbell-Hein called for a roll call vote. All voted “Aye”. The motion carried.

Chairperson Campbell-Hein presented the General Fund Check Register Report for the month of May 2017. Commissioner Hansbro moved to receive and file the report and Commissioner Sykes seconded the motion.

Hearing no comment, Chairperson Campbell-Hein called for a roll call vote. All voted “Aye”. The motion carried.

Chairperson Campbell-Hein presented the Financial Reports for the period through the end of April. Commissioner Sykes moved to receive and file the report. Commissioner Hansbro seconded the motion.

Mr. Alpi reported this is the first month of the Housing Authority’s fiscal year so we are showing positive in all four AMPs.

Hearing no further comment, Chairperson Campbell-Hein called for a roll call vote. All voted “Aye”. The motion carried.

Chairperson Campbell-Hein presented the following resolution for Commissioners’ consideration and approval:

RESOLUTION NO. 17-19

**AUTHORIZING AND APPROVING OPERATING
RESERVE LITIGATION EXPENDITURES**

WHEREAS, The Authority contends that HUD acted inappropriately by offsetting operating reserve in lieu of operating subsidy in 2012, and

WHEREAS, court action has agreed that HUD acted inappropriately, and awarded 309 housing authorities damages in excess of \$135 million, and

WHEREAS, Decatur Housing Authority did not join the original 309 housing authorities in their suit, and

WHEREAS, a second class action lawsuit is being started by industry associations, PHADA, and NAHRO, and

WHEREAS, the Authority could receive up to \$1,092,148 if the suit is successful, and

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WHEREAS the fee for joining the suit is \$3,000 of non-federal funds, and

WHEREAS, Decatur Pilot NFP has agreed to grant DHA \$3,000 for litigation fees and expenses; now, therefore,

BE IT HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE DECATUR HOUSING AUTHORITY OF THE CITY OF DECATUR, ILLINOIS:

Section 1. That Decatur Housing Authority join the lawsuit against HUD to receive full funding of 2012 operating subsidies, being administered by PHADA and NAHRO.

Section 2. That the Authority will accept \$3,000 from Decatur Pilot NFP to pay DHA's share of fees.

Section 3. That the Executive Director or designee is authorized to execute all necessary documents to pursue operating reserve litigation against HUD.

Commissioner Sykes moved to accept the resolution as presented. Commissioner Hansbro seconded the motion.

Hearing no comment, Chairperson Campbell-Hein called for a roll call vote. All voted "Aye". The motion carried.

Old and New Business

Mr. Alpi stated that the auditors were here the first week of June and we received a clean audit.

Mr. Alpi distributed a hand out from the REAC Online System showing our scores from the REAC inspection. We scored 64% which they classify as substandard management. A portion of the scoring is occupancy and the three phases of Wabash Crossing are included in this scoring. East Lake Management is causing the DHA's score to be low because of poor management. As stated earlier, we continue to talk with HUD about scheduling a meeting with East Lake. We have decided to get the investors involved. We have given the management company several chances and now it is time to take steps to remove the management company if performance isn't dramatically improved. Part of this process includes not renewing HAP contracts for the HCV units. Commissioner Hansbro inquired about last year's score. Mr. Alpi reported it was 79%. Mr. Alpi further reported we will be pursuing this issue very aggressively. Chairperson Campbell-Hein is pleased to hear we are stepping up our actions. Commissioner Hansbro concurred. Chairperson Campbell-Hein also asked if the board could receive a breakdown of the PHAS report. Mr. Alpi replied yes. Attorney Jim Jankowicz asked if it was time to

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inform the elected officials. Mr. Alpi stated it would be worth our while to notify Senator Durbin. The board concurred.

Chairperson Campbell-Hein called for a motion to go into closed session to discuss the appointment, employment, compensation, discipline, performance, or dismissal of a specific employee of the public body pursuant to 5 ILCS 120/2 (c) (1). Commissioner Hansbro moved and Commissioner Sykes seconded the motion. Upon a roll call vote, all voted "Aye". The board moved into closed session at 4:14.

The board returned to open session at 4:55.

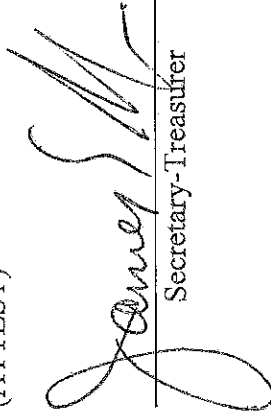
Commissioner Hansbro moved to raise the Executive Director's compensation by 5% effective retroactively to April 1, 2017. Chairperson Campbell Hein seconded the motion. Upon a roll call vote. All voted "Aye". The motion carried.

Chairperson Campbell-Hein stated there was no further business to come before the Board. Commissioner Hansbro moved to adjourn and Chairperson Campbell Hein seconded the motion. Upon a call of the roll, the Commissioners voted as follows:

Commissioner Hansbro, "Aye", and
Chairperson Campbell-Hein, "Aye".

The motion carried unanimously. The meeting adjourned at 5:06 p.m.

(ATTEST)


Secretary-Treasurer


Chairperson Campbell-Hein