

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

Regular Meeting

The Board of Commissioners of Decatur Housing Authority met in Regular session at the Don F. Davis Center, 1808 East Locust Street, Decatur, Illinois at 3:30 p.m. on Thursday, September 8, 2011.

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

Present:       Leroy Smith, Jr., Chair  
                  Lisa Campbell Hein, Vice Chair  
                  Shad Etchason, Commissioner  
                  William Gosch, Commissioner  
                  Robert Yuhas, Commissioner  
                  James A. Jankowicz, Legal Counsel  
                  Julian Marsh, Secretary-Treasurer

Absent:

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

The Chairman presented the Open Time of the agenda. Hearing no response, the meeting continued as follows:

Chairman Smith presented the Minutes from the Regular Meeting of August 13, 2011. Commissioner Etchason moved to accept the Minutes as presented. Commissioner Yuhas seconded the motion.

Hearing no comment, the Chairman called for a roll call vote. The Motion carried.

Chairman Smith presented the Closed Minutes from the Regular Meeting of August 13, 2011. Commissioner Yuhas moved to accept the Minutes as presented. Commissioner Gosch seconded the motion.

Hearing no comment, the Chairman called for a roll call vote. The Motion carried.

Chairman Smith presented the Rent Roll/L&O Summary Report for the month of August 2011. Commissioner Yuhas moved to receive and file the report. Commissioner Etchason seconded the motion.

Hearing no comment, the Chairman called for a roll call vote. All voted "Aye". The Motion carried.

Chairman Smith presented the Housing Choice Voucher Program Occupancy report for the month of August 2011. Commissioner Yuhas moved to receive and file the report. Commissioner Gosch seconded the motion.

Mr. Marsh commented that staff is still working hard to lease up units in both departments. He informed the Board that Diana Morrow, Project Manager for Public Housing, and Paula Hartwig, Housing Choice Voucher Program Coordinator, had resigned in August. He then introduced Ms. Hartwig's replacement, Jody Palone. Ms. Palone comes with nine years of management experience, which includes knowledge of tax credits. A Project Manager has also been hired but was not present for introduction.

Hearing no further comment, the Chairman called for a roll call vote. All voted "Aye". The Motion carried.

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Chairman Smith presented the Wabash Crossing Occupancy report for the month of August 2011. Commissioner Yuhas moved to receive and file the report. Commissioner Gosch seconded the motion.

We are not seeing the progress we would like, said Mr. Marsh, and he has continued to keep in touch with East Lake Management. By September 16, 2011, the management company must provide a plan indicating how they are going to reach specific goals and timelines to meet our expectations. DHA staff will meet with Wabash Crossing staff on a monthly basis to monitor the progress.

Chairman Smith asked who, specifically, Mr. Marsh had been contacting.

Bill Davis, Senior Development Manager, is his name. However, Mr. Davis' last day with East Lake is tomorrow. Mr. Marsh added that there has been another manager change at Wabash Crossing.

Hearing no further comment, the Chairman called for a roll call vote. All voted "Aye". The Motion carried.

Chairman Smith presented the General Fund Check Register Report for the month of August 2011. Commissioner Etchason moved to receive and file the report and Vice Chair Campbell seconded the motion.

Hearing no further comment, the Chairman called for a roll call vote. All voted "Aye" except Commissioner Yuhas who abstained. The Motion carried.

Chairman Smith presented the following resolution for Commissioners' consideration and approval:

**RESOLUTION NO. 11-39**

AUTHORIZING AND APPROVING THE SUBMISSION OF THE ACTUAL MODERNIZATION COST CERTIFICATE FORM HUD-53001 FOR CFRC IL012-99999909R

WHEREAS, all contract work in connection with the Capital Fund Recovery Competitive Grant CFRC IL012-99999909R was completed as of March 23, 2011, and

WHEREAS all modernization costs and liabilities incurred by the Decatur Housing Authority have been fully paid in accordance with the American Recovery and Reinvestment Act, and

WHEREAS, there are no undischarged mechanics, laborers', contractors', or material-mens' liens against such modernization work on file in any public office and the time in which such liens could be filed has expired; 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 all work included in Capital Fund Recovery Competitive Grant CFRC IL012-99999909R in the amount of \$653,730.00 has been completed.

Section 2. That the books of account be adjusted to fully reflect the completion of this grant activity and that this work should be audited as part of the IPA Audit for the fiscal year ending 3/31/2012.

Section 3. That the Executive Director or his designee be authorized to submit the Actual Modernization Cost Certificate Form HUD-53001, for IL012-99999909R, in the amount of \$653,730.00 as required and in accordance with the Department of Housing & Urban Development Regulations.

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Commissioner Yuhas moved to accept the resolution as presented and Commissioner Gosch seconded the motion.

This is the formal close-out of this program and our energy grant money has been spent.

Commissioner Yuhas asked if staff was satisfied with the new system.

There are still some adjustments to be made. However, the Authority is saving a considerable amount of energy and expense as expected.

Hearing no further comment, the Chairman called for a roll call vote. All voted "Aye". The Motion carried.

Chairman Smith presented the following resolution for Commissioners' consideration and approval:

**RESOLUTION NO. 11-40**

**AUTHORIZING AND APPROVING REVISION OF THE HOUSING CHOICE VOUCHER PROGRAM PAYMENT STANDARDS**

WHEREAS, staff has completed a review of the Voucher Program Payment Standards in accordance with 24 CFR 8887.351, and

WHEREAS, HUD made available the new Fair Market Rent schedule; 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 Housing Choice Voucher Program Payment Standards is amended as noted effective October 1, 2011.

SRO - \$318 75% UA	3 BR - \$853
0 BR - \$424	4 BR - \$880
1 BR - \$504	5 BR - \$1,012
2 BR - \$640	6 BR - \$1,143

Mobile homes space or lot only is 2 BR FMR x 40% = \$256  
SRO .075 x 0 BR FMR

Commissioner Yuhas moved to accept the resolution as presented and Commissioner Gosch seconded the motion.

After receiving HUD's notification of the Fair Market Rents for 2012, we are implementing the rates as required.

Hearing no further comment, the Chairman called for a roll call vote. All voted "Aye". The Motion carried.

Chairman Smith presented the following resolution for Commissioners' consideration and approval:

**RESOLUTION NO. 11-41**

**AUTHORIZING AND APPROVING AN AGREEMENT WITH FAMILY ADVOCATE PROGRAM, TO PROVIDE HOUSING CHOICE VOUCHER RENTAL ASSISTANCE FOR AT-RISK YOUTH AND THEIR FAMILIES.**

WHEREAS, there is a need for housing options that offer a chance for at-risk children to have a home to develop into productive adults through family case management, and

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WHEREAS, Youth Advocate has the resources to provide case management and access to services, and

WHEREAS, Decatur Housing Authority is helping to support an endeavor that is consistent with its mission of providing quality, affordable housing and access to community resources, therefore:

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

Section 1. That DHA enter into an agreement with Youth Advocate to provide housing assistance to those families identified as clients who would benefit from this collaborative effort.

Section 2 The assistance to the families in this program will be offered as a special admission procedure, as listed in the HCV/Section 8 Administrative plan, that will allow them to be accepted outside of the usual procedures for administering the waiting list.

Commissioner Yuhas moved to accept the resolution as presented and Commissioner Gosch seconded the motion.

Brenda Kraus explained that this is a renewal of a Memorandum of Understanding (MOU) already in place. Our networking with Youth Advocate has shown to be one of the most effective programs for our mutual clients. Stabilizing a place to live stabilizes at-risk families.

Chairman Smith asked how many families have been served.

Brenda responded approximately twenty (20). Because he would like more data, Chairman Smith asked staff to track actual participant numbers and a report thereof.

In reviewing the actual MOU, legal counsel suggested some minor rewording to assure it is what both agencies intend. The Resolution is still approved; the rewording would just better serve both parties. For example, the Youth Advocate's signatory was illegible. The MOU needs a typed line for both party's name and title.

Commissioner Yuhas asked if the "990" for this non-for-profit agency has been reviewed before entering the contract.

Staff believes the agency is State funded. Legal counsel noted that Youth Advocate is currently the only authorized program in Macon County that supervises visits ordered by the courts. Therefore, the agency must be assumed to be in good standing if the courts make such referrals. Brenda Kraus will check into the funding source.

Hearing no further comment, the Chairman called for a roll call vote. All voted "Aye". The Motion carried.

Chairman Smith presented the following resolution for Commissioners' consideration and approval:

**RESOLUTION NO. 11-42**

AUTHORIZING AND APPROVING A LOAN THROUGH THE OPERATING FUND FINANCE PROGRAM (OFFP)FOR THE MEADOWS ON MOUND

WHEREAS, the Decatur Housing Authority intends to participate in the development of 66 units of affordable senior housing at the Meadows on Mound, and

WHEREAS, Decatur Housing Authority has been accumulating funds in excess of the required four month operating reserve in anticipation of this development program, and

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WHEREAS, Busey Bank has extended an offer of a \$2,950,000 line of credit to be secured by the Authority's operating reserves, and

WHEREAS, upon HUD approval, the Authority's request for approval of an Operating Fund Finance Program, Decatur Housing Authority may borrow funds from Busey Bank in an amount up to \$2,850,000 against the secured line of credit, and

WHEREAS, the Decatur Housing Authority will repay the loan with its Operating Fund reserve as required by the financing documents, and

WHEREAS, utilization of the Operating Fund Finance Program will result in a reserve balance in excess of the required four months of operating 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 seeks HUD approval of an Operating Fund Finance Program (OFFP) to provide funds for development of up to 17 units of affordable housing to receive ACC assistance at the Meadows on Mound development.
- Section 2. That up to \$2,950,000 of the Authority's operating reserves be obligated for the Operating Fund Finance Program (OFFP), contingent upon HUD approval.
- Section 3. That the Authority activate its secured line of credit with Busey Bank, consistent with amounts contained in a HUD approved Operating Fund Financing Program(OFFP).
- Section 4. That the Authority use up to \$2,850,000 of proceeds from a HUD approved Operating Funding Financing Program (OFFP) as part of its financial contribution to development expenses of the Meadows on Mound development.
- Section 5. That the Executive Director or designee is authorized to negotiate and enter into all legal documents required as part of this transaction.

Commissioner Yuhas moved to accept the resolution as presented and Commissioner Gosch seconded the motion.

This action allows the Authority to borrow against our excess reserves. This is a mechanism that HUD has invented to allow Authorities to access the reserves for development purposes.

In answer to Commissioner Gosch's question, the current funds are invested.

Do we have a timeline to hear from HUD, asked Chairman Smith.

Jim Alpi answered that HUD responds on a case-by-case basis; therefore, a timeline cannot be determined. TAG Associates has also given staff guidance on this project.

Hearing no further comment, the Chairman called for a roll call vote. All voted "Aye".  
The Motion carried.

Chairman Smith presented the following resolution for Commissioners' consideration and approval:

**RESOLUTION NO. 11-43**

AUTHORIZING AND APPROVING REQUEST FOR ANNEXATION AND REZONING OF A PROPERTY LOCATED AT 1314 WEST MOUND ROAD, DECATUR , ILLINOIS

WHEREAS, the Decatur Housing Authority is owner of an approximately 15 acres located at 1314 West Mound Road, Decatur, Illinois, and

WHEREAS, the land currently lies outside the Decatur City Limits, and

WHEREAS, the land will be sold to Decatur Meadows Development LP to be developed as affordable housing for seniors 55 and older, and

WHEREAS, the developer desires that the parcel be located within the Decatur City Limits, and

WHEREAS, the developer desires that the parcel be zoned R-5 to allow the development of side by side duplex homes, and

WHEREAS, annexation and rezoning require action of the City of Decatur, and

WHEREAS, the development of 66 units of affordable housing for seniors is consistent with the Authority's mission and long range plans, 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 seeks annexation of the approximate 15 acre parcel located at 1314 West Mound Road into the City of Decatur, and Rezoning of the same parcel to R-5.
- Section 2. That all expenses associated with the annexation and rezoning be borne by the Authority's program income funds
- Section 3. That the Executive Director or designee is authorized to negotiate and enter into all legal documents required as part of this transaction.

Commissioner Yuhas moved to accept the resolution as presented and Commissioner Etchason seconded the motion.

It was explained that this Resolution simply authorizes the Executive Director to sign the necessary documents to apply for annexation and rezoning of the property. This request will go before the City Council in October. If approved, the next step will be to submit a subdivision plan. A future meeting will be held to receive comments from the neighborhood.

Hearing no further comment, the Chairman called for a roll call vote. All voted "Aye".  
The Motion carried.

Old/New Business:

A Certificate of Reappointment by the Mayor was awarded to Vice Chair Campbell. The Vice-Chair has graciously accepted to serve another term on the Board.

Certificates of Appreciation for their service to the Authority were bestowed to Ginny Vaughn, Human Resource Director, and Jackie Kapper, Executive Assistant. Both are retiring in the month of September.

The Executive Director updated the Board on funding numbers:

2010 was the first year that the Public Housing program was funded at 100%. We have not been informed of the funding level for 2011; however, it appears the program will be

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decreased to an 80% level for 2012. For the Housing Choice Voucher Program, the funding levels are expected to be 100% for 2011 and 2012; however, the administrative portion of the program is projected to be approximately 70%. A potential decrease of Capital funds will also affect the maintenance of our properties.

Mr. Marsh has been meeting with our elected officials to help them understand how these decreases affect the agency and request they be as reasonable as possible in their determination of funding. We must continue to look at other financial resources to generate income for operational expenses.

As reported in August, staff will be meeting with the Mercer Group to assess staffing needs and restructuring the agency's operations.

HUD has required that all Authorities submit the salaries of the Executive Director and the five highest paid employees. HUD also requires that a salary comparability study be conducted with other Authorities. This is not an easy task.

It was explained to the Board that it is their responsibility for having a comparability study for the Executive Director. Ginny Vaughn explained it was the Board's decision to determine what process they choose to complete the requirement and offered them options to consider. While the Executive Director's information does not have to be submitted immediately, we must be ready to submit upon HUD's request. The other requested information must be submitted within the month.

It was decided that the Board would go into Closed Session to discuss this further.

Commissioner Etchason made the motion to go into Closed Session to consider the appointment, employment, compensation, discipline, performance or dismissal of an employee. Vice Chair Campbell seconded the motion.

The Board of Commissioners then went into Closed Session during its Regular Meeting of September 8, 2011 Board meeting at 4:25 p.m.

At 4:35 p.m., the Board returned to open session.

Chairman Smith stated there was no further business to come before the Board. Commissioner Etchason moved to adjourn and Commissioner Yuhas seconded the motion. Upon a call of the roll, the Commissioners voted as follows:

Chairman Smith - "Aye",  
Vice Chair Campbell - "Aye",  
Commissioner Etchason - "Aye",  
Commissioner Yuhas - "Aye", and  
Commissioner Gosch - "Aye"

Motion carried unanimously. The meeting adjourned at 4:36 p.m.

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Chairman Smith

(ATTEST)

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Secretary-Treasurer

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