

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF COMMISSIONERS OF THE  
ST. CLAIR COUNTY HOUSING AUTHORITY  
1790 SOUTH 74<sup>TH</sup> STREET, BELLEVILLE, ILLINOIS**

**HELD WEDNESDAY April 12, 2017 AT 9:00 A.M.**

**ROLL CALL**

The 1<sup>st</sup> Vice-Chairman called the meeting to order and upon roll call the following Commissioners were physically present:

**Commissioners Present**

Dan Barger, 1st Vice-Chairman  
Sr. Julia Huiskamp, 2nd Vice-Chairman  
Billie Jean Miller, Secretary  
Vivian Cash, Treasurer

**Others Present**

Larry McLean, Executive Director  
Nancy Schmidt, Director of Finance  
Maureen Richter, Administrative Director  
Keith Hausman, Director of Maintenance  
David Wright, Director of Modernization  
Pam Jackson, Programs Director  
Phyllis Pearson, Director of Asset Management  
Phil Rice, SCCHA Attorney  
Annette Hill, Executive Secretary

**Commissioners Absent**

Gene Verdu, Chairman

**Others Absent**

None

**PUBLIC COMMENTS**

There were no public comments.

**MINUTES**

Consider approving Minutes from Regular Meeting held on March 8, 2017.

Commissioner Miller made a motion to approve the minutes as presented. The motion was seconded by Commissioner Cash. Upon roll call the motion carried.

## **FINANCE MATTERS**

General Disbursements – All Projects, Payroll Disbursements, Treasurer’s Report, Schedule of Miscellaneous Receipts, Comparative Income/Expense Reports and Electronic Payment Transactions. (Copies attached)

Commissioner Miller made a motion to approve the Finance Matters. Commissioner Cash seconded the motion. Upon roll call the motion passed unanimously.

## **TENANT MATTERS**

(For informational purposes only) Public Housing Tenant Accounts Receivable Report, Public Housing/Section 8 Occupancy Report, Public Housing Move-Out Report, Public Housing Move-In Report, Section 8 Move-Out Report, Section 8 Move-In Report, HCV Report, and Waiting List Summary. (Copies attached)

Commissioner Barger asked Mr. McLean if he had any comments regarding the reports. Mr. McLean noted that in last month’s board material the vacant unit report showed 44 vacant units, this month the report included in the board packets shows 39 vacancies; however as of yesterday the number was back up to 45 vacant units. Mr. McLean commented that is the nature of our business.

## **OLD BUSINESS**

Knowing that the Commissioners remain interested in developments related to the East St. Louis Housing Authority’s (ESLHA’s) return to local control, including the appointment of the new Board of Commissioners, Mr. McLean reported that it has been surprisingly quiet, adding that he asked Sr. Julia (Commissioner Huiskamp) this morning and she has heard nothing further. Mr. McLean stated that a staff member heard that at least one Commissioner has been appointed, that being Doris McGilberry, the Manager of the Denver Side Apartments, a federally assisted housing property located in the City of East St. Louis but not associated with ESLHA. Commissioner Huiskamp said that she would check with Mrs. Sylvester for more information. Mr. McLean commented that the selection of good Board members will be vital to the future success of the ESLHA under local control.

## **NEW BUSINESS**

### **7-A Consider approving Resolution #17-02 PHA Certifications of Compliance with the PHA Plan and Related Regulations including Required Civil Rights Certifications, the 2017 Agency Plan Update and the Following Policy and Public Housing Lease Revisions**

Mr. McLean stated that this agenda item is presented differently than in past year to better identify and highlight the specific changes to policy, the public housing lease and other documents that are part of the Annual Plan approval. He said that HUD officials had recommended in the past that it should be clearer exactly what changes the Board is approving when it approves the Annual Plan. Mr. McLean noted that the Capital Fund Program (CFP) has been “de-coupled” from the Annual Plan process and now requires separate Board approval.

Commissioner Huiskamp asked if applicants can choose between the flat rent and income based rent. Mr. McLean reported that they certainly can. He explained that staff uses a form that is designed so that residents can choose the flat-rent, income-based rent or whichever rent determination method that will result in the lowest tenant rent.

Commissioner Miller made a motion to approve Resolution #17-02, the Certification of Compliance and Civil Rights Certification and all of the listed policy, lease and document changes as enumerated on the agenda, which include:

- Revisions to the Admissions and Continued Occupancy Policy for the Public Housing Program
- Revisions to the Section 8 Housing Choice Voucher Program Administrative Plan
- Revisions to the Public Housing Flat Rent Schedule
- Revision to the Smoke Free Public Housing Policy
- Revision to the Public Housing Lease Agreement.

. Commissioner Cash seconded the motion. Upon roll call the motion passed.

### **7-B Consider approving Resolution #17-03 Capital Fund Program Annual Contributions Contract (ACC) for the 2017 Award Amount (undetermined at this time) and Authorizing Execution by the Executive Director, Upon Receipt from HUD**

Mr. McLean explained that this is how he would feel comfortable handling the Capital Fund Program (CFP) Annual Contributions Contract (ACC) approval process. He reported that when Congress appropriates CFP funding for the fiscal year, HUD will make CFP allocations to public housing authorities. We will receive a notice from HUD advising us of our allocation amount and requiring the prompt return of the CFP Annual Contributions Contract (ACC). He stated that usually the HUD timeline for action does not coincide with scheduled board meetings. Mr. McLean requested that the Board authorize him to execute the ACC upon receipt from HUD with the provision that the executed ACC would be provided to the Board at the next regularly scheduled meeting thereafter.

Commissioner Miller made a motion to approve Resolution #17-03 Capital Fund Program ACC for the 2017 award amount and authorizing execution by the Executive Director upon receipt from HUD. Commissioner Cash seconded the motion. Upon roll call the motion passed unanimously.

#### **7-C Consider approving Resolution #17-04 Five Year Capital Fund Action Plan**

Mr. McLean reported that the specific 2017 award amount is not known at this time, referencing the discussion related to Resolution #17-03. He said the Five Year CFP Action Plan presented is based on the award amount from last year. Mr. McLean explained that although the CFP has been “de-coupled” from the Annual Plan process by HUD the staff carries out both processes at the same time. The required activities include written notification to residents and others, a minimum 45 day comment period, a public notice in the newspaper and a public hearing. Mr. McLean noted that the process is labor intensive and expensive so it is more efficient and economical for staff to do them together (the Annual Plan and Capital Fund Program 5 Year Plan). All notices and publications reference both the Annual Plan and the Capital Fund Program. He stated that the CFP 5 Year Action Plan does require a separate motion.

Commissioner Miller made a motion to approve Resolution #17-04 Five Year Capital Fund Action Plan. Commissioner Cash seconded the motion. Upon roll call the motion passed unanimously.

#### **7-D Consider approving Contract Modification #1 for Custom Decorators for painting and patching Adeline James Building (AMP #3)**

Commissioner Huiskamp asked about the cause of the damage. Mr. McLean stated that it was simply due to normal / routine occurrences and the fact that it has been a long time

since the interior was painted. He said that Commissioner Cash had reminded him that the building needed to be painted. He explained that as the painting was being done damaged and/or deteriorated areas on certain walls and ceilings were noticed. The damage was most likely the result of past water leaks, drain line back-up or some other system or mechanical malfunction. He also commented that some of the cable television lines installed several years ago were hanging, drooping and looking bad so that was taken care of as well. He further noted that the elevator doors were added to the areas to be painted.

Commissioner Cash said that the painting has made the interior of the building look really good, noting that it looks like a different place and that the residents are very pleased with the work.

Commissioner Miller made a motion to approve Contract Modification #1 for Custom Decorators for painting and patching Adeline James Building (AMP #3). Commissioner Cash seconded the motion. Upon roll call the motion passed unanimously.

**7-E Consider approving Contract Modification #3 for Doug Eubanks Construction for Replacing Cast Iron Piping, Patching, Painting and Lighting at Bel-Plaza 1 and 2 Buildings-AMP 4**

Commissioner Miller made a motion to approve Contract Modification #3 for Doug Eubanks Construction for replacing cast iron piping, patching, painting and lighting at Bel-Plaza 1 and 2 buildings-AMP 4. Commissioner Cash seconded the motion. Upon roll call the motion passed unanimously.

**SUCH OTHER BUSINESS THAT MAY COME BEFORE THE BOARD**

**REPORTS BY THE EXECUTIVE DIRECTOR**

Mr. McLean noted that the two contracts that were awarded recently (Calhoun Construction and Turner Constructors) and included in the Contract Status Report are moving along.

Mr. McLean explained that no action is requested today on the Employee Health Insurance Plan. He reported that if everything goes as we expect, staff will come back to the Board in May with a recommendation for approval of the current plan.

Mr. McLean briefed the Commissioners regarding two difficult occupancy situations involving public housing residents. Photographs of unit 113 Mobley, Alorton were included in the board packet under item 9C.

Mr. McLean explained that the property management staff became aware that the tenant had mental health issues after move-in. She originally moved-in March 2015. The problems did not begin immediately. However, during the term of her occupancy there began to be periodic incidents that evidenced her mental health issues. In the final months of her occupancy, she was evicted on March 1, 2017, it was evident that her mental health was deteriorating rapidly ---she stopped paying her rent, she made frequent calls to management with bizarre claims of inappropriate action by staff, there were increasing complaints from neighbors regarding her disruptive behavior, etc. Tracy Jones, the Property Manager, tried everything she could. She called Mental Health officials, but was told that they could offer no assistance unless the resident voluntarily sought help or if her actions were determined to be an imminent threat to her safety or the safety of others; she called the police (when there were disturbance complaints), but the tenant was soon released from custody and returned to the property; and she sought the help and assistance of the resident's known family members / friends to no avail. Matters turned particularly bad one evening when the resident and another unidentified individual broke literally every window in the apartment and also smashed holes in most of the walls in the unit (in some cases the entire wall areas were destroyed). The resident and/or her unidentified visitor also broke windows in another apartment in the complex and damaged another resident's vehicle. Eviction was obviously not the desired outcome, but was determined necessary. The estimated cost to repair the physical damage to the property is approximately \$5,000. The ordeal not only adversely impacted the resident, but took its toll on the property management staff, particularly Tracy Jones, the staff member most directly involved. It is hoped that through the eviction process the resident will ultimately obtain the mental health services that she needs.

Photographs of the fire damage at 5930 Clarita, Centreville were included in the Board Packet as agenda item 9D. The kitchen fire occurred on January 10, 2017 and was the result of unattended cooking. The repairs are being contracted out with our insurance provider, AHRMA, administering the contracts directly. The estimated restorations costs exceed \$70,000. The tenant acknowledged responsibility for the accidental fire. Mr. McLean reported that the tenant had been in occupancy since November 2014 and was considered a good tenant. He explained that it is SCCHA's policy to terminate the lease agreement of tenants when fires result from tenant accident or neglect and significant damages are involved, noting further that AHRMA recommends this approach as a deterrent. The resident did not contest the lease termination.

Mr. McLean noted that Phil Johnson's, a former longtime Board Member, mother passed away recently and that a sympathy card on behalf of the Commissioner's and staff was sent to him. The Commissioners expressed their appreciation.

Mr. McLean reported that Commissioner Cash, several staff members, including him, and several residents attended a Fair Housing Conference in St. Louis on April 6<sup>th</sup>. The topic of the conference was "Evictions" and the long term devastating impact it has on families. Commissioner Cash commented that the conference was really nice.

Mr. McLean advised the Commissioners that he will be working on issuing a Request for Qualifications (RFQ) for a Housing Development Partner (HDP) who will assist SCCHA in the redevelopment of the Adeline James Building and at least the portion of the Ernest Smith Sr. Apartments (ESSA) known as project 30-8 in Centreville. He noted that the Board approved McCormack, Baron Salazar, Inc. as SCCHA's HDP approximately three years ago in 2014 and nothing has been accomplished in regards to the redevelopment since that time. Mr. McLean expressed his opinion that to move forward with redevelopment efforts that it was necessary and prudent to issue a new RFQ. He stated that the need to address the deteriorating physical conditions at the ESSA is more urgent now than it was three years ago, noting that the development was built in the late 1960's and early 1970's. He stated that he hopes to get a new RFQ issued over the next couple of months. Mr. McLean noted that it is a difficult environment to get redevelopment deals done, explaining that low-income housing tax credits aren't worth as much as they have been in the past and that the Illinois Housing Development Authority (IHDA) gives preference to housing development projects that are located in what they determine to be "opportunity areas." In St. Clair County IHDA has designated the communities of Freeburg, Swansea and O'Fallon as "opportunity areas."

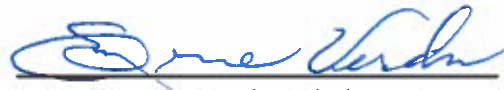
Even though he was not present, Mr. McLean congratulated Commissioner Verdu on his re-election as a Southwestern Illinois College (SWIC) Trustee. He also congratulated Commissioner Barger on his election as a Stookey Township Trustee.

Mr. McLean noted that it is April 12<sup>th</sup> and the Federal government spending authorization for HUD programs expires at the end of April. He said that he has not heard on the news nor seen in the newspaper that Congress is even talking about the budget for the remainder of this federal fiscal year. He reported that HUD has sent out several "Get Ready" letters regarding potential funding levels, with none of them being good. All HUD notifications presume substantially less than full funding levels. The question really is not if funding will be cut, but rather by how much. Nancy Schmidt, Director of Finance has run some numbers and made some financial projections based upon the range of funding levels contained in the HUD notices. Mr. McLean reported that the

impact of those projections on the Section 8 Housing Choice Voucher Program vary from a “best case” scenario of being able to continue to provide assistance to approximately the same number of households currently served (about 2,290 ---which is under the leasing projections of 2,350 households upon which the in-house budget was prepared) to a “worst case” scenario of having to reduce the number of families assisted to approximately 2,200, a reduction of about 90 households. Mr. McLean said he hoped that it would not be necessary to reduce the number of families served beyond current levels, but if it was he and the staff hoped that the reduction of families could be achieved through normal program attrition. He stated that if funding is reduced, the staff will have to move fast to ensure that program expenditures do not exceed available funding.

### **ADJOURNMENT**

Commissioner Miller made a motion to adjourn the meeting. The motion was seconded by Commissioner Cash. The motion passed unanimously.

  
Eugene Verdu (Chairman)  
Billie Jean Miller (Secretary)

**The next Regular Board Meeting is scheduled for May 10, 2017.**