

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF COMMISSIONERS
OF THE MOLINE HOUSING AUTHORITY**

June 18, 2018

The regular meeting of the Board of Commissioners of the Moline Housing Authority was held at 5:30 PM in the Spring Brook Administration Building Board Room located at 4141 11th Avenue A, Moline, IL 61265.

Board members present were Chairperson Melvin Grimes, Vice-Chairperson Chuck Capan, David Parker, Jr., and Diane Fox. Staff members present were Executive Director John Afoun and Recording Secretary Maria Nino. Board Counsel was in attendance.

1. **Call to Order:** Chairperson Melvin Grimes called the meeting to order at 5:30 p.m.
2. **Approval of the Minutes of the Regular Meeting of May 21, 2018:** Minutes of the Regular Meeting of May 21, 2018 were reviewed. Motion was made, and seconded, to approve the minutes of the Regular Meeting of May 21, 2018, as presented. All voting members present voting "aye", none against; the Chairperson declared the motion carried.

Approval of the Minutes of the Special Meeting of June 4, 2018: Minutes of the Special Meeting of June 4, 2018 were reviewed. Motion was made, and seconded, to approve the minutes of the Special Meeting of June 4, 2018, as presented. All voting members present voting "aye", none against; the Chairperson declared the motion carried.

3. **Executive Director's Report:** Verbal report provided by Mr. John Afoun.

Mr. Afoun said it was unexpected, but the federal government has raised our capital funds back to over a million dollars for our capital funds. He said NAHRO and PHADA did a good job lobbying and it is good news for us. Mr. Afoun wants to commit some of this money to the sewer in Spring Brook. Vice-Chairperson Capan asked if we have a lateral to every unit or do they connect. Mr. Afoun said they connect. Vice-Chairperson Capan said they have to have a lateral to each unit according to city code. Chuck asked if what type they were and Mr. Afoun responded they are cast. John said that is what he has in mind. He said in our September retreat we would discuss this. Commissioner Parker, Jr. said he would like the sewer program to reach out and see if we can solve the situation more in house rather than spending a bunch of money on an architect if we don't have to. This way we see the cost and the need. Commissioner Parker, Jr. said this is just another way the city is here to serve you. Mr. Afoun said he wants to commend the park committee on their work for the sign provided for the park dedication.

Commissioner Parker, Jr. said that he would like to renovate the Spring Valley Community Room. Chairperson Grimes said we have a nice community room in Spring Brook and that this would be a good time to look at reconfiguring the Spring Brook and Spring Valley offices. Mr. Afoun interjected by saying we will get to that.

Mr. Afoun talked about the proposed new rent structure. He stated it's been proposed at the moment that primary difference is that the Brook Amendment allows only 30% of adjusted income and \$50 minimum rent. Under the new proposal they will raise the percentage to 35% and minimum rent would be 15 hours per month instead of \$50. Those are the principal changes such as recertification should be done every 3 years, but the main requirement is that the rent structure will be changed. Mr. Afoun said that when Mr. Sherrod was here they talked about it. Commissioner Fox asked if it is still 30% and John said yes, it is just a proposal at this time. She said she doesn't like it. Vice-Chairperson Capan feels it will be

neutral for the housing authority because it will just raise what the tenants pay and lower what HUD pays in subsidy. Chairperson Grimes said it will just eliminate low income people. Vice-Chairperson Capan said it will take 5% of their income. Mr. Afoun said it will be a challenge for some people. Chairperson Grimes said the concept would be good because it would encourage people to go to work, but when people go to work you don't just pull the rug under them. Commissioner Fox said it will hurt people like her the worst because they are on a fixed income. Mr. Afoun said PHADA and other organizations are fiercely against this.

Mr. Afoun spoke about a meeting was held with Clark and Associates. We expressed our concern with lack of progress and they agreed to come to the board in July and they will bring a comprehensive report. He let them know everything Mr. Daniel Sherrod had suggested during his visit. Mr. Afoun said that Clark and Associates is saying they cannot find any land, which is what is causing the delay. The alternative is to use this as part of the RAD program and incorporate the new build. Mr. Afoun told him what Mr. Sherrod suggested which was applying for MTW first then RAD. They agreed doing that way is best. He is going to bring information to that affect. They currently are developers and they have a good track record. He suggests the board put pressure on them so we do what we want to do. Vice-Chairperson Capan asked how many acres they need. Mr. Afoun responded they need land to accommodate at least 27 to 28 units. We are not able to make tax credit application at this point because we need to be able to do more units. Commissioner Parker, Jr. said he was looking at the Gorman projects in Rockford. Ownership structure was the housing authority owned 51% then after redemption period it could become owned by the public sector. Mr. Afoun said that was similar to the structure they proposed to us but after the period the owner would extend the period and not relinquish the right. Commissioner Parker, Jr. asked if Steve Clark does have the ability if we do go RAD and scrape the ground to do this. Mr. Afoun said he does have the capacity and has done that for Rock Island Housing Authority. Chairperson Grimes said he is looking for results. He said that even before Commissioner Parker, Jr. came on we were dealing with Clark. It has been to him to no avail. There has always been excuses and we are spinning our wheels. Commissioner Parker, Jr. said we saw no progress until we had our lawyer send a letter. Vice-Chairperson Capan said some places are filling old malls with residential. Commissioner Parker, Jr. said we need someone to help us but we get nothing until we force them. Mr. Afoun suggested giving him the audience in July. Chairperson Grimes is saying that Mr. Clark needs to bring his "A" game because he is looking for some results. Commissioner Parker, Jr. said it's not just results we need fast results. There was discussion as to what direction they want to give to Clark and Associates. Commissioner Parker, Jr. wants a discussion so we can give with one voice and to do a strategy session a couple weeks ahead of time so everyone can be comfortable with it so we can tell them how we want to proceed. He said we need to apply for MTW and need to get things going. Mr. Afoun said MTW is normally done by a consultant and he wants to wait and talk to Mr. Clark and let him present at the July board meeting. In meantime he will contact HUD and express an initial interest on MTW. Vice-Chairperson Capan asked if there is anyone else can do the MTW besides Clark. Commissioner Parker, Jr. said we don't need to wait a month to talk about MTW. Chairperson Grimes said we direct Mr. Afoun to contact Clark and tell him we want to get MTW underway now. When he comes to us in July he can give us the progress on the application. Mr. Afoun said he wants everyone to understand it is no longer the housing authority that will own the property it will be the development corporation.

Mr. Afoun informed the Board that Tony McCombie will be visiting tomorrow. She couldn't make it to park dedication and wants to see what we are all about. The reason he put it here if any of the board members can be around to say hi it doesn't hurt. They will meet in the board room at 2pm. Mr. Afoun would like any commissioners to show up that might be able to even if just to say hello.

Mr. Afoun reviewed the Fiscal Year 2019 T-HUD Appropriations Bill with the commissioners.

Commissioner Parker, Jr. asked if there is a way to get the newsletters from NAHRO and PHADA mailed to their home. Mr. Afoun thought that they receive them already. All commissioners said they don't receive anything. Mr. Afoun will look into that and follow it up.

a. Resolution #882:

Resolution #882 was to approve/authorize the Depreciation Schedule/Report Write Offs. All voting members present voting "aye", none against, the Chairperson declared the motion carried unanimously.

Resolution #883:

Resolution #883 was to approve/authorize the Bedbug Heat Treatment Equipment Purchase. All voting members present voting "aye", none against, the Chairperson declared the motion carried unanimously.

Resolution #884:

Resolution #884 was to approve/authorize the Site Lighting Project. All voting members present voting "aye", none against, the Chairperson declared the motion carried unanimously.

Resolution #885:

Resolution #885 was to approve/authorize the Bad Debt Write Offs. All voting members present voting "aye", none against, the Chairperson declared the motion carried unanimously.

b. Approval of Financial Report: The financial reports were unavailable due to an issue with the fee accountant's new software. The fee accountant has not delivered. The lawyer said he has brought the draft letter and we will go out for RFP on this since the fee accountant has not delivered.

c. Section 8 Report: The Board reviewed the Section 8 Report as presented. Mr. Afoun said we are still in shortfall, but have enough money to support what we have as far as Section 8 is concerned.

d. Public Housing Report: The Board reviewed the Public Housing Report as presented. There was a report for each AMP as well as one showing the information for both AMPs combined. This report gives a data analysis to track and report the statistics to the Board. We will be seeing some improvements in unit turnaround and pest control since our pest control technician has been hired and passed his certification.

e. Development/Maintenance Reports: The Board reviewed the Capital Funds & Maintenance Progress Report, which showed current and future projects. The report also addressed work orders and that the maintenance staff is taking care of work orders in a timely fashion. Mr. Afoun said the scope of work has now been finalized for the site lighting project.

4. Resident Advisory Board (RAB) Report: Verbal report not provided due to RAB not being in attendance at this meeting.

5. Closed Session – Personnel Issues – 5 ILCS 120/2(c)(1):

Motion was made, and seconded, to go into executive session at 6:44 P.M. and a roll call was taken. Voting Yes were Melvin Grimes, Chuck Capan, David Parker, Jr., and Diane Fox. The Chairperson declared the motion carried unanimously.

The Board then commenced Executive Session.

Motion was made, and seconded, to close executive session at 6:56 P.M. and a roll call was taken. Voting Yes were Melvin Grimes, Chuck Capan, David Parker, Jr., and Diane Fox. The Chairperson declared the motion carried unanimously.

The Public portion of the Meeting was resumed at 6:56 P.M.

6. Any other business that may come before the Board including comments from the general public:

There was no other business to come before the Board.

7. Adjournment:

There being no further business, a motion was made, and seconded, to adjourn the meeting. All voting members present voting "aye", none against; the Chairperson declared the meeting adjourned at 6:58 P.M.

Melvin Grimes, Chairperson