

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

October 6, 2017

The special meeting of the Board of Commissioners of the Moline Housing Authority was held at 5:00 PM in the Spring Brook Administrative 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 5:00 p.m.
- 2. Project Based Section 8 / Garfield School Discussion:** A verbal report was provided by Mr. John Afoun.

Mr. Afoun stated that the Housing Authority is in the process of wanting to work with Gorman on the Garfield School project.

Mr. Afoun stated a recent phone conference had been held with Gorman and HUD. In the phone conference, HUD stated that the manner in which Gorman had secured their tax credit was inconsistent with HUD regulations, and that Gorman would not have been awarded the tax credit without the support of the Housing Authority. Gorman should have secured the tax credit prior to approaching the Housing Authority. HUD's position is that Gorman must obtain a documentation showing they would have been awarded the tax credit without the help of the Housing Authority. Mr. Afoun noted that the Housing Authority does not have project based vouchers.

Mr. Afoun also provided details on a meeting that was arranged with HUD in Chicago after the phone conference. The HUD regional director stated that the Housing Authority does not have the funds to support 15 vouchers. The regional director noted that because of this HUD could not support the project. HUD provided information to Mr. Afoun detailing how the process should have worked.

Mr. Afoun stated that Gorman may not be able to move forward with the project without the vouchers, and that Gorman intends to bring in a consultant to see if there is a way to make the vouchers work.

Mr. Afoun stated that moving forward with the project, it will be necessary to coordinate closely with HUD to make sure the proper regulations are being followed. Mr. Afoun asked for guidance from the Board on having a preliminary discussion with the Gorman consultant. Mr. Afoun stated that if it does not appear the Gorman consultant's recommendations are consistent with HUD's guidance, that it may be necessary to terminate the relationship with Gorman.

Commissioner Fox asked if the Section 8 program was projected based as she thought Fiesta Manor was project based. Mr. Afoun clarified the difference between the Fiesta Manor project and the Garfield project.

Vice-Chairperson Capan stated he was not opposed to Mr. Afoun having a preliminary discussion with Gorman, but stated it is imperative to comply with HUD.

Board Counsel confirmed that Mr. Afoun's remarks were accurate, and stated that the Gorman consultant was supposed to contact him today, but did not.

Chairperson Grimes expressed concern that Gorman had not followed the correct process from the outset. He stated that he and Vice-Chairperson Capan had put in a significant amount of work to get the Section 8 program back into HUD's good graces, and that he would not support anything that goes against HUD regulations.

Vice-Chairperson Capan stated that if the Gorman consultant can find a way to make the project work that HUD approves, then that is fine.

Commissioner Parker, Jr. stated that he wants the Housing Authority to be overly cautious moving forward, and that it is important any proposal by the Gorman consultant be approved by HUD and Board counsel.

Mr. Afoun recommended that he be allowed to speak with the consultant, and he will bring this back to the Board.

A motion was made, and seconded, to authorize Mr. Afoun to speak with the consultant and if the proposal follows HUD rules, then he can move forward with it.

All voting members present voting "aye", none against; the Chairperson declared the motion carried.

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

A motion was made, and seconded, to go into executive session at 5:27 P.M. and a roll call vote was taken. Voting Yes were Melvin Grimes, Chuck Capan, David Parker, Jr., and Diane Fox. The Chairperson declared the motion carried unanimously.

The Board commenced Executive Session.

Motion was made, and seconded, to close executive session at 6:07 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 6:07 P.M.

Motion was made, and seconded, to approve the Executive Director's Bonus. All voting member present voting "aye," none against; the Chairperson declared the motion carried.

4. Any other business that may come before the Board including comment from the general public:

There was no other business to come before the Board.

5. 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 6:07 P.M.

Melvin Grimes, Chairperson