

MINUTES OF THE
McHENRY COUNTY HOUSING AUTHORITY
February 28, 2011

The Regular Meeting of the Board of Commissioners of the McHenry County Housing Authority was called to order by Vice Chairman Leathers at 1:55 P.M. on February 28, 2011, at the offices of the McHenry County Housing Authority, 1108 N. Seminary, Woodstock, Illinois.

ROLL CALL:

Commissioners Present: Keith Leathers, Vice Chairman
Mary Reid
Mark Ruda
Cathryn Perfitti

Commissioners Absent: Gary Reece, Chairman
Thomas Vaclavek, Jr.
Sulev Ahven

Others Present: Julie Biel Claussen, Executive Director
Holly Lyons, Administrative Assistant
Francis Gosser, Attorney
Donna Kurtz, County Board liason

Commissioner Reid made a motion to revise the agenda to remove acquisition of real property under closed session and removal of CAHMCO property transfer that was seconded by Commissioner Perfetti. The motion was voted on and approved unanimously by the Commissioners.

The Regular Board Minutes of January 24, 2011 and the Special Board Minutes of February 18, 2011 were presented for approval. Commissioner Ruda made a motion that was seconded by Commissioner Reid to approve these minutes as presented. All voted aye, and the motion carried.

Commissioner Comments / Public Comments: There were no Commissioner or public comments.

Financial Reports:

Commissioner Ruda made a motion to accept the financial reports that was seconded by Commissioner Reid. Biel Claussen presented the financial reports. The Voucher Program had a positive cash flow of \$963. Biel Claussen noted that she has added the Housing Assistance Payment (HAP) made to landlords and the HAP payment received from HUD on the report. The Public Housing Program had a profit of \$91.24 and the subsidy has been reduced this year. The Cost Allocation report showed \$38,158.64 allocated among all programs for the month. The SilverTrees I report showed a negative cash flow for the month of \$2,064.65 SilverTrees II had a loss of \$1,948.98 with the costs of snow removal negatively affecting the budget. The GreenTrees development had a negative cash flow of \$2,580.18. There is a rent increase for 2011 for this development. The LIHEAP program has spent 72% of its Federal funding and 96.5% of its State grant. MCHA has received additional federal

funding last week. For Weatherization the HHS grant is 97.5% spent. The DOE ARRA is 64% spent. The 2007 HOME Program is completely spent on construction. The 2008 CDBG Program is complete and 2009 CDBG Program is complete. The CSBG grant is 72% spent with a grant ending date of March 31, 2011. The EFSP grant is 100% complete. The RHS program made a quarterly payment to the landlords this month. The HPRP Program is 50% spent for the McHenry County funding and 59% spent for the State funding. The vote was called on the motion to accept the financial reports, and all voted aye. The motion carried.

Bills Due: Frank Gosser's bill for \$4,016.48 and the bill for the NAHRO dues of \$1,362.50 were presented. Commissioner Reid made a motion that was seconded by Commissioner Perfetti to pay the bills presented. Upon roll call vote, all voted aye and the motion carried.

Legal Status Report: Mr. Gosser reported that he was working on 6 foreclosure cases in connection with the Owner-Occupied Rehab program.

Program Reports:

Section 8 – The Section 8 report showed a 96.5% lease up rate. The Veterans Assistance Commission is applying for special vouchers to be used in McHenry County for Veterans under the VASH program (Veterans Assistance Supportive Housing). Supportive services are provided to the veterans.

Biel Claussen presented the Administrative Plan changes to the Board of Commissioners. She stated that a table of contents has been added. Also the plan was revised with regard to project-based vouchers, requiring tenants to stay in the unit for two years prior to receiving a regular voucher to transfer to a new unit. Commissioner Ruda made a motion to approve the Administrative Plan changes and Commissioner Reid seconded the motion. All of the Commissioners voted in favor of the motion and the motion carried.

Biel Claussen presented a request for Housing Quality Standards training for two staff members. Commissioner Ruda made a motion to approve the costs of the training including travel expenses not to exceed \$750. Commissioner Reid seconded the motion. A roll call vote was taken and the motion was approved unanimously.

Public Housing – The Public Housing has one vacancy as of February 1st. The Capital Funds program is drawn down 23% for the 2010 funds.

LIHEAP – The program has approved 1,557 applications to date. Commissioner Reid asked for clarification whether funds are still available, and Biel Claussen stated that it is anticipated there will be funds available through the end of the program year.

PIPP Program – Holly Lyons is administering this program, there are currently 9 clients.

Weatherization – We are in good shape to spend the remaining DOE money by the end of June. We are currently weatherizing 22 homes per month.

Rehab – Biel Claussen stated we are pushing to complete the HOME 08 program by the end of March..

Community Services Department: Biel Claussen noted that there is a CSBG board meeting scheduled for March 9th. Biel Claussen requested that the remaining CSBG economic development funds be transferred to Illinois Ventures for Community Action. Commissioner Reid made a motion to transfer \$23,016 to Illinois Ventures for Community Action. Commissioner Ruda seconded the motion. A roll call vote was taken and all of the Commissioners voted in favor of the motion. The motion carried.

Rural Development: There are two vacancies at GreenTrees and one at SilverTrees.

Executive Director's Report - Biel Claussen highlighted portions of her report. The HUD visit was quite successful with two Commissioners joining the discussion of the Regional Housing Initiative along with the Woodstock Commons development management and Metropolitan Planning Council. Biel Claussen shared her concern regarding federal budget cuts in many of the MCHA programs.

Administrative Business:

CDBG Commission – Commissioner Ruda stated there was nothing new to report.

Senior Services Commission – Commissioner Reid stated there is a meeting scheduled for Friday.

Not-For-Profit – Gosser stated that he had been working with Biel Claussen on the development of the nonprofit corporation. The Commissioners questioned the benefits of creating the corporation as a Community Housing Development Corporation, especially if it would mean a loss of control, as only one third of the board could be appointed by MCHA. Commissioner Leathers requested that Biel Claussen present a pros and cons analysis of becoming a CHDO versus a standard 501(c)(3) at the next meeting.

Resident Advisory Board – Lyons stated that a new representative is needed to represent the interests of Section 8 tenants on our advisory board. Sulev Ahven has agreed to serve on this board. Commissioner Reid made a motion to appoint Sulev Ahven to the Resident Advisory Board. Commissioner Ruda seconded the motion. The motion carried by unanimous vote.

Developer Proposal Reviews – Biel Claussen stated that neither of the developments that had been proposed in Crystal Lake passed the first round of review from IHDA. She was told that IHDA was concerned regarding the market saturation with the development already approved in Lake in the Hills. Biel Claussen stated that the rent structure at Kensington Manor in Richmond is too high to be considered an affordable housing project.

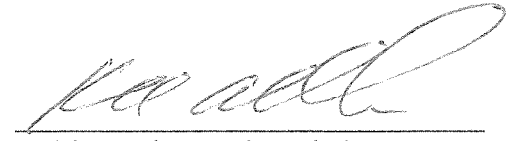
Commissioner Ruda made a motion to enter into executive session pursuant to 5 ILCS 120/2(c)(11) Pending or Threatened Litigation and 5 ILCA 120/2(c)(1) Personnel Matters that was seconded by Commissioner Reid. The motion passed unanimously by roll call vote. Commissioner Reid made a motion, seconded by Commissioner Ruda to exit executive session. A roll call vote was taken and the motion passed unanimously. Vice Chairman Leathers noted that no action was taken during the executive session.

Commissioner Ruda made a motion to increase the Executive Director's salary by 2% retroactive to January 1, 2011. Commissioner Reid seconded the motion. A roll call vote was taken and all of the Commissioners voted affirmative. The motion carried.

Commissioner Reid made a motion to adjourn at 3:34 PM and Commissioner Ruda seconded the motion. The motion carried by unanimous vote.

Respectfully Submitted:


Julie Biel Claussen


Keith Leathers, Vice Chairman