

**JOURNAL OF THE PROCEEDINGS OF THE FINANCE COMMITTEE OF THE
BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF COOK COUNTY
REGULAR PUBLIC SESSION
THURSDAY, JANUARY 23, 2025 10:30 AM**

ROLL CALL:

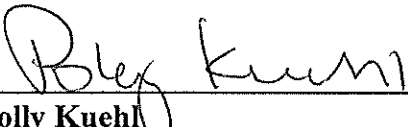
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| COMMISSONERS PRESENT | |
| Polly Kuehl – Vice-Chair | In Person |
| Eric L. Slaughter – Commissioner | In-Person |
| HACC STAFF PRESENT | |
| Danita W. Childers, Executive Director | In Person |
| Bernina Moore, Board Advisor | In Person |
| Kathleen Grady-Peralta, Comptroller/Treasurer | In Person |
| Bernard Muhammad, Property Accounting Manager | In Person |
| Vernessa Cotton, Comptroller/Treasurer | In Person |
| Legal Counsel | |
| Jon A. Duncan, General Counsel | In Person |
| Cherie Strong, Senior Real Estate Attorney | In Person |
| Public Attendees | |
| None in Attendance | None in Attendance |

- I. **Call to Order:** Vice Chair Polly Kuehl called to order the Finance Committee Meeting of the Board of Commissioners at approximately 10:36 a.m.
- II. **Roll Call:** Bernina Moore called the roll. Commissioners Polly Kuehl and Eric Slaughter attended the meeting in person and were present for the roll call. A quorum was established.

- III. Public Comments:** Based on HACC’s public participation rules, public participants are given three (3) minutes to address the Finance Committee. Vice-Chair Polly Kuehl opened the floor to public comments. No public comments were made.
- IV. Approval of the Consent Agenda:** Commissioner Polly Kuehl requested a Motion to approve the minutes of the December 5, 2024 Regular Meeting and Executive Session Meeting of the Finance Committee. Commissioner Eric Slaughter made the motion and Commissioner Polly Kuehl seconded the Motion. The motion carried with all “ayes.”
- V. Discussion of Proposed Resolution: 2025 – HACC – 1:** Dialogue of the resolution authorizing the development project South Boulevard Shores in Evanston, Illinois, and the allocation of 18 project-based vouchers was tabled until the February 27, 2025 Finance Committee meeting. This decision allows time to address inquiries raised by the Finance Committee regarding key concerns:
- ❖ Inadequate review materials for pro formas and financial models
 - ❖ Debt service coverage and operating deficits in the first 5 years
 - ❖ Thresholds’ role as a secondary non-profit partner
 - ❖ Developer fee (HACC to receive 30%); Deferred Developer fee
 - ❖ Operating budget and other administrative costs
 - ❖ Utility costs and budget assumptions
 - ❖ Questions about HACC’s ownership structure and management role
- VI. Review of Finance Committee Draft Charter:** The HACC Finance Committee reviewed proposed revisions to its charter, incorporating language to formalize the review of development models and pro formas for either refinancing, new acquisition, or new developments. During the discussion, the Finance Committee considered expanding its scope to include development oversight responsibilities while focusing primarily on financial matters. It was decided to retain the name, “Finance Committee” rather than renaming it to “Finance and Development Committee,” emphasizing the review of financial models and pro formas rather than assuming complete development oversight. The revised charter will be presented for a vote at the Board Meeting on March 13, 2025.
- VII. Review of Property Financial Statements:** The Committee reviewed financial statements for HACC’s RAD properties, including cash positions, rent collection rates, and the status of potential funding sources. Southern County Community Housing (SSCH), Richard Flowers Properties, South Suburban Senior Living (SSSL), and Franklin Properties were discussed at length. The Finance Committee also reviewed the November 2024 financials, discussing the overall cash position of those properties, rent collection trends, and the status of the DCEO Grant.
- VIII. Audit: South Region Properties 10/31/2024 YE Audits Handout (DRAFT):** An update was provided on South Region Properties, including a discussion of key findings related to Special Claims and Operating Cost Adjustment Factor (OCAF) timing issues. Most findings were resolved during the audit, and no major compliance issues were identified

in tenant files. The Finance Team plans to submit waivers or justification letters to HUD to address any remaining compliance gaps. The Finance Committee will conduct a more detailed review of the audit findings before the February 27, 2025 meeting.

- IX. Other Business:** The 2025 Finance Committee meeting dates were approved. The FY'25 property budgets were distributed for review; inquiries and concerns can be addressed at the February 27, 2025 Finance Committee Meeting.
- X. Motion to move into Executive Session:** Commissioner Kuehl made a Motion to go into Executive Session for the purposes of discussing the purchase or lease of real property, including discussion of whether particular parcels should be acquired [Illinois Open Meetings Act exemption 2(c)(5)]. Commissioner Slaughter seconded the Motion. The motion carried with all "ayes," and the Finance Committee went into Closed Session at approximately 12:08 p.m., for which separate minutes are kept. The Open Meeting reconvened at 12:18 p.m. No votes were made during the Closed Session other than to adjourn the Executive Session and return to public session.
- XI. Adjournment:** The meeting was adjourned at approximately 12:22 p.m.



Polly Kuehl
Vice-Chair

February 27, 2025