



Chicago Housing Authority

Finance & Audit Committee

Agenda

60 E Van Buren St
Chicago, IL 60605

Tuesday, November 19, 2024

8:40 AM

CHA Corporate Offices

I. Roll Call

II. Approval of Minutes

Approval of Minutes of September 12, 2024.

III. Resolutions

- 1** Authorization to approve and submit to HUD the Chicago Housing Authority's \$1.3 Billion Budget for 2025.
Presenter: Michael Moran, Chief Financial Officer
- 2** Authorization to ratify purchase of coverages for Employee Health Insurance Benefits.
Presenter: Dominick Maniscalco, Deputy Chief Human Resources
- 3** Authorization to award contract for a Financial Management System subscription and implementation services.
Presenter: Anna Chen, Chief Information Officer
- 4** Authorization to award contract for iFile Enterprise Content Management System Maintenance and Support.
Presenter: Anna Chen, Chief Information Officer
- 5** Authorization to enter into a network support and maintenance agreement with Siemens Industry, Inc.
Presenter: Anna Chen, Chief Information Officer

IV. Public Participation

V. Adjournment



Board Letter

Agenda Date: November 19, 2024

Agenda #: 1

Authorization to approve and submit to HUD the Chicago Housing Authority's \$1.3 Billion Budget for 2025.

Presenter: Michael Moran, Chief Financial Officer

Recommendation

The Interim Chief Executive Officer recommends that the Board of Commissioners of the Chicago Housing Authority (CHA) authorize the approval of the Chicago Housing Authority's \$1.3 billion budget.

The requested action complies in all material respects with all applicable federal, state and local laws, and Chicago Housing Authority board policies.

Background

The Chicago Housing Authority is required to submit for approval by the Board, a balanced annual Comprehensive Budget detailing each of its funding sources (MTW Fund, Section 8 Non-MTW fund, and Other Funds) and the use of budgeted funds.

The Chicago Housing Authority's Comprehensive Budget totaling \$1.3 billion includes the following fund categories:

- **MTW Fund.** Total sources for 2025 are \$1,137.4 million. The MTW Fund combines the Low-Rent, Capital and Section 8 programs into a block grant as allowed by HUD under the Amended and Restated MTW agreement. Total MTW Fund revenues consist of Housing Assistance Subsidy, Capital Grant Funds, Operating Subsidy, Block Grant, Dwelling Rental Income, Interest Income and Other Income.
- **Section 8 Fund (Non-MTW).** Total sources for this program are \$128.7 million. Total Section 8 (non-MTW) fund revenues consist of approximately \$84.3 million from RAD vouchers, \$17.9 million from Emergency Housing vouchers, \$13.5 million from Veterans' Affairs Supportive Housing (VASH) vouchers, \$3.2 million from Mod Rehab vouchers, and \$4.2 million from Mainstream vouchers for housing assistance. This fund also includes \$5.6 million other income sources related to RAD properties.
- **Other Funds.** Total sources are \$55.7 million. Approximately \$28.7 million of proceeds from the \$325 million bond issue that closed in September 2018 will be used to fund capital maintenance and repairs at CHA public housing and provide loans to mixed-income developments. Additionally, \$15.3 million from RAD replacement reserves will fund capital work at individual properties that have

already converted into the RAD program. Lastly, \$11.7 million of other federal and local grants, non-federal revenues, and interest income will be used to enhance or augment funding for critical programs and services that the CHA provides to its residents.

The estimated sum of all sources is equal to the estimated sum of all expenditures to be made/incurred during 2025.

Respectfully Submitted:

Angela Hurlock
Interim Chief Executive Officer



RESOLUTION NO. 2024-CHA-XX

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 19, 2024, entitled “Recommendation to Approve the Chicago Housing Authority’s \$1.3 Billion Budget for 2025”;

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners, authorizes the Interim Chief Executive Officer, or her designee to Approve the Chicago Housing Authority’s \$1.3 Billion Budget, and grants authorization to the Interim Chief Executive Officer, or her designee, to make any final updates as deemed necessary;

THAT, the proposed expenditures are necessary for the efficient and economical operation of the Chicago Housing Authority for the purpose of serving low-income families;

THAT, the financial plan is reasonable in that it indicates funding sources adequate to cover all proposed expenditures, and does not provide for use of Federal funding in excess of that payable under the provisions of the applicable Federal regulations;

THAT, all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract in accordance with the Amended and Restated Moving to Work Demonstration Agreement of the Chicago Housing Authority with the US Department of Housing and Urban Development: and

THAT, the Board of Commissioners grants authorization to submit the recommendation to Approve the Chicago Housing Authority’s \$1.3 Billion Budget for 2025 to the US Department of Housing and Urban Development upon Board approval. Such approval shall constitute conclusive evidence of the Board’s approval of any and all such updates.

Matthew Brewer
Interim Chairman
Chicago Housing Authority



Board Letter

Agenda Date: November 19, 2024

Agenda #: 2

Authorization to ratify purchase of coverages for Employee Health Insurance Benefits.

Presenter: Dominick Maniscalco, Deputy Chief Human Resources

Recommendation

The Interim Chief Executive Officer (“CEO”) of the Chicago Housing Authority (“CHA”) recommends that the CHA Board of Commissioners (“Board”) approve the allocation of funding for CHA’s employee health insurance benefits for an increase of 6.4% YOY for a total of \$11,822,805 for 2025. For 2025, the Board provided a total spend of 11,656,567.

Contract Summary

Term	Board Approved Amount
2023 (Base Term)	\$ 10,572,850.00
2024 (Option Year 1)	\$ 11,101,493.00
2025 (Option Year 2)	\$ 11,656,567.00
2026 (Option Year 3)	\$ 12,239,395.00
2027 (Option year 4)	\$ 12,851,365.00

The total 2025 renewal increase amount is 6.4%, 1.4% over the board approved amount with the following cost breakout:

The requested action complies in all material respects with all applicable federal, state, and local laws, and CHA policies. CHA staff has completed all necessary due diligence to support the submission of this initiative.

Coverage	Recommended Insurer	2025 Recommendations
Medical	Blue-Cross Blue Shield	\$10,391,355
Dental	Blue-Cross Blue Shield	\$519,244
Vision	Blue-Cross Blue Shield	\$53,847
Retiree Medical, Dental & COBRA	Blue-Cross Blue Shield	\$126,000
Life and AD&D	MetLife	\$221,618
Short-Term Disability	MetLife	\$220,620

Long-Term Disability	MetLife	\$72,121
Long-Term Care	Unum	\$77,000
Flex Spending	Ameriflex	\$25,000
Employee Assistance	Perspectives	\$9,000
Health Savings Plan (administrative)	Empower/Optum	\$6,000
Wellness Programs	Various Providers	\$100,000
Total Premium		\$11,822,805

Based on the foregoing, it is in the best interest of the CHA for the Board to authorize the CEO or her designee, to approve the allocation of funding for CHA's employee health insurance benefits for an increase of 6.4% YOY for a total of \$11,822,805 for 2025. For 2025, the Board provided a total spend of 11,656,567.

Respectfully Submitted:

Angela Hurlock
Interim Chief Executive Officer



RESOLUTION NO. 2024-CHA-

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 19, 2024, entitled “Recommendation To ratify purchase of coverages for Employee Health Insurance Benefits”:

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the allocation of funding for CHA’s employee health insurance benefits for an increase of 6.4% YOY for a total of \$11,822,805 for 2025. For 2025, the Board provided a total spend of 11,656,567.

Year	Amount
2023 (Base Term)	\$10,572,850
2024 (Option Year 1)	\$11,101,493
2025 (Option Year 2)	\$11,656,567
2026 (Option Year 3)	\$12,239,395
2027 (Option Year 4)	\$12,851,365

This award is not subject to compliance with the CHA’s Diversity goals.

Angela Hurlock
Chairperson
Chicago Housing Authority



Board Letter

Agenda Date: November 19, 2024

Agenda #: 3

Authorization to award contract for a Financial Management System subscription and implementation services.

Presenter: Anna Chen, Chief Information Officer

Recommendation

The Interim Chief Executive Officer (“CEO”) of the Chicago Housing Authority (“CHA”) recommends that the CHA Board of Commissioners (“Board”) approve the award of contract to Yardi Systems, Inc. in the aggregate compensation value of \$4,398,008 for a five (5) year base term commencing on or about December 1, 2024.

Recommended Awardee	Base Contract Value	Base Term	Option Terms	Total Contract Value
Yardi Systems, Inc.	\$4,398,008	5 years	N/A	\$4,398,008
Total:	\$4,398,008		Aggregate Total:	\$4,398,008

The requested action complies in all material respects with all applicable federal, state, and local laws, and CHA policies. CHA staff has completed all necessary due diligence to support the submission of this initiative.

Funding

MTW Funds

Background

In 2006, CHA implemented an Infor/Lawson ERP system primarily to replace three disparate legacy systems, Finance, Human Resources/Payroll and Procurement and Compliance, into a single integrated solution. This system has since provided CHA with essential capabilities required for managing Finance, Human Resources/Payroll, Procurement and Compliance. However, the current version of the Infor/Lawson system version is now approaching a decommissioning. To continue meeting CHA’s evolving business needs, enhance system functionality, and comply with current technology and security requirements, a replacement of our existing financial management system is necessary.

Procurement Activities

In accordance with non-competitive procedures, CHA staff prepared a Request for Information (RFI) Event. No. MB2023 on October 6, 2023 inviting our existing system of record providers, Oracle, Yardi and Lawson, to respond with potential solutions, augmentations or new systems to replace and/or supplement the legacy system(s), in whole or in part. Two (2) responses were received November 3, 2023, and the CHA engaged in an extensive solicitation development process to assess and establish necessary technical and operational specifications, as well as integration parameters and standards for the proposed system solution(s). Following CHA’s

development of refined project requirements and specifications the two responding vendors submitted detailed proposals which were reviewed and evaluated in a competitive solicitation process assessing technical merits and the cost and price parameters of the vendors' respective proposals. The respondents to the RFI and competitive solicitation are depicted in the table below:

Responsive Proposal(s)
Oracle/Denovo Ventures LLC.
Yardi Systems, Inc.

Infor Lawson did not submit a response to this effort.

Based on the responsive proposals the two respondents were invited for oral presentations based on usage case scenarios and Best and Final Offers were requested from the respondents. The vendor(s) responses were that evaluated in accordance with HUD regulations and guidelines, including 2 CFR 200, *et seq.* and other applicable standards and procedures in the following areas, utilizing a weighted score methodology:

- | | |
|-------------------|------------------|
| 1. Functional Fit | 5 Maximum Points |
| 2. Business Fit | 5 Maximum Points |
| 3. Technical Fit | 5 Maximum Points |

Final scores were received from the evaluation committee and it was determined that Yardi Systems, Inc. was selected for contract award as the better business fit for the organization, representing the best overall value among the viable competitive proposals.

Diversity Contracting Requirements

The CHA has reviewed the proposed vendor's proposal and supplemental documentation and has determined the vendor's utilization plan meets with the CHA's stated goals.

Yardi Systems, Inc. will satisfy the 20% M/WBDE requirement through direct subcontracting to MAC Computer Consulting, Inc. (DBE) implementation services and indirect participation for AMA Consulting Group, LLC and Dashboard Solutions/ Lynne Berge. A partial waiver was granted for the license subscription.

Yardi will also satisfy their Section 3 requirement through 10% contribution to provide funds for CHA to internally recruit and hire CHA residents to work with the Information Technology Department to implement the new financial management system. This contribution is more than the required 3% goal and will allow CHA to better control and promote opportunities for employment directly to our residents. A 5% contribution will be made upfront in year one and the remaining 5% will be distributed over the remaining contract years.

Vendor Background Information

Anant Yardi, President and Founder, 430 S Fairview Avenue, Santa Barbara CA 93117. Established in 1982, Yardi Systems, Inc. ("Yardi") is a software provider for the real estate investment management and property management industries. The company offers business solutions for the real estate market, including multi-family, affordable, public housing, senior and military housing, as well as office, industrial, retail, and self-storage market segments. Yardi has

been providing software, maintenance, support, and implementation services for the CHA's Housing Management System since 2003.

Based on the foregoing, it is in the best interest of the CHA for the Board of Commissioners to authorize the Chief Executive Officer or her designee, to enter into a contract with Yardi Systems, Inc. for a Financial Management System including subscription components and implementation services in the total compensation amount not exceed \$4,398,008.03.

Respectfully Submitted:

Angela Hurlock
Interim Chief Executive Officer



RESOLUTION NO. 2024-CHA-

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 19, 2024, titled “Authorization to award contract for a Financial Management System subscription and implementation services.”

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Interim Chief Executive Officer or her designee to enter into a contract with Yardi Systems, Inc. for provision and implementation of a Financial Management System, for a total compensation amount not-to-exceed \$4,398,008.03.

This award is subject to the Contractor’s compliance with CHA’s Diversity Contract Compliance and insurance requirements.

Matthew Brewer
Interim Chairman
Chicago Housing Authority, Board of Commissioners



Board Letter

Agenda Date: November 19, 2024

Agenda #: 4

Authorization to award contract for iFile Enterprise Content Management System Maintenance and Support.

Presenter: Anna Chen, Chief Information Officer

Recommendation

The Interim Chief Executive Officer (“CEO”) of the Chicago Housing Authority (“CHA”) recommends that the CHA Board of Commissioners (“Board”) approve the award of a contract to the below-listed contractor in the not-to-exceed compensation value of \$906,950 for a 5-year base term.

Recommended Awardee	Base Contract Value	Base Term	Option Terms	Total Contract Value
KnowledgeLake, Inc.	\$906,950	5 years	N/A	\$906,950
Total:	\$906,950		Aggregate Total:	\$906,950

The requested action complies in all material respects with all applicable federal, state, and local laws, and CHA policies. CHA staff has completed all necessary due diligence to support the submission of this initiative.

Funding

MTW Funds

Background

In 2012, Chicago Housing Authority initiated a project to implement a new Enterprise Content Management (ECM) system, known as iFile. This effort included the migration of over ten (10) million documents from the legacy system. The solution has increased customer service delivery and operational efficiencies by providing rapid, intuitive records search and retrieval capability as well as providing an integrated means to scan, capture, store, manage and retain information assets across departments in the Authority. In 2023, CHA moved to KnowledgeLake’s cloud platform.

Procurement Activities

In accordance with CHA's sole-source procurement guidelines and the proprietary nature of the iFile system, a non-competitive sole-source committee meeting was convened on August 29, 2024. On August 30, 2024 the committee approved the iFile maintenance and support services as a sole source.

Diversity Contracting Requirements

CHA has reviewed the current service proposal from KnowledgeLake Inc. and has determined that acceptance of a waiver from CHA stated goals is acceptable for this proposed contract award. KnowledgeLake Inc.'s iFile software is a proprietary cloud-based platform service for document processing and workflow automation. Under the continuation of system licensing/subscriptions, as well as maintenance and support, there is no opportunity for subcontracting M/W/DBE services.

Historically, it was determined that Section 3 subcontracting was also not feasible. However, the vendor has proposed to satisfy our Section 3 subcontracting goal through a Other Economic Opportunity. The vendor has committed to identifying eligible CHA candidates for one annual Summer Internship Program starting in 2025 for the term of the contract. The estimated value over 5 years equates to \$32,000.00 which is reflective of 3%.

Vendor Background Information

Ron Cameron, Founder & CEO; 555 Maryville University Dr. Ste#120, St. Louis, MO 63141. KnowledgeLake is an industry-leading provider of intelligent automation solutions specializing in enterprise content management. Founded in 2001, the company has grown to serve a user base of 2 million. KnowledgeLake's cloud-native platform integrates advanced technologies such as Adaptive Intelligent Document Processing (IDP), Workflow Automation, Intelligent Robotic Process Automation (RPA), and Content Management to optimize business operations. The company's commitment to innovation is evidenced by its receipt of five Microsoft Partner of the Year awards and five Best Place to Work designations.

Based on the foregoing, it is in the best interest of the CHA for the Board to authorize the Interim CEO or her designee, to enter into a contract for Enterprise Content Management with KnowledgeLake, Inc. in the not-to-exceed compensation amount of \$906,950 for a five (5) year services term.

Respectfully Submitted:

Angela Hurlock
Interim Chief Executive Officer



RESOLUTION NO. 2024-CHA-

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 19, 2024, titled “Authorization to award contract for iFile Enterprise Content Management System Maintenance and Support.”

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Interim Chief Executive Officer or her designee to enter into an agreement with KnowledgeLake, Inc. to provide system licensing and subscriptions, as well as support and maintenance services for the CHA’s iFile content management system for a fixed five (5) year term, for a total compensation amount not-to-exceed of \$906,950.

This award is subject to the Contractor’s compliance with CHA’s Diversity Contract Compliance and insurance requirements.

Matthew Brewer
Interim Chairman
Chicago Housing Authority



Board Letter

Agenda Date: November 19, 2024

Agenda #: 5

Authorization to enter into a network support and maintenance agreement with Siemens Industry, Inc.

Presenter: Anna Chen, Chief Information Officer

Recommendation

The Interim Chief Executive Officer (“CEO”) of the Chicago Housing Authority (“CHA”) recommends that the CHA Board of Commissioners (“Board”) approve the award of contract to the contractor listed below, for the provision of maintenance and support for the CHA’s network surveillance systems and cameras with a not-to-exceed contract amount of \$3,514,333 for a one-year base term from February 1, 2025, to January 31, 2026, which includes contingency funding to be utilized for camera and equipment replacement. The contract also includes a one-year extension option in the not-to-exceed contract amount of \$3,224,019, along with a contingency funding of \$483,603 for camera replacements and upgrades during the term of the agreement. The total contract compensation amount will not exceed \$7,221,955.

The Board further authorizes the Interim CEO to approve each request to exercise the option extension established under the agreement.

Recommended Awardee	Contract Amount	Contingency	Total Contract Value
Siemen Industry, Inc (Base Year)	\$3,055,942	\$458,391	\$3,514,333
1 st Option Extension	\$3,224,019	\$483,603	\$3,707,622
Total:	\$6,279,961	\$941,994	\$7,221,955

The requested action complies in all material respects with all applicable federal, state, and local laws, and CHA policies. CHA staff has completed all necessary due diligence to support the submission of this initiative.

Funding

MTW Funds

Background

The CHA operates a networked surveillance camera monitoring system located strategically throughout its senior and family housing portfolios, which began in 2009. The cameras are motion-activated, and video is archived as part of a networked digital video recording system. This network is accessible to the Office of Emergency Management and Communications (911 Center) and the Chicago Police Department, enabling a trained and knowledgeable response to any event that occurs on CHA properties.

Procurement Activities

This request for approval is made pursuant to cooperative purchasing arrangements available to the CHA under prevailing purchasing and procurement standards and procedures, including 2 CFR 200, et seq., the HUD Procurement Handbook and other authorized procurement methods, schedules and procedures, such as GSA Schedule 70, Information Technology, and Consolidated (formerly Corporate Contracts) Schedule contracts containing IT SINS.

The General Services Administration (GSA) is a federal agency established in 1949 solely dedicated to procuring goods and services for government. Headquartered in Washington, D. C. Its primary responsibilities include managing federal real estate, procurement, and technology. The GSA works to streamline government processes and ensure efficient service delivery. The GSA partners with other government agencies, industry organizations, and community groups to promote MBE/WBE participation in federal contracting. These partnerships can help to expand opportunities for MBEs and WBEs and ensure that they have the resources and support they need to succeed.

Under Multiple Award Schedule (MAS) Program the General Services Administration (GSA) establishes long-term Government-wide contracts with commercial firms to provide government buyers with access to a wide variety of commercial supplies, services, and solutions. The original contract for security products was established September 1, 2015.

GSA periodically solicits pricing for contracts previously established to test market conditions and obtain the most competitive pricing. The GSA Schedule 70 contract with Siemens Industry Inc. was procured through Solicitation 47QSMD20R0001, originally published September 30, 2019.

After reviewing the offer, Siemens Industry Inc. was awarded contract GS-07F-217CA to establish them as a pre-approved vendor to provide maintenance and support services for security products. Award of a Schedule 70 contract signifies that the GSA has determined that the vendor's pricing is fair and reasonable, and the vendor is in compliance with all applicable laws and regulations.

After reviewing contract GS-07F-217CA, CHA Staff recommends that Siemens be awarded a contract to provide surveillance camera system support and maintenance services.

Diversity Contracting Requirements

The CHA has reviewed the proposed vendor and has determined the vendor's utilization plan meets with the CHA's stated goals.

Siemens Industry Inc. (Siemens) will satisfy the CHA 20% M/W/DBE participation requirement through direct subcontracting of 9.55% to Montel Technologies, LLC. (MBE) to provide genetics software and technical support and 10.45% to Quantum Crossings, LLC. (MBE) for installation, programming and technical support both are certified by the City of Chicago. Siemens will satisfy their Section 3 subcontracting requirement utilizing Pearlie Sue Cleaning LLC, a 51% tier Section 3 business concern to provide cleaning of the cameras.

Siemens served as the prime contractor on five (5) contracts with Chicago Housing Authority, (CHA) from 2010 to 2020 successfully meeting our diversity goals on four (4) and on track to meet their goal on the current contract expiring January 2025.

Vendor Background Information

Barbara Humpton, USA President & CEO, 200 Massachusetts Avenue, NW, Suite 600, Washington, D.C. 20001; Local address: 1000 Deerfield Pkwy, Buffalo Grove, IL 60089. Siemens first began supporting U.S. customers more than 160 years ago. Siemens, a global technology leader, maintains a significant U.S. presence. Its security division specializes in cybersecurity solutions, leveraging expertise in industrial automation, energy technology, and building technology.

Since 2023, Siemens USA has consistently awarded Supplier Diversity Awards to small and diverse-owned businesses that demonstrate exceptional service and support for Siemens projects.

Based on the foregoing, it is recommended that the Board authorize the Interim CEO or designee to enter into a contract for surveillance camera system support and maintenance services with Siemens Industry, Inc. in the amount of \$6,279,961 with a contingency amount of \$941,994 for during the term resulting in an aggregate compensation amount not-to-exceed \$7,221,955.

Respectfully Submitted:

Angela Hurlock
Interim Chief Executive Officer



RESOLUTION NO. 2024-CHA-

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 19, 2024, titled “Authorization to enter into a network support and maintenance agreement with Siemens Industry, Inc.,”

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Interim Chief Executive Officer or her designee to enter into a network support and maintenance agreement with Siemens Industry, Inc to provide support, maintenance and related services and supplies for the CHA’s networked surveillance systems and cameras, with a not-to-exceed contract value of \$3,514,333 for an initial one-year term and with authorization to extend the agreement for up to one (1) additional one-year term with a not-to-exceed contract value of \$3,224,019, plus authorization for contingency funding in the not-to-exceed value of \$483,603, which shall be available for utilization throughout the term of the agreement, resulting in a total not-to-exceed compensation amount of \$7,221,955.

This award is subject to the Contractor’s compliance with CHA’s Diversity Contract Compliance and insurance requirements.

Matthew Brewer
Interim Chairman
Chicago Housing Authority