



Board Letter

Agenda Date: September 19, 2025

Agenda #: 4

Authorization to purchase casualty and professional liability insurance coverages.

Presenter: Mary Howard, Chief Administrative & Resident Services Officer

Recommendation

The Operating Chairman of the Chicago Housing Authority ("CHA") recommends that the CHA's Board of Commissioners ("Board") authorize the purchase of casualty and professional liability insurance coverages for CHA's auto and physical damage, crime, cyber, employed lawyers professional, fiduciary, general, public officials and employment practices. The combined premiums are for an aggregate not-to exceed amount of \$796,302 and cover a one-year policy term of October 1, 2025 through September 30, 2026.

The requested action in this item complies in all material respects with all applicable CHA Board policies and all applicable federal (HUD) procurement laws. Staff have completed the necessary due diligence to support the submission of this initiative.

Funding

MTW Funds

Background

On November 17, 2020, under Resolution 2020-CHA-67, the Board issued the award of the insurance brokerage and consulting services to Arthur J. Gallagher. The contract had a 2-year base term with three (3) one (1) year option years. CHA renews its insurance coverage for casualty and professional liability lines of coverages annually and this is the last one (1) year option year. In determining the need for insurance coverage, CHA evaluated its existing casualty and professional liability insurance coverages and the cost effectiveness of renewal coverage options. With authorization from HUD, CHA utilizes its insurance broker of record to competitively market, solicit and bind coverage for CHA.

CHA utilized Arthur J. Gallagher to provide brokerage and insurance consulting services. At this time CHA would like to authorize Arthur J. Gallagher to bind the recommended coverage for 2025-2026 renewal of casualty and professional liability insurance.

Procurement Process

Arthur J. Gallagher is the CHA's current broker of record for all casualty and professional insurance purchases. Insurance policies are considered a 'supply and delivery' product. As such, insurance premiums are not subject to compliance with MBE/WBE and Section 3 requirements, however, Arthur J. Gallagher meets or exceeds these obligations under their separate brokerage contract.

Respectfully Submitted:



Matthew Brewer
Operating Chairman



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RESOLUTION NO. 2025-CHA-37

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated September 19, 2025 entitled "Recommendation to purchase casualty and professional liability insurance coverages".

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

THAT, the Board of Commissioners authorizes the Operating Chairman or his designee to purchase insurance for CHA's casualty and professional liability lines of auto and physical damage, crime, cyber, employed lawyers professional, fiduciary, general, public officials and employment practices, through its insurance broker of record, Arthur J. Gallagher, for an aggregate not-to-exceed amount of \$796,302 covering a one-year policy term, from October 1, 2025 through September 30, 2026.

This award is not subject to CHA's MBE/WBE/DBE/ Section 3 hiring and insurance requirements.




James Matanky
Interim Vice Chairman
Chicago Housing Authority