



BYLAWS

**OF THE BOARD OF
COMMISSIONERS**

**OF THE
CHICAGO HOUSING
AUTHORITY**

**Published by Authority of the Chicago
Housing Authority of the City of Chicago**

Approved May 19, 2020

TABLE OF CONTENTS

BYLAWS OF THE CHICAGO HOUSING AUTHORITY

PREAMBLE	1
ARTICLE I. ADMINISTRATION	1
Section 1: Management.....	1
Section 2: Chairperson and Vice Chairperson	2
Section 3: Additional Officers	2
Section 4: Term of Office	2
Section 5: Duties and Compensation of Officers and Employees.....	2
Section 6: Chairperson.....	3
Section 7: Vice Chairperson.....	3
ARTICLE II. MEETINGS	3
Section 1: Open Meetings Act	3
Section 2: Annual Meeting.....	3
Section 3: Regular Meetings	3
Section 4: Special Meetings	4
Section 5: Attendance by Means other than Physical Presence	4
Section 6: Public Participation	5
Section 7: Quorum	5
Section 8: Waiver of Notice.....	5
Section 9: Record of Proceedings	5
Section 10: Proxy Voting.....	5
ARTICLE III. COMMITTEES	6
Section 1: Committees	6
ARTICLE IV. ESTABLISHMENT OF COMMITTEES	6
Section 1: Establishment of Committees	6
Section 2: Ex-officio member; Chair and Vice Chairperson	7
Section 3: Composition of Committees	7
Section 4: Meetings.....	7
Section 5: Voting	7
Section 6: Quorum	7
Section 7: Vacancies	7
ARTICLE V. MISCELLANEOUS	8
Section 1: Principal Offices	8
Section 2: Fiscal Year	8
Section 3: Demands for Money or Notes.....	8
ARTICLE VI. INDEMNIFICATION – COMMISSIONERS AND OFFICERS	8
Section 1: Indemnification	8
Section 2: Expenses and Liabilities.....	8
Section 3: Selection of Counsel	9
Section 4: Forfeiture of Rights.....	9
ARTICLE VII. INDEMNIFICATION – EMPLOYEES	9
Section 1: Indemnification	9
Section 2: Selection of Counsel	10
Section 3: Expenses and Liabilities.....	10
Section 4: Nature of Defense	10
Section 5: Forfeiture of Rights.....	10
ARTICLE VIII. AMENDMENTS	11
Section 1: Amendments	11
ARTICLE IX. DELEGATED AUTHORITY (SIGNIFICANT ACTIONS POLICY)	11
Section 1: Chief Executive Officer	11

Section 2:	Amendments and Modifications	12
Section 3:	Non-Federal Funds.....	12
Section 4:	Authority-Wide Procedures	12
Section 5:	Business Ventures and Funding Agreements.....	12
Section 6:	Chief Executive Officer’s Delegation.....	13
Section 7:	Chief Legal Officer	13
Section 8:	Residential Lease	13
ARTICLE X. DELEGATED AUTHORITY TO THE CHIEF EXECUTIVE OFFICER		13
Section 1:	Housing Authorities Act	13
Section 2:	Powers Delegated to Chief Executive Officer With Respect to Officers and Employees at Grade Level 74.	13
Section 3:	Chief Executive Officer’s Report of Findings and Recommendations regarding Selection, Appointment, and Removal of Officers and Employees at Grade Level 74.....	14
Section 4:	Powers Delegated to Chief Executive Officer With Respect to Officers and Employees Below Grade Level 74.....	14
Section 5:	Chief Executive Officer’s Request for Ratification of Selection, Appointment, and Removal of Officers and Employees Below Grade Level 74.....	14
Section 6:	Delegation by CEO.....	15
Section 7:	Revocation of Authority	15
ARTICLE XI. AUTHORITY IN THE EVENT OF A DECLARED STATE OF EMERGENCY ..		15
Section 1:	Emergency Authorization.	15

**BYLAWS OF
THE CHICAGO HOUSING AUTHORITY**

PREAMBLE

The Chicago Housing Authority was created pursuant to the provisions of an Act of the General Assembly of the State of Illinois, entitled "An Act in Relation to Housing Authorities," approved and in force March 19, 1934 (the "Housing Authorities Act"), and pursuant to a certificate of determination of the need for the creation of a Housing Authority of the City of Chicago, issued by the State Housing Board under date of April 5, 1934. Thereupon, the Mayor of the City of Chicago appointed five Commissioners of the Chicago Housing Authority, whose appointments were approved by the State Housing Board. The approvals of said State Housing Board were filed in the Office of the Recorder of Deeds of Cook County, Illinois, on the 8th day of January 1937, as Document Number 11932784 and recorded in Book 1058 of Records, at page 112 thereof. The five Commissioners designated in such certificate each accepted their respective appointments as one of said Commissioners.

Pursuant to Public Act 82-780 approved by the Governor of the State of Illinois on the 7th day of July, 1982, the Mayor of the City of Chicago appointed (3) Commissioners (one of which was to fill a vacancy) to fulfill the statutory requirement of seven (7) Commissioners for municipalities having over 500,000 inhabitants, said appointments having been filed in the Office of Recorder of Deeds of Cook County, Illinois on July 29, 1982 as Document Number 26305087, 26305088 and 26305089; also, the Mayor designated the first Mayoral-designated Chairperson of the Board, such designation having been made on August 2, 1982 as evidenced by document filed in the Recorder's Office aforesaid on August 9, 1982 as Document Number 26314218.

Pursuant to Public Acts 87-657, and 88-214, approved by the Governor of the State of Illinois on the 20th day of September 1991 and the 6th day of August 1993 respectively, three (3) additional Commissioner positions were created for each housing authority of a municipality of more than 1,000,000 inhabitants (creating a total of ten (10) Commissioner positions for such housing authorities). These Public Acts provided that the Mayor of the City of Chicago must appoint such Commissioners from current residents of the Chicago Housing Authority from a list presented by official tenants' associations of residents of the Chicago Housing Authority. Pursuant to Public Act 93-323, approved by the Governor of the State of Illinois on the 23rd day of July 2003, the Housing Authorities Act was amended to provide that two of the three Commissioners shall be appointed from such list; the third additional Commissioner is to be appointed by the Mayor from the officers of the official tenants' associations of residents of the Chicago Housing Authority.

ARTICLE I. ADMINISTRATION

Section 1: Management

The Chicago Housing Authority (the "Authority" or "CHA") is a municipal corporation and shall constitute a body corporate and politic, as provided in the Housing Authorities Act, 310 ILCS 10/1 et seq. The management and control of all officers, employees, property and business of the Chicago Housing Authority shall be vested in the Commissioners of the Chicago Housing

Authority, which Commissioners are appointed and hold office in accordance with said Act. The Commissioners may by resolution make any delegation of discretionary powers or ministerial duties, to be exercised in accordance with standards, limitations, and controls which shall be set up in such resolution and which shall not be inconsistent with the Housing Authorities Act, to any committee or committees of one or more chosen from among their number. Any action taken in the name of the Authority by a person or persons to whom such powers or duties have been so delegated shall be the action of the Authority and binding upon it, provided such action is pursuant to and within the scope of the delegation resolution, and consistent with the Housing Authorities Act and other applicable law.

Section 2: Chairperson and Vice Chairperson

An Act of the General Assembly of the State of Illinois, entitled "An Act in Relation to Housing Authorities," provides for the Chairperson and Vice Chairperson who shall be selected as follows:

- a. Chairperson. One Commissioner is appointed as Chairperson upon designation by the Mayor of the City of Chicago and filing of the Certificate of Appointment with the Recorder of Deeds of Cook County.
- b. Vice Chairperson. The Chairperson shall nominate and, subject to the approval of the Commissioners, appoint from among the Commissioners a Vice Chairperson. The Vice Chairperson shall serve for a term of one year and until his or her successor is nominated and approved.
- c. The Commissioners may establish a salary or per diem allowance for the services of the Commissioner who serves as Chairperson.

Section 3: Additional Officers

In addition to the foregoing offices, the Authority shall from time to time select and appoint a chief executive officer and such other officers and employees as may be required for the performance of the duties of the Authority.

Section 4: Term of Office

The officers of the Authority elected or appointed by the Commissioners and designated by the Commissioners as having a specific term of office shall hold office until successors are elected or appointed at the next Annual Meeting of the Authority, or at a regular meeting, or at a special meeting called for the election or appointment of new officers. The Commissioners shall have the right to remove any officer other than the Chairperson, but shall not have the right to remove any Commissioner. Vacancies shall be filled by the Commissioners for the unexpired balance of the term.

Section 5: Duties and Compensation of Officers and Employees

The Commissioners shall prescribe duties of all officers and employees and fix the compensation, as applicable, of each officer and employee, subject to the right of the

Commissioners to delegate such powers to the chief executive officer pursuant to a duly enacted resolution in accordance with applicable law and Section 1 of this Article I.

Section 6: Chairperson

The Chairperson shall preside at all meetings of the Authority and sign all official orders thereof; shall have general supervision over the business and affairs of the Authority; shall see that all orders and resolutions of the Authority are carried into effect; in carrying out the resolutions of the Authority; shall execute bonds, mortgages and other contracts requiring the seal of the Authority; and shall also have such additional powers and duties as may from time to time be imposed upon the Chairperson by the Authority, subject however, to the right of the Authority, in accordance with Section 1 of this Article I, to delegate any specific power or duty, except such as may be made by statute exclusively conferred on the Chairperson, to any other officer or officers of the Authority.

Section 7: Vice Chairperson

The Vice Chairperson, in the absence of the Chairperson, or in the case of the disability of the Chairperson, shall perform the functions of the office of the Chairperson.

ARTICLE II. MEETINGS

Section 1: Open Meetings Act

All meetings of the Authority and its committees shall be held in accordance with the provisions of the Open Meetings Act, 5 ILCS 120/1 et seq.

Section 2: Annual Meeting

The Annual Meeting of the Authority for the election of officers shall be held on the third Tuesday of July of each year.

Section 3: Regular Meetings

Regular Meetings of the Authority shall be held in the principal office of the Authority, or at such other place within the City of Chicago as may be designated by the Chairperson, on the third Tuesday of each or every other month as determined on an annual basis by the Authority. The regular meetings shall include a Public Comment Session, a closed Executive Session for the purposes set forth in Section 2 of the Open Meetings Act, and an open Business Session.

No notice of the above regular meetings shall be required to be given to the Commissioners other than that required to be given under the Open Meetings Act, and it shall be the duty of the Commissioners to attend such meetings without any additional notice.

Section 4: Special Meetings

Special meetings of the Authority may be called at any time by the Chairperson, or in his or her absence, by the Vice Chairperson on 48 hours' notice to each Commissioner either personally, by mail or by electronic transmission. Special meetings shall be called by the Chairperson in like manner and on like notice upon the written request of three or more Commissioners.

Attendance of a Commissioner at any special meeting and participation therein without objecting at the opening of such meeting that it was not lawfully called shall constitute a waiver of notice of such meeting. Failure to give notice of such meeting to a Commissioner so attending it and making no such objection shall in no way affect the validity of any action taken at such meeting.

In an emergency not admitting of delay, a special meeting may be held. Notice of a special meeting held on an emergency basis shall be given as soon as practicable.

Section 5: Attendance by Means other than Physical Presence

If a quorum of the Commissioners is physically present at any regular, special or emergency meeting, a majority of the quorum may allow a Commissioner to attend a meeting via video or audio conference if the Commissioner is prevented from physically attending because of (a) personal illness or disability; (b) employment purposes or the business of the Authority; or (c) a family or other emergency. If a Commissioner wishes to attend a meeting by video or audio conference, the Commissioner must notify the Custodian and Keeper of Records and Official Documents of the Authority before the meeting unless advance notice is impractical.

The Commissioner participating electronically and other Commissioners of the Authority must be able to communicate effectively, and members of the audience must be able to hear all communications at the meeting site. Before allowing electronic attendance at any meeting, the Authority shall provide equipment adequate to accomplish this objective at the meeting site.

Any Commissioner attending electronically shall be considered an off-site attendee and counted as present electronically for that meeting. The meeting minutes shall also reflect and state specifically whether each Commissioner is physically present or present by electronic means.

A Commissioner permitted to attend electronically will be able to express his or her comments during the meeting and participate in the same capacity as those Commissioners physically present, subject to all general meeting guidelines and procedures previously adopted and adhered to. The Commissioner attending electronically shall be heard, considered, and counted as to any vote taken. Accordingly, the name of any Commissioner attending electronically shall be called during any vote taken, and his or her vote counted and recorded and placed in the minutes for the corresponding meeting. A Commissioner attending electronically may leave a meeting and return as in the case of any Commissioner, provided the Commissioner attending electronically shall announce his or her leaving and returning.

These rules shall apply to all committees established by the Authority.

Section 6: Public Participation

The Commissioners shall adopt rules governing public participation at the meetings conducted by the Authority and its committees.

Section 7: Quorum

A quorum consists of a majority of Commissioners and is the minimum number of Commissioners who must be present at a meeting for the transaction of business. A majority is defined generally as the number greater than half of any total. Pursuant to the Housing Authorities Act, six commissioners shall constitute a quorum for the transaction of the business of the Authority. In the absence of a quorum the meeting may be adjourned by the Chairperson, Vice Chairperson or any Commissioner present, in such order, to a given date, subject to the approval of the Chairperson, or in his or her absence, the Vice Chairperson. The Chairperson or Vice-Chairperson may issue or cause the Secretary to issue such notice. The notice shall comply with the requirements of the Open Meetings Act.

Section 8: Waiver of Notice

A written waiver of any notice that is required by this Article II, if such waiver is signed by a Commissioner either before or after the time stated in said waiver for holding a meeting, shall be deemed equivalent to a notice required to be given such Commissioner.

Section 9: Record of Proceedings

The Chairperson shall nominate and, subject to the approval of the Commissioners, appoint a person to record all votes; keep a record of the proceedings of the Authority in a minute book to be kept for that purpose; maintain verbatim recordings of the closed Executive Session proceedings of the Authority; cause notice to be given of all meetings of the Authority; keep in safe custody the seal of the Authority; affix such seal to all contracts and other instruments authorized by the Authority and requiring such seal; keep the records of all standing and special committees of the Authority and keep the record thereof; be Custodian and Keeper of Records and Official Documents of the Authority; and perform such other duties as are incident thereto.

Unless, there is an appointment to contrary, these duties shall be performed by the Secretary of the Board.

Section 10: Proxy Voting

In the event that a Commissioner is prevented from physically participating in Board or Committee meetings due to (a) personal illness or disability; (b) employment purposes or the business of the CHA; or (c) a family or other emergency, the Commissioner may authorize another Commissioner to act on his or her behalf by proxy on any or all matters in which the absent Commissioner is entitled to participate. An absent Commissioner may only authorize another Commissioner to vote on his or her behalf if the absent Commissioner has reviewed the written materials provided to the Board pertaining to the agenda items covered by the proxy. The absent

Commissioner shall not be counted towards the quorum. Any such proxy shall be in writing and provided to the Chairperson or the Vice Chairperson, with a copy to the Secretary of the Board, prior to the start of the Board or Committee meeting. The proxy shall identify the specific meeting to which the proxy applies and shall clearly define the scope of the proxy holder's authority. The use of a proxy shall be stated in the record of the proceedings. Any such proxy shall be revocable at any time. No Commissioner may vote by proxy more than once in a calendar year. A proxy used for both a Committee meeting and the Board meeting in the same month shall count as a single use of a proxy.

ARTICLE III. COMMITTEES

Section 1: Committees

The Chairperson, as deemed necessary to carry out work of the Authority, shall appoint all committees, standing and special. The standing and special committees shall be established by resolution(s) of the Commissioners, which resolution(s) shall include the composition (including provisions for ex-officio membership), duties and responsibilities of each committee.

ARTICLE IV. ESTABLISHMENT OF COMMITTEES

Section 1: Establishment of Committees

The Board hereby provides for and establishes three (3) Committees of the Board with the titles and areas of responsibilities as follows:

- a) **Finance & Audit Committee**: the consideration of all matters set forth in the Finance and Audit Committee Charter. Also, the consideration of all matters related to the revenues and outlays of the Authority, including all purchases and contracts except those matters under the Real Estate Operations Development Committee areas of responsibilities, and the policies and procedures related thereto, and the consideration of all audit and other matters.
- b) **Real Estate Operations Development Committee**: the consideration of all matters relating to the creation, acquisition, or development of any and all new units to be subsidized by the Authority; the redevelopment or disposition of any and all real property owned by or under the control of the Authority, the demolition of any housing units owned by or under the control of the Authority; the rehabilitation of any housing units including those that shall in the future be counted toward the 25,000 unit goal of the Authority's Restated and Amended Moving to Work Agreement; the operation, maintenance, and repair of facilities; professional and construction services for the acquisition, development, rehabilitation, redevelopment, demolition, disposition and replacement of facilities, and the policies and procedures related thereto; and the operation and administration of the Housing Choice Voucher program.
- c) **Tenant Services Committee**: the consideration of all matters related directly to the social and personal well-being of residents, including tenant selection and retention,

security, youth programs, elderly programs, employment training and readiness programs and other economic development and social services issues.

Section 2: Ex-officio member; Chair and Vice Chairperson

The Chairperson and the Vice Chairperson of the Board shall each be *ex-officio* voting members of each Committee, unless also a member of any such Committee. The Chairperson and the Vice Chairperson shall be counted present for purposes of establishing a quorum only for the Committees of which they are members. The Chairperson will appoint the Committee members to each Committee and will select one Committee member to serve as the Committee Chair for each Committee.

Section 3: Composition of Committees

Each Committee shall consist of five (5) Commissioners in addition to any *ex-officio* members. The Chairperson shall be authorized to determine the configuration of any Committee without further action from the Board.

Section 4: Meetings

Each committee may meet, when deemed necessary, prior to the regular meeting of the Board to consider issues pertinent to such committee. Each committee shall establish annually a calendar of its regular meetings for the next twelve months. The Committee Chair, Chairperson of the Board of Commissioners (“Chairperson”), or any two (2) Committee members may call a special meeting upon at least 48 hours prior notice, all in compliance with the Open Meetings Act.

Section 5: Voting

The affirmative vote of a majority of the members of a committee is necessary to adopt any motion or resolution unless a greater number is otherwise required, except in the event of a two to two tie vote, the motion or resolution fails. Any motion or resolution, regardless of the Committee vote (or in the absence of a Committee vote), may be presented to the full Board for its consideration at the discretion of the Committee chair, Chairperson or Vice Chairperson.

Section 6: Quorum

The physical attendance of at least 2 members (excluding *ex-officio* members) shall be required to establish a quorum. Members not physically present may participate in meetings in accordance with the Open Meetings Act.

Section 7: Vacancies

Any vacancy on a Committee created by a vacancy in any Commissioner’s office shall be filled by the person succeeding to such Commissioner’s office.

ARTICLE V. MISCELLANEOUS

Section 1: Principal Offices

The principal offices of the Authority shall be located in the City of Chicago, Cook County, Illinois. The principal offices of the Authority are currently located at 60 East Van Buren Street, Chicago, Illinois, but may be changed by resolution of the Authority. Except as otherwise required by resolution of the Authority all of its books and records shall be kept at the principal offices of the Authority.

Section 2: Fiscal Year

The fiscal year shall begin with the first day of January of each year and end with the last day of December of the same year. At the end of each fiscal year, the Chicago Housing Authority, shall employ a recognized firm of auditors and accountants to audit such books of the Authority.

Section 3: Demands for Money or Notes

All demands for money or notes of the Authority other than checks shall be signed by the Chairperson or Vice Chairperson or by such other person or persons as the Authority may from time to time designate.

ARTICLE VI. INDEMNIFICATION – COMMISSIONERS AND OFFICERS

Section 1: Indemnification

The Authority shall indemnify, to the extent not covered by insurance, to the fullest extent permitted by law, any current or former CHA Commissioner, Officer, or Employees' Retirement Plan Trustee ("Trustee") against any and all expenses, legal fees and liabilities actually and necessarily incurred by him or her in connection with any claim, action, suit, or proceeding, whether actual or threatened, including civil, administrative, or investigative, including all appeals to which he or she may be made a party by reason of being or having been such Commissioner, Officer or Trustee and regardless of the final resolution of the claim, action, investigation, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the Authority's best interest. Persons claiming indemnification under these By-Laws shall promptly advise the Authority and its Chief Legal Officer in writing of the existence of any matter which may give arise to such indemnification.

Section 2: Expenses and Liabilities

Amounts paid in full indemnification of expenses and liabilities may include but shall not be limited to counsel fees, expert witness fees, court reporters, travel expenses and other fees, costs and disbursements, judgments, fines, penalties against and amounts paid in settlement by such Commissioner, Officer or Trustee.

Section 3: Selection of Counsel

The current or former Commissioner, Officer or Trustee may, at his or her option, (a) tender the defense of the claim, action, suit or proceeding to the Authority to be handled by an attorney of the Authority's choosing at its expense; or (b) select a licensed attorney to defend him or her in the claim, action, suit or proceeding. Any such independent counsel shall work cooperatively with insurance counsel and/or the Authority's counsel. The Authority shall pay all reasonable attorneys' fees and expenses incurred by the current or former Commissioner, Officer or Trustee promptly after receiving bills therefor in advance of the final disposition of the claim, action, investigation, suit or proceeding so long as the attorneys' fees and expenses are reasonable relative to the fees and expenses the Authority would pay to outside counsel for similar representation. Such fees and expenses shall be subject to review for reasonableness and approval by the Authority's General Counsel.

Section 4: Forfeiture of Rights

Notwithstanding any other provision herein, the Authority shall be under no obligation to indemnify any current or former CHA Commissioner, Officer or Trustee who fails to comply with or abide by the provisions of these By-Laws, or who is adjudged to be guilty of a criminal offense, liable for fraud, or liable to the Authority for damages. If, following any indemnification payments, it is determined that a current or former Commissioner, Officer or Trustee who received such payments, or on whose behalf such payments were made, was not entitled to such indemnification, the Authority shall be authorized to recover from such current or former Commissioner, Officer or Trustee all indemnification sums paid, including all defense fees and costs paid pursuant to the duty to defend, and all legal costs, fees and attorneys' fees incurred in recovering the improper indemnification.

ARTICLE VII. INDEMNIFICATION – EMPLOYEES

Section 1: Indemnification

Article VII sets forth the indemnification provisions governing current or former CHA employees, not covered by Article VI. The Authority shall indemnify, to the extent not covered by insurance, any current or former CHA employee against any and all expenses and liabilities actually and necessarily incurred by him or her in connection with any claim, action, suit, or proceeding, whether actual or threatened, including civil, administrative, or investigative, including appeals, to which current or former employee may be made a party by reason of being or having been an employee acting in the course of employment; subject to the limitation, however, that there shall be no indemnification: (a) for the amount of any punitive damages awarded, including the amount of any punitive damages awarded under a statute providing for a doubling, trebling or other multiple of actual damages; or (b) in relation to matters as to which the current or former employee shall be adjudged to be guilty of a criminal offense, liable for fraud, liable to the Authority for damages, or found to have acted in violation of Authority policy, including but not limited to the Employee Handbook.

Section 2: Selection of Counsel

Any current or former employee claiming indemnification under these By-Laws must receive written authorization from the Chief Executive Officer prior to retaining counsel. The Authority shall not be liable for any counsel fees or other legal costs incurred prior to receipt by the current or former employee of written authorization by the Chief Executive Officer. The Authority shall not be required to make any indemnification payments, to include counsel fees, to current or former employees covered by this Article until complete and final resolution of the subject litigation has occurred. In no event shall this provision be construed as interference with, discouragement of, or an impediment to the retention of counsel by an employee in circumstances where the employee does not claim a right of entitlement to indemnification for the cost of such counsel.

Section 3: Expenses and Liabilities

Amounts paid in indemnification of expenses and liabilities may include but shall not be limited to counsel fees and other fees, costs and disbursements, judgments, fines, penalties against, and amounts paid in settlement by such employee.

Section 4: Nature of Defense

As part of the indemnification provided for hereunder, the Authority shall undertake a duty to defend any noncriminal claim, action, suit or proceeding threatened or pending against any current or former CHA employee. Pursuant to such duty to defend, the Authority shall have the power to the fullest extent permitted by law to: (a) select and retain counsel, (b) require that defenses be tendered to the Authority, (c) review and approve payment of all expenses for reasonableness (including attorneys' fees) and (d) approve any settlement of any dispute giving rise to a claim for indemnification.

Section 5: Forfeiture of Rights

The Authority shall have no obligation to indemnify any current or former employee who fails to comply with or abide by the provisions of these By-Laws; or who is adjudged to be guilty of a criminal offense, liable for fraud, liable to the Authority for damages, or found to have acted in violation of Authority policy, including but not limited to the Employee Handbook. If, following any indemnification payments, it is determined that a current or former employee who received such payments was not entitled to such indemnification, the Authority shall be authorized to recover from such employee all indemnification sums paid, including all defense fees and costs paid pursuant to the duty to defend, and all legal costs, fees and attorneys' fees incurred in recovering the indemnification property.

ARTICLE VIII. AMENDMENTS

Section 1: Amendments

These By-Laws may be altered, amended or repealed by a majority of the Commissioners at any regular or special meeting of the Authority if notice of the proposed alterations, amendment or repeal is contained in a written notice to the Commissioners not less than thirty days before such meeting date.

In no event, however, shall Articles VI and/or VII, or any subparts thereof, be retroactively altered, amended or repealed subsequent to the date of adoption of this Amendment to the By-Laws by the Authority. Said Articles, or any subparts thereof, may only be altered, amended or repealed prospectively and any purported retroactive amendment of said Articles shall be null and void.

In the event that said Articles are subsequently altered, amended or repealed, all persons indemnified under said Articles, prior to such alteration, amendment or repeal, shall continue to be indemnified to the same extent for any and all claims, actions, suits or proceedings arising out of any act or omission, whether known or unknown, which occurred prior to the date of said alteration, amendment or repeal.

Notwithstanding the foregoing, to the extent the Open Meetings Act and the Housing Authorities Act are amended from time to time, these By-laws shall be deemed to incorporate all applicable amendments without further action of the Board.

ARTICLE IX. DELEGATED AUTHORITY (SIGNIFICANT ACTIONS POLICY)

This Article defines the roles of the Board of Commissioners and the Chief Executive Officer and other officers, with respect to decision-making authority. The following actions are delegated by the Board of Commissioners and may be exercised as described below without any action of the Board.

Section 1: Chief Executive Officer

The Chief Executive Officer or his designee may enter into contracts valued up to and including \$250,000 without Board approval, so long as a solicitation process in accordance with CHA's Procurement Policy and HUD procurement policies and regulations is followed. In the event that the federally determined Simplified Acquisition Threshold is increased, the Chief Executive Officer or his designee may incur liabilities up to the Simplified Acquisition Threshold then in effect.

The Chief Executive Officer is further authorized to enter into contracts valued up to and including \$500,000 without Board approval, provided that the Chief Executive Officer utilizes a formal solicitation process (which may include noncompetitive procurement) consistent with CHA and HUD procurement policies and regulations. The solicitation must be documented in the same manner as procurements otherwise conducted by the Department of Procurement and Contracts. The Chief Executive Officer's Authority shall include the authority to approve change orders, contract amendments and modifications to agreements originally authorized without board

approval pursuant to this paragraph, so long as the aggregate expenditure resulting from such amendment or modification does not exceed \$500,000. Amendments, change orders, or modifications to contracts originally authorized without board approval pursuant to this paragraph shall require Board approval if they result in a cumulative expenditure in excess of \$500,000. The Chief Executive Officer's authority to approve contracts up to \$500,000 shall not be used to authorize change orders, amendments, or modifications to contracts previously authorized by the Board without further board approval if Board approval would otherwise be required.

Written approval of the Chief Executive Officer is required prior to entering contracts valued over \$250,000 up to \$500,000 without board approval.

Section 2: Amendments and Modifications

A change order, contract amendment, or modification in an amount not more than the greater of \$250,000 or 5% of the original contract amount shall not require Board approval. When cumulative change orders, modifications or amendments exceed the greater of \$250,000 or 5% of the original contract amount, Board approval will be required.

Section 3: Non-Federal Funds

The Chief Executive Officer is further authorized to expend non-federal funds in amounts up to \$100,000 for community events, fundraisers, and other activities for the benefit of CHA residents and participants, and in the best interest of the Authority.

Section 4: Authority-Wide Procedures

Adoption of Authority-Wide procedures are the domain of the Chief Executive Officer. Division Chiefs and equal level executives who report to the Chief Executive Officer or the Chief Operating Office (Chief of Staff) may approve procedures that apply to their areas of responsibility, provided the procedures are consistent with Authority-Wide procedures issued by the Chief Executive Officer. All formal authority policies must be approved by the Board.

Section 5: Business Ventures and Funding Agreements

Board approval must be obtained prior to CHA's commitment to enter into any business venture or joint venture arrangement that involves a significant use of CHA's resources.

Applications for funding from any source, including joint proposals for funding, must receive prior Board approval when required by the funding application, or when a significant expenditure of CHA funds is required. The acceptance of funds awarded to CHA pursuant to a grant award or funding agreement in an amount less than \$2,000,000 shall not require Board approval. However, the Board shall receive a quarterly report identifying grant funds awarded to CHA.

If a grant or funding agreement names partners/subcontractors, the Board shall approve entering into a contract with those designated partners/ subcontractors, if required by Section 1 of this Article IX or by the Intergovernmental Cooperation Act.

Section 6: Chief Executive Officer's Delegation

The Chief Executive Officer may, by written instrument, delegate his authority to appropriate CHA employees as designees to act on his behalf and with his authority.

Section 7: Chief Legal Officer

The Chief Legal Officer shall have authority to issue legal opinions, to bring actions on behalf of the Board, to take any actions required by law and to settle any matter before the Office of the General Counsel, including, but not limited to, federal and state court cases, administrative enforcement agency cases, workers' compensation claims, employment issues, and contract disputes, for a sum up to and including \$250,000, without Board approval. The Office of the General Counsel is also authorized to retain hearing officers, arbitrators, mediators, expert consultants and witnesses and court reporters and to authorize payment of fees, expenses and costs related to those engagements.

Further the Chief Legal Officer may enter into non-monetary settlements that do not have a significant financial impact on the CHA, without Board approval.

Section 8: Residential Lease

Modification to CHA's residential lease must receive Board approval. All non-residential leases, regardless of the dollar amount, must be approved by the Board.

ARTICLE X. DELEGATED AUTHORITY TO THE CHIEF EXECUTIVE OFFICER

Section 1: Housing Authorities Act

Section 6 of the Act, provides, *inter alia*, as follows:

The commissioners shall, from time to time, select and appoint a chief executive officer and officers and employees, including engineering, architectural and legal assistants, as they may require for the performance of their duties, and may prescribe the duties and compensation of each officer and employee or expressly delegate that authority to the chief executive officer;

Section 2: Powers Delegated to Chief Executive Officer With Respect to Officers and Employees at Grade Level 74.

The Board hereby authorizes and delegates to the Chief Executive Officer the power to: 1) make findings and recommendations regarding the selection, appointment, and removal of officers and employees at Grade Level 74 and 2) prescribe the duties and compensation of each such officer and employee of the Authority. For purposes of this resolution, Officers and Employees at Grade Level 74 shall be limited to those executive officers or chief officers that are both 1) Grade Level 74 and 2) are identified on any current organization chart as direct reports to the Chief Executive Officer. The Chief Executive Officer shall exercise such authority within the constraints of the approved budget for the fiscal year in which such

delegated action is taken. The responsibilities of the Chief Executive Officer as delegated herein shall be implemented in a manner that promotes the efficient disposition of all matters within the jurisdiction of the Authority and is consistent with the requirements of applicable federal, state, and local laws, rules, and regulations.

Section 3: Chief Executive Officer's Report of Findings and Recommendations regarding Selection, Appointment, and Removal of Officers and Employees at Grade Level 74.

- a) The Chief Executive Officer shall submit to the Board for its review and approval in advance of regular Board meetings a report setting forth findings and recommendations concerning the selection, appointment and removal of officers and employees at Grade Level 74 in a Report of Personnel Findings Recommendations and Action (the "Report") which shall include, without limitation, a statement of the purpose of and necessity for the recommended actions(s).
- b) In the event that the Chief Executive Officer determines that, good business practices or other appropriate circumstances exist that support the selection, appointment, or removal of certain officers and employees in advance of the regular Board meetings, the Chief Executive Officer is authorized to take such action with the prior approval of the Chairperson. A description of such action shall be included in the Report for ratification by the Board.

Section 4: Powers Delegated to Chief Executive Officer With Respect to Officers and Employees Below Grade Level 74

The Board hereby authorizes and delegates to the Chief Executive Officer the power to: 1) select, appoint, and remove officers and employees below Grade Level 74 (and any other officers or employees other than those described in Section 2 in advance of Board meetings and request ratification of such actions at regular Board meetings; and 2) prescribe the duties and compensation of each such officer and employee of the Authority. The Chief Executive Officer shall exercise such authority within the constraints of the approved budget for the fiscal year in which such delegated action is taken. The responsibilities of the Chief Executive Officer as delegated herein shall be implemented in a manner that promotes the efficient disposition of all matters within the jurisdiction of the Authority and is consistent with the requirements of applicable federal, state, and local laws, rules, and regulations.

Section 5: Chief Executive Officer's Request for Ratification of Selection, Appointment, and Removal of Officers and Employees Below Grade Level 74

The Report the Chief Executive Officer shall submit to the Board for its review and ratification of the selection, appointment and removal of officers and employees below Grade Level 74, shall set forth the purpose and necessity of such actions. Such Report shall describe the qualifications of any officer or employee selected or appointed and shall certify that such officer or employee was properly evaluated pursuant to CHA hiring standards and practices prior to selection or appointment.

Section 6: Delegation by CEO

The Chief Executive Officer may, as he or she deems appropriate, delegate to appropriate staff the investigatory, research or information gathering requirements of the Chief Executive Officer's delegated responsibilities as described herein. Any person carrying out these delegated activities shall not have the authority to make any decisions regarding the selection, appointment, removal, duties or compensation of any officers or employees of the Authority.

Section 7: Revocation of Authority

The Board may revoke in whole or in part any specific or implied delegation to the Chief Executive Officer.

ARTICLE XI. AUTHORITY IN THE EVENT OF A DECLARED STATE OF EMERGENCY

Section 1: Emergency Authorization.

During periods of a declared national, state or local emergency, the Chairperson may suspend these Board Rules and adopt emergency guidelines regarding the conduct of Board matters, including the Public Participation Rules then in effect, to enable the Board to continue conducting the essential business of the Chicago Housing Authority in a manner in compliance with local, state and federal orders, guidelines, laws, and ordinances adopted or enacted to address and mitigate such emergency