

HOUSTON HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING December 14, 2021 3:00 P.M.

Houston Housing Authority Central Office 2640 Fountain View Houston, TX 77057





Transforming Lives & Communities

2640 Fountain View Drive, Houston, Texas 77057 | Phone 713.260.0500 | Mark Thiele, Interim President & CEO Board of Commissioners: LaRence Snowden, Chair | Kristy Kirkendoll | Dr. Max A. Miller, Jr. | Guillermo "Will" Hernandez | Stephanie A.G. Ballard | Andrea Hilliard Cooksey | Kris Thomas

BOARD OF COMMISSIONERS MEETING

Tuesday, December 14, 2021

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2640 Fountain View Drive, Houston, Texas 77057 | Phone 713.260.0500 | Mark Thiele, Interim President & CEO Board of Commissioners: LaRence Snowden, Chair | Kristy Kirkendoll | Dr. Max A. Miller, Jr. | Guillermo "Will" Hernandez | Stephanie A.G. Ballard | Andrea Hilliard Cooksey | Kris Thomas

BOARD OF COMMISSIONERS MEETING TUESDAY, DECEMBER 14, 2021 3:00 PM Houston Housing Authority Central Office 2640 Fountain View Dr., Houston, TX 77057

AGENDA

To consider and act upon the following matters:

- I. Call to Order
- II. Roll Call
- III. Introduction of a Spanish interpreter.
- IV. Approval of the November 23, 2021 Houston Housing Authority Board Meeting Minutes
- V. Interim President's Report
- VI. Public Comments
- VII. New Business

Resolution No. 3361: Consideration and/or action to authorize the Interim President & CEO or designee to make updates and changes to the Houston Housing Authority Human Resources Employee Handbook.
Resolution No. 3362: Consideration and/or action to authorize the Interim President & CEO or designee to approve the 2022 Operating Budget

Resolution No. 3363: Consideration and/or take action to authorize the Interim President & CEO or designee to utilize Section 8 Housing Assistance Payments funds as allowed under the Moving to Work program to undertake the following actions: 1) refinance existing parcel of land owned by HHA at 2636 Fountain View for future affordable housing development; 2) finance cost overruns at the 6000 Telephone Road Elderly Project; and, 3) take such other actions necessary or convenient to carry out this resolution. **Resolution No. 3364:** Consideration and/or to take action to authorize the Interim President & CEO or designee to adopt Payment Standards for FY 2022.

Resolution No. 3365: Consideration and/or to take action to authorize the Interim President & CEO or designee to adopt Public Housing Flat Rents and Tax Credit Capped Rents.

Resolution No. 3366: Consideration and/or action to authorize the Interim President & CEO or designee to update Utility Allowance Rates for Applicable Public Housing Developments

Resolution No. 3367: Consideration and/or action to authorize the Interim President & CEO or designee to execute a contract with ERC Environmental & Construction Services, Inc. ("ERC") to rehabilitate 24 Apartment Units and the Daycare Center at Oxford Place Apartments.

Resolution No. 3368: Consideration and/or action to authorize the Interim President & CEO or designee to execute a contract with Kirksey Architects, Inc. to perform Site Planning Services at project 800 Middle (800 Middle St, Houston TX 77003).

Resolution No. 3369: Consideration and/or to take action to authorize the Interim President & CEO or designee to conditionally award Project Based Vouchers to 800 Middle.

Resolution No. 3370: Consideration and/or action to authorize the Interim President & CEO or designee to execute contracts with Terrain Solutions, Atlas Technical Consultants, Environmental & Construction Services, Inc. ("ERC"), and InControl Technologies to perform Environmental Services at HHA's Properties.

- VIII. Convene an Executive Session to discuss:
 - a. Personnel matters in accordance with Section 551.074 of the Texas Government Code

Resolution No. 3377: Consideration and/or action to appoint a President and Chief Executive Office of the Houston Housing Authority and Secretary of the Houston Housing Authority Board of Commissioners.

- b. Legal issues in accordance with Section 551.071 of the Texas Government Code
- c. Real estate matters in accordance with Section 551.072 of the Texas Government Code

Resolution No. 3371: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Trammell Crow for the development of Allora Ventana Lakes, an apartment community that will be located at or about 0 Stockdick School Road, Katy, TX 77449.

Resolution No. 3372: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with DevCo Preservation LLC for the development of Park Humble, an apartment community that will be located at or about 9390 FM 1960, Humble, TX 77338.

Resolution No. 3373: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Greystar for the development of Perry Road, an apartment community that will be located at or about 13611 Perry Road, Houston, TX 77070.

Resolution No. 3374: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Invictus Development Group for the development of The Mod, an apartment community that will be located at or about 2801 Conti, Houston, TX 77020.

Resolution No. 3375: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with MVAH Partners for the development of Reserve of Hartsook, an apartment community that will be located at or about 10700 Hartsook St, Houston, TX 77034.

Resolution No. 3376: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Trammell Crow for the development of Allora Clear Lake, an apartment community that will be located at or about 14700 Galveston Road, Webster, TX 77598.

- IX. Reconvene Public Session to take action on Executive Session agenda items.
- X. Adjournment



Transforming Lives & Communities



MINUTES OF THE HOUSTON HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING

Tuesday, November 23, 2021

A Meeting of the Board of Commissioners ("Board") of the Houston Housing Authority ("HHA") was held on Tuesday, November 23, 2021, at the Houston Housing Authority Central Office, 2640 Fountain View Drive, Houston, Texas 77057.

Chair Snowden called the meeting to order at 3:01 p.m. Michael Rogers called the roll and declared a quorum present. Chair Snowden offered the use of an interpreter to be available to Spanish speakers who may be need assistance for public comments only. Elizabeth Paris was asked to introduce herself in Spanish and let the attendees know of her service.

- Present: LaRence Snowden, Chair Kris Thomas, Commissioner Stephanie A.G. Ballard, Commissioner Andrea Hilliard Cooksey, Commissioner Dr. Max A. Miller, Jr., Commissioner Guillermo "Will" Hernandez, Commissioner Absent: Kristy Kirkendoll, Vice Chair
 - Mark Thiele, Secretary

APPROVAL OF MINUTES

Chair Snowden stated the Board has had an opportunity to review the October 19, 2021, Board of Commissioners meeting minutes. He asked for a motion to adopt the October 19, 2021 meeting minutes.

Commissioner Ballard moved to adopt the October 19, 2021, Board of Commissioners meeting minutes. Commissioner Thomas seconded the motion.

Chair Snowden asked if there is any discussion or objection to the October 19, 2021 Board of Commissioners meeting minutes. Having none, the minutes passed unanimously and are adopted.

Chair Snowden stated the Board has had an opportunity to review the November 15, 2021, Special Board of Commissioners meeting minutes. He asked for a motion to adopt the November 15, 2021 meeting minutes.

Commissioner Ballard moved to adopt the November 15, 2021, Special Board of Commissioners meeting minutes. Commissioner Hernandez seconded the motion.

Chair Snowden asked if there is any discussion or objection to the November 15, 2021 Special Board of Commissioners meeting minutes. Having none, the minutes passed unanimously and are adopted.

INTERIM PRESIDENT'S REPORT

In the absence of Mark Thiele, Mike Rogers is presenting the Interim President's Report.

We continue to be concerned about the COVID-19 numbers. In the State of Texas over 4.3 million confirmed cases and over 73,736 deaths. In Harris County Houston there are 584,000 confirmed cases and 9,477 deaths. Now is not the time to let down your guard. Please get vaccinated, get tested, mask up, social distance and wash your hands.

In HHA news, we were pleased to partner with Congresswoman Sheila Jackson Lee for her 54th vaccination event, her 2nd Vaccination Fair for youth ages 5 – 11 at Cuney Homes in the historic Third Ward on Saturday November 13th. In attendance for Mayor Turner, District D Council Member Evans Shabazz and Dr. Cameron Webb, the White House Senior Policy Advisor for <u>COVID-19</u> Equity in the <u>Biden administration</u> joined HHA, Houston Random Acts of kindness and UMMC: A total of 45 individuals received their vaccines: 22 children and 23 adults.

In national news, the House has passed, the Build Back Better Act which is a huge step in the ongoing process that now moves over to the senate for deliberation. So far, the act still contains the housing and community development programs that provide historic levels of investment in public housing, Housing Choice Vouchers (HVC), Project-Based Rental Assistance (PBRA), Low-Income Housing Tax Credits (LIHTC), HOME program funds, and more. Hopefully these housing programs will continue to remain in the bill as the Senate works through its deliberation. Our hope is that the Senate will complete its work in time for Christmas so that the bill can return to the House and work on any changes that Senate makes to the bill. When lawmakers do return to DC after the Thanksgiving break, there are a couple of other matters of significance to be resolved. The current and continuing resolution expires in very early December so lawmakers will have to reach an agreement on another extension very quickly. An additional continuing resolution is the likely outcome. Further, Treasury Secretary Yellen has indicated that the debt limit will end on or around December 15 so work on raising the debt ceiling limit will be needed in the first half of December. We will continue to monitor these matters in the coming weeks.

That's my report, respectfully submitted.

PUBLIC COMMENTS

Chair Snowden stated if an individual would like to make public comments at this time Speakers will be allowed three (3) minutes for public comments. Speakers will only be allowed to speak once. I will inform you when your three minutes have expired. The Board will generally not provide responses to the comments or answer any questions. However, HHA residents making comments are encouraged to clearly state their name and the property where you reside. We will have someone from the property management team or from our staff, to reach out to you directly regarding any issue or concern you may have.

Chair Snowden asked if there are any individuals that would like to make public comments at this time.

Mary Ann Nabarrette states she is in the process of porting to Austin and it has taken a very long time to find a place to live. She is very concerned that she will not be able to make the deadline of December 7.

Wayne Dolcefino raised objections about the properties being removed from the tax rolls and the potential adverse impact that would have on school districts.

Annette Turner states she is concerned that she will not have enough time to complete and submit her recertification packet before the deadline due to the holidays.

PUBLIC HEARINGS

THE LINK APARTMENTS

Chair Snowden stated the Public Hearing for Development of The Link Apartments Public Hearing is now open for comments. If there is an individual of the public who wishes to comment on The Link Apartments, please raise your hand for any questions or comments.

Chair Snowden stated hearing none, the Public Hearing will close with no public comments being made regarding The Link Apartments.

Chair Snowden stated he will now move forth with the New Business.

NEW BUSINESS

Resolution No. 3348: Consideration and/or to take action to authorize the Interim President & CEO or designee to approve dates for the 2022 Board of Commissioners' Meetings.

Mr. Rogers stated that Resolution No. 3348 will be presented by Donna Dixon, Director of Community Affairs and Communications.

Ms. Dixon stated the reason for Resolution No. 3348 is the set the 2022 Board of Commissioners Meeting dates. All of the meetings will be held at the HHA Central Office. These meetings are typically the third Tuesday of each month with the exception of January, June, August and December. Accordingly, we would like to request the Board adopt Resolution No. 3348 with the proposed 2022 Board meeting dates.

Chair Snowden stated the Board has heard the resolution presented by Ms. Dixon and asked for a motion to adopt Resolution No. 3348.

Commissioner Hernandez moved to approve Resolution No. 3348. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to approve Resolution No. 3348. Having none, Resolution No. 3348 is adopted.

Chair Snowden stated we will move now to Resolution No. 3349.

Resolution No. 3349: Consideration and/or to take action to authorize the Interim President & CEO or designee to execute a contract with ERC Environmental & Construction Services, Inc. ("ERC") to perform all the necessary work to renovate four units at Allen Parkway Village ("APV").

Mr. Rogers stated that Resolution No. 3349 and Resolution No. 3350 will be presented by Mr. Cody Roskelley, Vice President of REID.

Mr. Roskelley stated Resolution No. 3349 reads That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to a contract with ERC Environmental & Construction Services, Inc. ("ERC") to renovate four units at Allen Parkway Village ("APV") not to exceed \$289,544.20 pursuant to the memorandum from Cody Roskelley,

Vice President of REID dated November 1, 2021, to Mark Thiele, Interim President & CEO. Accordingly, staff recommends the Board adopt Resolution No. 3349.

Chair Snowden stated the Board has heard the resolution presented by Mr. Roskelley and asked for a motion to adopt Resolution No. 3349.

Commissioner Ballard moved to approve Resolution No. 3349. Commissioner Thomas seconded the motion.

Chair Snowden asked if there is any discussion or objection to approve Resolution No. 3349. Having none, Resolution No. 3349 is adopted.

Chair Snowden stated we will move now to Resolution No. 3350.

Resolution No. 3350: Authorizing Houston Housing Authority's approval of Lakeside Place PFC's Issuance, Sale, and Delivery of its Multifamily Housing Revenue Bonds (Torrey Chase Apartments) Series 2021.

Mr. Roskelley stated Resolution No. 3350 reads That the Houston Housing Authority Board of Commissioners authorizes the Houston Housing Authority (the "Authority") to take such actions necessary or convenient to approve Lakeside Place PFC's Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Torrey Chase Apartments) Series 2021; Approving the Form and Substance of and Authorizing the Execution and Delivery of Documents and Instruments Necessary to Carry Out the Financing of such Multifamily Rental Residential Development; and Containing Other Provisions Relating to The Subject pursuant to the memorandum from Cody Roskelley, Vice President of REID dated November 3, 2021, to Mark Thiele, Interim President & CEO. Accordingly, staff recommends the Board adopt Resolution No. 3350.

Chair Snowden stated the Board has heard the resolution presented by Mr. Roskelley and asked for a motion to adopt Resolution No. 3350.

Commissioner Cooksey moved to approve Resolution No. 3350. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to approve Resolution No. 32xx. Having none, Resolution No. 3350 is adopted.

Chair Snowden stated at this time, the Board will move into Executive Session.

EXECUTIVE SESSION

Chair Snowden suspended the Public Session on November 23, 2021 at 3:24 p.m. to convene into Executive Session to discuss personnel, legal and real estate issues in accordance with Sections 551.074, 551.071 and 551.072 respectively, of the Texas Government Code.

PUBLIC SESSION RECONVENED

Chair Snowden reconvened Public Session at 4:14 p.m.

Mike Rogers called the roll and declared a quorum present.

NEW BUSINESS continued...

Resolution No. 3351: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Ascenda Capital & Post Investment Group for the acquisition of Stella at the Medical Center, an apartment community that will be located at or about 7009 Almeda Rd, Houston, Texas 77054.

Chair Snowden stated that the Board has heard the reading of the resolution and recommendation from staff. He asked for a motion to approve Resolution No. 3351.

Commissioner Ballard moved to approve Resolution No. 3351. Commissioner Thomas seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopt Resolution No. 3351. Having none, the Chairman called for a vote. All voted in favor therefore Resolution No. 3351 is adopted.

Chair Snowden stated we will move now to Resolution No. 3352.

Resolution No. 3352: Authorizing Houston Housing Authority's facilitation of the acquisition of and the placement of "affordable" units at, The Link Apartments located at or about 14723 W. Oaks Plaza Drive, Houston, Texas 77082, and the execution of all required documents therefor.

Chair Snowden stated that the Board has heard the reading of the resolution and recommendation from staff. He asked for a motion to approve Resolution No. 3352.

Commissioner Ballard moved to approve Resolution No. 3352. Commissioner Cooksey seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopt Resolution No. 3352. Having none, the Chairman called for a vote. All voted in favor therefore Resolution No. 3352 is adopted.

Chair Snowden stated we will move now to Resolution No. 3353.

Resolution No. 3353: Authorizing the Acquisition and Development of Torrey Chase Apartments located at or about 14700 Torrey Chase Blvd, Houston Texas 77014, and the execution of all required documents therefor.

Chair Snowden stated that the Board has heard the reading of the resolution and recommendation from staff. He asked for a motion to approve Resolution No. 3353.

Commissioner Hernandez moved to approve Resolution No. 3353. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopt Resolution No. 3353. Having none, the Chairman called for a vote. All voted in favor therefore Resolution No. 3353 is adopted.

Chair Snowden stated we will move now to Resolution No. 3354

Resolution No. 3354: Authorizing the Acquisition and Development of The Life at Westpark located at or about 14100 Rio Bonito Road, Houston, Texas, 77083 and the execution of all required documents therefor.

Chair Snowden stated that the Board has heard the reading of the resolution and recommendation from staff. He asked for a motion to approve Resolution No. 3354.

Commissioner Ballard moved to approve Resolution No. 3354. Commissioner Thomas seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopt Resolution No. 3354. Having none, the Chairman called for a vote. All voted in favor therefore Resolution No. 3354 is adopted.

Chair Snowden stated we will move now to Resolution No. 3355.

Resolution No. 3355: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with The Morgan Group for the acquisition of Arium Uptown, an apartment community that will be located at or about 7600 Highmeadow Dr., Houston, Texas 77063.

Chair Snowden stated that the Board has heard the reading of the resolution and recommendation from staff. He asked for a motion to approve Resolution No. 3355.

Commissioner Thomas moved to approve Resolution No. 3355. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopt Resolution No. 3355. Having none, the Chairman called for a vote. All voted in favor therefore Resolution No. 3355 is adopted.

Chair Snowden stated we will move now to Resolution No. 3356.

Resolution No. 3356: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with The Morgan Group for the acquisition of Pearl Greenway, an apartment community that will be located at or about 3788 Richmond Ave, Houston, Texas 77046.

Chair Snowden stated that the Board has heard the reading of the resolution and recommendation from staff. He asked for a motion to approve Resolution No. 3356.

Commissioner Thomas moved to approve Resolution No. 3356. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopt Resolution No. 3356. Having none, the Chairman called for a vote. All voted in favor therefore Resolution No. 3356 is adopted.

Chair Snowden stated we will move now to Resolution No. 3357.

Resolution No. 3357: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with The Morgan Group for the acquisition of Azure Houston, an apartment community that will be located at or about 1111 Durham Dr. Houston, Texas 77007.

Chair Snowden stated that the Board has heard the reading of the resolution and recommendation from staff. He asked for a motion to approve Resolution No. 3357.

Commissioner Cooksey moved to approve Resolution No. 3357. Commissioner Thomas seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopt Resolution No. 3357. Having none, the Chairman called for a vote. All voted in favor therefore Resolution No. 3357 is adopted.

Chair Snowden stated we will move now to Resolution No. 3358.

Resolution No. 3358: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Ascenda Capital & Post Investment Group for the acquisition of Sierra at Fall Creek, an apartment community that will be located at or about 14951 Bellows Falls Lane, Humble, Texas 77396.

Chair Snowden stated that the Board has heard the reading of the resolution and recommendation from staff. He asked for a motion to approve Resolution No. 3358.

Commissioner Ballard moved to approve Resolution No. 3358. Commissioner Hernandez seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopt Resolution No. 3358. Having none, the Chairman called for a vote. All voted in favor therefore Resolution No. 3358 is adopted.

Chair Snowden stated we will move now to Resolution No. 3359.

Resolution No. 3359: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Aspen Oak Capital Partners for the acquisition of 91 Fifty, an apartment community that will be located at or about 9150 Highway 6 North, Houston, Texas 77095.

Chair Snowden stated that the Board has heard the reading of the resolution and recommendation from staff. He asked for a motion to approve Resolution No. 3359.

Commissioner Ballard moved to approve Resolution No. 3359. Commissioner Hernandez seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopt Resolution No. 3359. Having none, the Chairman called for a vote. All voted in favor therefore Resolution No. 3359 is adopted.

Chair Snowden stated we will move now to Resolution No. 3360.

Resolution No. 3360: Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Aspen Oak Capital Partners for the acquisition of Arlo Westchase, an apartment community that will be located at or about 3505 West Sam Houston Parkway S, Houston, Texas 77042.

Chair Snowden stated that the Board has heard the reading of the resolution and recommendation from staff. He asked for a motion to approve Resolution No. 3360.

Commissioner Ballard moved to approve Resolution No. 3360. Commissioner Thomas seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopt Resolution No. 3360. Having none, the Chairman called for a vote. All voted in favor therefore Resolution No. 3360 is adopted.

ADJOURNMENT

Chair Snowden remarked this concludes the items on today's agenda. He thanked the Commissioners for their time and commitment.

Chair Snowden asked for a motion to adjourn the meeting.

Commissioner Hernandez moved to adjourn. Commissioner Ballard seconded. The meeting adjourned at 4:22 p.m.



Transforming Lives & Communities

2640 Fountain View Drive Houston, Texas 77057 713.260.0500 P 713.260.0547 TTY www.housingforhouston.com

RESPONSES TO COMMENTS RECEIVED AT THE TUESDAY, NOVEMBER 23, 2021 BOARD OF COMMISSIONER MEETING

A Meeting of the Board of Commissioners ("Board") of the Houston Housing Authority ("HHA") was held on Tuesday, November 23, 2021, at the Houston Housing Authority Central Office, 2640 Fountain View Drive, Houston, Texas 77057.

The Board received comments during the public comment period; HHA's responses to each comment are detailed below:

C = Comments Received R= HHA Response

PUBLIC COMMENTS

C: Mary Ann Nabarrette is in the process of porting to Austin and it has taken a very long time to find a place to live. She is very concerned that she will not be able to make the deadline of December 7, 2021.

R: Intake Supervisor extended Ms. Nabarrette's voucher for a final 30 days. New expiration is January 6, 2022.

C: Annette Turner is concerned that she will not have enough time to complete and submit her recertification packet before her deadline due to the holidays.

R: An HCVP Supervisor spoke with Ms. Turner regarding her situation and granted a 13-day extension to her due date. The supervisor asked Ms. Turner to call if she has any difficulties with the submission.

Resolution No. 3361



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to make updates and changes to the Houston Housing Authority Human Resources Employee Handbook.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to update and make changes to the HHA Human Resources Employee Handbook pursuant to the memorandum from Dianne Mitchell, Director of Human Resources, dated December 14, 2021, to Mark Thiele, Interim President & CEO.

4.	Department Head Approval	Signature _	Dianne	Mitchell B4BB46B		Date:	12/9/2021
5.	Statement regarding availabil	ity of funds b	y VP of Fis	cal Operations			
	Funds Budgeted and Available	Yes	No	Source			
	VP of FO Approval Signat	ure			Date:		
6.	Approval of President & CEO			ned by: Huille 18367A4C7		12/	9/2021
	Signat	ure			Date:		



Transforming Lives & Communities

MEMORANDUM

	Ds
TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	DIANNE MITCHELL, HUMAN RESOURCES DIRECTOR
SUBJECT:	CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO MAKE UPDATES AND CHANGES TO THE HOUSTON HOUSING AUTHORITY HUMAN RESOURCES EMPLOYEE HANDBOOK
DATE:	DECEMBER 14, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to update and make changes from time to time as may be needed to the HHA Human Resources Employee Handbook.

BACKGROUND:

The last time the Board of Commissioners adopted significant changes to the HR handbook was February 21, 2012. The Human Resources Director reviewed the Houston Housing Authority's Policy and Procedure manual for compliance with current laws and practices. Human Resources is recommending several changes to the handbook, which are listed below. Many minor revisions were made for clarity and consistency and are not listed.

The HR Director studied resources from other Housing Authorities and the Society of Human Resources Management (SHRM) website for best practices. Finally, a final draft was presented to Mark Thiele, Interim President & CEO, for approval to submit to the Board of Commissioners.

1.14 Employment Separation. Added language that if the agency does not want an employee to work out their notice period, it may pay out the notice period. *"The Manager/Director of the department has the option of the employee working through their notice period or terminating employment on the date of the notice of termination. If the employee is requested not to perform their notice period, Houston Housing Authority may pay out the employee's notice period."*

1.15 Employment Records & Records Maintenance. Added language to incorporate the agency's electronic system (UKG KRONOS) in addition to the traditional hardcopy personnel file.

3.3 Leaves of Absences. Updated the Leave of Absence guideline to include guidance on various types of leave and included updates from the Department of Labor (DOL).

3.4 Paid Time Off. Increased the maximum accrual of PTO hours from 480 hours to 720 hours; this allows tenured employees to continue accumulating PTO hours.

4.2 Holiday Pay. Updated the list of agency holidays to include Juneteenth, which became a national holiday on June 17, 2021.

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution:

That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to update and make changes to the HHA Human Resources Employee Handbook pursuant to the memorandum from Dianne Mitchell, Director of Human Resources, dated December 14, 2021, to Mark Thiele, Interim President & CEO.

Resolution No. 3362



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item:

Consideration and/or action to authorize the Interim President & CEO or designee to approve the 2022 Operating Budget

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution:

6.

That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to the 2022 Budget for the Houston Housing Authority for the Central Office Cost Center, Housing Choice Voucher Program, Low Rent Public Housing Program, Section 8 New Construction Program and RAD properties and to file Form HUD-52574 with the Department of Housing and Urban Development, pursuant to the memorandum dated November 30, 2021, from Michael Rogers, Vice President for Fiscal and Business Operations to Mark Thiele, Interim President & CEO

4.	Department Head Approval	Signature	Date:

5. Statement regarding availability of funds by VP of Fiscal Operations

Funds Budgeted and Available X	Yes No	Source	2022 Budget	
	DocuSigned by:	Account #		
VP of FO Approval Signature	Mike Kogers 3EC87AD4710742D		Date:	12/9/2021
Approval of Interim President & CEC	Docusigned by: Mark Thich			12/9/2021
Signature	6072D2C8367A4C7		Date:	

HOUSING AUTHORITY

Transforming Lives & Communities

MEMORANDUM

TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	MICHAEL ROGERS, VICE PRESIDENT FOR FISCAL AND BUSINESS OPERATIONS
	CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO
	APPROVE THE 2022 OPERATING BUDGET
DATE:	NOVEMBER 30, 2021

This memorandum recommends that the Houston Housing Authority (HHA) Board of Commissioners approves the 2022 Houston Housing Authority Budget for the Central Office Cost Center, Housing Choice Voucher Program, Low Rent Public Housing Program, Section 8 New Construction Program, and the RAD properties. The goal of the process is to maximize the use of current resources taking into consideration the possibility of reductions in federal funding for key components in the budget. At the time the budget was prepared, the Federal Budget for 2022 was uncertain and remains so as of today. Certain assumptions were made regarding funding levels that are discussed in more detail later in this memorandum.

The HHA continues to assess every area of its operations and financial structure to ensure optimal efficiency and quality of public and affordable housing services. Continued efforts are focused on improving the quality and quantity of the agency's housing stock and providing quality services to the Public Housing and Housing Choice Voucher Program clients.

The HHA budget development was a collaborative process conducted by the Finance department with participation by other departments, senior staff within the agency, and the third-party property management firms.

The five segments of the budget are the Central Office Cost Center (COCC), The Housing Choice Voucher Program, the Low Rent Public Housing Program, Section 8 New Construction Program, and the RAD properties.

The budgeting process began in September and continued during the following months with an evaluation of actual expenses for the current year and an estimation of needs for 2022. During the review of the current year operating results, significant consideration was given to the effect of the COVID 19 pandemic on the current year operating results. In response to the pandemic, HHA transitioned the majority of the staff to remote work status in 2020. While many staff members have returned to the home office, there is still a significant portion of the HHA workforce working remotely. This has had the effect of lowering many operating expenses for HHA. In addition, at the property level, there has also been a significant decrease in operating expenses as restrictions were initially put in place to limit the type of repairs made to occupied units to enhance safety for both the residents

and HHA employees and contractors. During 2021 some of these restrictions were lifted but there continued to be a reduced level of expenses incurred on certain properties.

For purposes of the 2022 budget, these reductions in operating expenses were considered, and allowances were made for the return to more traditional operating expense patterns.

At the time the budget was prepared, the duration of the pandemic operating model was unknown but generally considered to roll over into some portion of 2022. Any continued reduced level of operating expenses will produce a buffer in the 2022 budget.

The Houston Housing Authority assesses all expenditures necessary to support and operate the various programs of the Authority. All expenditures are allowable and direct charged or allocated to the specific program. The HHA developed these budgets using standard accounting requirements in accordance with the Office of Management and Budget Circular A-87 (OMB A-87), Cost Principles for State, Local and Indian Tribe Governments (also at 2 CFR Part 225), as well as 24CFR Part 85, Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.

Personnel costs are a significant portion of the overall budget. A position control report is used for determining personnel costs based on the agency's needs and denotes the funding source of the position based on the functional duties and responsibilities of the employee. The position control report is reviewed periodically to ensure an accurate reflection of the employee's function, and costs are charged to the respective agency according to OMB A-87 Attachment E, Section C, Paragraph 2, simplified method with direct salaries and wages the designated distribution base. The Position Control Report applies only to HHA employees.

All other administrative expenses are reviewed at the department level in an attempt to control costs to only those necessary for the operation of the department as it relates to the overall mission of HHA.

Revenues earned by the COCC are primarily from fees charged to the HCV and Low Rent Public Housing programs. The expenses associated with these revenues are reflected in the budgets for these programs. The fees charged are only those fees allowable by HUD.

The primary revenue earned by the HCV program is the administrative fee charged to the program based on the vouchers that are issued. This administrative fee, which makes up approximately 95% of the program revenue, is subject to proration depending upon the Federal Budget. For 2021 HCV administrative fees are being funded at a rate of 84%. For purposes of the 2021 budget, a proration level of 80% was estimated for the regular administrative fee. This 80% proration is also the same rate utilized by HUD on the Two-Year Tool (TYT) that projects performance levels for the HCV program.

For the size of the HCV program at HHA, each 1% change in the proration level impacts the program by approximately \$155,000. Should 2022 end up at the same 84% proration, the HCV program would earn an additional \$620,000 in administration fees.

There has historically been an annual adjustment of the per voucher administrative fee. We do not estimate what this increase will be and use this as a hedge against the risk that the actual proration

may be slightly lower than the projected 80% level. In 2021 the fee increase was 3.3%, and a similar increase in 2022 would produce approximately \$423,000 in additional fees at the estimated 80% proration factor.

The two largest operating costs for the HCV program are personnel costs and the fees paid to the COCC, and these two expenses make up approximately 83% of the program operating costs.

The HCV department is always looking for ways to streamline the budget and operate more efficiently. The department took advantage of the additional fees provided under the CARES Act to accelerate the acquisition of computer equipment for the staff. This accelerated acquisition program will reduce the need to acquire similar equipment in the next few years, providing more flexibility with available funds.

Funding for the Affordable Housing program is also subject to proration. For 2021 the funding proration was 95.86%. The 2022 budget has been compiled utilizing an estimated 95% proration level. While not as dependent upon this portion of the budget as the HCV program, the estimated operating subsidy for Public Housing is still approximately 46% of the overall revenue projected for the program. For the size of the HHA program, each 1% change in the proration rate is worth approximately \$162,000 to the program at the 95% proration level.

The Affordable Housing budget is developed using a project-based approach. All property budgets were calculated and then rolled up to the consolidated budget in accordance with asset management protocols and guidance provided by HUD. The total projected revenue for the Low Rent Public Housing program is estimated to be \$31.7 million for 2022. Total net operating expenditures are estimated to be \$28.6 million, producing a net operating surplus prior to debt service of \$3.15 million. Deducting debt service for the properties, including the interest on the ESCO debt, is estimated to be at \$2.16 million, yielding a final projected surplus of approximately \$1million.

This net positive operating budget is a result of continued efforts to reduce operating costs and the realization of utility savings from the now fully implemented ESCO program.

In addition to routine operating expenses, the budget includes \$4.00 million for non-routine/capital improvements. These expenditures are part of an ongoing process to maintain the aged portfolio of public housing properties.

There is a process in place for requesting the utilization of these funds. The request originates with PHO and is routed to the REID department for coordination of procurement and scheduling. As the total non-routine/capital improvement needs exceed the current available capital funds grants, the projects are continually assessed and prioritized to maximize the impact on the properties and the utilization of the available grant funds.

The source of funds for these projects is the annual capital fund gran from HUD. The 2020 and 2021 capital fund grants were \$8.2 and \$7.3 million, respectively. We are optimistic that the 2022 capital grant will approximate the 2021 level providing much needed additional funds to help maintain the public housing properties. These grants will be the primary source of funds for the 2022 non-routine/capital improvement projects.

In addition to using these grant funds on the existing public housing portfolio, we anticipate using some of these grant funds to help cover the cost of new development activities as HHA continues to seek ways to expand its housing portfolio. In addition, as projects that were part of the ESCO project are converted to RAD units in future years, capital funds will be utilized to pay off the related ESCO debt as this is required to complete the RAD conversion.

Where needed, HHA also procures the services of Architectural and Engineering firms to draft scopes of work to facilitate the procurement of these capital projects. HHA also makes use of the private management companies to assist on these projects.

The final two pieces of the 2022 operating budget are for the project Section 8 New Construction properties and the RAD properties. There are two properties in each segment, Long Drive Townhomes and Telephone Road are combined in the Section 8 New Construction budget, and Victory and HRI are combined for the RAD property budget. These budgets for these properties are prepared in the same manner as those for the Low Rent Public Housing portfolio. The budgets are project-based and include significant input from the property management firm. The Telephone Road property is currently undergoing a significant renovation via a 9% tax credit and construction loan funding. The exact timing of the return to operations for Telephone Road is not known at the time of budget preparation. For 2022 the budget was estimated to approximate the current level of monthly operations for the entirety of 2022. Should it become apparent that construction activities will be completed to allow for partial re-occupancy in 2022, an assessment will be made if a budget modification is warranted for 2022.

The combined RAD properties are wrapping up their first full year of RAD operations in 2021. The operational results for 2021 were used to estimate the budget for 2022. This segment was separated from the combined property budget for 2022 as this will be a growing segment for HHA in future years as more properties convert to the RAD model.

The HHA is required by Section 6(c)(4) of the U.S. Housing Act of 1937 to submit Form HUD-52574 on the low-income housing program and provide a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. The HHA must make the following assertions regarding this budget:

- 1. All statutory and regulatory requirements have been met;
- 2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
- 3. Proposed budget expenditures are necessary for the efficient and economical operation of the housing for the purpose of serving low-income residents;
- 4. The budget indicates the source of funds adequate to cover all proposed expenditures;
- 5. The PHA will comply with the wage rate requirements under 24 CFR 968.110(c) and (f); and
- 6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

It is my belief that we are in compliance with all of the criteria listed above.

The operating budget of the Houston Housing Authority (HHA) has been carefully developed, keeping in mind the agency's primary goals of a) Improving agency performance; b) Increasing quantity and quality of the housing stock; c) Increasing self-sufficiency, and d) Increasing customer and employee

satisfaction. We have assessed all current year expenditures necessary to support and operate the agency's properties, facilities, central office, and programs to allow for the continued meeting of these goals.

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution:

That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to the 2022 Budget for the Houston Housing Authority for the Central Office Cost Center, Housing Choice Voucher Program, Low Rent Public Housing Program, Section 8 New Construction Program and RAD properties and to file Form HUD-52574 with the Department of Housing and Urban Development, pursuant to the memorandum dated November 30, 2021 from Michael Rogers, Vice President for Fiscal and Business Operations to Mark Thiele, Interim President & CEO

Central Office Cost Center 2021 Operating Budget

Account Title	Annual Budget 2019	Annual Budget 2020	Annual Budget 2021	Annual Budget 2022
Operating Revenues & Fees				
Asset management Fees	6,399,188	6,609,776	6,450,597	6,458,151
CARES act revenue allocation	0	0	250,000	0
Miscellaneous Revenues	75,000	75,000	60,000	100,000
TOTAL OPERATING REVENUES & FEES	6,474,188	6,684,776	6,760,597	6,558,151
Administrative Expenses				
Administrative Salaries & Benefits	4,063,594	4,233,276	4,003,971	4,176,557
Other Employee Expenses	25,000	30,000	55,000	55,000
Consultants and Contractors	222,000	252,500	378,500	293,500
Legal	182,130	179,130	182,230	182,230
Travel & Training	140,250	158,650	160,350	182,350
Communication	302,610	292,652	235,409	245,409
Data Processing	93,500	161,500	268,708	154,958
Office Equipment Expense	62,420	63,620	34,620	32,420
Other Administrative Expense	249,950	310,100	355,250	358,450
Facilities Expense	352,600	351,760	351,760	351,760
Total Administrative Expenses	5,694,054	6,033,188	6,025,798	6,032,634
Resident Services	0	0	0	0
Maintenance Costs	13,500	9,764	9,500	9,500
Protective Services	0	0	0	0
Insurance Expenses	91,678	112,444	114,138	103,138
Other General Expenses	10,000	5,000	10,000	10,000
TOTAL OPERATING EXPENSES	5,809,232	6,160,396	6,159,436	6,155,272
NET CHANGE IN RESERVES	664,956	524,380	601,161	402,879

Housing Choice Voucher Program

All Programs

Annual Budget 2019 11,633,896	Annual Budget 2020	Annual Budget 2021	Annual Budget
11 633 896		2021	2022
11 633 896			
,000,000	11,912,816	12,130,709	12,819,767
			720,000
0	0	2,500,000	0
0	0	0	0
37,500	50,000	60,000	25,393
11,671,396	11,962,816	14,690,709	13,565,160
6,498,323	6,661,037	6,848,940	7,028,110
327,298	377,298	473,528	478,528
7,370	4,870	4,870	4,870
140,000	166,500	166,500	182,500
306,500	193,500	223,500	273,500
297,000	337,100	427,700	452,000
175,000	84,000	71,000	81,000
210,900	220,600	174,800	174,800
3,897,484	3,958,080	3,890,537	4,047,449
500,000	500,000	477,400	477,400
12,359,875	12,502,985	12,758,775	13,200,157
0	0	0	C
2,500	2,500	0	C
75,000	75,000	75,000	75,000
0	0	0	(
36,564	36,764	44,764	29,764
0	0	10,000	15,000
12,473,939	12,617,249	12,888,539	13,319,921
(802,543)	(654,433)	1,802,170	245,239
900,000	680,000	250,000	(
(1,702,543)	(1,334,433)	1,552,170	245,239
	0 37,500 11,671,396 6,498,323 327,298 7,370 140,000 306,500 297,000 175,000 210,900 3,897,484 500,000 12,359,875 0 2,500 2,500 12,359,875 0 0 36,564 0 12,473,939 0 12,473,939	0 0 37,500 50,000 11,671,396 11,962,816 6,498,323 6,661,037 327,298 377,298 7,370 4,870 140,000 166,500 306,500 193,500 297,000 337,100 175,000 84,000 210,900 220,600 3,897,484 3,958,080 500,000 500,000 12,359,875 12,502,985 2 2 0 0 0 0 12,359,875 12,502,985 12,359,875 12,502,985 2 2,500 11,000 0 0 0 0 0 12,359,875 12,502,985 12,500 2,500 0 0 10 0 0 0 12,473,939 12,617,249 12,473,939 12,617,249 900,000 680,000 <td>0 0 0 37,500 50,000 60,000 11,671,396 11,962,816 14,690,709 11,671,396 11,962,816 14,690,709 6,498,323 6,661,037 6,848,940 327,298 377,298 473,528 7,370 4,870 4,870 140,000 166,500 166,500 306,500 193,500 223,500 297,000 337,100 427,700 175,000 84,000 71,000 210,900 220,600 174,800 3,897,484 3,958,080 3,890,537 500,000 500,000 477,400 12,359,875 12,502,985 12,758,775 0 0 0 0 75,000 75,000 0 0 0 0 0 0 0 12,359,875 12,617,249 12,888,539 12,473,939 12,473,939 12,617,249 12,888,539 12,473,939 12,473,939 <td< td=""></td<></td>	0 0 0 37,500 50,000 60,000 11,671,396 11,962,816 14,690,709 11,671,396 11,962,816 14,690,709 6,498,323 6,661,037 6,848,940 327,298 377,298 473,528 7,370 4,870 4,870 140,000 166,500 166,500 306,500 193,500 223,500 297,000 337,100 427,700 175,000 84,000 71,000 210,900 220,600 174,800 3,897,484 3,958,080 3,890,537 500,000 500,000 477,400 12,359,875 12,502,985 12,758,775 0 0 0 0 75,000 75,000 0 0 0 0 0 0 0 12,359,875 12,617,249 12,888,539 12,473,939 12,473,939 12,617,249 12,888,539 12,473,939 12,473,939 <td< td=""></td<>

Affordable Rental Housing Programs 2021 Operating Budget

Account Title	Annual Budget 2019	Annual Budget 2020	Annual Budget 2021 Includes RAD	Annual Budget 2022 Excludes RAD
Operating Revenues & Fees				
Tenant Rental Revenue - Subsidized Units	9,283,066	9,805,765	9,828,129	10,930,970
Tenant Rental Revenue - Tax Credit Units/Market Units	1,749,011	4,714,572	4,714,572	5,235,415
Tenant Other Revenue - Subsidized Units	569,090	886,325	886,325	794,619
Operating Subsidy (95%)	14,887,211	16,012,211	15,373,054	14,530,520
Other Income	257,492	304,277	304,277	250,000
TOTAL OPERATING REVENUES & FEES	26,745,870	31,723,150	31,106,357	31,741,524
Administrative Expenses				
Administrative Salaries & Benefits	4,294,108	4,529,513	4,725,782	4,964,057
Other Employee Expenses	49,013	99,861	99,861	95,348
Consultants & Contractors	250,166	296,692	509,549	542,427
Legal	134,122	128,950	128,950	126,361
Travel & training	85,314	80,351	96,851	92,904
Communication	515,503	479,073	379,073	406,420
Data Processing	515,505	537,309	473,809	319,112
Office Equipment Expense	81,436	51,796	33,796	43,124
Other Administrative Expense	314,363	411,706	413,206	380,808
COCC - Management Expense	1,662,753	1,811,323	1,710,508	1,748,595
Agent Management Fees	910,987	1,074,254	1,062,012	1,047,886
Facilities Expense	43,171	82,653	82,653	82,653
Total Administrative Expenses	8,868,421	9,583,481	9,716,050	9,849,695
	-,,	-,,	-,	-,
Resident Services				
Resident Services Salaries & Benefits	335,295	343,905	368,943	295,769
Resident Activities	40,000	40,000	40,000	33,928
Contract Costs	244,882	276,501	301,501	253,383
Resident Services Expenses	620,177	660,406	710,444	583,080
Water & Sewer	2,132,719	2,291,367	2,291,367	2,442,181
Electricity	1,233,542	1,249,127	1,249,127	1,119,395
Gas	301,269	306,176	306,176	305,476
Utilities Expenses	3,667,530	3,846,670	3,846,670	3,867,052
Maintenance Costs				
Maintenance Wages	2,484,350	3,233,316	3,233,316	3,232,386
Maintenance Materials Expenses	1,413,171	1,532,886	1,531,386	1,520,002
Maintenance Contractual Expenses	4,660,586	5,448,568	5,443,868	4,897,662
Maintenance Costs	8,558,107	10,214,770	10,208,570	9,650,050
Protective Services	1,944,315	2,063,745	2,063,745	1,975,735
	1 /12 960	1 920 666	2 115 616	2 212 660
Insurance Expenses	1,412,869	1,839,666	2,115,616	2,312,660
Other General Expenses	350,000	361,500	361,500	351,252
TOTAL OPERATING EXPENSES	25,421,419	28,570,238	29,022,595	28,589,524
NET OPERATING INCOME	1,324,451	3,152,912	2,083,762	3,152,000

Non-Routine Maintenance (Capital Funds)	5,000,000	5,000,000	3,750,000	4,000,000
Debt Service Payments	278,197	948,193	873,193	1,416,350
Debt Service Payments - ESCO	932,259	952,259	740,000	709,688
TOTAL CAPITAL AND DEBT SERVICE EXPENSES EXPENSES	6,210,456	6,900,452	5,363,193	6,126,038
Net Cash Flow from Operations	(4,886,005)	(3,747,540)	(3,279,431)	(2,974,038
Funds from Capital Funds	5,000,000	5,000,000	3,750,000	4,000,000
Funds To / (From) Reserves	113,995	1,252,460	470,569	1,025,962
Net Operating Results	0	0	0	C

Note: This budget includes Public Housing, Tax Credit and Market Rate Units located on Public Housing sites.

Section 8 New Construction

o Telephone Rd. & Long Drive

2021 Operating Budget

Account Title	Annual Budget 2019	Annual Budget 2020	Annual Budget 2021	Annual Budget 2022
Operating Revenues & Fees				
Subsidized Units	833,424	833,424	583,424	472,112
Other Tenant Revenue	12,450	24,850	24,850	10,600
Operating Subsidy	2,026,477	2,026,477	1,702,790	1,268,551
Other Income	100	100	100	100
TOTAL OPERATING REVENUES & FEES	2,872,451	2,884,851	2,311,164	1,751,363
Administrative Expenses				
Administrative Salaries & Benefits	333,846	322,221	322,380	335,306
Other Employee Expenses	3,942	4,652	4,652	2,386
Consultants & Contractors	26,172	16,872	18,359	46,120
Legal	3,598	3,367	3,367	26,317
Travel & training	6,555	4,459	4,459	1,824
Communication	20,269	35,106	35,106	28,659
Data Processing	69,396	69,581	69,581	19,927
Office Equipment Expense	9,000	9,000	9,000	4,333
Other Administrative Expense	21,825	35,171	35,171	33,698
COCC -Management Expense	135,536	135,536	141,298	45,547
Agent Management Fees	65,184	65,184	65,184	43,280
Facilities Expense	0	2,515	2,515	2,796
Total Administrative Expenses	695,323	703,664	711,072	590,193
Resident Services Expenses	35,000	41,358	21,358	15,215
Utilities Expenses	431,793	351,227	351,227	186,192
	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
Maintenance Costs	611,962	632,645	632,645	434,073
Protective Services	71,704	71,184	71,184	73,797
	99,114	77,955	78,430	55,604
Insurance Expenses	55,114	11,355	78,430	55,004
Other General Expenses	15,000	15,000	15,000	25,000
Debt Service Payments	0	0	0	0
TOTAL OPERATING EXPENSES	1,959,896	1,893,033	1,880,916	1,380,074
CASH FLOW (DEFICIT) FROM OPERATIONS	912,555	991,818	430,248	371,289
	512,555	551,618	730,270	57 1,205
Non-Routine Maintenance	375,000	375,000	250,000	125,000
TOTAL CASH FLOW (DEFICIT)	537,555	616,818	180,248	246,289

RAD Properties

Victory & HRI

Account Title	Annual Budget 2019	Annual Budget 2020	Annual Budget 2021	Annual Budget 2022
Operating Revenues & Fees				
Subsidized Units	0	0	0	84,185
Other Tenant Revenue	0	0	0	3,380
Operating Subsidy	0	0	0	1,023,500
Other Income	0	0	0	0
TOTAL OPERATING REVENUES & FEES	0	0	0	1,111,065
Administrative Expenses				
Administrative Salaries & Benefits	0	0	0	138,825
Other Employee Expenses	0	0	0	0
Consultants & Contractors	0	0	0	1,750
Legal	0	0	0	0
Travel & training	0	0	0	6,283
Communication	0	0	0	1,440
Data Processing	0	0	0	9,876
Office Equipment Expense	0	0	0	4,200
Other Administrative Expense	0	0	0	40,937
COCC -Management Expense	0	0	0	0
Agent Management Fees	0	0	0	50,000
Facilities Expense	0	0	0	0
Total Administrative Expenses	0	0	0	253,311
Resident Services Expenses	0	0	0	63,688
Utilities Expenses	0	0	0	109,938
Maintenance Costs	0	0	0	447,270
Protective Services	0	0	0	35,217
Insurance Expenses	0	0	0	116,211
Other General Expenses	0	0	0	25,000
Debt Service Payments	0	0	0	12,000
TOTAL OPERATING EXPENSES	0	0	0	1,062,635
CASH FLOW (DEFICIT) FROM OPERATIONS	0	0	0	48,430
Non-Routine Maintenance	0	0	0	275,000
Replacement Reserve Funds	0	0	0	(275,000)

Resolution No. 3363



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or take action to authorize the Interim President & CEO or designee to utilize Section 8 Housing Assistance Payments funds as allowed under the Moving to Work program to undertake the following actions: 1) refinance existing parcel of land owned by HHA at 2636 Fountain View for future affordable housing development; 2) finance cost overruns at the 6000 Telephone Road Elderly Project; and, 3) take such other actions necessary or convenient to carry out this resolution.

2. Date of Board Meeting: December 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to utilize Section 8 Housing Assistance Payments funds as allowed under the Moving to Work program to undertake the following actions: 1) utilize approximately \$7,614,091 to refinance an existing parcel of land located at 2636 Fountain View which is owned by Houston Housing Authority and planned for future affordable housing development; 2) finance cost overruns at the Telephone Road Elderly Project; and, 3) take such other actions necessary or convenient to carry out this resolution, pursuant to the memorandum from Michael Roger, Vice President for Fiscal and Business Operations, to Mark Thiele, Interim President & CEO.

4.	Department Head Approval	Signature	Date:				
5.	Statement regarding availability of funds by VP of Fiscal Operations						
	Funds Budgeted and Available	X Yes No Source	HAP Funding				
	VP of FO Approval Signate	ure <u>DocuSigned by:</u>	Date:				
6.	Approval of Interim President	& CEO DocuSigned by: Mark Huili	12/9/2021				

6072D2C8367A4C7

Date: _

Signature _



Transforming Lives & Communities

MEMORANDUM

TO: MARK THIELE, INTERIM PRESIDENT & CEO

FROM: MICHAEL ROGERS, VICE PRESIDENT FOR FISCAL AND BUSINESS OPERATIONS

 SUBJECT: CONSIDERATION AND/OR TAKE ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO UTILIZE SECTION 8 HOUSING ASSISTANCE PAYMENTS FUNDS AS ALLOWED UNDER THE MOVING TO WORK PROGRAM TO UNDERTAKE THE FOLLOWING ACTIONS: 1) REFINANCE EXISTING PARCEL OF LAND OWNED BY HHA AT 2636 FOUNTAIN VIEW FOR FUTURE AFFORDABLE HOUSING DEVELOPMENT; 2) FINANCE COST OVERRUNS AT THE 6000 TELEPHONE ROAD ELDERLY PROJECT; AND, 3) TAKE SUCH OTHER ACTIONS NECESSARY OR CONVENIENT TO CARRY OUT THIS RESOLUTION.
 DATE: DECEMBER 8, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorize the Houston Housing Authority (the "Authority") to utilize Section 8 Housing Assistance Payments ("HAP") funds provided by the US Department of Housing and Urban Development ("HUD") to undertake the following actions: 1) utilize approximately \$7,614,091 to refinance an existing parcel of land located at 2636 Fountain View which is owned by Houston Housing Authority and planned for future affordable housing development; 2) finance cost overruns at the Telephone Road Elderly Project; and, 3) take such other actions necessary or convenient to carry out this resolution.

BACKGROUND:

Pursuant to Board Resolution (#), the Authority executed the Moving to Work ("MTW") Amendment to the Annual Contributions Contract with the US Department of Housing and Urban Development ("HUD"). Under the MTW program, subject to HUD approval, the Authority has the flexibility to utilize Section 8 HAP funds for authorized purposes consistent with the MTW program provided that the Authority serves at least 90% of the families it would be able to house based on the HAP dollars received each year and meets all other regulatory and statutory requirements of the MTW program.

2636 Fountain View Refinance

Pursuant to Board Resolution No. 3233, the Authority acquired a 3.13-acre parcel of land at 2636 Fountain View for the purpose of constructing an affordable rental housing development. HUD approved the Authority's Site Acquisition proposal and authorized various funds for the project on June 3, 2015. As part of the financing, the Authority utilized \$7,614,091 in CDBG Disaster Recovery funds from Texas General Land Office ("GLO") Grant Agreement No. 12-472-000-6636 (the "GLO Grant Agreement"). Due to circumstances beyond its control, the Authority has not yet been able to undertake the proposed Fountain View affordable rental housing development; however, given the many positive attributes of the site, including its location in a high opportunity area, the Authority intends to proceed with the project at a

future date to be determined. The GLO Grant Agreement requires the timely expenditure of grant funds to promote CDBG national objectives and, the GLO is unwilling to extend the timetable for the Authority to complete the Fountain View affordable rental project

In order to satisfy its financial obligation under the GLO Grant Agreement, the Authority will refinance the property utilizing MTW HAP funds. Subject to HUD approval, the Authority intends to refinance the property, utilizing Section 8 HAP funds in the amount of \$7,614,091 as allowed under the MTW program. By this action, the Authority will comply with the GLO Grant Agreement, continue to maintain ownership of the Fountain View site, and be able to proceed with developing affordable rental housing on the site at a future date. The Authority will continue to negotiate with the GLO to reprogram these grant funds for other authorized purposes that will advance CDBG national objectives and provide benefits to the City of Houston and its residents.

6000 Telephone Road Elderly Project

The Authority has created APV Redevelopment Corporation ("APV") to assist in the development of certain multifamily housing developments such as the 6000 Telephone Road Elderly Road Project ("Telephone Road Project"). Pursuant to Board Resolutions 3219 and 3283, the Authority is authorized to utilize certain proceeds from the sale of scattered sites ("Scattered Site Proceeds") to finance unforeseen costs at the Telephone Road Project that APV will loan to APV Telephone Road Elderly, LP (the "Project Owner"). Under Resolutions 3219 and 3283, the Authority is authorized to utilize \$6,000,000 and \$1,904,000, respectively, in Scattered Site Proceeds for the Telephone Road Project.

The Authority intends to substitute some or all of the previously authorized Scattered Site Proceeds with Section 8 HAP funds. The funding amount will be determined based on an assessment to be made before the end of Fiscal Year 2021 by HHA Finance as to the amount of Section HAP expenditures needed to maximize HHA's eligibility for Fiscal Year 2022 Section 8 HAP funding under the MTW Operations Notice. The acquisition, redevelopment, or rehabilitation of affordable rental housing are allowable uses of MTW Section 8 HAP funds, subject to HUD approval. By substituting Section 8 HAP funds for some or all of the Scattered Site Proceeds, the Authority will maximize the utilization of, and continued eligibility for, MTW HAP funding pursuant to the MTW Operations Notice and ensure the preservation of the Telephone Road Project.

APPROVALS

The Board of Commissioners of the Authority (the "Board") authorizes the Interim President and Chief Executive Officer of the Authority and/or his designee is hereby authorized to review, approve and execute all certificates, affidavits, agreements, documents, and other writings necessary and/or related to the foregoing matters (collectively the "Agreements") the Interim President and Chief Executive Officer shall deem to be necessary or desirable in the consummation of the transactions herein contemplated.

The Board authorizes that all acts, transactions, or agreements undertaken prior hereto by the Interim President and Chief Executive Officer of the Authority or his designee, in connection with the foregoing matters are hereby ratified and confirmed as the valid actions of the Authority, effective as of the date such actions were taken.

The Board authorizes that the Interim President and Chief Executive Officer is hereby authorized and directed for and on behalf of, and as the act and deed of the Authority, to take such further action in the

consummation of the transactions herein contemplated and to do any and all other acts and things necessary or proper in furtherance thereof, as the Interim President and Chief Executive Officer shall deem to be necessary or desirable, and all acts heretofore taken by the designee of the Interim President and Chief Executive Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of the Authority.

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to utilize Section 8 Housing Assistance Payments funds as allowed under the Moving to Work program to undertake the following actions: 1) utilize approximately \$7,614,091 to refinance an existing parcel of land located at 2636 Fountain View which is owned by Houston Housing Authority and planned for future affordable housing development; 2) finance cost overruns at the Telephone Road Elderly Project; and, 3) take such other actions necessary or convenient to carry out this resolution, pursuant to the memorandum from Michael Roger, Vice President for Fiscal and Business Operations, to Mark Thiele, Interim President & CEO.

RESOLUTION NO. 3363

RESOLUTION AUTHORIZING THE HOUSTON HOUSING AUTHORITY (THE "AUTHORITY") TO UTILIZE SECTION 8 HOUSING ASSISTANCE PAYMENTS FUNDS AS ALLOWED UNDER THE MOVING TO WORK PROGRAM TO UNDERTAKE THE FOLLOWING ACTIONS: 1) UTILIZE APPROXIMATELY \$7,614,091 TO REFINANCE AN EXISTING PARCEL OF LAND LOCATED AT 7636 FOUNTAIN VIEW WHICH IS OWNED BY HOUSTON HOUSING AUTHORITY AND PLANNED FOR FUTURE AFFORDABLE HOUSING DEVELOPMENT; 2) FINANCE COST OVERRUNS AT THE TELEPHONE ROAD ELDERLY PROJECT; AND, 3) TAKE SUCH OTHER ACTIONS NECESSARY OR CONVENIENT TO CARRY OUT THIS RESOLUTION

WHEREAS, the Authority has entered into a Moving to Work ("MTW") Amendment to the Annual Contributions Contract with the US Department of Housing and Urban Development ("HUD") through which it is authorized to utilize Section 8 Housing Assistance Payments ("HAP") funds for certain eligible purposes, subject to HUD approval;

WHEREAS, the Authority owns a parcel of land located at 2636 Fountain View upon which it plans to develop an affordable housing development at a future date ("Fountain View Project");

WHEREAS, the Authority intends to refinance the Fountain View Project to comply with certain financial obligations under Grant Agreement Number 12-472-000-6636 with the Texas General Land Office ("GLO Grant Agreement") which funds were utilized to purchase the Fountain View Project land;

WHEREAS, subject to HUD approval, the Authority intends to utilize MTW HAP funds in the amount of \$7,614,091 to refinance the Fountain View Project and comply with its financial obligations under the GLO Grant Agreement;

WHEREAS, in connection with the development of the Telephone Road Elderly Project ("Telephone Road Project") the Authority desires to utilize MTW HAP funds to finance cost overruns, subject to HUD approval;

WHEREAS, in connection with the Telephone Road Elderly Project, the Authority will provide funding to APV, which will loan the funds to the Project Owner, APV Telephone Road Elderly, LP;

NOW, THEREFORE, in connection with the foregoing, the Board of Commissioners hereby adopts the following resolutions:

BE IT RESOLVED, that the Interim President and Chief Executive Officer of the Authority and/or his designee is hereby authorized to review, approve and execute all certificates, affidavits, agreements, documents and other writings necessary and/or related to the forgoing

matters (collectively the "Agreements") the Interim President and Chief Executive Officer shall deem to be necessary or desirable in the consummation of the transactions herein contemplated;

BE IT FURTHER RESOLVED, that all acts, transactions, or agreements undertaken prior hereto by the Interim President and Chief Executive Officer of the Authority or his designee, in connection with the foregoing matters are hereby ratified and confirmed as the valid actions of the Authority, effective as of the date such actions were taken; and

BE IT FURTHER RESOLVED, that the Interim President and Chief Executive Officer is hereby authorized and directed for and on behalf of, and as the act and deed of the Authority, to take such further action in the consummation of the transactions herein contemplated and to do any and all other acts and things necessary or proper in furtherance thereof, as the Interim President and Chief Executive Officer shall deem to be necessary or desirable, and all acts heretofore taken by the designee of the Interim President and Chief Executive Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of the Authority.

This resolution shall be in full force and effect from and upon its adoption.

[Remainder of page intentionally left blank for signature]

PASSED this 14th day of DECEMBER, 2021.

CHAIR

ATTEST:

Secretary



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or to take action to authorize the Interim President & CEO or designee to adopt Payment Standards for FY 2022.

- 2. Date of Board Meeting: December 14, 2021
- **3.** Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to adopt Payment Standards effective January 1, 2022, pursuant to the memorandum from Robin Walls, Vice President of the Housing Choice Voucher Program dated December 1, 2021, to Mark Thiele, Interim President & CEO.

4.	Department Head Approval	Signature532E7E61026640A		12/9/2021 Date:
5.	Statement regarding availabi	lity of funds by VP of Fiscal Operations		
	Funds Budgeted and Available	e Yes No Source		
	VP of FO Approval Signa	ture	_ Date:	
6.	Approval of President & CEO	Docusigned by: Mark Huele		12/9/2021
	Signa	ture6072D2C8367A4C7	Date:	



MEMORANDUM

TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	ROBIN WALLS, VICE PRESIDENT OF THE HOUSING CHOICE VOUCHER PROGRAM
SUBJECT:	CONSIDERATION AND/OR TO TAKE ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR
	DESIGNEE TO ADOPT PAYMENT STANDARDS FOR 2022
DATE:	DECEMBER 1, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to adopt Payment Standards effective January 1, 2022.

BACKGROUND:

HHA is responsible for adopting a payment standard schedule that establishes voucher payment standard amounts for each Fair Market Rent (FMR) or Small Area Fair Market Rent (SAFMR) in its jurisdiction.

HUD publishes proposed and final FMRs and SAFMRs annually. SAFMRs are Fair Market Rents (FMRs) calculated at the ZIP code level rather than for the entire metropolitan region. As described in HUD's SAFMR final rule, "the main benefit of SAFMRs is that, through setting rental subsidy amounts at a more local level, assisted households will be more able to afford homes in areas of high opportunity than under current policy. Such moves are expected to benefit both individual households, for example, through access to better schools or safer neighborhoods, and areas as a whole through reducing concentrated neighborhood poverty." A PHA going from FMR-based to SAFMR-based payment standards voluntarily is referred to by HUD as an "Opt-in SAFMR PHA." HHA submitted a request to opt-in to SAFMRs for the tenant-based voucher program on a citywide basis which was approved by HUD in July 2021. As such, SAFMRs are now used to establish payment standards for HHA's tenant-based voucher program. Metropolitan-wide FMRs continued to be utilized for the PBV program.

HHA went through the local rent survey appeal process with HUD in order to improve the Fair Market Rents (FMRs) and Small Area Fair Market Rents (SAFMRs) in its service area. Below is a table showing HUD's final metropolitan-wide 2022 FMRs compared to the final revised FY 2021 FMRs.

Houston-Baytown-Sugar Land, TX HUD Metro FMR Area	OBR	1BR	2BR	3BR	4BR
Revised Final FY 2021 FMRs	\$908	\$983	\$1176	\$1576	\$2010
Proposed FY 2022 FMRs	\$944	\$1014	\$1208	\$1603	\$2058

*HUD provides guidance that FMRs for units >4 bedrooms are calculated by adding 15% to the 4BR FMR for each additional bedroom.

HHA's Exception Payment Standards: 2016 vs. 2022

All of HHA's previously HUD-approved exception payment standards (EPS) amounts were exceeded by 110% of HUD's FY 2022 FMRs. Under HUD's conditions on HHA's exception payment standards from 2016 to the present, the previously approved amounts from 2016 will no longer be exception payment standards. As a result, payment standards for all zip codes within HHA's jurisdiction must fall within the basic range (90% -110%) of the applicable FY 2022 SAMFRs. To streamline administration, HUD allows for multiple zip codes to be grouped together and utilize the same payment standards, provided that the group payment standards fall within 90-110% of the SAFMRs for each zip code within each group. As noted below, HHA has established five (5) payment standard groups or tiers.

CURRENT (FY 2021) AND PROPOSED (FY 2022) PAYMENT STANDARD AMOUNTS

This memo recommends keeping the same 5 Tier structure for 2022 Payment Standards (Tier A-1, Tier A-2, Tier B, Tier C, and Tier D); however, modifying a number of the Payment Standard amounts. Additionally, selected zip codes were moved to a higher Tier to meet HUD requirements.

High	Current	Proposed Tier
High	Tier A-1	A-1
0	1,218	1,276
1	1,316	1,364
2	1,576	1,628
3	2,113	2,156
4	2,694	2,772
5	3,098	3,188
6	3,563	3,604
7	4,097	4,019
8	4,712	4,435

High	Current	Proposed
mgn	Tier A-2	Tier A-2
0	1,210	1,210
1	1,310	1,310
2	1,569	1,569
3	2,090	2,090
4	2,673	2,673
5	3,074	3,074
6	3,535	3,475
7	4,065	3,876
8	4,675	4,277

High	Current Tier B	Proposed Tier B
0	1,023	1,023
1	1,111	1,111
2	1,331	1,331
3	1,782	1,782
4	2,277	2,277
5	2,619	2,619
6	3,011	2,960
7	3,463	3,302
8	3,982	3,643

Mid	Current Tier C	Proposed Tier C
0	832	858
1	920	920
2	1,141	1,141
3	1,554	1,554
4	1,966	1,966
5	2,261	2,261
6	2,600	2,556
7	2,990	2,851
8	3,439	3,146

Low	Current Tier D	Proposed Tier D
0	821	821
1	905	905
2	1,090	1,090
3	1,469	1,469
4	1,878	1,878
5	2,160	2,160
6	2,484	2,441
7	2,857	2,723
8	3,285	3,005

Full Coverage Zip Codes Eligible for Tier A-1

77002	77005	77006	77007	77008	77010	77019	77024	77027	77030
77041	77046	77054	77056	77070	77077	77079	77094	77098	77345
77346	77377	77380	77386	77388	77389	77401	77407	77429	77433

Partial Co	verage Zip	Codes E	ligible for	<u>A-1</u>					
77059	77362	77381	77382	77384	7740	5 77450	77479	77489	77493
77494	77498	77545	77546	77573					
Full Cover	age Zip Co	odes Eligi	ble for Tie	<u>r A-2</u>					
77044	77339	77379	77449						
Partial Co	verage Zip	Codes E	ligible for	Tier A-2					
77385	77477								
Full Cover	age Zip Co	odes Eligi	ble for Tie	<u>r B</u>					
77003	77025	77042	77047	77057	77062	77063	77064	77065	77066
77069 77396	77082	77084	77085	77089	77090	77095	77354	77373	77375
Partial Co	verage Zip	Codes E	ligible for	<u>Tier B</u>					
77053	77058	77355	77365	77441	77447	77536	77565	77586	77598
	age Zip Co	doc Eligi	hla far Tia	- C					
					000	77024	77027	77020	77040
77004	77009	7701		-	033	77034	77037	77038	77040
77043	77045	7704			067	77068	77072	77073	77075
77078	77080	7708	31 770	83 //	086	77096	77099	77336	
Partial Co	verage Zip	Codes E	ligible for	Tier C					
77302	77338	77471	77504	77507	77511	77521	77532	77539	77562
77571									
Full Cover	age Zip Co	des Eligi	ble Tier D						
77011	77012	77013	77015	77016	77017	77018	77020	77021	77022
77023	77026	77028	77029	77031	77035	77036	77039	77048	77050
77051	77060	77061	77071	77074	77076	77087	77088	77091	77092
77093	77530	77547	77587						
Partial Co	verage Zip	Codes E	ligible for	Tier D					
77327	77357	77423	77445	77484	77503	77506	77520	77530	77535
77547	77583	77587							

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to adopt Payment Standards effective January 1, 2022, pursuant to the memorandum from Robin Walls, Vice President of the Housing Choice Voucher Program dated December 1, 2021, to Mark Thiele, Interim President & CEO.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or to take action to authorize the Interim President & CEO or designee to adopt Public Housing Flat Rents and Tax Credit Capped Rents

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

6.

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to adopt new Flat Rents and make any necessary corrections, pursuant to the memorandum dated December 3, 2021, from Rhonda Foster, Director, Asset Management to Mark Thiele, Interim President & CEO.

		DocuSigned by:	
4.	Department Head Approval	Signature George D. Griffin III	Date: 12/10/2021

5. Statement regarding availability of funds by VP of Fiscal Operations

Funds Budgeted and A	vailable	Yes No	Source	<u>Not Applicat</u>	<u>le</u>
VP of FO Approval	Signature			Date:	
Approval of President	& CEO	DocuSigned b Mark Hu	v: iele		12/10/2021
	Signature	6072D2C83674	A4C7	Date:	



MEMORANDUM

TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	RHONDA FOSTER, DIRECTOR, ASSET MANAGEMENT
SUBJECT:	CONSIDERATION AND/OR TO TAKE ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE
	TO ADOPT PUBLIC HOUSING FLAT RENTS AND TAX CREDIT CAPPED RENTS
DATE:	DECEMBER 3, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO implementation of the new Flat Rent Amounts for FY 2022.

BACKGROUND:

The FY 2015 Appropriations Act amended the 2014 Act to require that flat rents be set at no less than the lower of 80 percent of: the applicable fair market rental or such other applicable fair market rental established by HUD such as Small Area Fair Market Rents (SAFMR). As of October 2021, the FY 2022 FMR's increased throughout the Houston Area, which triggers a requirement to revise many of the public housing flat rents upward. HUD issued a new HUD Notice 2017-23 that clarifies replaces the guidance provided in Notice PIH 2015-13.

Methodology

Fair Market Rents (FMRs) are gross rent estimates that cover the shelter rent plus the cost of all necessary utilities regardless of who actually pays the utilities. The SAFMRs are FMRs that more accurately reflect local market conditions. When establishing flat rents, HHA considered who is responsible for direct utility payments to the utility company and adjusted the flat rent accordingly. Specifically, if a unit is all bills paid by HHA, the flat rent was not adjusted for a utility allowance. However, if the family is responsible for making direct utility payments to the utility company, the HHA adjusted the flat rent amount downward, using the utility allowance, to account for reasonable utility costs of an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

Additionally, HUD reminded PHAs that higher rent levels will ensure that families with higher incomes pay an appropriate market-based rent. PHAs were reminded that they have the discretion, in accordance with federal law and regulations, to establish occupancy policies that include the eviction of public housing tenants who are above the income limits for eligibility to participate in public housing programs. Therefore, HHA evaluated flat rent levels to provide a balance between the important goals of supporting the sustained self-sufficiency of families with the ever-increasing demand for affordable housing units among families on the waiting lists.

Fiscal Years	scal Years 1-bedroom		3-bedroom	4-bedroom	5-bedroom
FY2021*	\$820 - \$1,360	\$1000 - \$1,640	\$1,360 - \$2,220	\$1,710 - \$2,810	\$2,453
FY2022	\$890 - \$1,520	\$1060 - \$1,810	\$1,420 - \$1,840	\$1810 - \$3,080	\$2,833
* = + = = = = = = = = = = = = = = = = =				1.001/10.11/1	

* FY2021 Flat Rents were based on Flat Rents approved for FY2020, due to approved COVID Waiver issued for FY2021.

Other adjustments were utilized to determine flat rents for units blended with public housing and tax credit units. These adjustments were based on FMRs provided by TDHCA instead of HUD.

The following properties - *Fulton Village, HOAPV, Victory Place, Oxford Place, Lincoln Park, Heatherbrook, Sweetwater* - have Low Income Housing Tax Credit (LIHTC), HOME and/or CDBG rent caps as part of their finance layering. LIHTC maximum net rents (*i.e., the maximum rent that tenants can be required to pay out of pocket*) are equal to the gross flat rent, less the tenant's imputed (budgeted) cost of utilities. This utility expense budget, which is referred to as a "utility allowance," includes only the budgeted expense for utilities that are to be paid by the tenant. Accordingly: Net rent = Gross Rent – Utility allowance. The tenant's anticipated utility costs reduce the maximum amount of rent that a tenant can be required to pay. Utility costs that are paid by the HHA and the costs of telephone and subscription television service are not included in the utility allowance. In some instances, although not all, there is also an intersection between these maximum net rents and the 35 percent cap on annual flat rent increased.

Flat Rent Option vs. Income-Based Rent at 30 Percent of Monthly Adjusted Income

HHA offer the updated flat rent amount at the next annual rent option for families that are current Public Housing residents, and permit the family to choose between the flat rent. HHA currently has approximately 3% public housing households that has selected flat rent options with remaining 97% selecting income-based option, as of November 30, 2021.

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the President & CEO to adopt new Flat Rents and make any necessary corrections, pursuant to the memorandum dated December 3, 2021, from Rhonda Foster, Director, Asset Management, to Mark Thiele, Interim President & CEO.

			FY 2022 Flat Rent (80% of SAFMR) (Per Unit Size/Zip Code)					
Туре	ZIP Code	Development Name	1BR	2BR	3BR	4BR	5BR	
PH	77003	Clayton Homes	\$936	\$1,112	\$1,472	\$1,896		
PH	77004	Cuney Homes	\$712	\$848	\$1,136	\$1,448		
PH	77004	Ewing Apartments	\$712	\$848				
PH	77009	Irvinton Village	\$712	\$848	\$1,136	\$1,448		
LIHTC*	77009	Fulton Village	\$712	\$848	\$1,136	\$1,448		
PH	77019	Allen Parkway Village	\$1,216	\$1,448	\$1,920	\$2,464	\$2,833	
LIHTC*	77019	HOAPV	\$1,216	\$1,448				
PH	77019	HOAPV - (66 units)	\$1,216	\$1,448				
LIHTC*	77022	Independence Heights	\$712	\$848	\$1,136			
LIHTC	77075	Sweetwater Point		\$856	\$1,136			
PH	77020	Kelly Village	\$712	\$848	\$1,136	\$1,448		
PH	77020	Kennedy Place	\$712	\$848	\$1,136	\$1,448		
LIHTC*	77022	Oxford Place	\$712	\$848	\$1,136			
PH	77022	Lyerly	\$712	\$848				
PH	77036	Bellerive	\$712	\$848				
PH	77078	Forest Green		\$712	\$848	\$1,136		
LIHTC*	77091	Lincoln Park	\$765	\$905	\$1,044			
PH	77093	Heatherbrook		\$848	\$1,136	\$1,448		

FY2022 GROSS FLAT & CAPPED RENTS (80% of SAFMR issued by HUD)

* FY2022Flat Rents for units blended with PH & TC are based on HUD's SAFMR which is lower than HOME/LIHTC low rents.

Utility Systems	TX#	ZIP Code	Development Name	FY2022 Net Flat Rent - 1BR (SAFMR x 80%Minus Utility Allowance)	FY 2022 Net Flat rent - 2BR (SAFMR x 80% Minus Utility Allowance)	FY 2022 Net Flat rent - 3BR (SAFMR x 80% Minus Utility Allowance)	FY 2022 Net Flat rent - 4BR (SAFMR x 80% Minus Utility Allowance)	FY 2022 Net Flat rent- 5BR (SAFMR x 80% Minus Utility Allowance)	% Change in Net Flat Rent FY 2022 vs.FY 2021 1BR*	% Change in Net Flat Rent FY 2022 vs.FY 2021 2BR*	% Change in Net Flat Rent FY 2022 vs.FY 2021 3BR*	% Change in Net Flat Rent FY 2022 vs.FY 2021 4BR*	% Change in Net Flat Rent FY 2022 vs.FY 2021 5BR*
Sub-metered	506	77003	Clayton Homes - Electric + Gas	\$936	\$1112	\$1,472	\$1,896		25%	23%	20%	22%	
Sub-metered	501	77004	Cuney Homes - Electric + Gas	\$712	\$848	\$1136	\$1448		2%	0%	-2%	5%	
Tenant Paid	514	77004	Ewing Apartments (with AC Allowances)	\$568	\$654				-9%	-14%			
Sub-metered	505	77009	Irvinton Village - Electric + Gas	\$712	\$848	\$1136	\$1,448		-1%	-4%	-5%	-4%	
Tenant Paid		77019	Allen Parkway Village (66 Units) (Gas with AC Allowances)	\$1,094	\$1,304	\$1,759	\$2,280	\$2,631	8%	7%	5%	7%	7%
Tenant Paid		77019	HOAPV -Gas (with AC Allowances)	\$969	\$1,179				27%	27%			
Sub-metered	502	77020	Kelly Village - Electric + Gas Heat +Gas	\$712	\$848	\$1,136	\$1,448		9%	6%	4%	6%	
Tenant Paid	516	77020	Kennedy Place (with AC Allowances)	\$608	\$704	\$959	\$1,242		4%	.1%	8%	1%	
Included	509	77022	Lyerly Sr. (Utilities Included)	\$712	\$848				9%	6%			
Included	510	77036	Bellerive Sr. (Utilities Included)	\$712	\$848				9%	6%			
Tenant Paid	513	77078	Forest Green (with AC Allowances)		\$692	\$933	\$1,211			-3%	-6%	-4%	

FY2022 NET FLAT RENTS FOR PUBLIC HOUSING

* FY2021 Flat Rents were based on Flat Rents approved for FY2020, due to approved COVID Waiver issued for FY2021.

FY2022 LIHTC, CDBG and/or HOME Net Capped Rents

Tax Credit, CDBG and HOME	TX#	ZIP Code	Development Name	FY2022 LIHTC, CDBG, HOME Net Flat Rent_1BR	FY2022 LIHTC, CDBG, HOME Net Rent & Flat Rent _2BR	FY2022 LIHTC, CDBG, HOME Net Rent & Flat Rent_3BR	FY2022 LIHTC, CDBG, HOME Net Rent & Flat Rent _4BR	HOME Net	in Net Flat Rent FY 2022 vs. FY	in Net Flat Rent	in Net Flat Rent	in Net Flat Rent	
LIHTC	548	77009	Fulton Village (with AC Allowances)	\$632	\$758	\$1,036	\$1,340		-17%	-18%	-5%	11%	
LIHTC & CDBG	50% AMI (47 elderly units)	77019	HOAPV -Gas (All Utilities Included)	\$891	\$1,069				24%	25%			
LIHTC & CDBG	60% AMI (108 elderly units)	77019	HOAPV -Gas (All Utilities Included)	\$891	\$1,069				4%	4%			
LIHTC	512	77022	Oxford Place (with AC Allowances)	\$632	\$736	\$998	=	=	-18%	-20%	-6%	-	
LIHTC	511	77091	Lincoln Park (with AC Allowances)	\$691	\$809	\$929			-10%	-11%	-13%		
LIHTC	550	77093	Heatherbrook (with AC Allowances)		\$523	\$606	\$668			28%	29%	29%	
LIHTC		77022	Independence Heights (with AC Allowance)	\$445	\$534	\$618			26%	27%	29%		
LIHTC			Sweetwater Point Apartments Callowance)		\$891	\$1,010				14%	12%		

* FY2021 Flat Rents are based on FMRs authorized by TDHCA for Tax Credit properties.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to update Utility Allowance Rates for Applicable Public Housing Developments

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to update the utility allowance rates in accordance with the utility allowance study for applicable Public Housing and Tax Credit Developments and make any corrections and changes, pursuant to the memorandum dated November 30, 2021, from Cody Roskelley, Vice President of Real Estate and Development to Mark Thiele, Interim President & CEO.

4.	Department Head Approval	Signature	DocuSigned by: Cody Koskelley 8FC143A291EE443	Da	nte: <u>12/9/2021</u>
5.	Statement regarding availabili	ity of funds by '	VP of Fiscal Operations		
	Funds Budgeted and Available	Yes	No Source		
			Account #		
	VP of FO Approval Signat	ure		_ Date: _	
6.	Approval of President & CEO		Docusigned by: Mark Thiele		12/9/2021
	Signa	ture	6072D2C8367A4C7	Date:	



MEMORANDUM

TTO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	CODY ROSKELLEY, VICE PRESIDENT REAL ESTATE AND INVESTMENT DEVELOPMENT
	CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO UPDATE UTILITY ALLOWANCE RATES FOR APPLICABLE PUBLIC HOUSING DEVELOPMENTS
DATE:	NOVEMBER 30, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to update the utility allowance rates for applicable Public Housing and Tax Credit Developments.

BACKGROUND:

The Houston Housing Authority (HHA) is required to review at least annually the basis on which utility allowances have been established and, if reasonably required in order to continue adherence to HUD regulations, shall establish revised allowances. The review shall include all changes in circumstances (including completion of modernization and/or other energy conservation measures implemented by HHA), indicating the probability of a significant change in reasonable consumption requirements and changes in utility rates.

In June 2015, HHA entered into an energy performance contract with Siemens for energy improvements at the majority of HHA public housing properties. The project provided a broad range of energy improvements to reduce the consumption and related cost of energy and water use in the facilities and by implementing Facility Improvement Measures (FIMs).

METHODOLOGY:

The building allowances are based on accepted engineering heat loss/gain calculation methods that recognize the thermal design characteristics of each representative unit type. The utility allowances are based on all building-related requirements, including heating, lighting, refrigeration, small appliances, domestic water heating, and cooking, as required in 24 CFR Part 965 of the Code of Federal Regulations.

This study is a result of several interrelated phases: 1. The on-site survey and the utility data analysis were completed by Siemens. 2. The on-site survey entails a combination of management and staff interviews, representative unit surveys to include but not be limited to, 3. Standard of living, 4. Building construction, 4. Type of HVAC equipment, 5. Peripheral equipment, 6. Use of building plans to determine wall, roof, ceiling, and window areas, 7. Local climatological data, 8. And operating hours for lighting, HVAC equipment, and Authority and tenant-supplied appliances. The on-site data is, in turn, analyzed,

combining essential as well as specific "standard of living" allowances to determine the total utility allowances for each particular unit type.

There are several factors to be taken into account when creating utility allowances. The first is the type of methodology. There are two accepted approaches, and Siemens utilizes both methods. The two HUD accepted approaches are 1. Engineering-Based Methodology – Allowances based on engineering calculations and standard consumption tables. 2. Average Consumption-Based Methodology – allowances based on actual resident utility bills.

The second important consideration when creating an allowance study is to follow HUD's Federal Regulations concerning Resident Paid Utility Allowances. HUD gives the freedom to each housing authority to develop their allowances choosing the methodology that works best for their organization: however, requirements are placed on which the allowances cover end uses. The main goal of the allowances should be to encourage energy-conservative households. The residents should be consuming energy in a fashion that meets their needs and affords them to live comfortably while staying within the guidelines or regulations established by HUD.

HHA staff carefully reviewed and evaluated the study's new utility allowance rates against each dwelling unit category and unit size to determine the extent of energy savings and change. Relative to the air conditioning individual relief amounts, Siemens provided calculated updates for tax credit developments and an amount of relief per unit for non-tax credit developments.

Property	This year	Last year	%	This year	Last year	%
TX 5-02 HOAPV (Non-Historic)	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
1BR	\$56.00	\$59.00	-5%	\$66.00	\$69.00	-4%
2BR	\$63.00	\$66.00	-5%	\$81.00	\$84.00	-4%
3BR	\$68.00	\$71.00	-4%	\$93.00	\$96.00	-3%
4BR	\$76.00	\$80.00	-5%	\$108.00	\$112.00	-4%
5BR	\$81.00	\$85.00	-5%	\$121.00	\$125.00	-3%

A list of updated utility allowance rates are as follows:

TX 5-03 Historic Rental Initiative	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
1BR 1BA Duplex	\$106.00	\$107.00	-1%	\$119.00	\$120.00	-1%
2BR 2BA Duplex	\$111.00	\$112.00	-1%	\$133.00	\$134.00	-1%
1BR 1BA Detached	\$106.00	\$107.00	-1%	\$119.00	\$120.00	-1%
2BR 2BA Detached	\$111.00	\$112.00	-1%	\$133.00	\$134.00	-1%

TX 5-05 Ewing Apartments	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
1BR 1BA	\$67.00	\$73.00	-8%	\$77.00	\$83.00	-7%
2BR 2BA	\$88.00	\$97.00	-9%	\$106.00	\$115.00	-8%

TX 5-08 Heatherbrook	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
2BR	\$71.00	\$83.00	-14%	\$99.00	\$118.00	-16%
3BR	\$85.00	\$100.00	-15%	\$113.00	\$134.00	-16%
4BR	\$100.00	\$119.00	-16%	\$135.00	\$160.00	-16%

TX 5-09 Forest Green	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
2BR	\$67.00	\$79.00	-15%	\$89.00	\$105.00	-15%
3BR	\$88.00	\$104.00	-15%	\$115.00	\$136.00	-15%
4BR	\$103.00	\$122.00	-16%	\$134.00	\$158.00	-15%

TX 5-11 Fulton Village	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
1BR	\$57.00	\$59.00	-3%	\$80.00	\$86.00	-7%
2BR	\$62.00	\$64.00	-3%	\$90.00	\$97.00	-7%
3BR	\$66.00	\$69.00	-4%	\$100.00	\$109.00	-8%
4BR	\$71.00	\$74.00	-4%	\$108.00	\$118.00	-8%

TX 5-19 Kennedy Place	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
1BR	\$47.00	\$55.00	-15%	\$57.00	\$65.00	-12%
2BR	\$63.00	\$74.00	-15%	\$81.00	\$92.00	-12%
3BR	\$76.00	\$86.00	-12%	\$101.00	\$111.00	-9%
4BR	\$87.00	\$102.00	-15%	\$119.00	\$134.00	-11%

TX 5-18 Lincoln Park	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
1BR	\$57.00	\$67.00	-15%	\$74.00	\$88.00	-16%
2BR	\$74.00	\$88.00	-16%	\$96.00	\$113.00	-15%
3BR	\$92.00	\$109.00	-16%	\$115.00	\$136.00	-15%

TX 5-15 Oxford Place	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
1BR	\$64.00	\$75.00	-15%	\$80.00	\$94.00	-15%
2BR	\$84.00	\$99.00	-15%	\$112.00	\$133.00	-16%
3BR	\$101.00	\$119.00	-15%	\$138.00	\$164.00	-16%

TX 5-17 Victory Apartments	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
1BR	\$53.00	\$55.00	-4%	\$80.00	\$87.00	-8%
2BR	\$57.00	\$60.00	-5%	\$83.00	\$90.00	-8%
3BR	\$63.00	\$65.00	-3%	\$95.00	\$104.00	-9%

TX 5-16 HOAPV (Historic)	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
1BR 1BA (HE) Gas	\$53.00	\$56.00	-5%	\$74.00	\$80.00	-8%
2BR 1BA (HE) Gas	\$57.00	\$59.00	-3%	\$81.00	\$88.00	-8%

TX 5-21 Independence Heights	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
1BR	\$81.00	\$74.00	9%	\$89.00	\$81.00	10%
2BR	\$103.00	\$96.00	7%	\$112.00	\$104.00	8%
3BR	\$128.00	\$118.00	8%	\$138.00	\$127.00	9%

TX 5-16 Sweetwater Point	NEW 2022	2021	CHANGE	2022 with AC	2021 with AC	CHANGE with AC
2BR	\$77.00	\$65.00	18%	N/A	N/A	N/A
3BR	\$91.00	\$76.00	20%	N/A	N/A	N/A

SUBMETERED UTILITY ALLOWANCES (NO CHANGE)

Project Name	Natural Gas (ccf)			Electricity (KWH)		
TX 5-04 Clayton Homes	NEW 2022	2021	CHANGE	NEW 2022	2021	CHANGE
1BR	16	16	0%	176	176	0%
2BR	23	23	0%	190	190	0%
3BR	30	30	0%	218	218	0%
4BR	34	34	0%	230	230	0%

TX 5-05.1 Cuney Homes	NEW 2022	2021	CHANGE	NEW 2022	2021	CHANGE
1BR	19	19	0%	149	149	0%
2BR	25	25	0%	166	166	0%
3BR	28	28	0%	178	178	0%
4BR	33	33	0%	194	194	0%

TX 5-07 Irvinton Village	NEW 2022	2021	CHANGE	NEW 2022	2021	CHANGE
1BR	15	15	0%	133	133	0%
2BR	25	25	0%	151	151	0%
3BR	29	29	0%	161	161	0%
4BR	34	34	0%	174	174	0%

TX 5-14 Kelly Village	NEW 2022	2021	CHANGE	NEW 2022	2021	CHANGE
1BR-Elec Heat	8	8	0%	329	329	0%
2BR-Elec Heat	12	12	0%	346	346	0%
3BR-Elec Heat	16	16	0%	361	361	0%
4BR-Elec Heat	19	19	0%	400	400	0%
1BR-Gas Heat	18	18	0%	139	139	0%
2BR-Gas Heat	24	24	0%	152	152	0%
3BR-Gas Heat	29	29	0%	162	162	0%
4BR-Gas Heat	35	35	0%	171	171	0%

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to update the utility allowance rates in accordance with the utility allowance study for applicable Public Housing and Tax Credit Developments and make any corrections and changes, pursuant to the memorandum dated November 30, 2021, from Cody Roskelley, Vice President of Real Estate and Development to Mark Thiele, Interim President & CEO.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to execute a contract with ERC Environmental & Construction Services, Inc. ("ERC") to rehabilitate 24 Apartment Units and the Daycare Center at Oxford Place Apartments.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to a contract with ERC Environmental & Construction Services, Inc. ("ERC"), to rehabilitate twenty-four (24) Apartment Units and the Daycare Center at Oxford Place Apartments in an amount not to exceed \$445,000.00 pursuant to the memorandum from Cody Roskelley Vice President of REID dated November 29, 2021, to Mark Thiele, Interim President & CEO.

4.	Department Head Appro	oval Signature	Cody Koskelley 8FC143A291EE443		Date:_	12/9/2021
5.	Statement regarding ava	ilability of funds by	VP of Fiscal Operations			
	Funds Budgeted and Ava	ilable Yes	No Source			
	VP of FO Approval	Signature		Date:		
6.	Approval of President &	CEO	Docusigned by: Mark Thill			12/9/2021
	S	Signature	6072D2C8367A4C7	_ Date: _		

HOUSING AUTHORITY

Transforming Lives & Communities

MEMORANDUM

TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	CODY ROSKELLEY, VICE PRESIDENT OF REID
	CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO EXECUTE A CONTRACT WITH ERC ENVIRONMENTAL & CONSTRUCTION SERVICES, INC. ("ERC") TO REHABILITATE TWENTY-FOUR (24) APARTMENT UNITS AND THE DAYCARE CENTER AT OXFORD PLACE APARTMENTS
DATE:	NOVEMBER 29, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to a contract with ERC Environmental & Construction Services, Inc. ("ERC") to rehabilitate twenty-four (24) Apartment Units and the Daycare Center at Oxford Place Apartments in an amount not to exceed \$445,000.00 due to damages caused by the winter storm.

BACKGROUND:

In February 2021, 24 units and the Daycare at Oxford Place Apartments sustained substantial damage during the winter storm Uri. The Houston Housing Authority responded immediately to remediate conditions allowing time to develop the appropriate Scope of Work. The rehabilitation will include new finishes, new appliances, and new life safety systems, which include but are not limited to carbon monoxide detectors, fire strobes, & water sprinklers. The insurance claim on the property will fund the rehabilitation.

A Scope of Work ("SOW") and Independent Cost Estimate ("ICE") was developed by the REID Department and submitted to HHA's Procurement Department.

In September 2021, HHA's Procurement Department developed IFB 21-40, The Rehabilitation of Units at Oxford Place Apartments ("IFB 21-40").

ADVERTISEMENT:

A legal notice advertising "IFB 21-40" was posted in the Houston Chronicle and Forward Times Newspapers, and the Houston Business Journal.

In addition to posting "IFB 21-40" on the website of HHA's Procurement Department, e-mails announcing "IFB 21-40" were sent to potential bidders on HHA's Bidder's List and qualified firms registered in the City of Houston's vendor directory database.

The City of Houston's Office of Business Opportunity ("OBO") and the Houston Minority Supplier Development Council ("HMSDC") also notified potential minority vendors of "IFB 21-40".

Additionally, interested parties were also able to access "IFB 21-40" by going to the websites of the City of Houston Office of Business Opportunity ("OBO"); the Greater Houston Black Chamber of Commerce ("GHBCC"); the Houston Minority Supplier Development Council ("HMSDC"); the Houston Chapter of the National Association of Minority Contractors ("NAMC"); and to the Houston Office of the United States Small Business Administration ("SBA").

EVALUATION PROCESS:

On October 26, 2021, HHA's Procurement Department opened the following sealed bids in response to "IFB 21-40":

Rank	Firm/Company	M/WBE	Total Bid Price
1	ERC Environmental & Construction Services, Inc. ("ERC")	N/A	\$445,000.00
2	Omega Builders	N/A	\$643,815.00
3	ABC Restoration	N/A	\$689,573.26
4	Guaranteed Builders	N/A	\$799,900.00
5	Geofill Construction	N/A	\$921,327.77
6	ServPro	N/A	\$2,452,273.20

After the bids were vetted, it was determined that ERC Environmental & Construction Services, Inc. ("ERC") is the lowest responsive and responsible bidder.

ERC Environmental & Construction Services, Inc. ("ERC") has agreed to make a cash contribution to the Section 3 Compliance Fund.

ERC Environmental & Construction Services, Inc. ("ERC") has done work for the Houston Housing Authority in the past, there are no conflicts of interest, and they are not on the HUD Debarment List.

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to a contract with ERC Environmental & Construction Services, Inc. ("ERC"), to rehabilitate twentyfour (24) Apartment Units and the Daycare Center at Oxford Place Apartments in an amount not to exceed \$445,000.00 pursuant to the memorandum from Cody Roskelley Vice President of REID dated November 29, 2021, to Mark Thiele, Interim President & CEO



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to execute a contract with Kirksey Architects, Inc. to perform Site Planning Services at project 800 Middle (800 Middle St, Houston TX 77003).

- 2. Date of Board Meeting: December 14, 2021
- 3. Proposed Board Resolution:

6.

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to a contract with Kirksey Architects, Inc. to perform Site Planning Services at 800 Middle (800 Middle St, Houston TX 77003) in an amount not to exceed \$1,000,000.00 in the aggregate during a three (3) year period pursuant to the memorandum from Cody Roskelley Vice President of REID dated November 29, 2021 to Mark Thiele, Interim President & CEO.

4. Department Head Approval Signature (oly Koskilly Date: 12/9/202 BFC143A291EE443	4.	Department Head Approval	Signature _		Date: 12/9/2021
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5. Statement regarding availability of funds by VP of Fiscal Operations

Funds Budgeted and	Available	Yes No	Source		
VP of FO Approval	Signature			Date:	
Approval of Presider	nt & CEO Signature	Mar	signed by: & Thille D2C8367A4C7	Date:	12/9/2021

HOUSING AUTHORITY

Transforming Lives & Communities

MEMORANDUM

TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	CODY ROSKELLEY, VICE PRESIDENT, REID
	CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO EXECUTE A CONTRACT WITH KIRKSEY ARCHITECTS TO PERFORM SITE PLANNING SERVICES AT 800 MIDDLE (800 MIDDLE ST, HOUSTON TX 77003)
DATE:	NOVEMBER 29, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to a contract with Kirksey Architects, Inc. to perform Site Planning Services at 800 Middle (800 Middle St, Houston TX 77003) in an amount not to exceed \$1,000,000.00 in the aggregate during a three (3) year period.

BACKGROUND:

The Houston Housing Authority is proceeding with the development of the East End site recognized as 800 Middle (800 Middle St, Houston, TX 77003). Phase I will be in the development, and an architect will aid in strategic planning for phased development of the land. The architect will manage required consultants, including Civil Engineers, to ensure proper infrastructure planning for Phase I, coordinate communication with City of Houston detention department requirements, address Bayou edge rehabilitation efforts, and plan accordingly for future phases of development.

A Scope of Work ("SOW") and Independent Cost Estimate ("ICE") were developed by the REID Department and submitted to HHA's Procurement Department.

In March of 2021, HHA's Procurement Department developed Qualification Based Solicitation QBS 21-22 Site Planning Services ("QBS 21-22").

ADVERTISEMENT:

A legal notice advertising "QBS 21-22" was posted in the Houston Chronicle and Forward Times Newspapers.

In addition to posting "QBS 21-22" on the website of HHA's Procurement Department, e-mails announcing "QBS 21-22" were sent to potential bidders on HHA's Bidder's List and qualified firms registered in the City of Houston's vendor directory database.

The City of Houston's Office of Business Opportunity ("OBO") and the Houston Minority Supplier Development Council ("HMSDC") also notified potential minority vendors of "QBS 21-22".

Additionally, interested parties were also able to access "QBS 21-22" by going to the websites of the City of Houston Office of Business Opportunity ("OBO"); the Greater Houston Black Chamber of Commerce ("GHBCC"); the Houston Minority Supplier Development Council ("HMSDC"); the Houston Chapter of the National Association of Minority Contractors ("NAMC"); and to the Houston Office of the United States Small Business Administration ("SBA").

EVALUATION PROCESS:

All responses to "QBS 21-22" received by the specified due date were scored based on the following published scoring criteria provided by REID:

Item	Criteria	Maximum Points
1	Company Profile	5
2	Key Personnel	20
3	Relevant Project Experience	20
4	Project Methodology	20
5	Cost Control	15
6	M/WBE Participation	10
7	Section 3 Participation	10
	TOTAL POINTS	100

On March 25, 2021, HHA's Procurement Department opened five (5) sealed proposals in response to "QBS 21-22" that was subsequently scored by an Evaluation Committee consisting of:

Obed Diaz-Lopez, Director, REID Jay Mason, Manager of Construction Services, REID Luis Montes de Oca, Construction Coordinator, REID

Table 1 contains the initial average scores as determined by the Evaluation Committee.

Table 1

Rank	Firm/Company	M/WBE	Evaluation Rating
1	Brave Architects	MBE	87
2	Gensler	N/A	87
3	Kirksey Architects, Inc.	N/A	86
4	STOA International Architects, Inc. dba STOA Architects	MBE	75
5	TLC Engineering, Inc.	MBE	62

The Evaluation Committee determined that the top three (3) Firms should be on a "shortlist."

The Evaluation Committee re-assessed/interviewed the top three (3) Firms, and Table 2 shows their final average revised scores:

Rank	Firm/Company	M/WBE	Evaluation Rating
1	Kirksey Architects, Inc.	N/A	90
2	Brave Architects	MBE	84
3	Gensler	N/A	79
4	STOA International Architects, Inc. dba STOA Architects	MBE	75
5	TLC Engineering, Inc.	MBE	62

Table 2

Kirksey Architects, Inc. has agreed to:

- Utilize MBE Subcontractors: Martinez Moore Engineering (Civil); Martinez Moore Engineering (Structural); and the Gunda Corporation.
- Utilize WBE Subcontractors: One World Strategy Group LLC; Halford Busby, LLC; and E & C Engineers.
- Make a cash contribution to the Self-Sufficiency Compliance Fund to support economic selfsufficiency opportunities and/or job training opportunities.

There are no conflicts of interest, and Kirksey Architects, Inc. is not on the HUD Debarment List.

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to a contract with Kirksey Architects, Inc. to perform Site Planning Services at 800 Middle (800 Middle St, Houston TX 77003) in an amount not to exceed \$1,000,000.00 in the aggregate during a three (3) year period pursuant to the memorandum from Cody Roskelley dated November 29, 2021, to Mark Thiele, Interim President & CEO.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or to take action to authorize the Interim President & CEO or designee to conditionally award Project Based Vouchers to 800 Middle.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to conditionally award ninety-five (95) Project-Based Vouchers to 800 Middle located at 800 Middle Houston, TX 77003 pursuant to the memorandum from Robin Walls, Vice President of HCVP dated December 7, 2021, 2021 to Mark Thiele, Interim President & CEO.

4.	Department Head App	roval Sigr	nature	Date:
5.	Statement regarding a	vailability of	funds by VP of Fiscal Operations	
	Funds Budgeted and Av	vailable	Yes No Source	
	VP of FO Approval	Signature _		Date:
6.	Approval of President	& CEO	DocuSigned by: Mark Thiele 6072D2C8367A4C7	12/9/2021
		Signature _		Date:



MEMORANDUM

TO:MARK THIELE, INTERIM PRESIDENT & CEOFROM:ROBIN WALLS, VICE PRESIDENT OF HCVPSUBJECT:CONSIDERATION AND/OR TO TAKE ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR
DESIGNEE TO CONDITIONALLY AWARD PROJECT BASED VOUCHERS TO 800 MIDDLEDATE:DECEMBER 7, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to conditionally award ninety-five (95) Project-Based Vouchers to 800 Middle.

BACKGROUND:

HUD authorizes HHA to administer a Project-Based Voucher (PBV) program as a part of its Housing Choice Voucher Program. The HHA Board of Commissioners created the PBV program on June 21, 2011, in accordance with Resolution No. 2524, *HCV Administrative Plan Attachment – Project-Based Voucher (PBV) Program Plan.* HHA may use up to twenty (20) percent of its total authorized number of vouchers for project-based voucher assistance. This is known as "project-basing," which are otherwise tenant-based vouchers. Agencies may use an additional 10% of their authorized vouchers for project-basing under certain circumstances.

HHA may determine that circumstances exist where it is advantageous to project-based vouchers rather than tenant-basing the same subsidy. PBVs allow the property owners to leverage the voucher subsidy, which can be valuable to the HHA in achieving certain goals. Employed appropriately, PBVs can encourage new construction, rehabilitation, or acquisition of existing properties; promote voucher utilization; expand housing choices; serve special populations; increase supportive housing options and deconcentrate poverty.

Pursuant to HUD PIH Notice 2017-21, PHAs may attach PBVs to projects in which the PHA has an ownership interest or has control of, without following a competitive process, in cases where the PHA is engaged in an initiative to improve, develop, or replace a public housing property or site. The proposed PBV units at 800 Middle qualify for non-competitive selection under this provision as HHA has an ownership interest in the development and the new PBV units will serve as replacement housing for Clayton Homes.

PROJECT INFORMATION:

800 Middle will be a Class-A, new construction, affordable apartment community. Located at 800 Middle Street in Houston's Second Ward, the first phase of the development will provide approximately 400 units for working families, seniors, and children with bedroom sizes ranging from one bedroom to four bedrooms. All units in the first phase will be affordable, including 305 units that will serve households

with incomes less than 60% of the Area Median Income (AMI) and 95 units to be assisted with Section 8 Project-Based Vouchers (PBVs) that will target households with incomes at or below 30% of AMI.

The development is a public-private partnership between HHA and the NRP Group— a vertically integrated developer, owner, builder, and manager of best-in-class multifamily housing. NRP has built over 20,000 units and 40+ affordable properties throughout Texas alone.

Community amenities will include a pool, fitness center, business center, and children's activity room, amongst others. In-unit features will include granite countertops, walk-in closets, fully equipped kitchens, vinyl-plank flooring, and energy-efficient fixtures and appliances. Additional services will be provided at no cost to residents, such as financial literacy, afterschool programs, and health and wellness screenings, to name a few.

Due to the demolition of Clayton Homes public housing for the I-45 project, the City of Houston has made 800 Middle a priority as it will give residents the opportunity to stay in their neighborhood while also dramatically improving housing quality. The surrounding and adjacent neighborhoods are currently experiencing a resurgence, with major new public and private investments, including planned new market-rate housing and many other amenities. As such, the development of this site presents an opportunity to ensure the long-term affordability of high-quality rental units that will help replace units lost to disposition at Clayton Homes in an area that is experiencing significant revitalization and is on the verge of gentrification. HUD's Fair Housing and Equal Opportunity division has reviewed and approved the site's compliance with applicable HUD Site and Neighborhood standards. The City of Houston has completed a Part 58 environmental review of the site. Completion of a subsidy layering review by HUD will be required prior to HHA entering into an Agreement to Enter into a PBV HAP Contract.

FUNDING:

Project Sources	
Tax Exempt Bonds	\$48,000,000
Housing Tax Credit Equity	\$36,224,925

\$7,406,880

Construction costs for 800 Middle will be financed primarily with tax-exempt private activity bonds, low-income housing tax credits, and deferred developer fees.

• References have been checked and returned positive. There are no conflicts of interest, and 800 Middle is not on the HUD Debarment List.

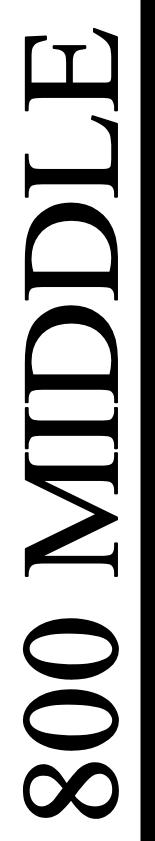
RECOMMENDATION

Deferred Developer Fee

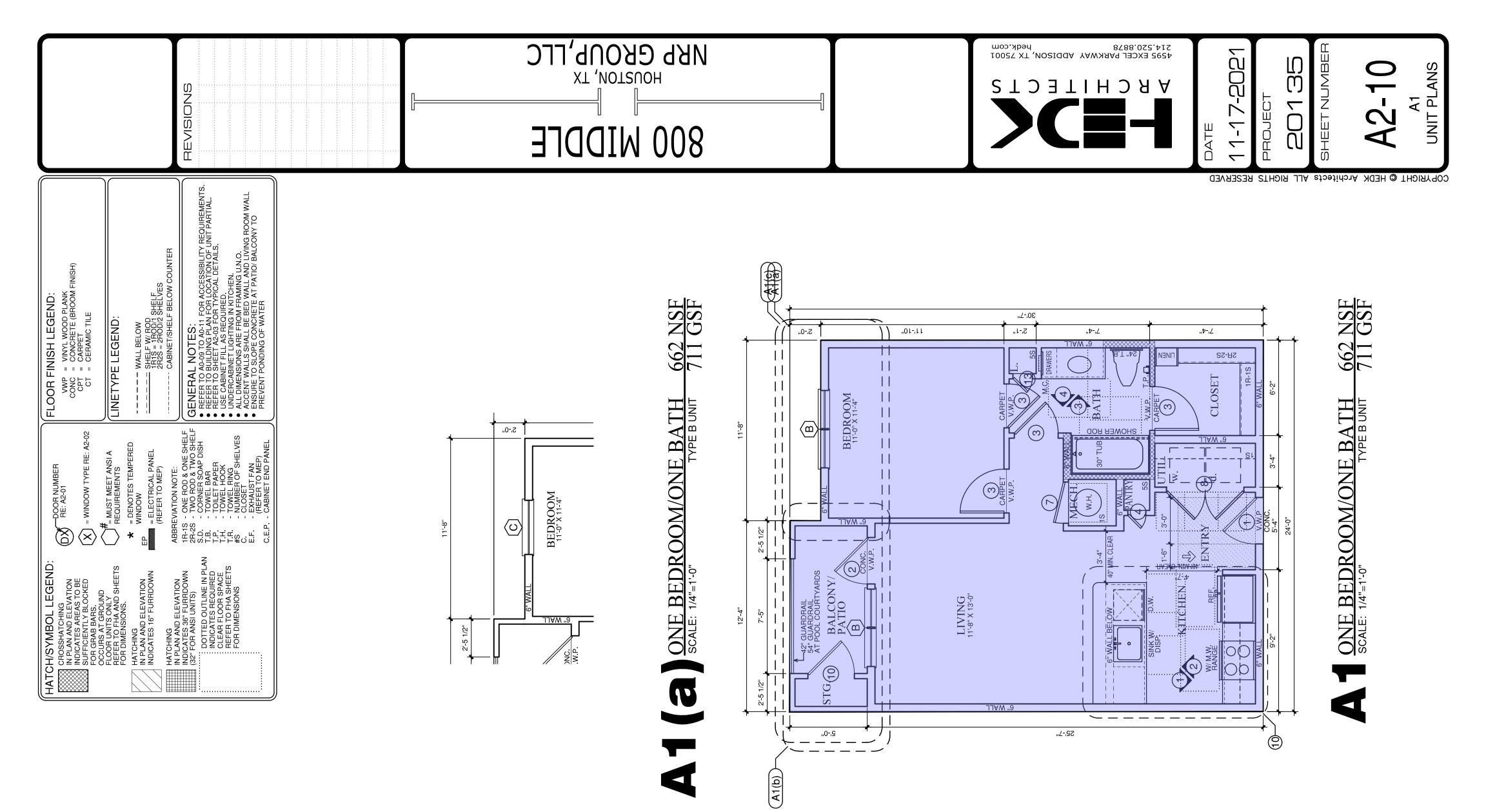
Accordingly, I recommend that the Board considers this resolution, which states:

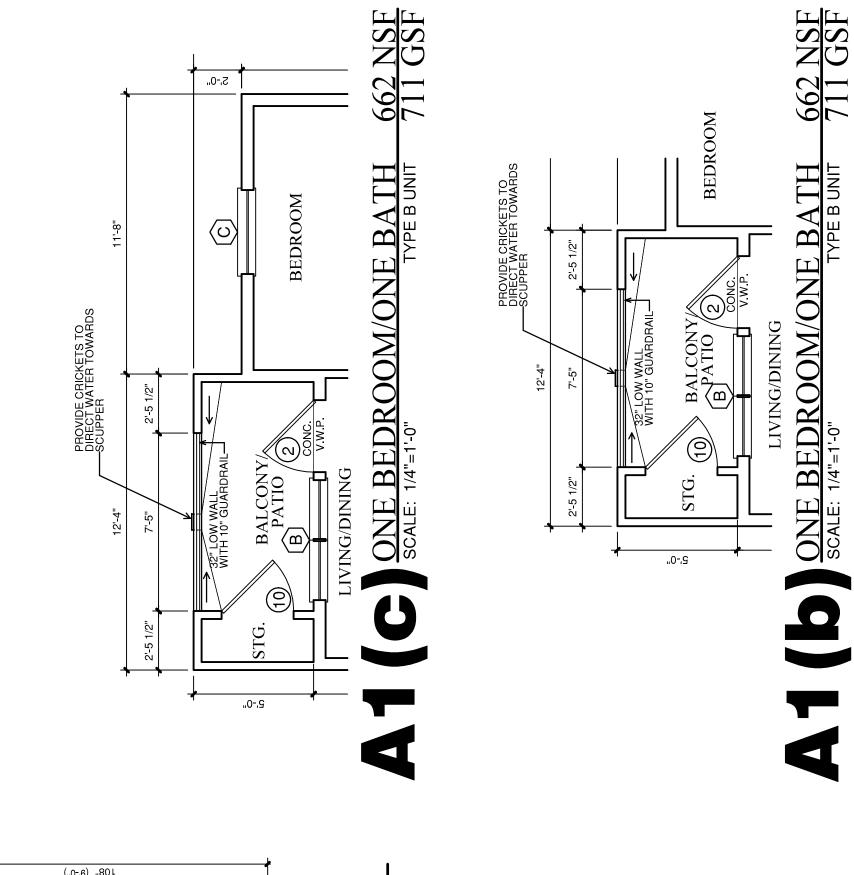
Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to conditionally award ninety-five (95) Project-Based Vouchers to 800 Middle located at 800 Middle Houston, TX 77003 pursuant to the memorandum from Robin Walls, Vice President of HCVP dated December 7, 2021, 2021 to Mark Thiele, Interim President & CEO.

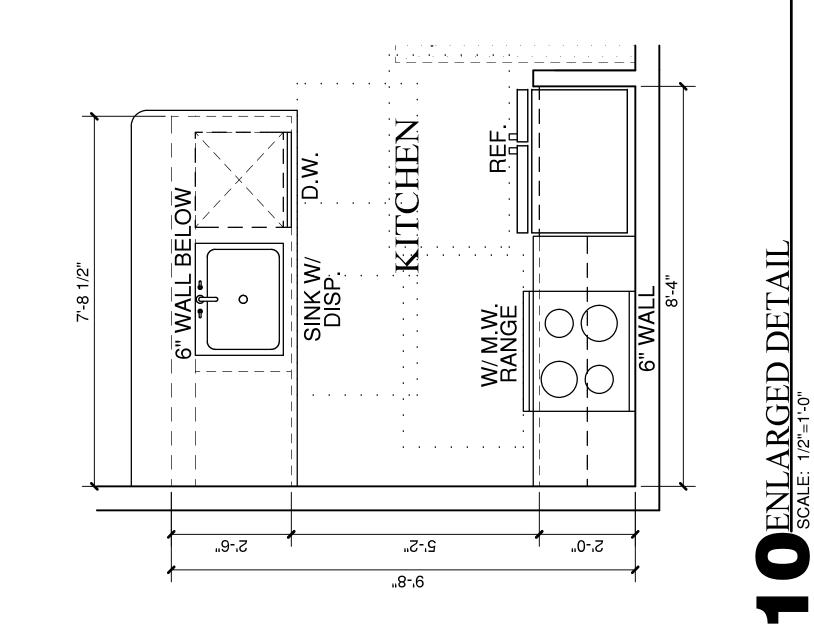


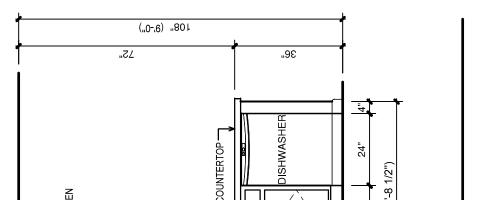


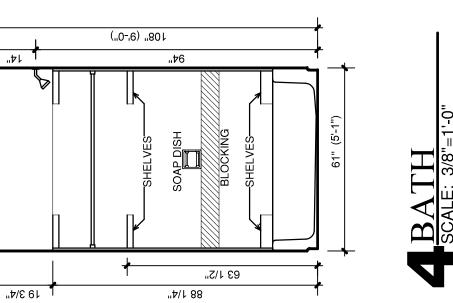
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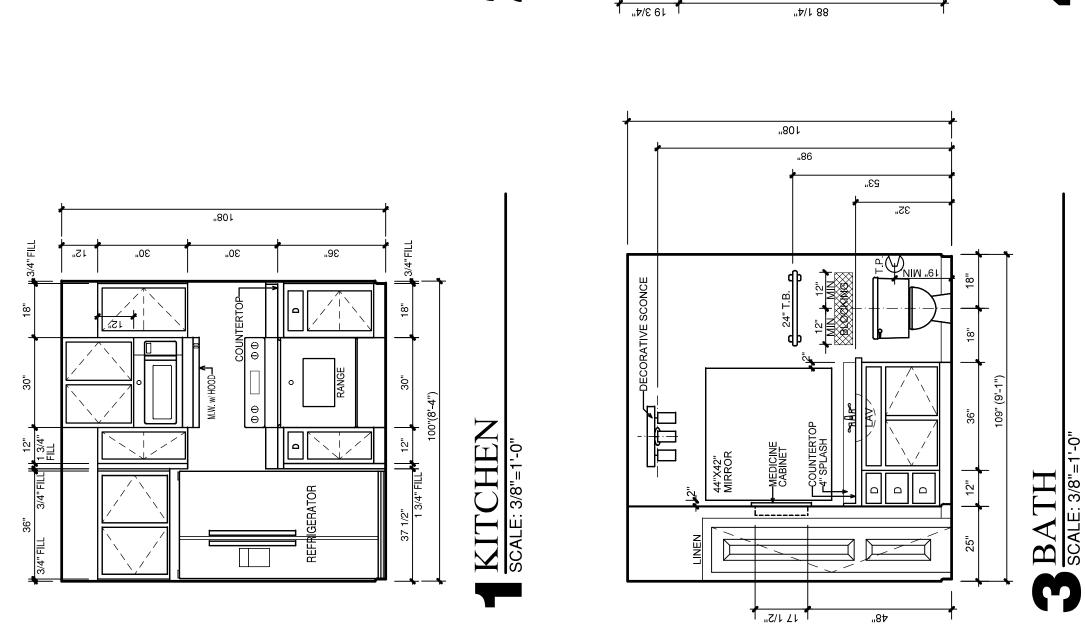


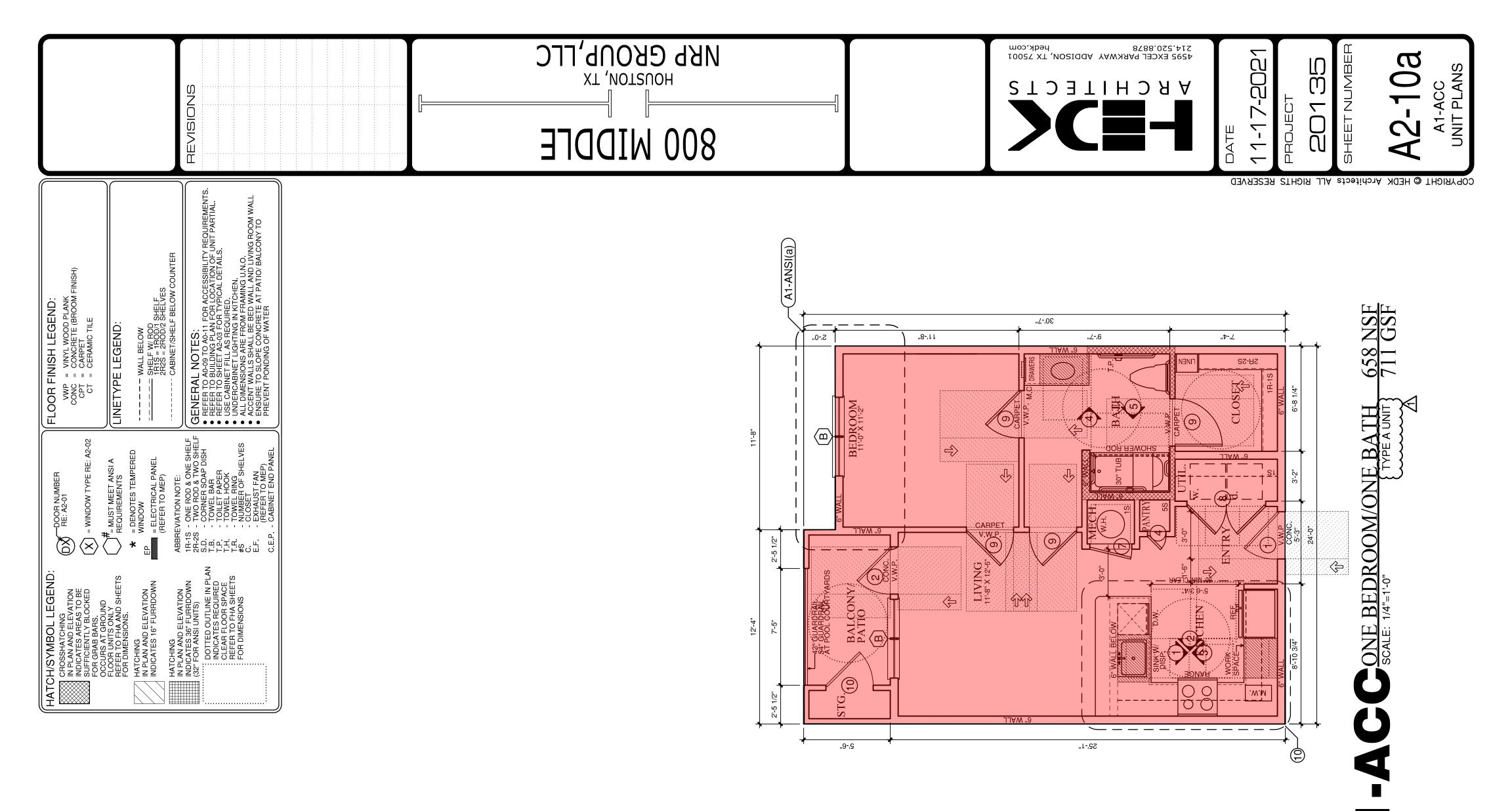


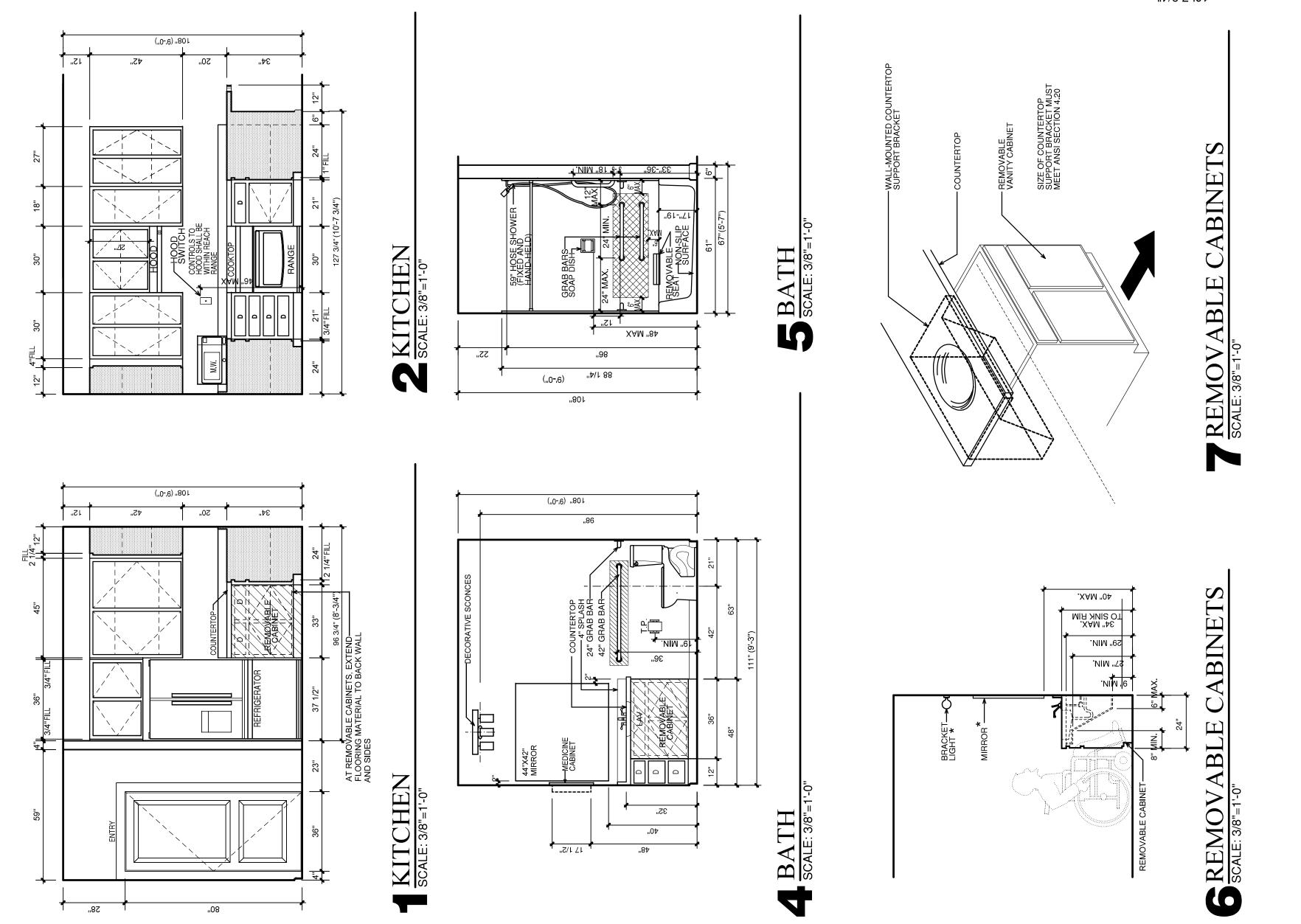


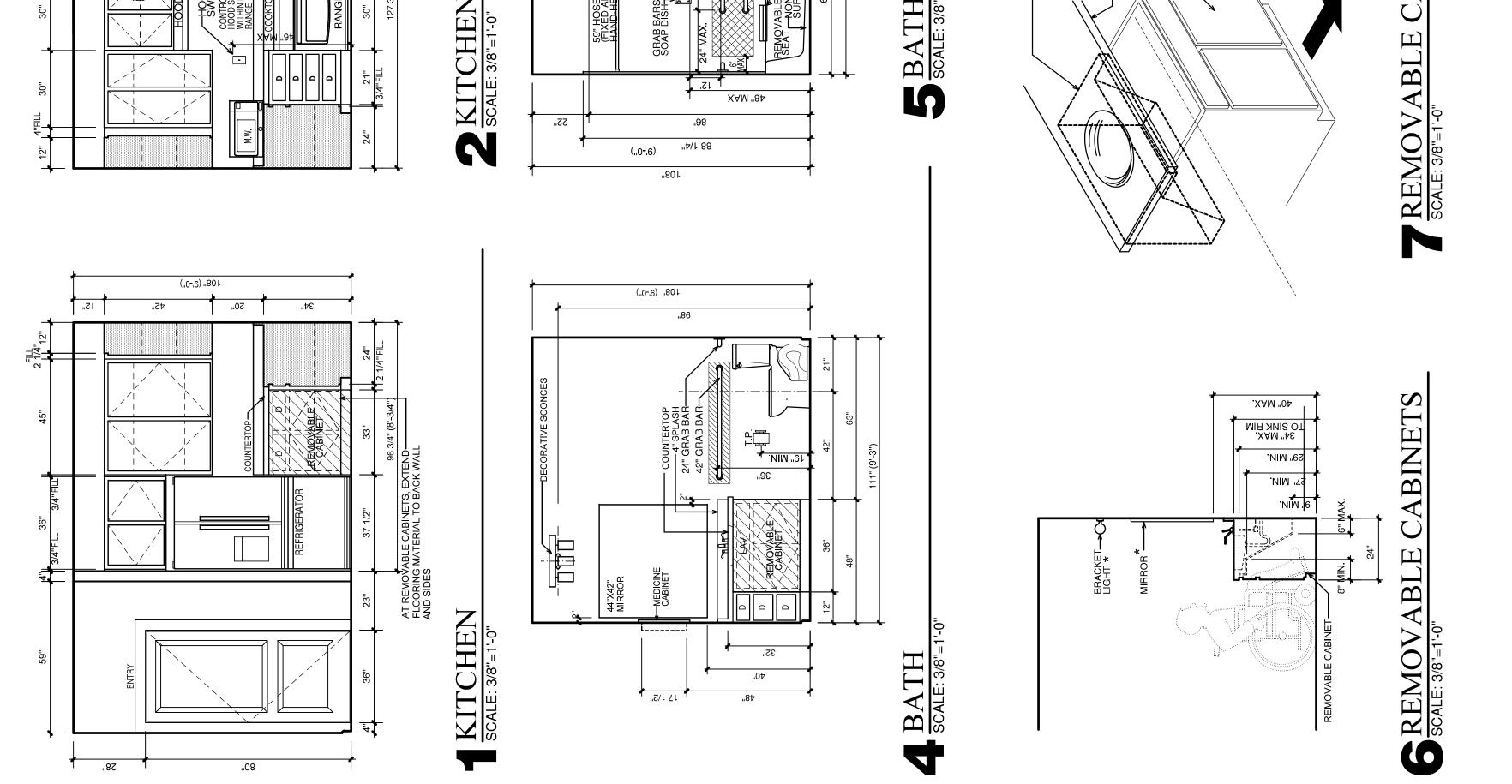


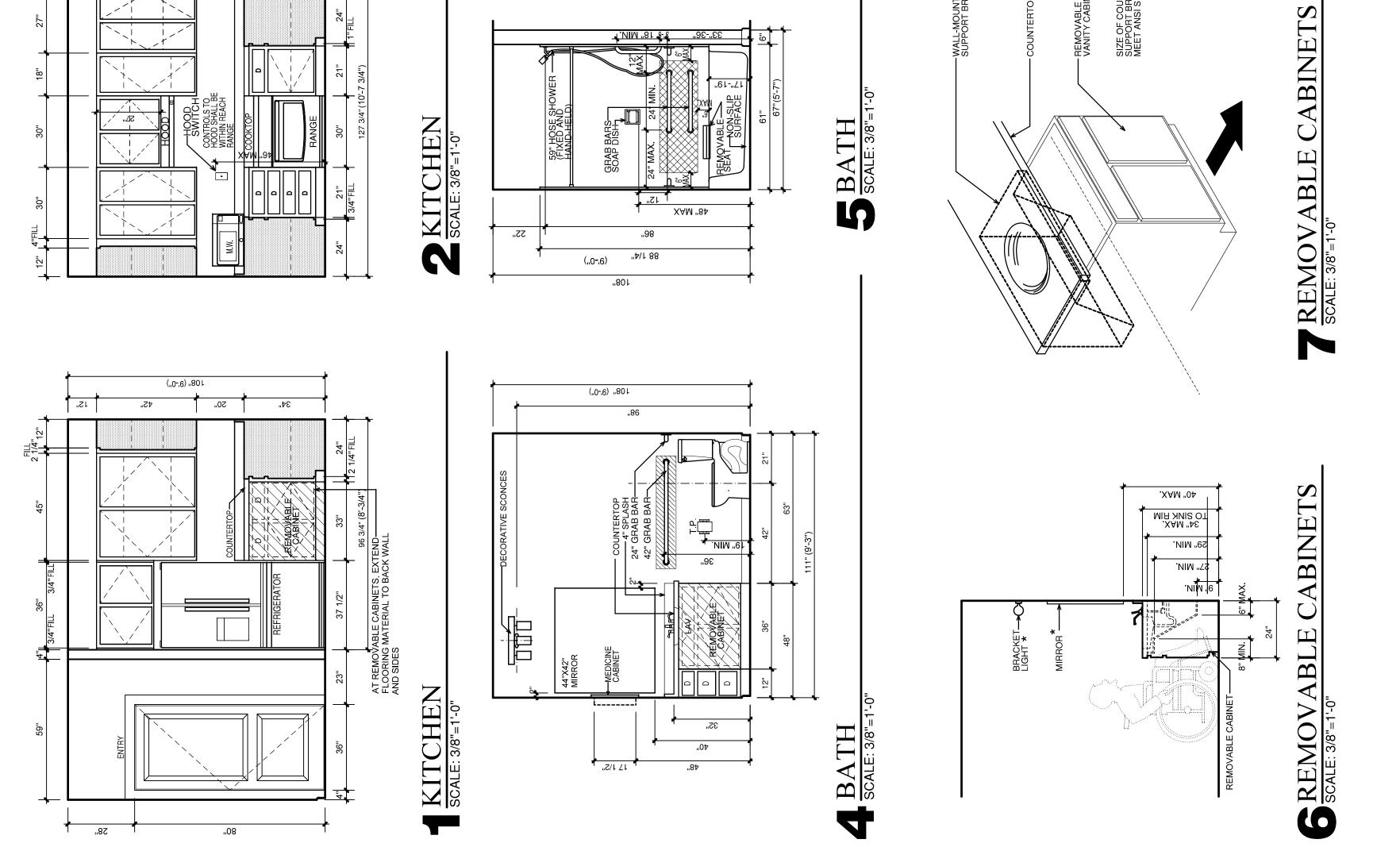
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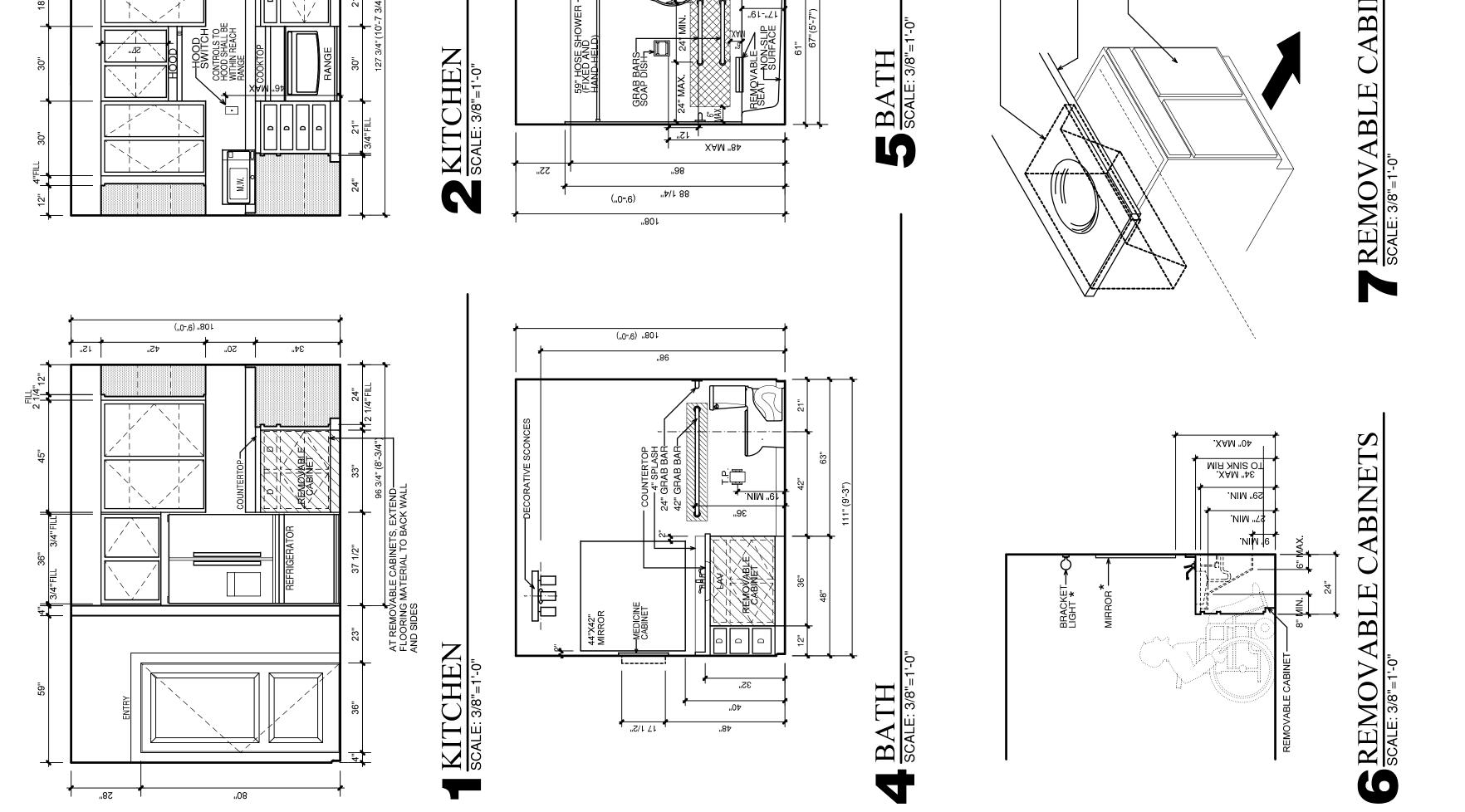


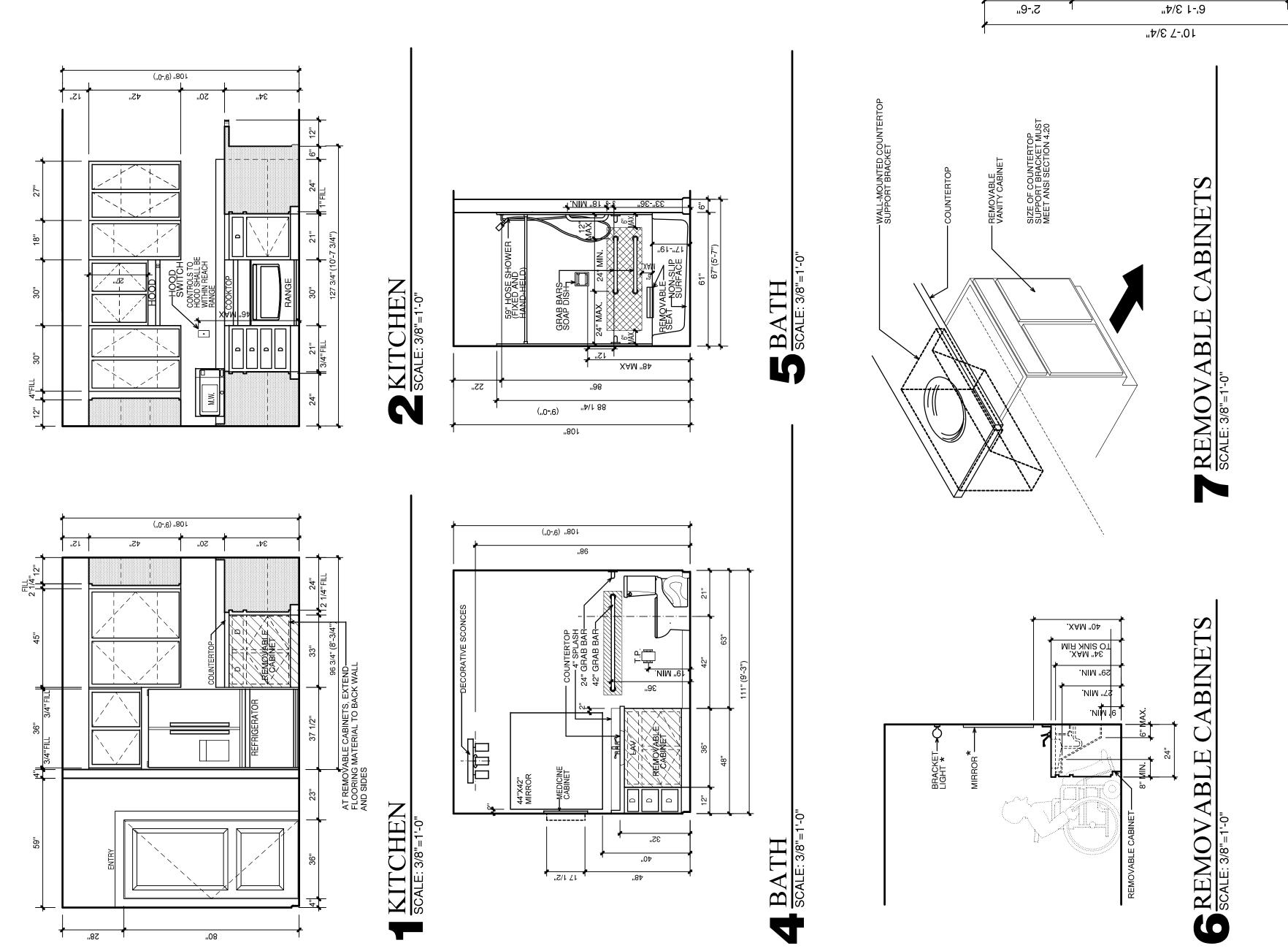


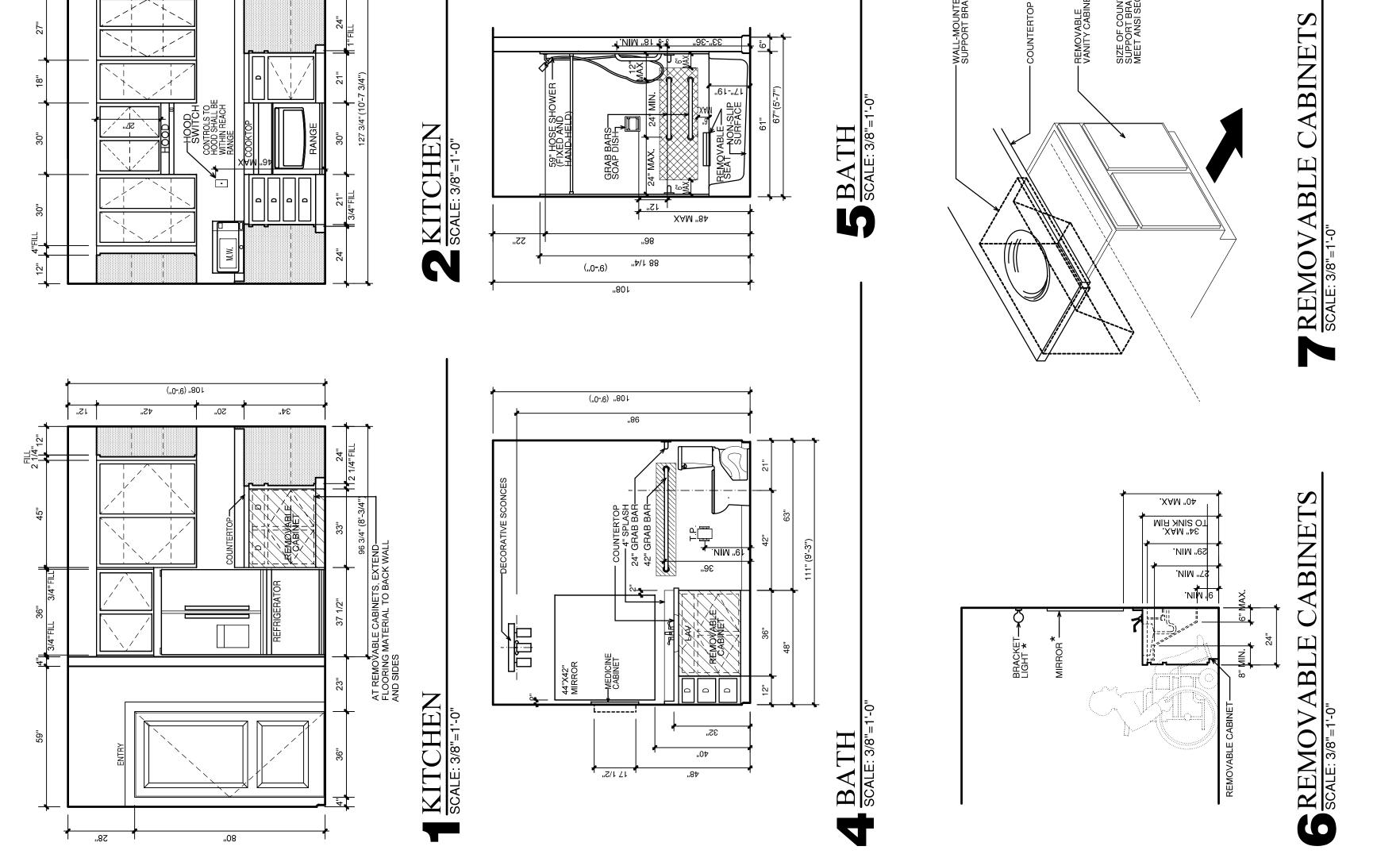














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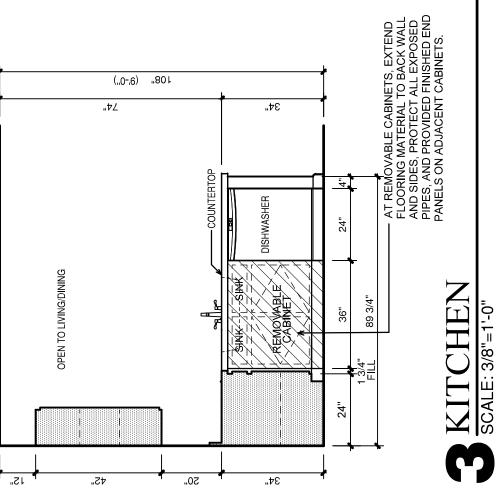
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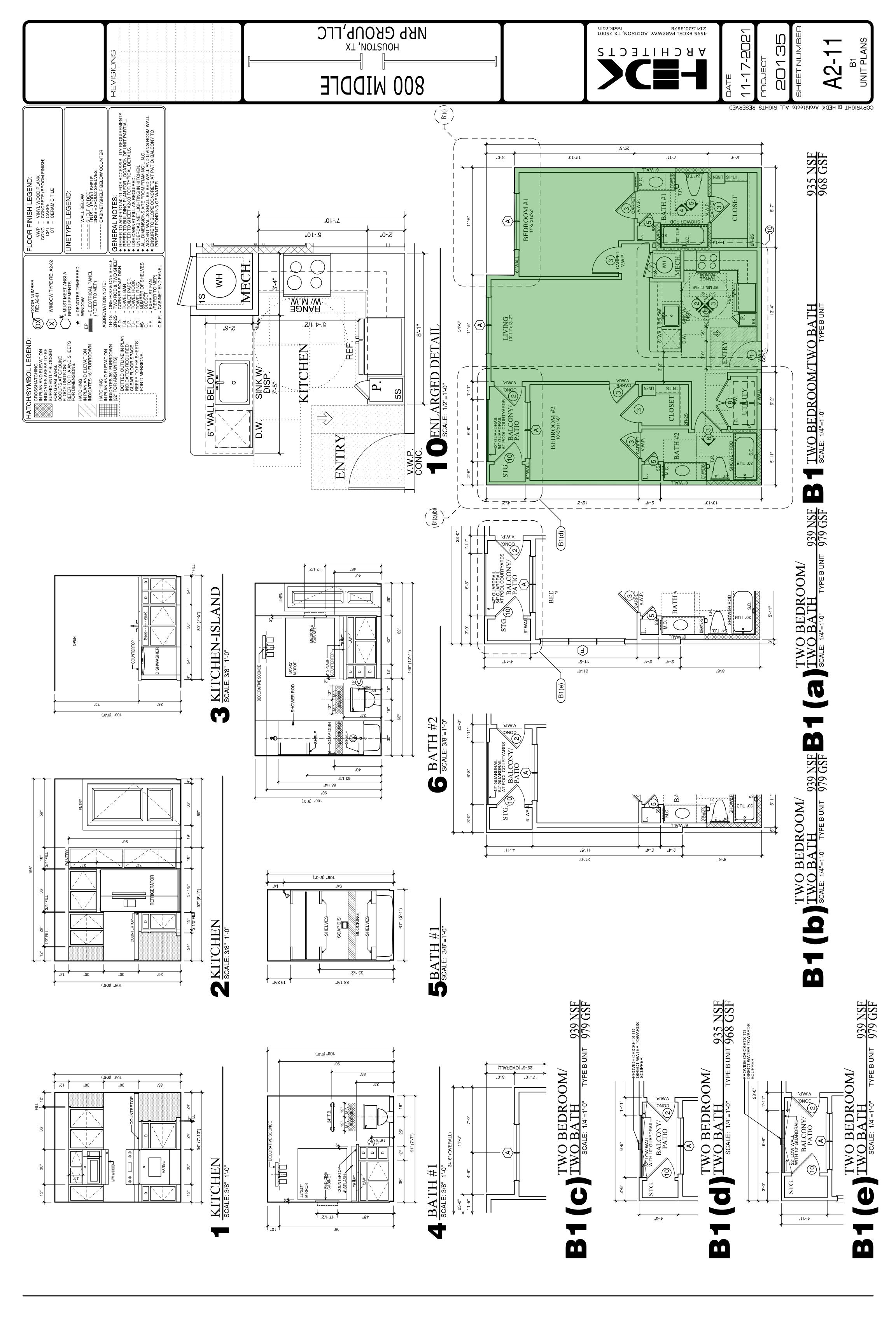
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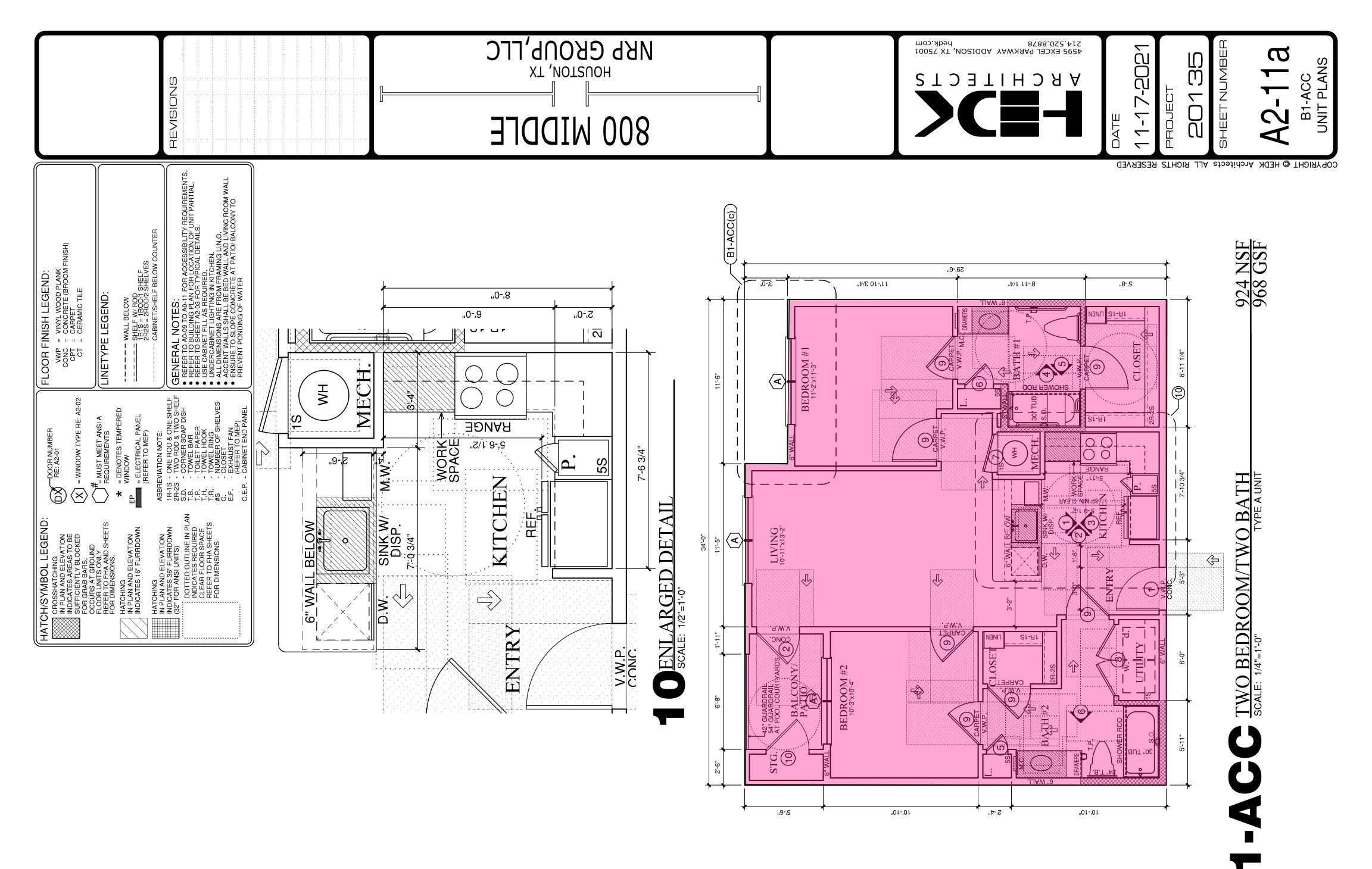
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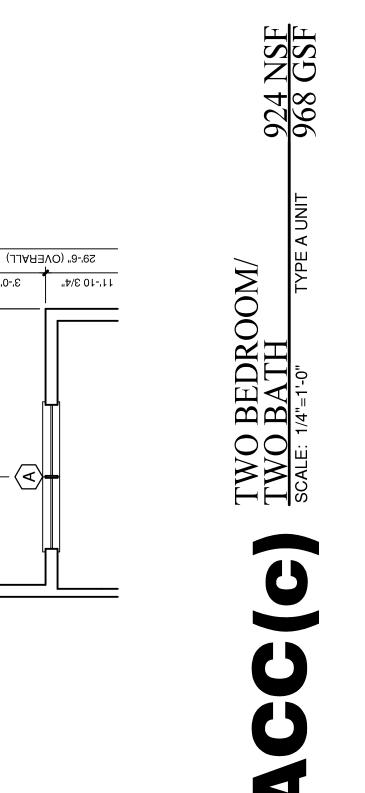
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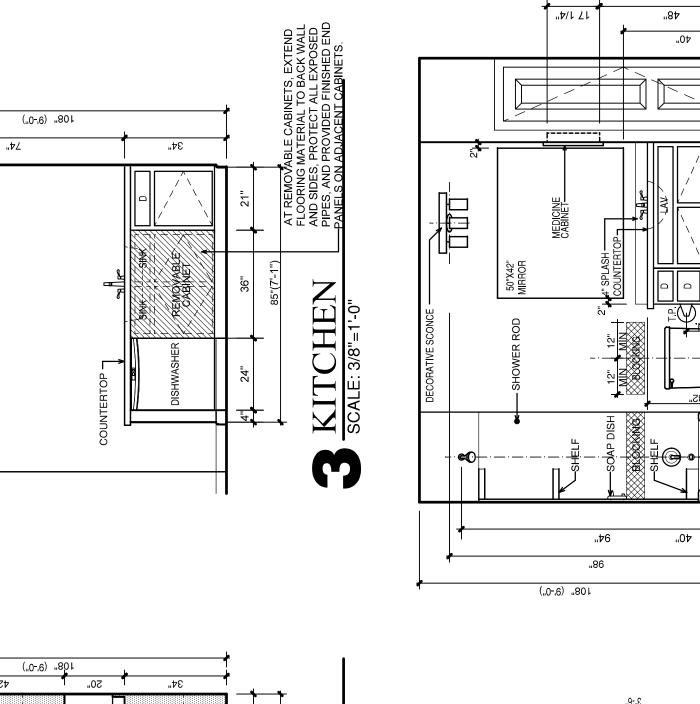




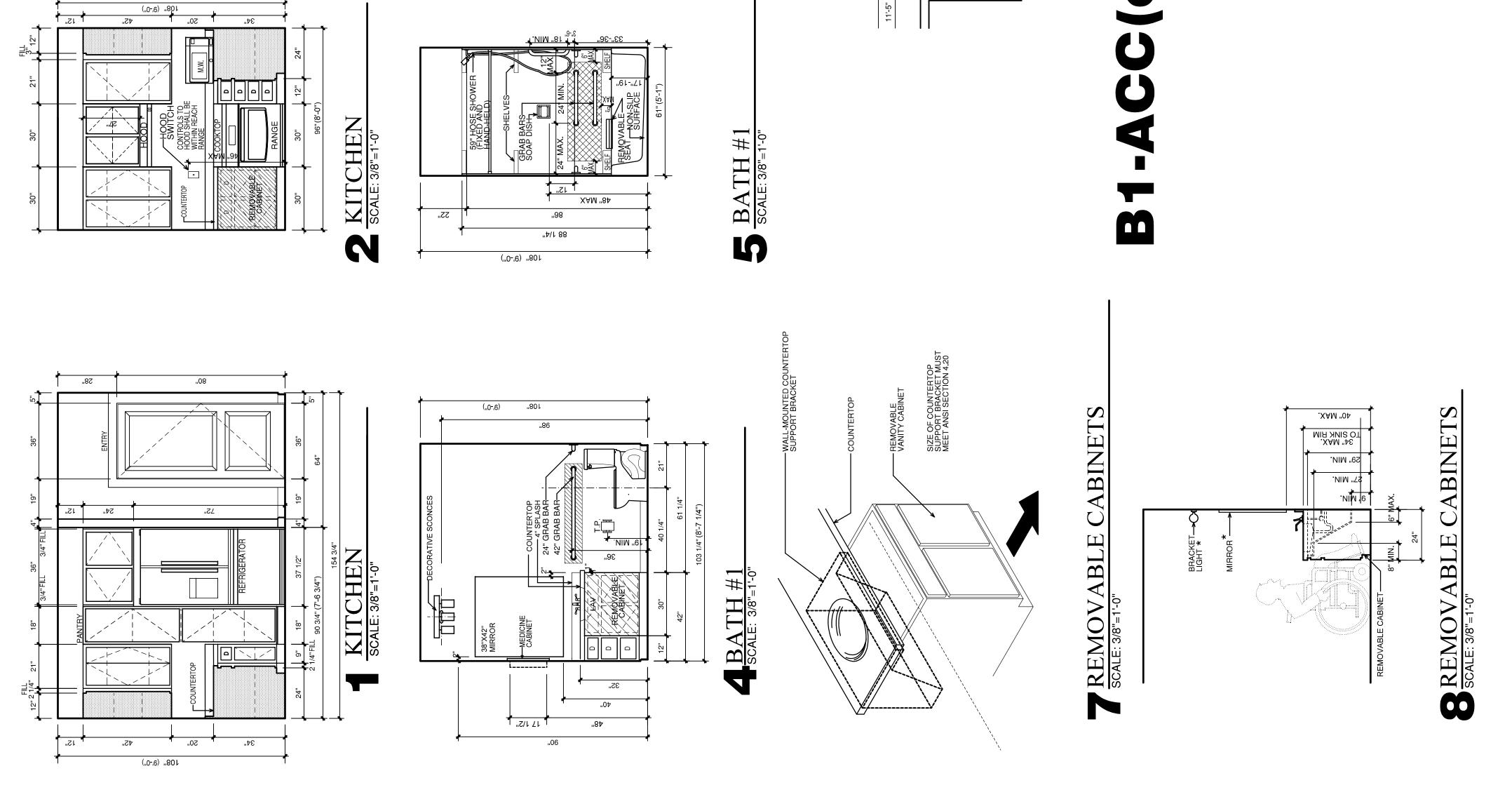
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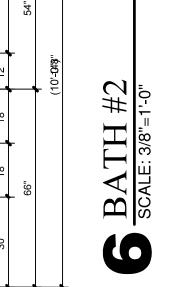
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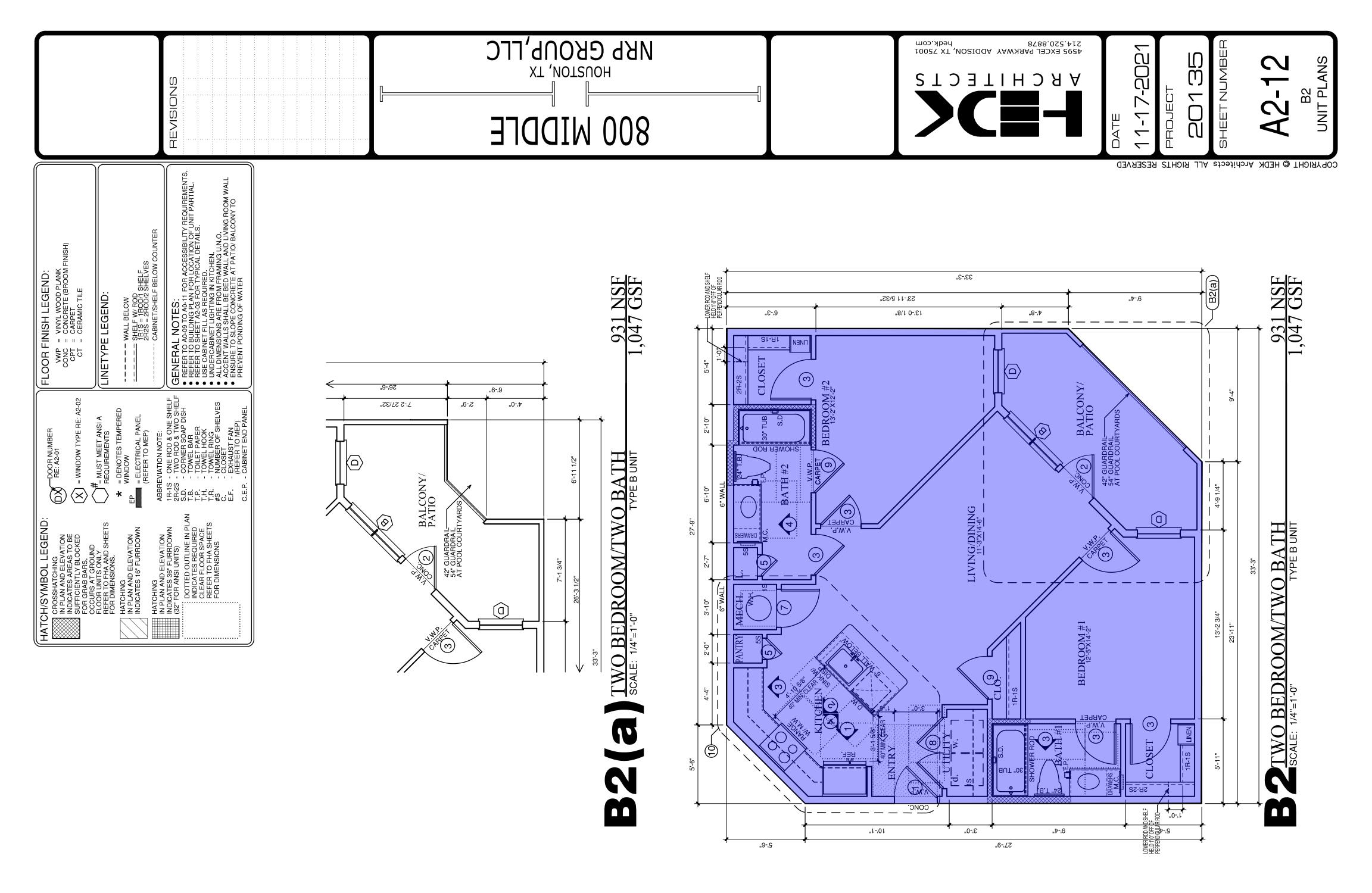


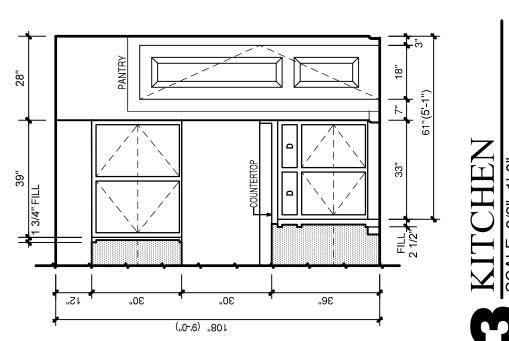
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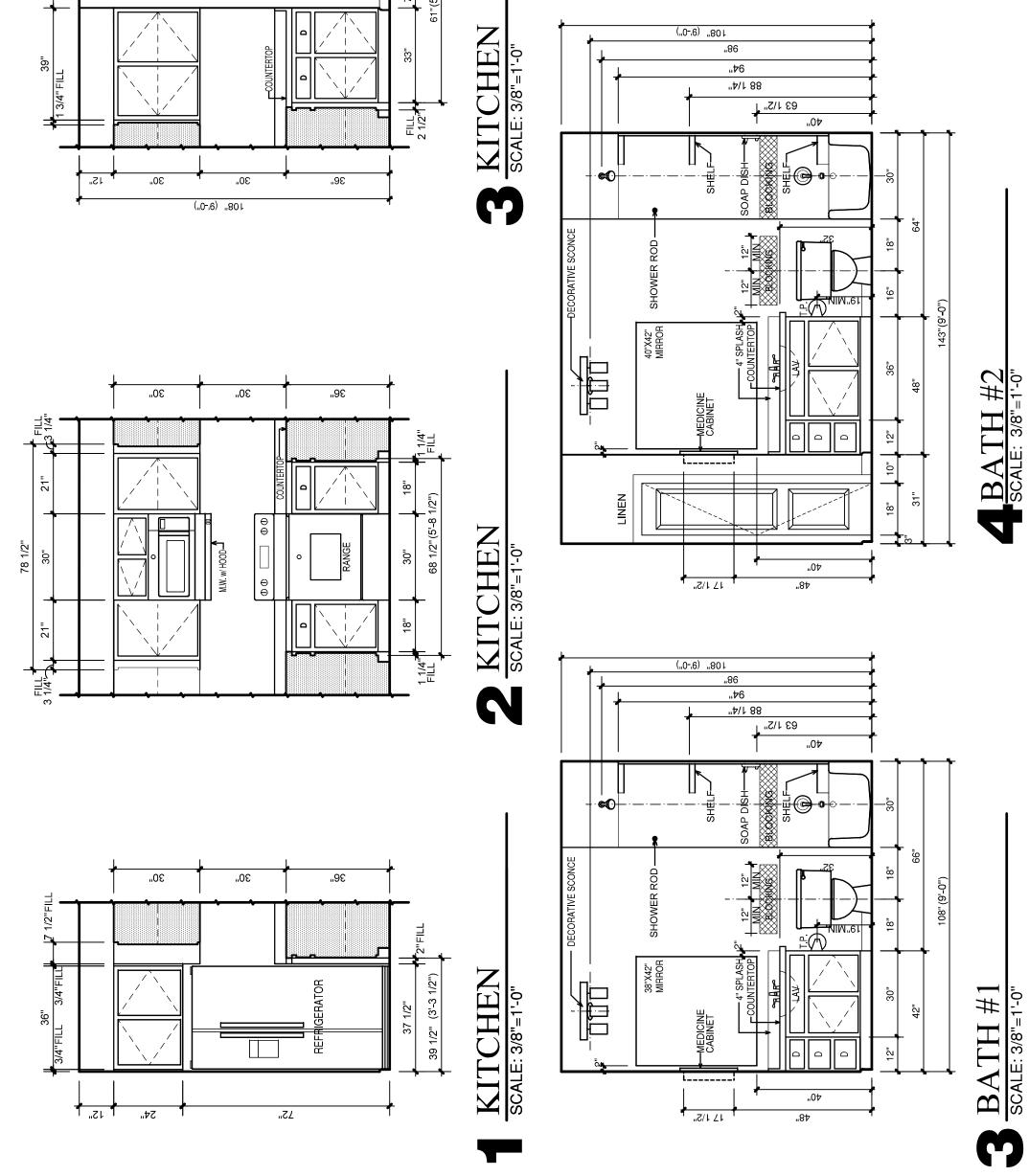


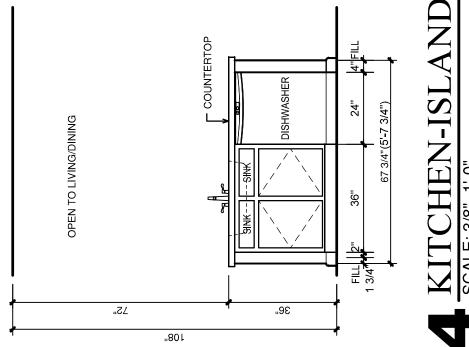


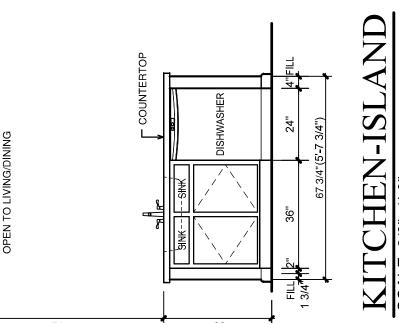


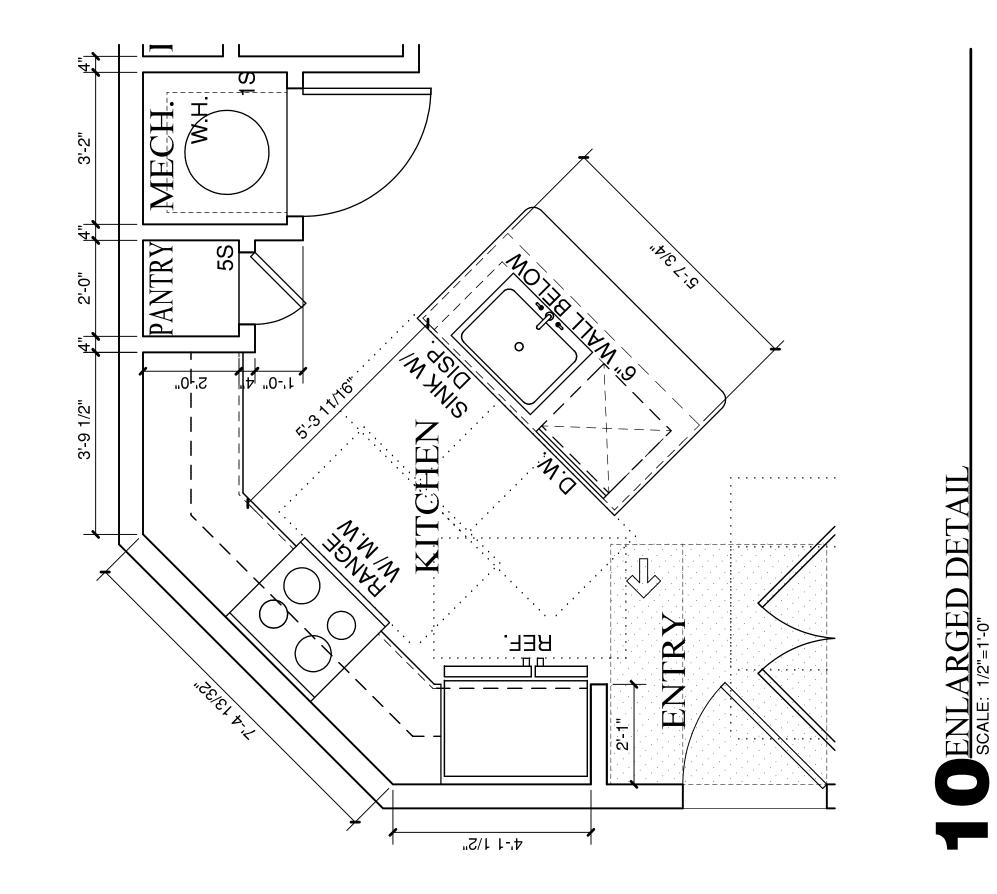


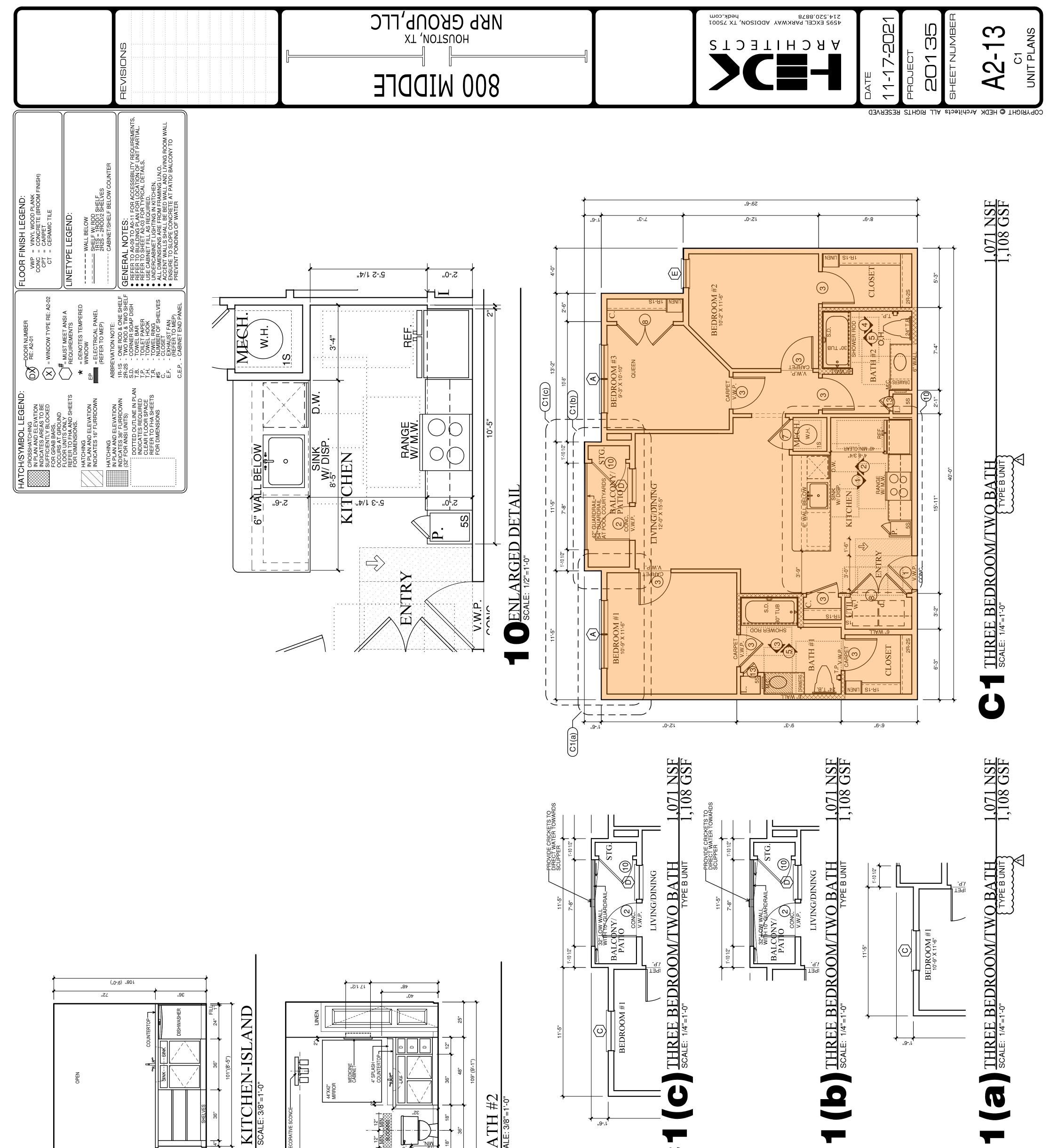


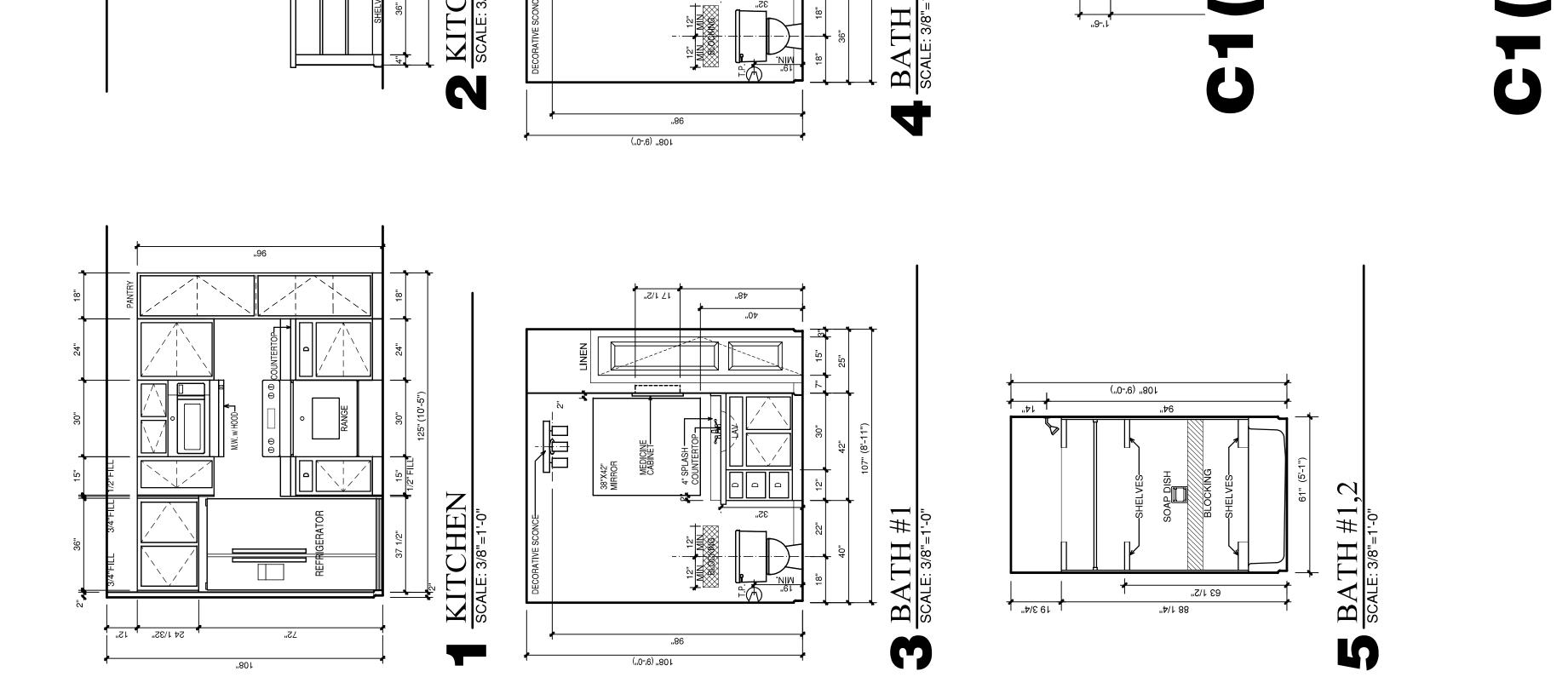




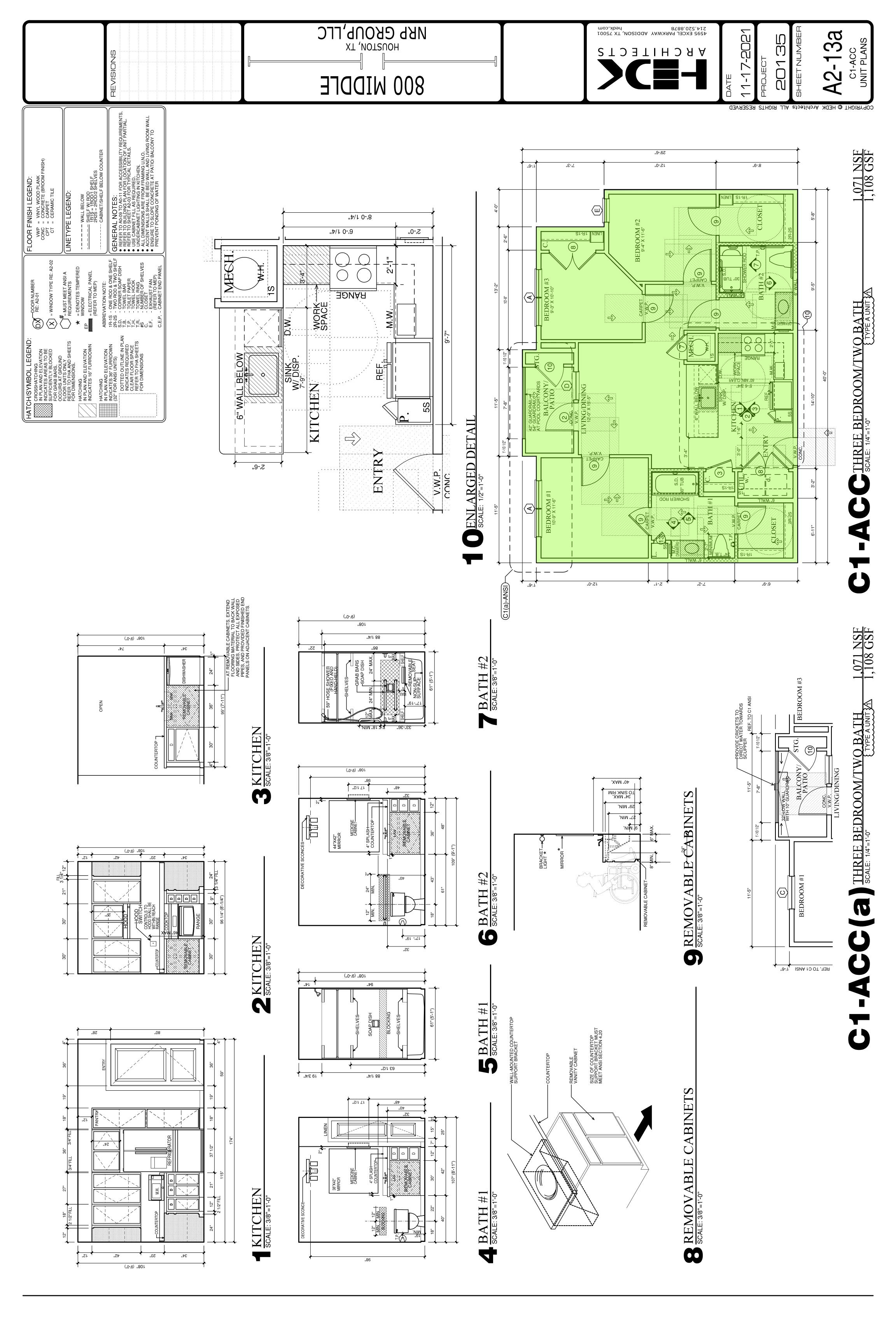


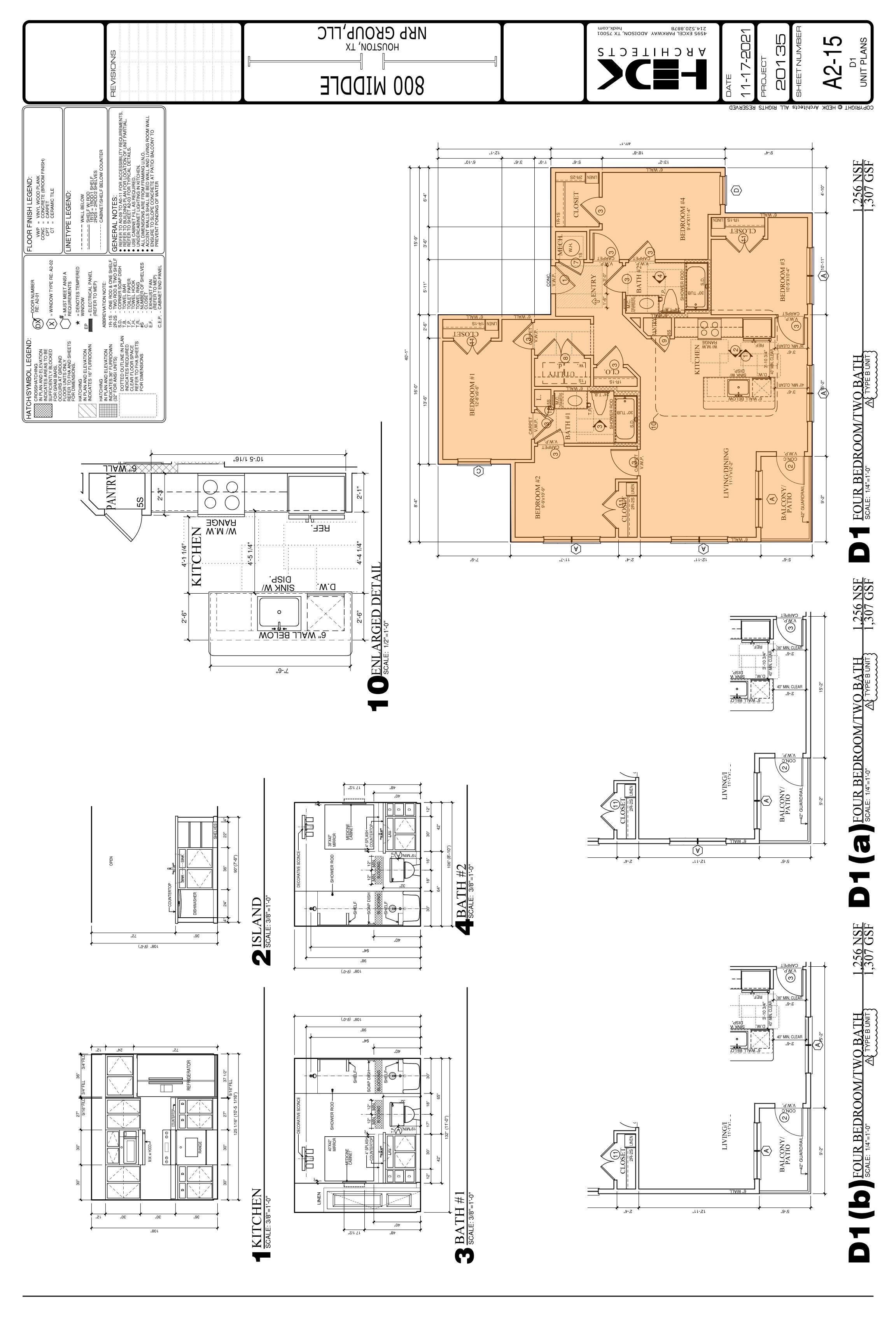


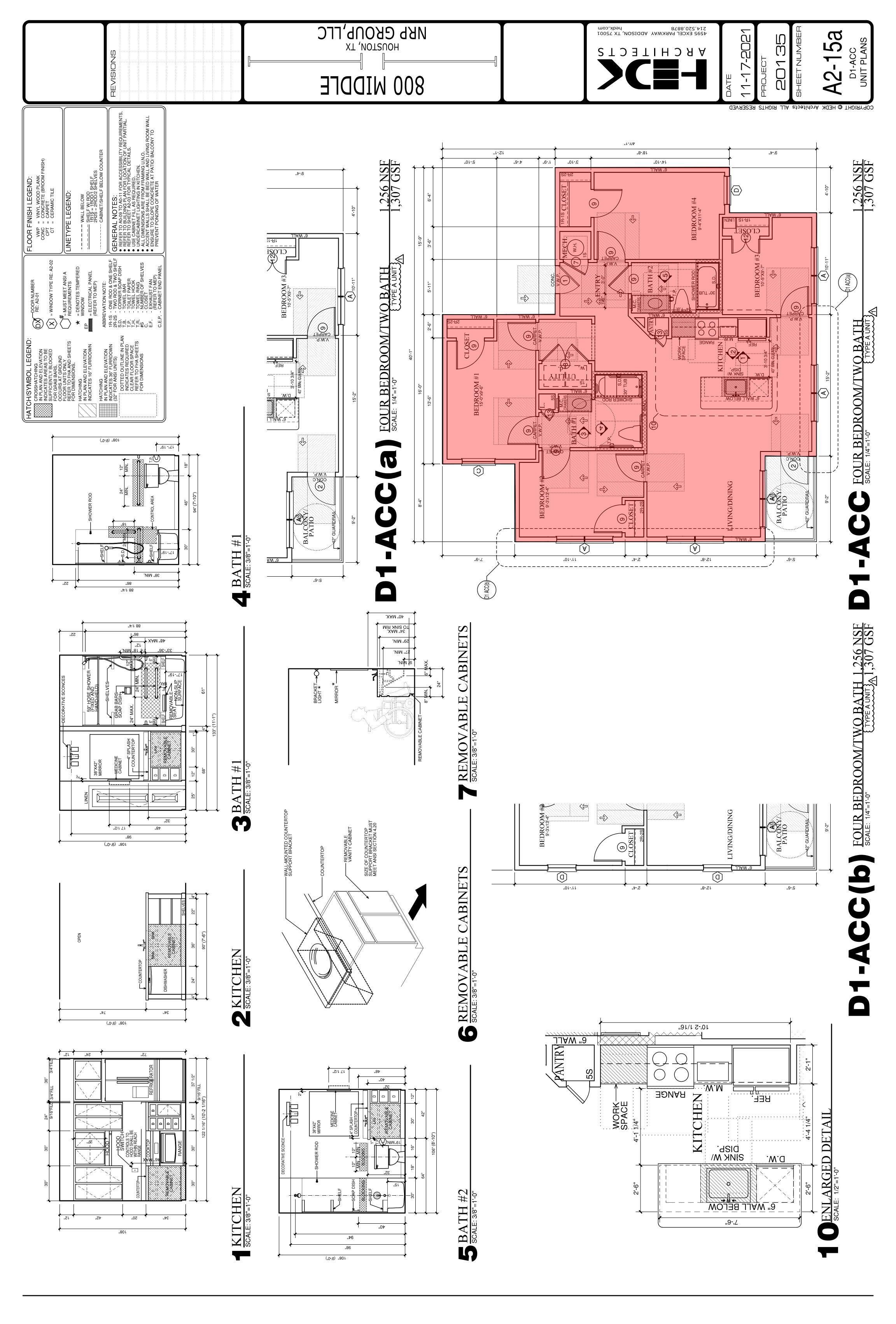




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REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to execute contracts with Terrain Solutions, Atlas Technical Consultants, Environmental & Construction Services, Inc. ("ERC"), and InControl Technologies to perform Environmental Services at HHA's Properties.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to contracts with Terrain Solutions, Atlas Technical Consultants, Environmental & Construction Services, Inc. ("ERC"), and InControl Technologies to perform Environmental Services at HHA's Properties in an amount not to exceed \$4,000,000.00 in the aggregate for three (3) years pursuant to the memorandum from Cody Roskelley dated November 29, 2021, to Mark Thiele, Interim President & CEO.

4.	Department Head App	oroval S	Signature	[lodi	Signed by: <u> </u>		Date: <u>12/10/202</u> 1
5.	Statement regarding a	vailability	of funds by V	/P of Fis	cal Operations		
	Funds Budgeted and Av	vailable	Yes	No	Source		
	VP of FO Approval	Signature	e			_ Date: _	
6.	Approval of President	& CEO		M	DocuSigned by: Lank Huille		12/10/2021
		Signature	e		6072D2C8367A4C7	_ Date: _	



Transforming Lives & Communities

MEMORANDUM

TO: MARK THIELE, INTERIM PRESIDENT & CEO

FROM: CODY ROSKELLEY, VICE PRESIDENT REID

SUBJECT:CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO TO EXECUTE
CONTRACTS WITH TERRAIN SOLUTIONS, ATLAS TECHNICAL CONSULTANTS, ENVIRONMENTAL &
CONSTRUCTION SERVICES, INC. ("ERC"), AND INCONTROL TECHNOLOGIES TO PERFORM
ENVIRONMENTAL SERVICES AT HHA'S PROPERTIESDATE:NOVEMBER 29, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to contracts with Terrain Solutions, Atlas Technical Consultants, Environmental & Construction Services, Inc. ("ERC"), and InControl Technologies to perform Environmental Services at HHA's Properties to perform Environmental Services at HHA's properties in an amount not to exceed \$4,000,000 in the aggregate during a three (3) year period.

BACKGROUND:

HHA is conducting environmental assessments and response efforts for all properties in the agency's portfolio. This effort will include environmental testing, environmental scope writing, and monitoring for new construction and rehabilitation developments.

A Scope of Work ("SOW") and Independent Cost Estimate ("ICE") was developed by the REID Department and submitted to HHA's Procurement Department.

In October of 2021, HHA's Procurement Department developed Qualification Based Solicitation QBS 21-44 Environmental Engineering Services ("QBS 21-44").

ADVERTISEMENT

A legal notice advertising "QBS 21-44" was posted in the Houston Chronicle and Forward Times Newspapers and in the Houston Business Journal.

In addition to posting "QBS 21-44" on the website of HHA's Procurement Department, e-mails announcing "QBS 21-44" were sent to potential bidders on HHA's Bidder's List and qualified firms registered in the City of Houston's vendor directory database.

The City of Houston's Office of Business Opportunity ("OBO") and the Houston Minority Supplier Development Council ("HMSDC") also notified potential minority vendors of "QBS 21-44".

Additionally, interested parties were also able to access "QBS 21-44" by going to the websites of the City of Houston Office of Business Opportunity ("OBO"); the Greater Houston Black Chamber of Commerce ("GHBCC"); the Houston Minority Supplier Development Council ("HMSDC"); the Houston Chapter of the National Association of Minority Contractors ("NAMC"); and to the Houston Office of the United States Small Business Administration ("SBA").

EVALUATION PROCESS

All responses to "QBS 21-44" received by the specified due date were scored based on the following published scoring criteria provided by REID:

Item	Criteria	Maximum Points
1	Firm's history and resources to perform the required services	20
2	Qualifications of assigned personnel	40
3	Demonstrated experience in providing Environmental Engineering Services	20
4	Understanding of HUD and TDHCA requirements, City, State, and Federal Codes, and regulations applicable to the work	15
5	Experience in Project Planning and Scheduling	15
6	Methodology / Approach and Sample Timelines	30
7	M/WBE Participation	5
8	Section 3 Participation	5
	Total Points	150

On November 17, 2021, HHA's Procurement Department opened twelve (12) sealed proposals in response to "QBS 21-44" that was subsequently scored by an Evaluation Committee consisting of:

Obed Diaz-Lopez, Director, REID Bill Bryant, Energy Manager, REID Jay Mason, Manager of Construction Services, REID Table 1 contains the average scores as determined by the Evaluation Committee:

Table 1

Rank	Firm/Company	M/WBE	Evaluation Rating
1	Terrain Solutions, Inc.	MBE	145
2	Atlas Technical Consultants	N/A	141
3	ERC Environmental & Construction Services, Inc. ("ERC")	N/A	138
4	InControl Technologies	WBE	137
5	TLC Engineering	MBE	136
6	Separation Systems Consultants, Inc.	WBE	136
7	Terracon Consultants, Inc.	N/A	134
8	Choice Consulting, LLC	N/A	134
9	Tetra Tech, Inc.	N/A	134
10	Environmental Consultants International, LLC	N/A	132
11	Professional Service Industries (PSI)	N/A	131
12	Wild Associates, LLC	WBE	124

Due to the amount of work required, the Evaluation Committee determined the top four (4) Firms should be on a "shortlist."

Per the HUD Procurement Handbook, the QBS method does not use price as an evaluation factor. The PHA requests technical qualifications statements from prospective firms and then ranks the statements according to their qualifications related to the project. The PHA then opens negotiations with the top-ranked firm to reach an agreement on a fair and reasonable price. If an agreement cannot be reached, the PHA terminates negotiations with this firm and proceeds to the next-highest rated firm until a price determined to be fair and reasonable to both parties is obtained. Once negotiations have been terminated with a firm, the PHA may not go back to that firm for additional negotiations – even if the next lower ranked respondent is higher in price.

Terrain Solutions

Has agreed to utilize Fern Environmental as an MBE Subcontractor, Inland Environmental as a WBE Subcontractor, and will make a cash contribution to the Self-Sufficiency Compliance Fund.

Atlas Technical Consultants

Has agreed to utilize TLC Engineering, Inc, and A & B Labs as MBE Subcontractors, Moody Labs, LLC, and Hollaway Environmental as WBE Subcontractors, and will make a cash contribution to the Self-Sufficiency Compliance Fund.

ERC Environmental & Construction Services, Inc. ("ERC")

Has agreed to utilize E-Lab Consultants and A&B Labs as MBE Subcontractors, Terra Nova as a WBE Subcontractor, and will make a cash contribution to the Self-Sufficiency Compliance Fund.

There are no conflicts of interest, and all three Firms are not on the HUD Debarment List.

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to contracts with Terrain Solutions, Atlas Technical Consultants, Environmental & Construction Services, Inc. ("ERC"), and InControl Technologies to perform Environmental Services at HHA's Properties in an amount not to exceed \$4,000,000.00 in the aggregate for three (3) years pursuant to the memorandum from Cody Roskelley dated November 29, 2021, to Mark Thiele, Interim President & CEO.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Trammell Crow for the development of Allora Ventana Lakes, an apartment community that will be located at or about 0 Stockdick School Road, Katy, TX 77449.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Trammell Crow for the development of Allora Ventana Lakes, an apartment community that will be located at or about 0 Stockdick School Road, Katy, TX 77449 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.

DocuSigned by:

DocuSigned by:

4.	Department Head Approval	Signature(ody Koskelley -8FC143A291EE443	Date:12/10/2021
5.	Statement regarding availabi	lity of funds by VP of Fi	scal Operations	
	Funds Budgeted and Available	e Yes No	Source	
	VP of FO Approval Signa	ture	Date	2:

6. Approval of President & CEO

Signature _

Mark Thill -6072D2C8367A4C7...

12/10/2021 _ Date: _____

HOUSING AUTHORITY

Transforming Lives & Communities

MEMORANDUM

TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	CODY ROSKELLEY, VP REID
SUBJECT:	CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH TRAMMELL CROW FOR THE DEVELOPMENT OF ALLORA VENTANA LAKES, AN APARTMENT COMMUNITY THAT WILL BE LOCATED AT OR ABOUT 0 STOCKDICK SCHOOL BOAD, KATX TX 77440
DATE:	STOCKDICK SCHOOL ROAD, KATY, TX 77449. DECEMBER 2, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Trammell Crow for the development of Allora Ventana Lakes, an apartment community located at or about 0 Stockdick School Road, Katy, TX 77449.

BACKGROUND:

The Houston market area has a substantial shortage of affordable housing units. Recent Census data indicates that over 400,000 households in Houston qualify for housing assistance at 80% of the Area Median Income (AMI). In Houston, 155,582 families are currently living in poverty. Over 200,000 families in Houston pay greater than 30% of their income for housing. The existing housing stock only provides affordable opportunities for 76,725 families in Houston. This sheds light on the need for affordable housing for all families at all income ranges below 80% of AMI.

The Houston Housing Authority wishes to increase the number of affordable housing units available for qualified residents within its jurisdiction. To facilitate this, Qualification Based Solicitation (QBS 21-41) was issued on August 24, 2021.

The goal of QBS 21-41 is to solicit acquisition, rehabilitation, or construction opportunities involving affordable housing.

PROPOSED PARTNER & DEVELOPMENT:

Trammell Crow Residential (TCR) is a pioneer of U.S. multifamily real estate and has developed more apartments than any other firm. Over 40 years, we have built more than 250,000 premier multifamily residences, creating vibrant and amenity-rich communities that our residents are proud to call home. TCR has 12 offices across the United States, which provide an on-the-ground presence, deep network, and an understanding of local market dynamics. Allora communities feature clubhouses, swimming pools, fitness

centers, large living spaces, and quality finishes. Strategically located in suburban and urban markets with high population and job growth, these lifestyle-focused residences are conveniently located near employment, transportation, schools, retail, and entertainment.

Allora Ventana Lakes is a proposed 378-unit Class A, garden-style multifamily development located just west of the Grand Parkway along Peek Road in Katy, Texas. The community will include 252 one-bedroom units and 126 two-bedroom units.

AFFORDABLE UNITS:

19.84% (75 units) will be @ 60% AMI, 30.95% (117 units) will be @ 80% AMI, and 49.21% (186 units) will be at Market rates.

	60% AMI	80% AMI	Market	Totals
1 Bedroom	50	78	124	252
2 Bedrooms	25	39	62	126
Totals	75	117	186	378
Percentages	19.84%	30.95%	49.21%	100.00%

EVALUATION PROCESS:

The Evaluation Committee for QBS 21-41 consisted of Cody Roskelley, Vice President of REID, Mike Rogers, Vice President of Finance, and David Cukierman, Consultant.

The solicitation was advertised in the Houston Chronicle, The Forward Times, and <u>www.housingforhouston.com</u> on August 24, 2021. In response, the Houston Housing Authority received thirty-six deals/responses.

SCORING:

The scoring criteria for potential deals were changed in 2020 in order to help potential partners understand the number of different ways to improve an affordable deal. The terms of QBS 21-41 called for the evaluation committee to evaluate each submittal and recommend higher-scoring proposals.

The scoring criteria and results are listed below:

Criteria	Max Points	Allora Ventana Lakes
Location	10	4
Depth of Affordability	10	8
Schools	10	6.99
\$ on the Front End	10	6
\$ During Operations	10	8
Reasonable Developer	10	5
Term of Affordability	5	5
Flood Plain	5	5
\$/Land on the Backend	5	3
Preservation	5	0
HHA Resources	5	5
M/WBE Participation	5	5
Unit Mix	2.5	0
Mix with Market Units	2.5	2.5
Bonus Points	5	0
Total Points	100	63.49

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Trammell Crow for the development of Allora Ventana Lakes, an apartment community that will be located at or about 0 Stockdick School Road, Katy, TX 77449 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with DevCo Preservation LLC for the development of Park Humble, an apartment community that will be located at or about 9390 FM 1960, Humble, TX 77338.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with DevCo Preservation LLC for the development of Park Humble, an apartment community that will be located at or about 9390 FM 1960, Humble, TX 77338 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.

4.	Department Head App	roval	Signature _	(DocuSigned by: <u>SAY KOSKULY</u> 8FC143A291EE443		Date: 12/10/2021
5.	Statement regarding a	vailabilit	y of funds	by VP of Fis	cal Operation	5	
	Funds Budgeted and Av	vailable	Yes	No No	Source		
	VP of FO Approval	Signatu	re			Date: _	
6.	Approval of President	& CEO			-Docusigned by: Mark Huill		12/10/2021
		Signatu	re		-6072D2C8367A4C7	Date:	

HOUSING AUTHORITY

Transforming Lives & Communities

MEMORANDUM

MARK THIELE, INTERIM PRESIDENT & CEO
 CODY ROSKELLEY, VICE PRESIDENT OF REID
 SUBJECT: CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH DEVCO PRESERVATION LLC FOR THE DEVELOPMENT OF PARK HUMBLE, AN APARTMENT COMMUNITY THAT WILL BE LOCATED AT OR ABOUT 9390 FM 1960 HUMBLE, TX 77338.
 DATE: DECEMBER 2, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with DevCo Preservation LLC for the development of Park Humble, an apartment community located at or about 9390 FM 1960, Humble, TX 77338.

BACKGROUND:

The Houston market area has a substantial shortage of affordable housing units. Recent Census data indicates that over 400,000 households in Houston qualify for housing assistance at 80% of the Area Median Income (AMI). In Houston, 155,582 families are currently living in poverty. Over 200,000 families in Houston pay greater than 30% of their income for housing. The existing housing stock only provides affordable opportunities for 76,725 families in Houston. This sheds light on the need for affordable housing for all families at all income ranges below 80% of AMI.

The Houston Housing Authority wishes to increase the number of affordable housing units available for qualified residents within its jurisdiction. To facilitate this, Qualification Based Solicitation (QBS 21-41) was issued on August 24, 2021.

QBS 21-41 aims to solicit acquisition, rehabilitation, or construction opportunities involving affordable housing.

PROPOSED PARTNER & DEVELOPMENT:

DevCo Preservation LLC was formed in 2020 by Jack Hunden, David Ratliff, and Michael Volz. DevCo Preservation aims to acquire and rehabilitate existing multi-family properties in national markets by entering existing assets into the Section 42 Low Income Housing Tax Credit program and syndicating existing affordable properties.

The project is a 216-unit Section 42 low-income housing community built in 2005. The property is a suburban townhome-style community consisting of 18 2-story buildings, as well as a community center. The project exteriors incorporate a combination of Hardiplank and panel & brick siding, with hip & gable roofs with composite shingles.

AFFORDABLE UNITS:

100% of the Units will be at 60% AMI.

	60% AMI	80% AMI	Market	Totals
1 Bedroom	32			32
2 Bedrooms	112			112
3 Bedrooms	72			72
Totals	216			216
Percentages	100.00%	0.00%	0.00%	100.00%

EVALUATION PROCESS:

The Evaluation Committee for QBS 21-41 consisted of Cody Roskelley, Vice President of REID, Mike Rogers, Vice President of Finance, and David Cukierman, Consultant.

The solicitation was advertised in the Houston Chronicle, The Forward Times, and <u>www.housingforhouston.com</u> on August 24, 2021. In response, the Houston Housing Authority received thirty-six deals / responses.

SCORING:

The scoring criteria for potential deals were changed in 2020 in order to help potential partners understand the number of different ways to improve an affordable deal. The terms of QBS 21-41 called for the evaluation committee to evaluate each submittal and recommend higher-scoring proposals.

The scoring criteria and results are listed below:

Criteria	Max Points	Park Humble
Location	10	4
Depth of Affordability	10	10
Schools	10	3.99
\$ on the Front End	10	10
\$ During Operations	10	4
Reasonable Developer	10	2
Term of Affordability	5	5
Flood Plain	5	5
\$/Land on the Backend	5	3.5
Preservation	5	5

HHA Resources	5	5
M/WBE Participation	5	5
Unit Mix	2.5	2.5
Mix with Market Units	2.5	0
Bonus Points	5	2
Total Points	100	66.99

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with DevCo Preservation LLC for the development of Park Humble, an apartment community that will be located at or about 9390 FM 1960, Humble, TX 77338 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Greystar for the development of Perry Road, an apartment community that will be located at or about 13611 Perry Road, Houston, TX 77070.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Greystar for the development of Perry Road, an apartment community that will be located at or about 13611 Perry Road, Houston, TX 77070 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.

			DocuSigned by:		
4.	Department Head Appr	oval Signature	Cody Koskelley BFC143A291EE443		Date: 12/10/2021
5.	Statement regarding av				
	Funds Budgeted and Ava	ailable Yes	No Source		
	VP of FO Approval	Signature		Date:	
6.	Approval of President 8	k CEO	Docusigned by: Mark Thiele		12/10/2021
		Signature	6072D2C8367A4C7	_ Date: _	

HOUSING AUTHORITY

Transforming Lives & Communities

MEMORANDUM

TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	CODY ROSKELLEY, VICE PRESIDENT OF REID
SUBJECT:	CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO
	EXECUTE A MEMORANDUM OF UNDERSTANDING WITH GREYSTAR FOR THE DEVELOPMENT OF PERRY
	ROAD, AN APARTMENT COMMUNITY THAT WILL BE LOCATED AT OR ABOUT 13611 PERRY ROAD,
	HOUSTON, TX 77070.
DATE:	DECEMBER 2, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Greystar for the development of Perry Road, an apartment community located at or about 13611 Perry Road, Houston, TX 77070.

BACKGROUND:

The Houston market area has a substantial shortage of affordable housing units. Recent Census data indicates that over 400,000 households in Houston qualify for housing assistance at 80% of the Area Median Income (AMI). In Houston, 155,582 families are currently living in poverty. Over 200,000 families in Houston pay greater than 30% of their income for housing. The existing housing stock only provides affordable opportunities for 76,725 families in Houston. This sheds light on the need for affordable housing for all families at all income ranges below 80% of AMI.

The Houston Housing Authority wishes to increase the number of affordable housing units available for qualified residents within its jurisdiction. To facilitate this, Qualification Based Solicitation (QBS 21-41) was issued on August 24, 2021.

The goal of QBS 21-41 is to solicit acquisition, rehabilitation, or construction opportunities involving affordable housing.

PROPOSED PARTNER & DEVELOPMENT:

Greystar Development Central is an affiliate of Greystar, a leading, fully integrated real estate company offering expertise in investment management, development, and management of rental housing properties globally. Headquartered in Charleston, South Carolina, Greystar manages and operates over an estimated \$200 billion+ of real estate in nearly 200 markets globally, including offices throughout the United States, United Kingdom, Europe, Latin America, and the Asia-Pacific region.

Greystar is the largest operator of apartments in the United States, managing approximately 713,000 units/beds, and has a robust institutional investment management platform with approximately \$37.2 billion of assets under management, including over \$16 billion of assets under development.

Greystar Houston Perry Road is a proposed 378-unit Class A, garden-style multifamily development to be constructed on a 14-acre site located at 13611 Perry Road, west of SH 249 in Northwest Harris County. The community will include 216 one-bedroom units and 162 two-bedroom units.

AFFORDABLE UNITS:

10.34% (39 units) will be @ 60% AMI, 39.68% (150 units) will be @ 80% AMI, and 50% (189 units) will be at Market rates.

	60% AMI	80% AMI	Market	Totals
1 Bedroom	22	86	108	216
2 Bedrooms	17	64	81	162
Totals	39	150	189	378
Percentages	10.32%	39.68%	50.00%	100.00%

EVALUATION PROCESS:

The Evaluation Committee for QBS 21-41 consisted of Cody Roskelley, Vice President of REID, Mike Rogers, Vice President of Finance, and David Cukierman, Consultant.

The solicitation was advertised in the Houston Chronicle, The Forward Times, and <u>www.housingforhouston.com</u> on August 24, 2021. In response, the Houston Housing Authority received thirty-six deals/responses.

SCORING:

The scoring criteria for potential deals were changed in 2020 to help potential partners understand the number of different ways to improve an affordable deal. The terms of QBS 21-41 called for the evaluation committee to evaluate each submittal and recommend higher-scoring proposals.

The scoring criteria and results are listed below:

Criteria	Max Points	Perry Road
Location	10	10
Depth of Affordability	10	7
Schools	10	8.99
\$ on the Front End	10	6
\$ During Operations	10	6
Reasonable Developer	10	4
Term of Affordability	5	5
Flood Plain	5	5
\$/Land on the Backend	5	4
Preservation	5	0
HHA Resources	5	5
M/WBE Participation	5	5
Unit Mix	2.5	0
Mix with Market Units	2.5	2.5
Bonus Points	5	0
Total Points	100	68.49

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Greystar for the development of Perry Road, an apartment community that will be located at or about 13611 Perry Road, Houston, TX 77070 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Invictus Development Group for the development of The Mod, an apartment community that will be located at or about 2801 Conti, Houston, TX 77020.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Invictus Development Group for the development of The Mod, an apartment community that will be located at or about 2801 Conti, Houston, TX 77020 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.

4.	Department Head Approv	val Signature	-DocuSigned by: (ody Koskelley		Date: <u>12/10/2021</u>
5.	Statement regarding availability of funds by VP of Fiscal Operations				
	Funds Budgeted and Avail	able Yes	No Source		
	VP of FO Approval Si	gnature		Date:	
6.	Approval of President & (CEO	Docusigned by: Mark Huill		12/10/2021
	Si	gnature	6072D2C8367A4C7	_ Date: _	

HOUSING AUTHORITY

Transforming Lives & Communities

MEMORANDUM

TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	CODY ROSKELLEY, VICE PRESIDENT OF REID
SUBJECT:	CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO
	EXECUTE A MEMORANDUM OF UNDERSTANDING WITH INVICTUS DEVELOPMENT GROUP FOR THE
	DEVELOPMENT OF THE MOD, AN APARTMENT COMMUNITY THAT WILL BE LOCATED AT OR ABOUT
	2801 CONTI, HOUSTON, TX 77020.
DATE:	DECEMBER 2, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Invictus Development Group for the development of The Mod, an apartment community located at or about 2801 Conti, Houston, TX 77020.

BACKGROUND:

The Houston market area has a substantial shortage of affordable housing units. Recent Census data indicates that over 400,000 households in Houston qualify for housing assistance at 80% of the Area Median Income (AMI). In Houston, 155,582 families are currently living in poverty. Over 200,000 families in Houston pay greater than 30% of their income for housing. The existing housing stock only provides affordable opportunities for 76,725 families in Houston. This sheds light on the need for affordable housing for all families at all income ranges below 80% of AMI.

The Houston Housing Authority wishes to increase the number of affordable housing units available for qualified residents within its jurisdiction. To facilitate this, Qualification Based Solicitation (QBS 21-41) was issued on August 24, 2021.

QBS 21-41 aims to solicit acquisition, rehabilitation, or construction opportunities involving affordable housing.

PROPOSED PARTNER & DEVELOPMENT:

Invictus Development Group (IDG) is a community development company. They revitalize neighborhoods that once thrived while ensuring that they are not creating displacement. They create complete communities that bring higher incomes, businesses, and jobs back where needed most. The approach is to build new construction over abandoned, blighted, nuisance, or commercial properties that are prime for a change of use. To balance the new construction, IDG also acquires portfolios of rental properties

with long-term tenants, with the goal of immediate, deferred maintenance improvements. The key to zero displacements is keeping the rents affordable for the residents, as revitalization happens around them. This rental model also has a commercial component that entails keeping the key components of historic commercial buildings but renovating and re-purposing their uses for low speculation business opportunities.

The MOD, located at or about 2801 Conti, is a proposed 294-unit Class A, 5-story multifamily community to be constructed at 2801 Conti Street, in the Fifth Ward neighborhood, near IH 69 (US 59) IH 10 in Houston's historic Fifth Ward. The community will include 176 one-bedroom units and 118 two-bedroom units.

AFFORDABLE UNITS:

20.7% (59 units) would be @ 60% AMI, 30.27% (89 units) would be @ 80% AMI, and 49.66% (146 units) will be at Market rates. The property has 176 one-bedroom and 118 two-bedroom units.

	60% AMI	80% AMI	Market	Totals
1 Bedroom	35	53	88	176
2 Bedrooms	24	36	58	118
Totals	59	89	146	294
Percentages	20.07%	30.27%	49.66%	100.00%

EVALUATION PROCESS:

The Evaluation Committee for QBS 21-41 consisted of Cody Roskelley, Vice President of REID, Mike Rogers, Vice President of Finance, and David Cukierman, Consultant.

The solicitation was advertised in the Houston Chronicle, The Forward Times, and <u>www.housingforhouston.com</u> on August 24, 2021. In response, the Houston Housing Authority received thirty-six deals/responses.

SCORING:

The scoring criteria for potential deals were changed in 2020 in order to help potential partners understand the number of different ways to improve an affordable deal. The terms of QBS 21-41 called for the evaluation committee to evaluate each submittal and recommend higher-scoring proposals.

The scoring criteria and results are listed below:

Criteria	Max Points	The Mod
Location	10	4
Depth of Affordability	10	8
Schools	10	1.33
\$ on the Front End	10	8
\$ During Operations	10	2
Reasonable Developer	10	5
Term of Affordability	5	5
Flood Plain	5	5
\$/Land on the Backend	5	4
Preservation	5	0
HHA Resources	5	5
M/WBE Participation	5	5
Unit Mix	2.5	0
Mix with Market Units	2.5	2.5
Bonus Points	5	0
Total Points	100	54.83

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Invictus Development Group for the development of The Mod, an apartment community that will be located at or about 2801 Conti, Houston, TX 77020 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with MVAH Partners for the development of Reserve of Hartsook, an apartment community that will be located at or about 10700 Hartsook St, Houston, TX 77034.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with MVAH Partners for the development of Reserve at Hartsook, an apartment community that will be located at or about 10700 Hartsook St, Houston, TX 77034 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.

4.	Department Head Approval	Signature	<u> </u>	DocuSigned by: BAY KOSKULLY SFC143A291EE443		Date: <u>12/10/202</u> 1
5.	Statement regarding availabi	lity of funds by	VP of Fis	cal Operations		
	Funds Budgeted and Available	e Yes	No	Source		
	VP of FO Approval Signa	ture			Date:	
6.	Approval of President & CEO			-Docusigned by: Mark Thill		12/10/2021
	Signa	ture		-6072D2C8367A4C7	_ Date: _	

HOUSING AUTHORITY

Transforming Lives & Communities

MEMORANDUM

TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	CODY ROSKELLEY, VP REID
SUBJECT:	CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO
	EXECUTE A MEMORANDUM OF UNDERSTANDING WITH MVAH PARTNERS FOR THE DEVELOPMENT OF
	RESERVE OF HARTSOOK, AN APARTMENT COMMUNITY THAT WILL BE LOCATED AT OR ABOUT 10700
	HARTSOOK ST, HOUSTON, TX 77034.
DATE:	DECEMBER 2, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with MVAH Partners for the development of Reserve at Hartsook, an apartment community located at or about 10700 Hartsook St, Houston, TX 77034.

BACKGROUND:

The Houston market area has a substantial shortage of affordable housing units. Recent Census data indicates that over 400,000 households in Houston qualify for housing assistance at 80% of the Area Median Income (AMI). In Houston, 155,582 families are currently living in poverty. Over 200,000 families in Houston pay greater than 30% of their income for housing. The existing housing stock only provides affordable opportunities for 76,725 families in Houston. This sheds light on the need for affordable housing for all families at all income ranges below 80% of AMI.

The Houston Housing Authority wishes to increase the number of affordable housing units available for qualified residents within its jurisdiction. To facilitate this, Qualification Based Solicitation (QBS 21-41) was issued on August 24, 2021.

The goal of QBS 21-41 is to solicit acquisition, rehabilitation, or construction opportunities involving affordable housing.

PROPOSED PARTNER & DEVELOPMENT:

MVAH Development (MVAH) is a for-profit developer resulting from a spin-off from Miller-Valentine Group, a successful real estate company founded in 1963. MVAH is an experienced developer of affordable multifamily housing. MVAH is a nationally recognized, affordable housing company consisting of the principals and key development staff of the affordable housing branch of Miller-Valentine Group.

MVAH began developing affordable housing in 1994. Since then, MVAH has developed more than 5,000 affordable housing units ranging across a broad spectrum of housing types: multi-story apartment properties for families and seniors, villas, single-family developments, rehabs, adaptive reuse of existing buildings in large and small communities. MVAH has developed over 85 affordable housing properties in 15 states.

Reserve at Hartsook is a 260-unit existing located at 10700 Hartsook Street, Houston, TX. 100% of the units will be dedicated towards senior housing. The total development cost for this Modern Style elevatored development will be approximately \$48 Million. DevCo has a rehab plan for the property with a budget of \$29,943,000. The rehab will be funded by a tax credit investor.

AFFORDABLE UNITS:

15% (39 units) will be @ 30% AMI, 85% (221 units) will be @ 60% AMI. The property will be having 80 onebedroom and 180 two-bedroom units.

	30% AMI	60% AMI	Market	Totals
1 Bedroom	12	68	0	80
2 Bedrooms	27	153	0	180
Totals	39	221	0	260
Percentages	15.00%	85.00%	0.00%	100.00%

EVALUATION PROCESS:

The Evaluation Committee for QBS 21-41 consisted of Cody Roskelley, Vice President of REID, Mike Rogers, Vice President of Finance, and David Cukierman, Consultant.

The solicitation was advertised in the Houston Chronicle, The Forward Times, and <u>www.housingforhouston.com</u> on August 24, 2021. In response, the Houston Housing Authority received thirty-six deals/responses.

SCORING:

The scoring criteria for potential deals were changed in 2020 in order to help potential partners understand the number of different ways to improve an affordable deal. The terms of QBS 21-41 called for the evaluation committee to evaluate each submittal and recommend higher-scoring proposals.

The scoring criteria and results are listed below:

Criteria	Max Points	Reserve at Hartsook
Location	10	4
Depth of Affordability	10	10
Schools	10	5.99
\$ on the Front End	10	10
\$ During Operations	10	10
Reasonable Developer	10	5
Term of Affordability	5	5
Flood Plain	5	5
\$/Land on the Backend	5	4.5
Preservation	5	0
HHA Resources	5	5
M/WBE Participation	5	2.5
Unit Mix	2.5	0
Mix with Market Units	2.5	0
Bonus Points	5	2.5
Total Points	100	69.48

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with MVAH Partners for the development of Reserve at Hartsook, an apartment community that will be located at or about 10700 Hartsook St, Houston, TX 77034 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to authorize the Interim President & CEO or designee to execute a Memorandum of Understanding with Trammell Crow for the development of Allora Clear Lake, an apartment community that will be located at or about 14700 Galveston Road, Webster, TX 77598.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Trammell Crow for the development of Allora Clear Lake, an apartment community that will be located at or about 14700 Galveston Road, Webster, TX 77598 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.

4.	Department Head Appro	oval Signature	BocuSigned by: (oly Koskelley 8FC143A291EE443		Date: <u>12/10/2021</u>
5.	Statement regarding ava	ailability of funds by	VP of Fiscal Operations		
	Funds Budgeted and Ava	ilable Yes	No Source		
	VP of FO Approval	Signature		Date:	
6.	Approval of President &	CEO	Docusigned by: Mark Thille		12/10/2021
	:	Signature	6072D2C8367A4C7	_ Date: _	

HOUSING AUTHORITY

Transforming Lives & Communities

MEMORANDUM

TO:	MARK THIELE, INTERIM PRESIDENT & CEO
FROM:	CODY ROSKELLEY, VP REID
SUBJECT:	CONSIDERATION AND/OR ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO
	EXECUTE A MEMORANDUM OF UNDERSTANDING WITH TRAMMELL CROW FOR THE DEVELOPMENT
	OF ALLORA CLEAR LAKE, AN APARTMENT COMMUNITY THAT WILL BE LOCATED AT OR ABOUT 14700
	GALVESTON ROAD, WEBSTER, TX 77598.
DATE:	DECEMBER 2, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Trammell Crow for the development of Allora Clear Lake, an apartment community located at or about 14700 Galveston Road, Webster, TX 77598.

BACKGROUND:

The Houston market area has a substantial shortage of affordable housing units. Recent Census data indicates that over 400,000 households in Houston qualify for housing assistance at 80% of the Area Median Income (AMI). In Houston, 155,582 families are currently living in poverty. Over 200,000 families in Houston pay greater than 30% of their income for housing. The existing housing stock only provides affordable opportunities for 76,725 families in Houston. This sheds light on the need for affordable housing for all families at all income ranges below 80% of AMI.

The Houston Housing Authority wishes to increase the number of affordable housing units available for qualified residents within its jurisdiction. To facilitate this, Qualification Based Solicitation (QBS 21-41) was issued on August 24, 2021.

The goal of QBS 21-41 is to solicit acquisition, rehabilitation, or construction opportunities involving affordable housing.

PROPOSED PARTNER & DEVELOPMENT:

Trammell Crow Residential (TCR) is a pioneer of U.S. multifamily real estate and has developed more apartments than any other firm. Over 40 years, they have built more than 250,000 premier multifamily residences, creating vibrant and amenity-rich communities that our residents are proud to call home. TCR has 12 offices across the United States, which provide an on-the-ground presence, deep network, and understanding of local market dynamics. Allora communities feature clubhouses, swimming pools, fitness

centers, large living spaces, and quality finishes. Strategically located in suburban and urban markets with high population and job growth, these lifestyle-focused residences are conveniently located near employment, transportation, schools, retail, and entertainment.

Allora Clear Lake is a 297-unit Class A garden-style multifamily community proposed to be constructed just east of I-45 at the intersection of Texas State Highway 3 and Pineloch Dr., southeast Harris County. The community will include 198 one-bedroom units and 95 two-bedroom units.

AFFORDABLE UNITS:

20.20% (60 units) will be @ 60% AMI, 30.98% (92 units) will be @ 80% AMI, and 48.82% (145 units) will be at Market rates.

	60% AMI	80% AMI	Market	Totals
1 Bedroom	40	62	96	198
2 Bedrooms	20	30	49	99
Totals	60	92	145	297
Percentages	20.20%	30.98%	48.82%	100.00%

EVALUATION PROCESS:

The Evaluation Committee for QBS 21-41 consisted of Cody Roskelley, Vice President of REID, Mike Rogers, Vice President of Finance, and David Cukierman, Consultant.

The solicitation was advertised in the Houston Chronicle, The Forward Times, and <u>www.housingforhouston.com</u> on August 24, 2021. In response, the Houston Housing Authority received thirty-six deals/responses.

SCORING:

The scoring criteria for potential deals were changed in 2020 to help potential partners understand the number of ways to improve an affordable deal. The terms of QBS 21-41 called for the evaluation committee to evaluate each submittal and recommend higher-scoring proposals.

The scoring criteria and results are listed below:

Criteria	Max Points	Allora Clear Lake
Location	10	4
Depth of Affordability	10	8
Schools	10	6.99
\$ on the Front End	10	6
\$ During Operations	10	6
Reasonable Developer	10	5
Term of Affordability	5	5
Flood Plain	5	5
\$/Land on the Backend	5	3
Preservation	5	0
HHA Resources	5	5
M/WBE Participation	5	5
Unit Mix	2.5	0
Mix with Market Units	2.5	2.5
Bonus Points	5	0
Total Points	100	61.49

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to facilitate a Memorandum of Understanding with Trammell Crow for the development of Allora Clear Lake, an apartment community that will be located at or about 14700 Galveston Road, Webster, TX 77598 for the formation of housing development partnership(s) to provide additional affordable housing units, pursuant to the memorandum from Cody Roskelley, Vice President of REID dated December 2, 2021, to Mark Thiele, Interim President & CEO.



REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or action to appoint a President and Chief Executive Office of the Houston Housing Authority and Secretary of the Houston Housing Authority Board of Commissioners.

2. Date of Board Meeting: December 14, 2021

3. Proposed Board Resolution:

Resolution: Consideration and/or action to select a President and Chief Executive Officer of the Houston Housing Authority and Secretary of the Houston Housing Authority Board of Commissioners with all the duties and responsibilities as promulgated in Article III, Sections 4 and 9 of the Amended and Restated Bylaws of the Houston Housing Authority (*Adopted January 21, 2014*), and to authorize the Board Chairman to negotiate, execute, and make necessary changes and corrections on an agreement.

4. Approval of Board Chair

DocuSigned by: Q_{4} 6EAF3CCBCEB14E

12/9/2021

Signature

Date

BOARD REPORT FOR MONTH ENDING DECEMBER 14, 2021

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LOW-INCOME PUBLIC HOUSING

The Low-Income Public Housing (LIPH) program had an adjusted vacancy rate of 6% on November 30, 2021. As of December 1, 2021, rent collection for November was 96.5% of rents billed on an adjusted cash accounting basis.

There are currently 50,162 active applications for the Public Housing Waiting List, which represents a decrease of 0.7% from last month.

Low-Income Public Housing							
September October Novembe							
Waiting Lists	50,893	50,504	50,162				
Vacancy Rate	6.97%	6.4%	6%				
Rent Collection	98.55%	96.0%	96.5%				
Unit Turnaround Time (Days)	86.85	114.5	84.2				
Avg. Non-Emergency Work Order Days	2.69	1.56	5.3				

HOUSING CHOICE VOUCHER PROGRAM

The HCV staff completed 997 annual re-examinations during December. The HCV department also completed 326 interims, 159 change of units (moves), 129 new admissions, and 61 portability move-in transactions. On November 30, 2021, 485 families were enrolled in the Family Self Sufficiency (FSS) program; 228 of the 485 (48%) families eligible for escrow currently have an FSS escrow balance. The PIH Information Center (PIC) reporting rate for the one-month period ending November 30, 2021 was 86%.

Voucher Programs								
September October November								
Households	18,596	18,564	18,632					
ABA Utilization/Unit Utilization	90.5%/98.8%	89.6%/98.7%	89.7%/98.5%					
Reporting Rate	78%	81%	86%					
Annual Reexaminations Completed	1,063	1,371	997					
HQS Inspections	1,917	1,858	2,321					
Waitlist	24,031	22,031	21,970					

PROPERTY MANAGEMENT SUMMARY

			Va	cancy				Unit T	urnarou	ind Time	(YTD)	
PMC	Sept	ember	Oct	ober	Nove	mber	Septe	mber	Oct	ober	Nove	ember
	%	Grade	%	Grade	%	Grade	%	Grade	%	Grade	%	Grade
Orion	6.9	F	7.6	F	7.8	F	6.9	F	7.6	F	7.8	F
Lynd	0.5	А	1.1	А	1.1	Α	0.5	Α	1.1	А	1.1	А
J. Allen	8.1	F	7.7	F	9.1	F	8.1	F	7.7	F	9.1	F

	Emergency Work Orders (Completed within 24 hours)					Routine Work Orders						
PMC	Septe	ember	Oct	ober	November Septem		ember	Oct	ober	Nove	ember	
	%	Grade	%	Grade	%	Grade	%	Grade	%	Grade	%	Grade
Orion	100	А	94.8	F	90	F	100	А	94.8	F	90	F
Lynd	100	А	100	А	100	А	100	А	100	А	100	А
J. Allen	100	А	93.7	F	100	А	100	А	93.7	F	100	А

РМС	Rent Collection								
	September		October		November				
	%	Grade	%	%	Grade	%			
Orion	99.8	А	96.2	99.8	А	96.2			
Lynd	100	А	94.4	100	А	94.4			
J. Allen	95.6	В	90.7	95.6	В	90.7			

PHAS Score	Occupancy Rate	Avg. Total Turnaround Days	Rent Collection Percentage	Avg. W/O Days
А	98 to 100	1 to 20	98 to 100	≤24
В	97 to 97.9	21 to 25	96 to 97.9	25 to 30
С	96 to 96.9	26 to 30	94 to 95.9	31 to 40
D	95 to 95.9	31 to 40	92 to 93.9	41 to 50
E	94 to 94.9	41 to 50	90 to 91.9	51 to 60
F	≥93.9	≥51	≥89.9	≥61

PUBLIC HOUSING MANAGEMENT ASSESSMENT

VACANCY RATE	Goal 2.0%	Actual 6.0%	А	0 to 2				
			В	2.1 to 3				
This indicator examines the vacancy rate		-	С	3.1 to 4				
unit turnaround time. Implicit in this in	D	4.1 to 5						
to track the duration of vacancies and u	Е	5.1 to 6						
ready time, and lease up time.								
RENT COLLECTION (YTD)	Goal 98%	Actual 96.5%	А	98 to 100				
			В	96 to 97.9				
This report examines the housing autho	• •		С	94 to 95.9				
residents in possession of units during	- ,		D	92 to 93.9				
balance of dwelling rents uncollected a collected.	is a percentage of tot	al dwelling rents to be	Е	90 to 91.9				
			F	≤89.9				
EMERGENCY WORK ORDERS	Goal 100%	Actual 96.7%	А	99 to 100				
			В	98 to 98.9				
This indicator examines the average nu	•		С	97 to 97.9				
work order to be completed. Emergenc hours or less and must be tracked.	y work orders are to b	e completed within 24	D	96 to 96.9				
nours or less and must be tracked.			Е	95 to 95.9				
			F	≤94.9				
NON-EMERGENCY WORK ORDERS	Goal 3 Days	Actual 5.3 Days	А	≤24				
			В	25 to 30				
This indicator examines the average nur	•		С	31 to 40				
be completed. Implicit in this indicator			D	41 to 50				
in terms of how HHA accounts for and a	controls its work orde	rs and its timeliness in	Е	51 to 60				
preparing/issuing work orders.			F	≥61				
ANNUAL INSPECTIONS	Goal 100%	Actual 100%	А	100				
			В	97 to 99				
This indicator examines the percentage			С	95 to 96.9				
in order to determine the short-t		-	D	93 to 94.9				
•	modernization needs. Implicit in this indicator is the adequacy of HHA's inspection program in terms of the quality of HHA's inspections, and how HHA tracks both							
inspections and needed repairs.	ia s inspections, and		F	≥89.9*				
*PMC's have discretional authority to se so long as all inspections are completed	•	to inspect each month,						

Low-Income Public Housing Development	РМС	ACC Units	Approv ed Units Offline	Total Available ACC Units	Occupied Units	Vacant Units	Occupancy Percentage	Grade	Total Vacant Days	Units Turne d YTD	Avg. Total Turnar ound Days YTD	Grade
Allen Parkway Village	Orion	278	8	270	238	32	88.15%	F	6,875	45	153	F
Bellerive	J. Allen	210	0	210	210	0	100.00%	А	2,652	31	86	F
Clayton Homes	J. Allen	296	112	184	105	79	57.07%	F	22,684	192	118	F
Cuney Homes	Orion	553	0	553	508	45	91.86%	F	17,290	149	116	F
Ewing	Orion	40	0	40	40	0	100.00%	А	265	9	29	С
Forest Green	J. Allen	100	84	16	16	0	100.00%	А	16,800	84	200	F
Fulton Village	Lynd	108	0	108	107	1	99.07%	А	319	5	64	F
Heatherbrook	Lynd	53	0	53	53	0	100.00%	А	113	7	16	А
Historic Oaks of APV	Orion	222	0	222	198	24	89.19%	F	4,334	32	135	F
Independence Heights	Orion	36	0	36	36	0	100.00%	А	45	2	23	В
Irvinton Village	J. Allen	318	10	308	296	12	96.10%	С	6,765	92	74	F
Kelly Village	J. Allen	270	0	270	263	7	97.41%	В	2,590	70	37	D
Kennedy Place	Orion	108	0	108	108	0	100.00%	А	259	12	22	В
Lincoln Park	Orion	200	0	200	197	3	98.50%	А	1,821	68	27	С
Lyerly	J. Allen	199	0	199	189	10	94.97%	D	2,485	23	108	F
Oxford Place	Orion	230	19	211	193	18	91.47%	F	5,459	68	80	F
Sweetwater	Lynd	26	0	26	25	0	96.15%	с	391	5	78	F
Totals		3,247	233	3,014	2,782	231	92.30%	F	91,147	894	102	F
Section 8 New Construction Development Long Drive	PMC Tarantino	S8 NC Units 100	Units Offline 0	Total Available S8 NC Units 100	Occupied Units 99	Vacant Units 1	Occupancy Percentage 99.0%	Grade	Total Vacant Days 578	Units Turne d YTD 20	Avg. Total Turnar ound Days YTD 29	Grade C
Telephone Road	Tarantino	200	148	52	50	2	96.2%	С	8,934	46	194	F
Totals	•	300	148	152	149	3	98.0%	Α	9,512	66	144	F
RAD-PBV	PMC Origon	RAD- PBV Units	Units Offline	Total Available RAD PBV Units	Occupied Units	Vacant Units	Occupancy Percentage	Grade	Total Vacant Days	Units Turne d YTD	Avg. Total Turnar ound Days YTD 0	Grade
Victory-HRI	Orion	140		140	124	16	88.6%		0			A
Totals		140	0	140	124	16	88.6%	F	0	0	0	Α

VACANCY RATE AND TURNAROUND DAYS**

		Avg. Total
PHAS	Occupancy	Turnaround
Score	Rate	Days
Α	98 to 100	1 to 20
В	97 to 97.9	21 to 25
С	96 to 96.9	26 to 30
D	95 to 95.9	31 to 40
E	94 to 94.9	41 to 50
F	≥93.9	≥51



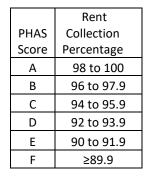
July August September October June109 November

			Public				
	Property	Total	Housing	Tax Credit	Market	Vacant	Occupied
Property	Manager	Units	Units	Units	Units	Units	(%)
Heatherbrook	Lynd	176	53	87	36	0	100.0%
Mansions at Turkey Creek	Orion	252	0	252	0	16	93.7%
Independence Heights	Orion	154	36	118	0	8	94.8%
Peninsula Park	Orion	280	0	280	0	3	98.9%
Pinnacle at Wilcrest	Embrey	250	0	250	0	0	100.0%
Sweetwater Point	Lynd	260	26	234	0	14	94.6%
Uvalde Ranch	Hettig- Kahn	244	0	244	0	9	96.3%
Willow Park	Embrey	260	0	260	0	2	99.2%
PH-LIHTC							
Fulton Village	Lynd	108	1	.08	0	0	100.0%
HOAPV	Orion	222	66	156	0	18	91.89%
Lincoln Park	Orion	250	2	.00	50	3	98.8%
Oxford Place	Orion	250	2	30	20	1	99.6%
Victory-HRI	Orion	140	1	40	0	16	88.6%

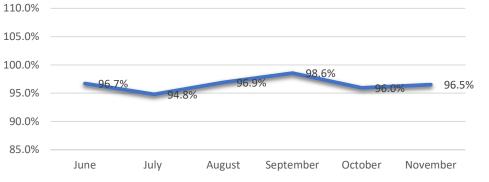
TAX CREDIT APARTMENT LEASING/OCCUPANCY INFORMATION

Low-Income Public Housing Development	РМС	Month Billed	Month Collected	% Collected	Grade	YTD Billed	YTD Collected	% YTD Collected	Grade
Allen Parkway Village	Orion	\$104,291	\$104,291	100.00%	А	\$1,059,246	\$1,045,202	98.67%	А
Bellerive	J. Allen	\$52,677	\$52,510	99.68%	А	\$562,697	\$560,940	99.69%	А
Clayton Homes	J. Allen	\$36,701	\$36,701	100.00%	А	\$540,764	\$518,889	95.95%	В
Cuney Homes	Orion	\$139,642	\$121,205	86.80%	F	\$1,303,768	\$1,257,072	96.42%	В
Ewing	Orion	\$8,152	\$7,174	88.00%	F	\$82,873	\$82,751	99.85%	А
Forest Green	J. Allen	\$5,691	\$4,215	74.06%	F	\$61,444	\$59,578	96.96%	В
Fulton Village	Lynd	\$31,119	\$31,119	100.00%	А	\$360,954	\$361,629	100.19%	А
Heatherbrook Apts.	Lynd	\$11,584	\$11,584	100.00%	А	\$141,833	\$133,352	94.02%	С
Historic Oaks of APV	Orion	\$56,059	\$56,059	100.00%	А	\$639,581	\$629,371	98.40%	А
Independence	Orion	\$3,768	\$1,069	28.38%	F	\$47,686	\$45,757	95.96%	В
Irvinton Village	J. Allen	\$79,903	\$79,903	100.00%	А	\$894,110	\$858,544	96.02%	В
Kelly Village	J. Allen	\$57,178	\$49,074	85.83%	F	\$681,513	\$649,863	95.36%	С
Kennedy Place	Orion	\$41,251	\$39,128	94.85%	С	\$379,792	\$370,160	97.46%	В
Lincoln Park	Orion	\$38,803	\$37,857	97.56%	В	\$443,458	\$434,329	97.94%	В
Lyerly	J. Allen	\$50,099	\$49,600	99.00%	А	\$547,603	\$537,310	98.12%	А
Oxford Place	Orion	\$31,748	\$20,730	65.30%	F	\$403,155	\$384,709	95.42%	С
Sweetwater	Lynd	\$5,228	\$5,228	100.00%	А	\$75,930	\$69,287	91.25%	Е
Totals		\$753,895	\$707,447	93.84%	D	\$8,226,407	\$7,998,743	97.23%	В
Section 8 New Construction Development		Month Billed	Month Collected	% Collected	Grade	YTD Billed	YTD Collected	% YTD Collected	Grade
Long Drive	Tarantino	\$19,143	\$18,187	95.01%	С	\$240,763	\$234,655	97.46%	В
Telephone Road	Tarantino	\$13,700	\$13,503	98.56%	А	\$413,192	\$410,376	99.32%	А
Totals		\$32,843	\$31,690	96.49%	В	\$653,955	\$645,031	98.64%	Α
RAD-PBV		Month Billed	Month Collected	% Collected	Grade	YTD Billed	YTD Collected	% YTD Collected	Grade
Victory-HRI	Orion	\$93,559	\$93,559	100.00%	А	\$351,907	\$334,582	95.08%	С
Totals		\$93,559	\$93,559	100.00%	Α	\$351,907	\$334,582	95.08%	с

RENT COLLECTION*







Low-Income Public Housing Development	РМС	Emergency Work Orders Generated	Emergency W/O Completed within 24 hours	Percentage Completed within 24 hours	Grade
Allen Parkway /illage	Orion	0	0	-	А
Bellerive	J. Allen	23	23	100.0%	А
Clayton Homes	J. Allen	0	0	-	А
Cuney Homes	Orion	71	62	87.3%	А
wing	Orion	0	0	-	А
orest Green	J. Allen	0	0	-	А
ulton Village	Lynd	0	0	-	А
leatherbrook Apartments	Lynd	0	0	-	А
listoric Oaks of APV	Orion	0	0	-	А
ndependence leights	Orion	0	0	-	А
rvinton Village	J. Allen	2	2	100.0%	А
Celly Village	J. Allen	0	0	-	А
Cennedy Place	Orion	16	16	100.0%	А
incoln Park	Orion	0	0	-	А
yerly	J. Allen	0	0	-	А
Dxford Place	Orion	0	0	-	А
weetwater	Lynd	0	0	-	А
Totals		112	103	92.0%	Α
Section 8 New Construction Development		Emergency Work Orders Generated	Emergency W/O Completed within 24 hours	Percentage Completed within 24 hours	Grade
ong Drive	Tarantino	1	1	100.0%	А
elephone Road	Tarantino	0	0	-	А
otals		1	1	100.0%	Α
RAD-PBV		Emergency Work Orders Generated	Emergency W/O Completed within 24 hours	Percentage Completed within 24 hours	Grade
/ictory-HRI	Orion	3	3	100.0%	А
otals		3	3	100.0%	Α

EMERGENCY WORK ORDERS

PHAS	Avg. W/O		
Score	Days		
Α	99 to 100		
В	98 to 98.9		
С	97 to 97.9		
D	96 to 96.9		
E	95 to 95.9		
F	<u><</u> 94.9		

Low-Income Public Housing Development	РМС	Work Orders Generated	Average Completion Time (Days)	Grade
Allen Parkway Village	Orion	114	1.97	А
Bellerive	J. Allen	15	1.00	А
Clayton Homes	J. Allen	23	159.96	F
Cuney Homes	Orion	144	1.51	А
Ewing	Orion	8	0.00	А
Forest Green	J. Allen	8	3.63	А
Fulton Village	Lynd	0	0.00	А
Heatherbrook Apartments	Lynd	32	3.03	А
Historic Oaks of APV	Orion	146	1.54	А
Independence Heights	Orion	0	0.00	А
Irvinton Village	J. Allen	193	2.36	А
Kelly Village	J. Allen	115	4.06	А
Kennedy Place	Orion	7	1.00	А
Lincoln Park	Orion	64	1.64	А
Lyerly	J. Allen	88	4.16	А
Oxford Place	Orion	34	1.50	А
Sweetwater	Lynd	0	0.00	А
Totals		991	11.02	Α

NON-EMERGENCY WORK ORDERS

Section 8 New Constructi	on	Work Orders	Average Completion	
Development		Generated	Time (Days)	Grade
Long Drive	Tarantino	85	1.00	А
Telephone Road	Tarantino	2	1.00	А
Totals		87	1.00	Α

RAD-PBV		Work Orders Generated	Average Completion Time (Days)	Grade
Victory-HRI	Orion	7	0	А
Totals		7	0	А

PHAS Score	Avg. W/O Days			
А	≤24			
В	25 to 30			
С	31 to 40			
D	41 to 50			
Е	51 to 60			
F	≥61			

10

8

6

4

2 0

6 Months Trailing Non-Emergency Work Orders 5.3 3.47 1.96 2.06 2.05 1.56 June July August September October November

ANNUAL INSPECTIONS

Low-Income Public Housing Development	РМС	YTD Inspections Due	YTD Inspections Performed	Percentage Complete	Grade
Bellerive	J. Allen	210	210	100.0%	А
Clayton Homes	J. Allen	184	184	100.0%	А
Cuney Homes	Orion	553	553	100.0%	А
Ewing	Orion	40	40	100.0%	А
Forest Green	J. Allen	16	16	100.0%	А
Fulton Village	Lynd	108	108	100.0%	А
Heatherbrook Apartments	Lynd	53	53	100.0%	А
HOAPV/APV	Orion	500	500	100.0%	А
Independence Heights	Orion	36	36	100.0%	А
Irvinton Village	J. Allen	318	318	100.0%	А
Kelly Village	J. Allen	270	270	100.0%	А
Kennedy Place	Orion	108	108	100.0%	А
Lincoln Park	Orion	200	200	100.0%	А
Lyerly	J. Allen	199	199	100.0%	А
Oxford Place	Orion	230	230	100.0%	А
Sweetwater	Lynd	26	26	100.0%	А
Totals	-	3,051	3,051	100.0%	Α

Low-Income Public

Housing Development	РМС	Inspections Due	Inspections Performed	Percentage Complete	Grade
Telephone Road	Tarantino	200	200	100.0%	А
Long Drive	Tarantino	100	100	100.0%	А
Totals		300	300	100.0%	Α
RAD-PBV	РМС	Inspections Due	Inspections Performed	Percentage Complete	Grade

KAD-PBV	PIVIC	Inspections Due	Performed	Complete	Grade
Victory-HRI	Orion	140	140	100%	А
Totals		140	140	100%	А

PHAS	Inspections		
Score	Performed YTD		
А	100%		
В	97 to 99%		
С	95 to 96.9%		
D	93 to 94.9%		
E	90 to 92.9%		
F	≥89.9%		

HOUSING CHOICE VOUCHER HUD-GRADED SEMAP INDICATORS

			Score	Performance
ANNUAL REEXAMINATIONS REPORTING RATE	Goal 96%	86%	10	≥96
			5	90 to 95
This Indicator shows whether the Agency c	0	≤89		
participating family at least every twelve (1	2) months.			
CORRECT TENANT RENT CALCULATIONS	Goal 98%	Actual 100%	5	98 to 100
			0	≤97
This Indicator shows whether the Agency or rent to owner in the Rental Voucher Progra				
PRECONTRACT HQS INSPECTIONS	Goal 100%	Actual 99%	5	98 to 100
			0	≤97
This Indicator shows whether newly leased the beginning date of the Assisted Lease an				
the beginning date of the Assisted Lease a				
FSS ENROLLMENT	Goal 80%	Actual 100%	10	≥80
			8	60 to 79
This Indicator shows whether the Agency h	5	≤59		
as required. To achieve the full points for t				
have 80% or more of its mandatory FSS				
mandatory slots on the FSS Program; 485 fa	amilies are current	ly enrolled.		
FSS Escrow	Goal 30%	Actual 48%	10	≥30
			5	≤29
This Indicator shows the extent of the Ag				
measuring the percent of current FSS pa entered in the PIC system that have had incr	•			
in escrow account balances. To achieve the				
30% of a housing authority's enrolled famil	•			
families participate in the FSS program. 22				
escrow currently have an FSS escrow balan	ce.			

REAL ESTATE, INVESTMENT, AND DEVELOPMENT

DECEMBER 2021

REO PROJECTS

PUBLIC HOUSING DEFFERED MAINTENANCE AND CAPITAL IMPROVEMENTS

- Major Capital Projects
 - Cuney Homes Appliance Install: 100% complete
 - Kelly Village Appliances: 60% complete shortage of appliances

NEW DEVELOPMENT

- Standard on Jensen:
 - We continue to work with the City of Houston and HUD.
- 800 Middle Street:
 - We continue to work with the City of Houston and HUD.
- Green Oaks: The grand opening recently took place.
- Redline Station: Construction is complete.
- West Dallas: The property is under construction.
- Waterworks Highline: The property is under construction.
- Summer Street: The property will soon be under construction.
- Smart Living at West 12th: The property is under construction.
- Richcrest: The property is under construction.
- Kelly II: In December of 2020, we closed on all of the lots owned by 5th ward except for lot 6. We continue to work with 5th Ward CRC to close the last remaining lot.

REDEVELOPMENT – (9% LIHTC)

TELEPHONE ROAD

- The loan has closed, and construction is ongoing.
- Force Majeure Tax Credit Exchange was approved with no discussion from the TDHCA board.

REDEVELOPMENT – (RAD)

Allen Parkway Village & Historic Oaks of Allen Parkway Village

- Architectural plans for the rehab are complete and out for bid.
- We are working to replat the site.

HURRICANE HARVEY

Currently FEMA has obligated approximately \$20,000,000 for reimbursement. FEMA recently approved around \$39,000,000 in 428 projects.

FOREST GREEN

• FEMA has granted this project the 428 status, so we can continue designing the project.

2100 MEMORIAL

- The building is empty and secured.
- We have closed on the \$25M Grant.
- The bond financing has closed.
- Interior mitigation and demolition are ongoing.

TxDOT LAND SALES

- Clayton: Phase 1 has closed. Demo of Phase 1 is complete.
- **Kelly II:** HHA is negotiating a price for the additional 78 units that will be sold.

OPEN SOLICITATION LOG

MONTH 2021

HHA'S PROCUREMENT DEPT.

Type	Solicitation #	Status	Department(s)	Description	Advertisement Date	Due Date
IFB	21-40	OPEN	REID	The Rehabilitation of Units at Oxford Place Apartments	9-1-21	10-26-21
RFP	21-17	OPEN	НСИР	Project Based Vouchers	10-6-21	10-26-21
QBS	21-36	OPEN	REID	APV/HOAPV Developer	10-8-21	11-17-21
QBS	21-44	OPEN	REID	Environmental Engineering Services	10-8-21	11-17-21

OPERATING STATEMENTS: 10 MONTHS ENDING OCTOBER 31, 2021

Central Office	Annual Budget 2021	Year to Date Budget	Year to Date Actual	Favorable (Unfav) Variance
Operating Income				
Total Operating Income	6,760,597	5,633,831	5,821,153	187,322
Operating Expenses				
Salaries and Benefits	4,003,971	3,336,643	3,051,923	284,720
Facilities and Other Administrative				
Expenses	2,155,465	1,796,221	1,739,481	56,740
Total Central Office Expenses	6,159,436	5,132,863	4,791,404	341,459
Surplus/(Use) of Business Activities				
Funds for COCC	601,161	500,968	1,029,749	528,782

Affordable Housing Rental Programs	Annual Budget 2021	Year to Date Budget	Year to Date Actual	Favorable (Unfav) Variance
Operating Income				
HUD Subsidy - Low Rent Housing	15,373,054	12,810,878	12,876,372	65,494
HUD Subsidy - Section 8 New Construction	1,702,790	1,418,992	1,228,969	(190,023)
Tenant Rental Income	16,037,300	13,364,417	13,490,486	126,069
Other Income	304,377	253,648	170,201	(83,447)
Total Operating Income	33,417,521	27,847,934	27,766,028	(81,906)
Operating Expenses				
Administrative Expenses	10,427,122	8,689,268	8,471,932	217,336
Tenant Services	731,802	609,835	523,207	86,628
Utilities	4,197,897	3,498,248	3,860,734	(362,487)
Maintenance	10,841,215	9,034,346	8,137,131	897,215
Protective Services	2,134,929	1,779,108	1,692,814	86,294
Insurance Expense	2,194,046	1,828,372	1,814,075	14,297
Other General Expense	376,500	313,750	290,660	23,090
Total Routine Operating Expenses	30,903,511	25,752,926	24,790,553	962,373
Net Income from Operations	2,514,010	2,095,008	2,975,475	880,467
Non-Routine Maintenance	4,000,000	3,333,333	2,275,415	1,057,918
Debt Service	873,193	727,661	720,346	7,315
Debt Service- ESCO	740,000	616,667	608,837	7,830
Provision/Reimbursement of Replacement Reserve	0	0	0	0
Cash Flow from Operations	(3,099,183)	(2,582,653)	(629,123)	1,953,530
Funds From Reserves/CFP	3,099,183	2,582,653	629,123	(1,953,530)
Cash Flow (Deficit) from Operations	0	(0)	0	0

Includes: Public Housing Units and Tax credit/market rate units located on Public Housing sites Section 8 New Construction Rental units

OPERATING STATEMENTS: 10 MONTHS ENDING OCTOBER 31, 2021

Housing Choice Voucher Program	Annual Budget 2021	Year to Date Budget	Year to Date Actual	Favorable (Unfav) Variance
Administrative Operating Income				
Total Operating Income	14,690,709	12,242,258	12,659,615	417,357
Operating Expenses				
Salaries and Benefits	6,848,940	5,707,450	5,389,488	317,962
Administrative Expenses	2,148,361	1,790,301	1,672,693	117,608
COCC-Management Fees	3,890,537	3,242,114	3,477,378	(235,264)
IT Initiative	250,000	208,333	177,840	30,493
Total Operating Costs Expenses	13,137,838	10,948,198	10,717,399	230,799
Cash Flow (Deficit) from Operations	1,552,871	1,294,059	1,942,216	648,157
Beginning Admin Operating Reserves	0	0	0	0
Ending Admin Operating Reserves	1,552,871	1,294,059	1,942,216	648,157
Housing Assistance Payments (HAP)				
Housing Assistance Payment Subsidy	170,000,000	141,666,667	137,280,746	(4,385,921)
Investment Income on HAP Reserves	0	0	0	0
Housing Assistance Payments	170,000,000	141,666,667	136,363,754	5,302,913
HAP Current Year Excess (Use)	0	0	916,992	916,992

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Saturday				22	29	
Friday		7 11:00am Budgeting Workshop @ Clayton 3:00pm Kidz Grub @ Fulton	14 3:00pm Kidz Grub @ Fulton	21 11:00am Budgeting Workshop @ Kennedy 3:00pm Kidz Grub @ Fulton	28 11:00am Budgeting Workshop @ Kelly 3:00pm Kidz Grub @ Fulton	
Thursday		6 2:00pm Know Your Lease Happy Hour @ Irvinton 5:30 Resident Council Elections @ Lincoln Park	13 2:00pm Know Your Lease Happy Hour @ Kennedy 3:00pm Literacy Fair @ Cuney	20 3:00pm Kidz Grub @ Fulton	27 10:00am Know Your Lease Coffee Break @ Bellerive 1:00pm Literacy Fair @ Oxford	
Wednesday		5 3:00pm Kidz Grub @ Fulton	12 2:00pm Know Your Lease Happy Hour @ Kelly & Lincoln 3:00 Literacy Fair @ Fulton	19 11:00am MLK Event @ Lyerly 1:00pm Job Fair @ Fulton 3:00pm Kidz Grub @ Fulton	26 10:00am Know Your Lease Coffee Break @ Lyerly 5:00pm Health Fair @ Cuney	
Tuesday		4 10:00am YWCA Senior Lunch @ Bellerive 3:00pm Kidz Grub @ Fulton	11 10:00am YWCA Senior Lunch @ Bellerive 3:00pm Kidz Grub @ Fulton	18 10:00am YWCA Senior Lunch @ Bellerive 11:00am Literacy Fair @ Irvinton 3:00pm Literacy Fair @ Kelly	25 10:00am YWCA Senior Lunch @ Bellerive 3:00pm Kidz Grub @ Fulton	
Monday		3 10:00am YWCA Senior Lunch @ Lyerly 3:00pm Kidz Grub @ Fulton	10 10:00am YWCA Senior Lunch @ Lyerly 3:00pm Kidz Grub @ Fulton	17 10:00am YWCA Senior Lunch @ Lyerly 3:00pm Kidz Grub @ Fulton	24 10:00am YWCA Senior Lunch @ Lyerly 1:00pm Covid Testing @ Cuney	31 10:00am YWCA Senior Lunch @ Lyerly 3:00pm Kidz Grub @ Fulton
Sunday		2	σ	16	23	30