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**MINUTES OF THE HOUSTON HOUSING AUTHORITY
BOARD OF COMMISSIONERS MEETING**

TUESDAY, MAY 16, 2023

A Meeting of the Board of Commissioners (“Board”) of the Houston Housing Authority (“HHA”) was held on Tuesday, May 16, 2023 at the Houston Housing Authority Central Office, 2640 Fountain View Drive, Houston, Texas 77057.

Chair Snowden called the meeting to order at 3:04 p.m. Secretary Northern called the roll and declared a quorum present.

Present: LaRence Snowden, Chair
Kris Thomas, Commissioner
Andrea Hilliard Cooksey, Commissioner
Stephanie A.G. Ballard, Commissioner
David A. Northern, Sr., Secretary

Absent: Kristy Kirkendoll, Vice Chair
Max A. Miller, Jr., Commissioner

APPROVAL OF MINUTES

Chair Snowden stated the Board has had an opportunity to review the April 25, 2023 Board of Commissioners meeting minutes and asked for a motion to adopt the meeting minutes.

Commissioner Thomas moved to adopt the meeting minutes and Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to the April 25, 2023 Board of Commissioners meeting minutes. Having none, the minutes are adopted.

Chair Snowden said we will now move into our President’s Report.

PRESIDENT’S REPORT

Secretary Northern state the Commissioners have a copy of the President’s report. The highlights of the report are as follows:

Ms. Cheryl Rivers, Interim VP of HCVP, left HHA and we welcome Kenneth Coles as her replacement for the Interim Vice President of HCVP, he brings a wealth of housing knowledge, experience, and past success working

for housing authorities in Chicago and surrounding Illinois areas. Mr. Coles, alongside Cupid Alexander and Corey Franklin, will oversee the HCVP department as we search for a permanent VP.

HHA Training Center Success: The training center is proving successful in helping public housing authorities across the nation. So far we have hosted 88 PHAs and 287 people have participated in professional development training. We have received \$25,850, bringing \$6,000 in income back to the HHA.

The Clayton Homes demolition is underway and soon we will be turning that property over. We still have security there while the demolition is occurring.

Chair Snowden had comments regarding the Training Center. Make sure we have some data points at the end of the year as to the benefits of the training center being here. The number of individuals training in various areas as well as how we would say that our individual training would normally send them out, what cost benefits that we have for us.

Chair Snowden said we will now move to Public Comments.

PUBLIC COMMENTS

Chair Snowden offered the use of an interpreter to be available to Spanish speakers who may need assistance for public comments only. Mr. Francisco Canales was asked to introduce herself in Spanish and let the attendees know of her service.

Chair Snowden stated that 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.

There are no Public Comments.

NEW BUSINESS

Resolution No. 3614: Consideration and/or action to authorize the President & CEO or designee to award and execute a contract with Etched Communication for Public Relations Services.

Secretary Northern stated that Resolution No. 3614 will be presented by Jennifer Jensen, Communications Coordinator.

Ms. Jensen stated Resolution No. 3614 reads That the Houston Housing Authority Board of Commissioners authorizes the President & CEO or designee to negotiate and execute a one-year contract not to exceed \$300,000 per year with an option to extend the contract two additional years in one-year increments, to Etched Communication and make necessary changes or corrections, pursuant to the memorandum dated April 27, 2023 from Jennifer Jensen, Communications & Social Media Coordinator to David A. Northern, Sr., President & CEO. Accordingly, staff recommends the Board adopt this resolution.

Chair Snowden stated the Board has heard the reading of the resolution and asked for a motion to adopt Resolution No. 3614.

Commissioner Cooksey moved to adopt Resolution No. 3614. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopting this resolution. Having none, Resolution No. 3614 is adopted.

Resolution No. 3615: Approval of the Houston Housing Authority Cost Allocation Plan.

Secretary Northern stated that Resolutions No. 3615 and 3616 will be presented by Mike Rogers, VP of Fiscal & Business Operations.

Mr. Rogers stated Resolution No. 3615 states That the Houston Housing Authority Board of Commissioners authorizes the President & CEO to implement the Houston Housing Authority Cost Allocation Plan and make all necessary corrections and changes to implement the Houston Housing Authority cost Allocation Plan pursuant to the memorandum dated May 2, 2023, from Michael Rogers, Vice President of Fiscal & Business Operations to David A. Northern, Sr. President & CEO.

this resolution formalizes the cost allocation plan that has been in practice for a number of years. It is the documentation for how we go about matching costs to the appropriate program. We have a lot of different programs that we operate here and some with more restricted funds and it is of paramount importance that our cost allocation plan provides us the methodology to make sure we are lining up the cost with the appropriate program. Accordingly, staff recommends the Board adopt this resolution.

Chair Snowden stated the Board has heard the reading of the resolution and asked for a motion to adopt Resolution No. 3615.

Commissioner Thomas moved to adopt Resolution No. 3615. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopting this resolution. Having none, Resolution No. 3615 is adopted.

Resolution No. 3616: Consideration and/or action to authorize the President & CEO or designee to enter into Insurance Contracts for the Policy Year 2023/2024 with Housing Authority Insurance Group.

Mr. Rogers stated Resolution No. 3616 reads That the Houston Housing Authority Board of Commissioners authorizes the President & CEO to execute insurance contracts for the 2023/2024 policy year with the Housing Authority Insurance Group (HAIG), including directors and officers general liability, property, building contents, boiler & machinery, umbrella, windstorm and such other coverage that may be required for a combined premium not to exceed \$1,450,000 for the policy year, pursuant to the memorandum dated May 2, 2023 from Michael Rogers, Vice President of Fiscal and Business Operations to David A. Northern, Sr, President and CEO.

This resolution is the second of the two large property insurance renewals that we bring to the board each year. This one deals with a number of our tax credit properties that were that are ineligible for coverage under our other large policy that Texas Municipal League. This will include Heatherbrook property, Fulton property, the Oxford property Victory, Lincoln, and Independence Heights. It formally included both historic oaks and Allen Parkway Village. Those are now covered separately because they're under a renovation program so they've been removed from this particular program for the time being. More than likely, either come back to this one depending on how our partners want to go, it will be something else that will have to do with them. The unfortunate piece of this is that this renewal continues the continued March upward of the premiums that we've been forced to absorb into these programs on a yearly basis. This is an 11.54% increase over the prior year and

that the actual increase would have been significantly higher had APV and HOAPV remained in this particular portfolio.

The single biggest culprit in this is what's going on within the windstorm market. The pricing for windstorm coverage which we have to have because we are located here on the Gulf Coast, has really skyrocketed. It has become increasingly difficult to secure for properties that are in the Gulf Coast area. The marketing reports that we obtained from Hague will sit there and list in order they shopped it to 15 to 20 different providers and almost all of them just denied coverage. They are not writing coverage for either affordable housing or they're not writing coverage for wood frame buildings or they're not writing coverage anywhere in the Gulf Coast Area so it's a very difficult situation for us to have to deal with. We are already beginning to take steps to try to address this for going forward. Just today we got a memorandum from Franklin our partners on AP and HOPV where we're going to be having a strategy session with them and the investor to try to work with the lender to get them to back off some of the demands that they're putting on us for the level of coverage that we have to provide.

We also received today, a notice from our other large provider, TML, about the fact that they're going to be raising their rates because of things that are going on in the marketplace. We've had communications with a number of our management companies and other insurance companies and they are all dealing with this, in fact frequently they're saying that this is a market unlike that they have ever seen that's currently going on right now. So it is at the top of our priority list we'll figure out a way to bring these costs under control. We're going to give it whatever effort we can we're going to leave no stone unturned to do this but this is also the type of coverage that we have to have in order to prudently protect our investment so staff is recommending the approval of this resolution.

Chair Snowden stated the Board has heard the reading of the resolution and asked for a motion to adopt Resolution No. 3616.

Commissioner Thomas moved to adopt Resolution No. 3616. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopting this resolution.

Chair Snowden's comments: I would like for you to talk to other housing authorities within Texas and in Louisiana and others on this Gulf Coast and see ideally what they're doing.

Also start thinking about opportunities we have another guest to the Texas Municipal League meetings those are packages and partnerships and things but we could possibly look at other opportunities trying to figure out how to get this cost under control. I'll say this to staff, as these costs go higher, it prevents us from doing lots of things that ultimately could impact you. Your folks are advocating for things on your behalf. This is why we have to call back because of such rising costs that we are unaware of until it happens.

Concluding the discussion, Chair Snowden called for a vote. All voted in favor, therefore Resolution No. 3616 is adopted.

Resolution No. 3617: Consideration and/or action to authorize the President & CEO or designee to execute any and all documents, or take any other action, that is necessary or desirable to approve and enter into a Project-Based Voucher Program PBV Housing Assistance Payments Contract in relation to the acquisition and development of Campanile on Minimax to be located at or about 610 West Loop at Minimax Dr., Houston, Texas 77008.

Secretary Northern stated that Resolution No. 3617 will be presented by Jay Mason, Director of REID.

Mr. Mason stated Resolution No. 3617 reads That the Houston Housing Authority Board of Commissioners authorizes the President & CEO or designee to execute any and all documents, or take any other action, that is necessary or desirable to approve and enter into a Project-Based Voucher Program PBV Housing Assistance Payments Contract in relation to the acquisition and development of Campanile on Minimax to be located at or about 610 West Loop at Minimax Dr., Houston, Texas 77008, pursuant to the memorandum from Jay Mason, Director of REID dated May 5, 2023, to David A. Northern, Sr., President & CEO. Accordingly, staff recommends the Board adopt this resolution.

Chair Snowden stated the Board has heard the reading of the resolution and asked for a motion to adopt Resolution No. 3617.

Commissioner Thomas moved to adopt Resolution No. 3617. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopting this resolution.

Chair Snowden: Is the total number of units within this development 177 with us providing PBVs?

Mr. Mason: Correct. 93 units would be at or below 60% AMI.

Chair Snowden: Is the 31 PBVs part of these 93 units or in addition?

Mr. Mason: It is part of the 93.

Chair Snowden: 31 of them are affordable and the other 62 of them would be at the various levels. 10 of them being at 30% AMI, 45 being at 60% AMI, 38 at 50% AMI.

Concluding the discussion, Chair Snowden called for a vote. All voted in favor, therefore Resolution No. 3617 is adopted.

Resolution No. 3618: Consideration and/or action to authorize the President & CEO or designee to make necessary changes and corrections to modify Section 1.10(I) (Employee Status Changes - Provisional Appointment/Temporary Assignment) of the Houston Housing Authority Employee Handbook Policy last adopted by the Board of Commissioners on December 14, 2021.

Secretary Northern stated that Resolution No. 3618 will be presented by Patricia Guerra, Director of Human Resources.

Ms. Guerra stated Resolution No. 3618 reads That the Houston Housing Authority Board of Commissioners authorizes the President & CEO or designee to make necessary changes and corrections to modify Section 1.10(I) (Employee Status Changes - Provisional Appointment/Temporary Assignment) of the Houston Housing Authority Employee Handbook Policy last adopted by the Board of Commissioners on December 14, 2021, pursuant to the memorandum from Patricia Guerra, Director of Human Resources, Training and Development dated May 8, 2023, to David A. Northern, Sr., President & CEO.

To summarize, the memo that is attached to the resolution there are two major components that are causing the request to revise the current policy.

The first item reduces the duration of provisional appointments from six months to three months. It may be extended at the authority of our CEO based on business needs. The second component is the annual compensation. Currently, we are increasing the annual compensation with the proposal, we would like to move to offering a monthly stipend equal to what they would have gotten at the annual compensation increase.

Therefore, the employee does not lose out on anything, it's just really for wanting to make the change to mitigate any future legal issues that we may run into. Accordingly, staff recommends the Board adopt this resolution.

Chair Snowden stated the Board has heard the reading of the resolution and asked for a motion to adopt Resolution No. 3618.

Commissioner Cooksey moved to adopt Resolution No. 3618. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopting this resolution. Having none, Resolution No. 3618 is adopted.

Resolution No. 3619: Consideration and/or action to authorize the President & CEO or designee to approve Lakeside Place PFC's Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Pinnacle at Wilcrest) Series 2023.

Secretary Northern stated that Resolutions No. 3619 and 3620 will be presented by Jay Mason, Director of REID.

Mr. Mason stated Resolution No. 3619 reads That the Houston Housing Authority Board of Commissioners authorizes the President & CEO or designee to take such actions necessary or convenient to approve Lakeside Place PFC's Issuance, Sale, and Delivery of Multifamily Housing Revenue Bonds (Pinnacle at Wilcrest) Series 2023; 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 Jay Mason, Director of REID dated May 2, 2023, to David A. Northern, Sr., President & CEO. Accordingly, staff recommends the Board adopt this resolution.

Chair Snowden stated the Board has heard the reading of the resolution and asked for a motion to adopt Resolution No. 3619.

Commissioner Thomas moved to adopt Resolution No. 3619. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopting this resolution.

Chair Snowden: Let me state for the record, this is NOT a new PFC deal that is being added today.

Secretary Northern: This is not a PFC, it is tax credit deal.

Chair Snowden: For clarity, we want to make sure it is stated for the record that is NOT A PFC deal.

Concluding the discussion, Chair Snowden called for a vote. All voted in favor, therefore Resolution No. 3619 is adopted.

Resolution No. 3620: Consideration and/or action to authorize the President & CEO or designee to execute any and all documents, or take any other action, that is necessary or desirable to approve and enter into a Project-Based Voucher Program PBV Housing Assistance Payments Contract in relation to the acquisition and development of NHH Gray to be located at approximately 2675 & 2604 Gray Street, Houston, Texas 77004.

Mr. Mason stated Resolution No. 3620 reads That the Houston Housing Authority Board of Commissioners authorizes the President & CEO or designee to execute any and all documents, or take any other action, that is necessary or desirable to approve and enter into a Project-Based Voucher Program PBV Housing Assistance Payments Contract in relation to the acquisition and development of NHH Gray to be located at approximately 2675 & 2604 Gray Street, Houston, Texas 77004 (the "Project"), pursuant to the memorandum from Jay Mason,

Director of REID dated May 11, 2023, to David A. Northern, Sr., President & CEO. Accordingly, staff recommends the Board adopt this resolution.

Mr. Mason: For clarity, this is 67 project-based vouchers being added.

Secretary Northern: This is part of our Choice Neighborhood area so that helps our development and our goals for the Third Ward community

Chair Snowden stated the Board has heard the reading of the resolution and asked for a motion to adopt Resolution No. 3620.

Commissioner Thomas moved to adopt Resolution No. 3620. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopting this resolution. Having none, Resolution No. 3620 is adopted.

Resolution No. 3621: Consideration and/or action to authorize the President & CEO or designee to execute a Memorandum of Understanding with Fairfield Residential for the development of Pinnacle on Wilcrest located at 9520 Wilcrest Drive, Houston, Texas 77099 (the "Project"), to take such actions necessary or convenient to facilitate the conveyance and development of the Project and the execution of all required documents therefor.

Mr. Mason stated Resolution No. 3621 reads That the Houston Housing Authority Board of Commissioners authorizes the President & CEO or designee to execute a Memorandum of Understanding with Fairfield Residential for the Development of Pinnacle on Wilcrest located at 9520 Wilcrest Drive, Houston, Texas 77099 (the "**Project**"), to take such actions necessary or convenient to facilitate the conveyance and development of the Project, and the execution of all required documents therefor, pursuant to the memorandum from Jay Mason, Director of REID dated May 2, 2023, to David A. Northern, Sr., President & CEO. This was a solicitation for the sale of Pinnacle at Wilcrest. There were several respondents and Fairfield had the best score. Accordingly, staff recommends the Board adopt this resolution.

Secretary Northern: This is one of those deals that we own, while we're selling it and going into a 4% tax credit deal to do a rehab, and will continue in ownership would be able to upgrade this development for the community.

Chair Snowden stated the Board has heard the reading of the resolution and asked for a motion to adopt Resolution No. 3621.

Commissioner Thomas moved to adopt Resolution No. 3621. Commissioner Ballard seconded the motion.

Chair Snowden asked if there is any discussion or objection to adopting this resolution.

Chair Snowden: I heard you say that there is a evaluation of developments score but I do not see that in the packet. I would like the commissioners to get a copy. I would like to make it part of the record of what score was provided to this development. If it's something that's scored, we need to be transparent and make that part of our records.

Mr. Northern, I'd like you to also have discussions with this overall process when we read with the commissioners so we are informed. Individuals need to be aware of that, Pinnacle, it's one of our developments that we are partnering with.

To our public relations team and social media team, we want to make sure that once we start doing this rehab, repair, and the upgrades, that we are informing the community and individuals that we're not doing what is happening in the development over on the southeast side. We are doing what is right for our people.

Concluding the discussion, Chair Snowden called for a vote. All voted in favor, therefore, Resolution No. 3621 is adopted.

EXECUTIVE SESSION

Chair Snowden stated there will be no Executive Session,

ADJOURNMENT

Chair Snowden remarked this concludes the items on today's agenda and declared the meeting adjourned at 3:42 p.m.