



HOUSTON
HOUSING AUTHORITY

Transforming Lives & Communities

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

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

TUESDAY, FEBRUARY 4, 2025

I. CALL TO ORDER

A Meeting of the Board of Commissioners (“Board”) of the Houston Housing Authority (“HHA”) was held on Tuesday, February 4, 2025, at the Houston Housing Authority Central Office, 2640 Fountain View Drive, Houston, Texas 77057.

Before I call the meeting to order, I have a brief statement I'd like to read. We are grateful for the attendance of members of the Independence Heights community here today at the HHA Board meeting, and our thoughts and prayers are with all those mourning the passing of Tanya DuBose, who fought tirelessly for the Independence Heights community. She was a powerful force of good. The Houston Housing Authority is moving forward on the Independence Heights II development. The item on today's agenda is only to consider selecting a different developer partner. And with that, we'll call the meeting to order at 1:05 PM on February 4th, 2025.

II. ROLL CALL

Present:

- Joseph “Jody” Proler, Chairman
- Alton Smith, Vice Chairman
- Cynthia Aceves-Lewis, Commissioner
- Stephanie A.G. Ballard, Commissioner
- Eric G. Carter, Commissioner
- Kristy Kirkendoll, Commissioner
- Kenneth C. Li, Commissioner
- Jennine Hovell-Cox, Secretary

ABSENCES: None

III. ELECTION OF BOARD OFFICERS

Chairman Proler: Secretary Hovell-Cox, would you be kind enough to conduct the election of the position of Chairman of the HHA Board of Commissioners?

Secretary Hovell-Cox: Yes, sir.

Commissioner Aceves-Lewis: I would like to make a motion about the election.

Secretary Hovell-Cox: There is a discussion item on the agenda.

Commissioner Aceves-Lewis: OK, I only see Election. Sorry.

Secretary Hovell-Cox: If you let me go through the script. This is for the position of Chairman of the Board of Commissioners. I call for nominations for the position of Chairman of the HHA Board of Commissioners.

Commissioner Carter: I nominate Jody Proler.

Secretary Hovell-Cox: Are there any other nominations?

Commissioner Kirkendoll: I nominate Alton Smith.

Secretary Hovell-Cox: If there are no more nominations for the chairman position, I call for a motion to close the nominations.

Commissioner Smith: Because of a personal situation, I have to decline at this particular time.

Secretary Hovell-Cox: Since there is only one current nomination for the position of Chairman of the Board of HHA Commissioners, I call for a motion to close the nominations. Do I have a motion?

Commissioner Carter motioned. Commissioner Li seconded.

Secretary Hovell-Cox: Any discussion?

Commissioner Aceves-Lewis: I don't know what I'm supposed to say.

Secretary Hovell-Cox: Is there any discussion regarding the nominations for the position of Board Chairman?

Commissioner Aceves-Lewis: I wanted to make a motion to postpone the election of board officers and discussion and nomination until our next board meeting.

Jonathan Brush, HHA Board Attorney: It is an appropriate motion that would require a second and then a majority vote.

Secretary Hovell-Cox: Do I have a second?

The motion was seconded by Commissioner Ballard.

Secretary Hovell-Cox: I call for a vote for Commissioner Aceves-Lewis' motion to postpone the election. All in favor, say aye.

Commissioner Li: Excuse me, I thought we had a motion and second already on the floor.

Mr. Brush: This would be a motion to postpone the election, so it's an incidental motion. If the motion is carried, it postpones further discussion. If the motion fails, we proceed with any discussion on the nomination.

Commissioner Aceves-Lewis: I'm asking if we can postpone electing officers until our next meeting so that we could have discussions.

Secretary Hovell-Cox: I have a first and second motion. All in favor, say aye.

Unclear Count.

Secretary Hovell-Cox: Let me do this again. All in favor say aye and raise your hand.

Commissioner Smith: Can I ask the person to explain why they want to postpone it?

Mr. Brush: This is the vote on the motion to postpone the election. A vote of “aye” will postpone the election; a vote of “nay” and the board will proceed with the election.

Secretary Hovell-Cox: Are you asking if there is any discussion on the motion to postpone?

Commissioner Smith: What would be the problem of having it now versus then? What are the advantages of doing it later?

Mr. Brush: The only discussion would be related to the motion itself on the timing, not on the substance of it. So, it really should just be a yay or nay vote as to whether or not to postpone. Any substantive discussion would be on the election itself.

Commissioner Aceves-Lewis: Alton, do you have a question?

Secretary Hovell-Cox: Again, this vote is on the motion to postpone the election. If you are all in favor, please say aye and raise your hand.

Commissioners Aceves-Lewis, Ballard, and Kirkendoll said, “Aye”

Secretary Hovell-Cox: Any opposed?

Commissioners Proler, Li, Carter, and Smith opposed it.

Secretary Hovell-Cox: Motion is denied.

Mr. Brush: In that case, then, the Board would proceed with the vote on the nomination of Mr. Proler.

Secretary Hovell-Cox: So, there's no discussion?

Mr. Brush: There can be discussion amongst the board. If there's no discussion, then the board will proceed to vote.

Secretary Hovell-Cox: Is there any discussion amongst the board as to the vote on Chairman Proler being reelected to the HHA Board of Commissioners?

Commissioner Kirkendoll: I have a question. So, it's strictly on the vote and anything else would be just relayed to him in executive session?

Commissioner Aceves-Lewis: We can't discuss this in executive session.

Secretary Hovell-Cox: Any discussion would be now in public session.

Commissioner Kirkendoll: So moving forward, if Jody Proler is going to be Chairman, he is not so involved in the day-to-day activities of the Houston Housing Authority because we are to govern. Not run.

Secretary Hovell-Cox: Any other discussion?

Commissioner Aceves-Lewis: I would just say that I appreciate all that Chairman Proler has done. I've seen his heart, I've seen his dedication. He spent a lot of energy and time serving and trying to bring a lot of change, and for that I'm appreciative. I was hoping to postpone this because I'd rather for us as a board, to

have private conversations about how we want to go forward in a new way so that we are united and on the same page and respectful. And I'm sorry that that's not going to go forward. I wanted to have those discussions before I can vote to continue as it has been.

Commissioner Smith: One of the things I would suggest. I'm coming from a human resources perspective. I have always been of the opinion that a person or an employee should be told what their performance deficiencies are in advance and given the corrective action plan to correct those deficiencies and given an opportunity to take training to improve. If the person continues to fail, then corrective action should be taken at that time. I've thought about this long and hard and that's what I believe in, and that's all I have to say.

Commissioner Li: When I started serving on the board, I do appreciate our Chairman. I think he did a wonderful job and the leadership and all of these things to make this organization go in the right direction. The comment about the daily operation, I think it's a personal opinion. The staff is doing the job that's why the board is here. We are supervising. I feel our Chairman is doing a good job and really shows his leadership. That's my opinion.

Secretary Hovell-Cox: Thank you. Any other discussion? I called for a vote to re-elect Jody Proler to the position of Chairman. All in favor signify by saying aye and raising your hand, please.

Commissioners Proler, Li, Smith and Carter voted Aye.

Secretary Hovell-Cox: Is there anyone opposed to the re-election of Jody Proler as Chairman of the HHA Board of Commissioners? Being that there is no objection, Jody Proler is re-elected as the Chairman of the HHA Board of Commissioners.

Chairman Proler: I call for nominations for the position of Vice Chairman of the Houston Housing Authority Board of Commissioners. Are there any nominations?

Commissioner Li: I nominate Alton Smith

Commissioner Carter: I second the nomination.

Jody: There's a nomination for Alton Smith as Vice Chairman and a second by Commissioner Carter. Is there any discussion? And I see no discussion. So with that, I call for a vote to re-elect Alton Smith to the position of Vice Chairman. All in favor signify by saying aye.

The Board: all said Aye.

Chairman Proler: Any opposed? No one opposed it. Thank you. Congratulations, Vice Chairman Smith.

IV. APPROVAL OF THE MINUTES

a. Board Meeting Minutes: December 17, 2024

Chairman Proler: We'll move into the approval of the December 17, 2024, Houston Housing Authority Board Meeting Minutes. I'll call for a motion to approve. Do I have a motion to approve the minutes as submitted?

Motioned by Commissioner Li to approve the minutes of the December 17th, 2024 meeting minutes and seconded by Commissioner Kirkendoll.

Commissioner Aceves-Lewis: Is there any discussion? I did see two things but I didn't know when to discuss.

Chairman: Yes, please, absolutely go ahead.

Commissioner Aceves-Lewis: So, it's in the discussion with the auditors, who do I address this to? Anna?

Chairman Proler: Can You refer to the page?

Commissioner Aceves-Lewis:, it's on 7 to 11. "Cynthia" is mentioned, which is obviously me, but it didn't say who I am. There was no context that, I am a commissioner. And then later in the text, it says Commissioner Aceves-Lewis, which would lead a reader to believe that it was a different person.

Anna Hawkins: OK, I'm happy to make that change.

Commissioner Aceves-Lewis: And then the other thing, after Berman Hopkins spoke up, that Jody and I had asked for an audit report mediation plan to be presented in January. So I mean, how do you double check that? Maybe I missed it. There's a lot of text. I did not see it in here.

Anna Hawkins: I thought I saw the text you're referring to, but I will review the recording. I did not attend the December meeting, so I delayed getting the information to make sure that our staff presented at this meeting. I apologize for that, but I'll make the corrections before we post those minutes.

Mr. Brush: I would recommend that the board simply take a vote to postpone these minutes until they're presented as corrected.

Chairman Proler: Thank you and I agree.

On motion by Commissioner Aceves-Lewis. And seconded by Commissioner Smith. The vote is unanimous to postpone the approval of the December 17, 2024 minutes until they've been revised and accurately recorded.

V. INTRODUCTION OF THE INTERPRETERS

Chairman Proler offered the use of interpreters to be available to Spanish, Mandarin and Vietnamese speakers who may need assistance for public comments only.

VI. PUBLIC COMMENTS

Reverend Gray Mackey: Thank you for allowing us to speak. I come on behalf of the Independence Heights Redevelopment Council. Mr. Proler, we say thank you from the outset of this meeting and acknowledge Tanya DuBose. We're certainly in mourning for all of the labor that she has done over the course of so many years. However, I must admit we're a little dissatisfied as to the timing of the HHA wanting to move to a new developer and to terminate the relationship with Columbia Residential, and so I stand before you on behalf of hundreds of thousands of folk residents of Independence Heights. You'll hear from some other stakeholders shortly to ask you all to urge you, in fact, to insist that you vote no. Absolutely astounding, no, because you not only disenfranchise the residents of Independence Heights, but I myself, along with many others, have traveled to New Orleans. We've been working with Columbia Residential now since 2018. We've also been working obviously with HHA even prior to that with Independence Heights I. So again, to move to a new developer will disenfranchise many members of the community. So again, we want you to honor the commitment of the MOU that was signed by David Northern, and we want you to keep your

commitment to us because, essentially, the commitment to Columbia Residential was also to us as residents and stakeholders of Independence Heights because we sat down the countless hours sharing with Columbia Residential, the needs and the desires of how we wanted to look and feel of Independence Heights II. So we don't see how having to pay them a \$2,000,000 pre-development costs or penalty, lose tax credits, all of those things, just for a new developer. So we feel like there's been some sort of ad hoc meeting that played here, some sort of numbers game that's being played. And so again, we ask you to honor the commitment that's been on the table. Work through the closing cost with Columbia Residential. Keep the integrity in the deal; we implore you; we urge you to do the right thing.

Verdell Ingram: I'm the President of Cuneo Homes, also serve on the board, and am a resident of Houston. I'm here today to ask if I've tried to send emails and phone calls to President Hovell-Cox. It appears that we are having an abuse of power for the resident council from the Asset Management and Client Services. We only have one woman in there who seems to be doing abuse of power. So, we really would like to meet with you. The next thing that they are doing is refusing to release federal funds to the resident council and holding us accountable when you all were upgrading your system, so we would really like a meeting with you as soon as possible, please, so we can get this handled. The third thing is President Hovell-Cox, let's say some of us, and you're in that group, are interpreting what HUD is saying differently. So, with your attorney background, we need you to come and make sure we are all on one page on interpreting what HUD is saying for Resident Council and not rewriting the MOU where HUD is saying one thing and the MOU is saying something else. Thank you very kindly, everybody, for listening.

Antoinette Jackson: Good afternoon, Commissioners. I want to bring prepared remarks from my client, Columbia Residential, and SDK for Columbia Independence Heights. Chairman, board members, and members of the community, we appreciate the opportunity to address you today. I am speaking on behalf of Columbia Residential and SDK, collectively, Columbia Independence Heights, the development partners for Independence Heights II. Columbia Residential and SDK have remained steadfast in their commitment to delivering high-quality, affordable housing in Independence Heights in partnership with the Houston Housing Authority. Columbia Residential and SDK were selected by HHA through the procurement of the development partner and owner for the proposed development. Since being selected as HHA's development partners in 2018, we have worked diligently with HHA, representatives of the Independence Heights community, all professional consultants, and finance partners to advance the critical project, navigating multiple redesigns at HHA's request. In December 2023, the board approved a MOU between HHA and Columbia Independence Heights, which outlined the project structure and business terms. Since then, we have secured bond reservation and other development finance and submitted the permitting documents, prepared construction documents, and applied for our tax credit. Despite this progress towards closing on December 6th, 2024, we were informed by HHA's Council that HHA no longer intended to proceed under the development structure outlined in the approved MOU. HHA has requested significant changes to the development and ownership structure and other business terms. We made it clear that the changes were infeasible and urged HHA to honor the agreement. In the meantime, we have continued to advance the development process in good faith in hopes of a resolution. Our continued efforts to acknowledge the critical closing deadlines necessary to preserve bond and tax credit financing and \$7 million in additional funding due to the site's designation as a QCT. We have been notified as of January 30th that it is the intent to terminate the MOU. We respect the decision to pursue a new development partner and we want to make it clear our unwavering commitment to this project and the Independence Heights community. We have put this project in a position to move forward as indicated. We have upheld our responsibilities under the MOU even when notified of your intention to restructure. We respectfully ask that the Board take definitive action on today on whether HHA will continue to partner with Columbia Independence Heights or if it intends to terminate and settle the agreement as outlined in the MOU. Our firms have 30 years of experience developing affordable housing, we regret that we will not be able to see this project through. However, we stand by our efforts to share the vision of Independence Heights led by the late Tonya DuBose.

LaTisha Grant: I have for you today as the chair of the Affordable Housing Committee for Charlene Ward Johnson, State Rep District 139, and I am here to urge you guys to reconsider utilizing Columbia. As stated in your introduction, Tonya DuBose worked extremely hard and tirelessly to ensure their connection between the community with this particular contractor. What this would do is set the community back and this is not something that we want to see happen. There are several seniors in this community who, unfortunately, are being priced out, and we want to be sure that they remain. The information has been communicated to one particular contractor, and to start this entire process all over has absolutely reduced morale. So we urge you all to reconsider and to proceed as instructed previously.

Nathan Jenkins: I stand in agreement with all of those who you have heard already as it relates to resolution #3858. Our vote is a strong no. I want to give just a quick example of what happens when we have conversations in the community and then we decide to pull our commitment to the community. I came to Providence Missionary Baptist Church which is located on E 43rd St. 403. On 43rd St., there was a gentleman who stayed a block down the street. He was a member of the Providence Church. He had been running a home in the community. He's on a fixed income. When he saw the first phase go up. It was his hope that he would be able to live there because what we communicated to them and to our members was that there would be some affordable housing opportunities for them. So, he informed his landlord that he was moving out. He did that but then he was not able to qualify to move into that housing facility. I would hate for this to happen to them again because we move out of our commitment to the community and to allow them to come together in a partnership. So, I don't want us to think about the displacement of those people who have been living there in Independence Heights for all these years.

Billy Williams: Chairman to the board members, we stand not to be repetitive but certainly to echo sentiments that have been repeated before us. We stand in opposition to Resolution 3858. We stand with the Independence Heights Greater Houston Redevelopment Town Council. We, the Independence Heights Greater Houston Baptist Pastors and ministers of minds will have you know that the works that Tonya DuBose has done should not be abandoned at this time. We need to move forward with the work that has been done before us; we stand again in our opposition to Resolution 3858.

James Williams: To the board, I'm here today to echo the words you've heard already and say we are opposed to Resolution 3858.

VII. NEW BUSINESS

- a. Resolution No. 3856: Consideration and/or take action to authorize the Interim President & CEO or authorized representative of the Houston Housing Authority to execute and Enter into Insurance Contracts for the 2025 Policy Year with the Texas Municipal League Intergovernmental Risk Pool.**

PRESENTED BY: Mike Rogers, Vice President of Fiscal and Business Operations

Resolution 3856 is seeking approval to enter into the insurance contracts with TML for the 2025 policy year for an amount not to exceed \$1,500,000. The insurance policies that we're talking about are recapped in the memorandum. There's a list of them and the biggest piece of them as a real and personal property, for the existing public housing units that cover that, there are some 1,928 units that are included in the various properties that make up that total, and the building that we're currently in right here, 2640. That makes up approximately \$1.3 million of the total \$1.474 million premium quote that we have from the Texas Municipal League. The resolution is for 'not to exceed \$1.5 million'. We always tend to add a little bit more to the actual quote, so if there are some minor adjustments that need to be made during the year, we don't have to postpone and come back seeking additional board approval for that.

This \$1.5 million amount is an increase of a little more than 24% from the amount that we requested last year. This continues the trend over the past several years of 20-30% continuing increases in the price of this insurance. There's no question that, going forward, this is going to continue to make it more and more difficult for the operation of the public housing portfolio in there. However, there is an obligation on our part to maintain adequate insurance for the protection of these assets. And so we're kind of stuck between a rock and a hard place on that. The good news, if there is any good news in this resolution, is that the per-door rate, around \$600.00 per door equivalent under this, is still substantially lower than what we have to pay for insurance on the other properties that we have. Later this year, we'll be coming back with another resolution for some of our other tax credit properties and everything like that. And I don't know what the price is going to be for those yet. We haven't actually started that process yet. That will start probably in the latter part of this month or early March because those policies renew in May. There is a chance that we might be able to reduce the premium some. One of one of the properties that's covered is Forest Green. There's an actual disposition on that that's been approved by HUD. We do not currently have anybody that I'm aware of that's actually attempting to acquire that site, but should we be able to dispose of that site.

Chairman Proler: And we don't have any tenants in that site?

Mike Rogers: That site is empty.

Chairman Proler: So, are we insuring it for raw land or replacement value or what?

Mike Rogers: We are insuring it because the buildings are still there.

Chairman Proler: But is it required that we provide the same type of coverage on it as if it were occupied?

Mike Rogers: That is unclear in HUD because the only thing that we get from HUD is that you're supposed to provide adequate insurance, reasonable insurance. We can look into it and see if we can just insure it for land, which would reduce the cost a little bit. For now, the buildings are still there.

Chairman Proler: Are we required to participate through the Texas Municipal League? We can't do competitive bidding for this?

Mike Rogers: We are not required to participate through the TML.

Chairman Proler: We can do competitive bidding?

Mike Rogers: We can it's just our history and we do competitive bidding through all the other properties that we insure is that the per door rates are substantially higher when we go out into the marketplace for that. Texas Municipal League is an intergovernmental risk pool. It is a little bit of a different animal than for-profit insurance, so, going out into the open marketplace, we would be going to for-profit insurance companies as opposed to a nonprofit insurer. So again, the difference in the per-door rate is approaching \$700-800 per door lower for a TML policy than what we have to pay on the open marketplace. These are also all of the old public housing properties.

Chairman Proler: Right, which that insurance is going to continue to be higher.

Mike Rogers: It would be very difficult to get a for-profit insurance company to even entertain something like that.

Commissioner Smith: Based on what I'm hearing, we don't have much of an alternative.

Mike Rogers: In my opinion, I don't think we have any alternative because we won't find this price out on the open market.

Commissioner Smith: I would presume they would also continue to stay abreast of any possible changes.

Mike Rogers: Not a week goes by without the subject of the ongoing crisis in the insurance market being discussed at some point.

Commissioner Smith: I knew that, but I just wanted to hear you say it.

Mike Rogers: I wish we could insure every one of our properties with TML, but TML puts a restriction on us that will only insure those properties that are 100% owned by a governmental institution. So when you go into the tax credit world, you actually have moved on from the government entity, and it's owned by a partnership at that point in time and ineligible for inclusion in this pool.

Chairman Proler: Just out of curiosity, in our 2025 budget, did this number fit with that budget number?

Mike Rogers: Yes, we actually had \$1.6 million put into the budget for that.

Chairman Proler: Any other questions?

Commissioner Aceves-Lewis: Thank you for asking that. So we had budgeted 1.6 million, and so that's a 130% increase since 2022, which is significant. So, my only other thought would be, I think Jody, you touched on it, is just as a businesswoman, I understand it. It is maybe the best we can do, and it sounds like that's probably the case, but I would just want to know that I know that and if there would be an opportunity to just put this down to the open market. At least we have it, and we're not speculating that this could be the best. That would be my comment.

Chairman Proler: I would support that too, but I don't want to avoid the risk of losing our window here with this carrier.

Commissioner Aceves-Lewis: So we would lose that window?

Mike Rogers: Yes.

Commissioner Aceves-Lewis: So I guess that would just be something to think about.

Mike Rogers: When we begin Pricing the other properties that we have, we can ask them to look at this, but what I suspect will happen is many of them will actually say they are not interested because of the type of product that it is. I have no real expectation, based on having done this now; this is the 13th time I've brought this resolution to the board, that there would be any realistic expectation that we can come anywhere near the per-door rate for this type of government. So, the staff is recommending that we approve this resolution.

On motion by Commissioner Li and seconded by Commissioner Smith. The Board unanimously approved Resolution No. 3856.

b. Resolution No. 3857: Consideration and/or take action to authorize the Interim President & CEO to livestream board meetings.

PRESENTED BY: Roy Spivey, Director of Information Technology

Chairman Proler: Mr. Spivey, before you make your presentation, I just would want to comment to the board that it has been suggested that a number of housing authorities around the state start televising their meetings to allow people who physically can't come here to be able to watch it on television. Fortunately, the Housing Authority has the equipment, so we did not have any out-of-pocket expenses.

Roy Spivey: Chairman, you have given my whole presentation. We have the equipment; we have been testing, and we're ready to start live streaming.

Commissioner Smith: I have a comment. When this came out, I was wondering why we didn't do this before because all, especially during COVID, almost everybody started doing that.

Roy Spivey: During COVID, we had virtual meetings, which is a little bit different. We've been preparing for this day for about six months, so we already have the equipment, and we're prepared to start anytime you want.

On motion by Commissioner Smith and seconded by Commissioner Kirkendoll. The Board unanimously approved Resolution No. 3857.

VIII. EXECUTIVE SESSION

Chairman Proler suspended the Public Session on Tuesday, February 4, 2025, at 1:45 p.m. to convene an 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.

IX. RECONVENE PUBLIC SESSION

Chairman Proler reconvened the Public Session at 3:18 p.m. to take action on Executive Session agenda items.

NEW BUSINESS continued

c. Resolution No. 3858: Consideration and/or take action to authorize the Houston Housing Authority to take such actions necessary or convenient to terminate the Memorandum of Understanding with Columbia Independence Heights, LLC and proceed with procurement of a developer for the development of Independence Heights II (the "Project"), to take such actions necessary or convenient to facilitate the development of the Project, and the execution of all required documents therefor.

Chairman Proler asked for a motion to TABLE Resolution No. 3858.

On motion by Commissioner Carter and seconded by Commissioner Ballard. The Board unanimously approved to TABLE Resolution No. 3858.

X. ADJOURNMENT

Chairman Proler: This concludes the items on today's agenda and asked for a motion to adjourn.

On motion by Commissioner Carter and seconded by Commissioner Li.

Chairman Proler declared the meeting adjourned at 3:20 p.m.