



HOUSTON HOUSING AUTHORITY

Transforming Lives & Communities

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MINUTES OF THE HOUSTON HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING

TUESDAY, AUGUST 27, 2024

I. CALL TO ORDER

A Meeting of the Board of Commissioners (“Board”) of the Houston Housing Authority (“HHA”) was held on Tuesday, August 27, 2024, at the Houston Housing Authority Central Office, 2640 Fountain View Drive, Houston, Texas 77057. Called the meeting to order at 3:01 p.m.

II. ROLL CALL

Present:

- Joseph “Jody” Proler, Chairman
- Stephanie A.G. Ballard, Commissioner
- Eric G. Carter, Commissioner
- Kenneth C. Li, Commissioner
- David A. Northern, Sr., Secretary

ABSENCES:

- Alton Smith, Vice Chairman
- Cynthia Aceves-Lewis, Commissioner
- Kristy Kirkendoll

Chairman’s opening remarks: Before we approve the minutes of the July meeting, I'd like all of the members of the Houston Housing Authority to join me in expressing our get-well wishes to Alton Smith, who had knee replacement surgery. He's in our prayers, and we are really happy he's on the mend. He said he would be here at the next meeting.

III. APPROVAL OF THE MINUTES

A. Board Meeting Minutes – July 16, 2024

On motion by Commissioner Ballard and seconded by Commissioner Li, the Board approved the July 16, 2024, Meeting Minutes.

IV. 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.

V. PRESIDENT’S REPORT

Secretary Northern: Welcome everyone. As always, I provide a more comprehensive written report to the Commissioners but I want to talk about a few things.

SHORTFALL

The U.S. faces a severe housing crisis, with nearly 400 Public Housing Authorities (PHAs) in shortfall and projecting close to 800 by the end of 2024. Shortfall means there is not enough money in order to maintain and continue leasing up new vouchers. There is a shortage of nearly 4 million homes, caused by decades of insufficient supply to meet demand, according to Up for Growth. This has driven up prices and rents, leaving low-income households struggling. We are doing what we can to ensure that our clients' housing is interrupted and I think we can guarantee that.

\$50 MILLION GRANT

A transformative \$50 million Choice Neighborhood Implementation Grant from HUD will kickstart the comprehensive redevelopment of Cuney Homes and expand affordable housing in the Third Ward. The grant, awarded as part of the Third Ward-Cuney Homes Transformation Plan, was presented at a ceremony held on the Cuney Homes basketball court on July 26. Notable attendees included Mayor John Whitmire, HUD Assistant Secretary Julia R. Gordon, HUD Regional Administrator Candace Valenzuela, Councilmembers Tiffany Thomas and Carolyn Evans-Shabazz, Board Chairman Jody Proler, Cuney Homes Resident Council President Delores Ford, and Pastor Rudy Rasmus. This significant investment, almost \$650 million, marks a crucial step in revitalizing Houston's oldest public housing community and enhancing the quality of life for Third Ward residents.

FELLOWSHIP PROGRAM

We completed our fellowship program and I think the board members had opportunity to meet them. It was a great opportunity to really teach young people about affordable housing so we could be more intentional as related to getting individuals started in a career. You know, most of us that work in housing, we kind of fell into it. Too many people don't grow up, say I want to be a Houser, but we're here is a major career and so we want to start working with young people now at this in college so they can think about and be intentional about having, you know, a job or a career in housing. One of the college graduates, the young lady Destiny Day, not only did she participate in the fellowship program, we offered her a job at the HHA. Ms. Day just came out of college and this is her first job. We talk a lot about our inventory, but she moved into one of the public facility corporations right down the street that's affordable for a single individual. She does not have a car so another benefits is that it's close to the office so she can walk to work. That is just one example of how some of the items that we invest in as a team allow individuals, at all levels, to enjoy their surroundings in great communities like this one.

REID COMPLIANCE LUNCHEON

The REID Compliance Team successfully hosted its first Compliance Luncheon on August 12. This event brought together owners and property managers to discuss upcoming improvements, fostering collaboration and communication.

The Houston Housing Authority (HHA) presented an informational session to Houston City Council on August 26, 2024, highlighting the state of affordable housing across Houston and the role that Public Facility Corporations (PFCs) hold in achieving the City's affordable housing goals.

SPECIAL EVENTS

The Lawndale, a new mixed-income affordable housing community, opened its doors on August 15 in Houston's East End. The ribbon-cutting ceremony was attended by prominent officials, including Congresswoman Sylvia Garcia, Senator Carol Alvarado, and Councilmembers Tiffany Thomas and Joaquin Martinez, highlighting the project's significance. The Lawndale represents a crucial step in our ongoing commitment to providing accessible, quality housing in Houston.

The Houston Housing Authority (HHA) is preparing for two significant grand openings that reinforce our commitment to providing diverse, inclusive, and high-quality housing solutions for the community. 2100

Memorial: Scheduled to reopen on August 29, 2100, Memorial is a senior living community that has undergone a complete rebuild after being rendered uninhabitable by Hurricane Harvey. I met with returning resident Connie Castillo to welcome her back to her new home. She was very excited for the opportunity to come back to the property.

Lastly, The Standard on the River: On August 30, we will celebrate the grand opening of The Standard on the River, HHA's third new development in the Houston area. Located in EaDo, this \$100 million mixed-income complex will offer 600 units and serve as a critical housing resource for residents, including those from Clayton Homes who will be displaced by the forthcoming I-45 expansion.

Chairman Proler: I have seen it. Out of the 600 units that are available, how many are at 30% AMI?

Secretary Northern/Donna Dixon: 85 units for Clayton residents.

The HHA family came together for a Unity Day celebration at Hermann Park. This special event was designed to foster team building, boost camaraderie and celebrate our collective achievements. We have a tough job to do here with the City of Houston so this Unity Day not only provided a welcome break from routine but also reinforced the strong bonds within the HHA team.

This concludes the summary of the President's report unless there are any questions.

Chairman Proler: I'd like to just add one comment if I could. For the record, we had 2100 Memorial, which is 198 units. There are another 600 units at Standard on the River. So we have 800 units coming online within the next 10 days. That is an accomplishment! Thank you.

Secretary Northern: Again, 2100 Memorials is a senior's building, and a number of our low-income housing clients who left during Harvey will return.

Chairman Proler: Regarding the development report, I noticed that Telephone Road is more than 90% leased. Is that correct? Do we have a timeline for estimating when it will reach 95%?

Secretary Northern: Ricardo, can you comment on that?

Ricardo Harris: We are in the process of working with the site as it relates to HCV and project-based vouchers, so anticipate mid-October; we should be there.

Secretary Northern: Sometimes, through national attrition, we have vacancies, but we continue to recruit for those properties.

VI. PUBLIC COMMENTS

Ms. Tabitha Israel. I am the owner/CEO of Upstanding Enterprises. We are a firm here in Houston that specializes in outreach, economic development initiatives as well as brand management. We have had the honor to work with several management districts and council members. And I just wanted to come and introduce myself and introduce our company. We are very narrative-driven. We provided services such as video production, website development and design. We also do social media strategy and management. We've also worked with our clients through word of their board members as well as their staff to meet their goals. I just wanted to make my face known and introduce myself in case there are any opportunities in the future for us to work with you.

Secretary Northern: Please leave your card with a staff member so we can look at it later.

Faye Ku: I live in the Uvalde Ranch apartments. I'm using a voucher to live there from Harris County, so my inspectors are from Harris County. I am ported in from Anderson County.

I have a significant leak that developed since March 2024. I already sent the video and various emails to the president of this corporation, and I would like for you to compare my 12-second video from March, when I first reported the problem with my 2nd video from July, which happened after Hurricane Beryl when the rain was pouring into my home. This is my 10-year-old, and we live together on the voucher. We wrote a note to the Housing Authority on your contact form after your April meeting where I just was curious as to the meetings and came to talk about uplift Harris County. My manager, April Williams, came to visit me in my home and talked to me for an hour about what was happening. She saw my videos. She promised me things were going to happen. The work order was issued because this was not a usual maintenance issue, but she contacted her corporate office. I asked the commissioner's office to put us on a priority list when I saw all that rain come into my house, and it was there was water halfway across my living room. Due to the way the leak was the entire building has been experiencing the same issue. I have walked our neighborhood, and I've just spoken to 11 other tenants, 100% of them have the same issues that I'm having, except for the ones who just moved in, and they don't know the history of their particular apartment. So at that time, since I knew a lot of my neighbors were experiencing this because I had been speaking to them, I asked the Commissioner's office to please put us on a priority list to get our power back because in another whole week with no power, we have no electricity or air conditioning to pull that water, no fans to run to pull the water out of the carpets and we would have all been in mold. After I found out that we had all these issues, I went and spoke with some of my neighbors, I've collected their information, but I know that the apartment manager has already done that work. She's already made a list of all the people. So please pull that information, and make sure it's fixed because I've already filled my failed housing inspection three times that I would have passed it if they had done the regular physical inspection. They will pass because all they could write was crack on the wall. They could not write down mold or leak because they're not mold-certified. They told me that they can't write leak because they can't actually see it leaking. You know, because they're not there off there on the day of the leak. So I had to really push them to write it down as a problem that needs to be fixed. Thank you for working together with the other Housing Authority on this.

Secretary Northern: You said that you ported here from Harris County?

FC: No, I ported to the Harris County Housing Authority. I came here because you're the owners of the apartment.

Secretary Northern: Could someone from staff please talk to this young lady about this situation?

Pawan Kapoor. I am the Managing director for WHG, Westmont Hospitality Group. 3 industry leaders, three families, and three friends got together to work on something that would also benefit the city, found the answer, and tried to develop affordable housing solutions. We did our very first project in partnership with the HHA.

I'm talking about Torrey Chase Apartments, a fully affordable housing opportunity for 280 families earning less than 60% of the area's median income. It offers world-class facilities, a clubhouse, a fitness center, state-of-the-art equipment, a multi-heater, a walking/jogging park, a dedicated dog park, a resort-style swimming pool, etc.

Today, it is my honor and privilege to report that our very first collective project, is being recognized. Torrey Chase Apartments is the winner of the Red News 2024 Real Estate Award and Affordable Housing. This award

is a testament to all collective efforts in making this a reality, and nobody appreciates it more than the 280 families that are living there right now. Yes, it's fully occupied. At this time before you, on behalf of everybody who was involved in the development, thank you for your commitment and for your relationship. And I look to the future with the unified vision of teamwork, cooperation and creating building affordable housing solutions for those in need. I'm encouraged to say that we will do more and we will win more like this..

Secretary Northern: This is the award that we won.

Zach Petrol with Johnson Petrol: We're speaking on regarding Cypresswood Apartments which is located within WCI99. Currently it is subject to annexation service and financial agreement until the service level commitment agreements and restrictions and covenants on the property as they probably would not become tax exempt. This was done to the benefit of the property and for the protection of the district in order to provide water, sewer and draining services to that property. The District expanded its sewage treatment plant and constructed a new water well and a new water plant for that property. It is explicitly agreed that this property would remain taxable so that the property tax revenue was paid for a share of those facility expansions. Without that tax revenue, the District would have to increase its tax rate by 50% on 500 homes in that property, causing some of them unable to make that payment. This means that this action is making it more unaffordable, not more. The current owner has requested an amendment and consent to the restrictions and agreements for that property, which require a pilot agreement between the water district and the proposed owners, which would include the Housing Authority as the land owner. According to the current owners, the Housing Authority has refused to even get on call with the water district, let alone discuss the pilot agreement. It is disappointing that the Housing Authority refuses to engage with the local community, but it is willing to jump through a bunch of hoops for the banks and lenders. Essentially, my comment boils down to why this item is on the agenda if the agreements and covenants and restrictions regarding the tax exemption for the property are not close to being resolved. Completing this transaction without resolving them, but the Housing Authority at Smith at risk because you as the owner of the land, will be in default and in violation. Last week, based on the information we have on this transaction, it seems that only 30 to 35% of the tax savings go towards the Housing Authority for lower rents, while the remaining 65 to 70% go toward the developer. I'm happy to be wrong about it. if you show me, but the Housing Authority has refused to discuss it.

Mike: I have been displaced for over 2 years since Clayton Homes property was sold to TxDOT for \$900 million. I have complied with the regulations and policies of this place at 7225 Bellerive on my limited capability. I was promised for two years that caregiver provider accommodations would be arranged along Section 8, which I am entitled to. I went to the HUD office and filled out some forms, and met with some authorities, and they said they would take action and assign me to my new place Downtown, where the Clayton home property was located. For housekeeping issues and pictures taken, action was taken on my limited ability, and for that reason, I have these two storage rooms and moving out what they think might be hazardous to the safety. I continue to do so as I am able to or a caregiver could help me on that. Appreciate all your concern and understanding. But right now there's a big issue again on the bathroom lockout. They locked it up at 5:00, and the sign said 7:00. I've talked to the manager and she said no, that is not true. But the fact is they are practicing the same way even though the health department has been called; they opened the door for the bathroom for the seniors, but now they're closing it at exactly 5 pm sharp. 11 The sign says it's open until 7.

Pamela Wright: I've lived at Kelly Village Apartments for a year and a half. Everything's been OK so far. I'm waiting to get another AC unit for my bedroom.

VII. NEW BUSINESS

- a. **Resolution No. 3797:** Consideration and/or to take action to authorize the President & CEO or designee to execute a contract with Inland Environmental for the demolition of the building and site work located at 2801 Conti Street, Houston, Texas 77020.

PRESENTED BY: Jay Mason, Director of REID

That the Houston Housing Authority Board of Commissioners authorizes the President & CEO or designee to negotiate, execute and make necessary changes and corrections to a contract with Inland Environmental, as required for the demolition of the building and site work located at 2801 Conti Street, Houston, Texas 77020 in an amount not to exceed \$641,548.00 pursuant to the memorandum dated August 15, 2024 from Jay Mason, the Director of REID, to David A. Northern, Sr. President and CEO.

Chairman Proler: Before we entertain the motion, does anyone have any questions? I have a few that I'd like to ask. Jay, As part of this demolition project, there was a phase one or phase two. I would like the minutes to reflect the environmental assessment that was done on this property.

Jay Mason: The parcel of land is approximately 270,000 square feet, and there's an existing building on the site. As part of our due diligence prior to the purchase, we did phase one and then phase two on the site. In addition to that, because there's a building on the site, we did an asbestos assessment report.

Chairman Proler: For the record, a phase two environmental study involves borings in the ground and levels all around the property.

Jay Mason: Yes sir.

On motion by Commissioner Carter and seconded by Commissioner Li, The Board approved Resolution No. 3797.

VIII. EXECUTIVE SESSION

Chairman Proler suspended the Public Session on Tuesday, August 27, 2024, at 3:29 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.

Chairman Proler reconvened the Public Session at 4:18 p.m.

IX. NEW BUSINESS continued...

- b. **Resolution No. 3798:** Consideration and/or take action to authorize the update of the previously approved lender and loan amount in Resolution No. 3746 for the Cypresswood Apartments transaction.
- c. **Resolution No. 3799:** Consideration and/or take action to authorize the update of the previously approved lender in Resolution No. 3778 for The Milo on Westheimer transaction.
- d. **Resolution No. 3800:** Consideration and/or take action to authorize the update of the previously approved lender in Resolution No. 3779 for The Peri on Westheimer transaction.

- e. **Resolution No. 3801:** Consideration and/or take action to authorize the update of the previously approved lender in Resolution No. 3773 for the Premier at Morton Ranch transaction.
- f. **Resolution No. 3802:** Consideration and/or take action to authorize the President & CEO or authorized representative of the Houston Housing Authority to facilitate the acquisition of The Henry at Jones Road located at or about approximately 11925 Jones Rd., Houston, Texas 77070, and the execution of all required documents therefor.
- g. **Resolution No. 3803:** Consideration and/or take action to authorize the President & CEO or authorized representative of the Houston Housing Authority to facilitate the acquisition of The Henry at Lake Houston located at or about approximately 14100 Will Clayton Pkwy, Humble, Texas 77346, and the execution of all required documents therefor.
- h. **Resolution No. 3804:** Consideration and/or take action to authorize the President & CEO or authorized representative of the Houston Housing Authority to facilitate the acquisition of Mia LXMI Westchase East located at or about approximately 3950 Ashburnham Drive, Houston, Texas 77082, and the execution of all required documents therefor.
- i. **Resolution No. 3805:** Consideration and/or take action to authorize the President & CEO or authorized representative of the Houston Housing Authority to facilitate the acquisition of Mia LXMI Westchase West located at or about approximately 12903 Brant Rock Dr., Houston, Texas 77082 and the execution of all required documents therefor.
- j. **Resolution No. 3806:** Consideration and/or take action to authorize the President & CEO or authorized representative of the Houston Housing Authority to facilitate the acquisition of Cortland Med Center Apartments located at or about approximately 9111 Lakes at 610 Drive, Houston, Texas 77054, and the execution of all required documents therefor.
- k. **Resolution No. 3807:** Consideration and/or take action to authorize the President & CEO or authorized representative of the Houston Housing Authority to facilitate the acquisition of Augusta North located at or about approximately 12655 Kuykendahl Rd., Houston, Texas 77090 and the execution of all required documents therefor.
- l. **Resolution No. 3808:** Consideration and/or take action to authorize the President & CEO or authorized representative of the Houston Housing Authority to facilitate the acquisition of August Friendswood located at or about 2911 W El Dorado Blvd, Friendswood, Texas 77546, and the execution of all required documents therefor.

Chairman Proler asked for a motion to vote on Resolution Nos. 3798, 3799, 3800, 3801, 3802, 3803, 3804, 3805, 3806, 3807, and 3808 in seriatim.

Commissioner Carter motioned. Commissioner Ballard seconded the motion.

Chairman Proler asked for a motion to adopt Resolution Nos. 3798, 3799, 3800, 3801, 3802, 3803, 3804, 3805, 3806, 3807, and 3808.

Commissioner Carter motioned. Commissioner Ballard seconded.

Chairman Proler asked if there was any objection to adopting Resolution Nos. 3798, 3799, 3800, 3801, 3802, 3803, 3804, 3805, 3806, 3807, and 3808. Having none, the resolutions were adopted.

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 4:23 p.m.