

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

TUESDAY, SEPTEMBER 17, 2024

I. CALL TO ORDER

A Meeting of the Board of Commissioners (“Board”) of the Houston Housing Authority (“HHA”) was held on Tuesday, September 17, 2024, at the Houston Housing Authority Central Office, 2640 Fountain View Drive, Houston, Texas 77057. Called the meeting to order at 3:00 p.m.

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
- David A. Northern, Sr., Secretary

ABSENCES: Cynthia Aceves-Lewis, Commissioner

III. APPROVAL OF THE MINUTES

Board Meeting Minutes – **August 27, 2024**

Chairman Proler, I want to take a minute to say I read the minutes Friday night, and I want to compliment the person who took them. They are very good, and I really do appreciate it.

On motion by Vice Chairman Smith and seconded by Commissioner Li, the Board unanimously approved the August 27, 2024, Meeting Minutes.

IV. INTRODUCTION OF THE INTERPRETERS

V. PRESIDENT AND CEO’S REPORT

Secretary Northern stated he provides all of our board members with the President & CEO’s report along with our REID Development report.

Secretary Northern expressed his gratitude and appreciation by thanking all guests and the Houston Housing Authority team members for the hard work they do on a daily basis for the citizens of this city. He welcomed the HUD staff present today.

CNI Planning Grant at Irvinton Village

HUD awarded another Choice Neighborhood Planning grant of \$500,000.00 for Irvinton Village in the Near Northside neighborhood. This is exciting news! We previously reported the Houston Housing Authority also received a \$50 million Choice Neighborhood Implementation grant for our Cuney Homes in Fifth Ward community.

Ribbon-Cuttings, Grand Opening

Also, we recently had the grand opening of 2100 Memorial. 2100 Memorial is a senior building that flooded during Harvey. We rebuilt it, and now a number of our clients have already moved in. A number of board members were there to celebrate the grand opening. It's a beautiful building, and that's the type of work we're doing here at the Houston Housing Authority—totally Class A-type buildings.

We are continually adding inventory and new construction to our inventory of housing for the citizens of Houston. Standard on the River is over in the 5th ward area EaDo in the east downtown area. It's an amazing building. Part of the units are replacements for Clayton Homes residents who were displaced due to the expansion of I45. A number of those units in the Standard on the River are dedicated to individuals who were relocated, as replacement housing for the Clayton Homes residents.

Conferences

I had an opportunity to speak at an innovative real estate conference, accompanied by a number of small Realtors. Even our development partner Integral, who is a part of our choice neighborhood grant, was there. We got an opportunity to express our gratitude to HUD, who provided us the funding that grant to help revitalize that community, and also talk about our program so individuals throughout the nation have the opportunity to understand what we're doing with that.

PHADA Legislative Conference

I was excited to have two of HHA's commissioners go to Washington for PHADA'S Legislative Forum, where they got the opportunity to hear firsthand about some of the innovative things that we're doing. PHADA is the Public Housing Authority Directors Association out of DC. They cover close to 2,000 housing authorities throughout the nation. I'm the immediate past president of the organization. It was great to have commissioners there when we had the opportunity to speak and talk with legislators in Washington about the need for affordable housing and the funding that we need here in Houston, along with speaking to a number of HUD representatives. HUD's acting secretary was there along with the Principal Deputy Secretary, Richard Monocchio. He will be in Houston next week to present the \$500,000 check for the CNI planning grant.

PHADA distributed position papers to all who attended the conference. I brought back the fiscal year 2025 appropriations position paper for all of the commissioners so you can see what we're looking at in terms of funding and our various programs. There is a copy for each commissioner.

Veterans Affairs Supportive Housing (VASH)

We had a VASH Leasing Fair where our team members at the Housing Authority went out to a property and helped some of our veterans sign up for housing on that same day. I want to thank the staff for taking that opportunity, and not just waiting for individuals to come in our doors, but let's go out to the properties and invite individuals so we can help with that process to obtain affordable housing.

While we were in DC, Congressman Al Green received an award for his work between Pakistani and US relations. It was a great experience to be a part of that and we're blessed and fortunate to be invited to the Pakistani embassy for that event. Commissioners Li and Kirkendoll were there, along with a few other housing authority staff. We were so proud of Congressman Green, who represents one of our districts in Houston but also represents the House authority in a great way in terms of helping support us in terms of the funding that we receive and the policies that we have. It was a unique situation. That was my first time in an embassy. But not only were we in that embassy, we got an opportunity to be on international news. Commissioner Lie sent us some clips of us on international news. I couldn't understand what they were saying, but I knew it was international news. Additionally, Commissioner Li helped spearhead that opportunity. While we were there, we got the opportunity to talk to some of the embassy members and talked about the needs that they have for affordable housing. We talked about possibly putting together a delegation because one of the cities, I can't remember the city, that's our sister city, Sir.

What was the city in Pakistan?

Comm Li: Karachi city. 25 million population the one top five worldwide

Secretary Northern: We had some conversations around the need that they have for affordable housing, so maybe we should put together a small delegation to go there and talk to some of those individuals about how we do housing here. We could also have them come here next time they visit to see what we're doing here in the United States and here in Houston related to housing and affordable housing.

Office Accommodations for Nursing Moms

Lastly, many new programs and policies are being developed, and the HHA is happy that we are able to accommodate nursing mothers by converting a room for them. The space reflects our dedication to providing essential amenities and ensuring access to facilities that accommodate our employees' and clients' needs.

HHA Golf Tournament that provides scholarships

Every year, the HHA holds a Golf tournament to raise thousands of dollars in scholarship money for our young people to help further the education of our clients. It will be at the Wildcat Golf Club on October 2nd. If you want any details about it, please see Donna Dixon, who is in the audience. She has a golf ball in her hand, so please talk to her about any sponsorship opportunities or coming to play along.

Chairman Proler. Could you please contact me tomorrow about that?

Secretary Northern. Unless the board members have any questions or comments, this ends my report.

Secretary Northern. Asset Management will come to say a few words about the report.

Asset Management & Development

Shona Smith-Ombogo: The LIPIH program has an adjusted vacant rate of 2.2% on August 31st, 2024. As of September 1, 2024, rent collection for August was 94.90% on an adjusted cash account basis. There are currently 25,584 active applications for the public housing waiting list, which represents a decrease of 1.6% from last month.

Chairman & Secretary Northern: You're doing great. One way to learn that's, you know, hands on the ground.

Shona: The vacancy rate for June was 1.9%, for July it was 2.3%, and August it was 2.2%. Rent collection for June was 94%, July was 93.5% and August it went up to 94.9%. Unit turnaround for June was 49, July was 52 and August was 51. The reason why the rate of increase of 51 is that we started leasing some of our old units that were hard to turn around. So that's why the turnaround rate has increased.

The average non-emergency Work Orders days at 2.66 for June, July is 2.96 and August is 2.12. The waiting list for our duplicated, I'll start with June, was 26,602, unduplicated, was 11,567. For July, duplicated was 26,012 and unduplicated was 11,336. In August, the duplicated was 25,584, and the unduplicated was 11,192. Currently our waitlist department going to be doing a purge of all of our applicants to make sure everyone was on our list actually needs housing or they're still interested in housing.

Chairman. what is your timeline for completing that task?

Shona. We have about two weeks left to complete everything. Right now, what we're doing is the letters that are coming back returned, we're putting it in the system. We will be able to have a total count by the next board meeting.

Secretary Northern. And that's also to make sure we stay updated in terms of the needs. Families may grow, income may change, and things like that. So, as we purge, individuals get to update their information. And I know she mentioned vacancies, in terms of every month, and we have people moving out, so we have to turn around the unit so there is always a percentage of vacancies. But I believe you guys doing a really good job keeping that low. I believe HUD allows 2% vacancies?

Shona. Yes. We have implemented a vacancy occupancy talk every week where we're working with those properties that have been hard to lease. For the most part, Cuney was our worst property and we were able to get them down to where they only have 10 vacancies. And that was up until the CNI came up. So everybody else was above 96% at this time.

Commissioner Smith, I have one comment, please. If it doesn't cause any additional work, when I hear statistics, numbers, etcetera, and comparisons, it helps me a lot to know if we are improving or getting worse. If it doesn't add to the workload and you all don't deem it unnecessary, I would like to see that.

Shona. So, you want another report that shows how it is improving or not improving? Our goal is to improve, and right now we are improving.

Commissioner Smith. Yes, but get directions from your boss.

Commissioner Carter. When you talk about your vacancy rates and I hear there's 25k people looking for places to live, why do we have a vacancy rate?

Shona. The 2018 waitlist allowed applicants to apply to all the public housing properties. So, we have 25,000 but that doesn't mean that they're not on another property. So that's why we have an unduplicated amount of 11k. For our properties like Ewing, where we have a waitlist, no one really moves out because they like the property. We did the purge and you still have residents that are willing to wait, until their number comes up. And that's why we have a high number. OK. Yeah. It's pretty much they just want stay on the waitlist. That's why we do the purge to make sure they still want to wait.

Commissioner Carter: So we have some properties that are not very attractive?

Shona. They still want to go if they need housing.

Chairman. Thank you for the report. Please let the minutes reflect that this is part of the President & CEO's operations report. I just had one comment: non-emergency Work orders were A's all the way through, and annual inspections were A's, so compliments to the team for every one of those A's.

With that, we'll open it up for public comments.

VI. PUBLIC COMMENTS

Speaker 1: Good afternoon, everyone. My name is Tony. I represent Stole Group, which has been doing a lot of multi-families in Houston and Texas. We finished one of the projects at the latter part of this year, Torrey Chase. I believe the HHA was also involved in it. We're currently doing a project, Ella Reserve, Rush Creek and Ella Blvd. That project has been going on for about 3 years. Unfortunately, we did not meet the deadlines for two times and have the bond awarded. We extended our 2024 and we are trying to apply the 2025 bond allocation. This project is a huge, huge project for the community and I hope that we get an opportunity to be on the next board meeting and to present the projects in better form, better in information provided to HHA and I wanted to thank you, all the commissioners, especially the President, David Northern, for your support in all of the developers, because you know, in such time now, it's extremely hard for a lot of us developers to develop these type of projects because we have to put a lot of time, a lot of effort. A lot of money and a lot of capital infusion into these projects to better and revitalize the community that we support. And with HHA's help, we can do that. Hopefully, in 2025, and on. We're here to stay and help HHA to develop these types of projects for the city of Houston. Thank you.

Speaker 2: My name is Jean Chu. I'm a realtor with RCR Properties. I am here today to talk about my experience trying to house tenants with decreased payment standards. It has been very hard. It seems that the payment standards are not covering the cost for the landlords with the rent prices that they have asked. I do understand that HUD is the one who approved that market rent value.

I know they look across Texas, but I feel like one price doesn't fit all. My clients and the tenants asked me the following questions: Are these payment standards going to stay until the end of the year? After the end of the year, are they going to increase so that maybe we would have a chance of housing these tenants? What happens if I cannot find a property under that price? Do they use their voucher? These are just a lot of questions that I can answer.

And then there are questions from landlords. If the tenant has been in the property for more than two years, they're going to get a counteroffer to reduce their prices. So there's a lot of questions that are out there. I don't have the answers. There have been instances that now people are earning positions that. But I can't find them any properties and they're vulnerable to scammers. They have advertised properties that are way lower, and they think, OK, at least I still have a roof over my head. And then they say you get if you pay your deposit, you can have this house and people are falling for that and then worse off.

So, on August 1st, I wasn't able to house anybody, and the prices the landlords, the prices that the payment standards are at, the landlords can take a regular tenant and not have to wait for the 30-day inspection that we're at right now. Right now, to get a HAP contract, people have to wait 60 days to schedule. So, the landlord has up to a three-month cost that they have to wait until the tenant is accepted. I do understand that in certain parts, the higher vouchers and were setting the market value, in those areas. But most of my clients are two-bedroom vouchers. And I feel like the solution is if we can come up with something and use the resources that you specialize in that space. That we can help out the people that do have 2 and 3-bedroom vouchers, that these four and five-bedroom voucher prices, you know, understand that they should go down. Thank you.

Secretary Northern. Some of our voucher staff are here who can answer any questions you may have. Thank you.

VII. NEW BUSINESS

- a. Resolution No. 3809:** Consideration and/or for the Houston Housing Authority Board of Commissioners to approve the resolution to Amend and Restate the Bylaws of the Houston Housing Authority, revised on August 1, 2024.

The Board of Commissioners declared Resolution No. 3809 Tabled.

- b. Resolution No. 3810:** Consideration and/or take action for the Houston Housing Authority Board of Commissioners to approve the HHA Records Retention Policy 2024, revised on August 1, 2024.

PRESENTED BY: Marcus Richard, Summer Fellowship Intern, Legal Department

Secretary Northern: This resolution is being presented by Marcus Richard, Summer Fellowship Intern for the Legal Department. Jennine Hovell-Cox, Senior Vice President and General Counsel introduced him to the Board of Commissioners. Marcus Richard has been with HHA since June 2024 and he is a recent graduate of Southern University Law Center and has done an excellent job thus far.

Marcus Richard spoke about his background by letting everyone know he originally grew up in New Orleans, LA, and moved to Houston, Texas, after Hurricane Katrina. Marcus attended high school in South Houston where he played football and continued to play for a South Kansas college. He attended Southern University Law Center and returned to Houston and is now working as an intern for the Houston Housing Authority, Legal Department. Marcus enjoys working at the housing authority. Marcus has great mentors and is learning and obtaining great experiences. Marcus is making a great impact in the community, and he has much responsibility.

Secretary Northern, thank you for your service at the Houston Housing Authority. One of our goals is to get more people engaged with the housing authority and not let it be a career that people stumble into, and we appreciate you taking the opportunity to come as an intern.

Marcus Richard presented the resolution.

On motion by Commissioner Carter and seconded by Commissioner Smith. The Board unanimously approved Resolution No. 3810.

- c. Resolution No. 3811:** Consideration and/or to take action to authorize the President & CEO or designee to execute contracts with CBRE, Inc., Cushman & Wakefield, JLL, and The Guess Group for Real Estate Brokerage Services on an as-needed basis.

PRESENTED BY: David Cukierman, Executive Analyst, REID

Commissioner Carter: Is there a limitation on the amount of money?

Chairman Proler: There is no monetary money. This is for HHA to interface with these brokerage firms, whether it be for appraisals or for brokerage services. These are capital markets, and we are trying to widen the scope and give more brokerage firms actively involved in all different facets of the REID Department, and that is what this resolution accomplishes.

On motion by Commissioner Carter and seconded by Commissioner Li. The Board unanimously approved Resolution No. 3811.

- d. Resolution No. 3812:** Consideration and/or take action to authorize the President & CEO or designee to award and execute a contract with TouchPoint Strategies and Spears Group for Public Relations Services.

PRESENTED BY: Rizvan Quadri, Director of Human Resources

Commissioner Carter asked if the \$750 is a budget savings, is this correct?

Quadri responded: Correct.

Commissioner Carter asked, we may or may not spend it. Depending on the needs?

Quadri responded: This is correct.

Chairman. I would like to tag this resolution that it come back here in 90 days after we have officially begun, and you give us a report on the progress of these two agencies and how they are doing.

Quadri responded, Absolutely.

On motion by Vice Chairman Smith and seconded by Commissioner Li. The Board unanimously approved Resolution No. 3812.

- e. Resolution No. 3813:** Consideration and/or take action to authorize the President & CEO or designee to authorize the implementation of a Whistleblower Protection Policy to safeguard employees against retaliation when reporting misconduct, ensuring transparency and compliance with federal laws related to Houston Housing Authority (HHA) operations.

PRESENTED BY: Rizvan Quadri, Director of Human Resources, Training & Development

Chairman Proler commented: Thank you, Riz. I am happy and proud as Chairman of the Houston Housing Authority to read this resolution finally being passed. I hope our Commissioners join me and with that I'll open it for a motion to approve.

On motion by Commissioner Carter and seconded by Commissioner Ballard. The Board unanimously approved Resolution No. 3813.

- f. Resolution No. 3814:** Consideration and/or take action to approve and authorize the President & CEO to submit the Fiscal Year (FY) 2025 Annual PHA Plan including the Five-Year PHA Plan for FY 2025-2029, the Five-Year Capital Fund Plan, the Moving to Work (MTW) Supplement and related documents to the US Department of Housing and Urban Development (HUD).

PRESENTED BY: Kenneth Coles, Vice President of Voucher Program Operations

Secretary Northern asked if Mr. Coles could kindly give a summary to the board, since we have a few new board members, regarding ACOP and Section 8 Admin Plan, since we always use acronyms.

Mr. Coles responded: Program regulations are one-size-fits-all for all 3300 housing authorities in the country, but they really do not fit all. There is room for each Housing Authority to present its own administrative documents as they relate to the jurisdictions they serve. Our administrative plan under the HCVP program and the ACOP under the public housing is our way to how we will be operating within the HUD guidelines within this jurisdiction. HHA periodically gets updates for many reasons. Typically, because rules change, and we must update our plans to follow the new guidance and recently we have been waiting for rulemaking to complete on the HOTMA regulations that were passed in 2016. HUD is still working on this, and they just finished a big segment of the rules for the plan. This was the major impetus in updating our ACOP and ADMIN plan.

Secretary Northern: ACOP is the Admissions and Continued Occupancy Policy and then HOTMA is the Housing Opportunity Through Modernization Act for people with AIDS.

Vice Chairman Smith commented: Using examples of any acronyms helps the board understand. I do not know if it is possible with these in particular, but examples help in understanding.

Mr. Coles commented: The Housing Authority has a five-year plan for its operations. The annual plan reports on our success in the five-year plan, the Capital Plan refers to purchases and demolition, disposition, etc. The Admin Plan and ACOP Plan are mostly regulatory requirements HHA provides on an annual basis.

Commissioner Carter asked: when you submit these, are you requesting HUD approval?

Mr. Coles replied, Yes .

Commissioner Carter commented: these approvals sometimes are in variance to their original guidance?

Mr. Coles. Yes, they can be.

Commissioner Carter asked: Is that the purpose?

Mr. Coles replied, Yes.

On motion by Commissioner Kirkendoll and seconded by Commissioner Ballard. The Board unanimously approved Resolution No. 3814.

g. Resolution No. 3815: Consideration and/or to take action to authorize the President & CEO or designee to execute a contract with Amazon Business and Tejas Office Products.

Commissioner Carter. Is there a price budget? How much money are we talking about?

Mr. Crotts replied: The budgeted dollar amounts with these companies are going to be determined on the Finance Department fiscal annual budget, based on the departmental budget for office supplies and other materials needed to run their department.

Carter. Do you have a suggested ceiling?

Mr. Crotts replied: I believe in the last few years our use of office supplies decreased since COVID and since we have gone digital, I do not expect it to exceed \$200,000.00.

Chairman Proler asked to approve this resolution as it is submitted and come back in 90 days with a “Not to exceed” dollar amount.

Secretary Northern asked Mike Rogers, VP of Fiscal & Business Operation if this was a budgeted dollar amount?

Mr. Rogers replied: yes, this is in our annual budget for office supplies established for each department.

Chairman Proler commented: Please submit an aggregate for the grand total within the next 90 days

On motion by Vice Chairman Smith and seconded by Commissioner Li. The Board unanimously approved Resolution No. 3815.

VIII. CONVENE AN EXECUTIVE SESSION

Chairman Proler suspended the Public Session on Tuesday, September 17, 2024, at 3:44 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 4:53 p.m.

- h. Resolution No. 3816:** Consideration and/or take action to authorize the update of the previously approved lender and loan amount in Resolution No. 3731 for the Bellfort Pines transaction.
- i. Resolution No. 3817:** Consideration and/or take action to authorize the President & CEO or authorized representative of the Houston Housing Authority to facilitate the acquisition of Cortland Copperleaf Apartments located at or about approximately 14811 West Road, Houston, Texas 77095 and the execution of all required documents therefor.
- j. Resolution No. 3818:** 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 Deerbrook located at or about approximately 9494 Humble Westfield Rd., Humble, Texas 77338, and the execution of all required documents therefor.
- k. Resolution No. 3819:** 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 Liberty Hills located at or about approximately 15330 Liberty River Dr., Houston, Texas 77049, and the execution of all required documents therefor.
- l. Resolution No. 3820:** 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 Woodland Hills located at or about approximately 14807 Woodland Hills Dr., Humble, Texas 77396 and the execution of all required documents therefor.

Chairman Proler asked for a motion to adopt Resolution Nos. 3816, 3817, 3818, 3819, and 3820 in seriatim.

Commissioner Carter motioned, and Commissioner Ballard seconded.

Chairman Proler commented: Before voting on the resolutions, for the Board Minutes and for the Public Session, the Investment Committee of the Houston Housing Authority met for an extensive period of time, as we do each month. The members of the committee are me, Chairman Proler, Commissioner Li, Commissioner Smith, and Secretary Northern, along with legal counsel Shannon Hunter (Coats Rose) and members of our real estate team. We convene and evaluate these properties individually to discuss the different characteristics that go into meeting the objectives of a successful PFC and all reports are made available to the commissioners in their monthly board packet.

Secretary Northern asked to make a correction to Chairman Proler's comment. Chairman Proler is correct; we reevaluate all our investment deals, including low-income housing tax credits and any other types of investment deals, not just the PFC deals. The Investment Committee discusses and evaluates every deal HHA brings forth regarding housing and land purchases.

Chairman Proler. Is there any discussion or objection to adopting Resolution Nos. 3816, 3817, 3818, 3819, and 3820. Having none, the President called for a vote.

Commissioner Carter motioned, and Commissioner Ballard seconded.

Resolution Nos. 3816, 3817, 3818, 3819, and 3820 passed unanimously.

IX. 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 Ballard.

Chairman Proler declared the meeting adjourned at 4:56 p.m.