



**MINUTES OF REGULAR MEETING
OF
HARRIS COUNTY HOUSING AUTHORITY**

Houston, Texas

December 4, 2019

**THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §**

I. CALL TO ORDER AND RECORD OF ATTENDANCE

The Board of Commissioners of Harris County Housing Authority met in regular session, open to the public, on the 4th day of December 2019, at Harris County Housing Authority (HCHA), located at 1933 Hussion Street, inside the boundaries of Harris County in Houston, Texas. Chairman Womack called the meeting to order at 1:34 p.m. and called the roll of the duly constituted officers and members of the board:

Gerald Womack	Chairman	Present
Joe Villarreal	Vice Chairman	Present
Joe Ellis	Commissioner	Present
Dr. Adriana Tamez	Commissioner	Absent
Kerry Wright	Commissioner	Absent

Attending for all or portions of the meeting were Horace Allison, Chief Executive Officer of HCHA, and Scott Lemond from the County Attorney's Office as general counsel to HCHA. Additional attendees present included the following:

Samson Babalola, Beverly Burroughs, Paul Curry, Debra McCray, Zayyana Shehu, and Vivian Clark of HCHA; Kim Brode, Mike Laster, and Nicole Seymour were also in attendance.

II. OPENING PRAYER AND PLEDGE OF ALLEGIANCE

Mr. Horace Allison opened the meeting with a prayer, followed by Commissioner Joe Ellis, who led the Pledge of Allegiance, and Vice Chairman Joe Villarreal, who led the Texas Pledge.

III. APPROVAL OF MINUTES FROM NOVEMBER 13, 2019

Commissioner Joe Ellis moved to approve the minutes from the November 13, 2019 Board meeting, Vice Chairman Joe Villarreal seconded, and the motion carried.

IV. PUBLIC COMMENTS

Chairman Gerald Womack and General Counsel Scott Lemond introduced Council Member Mike Laster.

V. CHIEF EXECUTIVE OFFICER'S REPORT

Mr. Allison presented his report on U.S. Vets – United States Veterans Initiative, Texas Apartment Association sponsored Housing Tax Credit Compliance, U.S. Department of Housing and Urban Development and Adaptive Construction Solutions establishing an ENVISION Center, Financing of HCHA Office space - City of Houston 108 Loan Program, Wind, Water, and Energy Conservation, The Villas at Eastwood - Post Occupancy Walk, First Metropolitan Church – Senior Housing, Single-Family New Development Program – Exploring Development of Patriots, Harris County Community Services Department Grant Fund Reconciliation Meeting – Budget Amendment and the HCHA Monthly Report.

Mr. Allison met with Mr. Oudrey Hervey. Mr. Hervey is the Executive Director of the U.S. Vets – United States Veterans Initiative. This meeting was to explore available options to develop veteran housing in partnership with HCHA and obtaining CDBG-DR Harvey Funding. Mr. Hervey shared notable statistics with Mr. Allison regarding the veteran population in Harris County. Harris County has the second-largest veteran population and has experienced a 12% increase in veteran homelessness, and 29% of the veteran population is disabled. U.S. Vets has a well-established reputation for providing veteran housing and counseling services. This would be a great partnership for HCHA.

Mr. Allison and Mr. Babalola attended a Tax Credit Compliance training seminar sponsored by the Texas Apartment Association on November 14, 2019. HCHA is required to maintain a certificate on file. The training was a one-day seminar that covered nine different modules, beginning with an overview of the tax credit program through compliance monitoring.

Mr. Allison informed the Board that Dr. Pringle of the local U.S. Department of Housing and Urban Development (HUD) Office introduced HCHA staff to Adaptive Construction Solutions. This program provides training and apprenticeship programs for veterans and youth aging out of foster care. This program is unique in the fact that it not only will train individuals but also guarantees job placement for individuals that meet the program requirements. HCHA staff was invited to this meeting because HUD would like to create an ENVISION Center in Harris County. The ENVISION Center will provide integrated services (housing, education, and medical) to increase the opportunity of low-income families achieving self-sufficiency and promote economic development. The Envision Center has four pillars. The four pillars are economic empowerment, educational advancement, health and wellness, and character and leadership. There are seventeen ENVISION Centers in the United States, with one in Fort Worth, Texas. HCHA, The City

of Houston, and The Workforce Commission were invited to discuss developing an ENVISION Center in Harris County and the submission of an application to HUD. The proposed site for the ENVISION Center would be in the Acres Home area of Harris County.

Mr. Allison informed the Board that HCHA staff is still working on the financing of the office space. HCHA staff has been in discussion with Ray Miller from the City of Houston Housing and Development. HCHA will submit an application to the City of Houston's Housing Section 108 Loan Program.

HCHA staff also met with Nola Popoola from Wind, Water, and Energy Conservation. This is an energy conservation company. Wind, Water, and Energy Conservation is analyzing HCHA properties to determine if any efficiency in consumption and monetary savings in water consumption can be achieved. This is a preliminary assessment and is being conducted at no expense to HCHA.

HCHA staff completed a post-occupancy walk of The Villas at Eastwood with the Architect and Interior Designer on November 21, 2019. The post-occupancy walk was conducted to identify design deficiencies that need to be addressed now (change orders) and avoided in future projects.

Mr. Allison met with Pastor John Ogletree from First Metropolitan Church. First Metropolitan owns a 27-acres tract adjacent to the church located on Beltway 8 South of West Road. Pastor Ogletree expressed an interest in developing senior housing. Mr. Allison shared the information gathered during the meeting with all of HCHA's CDBG-DR Round II Harvey developers.

HCHA staff participated in a series of meetings between Harris County and Harris County Community Services Department (HCCSD) to discuss an initiative to develop Patriots by the Lake. The County has agreed to provide the initial engineering and planning services. Harris County, HCCSD, and HCHA have developed a Memorandum of Understanding (MOU) to develop the Patriots project. The MOU is scheduled to be on the Commissioners Court agenda for December 17, 2019. General Counsel Scott Lemond answered questions by the Board.

Mr. Allison notified the Board that HCHA and HCCSD worked on reconciling the accounting discrepancy regarding the correct contract amount for Smith & Company Architects included in The Villas at Eastwood development. The reconciliation is complete; HCCSD is preparing the fourth amendment to the contract between HCCSD and HCHA to make the requisite financial adjustment.

Lastly, Mr. Allison reviewed the Monthly Reports for October:

Annual recertifications are being processed timely. Twenty vouchers were issued. 100% of invited families are attending the briefings. Inspections are being performed timely. October HAP funding utilization of HCV/VASH is 91%, Mod Rehab is 0% (*Mr. Allison provided an in-depth explanation*), and SRO is 84%. The voucher utilization for October 2019

for HCV is 91%, Mod Rehab is 0%, SRO is 72%, and VASH is 91%. Mr. Allison answered questions from the Board.

VI. FINANCIAL PRESENTATION

Mr. Curry presented the financial statements for HCHA from October 2019. The consolidated budget reflected revenue being over budget by 4% and expenses being under budget by 2%.

VII. DEPARTMENT PRESENTATION

Debra McCray presented the lease-up rates for the month of October for the Housing Choice Voucher (HCV) program. The HCV program was 93.6%, and the year-to-date was 96.9%, VASH program was 91.2%, and the year-to-date was 88%, Jackson Hinds Single Room Occupancy program was 100%, and the year-to-date was 94.4%, and Thomas Moderate Rehabilitation program was 0.0%, and the year-to-date was 83.3%. Ms. McCray mentioned that the Home Ownership program now has one home loan pending and one home loan closing on December 20, 2019. SEMAP is still reporting at 100%.

Mr. Babalola reviewed the status of properties within the Affordable Housing Division for the month of October. Mr. Babalola informed the Board that all existing properties are currently 96% leased or above. Mr. Babalola noted that four properties net incomes were over budget. Mr. Babalola noted the net incomes for four properties were over budgeted.

Mr. Babalola moved to working developments. HCHA has received official confirmation that the balance of the Retreat at Westlock's developer fee will be paid in December of 2019. In addition, the rehabilitation work associated with the repairs from the water pipe bursting is scheduled to be completed by the end of November 2019, and the project closed out in December 2019. HCHA staff will authorize the forensic consultant to begin the inspection/investigation of the flooring failure this month.

The Villas at Eastwood is estimated to be about 97% completed. Mr. Babalola reviewed the status of construction and leasing activities for each building and the project construction cost summary. Mr. Babalola noted that Building 3 was turned over to the management office for leasing. Hussion Street, landscaping, and exterior signage work are ongoing.

Mr. Babalola reviewed the proposed developments. Mr. Babalola informed the Board that HCHA staff is working to submit a revised development budget to METRO to facilitate the completion of the MOU. Regarding Emancipation East and West Development, a resolution is on the agenda for the assignment of architectural services. The Arbor at Wayforest has received preliminary approval from the General Land Office. In October 2019, HCHA staff participated in a "project kick-off meeting" with Atlantic Pacific's staff and Harris County Community Services' staff to discuss project funding and administration requirements. Lastly, the AMCAL Kathy Gardens project does not have any Harvey funding and is moving forward. HCHA staff participated in a project kickoff call for the Katy Gardens project in November 2019. The proposed project is to be funded by equity provided by AMTEX and a HUD 221(d)(4) loan. The project will be 51% affordable and 49% market rate. AMTEX and HCHA anticipate submitting a funding

application request to HUD in December of 2019. Mr. Babalola answered questions from the Board.

VIII. DISCUSSION AND ACTION ITEMS

ACTION ITEM 2:

Resolution honoring Phylicia Torres as the Harris County Housing Authority Employee of the Quarter (January - March 2020)

Chairman Gerald Womack moved to approve the resolution, Commissioner Joe Ellis seconded, and the motion carried. (19-63)

ACTION ITEM 3:

Resolution authorizing the negotiation and execution of a memoranda of understanding with affordable multifamily housing developers to submit Community Development Block Grant-Disaster Recovery Round 2 funding applications in partnership with the Harris County Housing Authority to develop affordable multifamily housing

Vice Chairman Joe Villarreal moved to approve the resolution, Commissioner Joe Ellis seconded, and the motion carried. Chairman Gerald Womack abstained. (19-64)

ACTION ITEM 4:

Resolution authorizing the negotiation and execution of a contract for Financial Consulting Services with Praxis Consulting Group, LLC/EJP Consulting Group, LLC to provide a broad range of financial consulting and advisory services related to the Harris County Housing Authority's existing and planned real estate development activities

Chairman Gerald Womack moved to approve the resolution, Vice Chairman Joe Villarreal seconded, and the motion carried. (19-65)

ACTION ITEM 5:

Resolution authorizing the negotiation and execution of a contract for Low-Income Housing Tax Credit Consulting Services with East 43rd Street, LLC d/b/a Structure Development to prepare and submit Bond and/or Low-Income Housing Tax Credit Applications in support of the development of affordable housing by the Harris County Housing Authority

Commissioner Joe Ellis moved to approve the resolution, Vice Chairman Joe Villarreal seconded, and the motion carried. (19-66)

ACTION ITEM 6:

Resolution authorizing the assignment of the architectural and engineering agreement between Center for Civic and Public Policy Improvement and Smith & Company Architects to the Harris County Housing Authority for the proposed Emancipation East and West affordable housing development

Chairman Gerald Womack moved to approve the resolution, Commissioner Joe Ellis seconded, and the motion carried. (19-67)

ACTION ITEM 7:

Resolution by the Harris County Housing Authority (the "Authority") authorizing the submission of and ratifying actions in connection with a Low Income Housing Tax Credit Application for The Arbor at Wayforest Development, and such other actions necessary or convenient to carry out this resolution

Vice Chairman Joe Villarreal moved to approve the resolution, Commissioner Joe Ellis seconded, and the motion carried. (19-68)

XI. EXECUTIVE SESSION

The Board went into executive session at 3:32 p.m.

XII. RECONVENE

The Board of Commissioners reconvened into public session at 3:42 p.m.

XIII. ADJOURNMENT

Vice Chairman Joe Villarreal moved to adjourn at 3:42 p.m., Commissioner Joe Ellis seconded, all were in favor, and the motion carried.

Adopted and approved this 15th day of January 2020.

Gerald Womack, Chairman

Horace Allison, Secretary