



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

December 17, 2025

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

I. CALL TO ORDER AND RECORD OF ATTENDANCE

The Board of Commissioners of the Harris County Housing Authority met in a regular session, open to the public, on December 17, 2025, at the Harris County Housing Authority (HCHA), located at 1933 Hussion Street, within the boundaries of Harris County in Houston, Texas. Chairman Gerald Womack called the meeting to order at 1:01 p.m. and called the roll of the duly constituted officers and members of the Board:

Gerald Womack	Chairman	Present
Paul Shanklin	Vice Chairman	Present
Asheley Gilbert	Commissioner	Absent 1:05 p.m.
Laolu Davies-Yemitan	Commissioner	Present
Carrie Rai	Commissioner	Present

Melissa Quijano, Chief Executive Officer (CEO) of the Harris County Housing Authority, and Nicholas Santulli, General Counsel from the Harris County Attorney's Office, attended all or portions of the meeting. Additional attendees included the following:

Dominique King, Paul Curry, Kimberly Rogers, Vivian Clark, Beverly Burroughs, Sherika Thompson, Terrance James, Terumi Shorter, Idrena Williams, and Tabitha Lockhart of the Harris County Housing Authority (HCHA) were in attendance.

II. OPENING PRAYER AND PLEDGE OF ALLEGIANCE

Ms. Beverly Burroughs opened the meeting with prayer, followed by Commissioner Laolu Davies-Yemitan, who led the Pledge of Allegiance, and Vice Chairman Paul Shanklin, who led the Texas Pledge.

III. PUBLIC COMMENTS

No comments.

IV. APPROVAL OF MINUTES

ACTION ITEM 2:

Approval of the Minutes of November 19, 2025, Board Meeting

Commissioner Laolu Davies-Yemitan moved to approve the resolution; Commissioner Carrie Rai seconded, all were in favor, and the motion carried.

ACTION ITEM 3:

Approval of the Minutes of December 2, 2025, Board Meeting

Vice Chairman Paul Shanklin moved to approve the resolution; Commissioner Carrie Rai seconded; Commissioner Laolu Davies-Yemitan abstained; the motion carried.

V. ACTION ITEM 1:

Resolution authorizing Harris County Housing Authority (HCHA) to provide the Department of Housing and Urban Development (HUD) the Annual Real Estate Assessment Center (REAC) submission as prepared by HCHA's Independent Auditors

The Annual Real Estate Assessment Audit Presentation was provided by Ms. Mandy Merchant (Principal, CliftonLarsonAllen (CLA), Pittsburgh). Ms. Merchant explained the Agenda included: 1. Audit scope, 2. Audit opinions and communications, 3. Financial statement highlights, 4. Governmental Accounting Standards Board (GASB) Pronouncements; and 5. Next Steps.

Ms. Merchant advised that the Audit Scope included: 1) a report on the organization's financial statements; 2) an internal control/management letter; 3) a required governance communications letter; 4) a report on internal control over compliance with major program requirements (federal awards), and 5. a submission to REAC & Federal Audit Clearinghouse Discounted Cash Flow (DCF).

Ms. Merchant explained the audit process had a risk-based approach, which included: 1. Internal controls, 2. Significant estimates, 3. Adoption of GASB 101 (No impact), 4. Revenue recognition, 5. Low-Income Housing Tax Credit (LIHTC)/Group Audit, and 6. Single Audit.

Ms. Merchant advised of the audit opinions: 1. The financial statement audit opinion is unmodified. The financial statement audit results showed no material weaknesses and no significant deficiencies. 2. The opinion of the federal awards audit opinion is unmodified. The federal awards audit found no material weaknesses or significant deficiencies. Ms.

Merchant congratulated the agency on its hard work. A letter will be coming confirming this information.

Chairman Womack stated, "So, you are saying for the record there are no findings, and we have an excellent audit for today." Ms. Merchant replied, "You do." Chairman Womack requested a motion to vote, and Ms. Merchant noted she had a few more slides to review.

Ms. Merchant noted the Statement of Net Position had significant changes in 1. Current Assets decreased by \$6,336,945 primarily due to the April 2024 Housing Choice Voucher Program (HCVP) funding being received in March 2024 in the prior year. 2 Net Capital Assets decreased by \$108,909 primarily due to the increase in accumulated depreciation for the year. 3. Other Noncurrent Assets increased by \$14,883,549 primarily due to new notes receivable issued to the Residences at Arbor Oaks and First Met Apartments for the construction of new properties. 4. Long-Term Debt also increased by \$14,749,536 primarily due to the new Community Development Block Grant (CDBG) debt for the Residences at Arbor Oaks and First Met Apartments for the construction of new properties. 5. Deferred Inflows of Resources decreased by \$5, 321,272 primarily due to advanced funding received in 2024 that did not repeat in 2025.

Ms. Merchant advised that Total Operating Revenue increased by \$11,584,683 due to the increase in HUD and tenant revenues. The Authority categorizes Operating Expenses as housing assistance payments, depreciation expenses, administrative expenses, tenant services, utilities, maintenance, protective services, and general expenses. Total operating expenses increased by \$14,398,226 in 2025 compared to 2024, primarily due to a \$10,116,091 rise in housing assistance payments for the Housing Choice Voucher Program, driven by a higher average Housing Assistance Payment (HAP) per unit. Nonoperating Revenues (Expenses) decreased by \$531,348 primarily due to a decrease in interest income and an increase in interest expense.

Ms. Merchant explained the GASB 101, Compensated Absences, effective December 31, 2024. This included the following: Updated framework: 1. Reevaluate leave policies, 2. Liability must include any accumulated leave that is unused or used but unpaid. 3. Footnote disclosures will be enhanced. Examples: 1. Sick leave not paid at termination, 2. Parental leave, 3. Any military leave and jury duty that has commenced. CLA can help by evaluating the standard related to compensated absences and assisting with or evaluating financial statement disclosures.

Ms. Merchant concluded that the Next Steps are 1. The Quality Control Review that is in progress, 2. Submit the audit report to the Real Estate Assessment Center, 3. Submit the audit report to the Federal Audit Clearing Housing.

Chairman Womack thanked Ms. Merchant for her work with the HCHA staff and for the presentation.

Commissioner Asheley Gilbert moved to approve the resolution; Commissioner Laolu Davies-Yemitan seconded, all were in favor, and the motion carried. (25-44)

VI. EXECUTIVE SESSION

The Board entered an executive session at 1:25 p.m. to consult with its attorneys and seek or receive legal advice regarding pending or contemplated litigation, discuss the value or transfer of real property, or discuss any item listed on the agenda.

VII. RECONVENE

The Board of Commissioners reconvened for the public session at 3:05 p.m.
Items discussed are noted in the Commissioner Committee Presentation

VIII. CHIEF EXECUTIVE OFFICER'S REPORT

Ms. Melissa Quijano, Chief Executive Officer, presented to the Board HCHA's activities from November 20, 2025, to December 17, 2025, which are reflected in the November Board Book.

Ms. Quijano acknowledged the completion of the Annual Audit.

Ms. Quijano reported that all of the Emergency Choice Vouchers (EHV) have been transferred to the Housing Choice Voucher (HCV) Program.

Ms. Quijano wished the Board a Merry Christmas.

Lastly, Chairman Womack thanked Ms. Quijano for her report.

IX. FINANCE DEPARTMENT

Paul Curry (HCHA Financial Director) presented the September financial statements as reported in the Board Book on December 17, 2025.

Mr. Curry responded to Ms. Merchant's comment regarding the accrued leave rule, stating that this practice is already in place at HCHA and that he was surprised it is now a rule. Mr. Curry was happy with the audit review outcome.

Mr. Curry acknowledged five negative check notations in the financial report. The checks in question were reissued because the payee did not deposit them within 90 days of issuance.

Mr. Curry reported the consolidated financial statements, which reflect the program's cash flow balances for the reporting period. Mr. Curry explained that cash flows could fluctuate based on HUD funding, as they might send more than is needed in one period and none in the next, allowing the overage to be consumed. This could result in a deficit and a negative account balance.

Mr. Curry reported that the EHV Program had a negative balance of about \$48,550 due to HUD not funding the program at the 100% rate for the reporting period, resulting in a shortfall relative to available cash on hand.

Mr. Curry reported that the consolidated budget showed revenue 3% below budget and expenses 2% below budget.

Mr. Curry reviewed the contracts expiring within the next six months, covering the period through January 2026.

Commissioner Carrie Rai stated she did not see the IT contract listed. Mr. Curry noted that it was an oversight on his part and that it would be included on the February contract list.

Lastly, Chairman Womack thanked Mr. Curry for his presentation.

X. HCV AND AFFORDABLE HOUSING DEPARTMENTS PRESENTATION

Ms. Sherika Thompson (Housing Choice Voucher Director) presented the HCV lease-up rates as reflected in the October 2025 Monthly Reports, which are included in the Board Book for December 17, 2025.

Ms. Thompson reported that, in October, the Housing Choice Voucher Program was allocated 4,240 vouchers. The agency leased 4,417 participants, resulting in a 104.2 percent lease-up rate. The year-to-date average through October is 97.5 percent.

Ms. Thompson reported that the Veterans Affairs Supportive Housing (VASH) Program was allocated 673 vouchers in October, of which 590 were leased. The lease-up rate for the month is 87.7 percent, and the year-to-date average through October is 88.4 percent.

Ms. Thompson reported that the Emergency Housing Voucher Program was allocated 212 vouchers for October, of which 158 were leased. The lease-up rate for the month is 74.5 percent, and the year-to-date average through October is 75.9 percent.

Ms. Thompson noted that for the Homeownership Program, five participants entered the program during October, and two closed within the month.

Chairman Womack asked if any of the photos were on the HCHA website, if we had anyone's contact information to share. Commissioner Rai noted that it would be helpful to post a success story, even if the participants' information was not disclosed. Ms. Thompson said that she would check with Ms. Keyarra Price (Housing Specialist – Special Programs) for further details. Ms. Melissa Quijano noted that one of the home closings was for an EHV participant.

For October 2025, 516 Annual Recertifications were processed in a timely manner at 100%. For Intake, 16 new VASH Vouchers were issued. There are 3046 applicants on the HCHA's HCV waiting list.

Ms. Thompson reported that 720 inspections were completed in October 2025, 598 of which were Annual and Initial Inspections, representing 86% of the total. 97 Special/Damage or Emergency inspections were completed, at 12%. The Quality Control inspections totaled 25, at 2%.

Ms. Thompson reported that, for October 2025, the yearly average passed for Initial Inspections is 99%, and for Annual Inspections, it is 89%.

Lastly, Chairman Womack thanked Ms. Thompson for her report.

Ms. Dominique King, Director of Real Estate Development, reported all information for the stabilized properties and the status of all properties within the Affordable Housing Division for October 2025 as presented within the December 17, 2025, Board Book. Ms. King identified the high-performing properties.

Ms. King noted that rents at Villas at Eastwood had increased due to voucher payments and Fair Market Rent payments.

Ms. King moved to proposed and affordable housing developments that are under construction. Ms. King reported on developments under construction.

Ms. King reported that pre-development activities for the Bernicia Place – METRO Southeast Transit Development were ongoing. The estimated closing date is proposed for February 26, 2026.

Ms. King reported that recruiting for the HAY Center is underway. Interviews for the Property Manager position were held, and one candidate has been selected. Preleasing is to begin in the First Quarter of 2026.

The Bluestem Apartments are 99% complete. The project is preparing for retainage release and project close-out.

Chairman Womack thanked Ms. King for her report.

XI. **DISCUSSION AND ACTION ITEMS**

Chairman Womack noted there needed to be a discussion about the Resolution 25-38 "Resolution updating the HCHA Check Policy to include all approved signatories on HCHA Bank Accounts" that passed on October 15, 2025. Mr. Curry stated, "He had Chairman Gerald Womack and Vice Chairman Paul Shanklin's signatures. He still needs copies of the driver's licenses and signatures from Commissioners Asheley Gilbert, Laolu Davies-Yemitan, and Carrie Rai." Chairman Womack stated that could be taken care of, and Mr. Curry confirmed, "Yes".

ACTION ITEM 4:

Resolution authorizing the Executive Director to execute a First Amendment to the Interlocal Agreement with Harris County for the Provision of Legal Services

Commissioner Laolu Davies-Yemitan moved to approve the resolution. Commissioner Asheley Gilbert seconded the motion, and all were in favor; the motion carried. (25-42)

ACTION ITEM 5:

Resolution for the PHA Plan will be forthcoming and presented at the January 2026 Board Meeting

ACTION ITEM 6:

Resolution honoring Casey Semien as the Harris County Housing Authority Employee of the Quarter (January-March 2026)

Commissioner Laolu Davies-Yemitan moved to approve the resolution. Commissioner Asheley Gilbert seconded the motion, and all were in favor; the motion carried. (25-43)

XII. COMMITTEE PRESENTATION:

A) Affordable Housing Committee Updates

Commissioner Laolu Davies-Yemitan advised that there is no real update for this month. He is optimistic that the Lake Houston property will receive more attention and that the committee will be able to provide information. I am looking to Ms. King by January; we'll be able to provide an update as to where we are with the process.

Chairman Womack stated, "He just wanted to add that the Commissioner (Adrian Garcia) of Precinct 2 would like to see more developments in that area. Ms. King, you must put that on your radar because he asks me, "When is that coming?" I want your Real Estate Department to do that."

B) Human Resources, Budget, and Finance Committee Updates

Commissioner Carrie Rai stated, "There are some 'housekeeping' items. I would like to make a motion to correct the June 18, 2025, minutes to reflect the Board's selection of Gans, Gans & Associates to provide search services after three written quotes. Commissioner Laolu Davies-Yemitan seconded the motion, all were in favor, and the motion carried."

Commissioner Carrie Rai moved to approve the "Resolution approving the agreement for search firm services between Harris County Housing Authority and Gans, Gans, & Associates." (25-44) Commissioner Laolu Davie-Yemitan seconded the motion, all were in favor, and the motion carried.

Commissioner Carrie Rai moved to approve the "Resolution approving appointment of Horace Allison as Interim Executive Director, Chief Executive Officer, and Secretary of the Harris County Housing Authority and Contract of Employment" (25-45), to begin working no later than December 28, 2025, for a period of six months or until the Board names a permanent Executive Director, whichever is earlier.

Vice Chairman Paul Shanklin seconded the motion; Commissioner Laolu Davies-Yemitan abstained; the motion carried.

Attorney Nicholas Santulli requested clarification that these items were discussed in the Executive Session.

Chairman Womack confirmed that these Items were discussed in Executive Session. Ms. Quijano noted that the Annual Audit must be submitted with her signature and requested an effective date for Mr. Allison to assume responsibility. Commissioner Rai confirmed the date as December 28, 2025.

COMMISSIONER'S COMMENT:

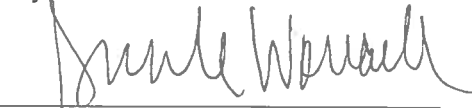
Chairman Womack thanked the staff for all of their hard work.

Commissioner Davies-Yemitan also thanked Ms. Quijano for her hard work with the agency.

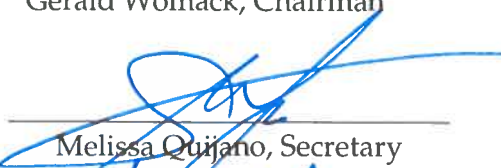
ADJOURNMENT

Commissioner Laolu Davies-Yemitan moved to adjourn at 3:16 p.m.
Commissioner Carrie Rai seconded, all were in favor, and the motion carried.

Adopted and approved this 21st day of January 2026.



Gerald Womack, Chairman



Melissa Quijano, Secretary

