



MINUTES OF REGULAR MEETING
OF
HARRIS COUNTY HOUSING AUTHORITY

June 26, 2024

THE STATE OF TEXAS §
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COUNTY OF HARRIS §

I. CALL TO ORDER AND RECORD OF ATTENDANCE

The Board of Commissioners of Harris County Housing Authority met in a regular session, open to the public on the 26th day of June 2024, at Harris County Housing Authority, located at 1933 Hussion Street, inside the boundaries of Harris County in Houston, Texas. Chairman Gerald Womack called the meeting to order at 1:07 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
Asheley Gilbert	Commissioner	Present
Paul Shanklin	Commissioner	Present
Laolu Davies-Yemitan	Commissioner	Absent

Melissa Quijano, CEO, and Silvia Tiller, General Counsel from Harris County Attorney's Office, attended all or portions of the meeting. Additional attendees included the following:

Beverly Burroughs, Debra McCray, Paul Curry, Dominique King, Terumi Shorter, Arielene Davis, and Tabitha Lockhart, Harris County Housing Authority staff. Mr. Horace Allison, an outside consultant, was also in attendance.

II. OPENING PRAYER AND PLEDGE OF ALLEGIANCE

Ms. Dominique King opened the meeting with prayer, followed by Commissioner Asheley Gilbert, who led the Pledge of Allegiance, and Vice Chairman Joe Villarreal, who led the Texas Pledge.

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF MINUTES

ACTION ITEM 1:

APPROVAL OF MINUTES FROM MAY 15, 2024

Commissioner Paul Shanklin moved to approve the minutes from the Board Meeting of May 15, 2024. Vice Chairman Joe Villarreal seconded the motion; all were in favor, and the motion carried.

V. CHIEF EXECUTIVE OFFICER'S REPORT

Ms. Quijano presented to the Board HCHA's activities from May 16, 2024, to June 26, 2024, which are reflected in the June 2024 Board Book.

Ms. Quijano reported that on May 17, 2024, HCHA received the FY 2024 Section 8 Management Assessment Program Final PHA Rating Score Notice from the U.S. Department of Housing and Urban Development as a required under 24 CFR 982.985 for the Housing Choice Voucher Program. HCHA received a High Performer PHA Rating for a score of 100. This HUD rating is based on 14 indicators in which all areas were scored high. Ms. Quijano commended the HCHA staff for their continued commitment and excellent performance in their work that contributed to this rating. Chairman Womack congratulated and thanked the HCHA staff for their hard work.

Ms. Quijano reported that the U.S. Department of Housing and Urban Development conducted a Housing Assistance Payment, 24 CFR 982.451, Integrity Payment Review back in September 2023 of the Housing Choice Voucher program payments to landlords and participants. On May 23, 2024, HCHA received notification from U.S. Department of Housing and Urban Development Deputy Asst. Secretary that all information was reviewed with no issues or findings for the review and appreciated HCHA's timely and thorough reporting. Ms. Quijano also stated that the local U.S. Department of Housing and Urban Development Field Office mentioned they were truly grateful to the HCHA staff for this. Ms. Quijano commended the HCV Finance and Program Staff, Paul Curry, Debra McCray, Beverly Burroughs and their teams for their work during this process. Chairman Womack congratulated the HCHA staff.

Ms. Quijano updated the Board regarding the recommended opportunity to explore the available Disparity Study Fund Grant as presented and discussed in the last meeting. The Disparity Study Fund Grant application was made available on May 17, 2024. HCHA submitted the application on June 14, 2024, and is waiting for their final selection. Ms. Quijano reported that a meeting was conducted earlier in the morning with the Harris County Department of Economic Equity and Opportunity, who is handling the grant process and responded to additional questions they had. It

was reported that HCHA would be kept informed during their review and final selection process.

Ms. Quijano reported that on May 29, 2024, HCHA received the Statement of Energy Performance report for Cypresswood Estates as required by the U.S. Department of Housing and Urban Development Multifamily Green MIP Reporting and HCHA received an improved score of 81 from the previous 71. HCHA worked with Centerpoint on an initiative in a multifamily energy conservation program in which they provided new thermostats for the entire property at no cost to HCHA that was attributable to this rating. Ms. Quijano reported a total of \$35,000 cost savings to HCHA for this effort and commended Ms. Dominique King and the Affordable Housing Department staff for their work. Ms. Quijano answered questions from the Board.

Ms. King reported that HCHA receives a reduction in interest rate of the HUD loan for this property for this required reporting. Additionally, HCHA has started the process to duplicate these efforts with other existing properties.

Ms. Quijano reported that on June 3, 2024, HCHA received notification from the Texas Department of Housing and Community Affairs (TDHCA) that the Baybrook Park Senior Affordable Housing Development was in full compliance with all low-income housing tax credit (LIHTC) program requirements with no findings from their visit on May 29, 2024. Ms. Quijano thanked the Affordable Housing Department for their work during the process. Ms. Quijano and Ms. King answered questions from the Board regarding the development status, insurance and services provided to the residents. Chairman Womack recommended that small items needed for the developments may be brought to the Board for approval funding allocation in the Budget if funds are available.

Ms. Quijano reported that HCHA was invited by U.S. Department of Housing and Urban Development, Office of Field Operations Analyst from HUD Headquarters, Marquette Nelson to attend and participate in their Special Purpose Voucher Conference on June 4-5, 2024. The conference highlighted Special Purpose vouchers including Veterans Affairs Supportive Housing (VASH) Vouchers and Project Based Vouchers and other Special Purpose Vouchers. The purpose of the conference was to design or enhance strategies and provide input in these programs to assist PHA's administering these programs. HCHA attended and provided input and best practices as it relates to our special purpose voucher programs. Ms. Quijano answered questions from Commissioner Shanklin regarding the conference.

Ms. Quijano reported that HCHA staff was invited to attend the Local Initiatives Support Corporation (LISC) clinic on June 6, 2024, regarding low-income housing tax credit projects 15-year transition process that highlighted different areas of the process from planning, tax exit analysis, re-syndication and opportunities available for the process.

Ms. Quijano reported that on June 3, 2024, HCHA provided Harris County Housing and Community Development, Planning Department with assistance and data in the development of their 2024-2028 Consolidated Plan as required in 24 CFR Part 91. HCHA provided insight into the support of our region's housing needs as to how they are funded with U.S. Department of Housing and Urban Development Community Planning and Development (CPD) Programs, which HUD identifies as PJ's or Participating Jurisdictions. Ms. Quijano reported that these programs are funded with a HUD formula and certain factors that includes their service area, and population that provides a basis for how much funding is received. The HUD required Consolidated Plan provides the strategy with priorities and objectives for the use of these HUD Funds in the Harris County Service Area and HCHA was pleased to assist with the process.

Ms. Quijano reported that on June 20, 2024, HCHA assisted Harris County Housing and Community Development Department in the development of their Fair Housing Goals. This is part of the process in completing the Fair Housing Plan for Harris County. They identified several areas in which they would like to address their goals. Input and feedback was provided by HCHA along with other community stakeholders to help address the goals for their plan.

Ms. Quijano reported that the Affordable Housing Department had monitoring visits from the Harris County Housing and Community Development Department at the following affordable housing developments:

- May 20, 2024 – Waterside Court for HOME Program Compliance
- June 11, 2024 – Cypresswood Estates for HOME Program Compliance
- June 24, 2024 - Sierra Meadows for HOME Program Compliance

Ms. Quijano reported that on May 29, 2024, HCHA received notification from Harris County Housing and Community Development Department that the Louetta Village affordable housing development met all Housing Quality Standard inspections conducted in March, April and May 2024.

Ms. Quijano reported that on June 12, 2024, HCHA received notification from Harris County Housing and Community Department that the Bluestem affordable housing development met all requirements of the Housing Quality Standard inspections conducted in May and June 2024.

Ms. Quijano reported that on June 25, 2024, HCHA received notification from Harris County Housing and Community Development Department that Louetta Village affordable housing development met all requirements of their HOME Program compliance monitoring visit conducted on April 16, 2024.

Ms. Quijano reported that on June 25, 2024, HCHA received notification from Harris County Housing and Community Development Department that the Cornerstone

Village affordable housing development met all requirements of their HOME Program compliance monitoring visit conducted on April 1, 2024. Ms. Quijano thanked Ms. Dominique King and the Affordable Housing Department team for their great work in ensuring compliance is met and working with all the properties in preparation for these reviews.

Chairman Womack asked if this means that the units met all CSD's requirements and Ms. Quijano responded yes.

Ms. Quijano reported that on May 14, 2024, the Texas Affiliation of Affordable Housing Providers invited HCHA staff member Ms. Dominique King as the only PHA to participate in one of their webinars regarding various affordable housing programs available in Texas along with an overview of these programs.

Ms. Quijano reported that HCHA Affordable Housing Department staff was onsite at Magnolia Estates affordable housing development from May 20, 2024, to May 23, 2024, to provide food, water and resources during the power outage due to the disaster weather event the week prior. In addition, staff were able to set up in the management office and assist the residents sign up for FEMA assistance.

Ms. Quijano reported that 486 HCV Annual Recertifications were completed with 100% timely processing for April 2024. No new voucher from HCHA's HCV waiting list was issued, with 3,000 families remaining on the waiting list. The HCV Program Voucher Utilization for April was 4,280 families for the HCV Program, 561 families for VASH, and 185 families for the Emergency Housing Voucher Program. Overall, HCHA assisted 5,026 families, with a total of 14,375 residents in Harris County for the month of April 2024.

Vice Chairman Villarreal asked if HCHA was notifying families and landlords of what is expected for a pass inspection. Ms. Debra McCray responded that HCHA does notify them of the requirements with the information available on the HCHA website. Staff responded to additional questions from the Board.

Chairman Womack thanked the HCHA staff for their work.

VI. FINANCE DEPARTMENT

Mr. Paul Curry presented HCHA's April 2024 financial statements as reported in the June 2024 Board Book. The reporting includes check register, contract log, and the contracts set to expire in the next six months.

Mr. Curry reported no notable checks for April 2024. Mr. Curry reported the consolidated financial statements with the representation of the cash flow balances for the reporting period of the programs. Mr. Curry reported the cash for Cypresswood Estates and stated the decrease was due to more vacancies than budgeted.

Chairman Womack asked Mr. Curry about Cypresswood Estates vacancies and Ms. King responded with the current information.

Mr. Curry reported that the consolidated financial statements reflected revenue over budget by 4% and this is due to HCHA housing more portability vouchers than budgeted and expenses over budget by 2% also due to portability vouchers. Mr. Curry reported a positive cash flow balance.

Chairman Womack requested a reporting of the open staffing positions available compared to budget reported along with more detailed information. It was also requested that these openings be publicly communicated and that HCHA HR staff get these filled quickly. Commissioner Shanklin stated that as they have been active in telling people about these positions, a response may not always follow from what he has been informed.

Mr. Curry reported that a meeting was held with Chairman Womack and Vice Chairman Villarreal, and they asked questions as it related to Affordable Housing Program revenue. Mr. Curry reported the amounts that will be due and/or forecasted to receive for the Affordable Housing Department.

Chairman Womack requested that Mr. Curry provide the Board with a more detailed financial reporting of all developments with the anticipated amounts and forecast with a running update. Mr. Curry responded that this would be completed.

Ms. King added that for the newer developments, HCHA is currently winding down construction and will be reconciling budgets because there are overages due to change orders. Although numbers have been projected, the actual payment may have to be deferred later after the cash flow of the project. Ms. King also reported that this is common for developments that started during the pandemic because of inflation. Additionally, items budgeted in 2020 have increased from then and there are several change orders for most of the projects with most going over budget. While a projection may be made, the actual amount would not be known until the budgets are fully reconciled and, conversion of the loans from a construction to permanent have been completed.

Chairman Womack acknowledged and stated that for the Board to have information to at least know what was anticipated on getting for all developments. It was stated that they don't know that information and should. Chairman Womack stated it was great that we will know which developments will have over runs and will know what that amount will be. Chairman Womack requested Mr. Curry to create and provide the requested reporting.

Mr. Curry reported the Bernicia Place expense information to date.

Mr. Curry reported that he will look into an internet consultant as recommended by Chairman Womack. Mr. Curry reported the Contracts Set to Expire Report.

VII. HCV AND AFFORDABLE HOUSING DEPARTMENTS PRESENTATION

Ms. Debra McCray presented the HCV lease-up rates reflected in the April 2024 monthly reports, included in the June 26, 2024, Board Book.

Ms. McCray confirmed the HCHA SEMAP score was 100%, as previously reported by Ms. Quijano.

Lastly, Ms. McCray answered questions from the Board.

Ms. Dominique King reviewed the status of properties within the Affordable Housing Division for the month of April 2024. Ms. King identified the high-performing properties. Lastly, Ms. King reviewed the status of each property's net income for April 2024.

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

Ms. King reported that HCHA applied for bond reservation regarding the METRO Southeast Transit Development-Bernicia Place. The estimated closing is Fall 2024.

Ms. King reported that the procurement of software needs for The HAY Center is underway. Meetings regarding the management company structure are also underway. Ms. King spoke with Mary Green from The HAY Center regarding the property staff. This will be coordinated with Harris County.

- The Hollows project is 100% complete and preparing for retainage release and project closeout.
- The Northwood Apartments is 100% complete. The project is preparing for retainage release and project closeout.
- The Bluestem Apartments project is 99% complete. Buildings one through seven passed HQS (Housing Quality Standards) Inspections, allowing for occupancy.
- The Residences at Arbor Oaks is 100% complete. The project is preparing for retainage and project closeout.
- The First Met Senior Apartments project is 84% complete. Interior finishing, including appliances and tile installation, is underway. Amenity Building and Pool installation are near completion.
- The Villas at Eastwood cost certification is anticipated to be closed out August 2024.

Lastly, Ms. King answered questions from the Board.

VIII. EXECUTIVE SESSION

The Board went into an executive session at 2:10 p.m. to consult with its attorneys, seek or receive legal advice, consult regarding pending or contemplated litigation, and discuss the value or transfer of real property.

IX. RECONVENE

The Board of Commissioners reconvened for the public session at 3:43 p.m.

X. DISCUSSION AND ACTION ITEMS

ACTION ITEM 2:

Resolution honoring Ana Diaz as the Harris County Housing Authority Employee of the Quarter (July – September 2024)

Commissioner Shanklin moved to move the resolution to the following month, due to the recipient not being available. Vice Chairman Joe Villarreal seconded, and the motion was carried. (24-)

ACTION ITEM 3:

Resolution authorizing Harris County Housing Authority's Executive Director to add the Legal Services Pool Law Firms Cantu Harden & Montoya LLP and The Banks Law Firm P.A., Offerors to the Legal Services Provider RFP 23-04 for the provision of Legal Consulting Services and Real Estate transactions and construction related services

Vice Chairman Joe Villarreal moved to approve the resolution, Commissioner Asheley Gilbert seconded, and the motion carried. (24-21)

ACTION ITEM 4:

Resolution authorizing Harris County Housing Authority's Executive Director to negotiate and enter into an extension agreement for the provision of internet technology managed services

Commissioner Asheley Gilbert moved to approve the resolution, Commissioner Paul Shanklin seconded, and all were in favor, and the motion carried. (24-22)

ACTION ITEM 5:

Resolution authorizing the Settlement and Mutual Release of Claims in Cause No. 2017-71486, Styled Hussion Street Buildings LLC, V. Harris County Housing Authority Public Facility Corporation, Harris County Housing Authority Redevelopment Authority, Inc., and Qualified Construction, Inc., ET AL., Defendants

Commissioner Paul Shanklin moved to approve the resolution, Commissioner Asheley Gilbert seconded, and all were in favor, and the motion was carried. (24-23)

XI. ADJOURNMENT

Vice Chairman Joe Villarreal moved to adjourn at 3:46 p.m., Commissioner Asheley Gilbert seconded, all were in favor, and the motion carried.

Adopted and approved this 21st day of August 2024.



Gerald Womack, Chairman



Melissa Quijano, Secretary