

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

**October 16, 2024**

**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 a regular session, open to the public on the 16<sup>th</sup> day of October 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 1:03 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  | Present |

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, Idrena Williams, Terumi Shorter, Arielene Davis, Kimberly Rogers, Jesus Menchaca, Thea Haynes, Sherika Thompson, TeQueda Sheriff, Terrance James, Vivian Clark, Tabitha Lockhart, and various staff of the Harris County Housing Authority (HCHA) were in attendance. Lorraine D. Walls, Director of the U.S. Department of Housing and Urban Development (HUD), Ed Jefferson with CSC, and Cris Wright, founder of Catch Cris, were also in attendance.

**II. OPENING PRAYER AND PLEDGE OF ALLEGIANCE**

Ms. Debra McCray opened the meeting with prayer, followed by Commissioner Paul Shanklin, who led the Pledge of Allegiance, and Vice Chairman Joe Villarreal, who led the Texas Pledge.

### **III. PUBLIC COMMENTS**

Ms. Lorraine D. Walls, Director of the U.S. Department of Housing and Urban Development (HUD) thanked Chairman Womack and stated that on October 16, HUD's Office of Public and Indian Housing is celebrating the 50<sup>th</sup> anniversary of the Housing Choice Voucher Program. For half a century the Housing Choice Voucher Program has been a cornerstone of federal housing assistance helping millions of low-income families, persons with disabilities, and older adults access, safe, decent, and affordable housing in the private market.

Ms. Walls stated that Harris County Housing Authority (HCHA) has been a fantastic partner with HUD and wanted to give thanks to the Board and to the staff and wanted to provide a brief walk through of the years Harris County Housing Authority has worked in partnership with HUD. Ms. Walls stated that it began on March 20, 1975, when Harris County Housing Authority was created by the Commissioners' Court. In August 1975, HUD awarded HCHA funding to assist 344 families with rental assistance. On October 1, 1999, all the tenant-based rental certificates were converted into vouchers and renamed the Housing Choice Vouchers. On March 21, 2005, HCHA received approval from HUD to participate in the Homeownership Program. In August of 2005, Harris County Housing Authority assisted HUD, and the Federal Emergency Management Agency (FEMA) with housing thousands of families in Harris County and throughout the country that were affected by Hurricane Katrina with the Disaster Voucher Program and DHAP. HCHA was the first to help create the Disaster Housing Assistance Program (DHAP) for the Nation and HUD. Ms. Walls applauded HCHA.

In March 2009, HCHA began the conversion of the DHAP eligible vouchers to HCV permanent vouchers and HCHA HCV Program increased from 1,840 to 4,157. In 2019, HUD approved HCHA for 110-Project-Based Vouchers for the Villas at Eastwood Development. In 2021, HCHA was awarded 243 Emergency Vouchers. HCHA's program increased from 344 vouchers to 5,135 vouchers.

Ms. Walls commended HCHA staff for being a SEMAP High Performer HUD rated PHA for the last 23 years. Ms. Walls and the Board of Commissioners gave a standing ovation to the HCHA staff for their work and continued assistance in the community. Ms. Walls commended the staff for their work, whether paid or volunteered on behalf of the U.S. Department of Housing and Urban Development.

Chairman Gerald Womack thanked the staff for their work and Ms. Walls for providing the historical information, especially the continued partnership. Chairman Gerald Womack had the HCHA Executive staff directors and supervisors introduce themselves to Ms. Walls. Chairman Gerald Womack acknowledged Ms. Quijano and thanked Ms. Walls for the advice and input provided on the past performance, integrity along with following HUD guidelines during her hiring process. Chairman Gerald Womack asked if there were any additional public comments.

#### **IV. APPROVAL OF MINUTES**

##### **ACTION ITEM 1:**

##### **APPROVAL OF MINUTES FROM SEPTEMBER 18, 2024**

Vice Chairman Joe Villarreal moved to approve the minutes from the board meeting on September 18, 2024. Commissioner Asheley Gilbert seconded the motion, Commissioner Lalou Davies-Yemitan abstained, and the motion carried.

#### **V. CHIEF EXECUTIVE OFFICER'S REPORT**

Ms. Melissa Quijano presented to the Board HCHA's activities from September 19, 2024, to October 16, 2024, which are reflected in the October 2024 Board Book.

Ms. Quijano presented the resolution recognizing the 50<sup>th</sup> Anniversary of the Housing Choice Voucher Program, established in 1974 through the Housing and Community Development Act of 1974. This program was designed to give low-income families more choices in their search for rental opportunities without racial discrimination. Ms. Quijano stated that HCHA looks forward to continuing to work with HUD in the effort to assist more families in the years to come.

Ms. Quijano presented the August report for the HCV program: There were 483 Annual Recertifications with a 100% timely completion rate for July. No new vouchers were issued from the waiting list, with 3,002 applicants remaining on HCHA's Housing Choice Voucher Program waiting list.

Ms. Quijano reported that the August 2024 inspections were completed. 868, or 87%, of the Annual and Initial inspections conducted were completed. 212, or 11% of the inspections completed, were Special or Emergency. The Quality Control type of inspections completed totaled 19, or 2%. A pass inspection rate of 62% and a 38% fail rate were reported overall for August 2024.

Ms. Quijano reported on the HCV Program Funding Utilization rate for August 2024. It was reported that the Housing Choice Voucher and Veteran Affairs Supporting Housing programs' Housing Assistance Payment (HAP) expenses were 101% of funding for \$5,089,252. The Emergency Housing Voucher program's HAP expenses were reported to be 93% of the funding for \$210,579. The HCV Homeowner program utilization for August was \$50,033. The Housing Choice Voucher Program reported that 4,233 families were assisted with a 100% utilization rate. The Veteran Affairs Supporting Housing program was reported to have a utilization rate of 87%, with 583 veteran families assisted. The Emergency Housing Voucher Program was reported to have a 73% utilization rate, with 178 families assisted. Overall, HCHA assisted 4,994 families with a total of 13,427 residents in August.

Ms. Quijano reported that on September 25, 2024, HCHA received notification from the Harris County Housing and Community Development Department that the Cypresswood Estates affordable housing development met all Housing Quality

Standard inspections conducted. Also on September 25, 2024, HCHA received notification from the Harris County Housing and Community Department that the Arbor at Wayforest affordable housing development met all requirements of the Housing Quality Standard inspections conducted.

Ms. Quijano reported that on October 7, 2024, HCHA received notification from the Harris County Housing and Community Development Department that Northwood HQS affordable housing development met all requirements of their HOME Program compliance monitoring visit conducted.

Ms. Quijano reported that Precinct 4 Commissioner Lesley Briones's office invited HCHA staff to the Lunch and Learn event held on September 25, 2024. HCHA staff Ms. Debra McCray, Ms. Beverly Burroughs, and Mr. Terrance James conducted a demonstration and presented an overview of the services offered and how HCHA is governed as a local entity.

Ms. Quijano provided an overview of the Homeowner Program and explained the requirements for qualifying for it to the board. The program was approved in March 2005, and the first closing was in December 2005. It is available to current Housing Voucher Choice Participants who meet all the requirements. HCHA has the sixth-largest homeowner program in the state of Texas.

Commissioner Laolu Davies-Yemitan questioned the pass rate of the previous failed inspections and wanted to know when the information would be provided. Ms. Quijano advised that the documentation for the last six months was still being gathered. Chairman Womack requested that the information be provided in a spreadsheet in a month-to-month format. The spreadsheet should detail where things are improving and where improvement is needed. Chairman Womack referenced the HCHA website, which includes inspection information for landlords, so they do not necessarily have to attend a workshop on what is required to pass inspections. Chairman Womack advised that a retreat was forthcoming and would like to have HUD present to educate the Board and assist the Commissioners in being better Commissioners. Chairman Womack along with any updated HUD laws and is concerned about financing and wants to stay in tune with the budget.

Chairman Womack thanked Ms. Quijano for her report and the special report on the 50<sup>th</sup> Anniversary of the HCV Program.

## **VI. FINANCE DEPARTMENT**

Mr. Paul Curry presented the August 2024 financial statements for HCHA as reported in the October 2024 Board Book. The reporting includes check registers, contract logs, and contracts expiring in six months.

Mr. Curry reported the consolidated financial statements, representing the cash flow balances for the program's reporting period. Mr. Curry explained that cash flow could fluctuate based on HUD funding, whether they sent more than was needed

during one period and none the next so that the overage could be consumed. This could cause a deficit and the account to be negative.

Chairman Womack asked Ms. Silvia Tiller if the payment for Gus E. Pappas PC was the last one to them. Ms. Tiller advised that it was not the last payment and that negotiations were still in the works. The additional cost should come out of the transaction. Chairman Womack educated the new commissioner on why there is a negative balance due to the Jackson Hinds Single Room Occupancy (SRO) program ending last year, but audit fees still need to be paid. The participants were issued permanent vouchers to relocate to their new residence.

Commissioner Davies-Yemitan interjected regarding the last item on the CEO report, a request was made at the last meeting about getting us a spreadsheet regarding the inspections, which Ms. Debra McCray (Ms. McCray) was supposed to provide at this meeting. In the meeting minutes it is reflected now we are talking about an item that happened in March. Why has this not been addressed before now? Why is it taking 6 months to reconcile it (legal fees, etc.)? Ms. Tiller explained that the billing would be caught up, but the billing was not recorded accurately due to the system not being coded correctly. Ms. Tiller had to re-enter the information from March to the present date, and the goal is to rectify everything by the end of October 2024. Commissioner Davies-Yemitan asked when the issue was discovered and wanted to know why it has taken so long to be corrected. Ms. Tiller explained that it is a long process in getting everything manually put into the system. Chairman Womack interjected that if there was an in-depth issue, which would have been corrected due to the auditors doing their part. Chairman Womack charged Ms. Tiller with getting the issue rectified.

Mr. Curry reported that the consolidated financial statements reflected revenue over budget by 11% due to HCHA housing more portability vouchers than budgeted and expenses over budget by 7%, also due to portability vouchers. Mr. Curry reported a positive cash flow balance.

Mr. Curry explained to Commissioner Davies-Yemitan that the information he is explaining is listed on the summary page in the book he was provided with.

Mr. Curry reported the contracts set to expire report. He reported the Legal Services Agreement with Harris County Attorneys Office is set to expire in November. Chairman Womack stated if we are working on this and has asked that Commissioner Shanklin work with the CEO on this contract along with Jay Ayer and he will be involved in working out any issues. Chairman Womack requested a copy of the contract be provided to the Board. Ms. Quijano reported that she reviewed a draft that was received from Jay, and she would be following up with him and will forward and will ensure compliance with all HUD procurement requirements as it relates to interlocal agreements. Chairman Womack requested that Commissioner Shanklin is given the information to ensure it is very detailed. Commissioner Shanklin reported that in his conversations with the County Attorney's office it is the issue of having an individual here or team from their office. Mr. Curry completed his report.

Lastly, Mr. Curry answered questions from the Board.

**VII. HCV AND AFFORDABLE HOUSING DEPARTMENTS PRESENTATION**

Ms. Debra McCray presented the HCV lease-up rates reflected in the August 2024 monthly reports, included in the October 16, 2024, Board Book.

Ms. McCray reported that for August 2024, the HCV Program was 101.0%, the VASH Program was 86.6%, and the EHV Program was 73.3%. One homeowner closed for the month of August. That homeowner closed in Precinct 1 Commissioner Rodney Ellis.

Chairman Womack asked if all the precincts had a listing of the HCV homeownerships in their areas. Ms. McCray stated that she would work on getting that list to them.

Chairman Womack would like the landlords to fill out a survey regarding how HCHA conducts business regarding inspections. Ms. McCray advised Chairman Womack that she would make a report on the inspection issues available at the next board meeting from January 2024 to the present day.

Lastly, Ms. McCray answered questions from the Board.

Ms. Dominique King reviewed the status of properties within the Affordable Housing Division for August 2024, which are included in the October 16, 2024, Board Book.

Ms. Kings advised the board of the repairs currently being done for the buildings that needed repairs. Magnolia Estates has a negative balance because 2 sanitation systems (septic pumps) were required to be replaced due to hurricane derecho damage in May 2024. Ms. King reported that insurance will pay for the repairs.

Ms. King reported to the Board that the elevators at Fenix Estates had been damaged due to the hurricane derecho (windstorm damage) and Hurricane Beryl. The repairs were not covered by insurance. Chairman Womack asked if the elevators could be included in the new policy and Ms. King said that she would check into that.

Ms. King moved to proposed and affordable housing developments that are under construction. The HAY Center is procuring management software, and lease-up documents were submitted to Harris County for approval. Ms. King advised that the Bernicia Place—METRO Southeast Transit Development has pre-development activities. HCHA received a bond reservation; the estimated closing date is December 2024/January 2025. Ms. King identified the high-performing properties and reported the following for August 2024:

- The Hollows project is 100% complete. HCHA has requested a retainage release.
- The Northwood Apartments is 100% complete. HCHA has requested a

retainage release.

- The Bluestem Apartments project is 99% complete. It is preparing for retainage release and project close-out and is awaiting compliance release.
- The Residences at Arbor Oaks is 100% complete. HCHA requested a retainage release.
- The First Met Senior Apartments project is 94% complete. Interior finishing, including appliances and tile installation, is near completion. Final Floor installation, final trim, and paint are underway. A name change was discussed, and "The Metropolitan" was agreed upon.
- The Villas at Eastwood cost certification projected close-out is December 2024.

Commissioner Davies-Yemitan asked if the contractors provide all certifications the Community Services District (CSD) may require when the close-outs are done. Ms. King advised that CSD would not release retainage without close-out compliance.

Commissioner Davies-Yemitan asked if Magnolia Estates had backup generators, and Ms. King responded that there were none. Commissioner Davies-Yemitan suggested that it would be feasible to have them, and Commissioner Paul Shanklin stated that it would have to fit into the budget. Ms. King reported that research is being done to bring the request to the Board to purchase commercial generators. Commissioner Davies-Yemitan stated that his focus was having backup generators for the sanitation units and that he knew it would be expensive to buy generators to run the facilities.

Chairman Womack stated that he would like to see all the vacancies filled, particularly at Fenix Estates. He gave a footnote regarding the maintenance of Fenix Estates, stating that the management company should ensure that the building is maintained.

Lastly, Ms. King answered questions from the Board.

#### **VIII. EXECUTIVE SESSION**

The Board went into an executive session at 2:24 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 4:11 p.m.

#### **X. DISCUSSION AND ACTION ITEMS**

##### **ACTION ITEM 2:**

**Resolution celebrating the 50<sup>th</sup> Anniversary of the Tenant-Based Rental Assistance Housing Choice Voucher Program**

Commissioner Paul Shanklin moved to approve the resolution, Vice-Chairman Joe Villarreal seconded, and all favored. The motion carried. (24-34)

**ACTION ITEM 3:**

**Resolution authorizing Harris County Housing Authority's Executive Director to negotiate and enter into a Tag-On Addendum to Harris County Wired and Wireless Broadband Services for Telecommunication Services Agreement with Comcast Cable Communications Management LLC, D/B/A Comcast Business Communications LLC**

Commissioner Paul Shanklin moved to approve the resolution, Vice Chairman Joe Villarreal seconded, Commissioner Laolu Davies-Yemitan abstained, and the motion carried. (24-35)

**ACTION ITEM 4:**

**Resolution authorizing Harris County Housing Authority, including its capacity of being the sole member of HCHA Bammel, LLC, the general partner of TX Bammel Housing, L.P., a Texas Limited Partnership and owner of Heritage Estates Apartments located at 10335 Old Bammel N Houston Road, to place Heritage Estates Apartments up for sale and negotiate and execute an exclusive listing agreement with Lument Real Estate Investment Sales, LLC**

Commissioner Paul Shanklin moved to approve the resolution, Vice Chairman Joe Villarreal seconded, Commissioner Laolu Davies-Yemitan abstained, and the motion carried. (24-36)

**ACTION ITEM 5:**

**Resolution by the Harris County Housing Authority (The "Authority") approving: (i) the purchase of the investor limited partner interest and special limited partner interest Cornerstone Village Apartments, L.P. by HCHA Redevelopment Authority, Inc. (The "Corporation") (ii) Admission of the Corporation as a limited partner and special partner into the partnership, (iii) execution of purchase and sale agreement and an assignment and assumption agreement, and a Third Amendment of the amended and restated agreement of limited partnership, and (iv) such other actions necessary or convenient to carry out this resolution**

Vice Chairman Joe Villarreal moved to table the resolution, Commissioner Laolu Davies-Yemitan seconded, and the motion carried. (24-37)

**ACTION ITEM 6:**

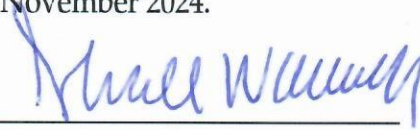
**Resolution by the Harris County Housing Authority (The "Authority") approving: (i) the purchase of the investor limited partner interest and special limited partner interest Louetta Village Apartments 45, L.P. by HCHA Redevelopment Authority, Inc. (The "Corporation") (ii) Admission of the Corporation as a limited partner and special limited partner into the partnership, (iii) execution of purchase and sale agreement and an assignment and assumption agreement, and a third amendment of the amended and restated agreement of limited partnership, and (iv) such other actions necessary or convenient to carry out this resolution**

Vice Chairman Joe Villarreal moved to table the resolution, Commissioner Laolu Davies-Yemitan seconded, and the motion carried. (24-38)

**XI. ADJOURNMENT**

Chairman Gerald Womack moved to adjourn at 4:14 p.m., Vice Chairman Joe Villarreal seconded, and the motion carried.

Adopted and approved this 20th day of November 2024.



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Gerald Womack, Chairman



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Melissa Quijano, Secretary