

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

August 21, 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 21st day of August 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 1:06 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 1:09 p.m.
Asheley Gilbert	Commissioner	Absent
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, Idrena Williams, Terumi Shorter, Arielene Davis, Ana Diaz, Kimberly Rogers, Thea Haynes, Keyarra Price, Vivian Clark, Tabitha Lockhart, and various staff of the Harris County Housing Authority. Mr. Tom Scott, Ms. Kim Martin of Coach Realty Services (Cornerstone Village), and Ms. Antoinette Jackson, outside counsel with The Banks Law Firm, were also present.

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 Chairman Gerald Womack, who led

the Texas Pledge.

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF MINUTES

ACTION ITEM 1:

APPROVAL OF MINUTES FROM JUNE 26, 2024

Commissioner Paul Shanklin moved to approve the minutes from the June 26, 2024, board meeting, Vice Chairman Joe Villarreal seconded the motion, and all were in favor. The motion carried.

V. CHIEF EXECUTIVE OFFICER'S REPORT

Ms. Melissa Quijano presented to the Board HCHA's activities from June 27, 2024, to August 21, 2024, which are reflected in the August 2024 Board Book.

Ms. Quijano presented the reports for May and June. As reported for the HCV program, there were 525 Annual Recertifications with a 100% timely completion rate for the month of May. 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 on the May 2024 inspections completed. A total of 735, or 89%, of the inspections conducted were Annual and Initial. A total of 99, or 9%, of the inspections completed were Special or Emergency type. The Quality Control type of inspections completed totaled 14, or 2%. A total of 79% pass inspection rate and a 21% fail rate were reported overall for May 2024. Chairman Gerald Womack commended the staff for the improved inspection passing rate of 79%.

Ms. Quijano reported on the HCV Program Funding Utilization for May 2024. Ms. Quijano reported that the Housing Choice Voucher and Veteran Affairs Supporting Housing programs' Housing Assistance Payment (HAP) expenses were 89% of funding for \$5,056,355. The Emergency Housing Voucher program HAP expenses were reported at 121% of funding for \$231,278. The Housing Choice Voucher Program utilization was reported at a total of 4,320 families assisted at 102%. The Veteran Affairs Supporting Housing program was reported to have a utilization rate of 84%, with 673 veteran families assisted. The Emergency Housing Voucher Program was reported to have a 75% utilization rate, with 243 families assisted.

Ms. Quijano presented the June 2024 report. Ms. Quijano reported that 486 Annual Recertifications were completed at 100% timely completion rate. No new vouchers were issued from the waiting list, and 3,002 applicants remain on HCHA's Housing Choice Voucher Program waiting list.

Ms. Quijano reported that for the month of June 2024, 667, or 89%, of annual and

initial inspections were completed. 73, or 9%, of Special or Emergency type inspections were completed, and 14, or 2%, of Quality Control type inspections. Overall, there was a 60% passing inspection rate with a 40% failed inspection rate.

Ms. Quijano reported on the HCV Program Funding Utilization rate for June 2024. It was reported that the Housing Choice Voucher and Veteran Affairs Supporting Housing programs' Housing Assistance Payment (HAP) expenses were 102% of funding for \$5,061,207. The Emergency Housing Voucher program's HAP expenses were reported to be 117% of the funding for \$222,208. The Housing Choice Voucher Program utilization was reported at a total of 4,243 families assisted at 101%. The Veteran Affairs Supporting Housing program was reported to have a utilization rate of 85%, with 570 veteran families assisted. The Emergency Housing Voucher Program was reported to have a 75% utilization rate, with 182 families assisted.

Ms. Quijano reported that on August 14, 2024, HCHA staff attended the ribbon cutting of The Residences at Arbor Oaks, located in Precinct 3. This project will provide 192 new affordable housing homes.

Ms. Quijano reported that on July 31, 2024, HCHA received notification from the Harris County Housing and Community Development Department that our Baybrook Park Affordable Housing Development met all HOME Program compliance requirements during their monitoring visit conducted in May.

Chairman Womack thanked all staff for The Residences at Arbor Oaks ribbon cutting event. Chairman Womack reported that this development has 16 units for persons with disabilities and that, overall, only four units are available, which means there is certainly a need for affordable housing. It was a great showing. Chairman Womack thanked all the development partners, Citibank, Wells Fargo, Atlantic Pacific, Toni Jackson, HCHA Commissioners, Vice Chairman Joe Villarreal, and Commissioner Paul Shanklin for their work and attendance for The Residences at Arbor Oaks.

Ms. Quijano reported that the yearly independent audit for HCHA was conducted the week of August 12, 2024, with a follow-up to be reported after it is finalized.

VI. FINANCE DEPARTMENT

Mr. Paul Curry presented HCHA's May and June 2024 financial statements as reported in the August 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 what 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.

Mr. Curry provided information regarding the Portability budget requested by Vice

Chairman Joe Villarreal in the June 2024 Board of Commissioners meeting. The Portability budget, calculated in January 2024, is set for 500 ports per month. In January 2024, there were 353 active and pending ports, 555 active vouchers porting to Houston, and 200 pending. Mr. Curry stated that if a budget revision is conducted, these numbers will be considered, and adjustments will be made.

For May 2024, 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 4% also due to portability vouchers. Mr. Curry reported a positive cash flow balance.

For June 2024, Mr. Curry reported that the consolidated financial statements reflected revenue over budget by 9% due to HCHA housing more portability vouchers than budgeted and expenses over budget by 5% also due to portability vouchers. Mr. Curry reported a positive cash flow balance.

Mr. Curry responded to Chairman Gerald Womack's question about the Post Office Box subscription. The United States Postal Service offers three-month, six-month, and yearly subscriptions.

Mr. Curry advised Chairman Womack that two new employees were hired in August. There are currently five staffing positions to fill.

In response to Chairman Womack's previous inquiry regarding Bernicia Place, Mr. Curry reported the Bernicia Place expense information: \$1,245,200.52 has been spent, and out of that amount, \$920,565.98 was paid to GSMA (Glassman Shoemaker Maldonado Architects).

Chairman Womack asked if Coach Realty Services (Cornerstone Village) representatives wanted to make any comments. Ms. King stated that the contracts with Cornerstone Village are currently under review.

VII. HCV AND AFFORDABLE HOUSING DEPARTMENTS PRESENTATION

Ms. Debra McCray presented the HCV lease-up rates reflected in the May and June 2024 monthly reports, included in the August 21, 2024, Board Book.

Ms. McCray reported that for May 2024, the HCV Program was 101.2%, the VASH Program was 84.7%, and the EHV Program was 74.9%, and no homes were purchased.

Ms. McCray reported that in June 2024, the HCV Program was 101.2%, the VASH Program was 84.7%, and the EHV Program was 74.9%, and no homes were purchased. Ms. McCray informed the Board that one participant in the homeowner program is no longer on the program, having reached 15 years. As a first-time homeowner, this is a milestone accomplishment.

Lastly, Ms. McCray answered questions from the Board.

Ms. Dominique King reviewed the status of properties within the Affordable Housing Division for May 2024.

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

Ms. King reported that HCHA received the bond reservation regarding the METRO Southeast Transit Development-Bernicia Place. The 180-day POT (Peak Over A Threshold) to close has started, and the last day to close is January 13, 2025.

Ms. King reported that software procurement for The HAY Center is underway. The lease-up documents have been submitted to Harris County for approval. We are waiting for TCOs (Temporary Certificate of Occupancy) to be on-site to enter the buildings. The staff has toured the facility, but there is currently no electricity. It is going to be a very beautiful building.

Ms. King reported that once retainage has been received for The Hollows, it can be moved over to the stabilized developments.

Ms. King identified the high-performing properties and reported the following for May 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 90% complete. Interior finishing, including appliance and tile installation, is near completion. Flooring installation, final trim, and paint are underway.
- The Villas at Eastwood cost certification is anticipated to be closed out in August 2024.

The August 21, 2024, Board Book included information for the reporting month of June 2024.

Lastly, Ms. King answered questions from the Board.

VIII. EXECUTIVE SESSION

The Board went into an executive session at 2:13 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 3:38 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 Paul Shanklin moved to approve the resolution, Vice Chairman Joe Villarreal seconded, and all were in favor. The motion carried. (24-24)

ACTION ITEM 3:

Resolution authorizing Harris County Housing Authority to exercise its powers within the jurisdiction of the Houston Housing Authority and authorizing a cooperation agreement in connection with the Bernicia Place Project

Commissioner Paul Shanklin moved to approve the resolution, Vice Chairman Joe Villarreal seconded, and all were in favor. The motion carried. (24-25)

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 Paul Shanklin moved to approve the resolution, Vice Chairman Joe Villarreal seconded, and all were in favor. The motion carried. (24-26)

ACTION ITEM 5:

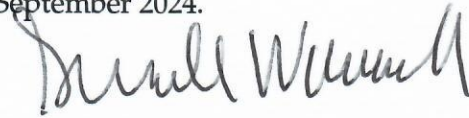
Resolution by Harris County Housing Authority approving and ratifying actions in connection with the financing for The Residences at Arbor Oaks Project: (i) for The Residences at Arbor Oaks, L.P. (The "Partnership") to enter into a construction loan from Wells Fargo Bank, National Association, (ii) for The Partnership to enter into a permanent loan from Citibank, N.A., and (iii) such other actions necessary or convenient to carry out this resolution

Commissioner Shanklin moved to approve the resolution, Vice Chairman Joe Villarreal seconded, and all were in favor. The motion carried. (24-27)

XI. ADJOURNMENT

Vice Chairman Joe Villarreal moved to adjourn at 3:39 p.m., Commissioner Paul Shanklin seconded, all were in favor, and the motion carried.

Adopted and approved this 18th day of September 2024.



Gerald Womack, Chairman



Melissa Quijano, Secretary