

Minutes of Special Meeting of  
The Housing Authority of the City of Galveston, Texas  
Island Community Center – Community Room  
4700 Broadway, Galveston, TX 77551  
April 4, 2012 – 4:00 p.m.

The Board of Commissioners of the Housing Authority of the City of Galveston, Texas (GHA) met as stated above. Chairperson Massey called the special meeting to order at 4:02 pm. and declared a quorum was present. She further clarified that the meeting was duly posted. The following commissioners were noted present: Betty Massey, Chairperson; Tom LaRue, and Dr. Jeff Temple. Chairperson Massey noted that Vice-Chair James Dennis would be joining the meeting shortly.

Commissioners Absent: Teresa Banuelos

Others Present: Stanley Lowe, Executive Director  
Robert Bastien, Legal Counsel

Chairperson Massey stated that due in part to the suggestions of Fredell Rosen, a Galveston citizen, the GHA Board Meeting Books, which contain the resolutions and information given to the Board in preparation for each meeting, would be available online before the meeting. In addition, one hour before each scheduled Board meeting, the executive staff of the Housing Authority will be available for Housing Authority residents to present questions and concerns.

Chairperson Massey noted that Vice-Chair Dennis had joined the meeting, and that Commissioner Banuelos was listening to the meeting but would not participate.

Public Comments

Glenda Garrison stated that she knows of at least three residents in her building that are purchasing illegal drugs and using it on the property. She further stated that residents use sticks and other items to prop open the doors so that others they know can come into the property at their

Stanley Lowe, Executive Director, stated that security concerns are of the utmost importance and are being addressed. He further stated that 30 days from now Ms. Garrison's concerns would no longer be an issue.

Commissioner LaRue asked if a tenant is propping the door open against the rules, can they be evicted? Mr. Lowe responded that if the person is caught, and the evidence can be substantiated, then they can be evicted. He further stated that no resident should ever have to live in fear, and GHA is taking measures to make sure that does not happen.

Fredell Rosen stated that she appreciates the acknowledgement of the previous lack of information on the GHA Agendas, but it is very hard to discuss or give a public comment because of the lack of specific information about the pending resolution. She would appreciate having more information on the web site in time for a person to decide whether or not to attend a meeting and make an intelligent remark.

Commissioner LaRue commented that the resolution that is before the Board today did not make any changes to the initial phases of the master development plan, and that everyone is so cautious about the GHA that much is being made out of something that is very little, in his opinion.

Chair Massey stated that the resolution is a work in progress, which is what needs to be addressed in executive session, and includes the addition of two tools to be used in the replacement of affordable housing, Housing Choice Vouchers and Project Based Vouchers.

The Board adjourned into Executive Session at 4:15 and reconvened the open meeting at 6:30 p.m.

Resolutions – Approval of

#2618 – Approval of GHA Employee Personnel Policy – Randi Jensen, Human Resources Manager, read the resolution and stated the Board has had an opportunity to review the resolution and staff is recommending approval.

#2619 – Approval of GHA Employee Statement of Confidentiality – Ms. Jensen read the resolution and stated the Board has had an opportunity to review the resolution and staff is recommending approval.

#2620 – Approval of GHA Employee Statement of Conflict of Interest – Ms. Jensen read the resolution and stated the Board has had an opportunity to review the resolution and staff is recommending approval.

#2621 – Approval of GHA Commissioner Statement of Conflict of Interest – Ms. Jensen read the resolution and stated the Board has had an opportunity to review the resolution and staff is recommending approval.

Vice-Chair Dennis moved approval of Resolutions 2618, 2619, 2620, and 2621, and Commissioner Temple seconded.

The following vote was recorded:

AYES: Massey, Dennis, LaRue, Temple  
ABSTENTIONS: None

NAYS: None  
ABSENCES: Banuelos

#2622 – Approval of GHA Administrative Plan for the HCV Program – Frank Garcia, HCV Supervisor, read the resolution and stated the Board has had an opportunity to review the resolution and staff is recommending approval.

Vice-Chair Dennis moved approval, and Commissioner LaRue seconded.

The following vote was recorded:

AYES: Massey, Dennis, LaRue, Temple  
ABSTENTIONS: None

NAYS: None  
ABSENCES: Banuelos

#2623 – Approval of a Five-Year and Annual Agency Plan – Courtney Beck, Section 3 Coordinator, read the resolution and stated the Board has had an opportunity to review the resolution and staff is recommending approval.

Vice-Chair Dennis moved approval, and Commissioner LaRue seconded.

The following vote was recorded:

AYES: Massey, Dennis, LaRue, Temple  
ABSTENTIONS: None

NAYS: None  
ABSENCES: Banuelos

#2624 – Public Statement/Approval of Amending the Adopted Master Plan – Robert Bastien, Legal Counsel, read the resolution.

Vice-Chair Dennis moved approval, and Commissioner Temple seconded.

Joe Jaworski, Ex-Officio member of the GHA Board of Commissioners, read a statement as follows:

“Shortly after my election in May, 2010, a well-connected Galvestonian offered me some unsolicited advice. He said, ‘Appoint your Housing Authority Commissioners and then run away from the issue.’ I looked at him squarely in the eye and I said, ‘Well that’s not why you run for office.’ Thinking back on it now, I believe that friendly advice is a good example of why cold-war era public housing projects were allowed to exist here in Galveston as late as 2008, and poverty thrive here in Galveston, even as other cities fixed theirs. I ran on a promise of facing the issues head-on, and I want to deliver on my promises. I’m here today after studying and working on the issue of Galveston’s poverty and delivery of affordable housing for over two years, first as a candidate, then as a Mayor. To borrow from the Bible, when I was a candidate, I spoke like a candidate, I thought like a candidate, I reasoned like a candidate. But when I became Mayor, through the process of reasoning with our national and state government, learning, and being accountable for my words and actions, I gave up the way a candidate behaves. I took on the job you elected me to do. As a candidate, I said, it’s not about doing what is easy, it’s about doing what is right. But as your Mayor, I’ll tell you, doing the right thing is not always easy. Galveston should have, and must have, decent affordable housing for its elderly, disabled, and low income workers. Galveston’s private landlords meet some of those needs, and they partner with the Housing Authority, and earn millions of dollars a year doing so. And it is an industry. But that private market can’t serve all the needs that need to be served. It’s been that way for decades; it’s that way everywhere in the United States. That’s why it’s so frustrating to see our most enriched section 8 landlords leading the fight against the Housing Authority’s plans to provide decent

affordable homes in quality mixed income developments for our low income working families. The State of Texas is now our partner in our recovery. The General Land Office has always been a valued partner in renourishing our beaches, **our Seawall** plans, providing electricity, managing oil spill responses. Led by our former state senator Jerry Patterson, we have good friends in Austin. But the GLO has been given a task that they've never had before. Manage housing and infrastructure repair and reconstruction in the City of Galveston. I'm happy that they're helping the city in the delivery and reconstruction of homes and infrastructure. We need a steady partner in that effort. But the rebuilding of public housing, a highly technical experience, is not something the GLO has ever had to do. And I know that their leadership would agree with me that it's a learning process. I'm aware that the GLO's emphasis is on efficiency and deadlines and conciliation agreement minimums, 569, one-for-one replacement. But we need to be sure that when the GLO is done with managing Galveston's CDBG funds, that will rebuild Galveston's private homes and infrastructure, and again let me say how happy I am to have the GLO as a partner in that effort, we need to be sure we don't repeat the mistakes of the past when we rebuild low income affordable housing. **The loss of up to** 8.8 million dollars of GHA's construction budget to a CDBG administrator complicates matters greatly. The budget was already short, and the GLO just made it shorter. To build new projects here in Galveston would be a horrible mistake, so any plan that causes Galveston to house low income families all together in a non-mixed-income environment is not a good plan. It is not a plan I will support; in fact I will fight it. I showed that when some of my City Council colleagues demanded that we rebuild projects at the former sites of Magnolia Homes and Cedar Terrace. I admire the tenacity of the housing advocates who negotiated agreements after Ike regarding the replacement of public housing units. I hope they will understand and believe me when I say I recognize my duty to all Galvestonians. I'm the Mayor of all the people who reside in zip codes 77550 to 554, rich, middle income, poor, and I would expect that they know that HUD's best practices call for mixed income development as the only real way to provide fair housing and defeat poverty from repeating generation after generation. But if all you want to do is build projects, even nice shiny new ones, I will fight that effort too. To the citizens of my city: I hear you. I understand you're afraid and you're suspicious whenever the subject of public housing comes up. Those projects that were built in the 40s and 50s didn't look so good in 2008, and you will never forget them. But they are gone, and they are not coming back. We have a job to do, and if we're going to do it, let's do it in a way that will help the Island grow, economically, socially and spiritually. I learned from our Scattered Sites hearing in this very room that neighbors don't want scattered site public housing. They came in groups to be heard and to protest the Housing Authority's plans to scatter public housing throughout their neighborhoods. Of course at that hearing, notably absent were the council members who demanded that we scatter public housing. They didn't want to jump in the frying pan and face the music with me. But I heard you, I heard you loud and clear. And here's the way I feel about it: It is not the way forward. It is inefficient, and it will not help reverse poverty. So let's drop scattered sites as an alternative. Since we should and must build affordable housing in Galveston, that leaves us with two choices: projects or mixed income development. I will fight projects. I will fight *for* mixed income development. Seeing how the various advocates, pro and con are turning this whole development mission into a political fight, where we have for example Galveston's Section 8 landlords lobbying our state senator and government to defeat GHA's

good plans to build in a mixed income environment, I have asked my Housing Authority Commissioners and their Executive Director to take action and present a plan that accomplishes their mission with the funds available in a way that works for Galveston, and in a way that will meet HUD's approval. I trust them to do their job. I didn't attend the executive session. I will work with them to make it happen. That's what a Mayor does. I'm proud to lead this Island as your Mayor. I may not get paid for doing it, but it's an enriching experience. The delivery of decent affordable housing is only one story currently being told in Galveston. It might dominate the public discussion but delivering jobs, population growth and rebuilding homes and infrastructure are what we are about as a City. A small but important part of that story is rebuilding affordable housing. I am counting on the various advocates, pro and con, and the representatives of the government charged with overseeing that effort to stop the bickering and move forward with a reasonable, forward-thinking plan put forth by the Galveston Housing Authority Board of Commissioners. Thank you."

Commissioner LaRue stated that he was concerned that the public has an understanding of how the numbers have changed and the various components of those numbers. He further stated the this new plan has actually increased the percentage of market rate units, up to 44% market rate units. He stated some people lump together the tax credit units and public housing units, but since he sees the tax credit units as more for moderate income workforce housing, he takes the tax credit units and lumps them with the market rate units, for a total of 55%. GHA has always tried to push that number as high as possible, because it is that economic group that helps make mixed income developments successful.

Commissioner Temple thanked the Mayor for fighting for mixed income, and stated he wanted to reiterate that this is a reasonable and forward-thinking plan. He further stated he hopes GHA, the Galveston community, and the housing advocates can all come together and realize that this is what is best for Galveston and what will lead Galveston on a path to success.

Vice-Chair Dennis stated that after Hurricane Ike, Tarris Woods was the Councilman that appointed him to the Galveston Long-Term Recovery Committee. He further stated he knew from that moment that housing was going to be the biggest issue on Galveston Island. He stated that if the map of what New Orleans did was followed to the tee, every mistake they made would be repeated, and up to this point that is exactly what has been done. GHA has a chance now to stop in their tracks and do the right thing, which is mixed income. He further stated that he would fight for mixed income.

The following vote was recorded:

AYES: Massey, Dennis, LaRue, Temple  
ABSTENTIONS: None

NAYS: None  
ABSENCES: Banuelos

Chair Massey read a statement on behalf of the Board as follows:

“The Galveston Housing Authority remains firmly committed to providing housing for our residents displaced by Hurricane Ike and to the replacement of units destroyed in that natural disaster. GHA is equally committed to affirmatively furthering fair housing and the implementation of a plan that is fiscally responsible in both the long and short term. With these commitments, GHA announces an amendment to its November 2011 development plan.

Under this amended plan, (1) GHA will implement the 5-phase Mixed Income Initiative which will include 287 units of public housing, 143 units of moderate-income housing, and 288 units of market rate housing. The total hard unit count for this rebuilding effort is reduced from 971 to 718 units; (2) GHA will request the conversion of 170 existing Housing Choice Vouchers from HUD for permanent use as either Tenant or Project-Based purposes; and (3) GHA will eliminate the scattered sites initiative.

The housing needs of 170 households who resided in public housing developments on Galveston Island at the time of Hurricane Ike are now being successfully met through GHA’s Housing Choice Voucher program as families transitioned from disaster housing assistance into the voucher program.

GHA has requested HUD to make these 170 temporary vouchers permanent.

To accomplish its plan, GHA has been negotiating with the General Land Office over the past several months for the release of \$109 million in CDBG Disaster funds earmarked for replacing public housing on Galveston Island. Unfortunately, GLO has attached severe and unworkable requirements to the release of these funds that would require rebuilding old-style public housing projects on the Magnolia Homes, Cedar Terrace and Oleander Homes sites.

Time and time again, GHA has informed GLO that warehousing Galveston’s low-income citizens north of Broadway is NOT an option. It is not in the best interests of those Galvestonians, and it is not in the best interests of this community as a whole. GHA is fighting to create an environment in which people can move in, up and out of public housing, not remain there for generations. Galveston’s old public housing projects were not healthy places for residents, and they were not a healthy part of our community. GHA will not allow the GLO to condemn Galveston to repeat the mistakes of the past.

With all due respect, GLO officials can go home at the end of the day; Galveston is our home. Therefore, GHA is prepared to take the necessary action to protect our community from the construction of housing projects and to access the funds designated to replace lower income housing on Galveston Island.

In conjunction with this decision, GHA has discontinued its scattered sites initiative; announces its intention to file a Move to Work application at the end of June; and requests the City of Galveston to partner with the Authority to address the community issues in the Sandpiper Cove area.

We believe these actions executed together, not in increments, will provide the best, high quality communities to those displaced more than 3 years ago by Hurricane Ike. These actions, in conjunction with other community efforts, will set Galveston on the right path for the future.”

General Public Comments

David Miller stated that the Resolution just past has been needed, and puts some teeth in things that were needed, giving the authority to get it done right and have the law on the side of the Housing Authority. He further stated he is able and willing to help.

Cornelia Harris-Banks offered her congratulations to the Board, Directors, and staff. She stated that the entire community has been considered by the action of the Board.

Joe Compian asked for clarification in the numbers, and the Board members stated that they would answer after the meeting.

Leon Phillips offered his thanks to the Board and Mr. Lowe and stated that it has been a long time coming. He stated that about a year ago he did not care how the units were replaced, but someone pointed out to him that if that happened, it would look like Sandpiper Cove in a year. He further stated he is thankful for the new path and for the Housing Authority standing fast.

Steve McIntyre asked for more clarity in the numbers, including more detail on the Housing Choice Vouchers.

Commissioners' Comments

Commissioner LaRue stated he acknowledges the time that has passed since the Hurricane, and that the mixed income plan continues to move forward regardless of the changes in the plan.

He further stated 287 public housing units and 143 tax credit units is 430 hard units, plus 170 project based vouchers is 600 total hard units, plus the 40 we currently have at The Oaks.

Mr. Lowe stated how happy he is to be here and to live in Galveston. He further stated he has had opportunity to meet with residents and will be implementing a tenant opportunity program as well as a security program. He plans to meet with residents at Holland House as well as all the voucher residents and residents on the waiting lists, as well as local ministers. He does not look at the discussion of public housing as a segregated manner, but as a whole community. This will be a direct net investment of capital into the Galveston community, and a net gain of resources.

The meeting was adjourned at 7:15 p.m.