

**Minutes of the Special Meeting of The
Housing Authority of the City of Galveston, Texas
Island Community Center – Community Room
4700 Broadway, Galveston, TX 77551
February 10, 2010; 5:00 P.M.**

The Board of Commissioners of the Housing Authority of the City of Galveston, Texas, (GHA) met as stated above. Chairperson Mabasa called the meeting to order at 5:00 p.m. and declared a quorum was present. He further clarified that the meeting was duly posted. The following commissioners were noted present: Arthur Mabasa, Chairperson, Suzanne Choate, Raymond Lewis, Juan Gonzalez and Sharon Strain.

Commissioners Absent: None

Others Present: Tarris Woods, Ex-Officio
Pete Urbani, Jr., Legal Counsel;
Harish Krishnarao, Executive Director/Secretary

Resolutions - Approval of

- a. #2408 – Approval of Section 8/Project Based/Housing Choice Voucher Homeownership Program/Disaster Housing Assistance Program-IKE (DHAP-Ike) Payment Standards for Fiscal Year 2010 - Commissioner Lewis moved for approval, and Commissioner Gonzalez seconded the motion. Charina Beasley, Housing Operations Director, stated GHA's financial department has conducted an analysis that indicated GHA is currently expending more than it is receiving in reference to the payment amounts from HUD. The payment shortfall is anticipated to be \$1,400,000 on an annualized basis. In essence, GHA is overspending approximately \$96.55 per unit versus our payments from HUD. Previously, the board adopted a 110% payment standard signifying 110% of the fair market rent for this area. GHA is requesting now that the payment standard be lowered to 100% of the fair market rent effective May 1st, 2010.

Mr. Krishnarao explained further that the reason for this occurrence was largely due to the disaster. Immediately after the storm, FEMA increased the payment standards to 125% of the Fair Market Rent (FMR). The housing authorities in this region increased the FMRs to 120% with HUD approval. After a few months, GHA dropped the FMR to 110%. Now, GHA feels the market is beginning to stabilize and thus, requesting that the FMR be dropped to 100%.

Commissioner Strain suggested that where the resolution states, "On October 26th, we approved the voucher payment standards at 110%," it would be helpful to list the reason why that was done and why the voucher payment standard should be reduced further in the body of the resolution. Chairperson Mabasa said the resolution would be amended to include the reason why the payment standards were set at 110% in October 2009 and why they are being lowered to 100% in May, 2010. Commissioner Lewis stated there was a concern before when the payment standards were set at 110% that it would affect the rental market in Galveston. Mr. Krishnarao stated that typically after a disaster, the housing market supply decreases. Due to such, GHA increased the payment standards after the storm to boost affordable rental housing. Now that the market is beginning to stabilize, GHA is decreasing the standards. GHA will continue to monitor this situation, and if the available housing supply decreases, GHA may return to the board requesting an increase in the payment standards.

Commissioner Strain questioned whether under leasing will occur to bring down the \$1,400,000 deficit at the end of the year. Mr. Krishnarao said that is correct.

The following vote was recorded:

Ayes: Mabasa; Choate, Lewis, Gonzalez, and Strain

Nays: None

Abstentions: None

Absences: None

The motion carried 5-0.

- b. #2409 – Approval of Awarding a Contract to Allied Inspection & Consulting, LLC for Inspection Services for the Section 8 Housing Choice Voucher (HCV) Program and Disaster Housing Assistance Program-Ike (DHAP-Ike) for An Amount Not to Exceed \$45,000 –

Commissioner Choate moved for approval, and Commissioner Gonzalez seconded the motion. Ms. Beasley stated GHA requested proposals for inspection services in December, 2009 and received proposals from Allied Inspection & Consulting and Palace Inspections, Inc. After conducting an evaluation of those proposals and applying a rating system, GHA requests that a \$45,000 “not-to-exceed” contract be awarded to Allied Inspections. GHA also completed an analysis of the charges for the different inspection services by both companies. As the commissioners are aware, GHA has implemented a blight control program, conducting exterior site and neighborhood inspections on all of the units since August 2009, which has significantly increased the number of daily, weekly and monthly inspections. Taking into consideration the number of units inspected for the Section 8 and DHAP-Ike Programs, it is necessary to supplement the bulk of the contract, which will be awarded to Palace Inspection with supplemental inspection services provided by Allied Inspection and Consulting, LLC.

Commissioner Strain questioned whether the source of funds for the \$45,000 would come from the regular monies that we collect or reserves. Mr. Krishnarao answered that the funding would come from the regular amount of money collected from the DHAP-Ike and Section 8 Programs.

Commissioner Lewis questioned why two contracts are necessary. Ms. Beasley responded that the number of inspections GHA is conducting this year will increase by approximately 30-40%. Additionally, Palace and Allied conduct different types of inspections as denoted in the body of their proposals to GHA. GHA requires three types of inspections: full housing quality standards (HQS) inspections; health and safety inspections; and exterior inspections. GHA needs more inspection services than Palace Inspections can provide.

Commissioner Lewis stated as a matter of confirmation that since there is an increase in the number of inspections, whoever was doing it before will not necessarily have to take on the increased burden with the approval of these contracts. Ms. Beasley said that is correct. Mr. Krishnarao added that core inspections are still being done by GHA inspectors.

Commissioner Lewis asked how often GHA inspects a particular unit. Ms. Beasley explained that Section 8 requires GHA to inspect the units at least annually. However, throughout the year, a special inspection could be conducted on the property due to a request by the tenant or landlord. Inspections within the DHAP-Ike program are conducted, at a minimum, upon commencement, though GHA has taken an aggressive approach to ensure that the units participating in that program comply with HQS. When the DHAP-Ike participants were originally leased up, HUD required a health and safety inspection only. Since that time, GHA has been conducting a full inspection. The third type of inspections which are performed

weekly on 100% of the units are the exterior site and neighborhood inspections. Commissioner Lewis asked if she was comfortable with one annual inspection to ensure that the landlords are maintaining the properties. Commissioner Strain explained there is a move-in inspection, then an annual inspection where GHA is required by HUD to inspect the interior as well as exterior of the units, making sure that everything meets housing quality standards, and, thirdly, there is a new weekly drive-by inspection at the request of City Council and the board of commissioners, which has caused the amount of tilt in the workload. Commissioner Lewis asked who is doing the drive-by inspections. Ms. Beasley replied GHA staff and contractors. Commissioner Lewis asked when is there a problem with a drive by inspection whether the drive by inspectors initiate resolution of the problem. Ms. Beasley responded no; the inspector conducts the inspection and the office administrative staff carries out the administrative components. The landlord is given a specific amount of time to bring the unit into compliance. If the unit is not brought into compliance, then GHA takes measures to terminate the Housing Assistance Payment (HAP) agreement or Disaster Rent Subsidy Contract (DRSC) for the DHAP-Ike program. Commissioner Lewis said the board receives many comments, expressing that GHA does not take care of the landlords or respect them enough.

Commissioner Gonzalez asked if Ms. Beasley could explain the procedures for a drive-by inspection and whether there is a check off form. Ms. Beasley answered there is a checklist. Primarily, GHA inspects the exterior of the property to make sure that the yards are maintained without garbage and debris and that health and safety hazards are not present that could harm an individual or a child. If the unit does not pass inspection based on the exterior inspection, then pictures are taken to document the problem and the landlord is notified to bring the property into compliance. Mr. Krishnarao added the drive by inspections came about because of a request made by a council member and complaints by the community that properties were not being kept properly following the hurricane. The weekly drive by inspections are more than what is required in the HUD regulations.

Councilman Woods stated that he was very concerned with some of the drive by inspections. In short, he has received complaints that homeowners and realtors' agencies are not being notified of inspections that failed due to garbage and debris in time to avoid abatement. Ms. Beasley noted that GHA retains copies of all of the inspection notices as well as pictures documenting all of the failed inspections. GHA does not move forward with termination of the contract unless there is extensive evidence that the property has a pattern of not maintaining its housing quality standards. The landlords are given more than 15 opportunities to make the repairs; in other words, a minimum of 15 or more fails must occur before GHA takes steps to terminate the rental contract. More than 15 failed inspections have occurred for the three to four percent of contracts that GHA is moving forward to terminate now. GHA does not aspire to take units off of the program, but it is important that GHA maintains the HQS regulations set forth by HUD for the operation of the program.

Councilman Woods stated that he heard someone say that a councilmember placed this on the agenda to be sent to GHA and asked if it was correct that the weekly drive by inspections by GHA units came about from the City of Galveston. Ms. Beasley answered no; while inspecting its properties, GHA saw a need so it was a joint decision to conduct weekly exterior inspections. GHA actually started these inspections last August and they have been very successful in blight control in our neighborhoods. GHA has over 1,200 units in Section

8 and 1,900 units in the DHAP-Ike Program. Thus far, less than ten units have not been able to pass inspection as regularly as GHA would like, which is a very small percentage. Commissioner Strain noted that was ten from more than 3,000 properties. Councilman Woods said realtors and landlords inside his district have reported to him that there were times when GHA drove by making inspections and, within hours of that particular time, the landlord would have their maintenance crew clean the property. Before Commissioner Strain became director of GHA, situations occurred where some tenants' properties had trash and debris strewn in their yard by others while they were at work.

Ms. Beasley said GHA does not take action to terminate the contract until after approximately after 15-20 attempts to bring the property into compliance. In all cases, GHA has documentation. The staff recognizes that sometimes the wind blows; sometimes, the issue is illegal dumpers, and, sometimes, the landlord states that clients are not maintaining the property. GHA's response, with regard to the latter, is that the lease is between the tenant and the owner. If the tenant is not complying with the terms of the lease in maintaining the property, the landlord may want to take legal action. The other issue is with regard to different times of the day for conducting inspections. GHA has three inspectors who regularly inspect the properties at different times throughout the day. However, the pictures and documentation GHA has when acting to move forward with termination of a contract are not those types of issues. After reviewing the documentation on the pictures, one would agree that GHA has given a fair opportunity to that landlord to make the repairs. Mr. Krishnarao stated since the start of this particular program, GHA has conducted exterior inspections weekly for approximately 3,000 units. From the 3,000 units that are inspected, approximately ten properties have failed on a consistent basis. Initially, GHA failed approximately 150 units per week; however, the number has dropped to 10-15 units weekly. Some landlords have contacted HUD, who has reviewed and approved GHA's enforcement process. Housing quality standards can be more or less restrictive. Ultimately, the community has to decide the allowable standards within the HUD published guidelines.

Commissioner Lewis expressed that this will become a very important issue as GHA moves into its redevelopment. He asked how GHA decided upon 15 citations. Ms. Beasley answered that inspections occur weekly; when GHA sees egregious violations, daily inspections may be done. If an inspection occurs every day, 15 inspections could be reached over a two to three week period. GHA wants to give the landlord a fair opportunity to bring the property into compliance. Commissioner Lewis asked if the landlord knows that he has 15 citations or violations for a property. Ms. Beasley said the landlord is given the dates of the inspections in writing and GHA also has pictures evidencing that the unit did not pass inspection for that day.

Councilman Woods asked whether the landlords are notified each time a violation occurs and given an opportunity to correct the violations and whether they are told about the appeals process when they feel they have complied. Ms. Beasley said the landlords are given the initial notice and periodic notices that their unit is still in failed status. Once inspections are conducted daily, GHA does not send a notice every day; however, notices are sent periodically throughout that process and GHA is in communication via telephone that an inspection will be conducted on their unit. Approximately four to five notices are given to the landlord throughout the 15 failed inspections. Sometimes, this occurs over the course of a couple of months when improvements are made; then, a couple of weeks later, the same pattern occurs again.

Mr. Pete Urbani, legal counsel, declared that when GHA enters into a Section 8 contract, it is a yearly lease between the landlord and the housing authority. If the landlord disagrees with an inspection conducted by GHA, it could be taken to court. GHA has a written contract with the landlord to pay him a certain amount each month for one year. Councilman Woods asked if he was stating that that the yearly contract would mean that a GHA inspector can inspect his property once a year; therefore, he will not have another inspection until the following year. Mr. Urbani said he thought Ms. Beasley was referring to the weekly drive by inspections which may be done daily.

Ms. Beasley responded that HUD regulations clearly state that inspections are held at least annually, meaning that it is up to the PHA to determine how many inspections it needs to conduct each year to ensure that properties maintain housing quality standards. With regard to the HAP contract for Section 8 and DRSC for DHAP-Ike, the contract has provisions that indicate a housing authority shall terminate the contract if the unit is not maintained in housing quality standards. It does not specify HQS on the inside or on the outside; it addresses it globally as housing quality standards. The HAP and DRSC Contracts are for one year terms provided that the landlord complies with all of the terms of the contract, one of which is maintaining the unit under housing quality standards, decent, safe, and sanitary. Chairperson Mabasa asked whether the notifications are given to the landlord by certified mail. Ms. Beasley said notifications are sent by regular postal mail. GHA maintains copies and the times and dates that the notices are mailed. Chairperson Mabasa asked how GHA can be sure that the landlord has gotten the letter if it is not certified. Ms. Beasley said in all cases where GHA has had difficulty bringing the units into compliance, GHA staff has also had telephone dialogue with those landlords when they originally received the letter.

Councilman Woods stated that there should be enough money in the GHA budget to send the landlords certified letters; then, everyone knows GHA has documentation. Secondly, the landlord can refute that he has received a phone call from GHA staff. Councilman Woods requested that be put on the agenda if it is a budget item. All communication between GHA and the landlord should be made via certified mail. Mr. Krishnarao responded that GHA is trying to stop using certified mail; whenever possible, GHA uses email or phone call documentation where it can be tracked. Almost all of the landlords have email addresses. Councilman Woods asked that GHA consider notifying the landlord by certified mail. When people say they did not receive the mail, having a green card with their signature provides proof that they were notified by GHA. Commissioner Lewis noted there were many questions and concerns about the process and asked if there could be a special agenda presentation by Ms. Beasley as to how the process works so everyone could understand. Mr. Krishnarao agreed. Chairperson Mabasa stated that GHA has a resolution for approval to enter into an agreement to contract with Allied Inspections to perform inspections. How this process works is a separate issue.

The following vote was recorded:

Ayes: Mabasa; Choate, Lewis, Gonzalez, and Strain

Nays: None

Abstentions: None

Absences: None

The motion carried 5-0.

- c. #2410 – Approval of Awarding a Contract to Palace Inspections, Inc. for Inspection Services for the Section 8 Housing Choice Voucher (HCV) Program and Disaster Housing Assistance Program-Ike (DHAP-Ike) for An Amount Not to Exceed \$150,000 - Commissioner Lewis moved for approval, and Commissioner Strain seconded the motion.

Ms. Beasley said, as previously indicated, GHA requested proposals for inspection services in December 2009 and received two responsive bidders, Palace Inspection and Allied. GHA has been done business with Palace Inspections since November 2007 and has been very pleased with the quality of their work and their prices for health and safety inspections, HQS inspections and, more recently, exterior site neighborhood inspections. Again, the backup documentation includes a price analysis from Palace Inspection as well as an analysis of Allied versus Palace Inspection. GHA recommends that approximately 75 % of the inspection costs this year come from Palace Inspections.

Commissioner Strain noted that GHA staff could not locate a reference on this company through Dun & Bradstreet. She recommended that, in the future, staff members preparing resolutions would always indicate via a statement in the resolution that this individual or company is not on the HUD debarred list, that the provisions of HUD's procurement guidelines and local procurement policies have been followed, and that there is a source of funding before the board votes to spend the monies requested as well as a Dun & Bradstreet recommendation. Councilman Woods asked if the HUD debarment list could be sent to the housing authority. Ms. Beasley said the list is on the HUD website, so it is incumbent upon the PHA to investigate it. Palace Inspections was not on the debarred list, but she agreed with Commissioner Strain in terms of placing that information on the resolution so there is no question that the vendor or individual is qualified to participate in GHA's program.

The following vote was recorded:

Ayes: Mabasa; Choate, Lewis, Gonzalez, and Strain

Nays: None

Abstentions: None

Absences: None

The motion carried 5-0.

- d. #2411 – Approval of Authorizing the Executive Director to Allocate and Expend Funds not to Exceed \$80,000 for Disaster Housing Assistance Program-Ike (DHAP-Ike) Staff Relocation Expenses to a Newly Established DHAP-Ike Program Administrative Center to Be Located in the Oleander Homes Management Office – Commissioner Gonzalez moved for approval, and Commissioner Choate seconded the motion.

Mr. Krishnarao stated that after the hurricane, GHA converted the gym into an office area where GHA's staff could assist DHAP-Ike families. However, due to an emergency, the city requested to lease space in the gym for their housing program. As a result, GHA's DHAP-Ike staff has become homeless without furniture. Much of the staff had to be moved to Oleander Homes. Chris Hollman, Special Projects Coordinator, and Ken Sevier, Procurement Manager, have been involved in the procurement process. Chris Hollman stated GHA solicited vendors in December 2009. Three vendors submitted quotes to assist with the move - Luck Company; Fattig Office Supply; and Prime Time Furniture. A proposal for services was also received from AT&T as well as quotes for miscellaneous items such as shredders, copiers, and water coolers needed for this location. GHA has exhausted all initial means to

house staff at the Holland House and Gulf Breeze. The only viable area currently available is the Oleander House.

Commissioner Strain asked what happened to the office equipment used by the DHAP-Ike staff. Mr. Krishnarao stated the city contractor is paying for the furniture in the lease. The space is being rented to the city for \$1.85 per square foot; whereas GHA is renting the space for \$1.40 per square foot. Commissioner Strain asked if the \$80,000 in equipment costs would come entirely from the difference. Mr. Krishnarao stated it would be slightly more, but GHA needs to incur the capital expense to obtain the furniture. Commissioner Strain asked what would happen to the purchased equipment when the City's contractor moves out of the gym and the DHAP-Ike Program ends. Mr. Krishnarao said some of these bidders repurchased office equipment from entities such as ours. GHA considered leasing equipment, but the cost benefit analysis for equipment rental was not as beneficial as procuring the equipment.

Councilman Woods asked the location of the Luck Company. Mr. Holman responded they were located in Galveston; Fattig Company's location is in Texas City; and Prime Time is located in Houston. Mr. Hollman said this company was being considered most strongly based upon price, reliability, and timeliness of delivery. Also, this company was chosen because GHA has done extensive business with Fattig Office Supply and to continue working exclusively with a certain vendor leads to favoritism, which is a violation of federal policy. Councilman Woods asked what GHA would do with the equipment when the program ends. Mr. Krishnarao said there were two options: 1) sell it back to the vendor who provided the equipment; or 2) dispose of the equipment ourselves to the highest bidder. Mr. Hollman added that Prime Time is a used furniture company who purchases back most of the furniture they sell. They were not chosen because they could only accommodate GHA on the furniture, not the cubicles.

Commissioner Lewis confirmed if GHA was leasing space to a city contract which was offsetting this expenditure. Mr. Krishnarao said that is correct. GHA is not only leasing the space; the city came to GHA under an emergency and said they absolutely needed the space at the Island Community Center because they had no other space available; thus, he had to displace DHAP-IKE staff and their furniture. Commissioner Lewis said the \$80,000 expenditure seems much more palatable because GHA is leasing the space.

The following vote was recorded:

Ayes: Mabasa; Choate, Lewis, Gonzalez, and Strain

Nays: None

Abstentions: None

Absences: None

The motion carried 5-0.

- e. #2412 –Approval of Authorizing the Executive Director to Allocate and Expend Funds not to Exceed \$10,000 for 2010 Census Activities including Participation in Census Day 2010 in Collaboration with the U.S. Census Bureau and the City of Galveston - Commissioner Strain moved for approval, and Commissioner Gonzalez seconded the motion.

Mr. Krishnarao stated the DHAP Family Day held in GHA's parking lot in November, 2009 with participation by more than 2,000 families captured the attention of the U.S. Census Bureau who then asked GHA to become involved. It is critical that GHA hosts this event since no one else is coming up with resources. Ms. Beasley said, as mentioned at the last board meeting, Galveston was selected to be a part of the Portrait of America bus tour which

makes 800 stops nationwide to raise awareness about the importance of everyone participating in the census. This census count could ultimately affect the \$4 billion in federal funds that could potentially be allocated to the Galveston community for different social services and congressional representation. The Portrait of America bus is comprised of a big RV with awnings, high tech equipment and interactive activities for children. Representatives and citizens will participate in creating a video about the importance of the census that will then be aired on the census website. The tour will be held in the parking lot and the setup will be similar to the DHAP Family Day, the object being to get the families out to view sample census questionnaires. U.S. census staff will be available to help the families learn how to fill out the census forms when they are mailed in March. The housing authority certainly understands the importance of counting every resident.

GHA is very excited to partner with the City of Galveston and other local entities to ensure that GHA staff helps with this effort as much as possible. GHA has a large populace that falls into the historically undercounted population. With the public housing, Section 8, and DHAP-Ike Programs, GHA pays a critical part in making sure that all of its Galveston residents are counted. A prospective budget is included for flyers, poster boards, banners and T-shirts to publicize the event. Actual Census Day is on April 1st which is why another line item is included for \$5,000. The County and some other entities are considering the possibility of utilizing GHA's services on that date as well. Councilman Woods asked whether a "reach out" to GHA tenants would include those that are displaced. Ms. Beasley stated GHA will send a mass mail out to all of its clients. Councilman Woods asked if transportation would be provided to the tenants so they could participate. Mr. Krishnarao replied that GHA is counting on Councilman Woods to help with providing city transportation.

The following vote was recorded:

Ayes: Mabasa; Choate, Lewis, Gonzalez, and Strain

Nays: None

Abstentions: None

Absences: None

The motion carried 5-0.

- f. #2413 – Approval of Authorizing the Executive Director to Enter into a Lease Agreement for a One Year Period for the Purpose of Opening a Galveston Housing Authority Satellite Office in League City, TX at a Rate of \$4,235 per Month - Commissioner Lewis moved for approval, and Commissioner Strain seconded the motion.

Mr. Krishnarao stated because DHAP-Ike staff were displaced from the gym due to the city's contractor, GHA is trying to host DHAP-Ike staff in all of the available spaces. Since additional space is still needed after filling up all of the available space at Oleander Homes, GHA is proposing to rent space for a satellite office to service the families that have been displaced and currently living on the mainland. This request for a satellite office is for approximately twelve months. Ms. Cristina Allen-Crowder, DHAP Director, stated GHA is requesting a satellite office in League City at a rate of \$4,235 per month which equates to \$1.40 per square foot based upon a 3,025 square foot space. Currently, the DHAP-Ike Program provides rental assistance and case management services for 1,931 families. Of those families, 1,122 families presently live on Galveston Island and the remaining 809 families reside elsewhere off the island. GHA is endeavoring to improve its efforts in providing optimal customer service to the participants who reside in Texas City, La Marque, League City, and other outlying areas off the island. The most resourceful and centrally located facility to administer GHA's program is located at 2047 West Main, near the

intersection of I-45 and FM 518, in League City. The facility is adequately equipped with connections for information technology needs and power adaptability. Basically, it would be a turnkey operation.

Mr. Krishnarao added GHA would rent the space for \$1.40 a square foot. Equivalent space is rented out at \$1.65 a square foot. Commissioner Choate asked if we have employees for this space. Mr. Krishnarao said some of the employees formerly in the gym will move to the satellite office. Commissioner Lewis questioned how many staff will be at this office and whether this is a central location for the 809 families. Mr. Krishnarao said when reviewing various locations, this was determined to be the optimum location even though it is slightly north of where the majority of the families are located. GHA did not want to locate an office in Texas City so the only other place we could find was this particular location. It is very nicely suited for the purpose GHA has in mind. Commissioner Lewis asked if the clients would drive further to the League City office location than Galveston. Mr. Krishnarao responded no. Ms. Crowder stated GHA has a number of clients who work in the Houston area or in that direction, so having their appointments at the League City office when they get off work will be more convenient for them.

Mr. Krishnarao added approximately 900 families receiving DHAP-Ike rental assistance live off the island. Under HUD regulations, GHA is required to provide case management on a 50 to 1 ratio. That means the satellite office will have 16 case managers and their support staff, totaling approximately 25 staff members. Commissioner Strain said she understood that everyone could not fit into one room at Oleander, but wondered if there was any wisdom in leaving a skeleton staff here. Mr. Krishnarao replied that GHA will service the other 1,122 families here. The families fall under three components: 1) previous public housing families displaced under DHAP; 2) families previously not assisted that are currently under DHAP; and 3) families previously not assisted not living on Galveston Island. The City of Galveston typically focuses on the families that have been displaced within the City of Galveston. This way, staff can be assigned to focus either on the county side, city side, or DHAP public housing families. These families are broken into different tiers by HUD, tiers one through four. Some of the public housing families that have been displaced need additional support. GHA has converted some of the public housing case managers to serve the DHAP public housing families.

The following vote was recorded:

Ayes: Mabasa; Choate, Lewis, Gonzalez, and Strain

Nays: None

Abstentions: None

Absences: None

The motion carried 5-0.

- g. #2414 – Approval of Disposition of Excess Property - Commissioner Strain moved for approval, and Commissioner Lewis seconded the motion. Mr. Bruney stated that computer equipment has a built in obsolescence. Since some of GHA's equipment is very old and has no market value, GHA needs to dispose of these items to provide storage room. He noted a list is provided that includes every item GHA has marked for disposal. Chairperson Mabasa asked if these items were not working. Mr. Bruney replied within 3-5 years, computers become obsolete. Some of these items were purchased in the 1990s and have been unused for years.

Councilman Woods asked how GHA gets rid of government property. Mr. Bruney answered that the method of disposing of government property depends upon whether there is a value

attached to the property. If it has value, GHA offers it for sale and requests bids. However, GHA would have to pay someone to pick up the excess property items listed here. Commissioner Strain added that GHA does have a procurement policy which follows along with the federal policy as to how GHA disposes of property.

The following vote was recorded:

Ayes: Mabasa; Choate, Lewis, Gonzalez, and Strain

Nays: None

Abstentions: None

Absences: None

The motion carried 5-0.

- h. #2415 – Approval of Negotiating a Co-Developer Agreement with Michaels Development Company as Co-Developer for Oleander Homes and Cedar Terrace - Commissioner Lewis moved for approval, and Commissioner Choate seconded the motion.

Mr. Krishnarao requested that this board provide authorization to the housing subcommittee and him to negotiate an agreement with the Michaels Development Company, then bring the final agreement back to the board for approval at the next meeting. Chairperson Mabasa asked if the board was just authorizing GHA to enter into a negotiating period. Mr. Krishnarao answered that is correct. Commissioner Strain stated that the resolution needs to be changed to say that the agreement will come back to the board for final approval. Mr. Urbani added the exhibit needs to be changed slightly also. Mr. Krishnarao said he is currently procuring services from a tax credit attorney and a development consultant for a short period of one day. He requested that the board authorize him to continue to use them until the next board meeting. Chairperson Mabasa stated he did not think the board needed to vote on that and asked if there was any questions or discussions on this resolution.

The following vote was recorded:

Ayes: Mabasa; Choate, Lewis, Gonzalez, and Strain

Nays: None

Abstentions: None

Absences: None

The motion carried 5-0.

Secretary's Report –

Mr. Krishnarao said GHA had received some communications, copies of which he provided to the board at this meeting. He asked the board to review the information and it will be placed on the agenda for discussion at the next meeting. Councilman Woods asked for a copy of the document also.

Chairperson Mabasa asked if there were any public comments. Mr. Urbani noted that public comments were not listed on the agenda. Chairperson Mabasa said since public comments were not included on the agenda submitted to the city secretary's office, he could not deviate from the program. He apologized to the public, stated there would be public comments at the next meeting, and that the board would listen to comments after the meeting was closed. Commissioner Strain asked Mr. Urbani if that would not violate the open meeting laws in having a quorum present. Mr. Urbani replied that was a consideration and advised the board to disband after the meeting is closed. Otherwise, the board could be in violation of the open meeting act. Commissioner Strain noted this was a special meeting, not a regular board meeting, which was the reason why public comments were not placed on the agenda. Chairperson Mabasa said the board would continue with the agenda items, then adjourn the meeting, and the board could not stay to hear any comments.

Councilman Woods asked the board to understand that many of the people here tonight called him and he asked them to come to this meeting to voice their concerns. Mr. Urbani stated that he could stay and talk to them individually; however, the board could not speak with them. Councilman

Woods replied he was alluding to an issue regarding drive-by inspections which was on the agenda. Mr. Urbani answered that was in reference to a resolution on the floor, not for something extraordinary.

Chairperson Mabasa said that issue was in Ms. Beasley's area if she would like to stay, and the regular board meeting with public comments on the agenda will be held on February 22, 2010. Councilman Woods asked if it would be acceptable for some of the citizens here to discuss some issues with the staff after the meeting. Mr. Krishnarao said Ms. Beasley already met with some members of the public this morning. Ms. Beasley agreed to meet with them.

Commissioners' comments –

- a. Commissioner Choate said it has been a very informative meeting. She commended Charina Beasley for all of the work that she had done in preparing the resolutions.
- b. Commissioner Lewis requested that public comments be included for special meetings in the future. Mr. Urbani said public comments can be held as long as they are placed on the agenda. Commissioner Strain suggested that public comments be placed on the agenda always.

There being no further business, the meeting was adjourned at 6:20 p.m.