

**Minutes of Regular Meeting of The
Housing Authority of the City of Galveston, Texas
Island Community Center – Community Room
4700 Broadway, Galveston, TX 77551
October 25, 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 Neff called the meeting to order at 5:00 p.m. and declared a quorum was present. She further clarified that the meeting was duly posted. The following commissioners were noted present: Paula Neff, Vice-Chairperson; James Dennis; and Tom Larue.

Commissioners Absent: None

Others Present: Pete Urbani, Jr., Legal Counsel;
Harish Krishnarao, Executive Director/Secretary

Election of officers – Vice-Chair Neff called for a nomination for a Chairperson. Commissioner Dennis nominated Vice-Chair Neff for Chairperson, and Commissioner LaRue seconded the motion. Commissioner Larue noted that there are only three members on the board, and the next election will come up July 2011; thus, there will be an opportunity in the future for the new board members to participate in the election of officers at that time.

The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

Chairperson Neff called for a nomination for the Vice-Chairperson. Commissioner LaRue nominated Commissioner Dennis, and Chairperson Neff seconded the motion. The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

Public comments with respect to agenda items –

a. Barbara Crews – Ms. Crews stated she would speak in regard to Resolution No. 2475, Approval of the Ratification of the Submission of Livable Centers Grant Application. She thanked the board for their interest in this grant as the people supporting her will know what role the housing authority will play. The closing date for the grant was the 19th at The Houston-Galveston Area Council (HGAC). On behalf of the downtown partnership, GHA agreed to be the sponsoring agency and hopes they will ratify this at this meeting as well as provide the local match. This is an exciting opportunity, and they have support letters from the East End Historic District, The Neighborhood Association, and the Downtown Partnership. She believed everyone has a very good chance to be successful with this grant, and it will give all the players an opportunity to discuss the connecting link between UTMB and downtown. She felt it was a very positive step and thanked the board again for their interest.

Approval of minutes for previous meeting of September 27, 2010 – Vice-Chair Dennis moved for approval, and Commissioner LaRue seconded the motion.

The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

Financial statements as of September 30, 2010 – Mr. Bruney, Finance Director, reported the following:

a. Central Office Cost Center (COCC) - The total operating revenue year-to-date \$335,100, and the total operating expense is \$599,446. This leaves a deficit of \$264,345. For the statement of net assets, the total assets balance is \$1,577,261, and total liabilities and net assets is \$1,577,261.

b. AMP #1 – Oleander Homes/Palm Terrace – The total operating revenue year-to-date is \$271,498, and the total operating expense is \$82,989. Residual receipts balance is \$188,508, and the cash flow from operations is \$188,508. For the statement of net assets, the total assets are \$9,577,370 and total liabilities and net assets is \$9,577,370.

c. AMP #2 – Gulf Breeze/Holland House – The total operating revenue year-to-date is \$447,011, and the total operating expense is \$406,375. The residual receipts are \$40,636; asset management fees are \$11,910, which leaves a cash flow from operations of \$28,726. For the statement of net assets, the total assets are \$11,841,145 and total liabilities and net assets is \$11,841,145.

d. AMP #3 – Magnolia Homes/Cedar Terrace/Scattered Sites – The total operating revenue year-to-date is \$481,703, and the total operating expense is \$98,146. The residual receipts are \$383,557; asset management fees are \$1,050, which leaves a cash flow from operations of \$382,507. For the statement of net assets, the total assets are \$14,130,655 and total liabilities and net assets is \$14,130,655.

e. Section 8 – The total operating revenue year-to-date is \$3,256,991, and the total operating expense is \$3,371,381. The project balance is a negative of \$114,394. For the statement of net assets, the total net assets are \$2,924,400 and total liabilities and net assets is \$2,924,400.

f. ICC – The total operating revenue year-to-date is \$238,808, and the total operating expense is \$209,908, which leave a residual of \$28,901. For the statement of net assets, the total net assets are \$2,253,601 and total liabilities and net assets is \$2,253,601.

g. DHAP – Katrina/Rita – The total operating revenue year-to-date is \$3,558,265, and the total operating expense is \$3,787,424, which leave a deficit of \$229,160. For the statement of net assets, the total net assets are \$8,222,708 and total liabilities and net assets is \$8,222,708.

Resolutions - Approval of

a. **#2468 – Amending the Section 3 Policy** – Vice-Chair Dennis moved for approval, and Commissioner Larue seconded the motion. Courtney Beck, Home Ownership Coordinator, explained that this policy will tighten our ability to ensure that we are employing the families that we serve. There is HUD a regulation that says, “for every dollar that comes into the Galveston Housing Authority, we need to, the greatest extend feasible through hiring and contracting, be employing those that we serve”, and this is an opportunity to do just that. The exciting part is an opportunity to collect funds if and when families are not eligible to work immediately, we can deflect funds into a training program fund, which is an innovative opportunity for GHA to be able to train participants and get them ready for employment.

Mr. Krishnarao added that this particular law has been on the books for a long period of time; however, historically this particular law did not have the teeth in it. The new

administration is actually giving options to the board to make this mandatory; thus, by adopting this resolution, we will be including it in all GHA contracts in the future. This also includes the City of Galveston with the CDBG funding. This makes it mandatory for all the Section 3 contracts to be in compliance with HUD.

In regard to the training component, Ms. Beck reported that if contractors want to seek preference when they are submitting their proposals, there are two to three different options, one of which says that 30% of all new hires, required for a contract, will be Section 3 residents (low or very low income persons). If he seeks preference, GHA will hold that contractor to the fire and make sure at every payroll he is paying a Section 3 employee. If for some reason things do not work out, the contractor will need to hire another Section 3 employee; if he fails to, that money that he would have paid for the Section 3 employee can be diverted into a training fund, which will allow GHA to train other people to be ready to move into that position.

Mr. Krishnarao further reported that GHA is also registered with the State Department of Labor, who already has an approved training ratio, three to one; thus, GHA's starting a training pool. GHA will then have a ready list of people that are interested in performing work in the future projects, and GHA will be providing and supplying the information to the potential contractors. For those who want training, we will also be setting aside some funding to provide the training or identify the training companies that are in the community to provide the training.

The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

b. **#2469 - Adopting a Revised Redevelopment Plan** – Vice-Chair Dennis moved for approval, and Commissioner LaRue seconded the motion. Deyna Sims, Director of Real Estate, reported that on December 14, 2009, the former board of commissioners approved a redevelopment plan, and October 21, 2010, this board held a workshop where there was discussion as to how they wanted to proceed with redevelopment of public housing on the island. She pointed out that the attachment outlined the redevelopment options that were built by consensus at the workshop as follows:

Magnolia Homes - This will consist of a 72 public housing elderly mid-rise located between Harborside on the North, Strand on the South, 15th Street on the East, and 16th Street on the West. It will also include a mixed-income development not to exceed 48 units of public housing in the Magnolia Homes former site area, as well as the possibility of a park, one-half or full block located on the corner of 18th Street and Strand.

Cedar Terrace - This will consist of a mixed-income development, not to exceed 66 units.

The Oaks IV (formerly Palm Terrace) – This will consist of 40 public housing units.

Oleander Homes – This will not exceed 96 public housing units.

Scattered Sites – This will consist of a total of 247 units.

There being no further discussion, the following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

c. **#2470 – Adopting Development Priorities for the New Board of Commissioners** – Vice-Chair Dennis moved for approval, and Commissioner LaRue seconded the motion.

Ms. Sims reported that this will allow Chairperson Neff to move forward with a mixed-income development at Magnolia Homes and Cedar Terrace. In terms of setting the priorities, GHA will prioritize redevelopment initiatives in the following order:

Magnolia Homes – to begin with the elderly mid-rise consisting of 72 public housing units;

Scattered Sites – consisting of 247 public housing units;

Magnolia Homes - a mixed-income development, not to exceed 48 public housing units; Cedar Terrace - a mixed-income development, not to exceed 66 public housing units; and

Oleander Homes – not to exceed 96 public housing units.

Ms. Sims pointed out that it was noted in the priorities that if, in fact, staff is able to secure a land transaction and it is a sufficient amount of land, then GHA will look at a land swap or possibly move the 96 units into the scattered sites program.

The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

d. **#2471 – Authorizing the Executive Director to Terminate Relationship With Michaels Development Company** – Mr. Krishnarao requested that this resolution be tabled at this time so that they can have the opportunity to make a presentation to the new board.

Commissioner LaRue moved for approval to table this resolution, and Vice-Chair Dennis seconded the motion.

Commissioner LaRue commented that he would like to meet with the Michaels Development Company in a workshop in the near future to determine if they can salvage the time and work they have put into Magnolia Homes. The Board agreed.

The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

e. **#2472 – Authorizing the Executive Director to Terminate a Contract With EJP Consulting Group, LLC for HOPE VI Consulting Services** – Commissioner LaRue moved for approval, and Vice-Chair Dennis seconded the motion.

Ms. Sims reported that EJP was initially procured to work on the HOPE VI application; however, the board has decided to move in a different direction, which, therefore, will terminate this contract.

The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

f. **#2473 – Awarding a Contract to EJP Consulting Group for Technical Assistance and Development Consulting Services Not to Exceed \$250,000** – Vice-Chair Dennis moved for approval, and Commissioner Larue seconded the motion.

Ms. Sims reported that in June 2010 EJP responded to the RFP with a proposal to which they were evaluated by staff. EJP has a proven track record of writing successful grant applications; thus, staff is requesting to enter into a contract, not to exceed \$250,000.

Mr. Krishnarao added that their responsibility will be completely different, as they will not be pursuing the HOPE VI grant application; however, we see there is a case to one of the four potential pot of funds in the Round 2 CDBG funding, and they have the technical expertise to assist GHA to apply for the grants and get some of the funds for GHA. This will enable GHA with technical expertise.

The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

g. #2474 – Authorizing the Executive Director to Negotiate a Contract With JHP Architecture for Architectural and Engineering Services – Vice-Chair Dennis moved for approval, and Commissioner LaRue seconded the motion.

Mr. Krishnarao reported this is the authorization to request a fee proposal only; he will have to bring the fee proposal to the board for their action.

Ms. Sims reported this would be to provide architectural and engineering services for the 72 elderly mid-rise public housing units at the Magnolia Homes. JHP is on a short list of architects that was approved by the previous board, and they are also familiar with this site as they were the architect that was being used through EJP for the HOPE VI process.

Mr. Krishnarao added they were also the architect on record of the Columbia Park, one of the sites that the GHA board would like to investigate further, which is a mixed-income community that was developed in New Orleans. The resolution will be amended to reflect the fee proposal.

The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

h. #2475 – Ratification of the Submission of Livable Centers Grant Application Executed by Vice-Chair, Paula Neff – Vice-Chair James Dennis moved for approval, and Commissioner LaRue seconded the motion.

Barbara Crews reported that a grant was applied for up to \$200,000, and if approved, GHA would be expressing its willingness to provide the local match. The City of Galveston would have been the sponsoring entity; however, although they do not have the funding to provide the local match, they are very supportive. If awarded, HGAC will do most of the heavy lifting as they will form a committee, adopt a scope of services, etc. based on what we put into the grant request. They will develop a scope of services and go out for an RFP to get proposals from consultants who would be willing to come in and work with all the entities to get a plan. This is not about how many numbers of public housing units or to tell GHA how to do what they are doing. This is designed to get the partners around the table to discuss transportation and connectivity between UTMB and downtown. The beauty of this is it would make transportation connectivity easier for whoever lives in that area, i.e. public housing residents, middle income residents, or students. It is to put all these pieces together and develop a sustainable neighborhood.

The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None Abstentions: None Absences: None
The motion carried 3-0.

i. **#2476 – Continuing the Disaster Housing Assistance Program for Hurricane Ike Until March 31, 2011** - Vice-Chair Dennis moved for approval, and Commissioner Larue seconded the motion.

Christina Crowder, DHAP Director, reported that GHA was recently notified that DHAP had been granted an extension until March 31, 2011 from the original date of October 31, 2010. To date, GHA has 1,324 families that are currently receiving assistance. Of those 1,324 families, 249 are former public housing families. The remaining 1,075 are previously non-assisted families. GHA has a staff of 26 case managers who are working with those families. Of those 1,324 families, 94% are currently under a verifiable economic hardship. We do expect that number to eventually reach 100% of our families being able to verify that they have an economic hardship as we continue with this program. For the month of November, the portion of rent that families are expected to contribute is \$950 per household. Thus, all our families who can verify that they cannot afford that \$950 based on their household income fall into this category of economic hardship, which is why we have an overwhelming majority of families in this category at this time. That number will continue to increase by \$50 each month through end date of the program.

The following vote was recorded:
Ayes: Neff; LaRue; and Dennis
Nays: None Abstentions: None Absences: None
The motion carried 3-0.

j. **#2477 – Awarding a Contract to Reagan Realty for Professional Real Estate Appraisal Services Not to Exceed \$100,000** – Mr. Krishnarao requested that this resolution be tabled. Commissioner LaRue moved for approval, and Vice-Chair Dennis seconded the motion. The following vote was recorded: Ayes: Neff; LaRue; and Dennis

Nays: None Abstentions: None Absences: None
The motion carried 3-0.

k. **#2478 – Awarding a Contract to The Guess Group for Professional Real Estate Services Not to Exceed \$100,000** – Commissioner LaRue moved that this resolution be tabled, and Vice-Chair Dennis seconded the motion. The following vote was recorded:

Ayes: Neff; LaRue; and Dennis
Nays: None Abstentions: None Absences: None
The motion carried 3-0.

l. **#2479 – Awarding a Contract to Bay Environmental for Professional Environmental Services Not to Exceed \$100,000** – Commissioner LaRue moved that this resolution be tabled, and Vice-Chair seconded the motion. The following vote was recorded:

Ayes: Neff; LaRue; and Dennis
Nays: None Abstentions: None Absences: None
The motion carried 3-0.

Commissioner LaRue reported that the purpose these resolutions were tabled was the board wanted to make sure local contractors have an opportunity to bid on these services.

Mr. Krishnarao added that now that the Section 3 resolution has been approved, even these particular contracts will fall under the Section 3 guidelines. Thus, there may be an opportunity to the real estate agents to utilize the Section 3 participants to look at some of these homes.

The following vote was recorded:

Ayes: Neff; LaRue; and Dennis

Nays: None

Abstentions: None

Absences: None

The motion carried 3-0.

Secretary's report –

Modernization – John Manuel, Modernization Coordinator, reported the following:

a. The Oaks IV – This is regarding the 20 duplexes for senior citizens. The pile driving is complete, and the framing is about 40% complete. The project completion date is set for May 2011.

b. Gulf Breeze – This is regarding the last 80 units; modernization is currently on-going on floors 2, 3, and 4. The work is approximately 80% complete. The project completion date is set for December 2010.

Mr. Krishnarao added that in the past, GHA would receive approximately \$1.8 million every year to work on two floors at a time. The first time, work was done on the top two floors; the second \$2.0 million work was done on the next two floors, etc. However, with the new administration, HUD provided additional funding for the renovation; thus, GHA was able to take on all the floors up to the 5th floor with the new funding. This will conclude all the floor renovations at Gulf Breeze. Upon completion of the floors, work will begin on the front side of the building. Gulf Breeze will then be in very good shape for foreseeable future.

c. Holland House – This development has 157 units. Out of that, 37 units on the first floor are currently being modernized. The remaining 120 units on floors 2, 3, and 4 are due for modernization. A physical needs assessment was done, and it was estimated that it would cost approximately \$2.6 million to renovate the remaining units. The construction work will be done by force account, utilizing GHA's maintenance employees who were displaced by the demolition of GHA's developments after Hurricane Ike. Additional workers required for the work can be hired from the local community under Section 3.

He further added that the renovations are timed in such a way as by the time the units are ready, eligible families are transferred from Holland House back to Gulf Breeze. There were several articles several months ago regarding some families who were asked to relocate to Holland House from Gulf Breeze. Some families will want to return to Gulf Breeze from Holland House because of the outside porches at Gulf Breeze.

Resident Services – Jo Ann Cavazos, Elderly Services Coordinator, reported that GHA provides activities a variety of different services to its public housing residents. Currently, housekeeping classes are provided; a walking program with UTMB; residents also enjoy playing bingo, dominos, and pinochle as they socialize with each other. Collaboration with the Jesse Tree and UTMB's student nurses provide health fairs, case management, diabetic classes as well as the senior food box monthly at The Oaks, Gulf Breeze and Holland House. There are also local agencies that provide different services, such as the Better Business Bureau to discuss Medicare fraud, hearing testing and computer classes.

The resident councils were involved with the National Night Out again this year. Gulf Breeze collaborated with the San Jacinto Neighborhood Association. Approximately 120 people participated at Gulf Breeze, and approximately 70 residents at Holland House. All the residents participated had a great time socializing with staff and their neighbors.

The residents also had their second annual Prom Night in June. It gave them the opportunity to dress up in their best and they danced the night away. The collaboration with staff and the residents is very good.

Ms. Cavazos further announced that a Halloween party is scheduled for Friday, October 29th at Holland House. Transportation will be provided for the residents at Gulf Breeze and at The Oaks.

Mr. Krishnarao added that Ms. Cavazos is currently working with the City of Galveston to explore the possibility of renting their buses to be able to travel to different places with the residents. A handicap accessible van was also recently purchased by GHA.

Vice-Chair Dennis asked if the work for a flower bed had begun at Holland House, which the residents had been asking for. Ms. Cavazos responded it had not; however, they are looking at possibly this coming Spring to begin the gardening project at both Holland House and Gulf Breeze.

Other

a. Fair Housing Workshop, Austin, Texas – Vice-Chair Dennis commented it was a very interesting trip. One of the main things he learned when he had the chance to meet Assistant HUD Secretary Marquez was that HUD is watching GHA very closely, and they support GHA 100% in every way they can. If need be, they will make sure GHA has all the funds it needs to rebuild the 569 units. They also mapped out a way for him to assist the board and GHA regarding the 247 scattered sites throughout the City of Galveston.

Public Comments –

a. Buzz Elton – On behalf of the Galveston County Apartment Association (GCAA), specifically Galveston's landlords, Mr. Elton expressed his appreciation for extending DHAP. He wanted to share something near and dear to many of those who work close to the DHAP families. There are approximately 920 that are actually on the island. What has happened throughout the entire course of DHAP, used to be that every couple of weeks the DHAP participants were living and breathing and not knowing as to whether or not they were going to be put out in the streets. Furthermore, GHA would not know until a few weeks before the deadline that the program would be extended. One of the reasons that a lot of the families under DHAP were lost was due to the fact that a lot of the stress was created and these families left the community. The DHAP families on the island will not mysteriously go away, and they are not going to have the funding. Thus, he urged the board to work with GCAA and the City of Galveston to try to find a way to get the extension of whether it's Section 8 funding or any other funding for the families to participate in; to get them notified well in advance; to reduce the stress level as it is very, very stressful. Many of them do not have transportation, and they are expected to find their way to Galveston. Some of them do not have phones, and they are expected to find a way to communicate with their workers. Most of the GCAA members work very close with the DHAP families, and thus, he further encouraged GHA to attempt to reduce their stress level and hopefully extend that far beyond March.

b. Betty Massey – Ms. Massey commented that she was speaking as a private citizen and not representing any group or entity in the city. As GHA's board begins to move down the path, which they have taken some good steps in this meeting in putting together the redevelopment plan, she thought it might be helpful if they paused and reflected on

some basic fundamental principles upon which they will make many decisions that they will be faced with over the next several months. She made some suggestions – 1) This one being very simple and straight forward. Vice-Chair Dennis made it very clear that there will be 569 public housing units rebuilt on Galveston Island, and the discussion is over; 2) lowering the density of public housing on any site over which GHA exercises control; 3) the sites will be mixed-income; 4) a partnership with private development and private management of the housing authority control sites; 5) both redevelopment and new development on scattered sites, but a combination of building on your own property and acquiring property; 6) a commitment to leverage all the federal dollars that GHA has available and rebuild neighborhoods in Galveston and do it in a timely fashion; 7) rebuild in ways that connect more property to the neighborhoods surrounding it. Regarding the discussion of the physical reconstruction of public housing, she believes GHA has an opportunity that is unprecedented in Galveston history, which is to take steps to break a culture of poverty in this town, and the board will do it by supporting families who individually and collectively are transitioning out of public housing and into more independent living. It will be done by GHA giving preference to families who are in that transition to work and to school. She further commented these are the principals she would like to suggest to the board and hoped that they will be taken seriously and take them in the spirit that they are offered from someone who loves this community and wants to see the best for all its citizens.

b. Joe Compian – He congratulated the board in regard to the extension of DHAP. He encouraged GHA to apply that extension, again, regarding the contracts with social services agencies that presently assist and work with DHAP case managers, i.e. The Jesse Tree, St. Vincent's House, The Children's Center, who continue to provide the services, although their contracts was previously terminated. The social services agencies and GHA should continue to work together in this effort. As the advocate of the Jesse Tree, he reported that they continue to provide assistance with regard to access to health care, prescriptions, and other services; and those services continue to be of need in the community.

As to the plan that was discussed where there would be elderly housing units at the Magnolia Homes site, the Gulf Coast Interfaith, from day one, has been an advocate of dollars to restoration of affordable public housing in this community. Their advocacy has been on to say, "Let's restore what existed before." And we believe that there is some problem with regard to creating just elderly units at the Magnolia Homes, which traditionally housed the highest number of Mexican American families that were in affordable public housing in this community. There are some differences there with regard to that, and there are some concerns with regard just identifying that particular property of elderly housing.

Vice-Chair Dennis commented that it is only one phase with 72 mid-rise units that will be on only one property. Additional family units will be placed there as well.

Mr. Krishnarao stated that immediately after Hurricane Ike, none of the social service entities in the City of Galveston had any funds. Thus, he was authorized by the board to execute contracts with every social service agency in the City of Galveston and Galveston County. With most of them, GHA provided approximately \$25,000 worth of support; however, some of them were providing a lot more support than that. GHA provided as much as \$250,000, which came from GHA funds. It was not a HUD funded process. In the initial 15 month period, GHA was able to take that cushion as GHA as a large enough buffer. What is currently happening, there is funding out there which means that social service departments have a separate stream of funding were they provide funding. .

c. Lillian McGrew - Ms. McGrew referred to Commissioner's LaRue comment where he referenced that the next board appointments would be in July. She is aware that the GHA board consists of one resident commissioner as well as another board commissioner.

Mr. Krishnarao responded that was correct as they are required to have two more board members. He assumes that the mayor will be appointing two more commissioners for the expired terms, which is July 2011. Thus, from today until that time, the mayor has the authority to appoint two commissioners, one of whom must be a resident commissioner as that is the law.

In regard to the 274 scattered sites, Ms. McGrew asked where the board plans on getting the properties, i.e. will they be vacant sites to build new homes or will they be renovated homes for the residents.

Chairperson Neff stated as a matter of clarification that this part of the meeting is "public comments" and not questions and answers session. They will stay fair to what their commitment is, and after the meeting they will be glad to answer their questions. Ms. McGrew further commented that in regard to the swap with the land at Oleander Homes, she did not believe that GHA should be giving any of its public housing properties to swap with any other land as she strongly believed that Oleander Homes is a perfect location for public housing residents because it is a good location on Broadway - it's near the Justice Center and the outlet stores on Broadway, and it has very good access to transportation on Broadway. Thus, she felt that would be a bad idea to swap out, because she believes that public housing residents would benefit greatly from that location.

d. Ms. Toliver – Ms. Toliver commented she believed a lot of money is being wasted as she had attended several workshops and a lot of work was done on the former redevelopment plan where there were a lot of suggestions as to what was best for housing. Everybody has one plan after another; every time someone objects to a plan, then it is redone all over again. She felt they need to stop all these redevelopment plans and begin the work so the residents can come back home.

Ms. Toliver further stated that she is aware of several people going to the sites looking for jobs, and cannot get hired. Although GHA has several contracts, they are not hiring local people; however, they hire their friends. She strongly felt that this issue needs to be addressed. She was glad to see the resolution regarding Section 3 was approved.

In regard to DHAP, although she realizes how stressful it is for some people, the rent in Galveston has sky rocketed. She felt this process was an abuse to DHAP residents to charge these outrageous amounts of rent.

e. Mr. Darnell Curry, a resident of Galveston, stated he has gone out to the job sites almost every day of the week trying to get a job, and he never gets hired; however, he sees a lot of Hispanics getting hired. He is aware that they are supposed to hire local people, and they are not complying. He felt that was not right as they also need jobs.

Chairperson Neff stated he is the kind of person they are looking for when it comes to Section 3. She asked that he stay on them as they are just learning about this program; the board will be very well educated on it and they will be implementing it. She asked that he come back and talk to them so she can make sure they are following through.

Vice-Chair Dennis stated he also went to the job site and spoke with the contractor at the Cedar Terrace site. He reiterated that the board is implementing Section 3. When the bigger projects begin, he will personally make sure that they will be doing what they are supposed to do, or they will not get the contract. Now it is the law that they will have to hire local people.

f. Laura Merrill stated that according to what the board discussed regarding the redevelopment plan, she hopes they make it clear to the public before Thursday as she felt it was not very clear.

Chairperson Neff stated it is a working plan. She is aware of the urgency of the situation, and they know that people need to come back home. However, the board is also very clear that this is about getting it right, not just putting stakes in the ground because of the opportunity that they have. Both issues are on the front burner, and more than likely getting it right gets is on the front burner. She thanked Ms. Merrill for staying with them and being with them during this journey.

g. David Miller – In regard to the Section 3, he stated he also had been at the job sites, and the first thing they say is they will hire locals. The board is saying now it is the law. He then asked as to who enforces it. He just heard Vice-Chair Dennis stated that he is going to enforce it, and Vice-Chair Neff stated to stick with them. He happens to believe her as she is a “tough little cookie”. He’s spoken with her, and he likes what he hears from her. However, since she is not a Galvestonian, she may have to keep her bags packed as there are some tough people who would run her out of town if she is not tough enough, but he believes she can stand it. Also, he believes that the board is putting the horse a little bit ahead of the cart as the executive chairperson is always putting items in front of the board that they have not seen before. He has never heard of that before. Approximately six months ago, when Ray Lewis was on the board he would have to go back and forth to get information. He asked the board if they read and discussed the budget, charges reports, secretary’s report, etc. It should be cut and dry when it gets to the public. The director is responsible for 30 days for any deficiencies in the budget or anything else. After 30 days, it’s on the board of commissioners, and if he wants to see them for any irregularities, they will be responsible. The board needs to just step up when the directors give them something to vote on and not turn their backs on it without them having seen it. He saw Vice-Chair Dennis turn his back right in front of his face. That is not fair; it’s not fair to them, and it’s definitely fair to him. He wants to know if they know it before they begin voting on an issue.

Vice-Chair Dennis stated as Mr. Miller has been to the last few meetings, that is exactly why the majority has been tabled, and the last three items were tabled so that the board can go through every word.

Mr. Miller commented that since this is a new board, the first thing they should ask Mr. Krishnarao is, “where are you at”, as it is his job to tell you that; he doesn’t understand why he doesn’t state that to the board. He has been in Mr. Krishnarao’s position, and he wouldn’t want to work for this board unless they know what he is talking about. When he gets up there, he wants the board to know what he knows and why he knows it, and the board is not getting that. Although the mayor does not attend too many meetings, he wants the board to do what the mayor appointed them to do – to get it done and get it done right.

Chairperson Neff thanked everyone for coming to the meeting, and they look forward to seeing them again. There being no further business, the meeting was adjourned at 6:05 p.m.