

**Minutes of Meeting of The
Housing Authority of the City of Galveston, Texas
Island Community Center – Community Room
4700 Broadway, Galveston, TX 77551
August 8, 2011; 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 5:09 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, Chairperson; James Dennis, Vice-Chairperson; Tom LaRue; and Teresa Banuelos.

Commissioners Absent: Betty Massey

**Others Present: Mona Purgason, Interim Executive Director
Pete Urbani, Jr.**

Election of officers – Mona Purgason, Interim Executive Director, reported that this item is on the agenda every year in July for the board of commissioners to elect officers. Generally in July there are new appointments to the board; however, this year there are not; thus, there is not need for election of officers.

Approval of minutes for previous meetings, -

a. June 21, 2011 – Vice-Chair Dennis moved for approval, and Commissioner LaRue seconded the motion with one correction noted by Commissioner Banuelos. The following vote was recorded:

Ayes: Neff; Dennis; LaRue; and Banuelos

Nays: None

Abstentions: None

Absences: Massey

The motion carried 4-0.

b. June 27, 2011 – Vice-Chair Dennis moved for approval, and Commissioner Banuelos seconded the motion. The following vote was recorded:

Ayes: Neff; Dennis; LaRue; and Banuelos

Nays: None

Abstentions: None

Absences: Massey

The motion carried 4-0.

Resolutions – Approval of -

a. #2557 – Amending the Check Signing Authorization Policy – Vice-Chair Dennis moved for approval, and Commissioner Banuelos seconded the motion. Bil Bruney, Finance Director, reported that there was an error on the actual resolution; thus, he took the liberty to provide a new resolution. In essence, the board has already approved the check signing policy. What GHA is doing is updating the policy to support their approval of the check signing. The policy states that two signatures are needed on the checks, which would be the executive director, and the second one would either be the finance director or the board chair. That was the reason he had to change the resolution. He further stated that the policy itself indeed

rescinds all previous authorization policies and will become effective upon its adoption. The following vote was recorded:

Ayes: Neff; Dennis; LaRue; and Banuelos

Nays: None

Abstentions: None

Absences: Massey

The motion carried 4-0.

b. #2558 – Awarding a Contract to Mikada Cabinets for Supply of Cabinets at the Holland House West Wing. Commissioner LaRue moved for approval, and Commissioner Banuelos seconded the motion. Samson Babalola, Development Manager, reported that currently Holland House is going through modernization on the west wing, consisting of floors two through four. Three bids were received, with Mikada being the most responsible, responsive bidder. The three bids were based on the same specifications.

Vice-Chair Dennis stated he would abstain as he was not present during the workshop to hear all the details. Also, the board requested for additional information to include a synopsis of the proposed contract with the bids and specification documents.

The following vote was recorded:

Ayes: Neff; Dennis; LaRue; and Banuelos

Nays: None

Abstentions: Dennis

Absences: Massey

The motion carried 3-1-0.

c. #2559 – The Housing Choice Voucher Utility Allowance Schedule for FY12 – Chair Neff made a motion for discussion, and Vice-Chair Dennis seconded the motion. Yvette Camel-Smith, Housing Operations Director, reported that during workshop, it was requested that this resolution be tabled, which would be addressed at either the September or October board meeting. This is due to the fact GHA is in need of procuring our consultants to continue providing services of the utility allowances out of GHA's jurisdiction. We are in receipt of the schedule for Galveston and Hitchcock; however, we are not in receipt of Texas City and LaMarque.

Chair Neff made a motion to table this resolution, and Commissioner Banuelos seconded the motion. The following vote was recorded:

Ayes: Neff; Dennis; LaRue; and Banuelos

Nays: None

Abstentions: None

Absences: Massey

The motion carried 4-0.

d. #2560 – The FY11 Housing Choice Voucher Section Eight Management Assessment Program (SEMAP) Certification for Submission to HUD – Commissioner LaRue moved for approval, and Vice-Chair Dennis seconded the motion. Ms. Camel-Smith reported that pursuant to the Code of Federal Regulations, GHA is required to submit an annual SEMAP Certification within 60 days after the end of the fiscal year. SEMAP is a rating system for the HCV Program. The purpose of SEMAP is to identify management capabilities and deficiencies. This assessment tool assists HUD in monitoring PHAs remotely, while also providing authorities with tools to complete self-assessments. The SEMAP Certification is based on 14 key indicators and one bonus indicator. GHA will self-certify as a high standard performer.

Chair Neff asked her to speak on last year's SEMAP and when would the score be known. Ms. Camel-Smith stated that last year GHA certified to a 64% score, which is a standard performer on a low level. GHA anticipates a minimum of 82% for this year's self certification. GHA may obtain a few additional points from the HUD certification, increasing the rating to potentially 86% to 90%. HUD will come in and perform the same thing that GHA has done.

The following vote was recorded:

Ayes: Neff; Dennis; LaRue; and Banuelos

Nays: None

Abstentions: None

Absences: Massey

The motion carried 4-0.

e. #2561 – Collection Loss Write-Offs as of June 30, 2011- Vice-Chair Dennis moved for approval, and Commissioner Banuelos seconded the motion. Ms. Camel-Smith reported that GHA has determined certain vacated resident charges to be deemed uncollectable accounts of vacated residents for the various public housing developments and requests that they be charged as a collection loss in the amount of \$1,007.90, of which \$940.20 is for rent. This amount was attributed to approximately three residents, and one was attributed to someone who had to be transferred to a nursing home.

The following vote was recorded:

Ayes: Neff; Dennis; LaRue; and Banuelos

Nays: None

Abstentions: None

Absences: Massey

The motion carried 4-0.

f. #2562 - Awarding a Contract to Sullivan Land Interests and DSW Homes for the Scattered Sites Development of Up to 247 Public Housing Units – Vice-Chair Dennis moved for approval, and Commissioner Banuelos seconded the motion. Mr. Babalola reported that the information provided did not include the plans and specifications in the contract as they are currently being worked on. They should be ready within three to four weeks, which he will bring back to the board.

Chair Neff asked if the board passes the resolution, when could they anticipate the scattered sites being ready for occupancy.

Commissioner LaRue stated that according to former conversations, the construction would begin February or March with completion in May or June at ten houses per quarter. He further stated as a matter of clarification that GHA is trying to abide by the total development cost on the scattered sites, which is approximately \$166,000 to \$167,000 and the cost to elevate the homes were approximately \$32,000 to \$33,000. Also, it was hoped that if it was needed, to get variance from HUD on the additional cost so those budgets would be approximately between \$167,000 to \$200,000. Mr. Babalola stated that was correct.

The following vote was recorded:

Ayes: Neff; Dennis; LaRue; and Banuelos

Nays: None

Abstentions: None

Absences: Massey

The motion carried 4-0.

g. #2563 – Modifying the Contract With Coats Rose for Specified Legal Services Not to Exceed \$125,000 – Vice-Chair Dennis moved for approval, and Commissioner Banuelos seconded the motion. Deyna Sims, Director of Real Estate, reported that GHA procured specialized legal services for its development initiatives over a year ago. GHA entered into a MOU with Coats Rose, not to exceed \$75,000, with an expiration of December 31, 2011. Due to the extensive legal advice and services that GHA has needed through its development process, the request is to extend the contract until December 31, 2012 as well as not to exceed the value of \$150,000.

The following vote was recorded:

Ayes: Neff; Dennis; LaRue; and Banuelos

Nays: None

Abstentions: None

Absences: Massey

The motion carried 4-0.

Secretary's report –

a. Resident Services – Jo Ann Cavazos, Resident Services Coordinator, reported that the past month was very active. The residents are still talking about how much they enjoyed the senior prom. In addition to weekly activities, i.e. WalMart, fishing and farm trips, they are looking to have a “Winter Ball” in conjunction with the Christmas activity. Ms. Cavazos further reported that this is the most active time of the year due to hurricane season. There are a total of 538 residents, of which 488 responded to evacuate with GHA or on their own. GHA is looking at approximately 350 residents to be transported. Everything is moving very well as it relates to hurricane evacuation.

Commissioner Banuelos suggested putting something in Spanish for the Spanish speaking residents in the quarterly newsletter. She further noted that in regard to the farm trips, there is a form that the residents can fill ahead of time to get a \$20 certificate. Ms. Cavazos stated that she would be glad to look into that.

Also, since the police substation at Gulf Breeze is vacant, Commissioner Banuelos asked if it could be used as an activity center for arts and crafts for the residents. Ms. Camel-Smith responded that she is investigating that issue with HUD as to whether or not that can be authorized as that unit has a designation with HUD. GHA recently hired two additional Curators, which will eliminate some expenses regarding security. Until we hear from HUD, we cannot re-designate that unit.

Vice-Chair Dennis asked if there is any other space available for arts and crafts. Ms. Camel-Smith stated the only space available is the community room.

Commissioner LaRue suggested the possibility of a security camera in the computer room due to the items missing previously mentioned so that it can be open after 5:00 p.m. and on weekends. Ms. Camel-Smith stated that would be an issue to discuss with staff and the resident council.

Commissioner LaRue commented that it is unfortunate to have all that equipment and the residents not being able to use it after hours, weekends and holidays. Ms. Purgason stated that Ms. Camel-Smith has been working very hard with HUD in regard to redesignating the substation and will continue to do so. She is aware of this situation as several residents have approached her about this issue. Once we receive an answer from HUD, she will inform the board.

b. **Modernization** – Ms. Sims reported that staff has been busy at the west wing of Holland House regarding suspended ceilings. The abatement has been completed. Also, the bidding process is currently taking place for kitchen counter tops; bids will open on August 18th, and the contract will be brought to the board at the next meeting.

c. **Development** – Ms. Sims reported that staff will attend the next city council to request the \$25 million of CDBG round one funds for GHA’s scattered sites and mixed income initiatives and to enter into a sub-recipient agreement for this purpose, or in the alternative, to decide not to administer the program and let that funding go back to GLO where it can then be directed back to GHA.

d. **Section 3-** Ms. Sims reported that Courtney Beck, Section 3 Coordinator, and Samson Babalola, Assistant Development Coordinator, visited Washington, D.C.’s Best Practices Program to learn how their Section 3 was working on the ground. From that visit, a new Section 3 Policy has been drafted that allows for compliance achieved through hiring, contracting through a Section 3 business or training a minimum of one full time employee per \$100,000 of the contract value up to \$1 million or by employing Section 3 residents in 30% of all new hire opportunities created by the contract. This policy also includes the Bright Future training fund for noncompliance. She anticipates that the policy will be brought back at the next meeting for board approval.

e. **NAHRO Summer Conference** – Ms. Purgason reported that she, along with two commissioners, were able to attend. Aside from being there to take advantage of the courses offered for commissioners, GHA received two awards of merit – one was for the Self-Sufficiency Program, and the second one was for the administrative category for technology after the storm of the century.

Commissioner Banuelos reported that she enjoyed interacting with the other commissioners. What they learned in the fundamentals for commissioners class addressed where their parameters stood as individuals within their organization and what protocol was to be done, how they assess, and to be able to go through the executive director or the chair so that they can get the word out as to what they want to see done. She then took the oversight class, which she is still reading material. Every day was a full day as there was a lot of work during those six days. She brought back a lot of information from other PHAs as to what they did for awards and what they did for their residents. Part of the information she brought was a calendar from the Chicago Housing Authority, which is the third largest PHA. The calendar was made for the residents and includes what their rights are, what they need to do, what is the protocol when something went wrong in their units, etc. They also made a DVD, which was excellent. She was pleased to share that she even met the lady who made the calendar, Ms. King. Other information she shared were PHAs annual reports, mission and vision statements stating where they came from and where they are going, which is the most important thing besides the residents. During one of the sessions that she attended, a 20 minute discussion about Galveston took place.

Vice-Chair Dennis was pleased to announce the NAHRO Award of Merit award for technology was due to Pablo Cisneros, MIS Coordinator, for the work that he did after Hurricane Ike. This award will result in the Excellence Award at the next conference. He thanked Mr. Cisneros wholeheartedly for his hard work. Mr. Cisneros thanked him for his comments.

f. Other – Chair Neff reported that Stanford University is looking to do a study on the possibility of solar paneling. GHA will apply to let them know that we are interested. GHA also hopes to get the city and other entities involved to make a statement that we are working to become energy efficient and going “green” as soon as possible. GHA will be submitting a letter of interest within the next 24 hours and will keep everyone posted on the progress.

Also, she and Vice-Chair Dennis visited Pittsburgh, PA to see some McCormack Baron Salazar (MBS) properties that were built over 25 years ago. They also had the opportunity to interact with some of the residents who were present at the beginning of the rebuilding process. The residents were in a somewhat similar situation as GHA’s residents are in as they thought they would never come back to their homes after their three story barrack style housing was torn down. In the end, they were grateful with the change in their development made by MBS. She further stated it felt very empowering to speak with the residents who have been there and to see firsthand the results. It was a very powerful moment of understanding where GHA is moving, that we are not alone in this process, and that GHA will get there.

Vice-Chair Dennis added that mixed-income is happening all over the country. During the past year, the board has vested their time to this board and researching the different communities; he realizes that that is the way everybody is moving throughout the country in the public housing industry. They are replacing public housing with mixed-income because it works; it brings in new investment and new businesses. Everything that has been done with mixed-income has benefited the residents.

Chair Neff added that what was changed was not the buildings; it was how the residents were treated and the way they were empowered to believe that regardless of what they were told before that point, someone was there that lead them to believe that, “you can do it; you will do it, and I will stand with you and make sure that you do it.” It is so powerful to know that that is what GHA is embarking on. She felt very blessed to have Stanley Lowe, the board consultant on their team, who is a tough, honest man and gets the job done, and he is about treating people with respect.

Ms. Purgason introduced Marla Boyd, Homeownership Coordinator. Ms. Purgason noted she received an email from a homeowner expressing her sincere gratitude for Ms. Boyd assisting her in receiving a scholarship for UTMB. She wanted to recognize that this is a good success story.

Public comments –

a. Pat Toliver with the Northside Task Force thanked the commissioners for all their hard work and their volunteer time serving on the board. She stated that that she had the privilege to go into one of the homes at the Oaks IV and noted that the closet and the hot water heater are together. She suggested if the water heaters could be put in the utility closets so the residents could have a bigger closet. She further asked as to why the residents at the Oaks IV have to pay utilities and the residents at Oaks I do not. She also stated she would be willing to volunteer at Gulf Breeze if volunteers would be needed to keep the computer/library open after five and on weekends.

b. Holly McManus, with the Family Service Center, thanked GHA for the opportunity to work in collaboration with GHA’s team this past year and to be of service to the residents. It has been an amazing summer. She also thanked them for the opportunity

for them to present to the board in June on the services they are providing. She gave them an updated status report:

- Of the 100 total residents referred to Family Service Center, 61 residents were actively engaged in varying levels of service in July;
- Since October 2010, FCS provided 1190 units of services:
 - 216 Crisis Interventions
 - 407 Counseling Services
 - 567 Brief Contacts
 - 415 Referrals to outside agencies/entities

Ms. Manus further reported that the current GHA contract, which funds 16hrs of social work services and office space at Gulf Breeze, ends Monday the 15th, while the SSBG funds will expire at the end of September. It is their assessment that the mental health and mental health related services currently being provided are needed now and on an on-going basis. Thus, the Family Service Center requests the opportunity to speak with an appropriate GHA representative this week about options to continue services at existing or increased levels, as they need to develop together a transition or continuation plan with residents.

c. Tarris Woods from the audience thanked the members of the board who attended the chamber meeting that day. He noted that David Stanowski had mentioned a number of 9,000 vacant houses on the island. Mr. Woods further stated that a few years back during the time Sharon Strain was GHA's Executive Director, GHA tried to rehab some houses on the island. By the time GHA stripped those houses down, they realized that it would have been more economic to tear them down and build a new house. Thus, he did not believe it would be feasible for the board to consider looking at those types of houses in terms of scattered sites. He asked if the board was familiar with the land across the street from the new county courthouse. When he was a council- member, he had met with the city manager and the county judge regarding his interest in attempting to develop that area . He asked the board to consider looking at that property to develop a subdivision in front of the courthouse in conjunction with the city. GHA could get assistance from the tax reinvestment zone to be able to move forward with that project.

Commissioners' comments

a. Commissioner LaRue asked if there had been any response on the inquiry to use Oleander Homes as a food bank. Ms. Purgason responded that according to HUD, in order for GHA to allow anyone to utilize the property, there is an application process to go through with the Special Application Center (SAC) in Chicago. Mr. Bastien last conveyed that he would look into what all that entailed. However, since that request for the food bank, GHA has also been approached by the master developer to use that space as a staging center for GHA's redevelopment process, i.e. public meeting, charettes. The board agreed to bring it back at the next workshop.

Commissioner LaRue further stated that he had been approached by members of his Rotary Club to help them understand about public housing. He stated that he went through the process of explaining to them all the different details and giving them facts where a lot of misinformation has had been passed on. He did not know if a lot of people change their opinion as to for or against, but he believed they left the meeting with a better understanding. There

was also discussion about the national convention in regard to a lot of the changes in public housing throughout the country.

He further commented that at his first convention that he attended, he had visited a public housing authority where they had rebuilt their public housing. During their discussion, he asked what was different when it was built back; their response was nothing was built different as it was rebuilt to what it was. He felt that it was a tremendous waste of time and resources to put it back the way it was before, and he would never put public housing back the way it was in Galveston.

b. Commissioner Banuelos stated that anyone was welcome to the information she brought back so they could see what was done in other communities and so they can understand and have a better perspective of what GHA is trying to do.

c. Chair Neff announced there would be a very important council meeting the following Thursday at 4:00 p.m. and looked forward to seeing everyone there for their support.

There being no further business, the meeting was adjourned at 6:12 p.m.

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