

# HOUSING AUTHORITY

OF THE CITY OF GALVESTON, TEXAS

409 / 765-1900

77551



*Central Office 4700 Broadway*

April 30, 2012

Rod Solomon  
Hawkins Delafield & Wood LLP  
601 - 13th Street, NW, 800 South  
Washington, DC 20005

Dear Mr. Solomon,

Thank you for our several meetings regarding our intent to prepare a Moving to Work (MTW) Designation application.

Unfortunately, the U.S. Department of Housing and Urban Development (HUD) recently issued the GHA's Public Housing Assessment Score (PHAS) and the GHA's PHAS score did not meet the threshold requirements for eligibility to make the application. While you have been engaged with several meetings and implemented an outline of activities as well as directed our staff, we must delay future work regarding this application until our score improves.

The GHA has recently been without an Executive Director for close to nine months and I strongly believe that impacted our ratings. Please be assured that I am actively engaged with working with our management team to pursue the necessary corrective measures regarding the PHAS score so that we may apply for this designation in the future.

Thank you again for your expertise and your hard work during the time we worked together.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stanley Lowe', with a long horizontal flourish extending to the right.

Stanley Lowe  
Executive Director



U. S. Department of Housing and Urban Development  
OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Report Date: 8/31/2011

**Public Housing Assessment System (PHAS) Score Report for the Transition Year**

PHA Code:	TX017
PHA Name:	Housing Authority of the City of Galveston
Fiscal Year End:	6/30/2010

PHAS Indicators	Score	Maximum Score
Physical	28	30
Financial	30	30
Management	30	30
Resident	9	10
<b>PHAS Total Score</b>	<b>97</b>	<b>100</b>
<b>PHAS Designation</b>	<b>High Performer</b>	

Initial PHAS score issued date: 6/17/2011

Financial Sub-Indicators	Score	Maximum Score
<b>Submission Type: Audited/A-133</b>		
1. Current Ratio	9.00	9.00
2. Months Expendable Funds Balance	9.00	9.00
3. Tenant Receivable Outstanding	4.50	4.50
4. Occupancy Loss	4.50	4.50
5. Net Income	1.50	1.50
6. Expense Management	1.50	1.50
Less: Audit Penalties	0.00	
<b>Total Financial Score</b>	<b>30.00</b>	<b>30.00</b>

Notes:

1. The sum of the sub-indicator scores may not equal the overall score due to rounding.
2. PCNE adjustment will not display in REAC's on-line system.
3. REAC on-line system may display data which is more current than the data shown on this Score Report.



# U. S. Department of Housing and Urban Development

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Report Date: 4/30/2012

## Public Housing Assessment System (PHAS) Score Report for Interim Rule

PHA Code:	TX017
PHA Name:	Housing Authority of the City of Galveston
Fiscal Year End:	6/30/2011

PHAS Indicators	Score	Maximum Score
Physical	40	40
Financial	25	25
Management	11	25
Capital Fund	5	10
Late Penalty Points	0	
<b>PHAS Total Score</b>	<b>81</b>	<b>100</b>
<b>PHAS Designation</b>	<b>Substandard Management</b>	

Initial PHAS score issued date: 4/17/2012

Financial Score Details	Score	Maximum Score
<b>Submission Type: Audited/A-133</b>		
1. FASS Score before deductions	25.00	25.00
2. Audit Penalties	0.00	
<b>Total Financial Score Unrounded (FASS Score - Audit Penalties)</b>	<b>25.00</b>	<b>25.00</b>

Capital Fund Score Details	Score	Maximum Score
<b>Timeliness of Fund Obligation:</b>		
1. Timeliness of Fund Obligation %	90	
2. Timeliness of Fund Obligation Points	5	5
<b>Occupancy Rate:</b>		
3. Occupancy Rate %	76	
4. Occupancy Rate Points	0	5
<b>Total Capital Fund Score (Fund Obligation + Occupancy Rate):</b>	<b>5</b>	<b>10</b>

### Notes:

1. The scores in this Report are the official PHAS scores of record for your PHA. PHAS scores in other systems are not to be relied upon and are not being used by the Department.
2. Due to rounding, the sum of the PHAS indicator scores may not equal the overall PHAS score.
3. "0" FASS Score indicates a late presumptive failure. See §§ 902.60 and 902.92 of the Interim PHAS rule.
4. "0" Total Capital Fund Score is due to score of "0" for Timeliness of Fund Obligation. See the Capital Fund Scoring Notice.
5. PHAS Interim Rule website - <http://www.hud.gov/offices/reac/products/prodphasintrule.cfm>



# U. S. Department of Housing and Urban Development

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Report Date: 6/12/2012

## Public Housing Assessment System (PHAS) Score Report for Interim Rule

PHA Code:	TX017
PHA Name:	Housing Authority of the City of Galveston
Fiscal Year End:	6/30/2011

PHAS Indicators	Score	Maximum Score
Physical	40	40
Financial	25	25
Management	11	25
Capital Fund	10	10
Late Penalty Points	0	
<b>PHAS Total Score</b>	<b>86</b>	<b>100</b>
<b>PHAS Designation</b>	<b>Substandard Management</b>	

Initial PHAS score issued date: 4/17/2012

Financial Score Details	Score	Maximum Score
<b>Submission Type: Audited/A-133</b>		
1. FASS Score before deductions	25.00	25.00
2. Audit Penalties	0.00	
<b>Total Financial Score Unrounded (FASS Score - Audit Penalties)</b>	<b>25.00</b>	<b>25.00</b>

Capital Fund Score Details	Score	Maximum Score
<b>Timeliness of Fund Obligation:</b>		
1. Timeliness of Fund Obligation %	90	
2. Timeliness of Fund Obligation Points	5	5
<b>Occupancy Rate:</b>		
3. Occupancy Rate %	76	
4. Occupancy Rate Points	5	5
<b>Total Capital Fund Score (Fund Obligation + Occupancy Rate):</b>	<b>10</b>	<b>10</b>

### Notes:

1. The scores in this Report are the official PHAS scores of record for your PHA. PHAS scores in other systems are not to be relied upon and are not being used by the Department.
2. Due to rounding, the sum of the PHAS indicator scores may not equal the overall PHAS score.
3. "0" FASS Score indicates a late presumptive failure. See §§ 902.60 and 902.92 of the Interim PHAS rule.
4. "0" Total Capital Fund Score is due to score of "0" for Timeliness of Fund Obligation. See the Capital Fund Scoring Notice.
5. PHAS Interim Rule website - <http://www.hud.gov/offices/reac/products/prodphasintrule.cfm>

## **RESOLUTION NO. 2625**

### **APPROVAL OF PROCURING BY NON-COMPETITIVE SOURCE**

**WHEREAS**, the Housing Authority of the City of Galveston, Texas, (GHA) is interested in applying for a Moving To Work Designation under the Department of Housing and Urban Development (HUD); and

**WHEREAS**, the deadline for submitting the application does not grant GHA time to procure the a contractor to write the Moving to Work application; and

**WHEREAS**, GHA has located an experienced grant writer with a proven track record to submit the application; and

**WHEREAS**, 24 CFR 85.36 states: "Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:

- a. The item is available only from one source;
- b. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- c. The awarding agency authorizes noncompetitive proposals; or
- d. After solicitation of a number of sources, competition is determined inadequate;" and

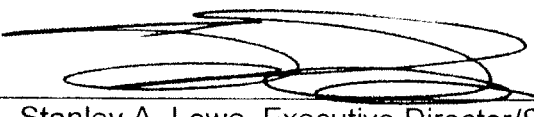
**WHEREAS**, the GHA Board of Commissioners hereby finds that the award of the contract is infeasible under the small purchase procedures, sealed bids, or noncompetitive proposals, and the public exigency or emergency for this requirement will not permit a delay resulting from competitive solicitation;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the City of Galveston hereby authorizes the Executive Director to enter into a contract with Hawkins, Delafield & Wood, LLP for services not to exceed \$50,000 to prepare and submit a Moving to Work Designation application under the Department of Housing and Urban Development.

Approved April 13, 2012

	AYES	NAYS	ABSTENTIONS	ABSENCES
Betty Massey	<u>X</u>	_____	_____	_____
James Dennis	<u>X</u>	_____	_____	_____
Tom LaRue	_____	_____	_____	<u>X</u>
Teresa Banuelos	_____	_____	_____	<u>X</u>
Jeff Temple	<u>X</u>	_____	_____	_____

Certified and signed by:

  
\_\_\_\_\_  
Stanley A. Lowe, Executive Director/Secretary  
For the Board



PHONE (202) 682-1480  
FAX (202) 682-1486

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SACRAMENTO  
SAN FRANCISCO  
PORTLAND

Writer's direct contact:  
Phone: 202-682-1485  
Fax: 202-682-1486  
E-mail: rsolomon@hawkins.com

April 4, 2012

Mr. Stanley A. Lowe, Executive Director  
Galveston Housing Authority  
4700 Broadway  
Galveston, Texas 77551

Dear Mr. Lowe:

Thank you for your interest in obtaining assistance from Hawkins Delafield & Wood LLP (Hawkins) in the preparation by the Galveston Housing Authority (GHA) of an application to the U.S. Department of Housing & Urban Development for admission to the Moving to Work (MTW) demonstration program.

I will be the lead and do much of the work for Hawkins. I will work with you and other GHA staff you designate to assist in the development of the MTW application on agreed-upon tasks. I am planning a trip to Galveston next week, during which the tasks, assignments and timetable will be established further.

The fee will be charged on an hourly basis, with a minimum as stated here. My hourly rate will be \$395 and the work of any Hawkins Associate will be \$280. If any other Hawkins Partners work on the engagement, their fee will be the lower of \$395 per hour or their listed hourly rate minus a 20% discount. There will be a minimum fee of \$25,000, against which hourly billings will count. Any hourly billings that total in excess of the minimum fee also will be payable by GHA. In addition, Hawkins will charge for typical reimbursable expenses such as travel, messenger/delivery, long-distance telephone and copying at ten cents per page, but not for paralegal, support or word processing costs. The work under this agreement commenced with my preparation for our breakfast meeting of March 28.



Stanley A. Lowe  
April 4, 2012  
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If these terms are satisfactory, please countersign this letter for GHA. I look forward to working with you and GHA staff on this exciting initiative that has the potential to transform the delivery of Galveston's affordable housing.

Sincerely,

A handwritten signature in black ink, appearing to read "Rod Solomon". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Rod Solomon

Terms accepted:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.