

Minutes of Meeting of
The Housing Authority of the City of Galveston, Texas
Island Community Center – Community Room
4700 Broadway, Galveston, TX 77551
March 19, 2019 – 4:00 p.m.

The Board of Commissioners of the Housing Authority of the City of Galveston, Texas (GHA) met as stated above. Chairman Melvin Williams called the meeting to order at 4:05 p.m. and declared a quorum was present. He further clarified that the meeting was duly posted. The following commissioners were noted present: Chairman Melvin Williams; Raymond Turner; and Gregory Garrison. Commissioner Ansell joined the meeting after the public hearing.

Commissioners Absent: Edwards

Others Present: Mona Purgason, Executive Director
Carla Cotropia, Legal Counsel

Approval of Minutes of Previous Meetings

Commissioner Turner moved approval of the minutes of the January 28, 2019 and February 25, 2019 meetings. Commissioner Garrison seconded. The motion was approved unanimously among the Commissioners present (Williams, Turner, and Garrison).

Financial Statements

Arvie Dunn, Finance Director, reported the following for January, 2019:

Total Operating Revenue:	\$ 13,872,473
Total Operating Expense:	\$ 13,327,868
Residual:	\$ 544,605
Total Liabilities & Net Assets:	\$109,658,681

Reports/Discussion

Secretary's Report

Odelia Williams, Resident Services Director, reported that residents enjoyed a musical program for Black History Month as well as a mini Mardi Gras parade.

Ms. Purgason reported that GHA's Public Housing developments were 98% occupied, and there was a 100% monthly lease-up rate in the Housing Choice Voucher Program. She further reported a high number of ports to Texas City (162) and that there were 241 remaining DV-IKE vouchers being administered by GHA. She reported there were 3,187 families on the Housing Choice Voucher wait list.

Development and Scattered Sites Update

Deyna Sims, Development Director, reported there was one affordable unit vacancy and 11 market-rate vacancies at Villas on the Strand, and 5 affordable unit vacancies and 4 market-rate vacancies at Cedars at Carver Park. She stated GHA staff planned to meet with MBM staff to discuss leasing strategies.

Ms. Sims further reported that 65 of the GLO-developed scattered sites were complete and occupied, and that according to the GLO, construction of the remaining units was expected to be complete by summer 2019.

Correspondence from HUD

Chairman Williams stated GHA had some time ago submitted a draft proposal to HUD regarding redevelopment of the remaining replacement public housing units and GHA had been awaiting a response from HUD. He further stated that on March 11, 2019, GHA received a letter from HUD Washington recommending that GHA move forward with a mixed finance proposal for the redevelopment of the Oleander Homes site as part of the replacement of public housing demolished after Hurricane Ike. He stated GHA would be working to formulate that proposal.

Ms. Purgason reported that HUD's letter also stated that scattered sites was not a viable option as they would be too expensive and difficult to manage for GHA.

Local advocate Patricia Toliver stated that she felt building on Oleander instead of scattered sites was a good move.

Local advocate Leon Phillips stated in developing the Oleander Homes site there may be some agreement in dealing with the Austin advocates. He stated the Galveston advocates were totally in favor of development on Oleander. He stated the advocates desired that any developer who would build on Oleander also be in charge of the remaining units.

Resolutions

Resolution 2846 – Approving an Amendment to the 2012 Reconstruction Plan to allow GHA to submit a mixed-income development proposal for the Oleander Homes site –

Ms. Purgason read the Resolution as follows:

“WHEREAS, in 2012 as a result of a conciliation agreement the General Land Office of the State of Texas (GLO) proposed a reconstruction plan for the replacement of public housing units damaged by Hurricane Ike; and

WHEREAS, the GHA Board of Commissioners approved the *Plan for Galveston Public Housing Reconstruction* (Reconstruction Plan-attached) on September 28, 2012; and

WHEREAS, GHA fulfilled its commitment per Article I of the Reconstruction Plan by developing two mixed income properties, The Cedars at Carver Park and Villas on the Strand, in partnership with McCormack Baron Salazar (MBS); and

WHEREAS, Article 3 of the Reconstruction Plan tasked the development of the 388 remaining units to the GLO as part of a scattered sites development strategy; and

WHEREAS, HUD provided 128 tenant protection vouchers that were converted to project based vouchers, 31 of which were utilized in the two mixed income projects and the remaining 97 were allocated to the GLO for scattered sites; and

WHEREAS, the GLO is in the process of finalizing the construction of the 97 project based voucher units which is expected to be completed by the summer of 2019; and

WHEREAS, subsequently HUD determined that GHA was not entitled to additional tenant protection vouchers; and

WHEREAS, HUD determined that the remaining 287 replacement units would need to utilize public housing subsidy for operations and therefore needed to be completed by GHA rather than the GLO; and

WHEREAS, HUD requested that GHA submit a draft of possible development options that was submitted in May of 2018; and

WHEREAS, HUD issued a letter dated March 11, 2019 that the development options presented were not feasible; and

WHEREAS, in that same letter HUD recommended that GHA submit a mixed finance proposal for the redevelopment of the Oleander Homes site as a mixed income project providing public housing units, other affordable units and market rate units in a mix appropriate for Galveston; and

WHEREAS, The Master Development Agreement between GHA and MBS, executed on February 27, 2012, was competitively selected to implement comprehensive redevelopment of the original public housing sites, including the Oleander Homes site, and remains in effect.

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Galveston, Texas hereby approves an amendment to Article I of the Reconstruction Plan to allow GHA to take all necessary actions to submit a mixed finance development proposal to HUD for the Oleander Homes site for a mixed income project to include public housing, other affordable units and market rate units in a mix and density appropriate for Galveston.”

Commissioner Garrison moved approval, and Commissioner Turner seconded. The Resolution was approved unanimously among the Commissioners present (Williams, Turner, and Garrison).

The Board meeting was temporarily adjourned at 4:32 p.m.

A public hearing was called to order at 5:00 p.m. Chairman Williams stated the hearing was to solicit public comment regarding GHA's FY2020 Agency Annual Plan. Ms. Purgason stated the Agency Annual Plan had been out for public comment since February 1, 2019 when it was advertised in the newspaper and on GHA's website. She stated no written comments had been received. There were no comments during the public hearing. The public hearing was closed at 5:03 p.m.

The Board meeting was reconvened at 5:04 p.m.

Resolution 2845 – Approval to Submit GHA FY2020 (FYB July 1, 2019) Agency Annual Plan to HUD – Commissioner Garrison moved approval, and Commissioner Turner seconded. The Resolution was approved unanimously among the Commissioners present (Williams, Turner, Garrison, and Ansell).

The Board meeting was adjourned at 5:05 p.m.