

CHAIRMAN'S REVIEW/COMMENTS

Chairman Wallace reported that approximately two weeks ago, the CEO along with Commissioner Martinez and Commissioner Kruckemeyer attended the NAHRO Conference in Washington, D.C. and visited the staff of the Housing Urban Development department (HUD). Chairman Wallace asked the Commissioners to give a brief overview of the conference and meetings attended.

Commissioner Kruckemeyer responded that the HUD staff was very complimentary of HCHA. She stated that her observations from the conference was that there is a lot of Housing Authorities in financial trouble. However, HCHA was not one of them. Commissioner Martinez added that she was impressed that the Secretary of HUD had time to visit and wanted to hear how HCHA was doing. She stated that it was a good visit.

EXECUTIVE SUMMARY & EXECUTIVE DIRECTOR'S REPORT

Chairman Wallace requested that Mr. Rankin address the Board with an update on the 2009 Accomplishments for the HCHA from September 1st, 2008 to September 1st, 2009, and provide a report on the HUD REO program.

Mr. Rankin stated that the Accomplishments would be presented by Ms. Hunter, Ms. Burns, and Ms. Quijano. .

Ms. Hunter provided a recap of the 20/20 Vision contained in the board book and previously shared at the Board Retreat held in September. She stated that the Harris County Housing Authority is recognized as HUD's highest performing housing authority in the region, and one of America's 10 best PHA's. Ms. Hunter added that over the past 6 years, HCHA has grown from a troubled agency, to reaching extraordinary heights by housing the homeless, creating homeowners, developing over 1,000 new affordable housing units, responding to natural disasters and developing a master-planned community specifically designed for veterans. Ms. Hunter stated that the accomplishments to be shared reflect the fruition of staff-board alignment and HCHA's commitment to improve the lives of the citizens of Harris County. Ms. Hunter stated that the accomplishments to be presented are those most relevant to HCHA's 20/20 plan and are represented in chronological order

SEPTEMBER 2008

- After Hurricane Ike struck, the Harris County Housing Authority led a countywide effort to provide critical information to residents on accessing funding for relief. HCHA conceived the idea to create an educational video to explain the application process in an understandable way to the storm's victims. Over 2,000 copies of the DVD were distributed as a tool to assist residents, community leaders, the United Way Agencies, Elected Officials and Community Leaders in understanding their eligibility for financial aid, as well as the application processes for FEMA and SBA following a hurricane, The video was shown on various cable TV shows to hundreds of thousands of people throughout the region.

- HCHA successfully responded to the needs of our citizens following Hurricane Ike in partnership with the following social services providers: Focus Care (FC), Houston Area Urban League (HAUL), Neighborhood Centers Inc. (NCI), Harris County Community Development (HCCD), and the City of Houston (HHS). The results of this partnership rendered case management services to tens of thousands of families on a monthly basis.
- HCHA Developed a national disaster recovery model that can be implemented within 72-hours to construct a DHAP facility, incorporate software management and human capital immediate following a disaster. This information is now part of the US Department of Housing and Urban Developments response to disasters.
- HCHA assisted in the development of a POD management system that led to stabilization of more than 400,000 people throughout the region.
- HCHA furnished 10 apartments and offered temporary housing assistance at Magnolia Estates for elderly persons who lost everything in Hurricane Ike and who lived in temporary shelters from Seabrook, Bolivar, Galveston, Pasadena, and Houston.
- HCHA coordinated with the City of Houston, Harris County, United Way Agencies and the faith-based communities to help the most vulnerable citizens during Hurricane IKE and Gustav.
- HCHA continued the transition of Hurricane Katrina Survivors in Harris County and within 41 states throughout the US to permanent housing assistance.
- HCHA was recognized in a letter to Former County Judge Eckels by the United States Senate as one of the best Housing Authorities in America.

October 2008

- HCHA Sets Advanced Technology Standards After Hurricane Ike, HCHA developed the first-of-Its-kind 3Dimensional National GIS (Geographic Information Systems) Damage Assessment Model and Methodology. In the future, HCHA will partner with local, state and national leaders to provide guidance on how to help communities recover after a major disaster, while saving precious resources and helping communities recover quickly. The model was developed with Rice University and others more accurately reflect damage during natural disasters.
- HCHA Received the National Association of Housing Redevelopment Officials (NAHRO) Award of Merit for Innovation Single-Family Rental Housing, for Waterside Court.
- HCHA Received the National Association of Housing Redevelopment Officials (NAHRO) Award of Merit for the HCHA Independence Homeownership Program.

- HCHA Developed a Renewable Energy Plan to incorporate HCHA's future affordable housing building principles to reduce the impact on natural resources. HCHA is testing the use of solar panels with Magnolia Estates.

November 2008

- HCHA commenced work with the Governor's Commission on Disaster Recovery and Renewal.
- HCHA expanded the Damage Assessment Model to include Pre-Disaster Grid Mapping of coastal counties and coordinated with various regional councils of government.
- HCHA began meeting with the U.S Department of Veteran Affairs and the U.S. Department of Housing and Urban Development to discuss options for the a master planned Veterans Community.
- HCHA began administering the DHAP IKE program for Harris County families displaced by Hurricane IKE. Over 2500 families have been assisted in the DHAP IKE from November 2008 to September 2009.
- In addition to Harris County families, the HCHA has assisted over 400 families under the DHAP IKE-Texas program for families throughout Texas displaced by Hurricane Ike from November 2008 to September 2009

December 2008

- HCHA Developed a Comprehensive Study of Housing Laws, Actions and Programs in Hurricane Prone States for the Governor. HCHA has analyzed the best practices for the development and protection of housing developments throughout the gulf coast. The Governor and Texas Legislator will take up this report at the next session improving the lives of all the Citizens of Harris County through building practices, codes and smart coastal design.
- HCHA closed out DHAP Greater New Orleans which consists of managing six housing authority disaster programs in the Greater New Orleans area. This effort was a request from the Secretary of Housing and Urban Development to help New Orleans.

January 2009

- HCHA purchased 91 acres of land for Veteran Master Planned Community.
- HCHA submitted TDHCA Tax Credit Applications for Sierra Meadows and Sendero Point.
- HCHA published the Residential Damage Assessment Report for Harris County by *which* more than 8 billion dollars of damage was identified

- HCHA began *the* initial intake of over 4000 DHAP Katrina! Rita families for eligibility into *the* HCV program.
- HCHA designed America's first one-of-a-kind master-planned waterfront community designed for and dedicated to Veterans. The current design includes beautiful spacious homesites, condominiums, and multi-family residential, retail, offices, medical facilities, 44 memorial monuments, ceremonial parks and other amenities located on 91 acres of impeccable grounds with scenic water views.

February 2009

- HCHA initiated Predevelopment and Design for Patriots by the Lake with input from *the* VA on programming needs for a veteran master planned community.
- HCHA submitted Application for a Neighborhood Stabilization Grant and a Community Development Block Grant to build 88 units of seniors housing on a foreclosed property to stabilize a neighborhood and *provide affordable* housing for seniors.
- HCHA developed a Comprehensive Study of Healthcare Systems and facilities impacted by IKE.
- HCHA developed and presented a DHAP operational plan to the Secretary of HUD: The disaster and recovery recommendations to designate HUD as the lead Federal agency for the provision of temporary housing following a disaster in connection with Katrina Lessoned Learned.
- HCHA moved the entire HCV program operations to 8933 Interchange accommodate and manage the transition of up to 4,000 new families that HUD had awarded Harris County. The current HCV voucher program was 1840 families. It was estimated at the time that 2,000 additional families would be added to the program permanently resulting in an additional 15 million dollars per year of HAP payment in the community. Thus, helping additional landlords and low and moderate income families for the next 20 years.
- HCHA created Housing Americas a non-profit organization dedicated to the development of affordable housing throughout the US and assisting other Public Housing Authorities on an as needed basis. The foundation of the other 41 00 PHA's throughout the country are to help low and moderate income people and HCHA has developed a tool that can help those other organizations.
- HCHA assisted in the effort to pass legislation creating H.B 3558 allowing housing authorities to develop veteran housing communities without regard to jurisdictional boundaries.

March 2009

- HCHA developed a comparative study of housing legislation and recommendations for the Governor's Disaster Recovery and Renewal Commission.
- HCHA Submitted Final TDHCA Application for Sierra Meadows.
- HCA Submitted HOME application for Sierra Meadows.
- Independent financial audits performed for the last 7 years exhibit zero findings and sound financial policy.
- Magnolia Estates became 100% leased and stabilized In March 2009.
- The HCHA HCV program has doubled in size by the conversion of DHAP Katrina/Rita families and DHAP USA. These are permanent HCV vouchers for Harris County obtained by the conversion process.

April 2009

- HCHA hosted a worked with 25 other housing authorities during an REO training for Public Housing Authorities to model their programs.
- HCHA was awarded \$9,574,826 in NSP/CDBG funds by CSD for Cypresswood Estates.
- HCHA Finalized Preliminary Design for Patriots by the Lake and held a Board Retreat to discuss the various design, engineering and partnerships with this master planned community.

May 2009

- HCHA Invited to be presenter at NAHRO Conference as an expert on providing affordable housing solutions.
- HCHA Purchased 9.9 acres for Cypresswood Estates.
- HCHA Commenced predevelopment and design for Cypresswood Estates.
- HCHA worked with State Legislators to draft Veteran Housing Bill HB3558 - Bill passed.
- HCHA developed and launched the Patriots by the Lake website.
- Published Houston Chronicle Editorial: Honoring America's Veterans

June 2009

- HCHA received the IABC Bronze Quill Award of Merit for the creation of the Hurricane Ike "Need Ike Relief" video.
- HCHA had a complete HUD Consolidated On-Site Review of the HCV program which resulted in the following as reported by HUD:
 - No findings or observations.
 - "HCHA practices are some of the best throughout our region".
 - Exemplary recognition for the HCHA HCV Briefing Packets, HCHA Intake System and Lobby.
 - The HCHA File Room control has been set as the example for HUD Region VI.
 - Noted as the best practice quality control protocol
 - Continuous training program for staff
- HCHA Finalized construction cost estimate and Phase I budget for Patriots by the Lake.
- HCHA was awarded \$2 million in HOME funds by CSD for Sierra Meadows.
- HCHA was granted Approval of the City of Houston for the General Plan and Preliminary Plat for Patriots by the Lake.

July 2009

- HCHA was awarded \$1.18 million in Tax Credits by TDHCA for Sierra Meadows.
- HCHA completed its permanent loan conversion from construction financing July 21, 2009 for Magnolia Estates.
- HCHA was granted approval from the City of Houston for Final Plat approval for Patriots by the Lake.

August 2009

- HCHA Converted to Permanent Loan on Primrose at Heritage Park.
- HCHA finalized design for Cypresswood Estates.
- HCHA Negotiated and Executed MUD 499 Developer Fee Sharing Agreement for Patriots by the Lake Agreement.
- HCHA commenced design of offsite utilities for Patriots by the Lake.
- 3 Homeownership Workshops given to a total 160 HCV participant families earning more than \$20,000 per year.

September 2009

- HCHA completed Due Diligence and Financing Package for Patriots by the Lake.
- HCHA finalized Permanent Loan Funding of Cypresswood Estates
- The HCHA closed its 2008 fiscal year as a SEMAP High Performer, the U.S. Department of Housing and Urban Development's highest rating. This is the seventh year in a row the HCHA has been awarded this honor. In addition, national housing experts have recently stated that the HCHA is one of the best housing authorities in America.
- All 6 of HCHA's Affordable Housing Developments maintained compliance requirements with HOME and Tax Credit programs.
- HCHA created 7 New Homeowners between February 7, 2009 to September 21, 2009.
- In 2009, the HCHA HCV Program has acquired an average of \$350 million in rental assistance payments for the citizens of Harris County for over the next 20 years.

Mr. Rankin provided an overview of the HUD REO Program. He stated that HUD had requested that HCHA participate in the program by purchasing foreclosed properties. HUD would sell the properties to HCHA for 50% of market value. HCHA would then be responsible for rehab of the properties and for placing the homes on the market and selling them below market. Commissioner Martinez inquired about those homes that are currently occupied and responsibility of HCHA regarding those tenants. Mr. Rankin replied that the current residents would have to move out or agree to purchase the home. Ms. Burns added that she had spoken with tenants of the first 13 homes being considered for sale to HCHA and that most of the tenants were interested in purchasing the home, but could not qualify for a mortgage loan.

FINANCIAL AGENDA

The Monthly Financials were presented by Mr. Guidry. Commissioner Herrera questioned if HCHA was capitalizing the pre-development costs for Patriots by the Lake. Mr. Guidry indicated that the pre-development costs were being tracked but were not yet broken out and capitalized on the financial statement. He stated that the financials would be revised to reflect the separation of capitalized costs for Patriots by the Lake.

Commissioner Herrera provided additional comments to the financials regarding the projection of revenues and expenses. Mr. Guidry stated that some of the assessments, revenues and expenses were unknown at the time the budget was prepared.

PUBLIC COMMENT

Chairman Wallace gave an opportunity for public comments. None were given.

EXECUTIVE SESSION – AN EXECUTIVE SESSION WAS HELD TO DISCUSS AND COMPLETE THE ANNUAL EVALUATION OF THE CEO.

The Harris County Housing Board of Commissioners may go into executive session, if necessary, pursuant to Chapter 551 of the Texas Government Code, for one or more of the following reasons: (1) consultation with its attorneys to seek or receive legal advice or consultation regarding pending or contemplated litigation; (2) discussion about the value or transfer of real property; (3) discussion about a prospective gift or donation; (4) consideration of specific personnel matters; (5) discussion of certain economic development matters or other matters authorized by law. The Housing Authority Board of Commissioners may announce that it will go into executive session on any item listed on this agenda if the subject matter is permitted for a closed session by provisions of chapter 551 of the Texas Government Code. The Board of Commissioners went into Executive Session at 12:20pm and ended 1:00pm.

COMMENTS BY COMMISSIONERS:

None

COMMENTS OR ANNOUNCEMENTS BY:

None

ADJOURNMENT

Commissioner Wallace invited a motion to adjourn at 1:16pm. Commissioner Kruckemeyer seconded. All in favor, motioned was carried.

Adopted and approved this 18th day of November, 2009.



Casey Wallace, Chairman



Guy Rankin, Secretary