

Housing Authority of the City of Laredo
Board of Commissioner Meeting
Russell Terrace Community Hall
500 Richter Court
Laredo, Texas 78040
Wednesday, August 3, 2016
11:00 a.m.

A-16-R-7

Minutes

August 3, 2016

1. **CALL TO ORDER** Chairman Ceballos called the meeting to order at 11:14 a.m.
2. **PLEDGE OF ALLEGIANCE** Sanchez Ochoa Elementary students and Russel Terrace residents Natalie and Kassandra lead the present in the Pledge of Allegiance.
3. **ROLL CALL AND DECLARATION OF QUORUM** Roll call and declaration of quorum by Melissa Ortiz, Acting/Interim Executive Director/Secretary.

Commissioners Present

Jose L. Ceballos, Chairman
Dr. Sergio Garza, Vice-Chairman
Gina Magallanes, Commissioner
Dr. Marisela Rodriguez, Commissioner
John Solis, Commissioner

Commissioners Absent

4. **CHAIRMAN'S COMMENTS** No Comments
5. **CITIZENS COMMENTS**

This is the opportunity for visitors and guests to address the Board of Commissioners on any issue. The Board may not discuss any presented issue, nor may any action be taken on any issues at this time. There will be a 3-minute limitation per speaker. (Texas Attorney General Opinion-JC-0169)

No Comments.

6. APPROVAL OF MINUTES:

- A. Approval of minutes for Board of Commissioners meeting on June 30, 2016.

Vice Chairman Garza motioned to approve minutes with a correction on spelling in page 5.

Chairman Ceballos seconded the motion.

Motion passed unanimously.

7. PRESENTATION BY CENTRAL RESIDENT COUNCIL

Tenant Miriam Villarreal stated that they are selling boilers, stoves, and refrigerators to collect funds for the Central Resident Council. She stated that some items are being sold to scrap metal yards and others to the public.

8. PRESENTATIONS (No Action to be taken)

Chairman Ceballos motioned to move item 8D up on the agenda.

Vice Chairman Garza seconded the motion.

Motion passed unanimously.

A. Executive Director's report.

Ms. Ortiz stated that she a letter of intent was submitted to Texas Homeless Network to apply for a Permanent Supportive Housing Grant. She stated that the Grant application is Due August 8, 2016.

B. Housing Choice Voucher Program Semi-Annual Funding and Utilization Report.

Ms. Ybarra summarized that Section 8 receives a total of 1390 voucher including 22 VASH vouchers. A budget authority is funded for this program in the amount of \$7,655,227.00 for the year and an estimated budget allowance of \$640,000.00 per month. She stated that the per unit cost is \$463.00 per month.

Mr. Guerrero stated that in spreadsheets provided they will find how much the program has spent during the first 6 months of the year and how many units have been leased. The information presented indicates that the program is continuing to spend more than it is being funded.

Vice Chairman Garza asked if what Mr. Guerrero was speaking in regards to include the VASH vouchers.

Ms. Ybarra responded no that they have different funding for the VASH vouchers.

Ms. Ortiz stated that Mr. Guerrero has combined all the funds to report to the board the status of the program for the first half of the year.

Vice Chairman Garza asked why money was being lost.

Ms. Ortiz responded that they reason money was being lost was because the per unit cost was too high. She stated that the utilization was at 96% and 4% were not being assisted because it cannot be afforded. The program is at full attrition as advised by HUD.

Chairman Ceballos asked where the 91% SEMAP score places the agency.

Ms. Ybarra stated that it is not a position in which they want to be and they will be working to reach 98%. She stated that if they begin to lease up then the funds

will be utilized. She stated that based on the projections we need to start leasing up in order to reach 94% in that category and not necessarily our final score.

Chairman Ceballos stated that there needs to be constant communication regarding the leasing if it is planned to use some of those vouchers in upcoming projects.

Chairman Ceballos asked if the recommendation was to lease up the last quarter.

Mr. Guerrero responded yes the plan was to lease up and use the full authority because if the attrition continues the agency will be under leased and underspent.

Chairman Ceballos asked that a tentative SEMAP score for next year be provided to see where the agency stands now.

C. Unaudited Financials for the months of April 2016 and May 2016.

Mr. Guerrero presented the board with financials for April 2016 and May 2016. He stated that financials are stable and not much has changed other than the expenditure due to the remodeling of the new LHA board room. He also made note of the expenditure made by CFP for locksets.

Chairman Ceballos asked if it is expected for the accounts to be in the negative through the end of the year.

Mr. Guerrero responded no, all accounts are stable.

Chairman Ceballos asked what the money that was originally allocated for Russell Terrace was used in when demolition was in the plans.

Mr. Guerrero stated that it was distributed amongst all the AMPS.

Ms. Ortiz stated that they could also find in their packets the financials for the PFCs.

Chairman Ceballos asked that we continue to include these in the financial packet. He also asked that the report show all legal expenditures and their sub categories to determine how much is being spent for RAD.

Chairman Ceballos asked the Russell Terrace staff to reconsider what work items were pending in the project in the event that an amendment to the annual plan is needed being that a demolition will not occur.

D. Russell Terrace and Casa Verde RAD Application Status update.

Consultant Favela stated that the RAD application had been submitted to HUD and that they expect a response by the end of the month of August. She stated that HUD has provided us with a timeline that does not match our Casa Verde timeline due in October however; they have committed to work with our October timeline if we are awarded.

Chairman Ceballos asked if we have a preliminary award.

Consultant Favela stated that indeed LHA had been advised that HUD has reviewed other application along with ours and all indications are that we will get awarded.

Chairman Ceballos stated that the application that was submitted is to convert the project into Section 8 Project Based Vouchers without demolition of Russell Terrace. He also stated that this conversion would allow for necessary renovation to the buildings.

Consultant Favela stated that aside from the RAD conversion LHA would also be applying for tax credits to fund the renovations once awarded by HUD.

Tenant asked if there is anything the tenant needs to do for the project based vouchers such as applications.

Chairman Ceballos replied that the change would be automatic with the conversion and there would no application required from the tenants.

Ms. Freeman asked that if HUD were to not award the RAD conversion then would Russell Terrace be demolished.

Chairman Ceballos responded that staff is in communication with HUD on a weekly basis. He stated that the financing needed to be presented to HUD and at that point they will allow us to proceed.

Attny. De Anda clarified that HUD has advised LHA that Russell Terrace is not approved for demolition.

Ms. Esquivel asked if with this conversion will require tenants to perform community service hours.

Chairman Ceballos responded that community service is a component of the Public Housing Program and not Section 8. He stated that it is not likely but verification will be made and they will be informed.

Ms. Malacara stated that he felt pleased with the efforts taking place and was glad to be able to attend the meeting and stay informed.

Chairman Ceballos stated that there was a great deal of effort being put into this cause by staff, consultants, and attorneys.

Ms. Freeman stated that she felt more comfortable with the direction that the board is taking to see this conversion through. However, she stated that she sees a lot of concern with the residents because she has seen that a lot of residents are getting rid of their furniture. Perhaps they are not informed of the changes that have transpired. She suggests that they be advised via flyer of the status of the conversion.

E. Website redesign update.

Ms. Ortiz stated that the contract for a website redesign had been signed on July 13, 2016 with an expected date of completion of August 19, 2016.

Vice Chairman Garza stated that it is important that the webpage be user friendly.

Chairman Ceballos asked that Mr. Collazo share his calendar for the website as it contains very useful information regarding community events.

Mr. Collazo stated that he would share the calendar and also informed the residents that the website would have a feature that would allow them make anonymous reports via mobile devices as well.

F. Section 8 Preference Advisory Committee update

Ms. Ybarra stated that a community advisory group is assisting in establishing local preferences for those in the Section 8 waiting list. The committee has met twice and it has been established that the homeless, veterans, disabled, elderly, domestic violence, displaced, working families, and those in the Moving Up Program will have preferences.

Chairman Ceballos asked that Ms. Favela and Mr. Solomon consider the weight of the displacement preference in the event that we have to displace families; they should not have to wait to be assisted.

Vice Chairman Garza asked what a disability entails.

Ms. Ybarra responded that it is any disability that the Social Security Administration recognizes for any family member.

Ms. Ortiz stated that this should be finalized in the next two weeks and would not be effective until January 2017.

G. Senior Home Project Grow Community Gardens Project

Ms. Ortiz stated that Laredo Main Street issued a \$5000.00 award to LHA in June to have a community garden at the Senior Home.

Ms. Garcia offered to donate plants to the cause.

9. ACTION ITEMS

- A.** Discussion and possible action to authorize Executive Director to fill certain vacant management positions. This item may be discussed in Executive Closed Session, pursuant to Texas Government Code Section 551.074 (personnel matters).

Chairman Ceballos motioned to move Item 9A to the end of the agenda.

Commissioner Rodriguez seconded the motion.

Motion passes unanimously.

Ms. Ortiz made recommendation to hire Bulmaro Cruz for the position of Director of Modernization and Development and Francisco Lopez for the position of Procurement Officer.

Mr. Vasquez stated that Bulmaro Cruz would not be required to have a probationary period as the move is a lateral one.

Chairman Ceballos motioned to approve the recommendation to hire Bulmaro Cruz for the position of Director of Modernization and Development and Francisco Lopez for the position of Procurement Officer.

Commissioner Solis seconded the motion.

Motion passed unanimously.

- B.** Discussion and possible action to approve the Legal Counsel contract to Escamilla & Poneck LLP pertaining to RFQ 16-0310-1.

Attny. Poneck advised that Agenda Items B, C, and D can all be taken together. He stated that the contracts are using the same template but they all have different roles that can be seen in Exhibit A and their Scope of Work. Mr. Poneck stated that he will lead the legal team, Mr. Solomon will assist with HUD related issues such as RAD and Mr. De Anda will assist with local issues.

Chairman Ceballos motioned to finalize the approval of the contracts in Items 9 B, C, and D as presented.

Vice Chairman Garza seconded the motion.

Motion passed unanimously.

- C.** Discussion and possible action to approve the Legal Counsel contract to Hawkins, Delafield & Wood LLP pertaining to RFQ 16-0310-1A.

- D. Discussion and possible action to approve the Legal Counsel contract to De Anda Law Firm pertaining to RFQ 16-0310-1B.
- E. Discussion and possible action to approve the Outside Consultant contract to National Development Council pertaining to RFQ 16-0310-2A.

Chairman Ceballos stated that these contracts are a one year term with a potential for a five year annual renewal. The exhibits detail the scope of work and stated it is important to track where time is being invested.

Pertaining to Mr. Jasso from Architects Plus Inc. Mr. Ceballos stated that he is a general consultant but that does not mean that he cannot pursue architect or design work.

Mr. Jasso stated that the contract allows for architectural design as required by LHA at an additional fee.

Chairman Ceballos motioned to approve the contracts in Items 9 E and F as presented.

Commissioner Magallanes seconded the motion.

Motion passed unanimously.

- F. Discussion and possible action to approve the Outside Consultant contract to Architects Plus Inc. pertaining to RFQ 16-0310-2B.
- G. Discussion and possible action to approve the Audit Services contract to Garza/Gonzalez & Associates pertaining to RFQ 16-0310-3.

Chairman Ceballos informed the board that this contract is for a year and does not include supplement work fees.

Atty. Poneck stated that the item can be approved subject to an amendment be brought back to the board.

Chairman Ceballos motioned to approve Item 9G subject to an amendment being brought back to the board that permits a 5 year annual renewal, supplemental fees, and termination clause.

Commissioner Rodriguez seconded the motion.

Motion passed unanimously.

- H. Discussion and possible action related to improving the curb appeal of public housing projects.

Chairman Ceballos stated that there are many dead trees and unkept yards in all the projects. He stated that Colonia Guadalupe is the face of LHA and the curb appeal needs a facelift.

He stated that Mr. Jasso and LHA staff should propose something in the next 60 days to resolve the curb appeal issue.

Commissioner Magallanes stated that it is necessary to have a pleasant curb appeal.

Chairman Ceballos stated that the I-35 frontage road needs a lot of work and it is the most visible project.

Commissioner Rodriguez stated that it is also a safety issue.

Ms. Freeman commented that to encourage the tenants to keep their yards clean there could be a beautification completion that recognizes this effort.

Vice Chairman Garza stated that he attended a meeting in Corpus Christi and they spoke very kindly of the LHA projects.

Mr. Malacara stated that some projects need street repairs.

Chairman Ceballos stated that issue is one that they city needs to address if they are city streets but they will make contact with them to see them through.

Ms. Rodriguez stated that the issue is that Russell Terrace has a lot of handicap tenants and the sidewalks do not have ramps at all the corners.

Chairman Ceballos asked Ms. Ortiz to look into that issue and a resolution.

No action taken.

- I. Discussion and possible action related to the centralization of the capital fund department and construction work spaces and staging.

Ms. Ortiz stated that all vehicles and equipment have been centralized at Carlos Richter.

Mr. Trevino stated that all heavy equipment has been moved to a Carlos Richter empty lot and projects areas have been cleaned.

No action taken.

- J. Discussion and possible action related to staff customer service training and evaluation.

Chairman Ceballos stated that he would like for the Director and Human Resources Manager develop an evaluation for staff that includes a customer service component if they have tenant contact. This component should evaluate the tenant satisfaction.

Vice Chairman stated that there should also be a scorecard for the Directors as well to see that the projects are completed under their direction.

Ms. Ortiz stated that they would start brainstorming and have a plan in 30 days.

No action taken.

- K. Discussion and possible action to authorize the Executive Director to initiate process to acquire real estate for the use of Central Resident Council Storefront.

Ms. Ortiz stated that they have inquired about properties that could serve this purpose. We have found some but they have been too expensive however we are still waiting on a property that is being appraised.

Chairman Ceballos asked what process needs to be taken when looking for property.

Attny. Poneck stated that there is no formal process. Properties can be assessed and then brought back to the board to compare and recommend.

Ms. Favela stated that there is no need for RFP but there does need to be an assessment and appraisal of the property and an environmental assessment.

Mr. Jasso stated that they need to establish what the needs for this property will be.

Mr. Collazo stated that he has been in communication with the Resident Council and they need somewhere to store all their merchandise. The majority of the merchandise includes boilers, refrigerators, and stoves. We would like to have a site that works for the residents and the agency to possibly have a fleet yard. He stated that they have looked at properties on Saunders for \$1.5 million and they are interested in a property on Santa Maria as well.

Chairman Ceballos stated that as long as the property works for the residents it does not have to be integrated with LHA.

No action taken.

- L. Discussion and possible action to authorize the Executive Director to pursue a 2016 Continuum of Care grant application, estimated between \$800,000 - \$1,000,000, from the U.S. Department of Housing and Urban Development through the Texas Homeless Network Balance of State Continuum to the Texas Homeless Network.

Ms. Ortiz stated that staff is working on the submission due on Monday. She stated that Juan Mendive has been contracted to assist in the process and ensure that all leverage and match is met. Ms. Ortiz stated that this grant would help support 30 units for permanent supportive housing.

Mr. Mendive stated that he has met with LHA staff and THN regarding the necessary documents for the application. He stated that he has met with Mr. Jasso to get numbers from him and they are waiting on match letters that are required from community agencies. We will receive any revisions from THN and resubmit on the 22nd of August and they will in turn submit to HUD by the 14th of September.

Chairman Ceballos stated that this would be part of a larger transitional housing project that will include a triage center with supportive services.

Ms. Orduna stated that they have made contact with community agencies that are interested in supporting the project and will be submitting leverage/match letters by Friday.

Mr. Mendive stated that the agency will be applying for \$800,000.00 and require a \$200,000.00 match and \$1,200,000.00 in leverage.

Chairman Ceballos asked how competitive this application is.

Mr. Mendive stated that there are 14 applicants competing for this grant.

Chairman Ceballos called for a motion.

Commissioner Rodriguez motioned to approve Item 9L.

Vice Chairman Garza seconded the motion.

Motion passed unanimously.

- M. Discussion and possible action to approve the purchase of Emphasys Section 8 Partner/Landlord Portal in the amount of \$23,400.00.**

Ms. Ortiz stated that this portal will work with the software in place now and it will provide landlords with access to their history of payments, tenants, and tax form 1099. Over 700 landlords participate in Section 8 and every month they mail them their check or direct deposit stubs and with this software they will have access to it online.

Chairman Ceballos asked what source would be used to pay for this service.

Ms. Ortiz stated that it would be paid for by the Section 8 reserves and it would be a one-time cost with an annual renewal of \$3,000.00.

Chairman Ceballos motioned to approve Item 9M to be paid for out of Section 8 Reserves with an annual renewal of \$3,000.00.

Vice Chairman Garza seconded the motion.

Motion passed unanimously.

- N. Discussion and possible action to approve the use of \$50,000 from AMP 5 Operating Budget for the South Laredo playground.**

Chairman Ceballos stated that he thinks a 20 day period seems excessive to install a playground.

Mr. Trevino stated that they will be installing the playground on a concrete slab to secure the equipment and also a ledge to hold the pebble or sand and that is what is going to require the most time not the actual assembly of the playground.

Mr. Ceballos stated that if we are giving a deadline it must be met and if it is not attainable maybe subcontracting would be the solution.

Commissioner Solis stated that the agency should inquire about security cameras at the parks to prevent vandalism.

Ms. Ortiz stated that quotes for security cameras at all playgrounds are being requested.

Chairman Ceballos motioned to approve Item 9N with the addition that it include a digital security camera.

Vice Chairman Garza seconded the motion.

Motion passed unanimously.

- O. Discussion and possible action to approve the selection of the redesigned LHA logo and tagline.

Ms. Ortiz presented the board with the final three logo options selected by a Redesign Committee composed of 5 LHA employees and 2 commissioners.

Chairman Ceballos stated that the idea was to present a new image to the community and it will be used in all its communications.

Commissioner Magallanes motioned to select Logo #1.

Commissioner Rodriguez seconded the motion.

Motion passed unanimously.

Commissioner Ceballos motioned to adopt the first tagline, Serving. Collaborating. Empowering.

Commissioner Rodriguez seconded the motion.

Motion passed unanimously.

- P. Discussion and possible action to award Request for Proposal 16-0604-1 for Salary Comparability Study/Job Descriptions and to authorize the Acting/Interim Executive Director to negotiate and finalize contract.

Mr. Vasquez recommended to the board that they award the RFP to Nelrod Company.

Chairman Ceballos motioned to award Item 9P to Nelrod with grade scales to be integrated.

Commissioner Rodriguez seconded the motion.

Motion passed unanimously.

- Q.** Discussion and possible action to approve the Section 8 Housing Choice Voucher Program Payment Standard amounts.

Ms. Ortiz stated that the Payment Standards would no longer be according to zip codes. The contract the agency has with Small Area Demonstration expires in September and we are no longer required to designate Payment Standards by zip code.

Chairman Ceballos asked if with this change the staff would be able to decide based on the 90%-110% on payment standards.

Ms. Ortiz responded yes.

Chairman Ceballos asked that staff verify as the majority of complain stem from that.

Chairman Ceballos motioned to approve Item 9Q as presented subject to HUD verification as to how it should be posted to allow utilization of the 90%-110%.

Vice Chairman Garza seconded the motion.

Motion passed unanimously.

- R.** Discussion and possible action regarding financing and structure of River Bank Village Apartments.

Chairman Ceballos motioned to defer Items 9 R and S and potentially take action after Executive Session.

Vice Chairman Garza seconded the motion.

Motion passed unanimously.

No action taken.

- S.** Discussion and possible action regarding financing and structure of Casa Verde Apartments.

No action taken.

10. EXECUTIVE CLOSED SESSION IN ACCORDANCE WITH THE TEXAS GOVERNMENT CODE

The Board of Commissioners for the Housing Authority of the City of Laredo reserve the right to adjourn into Executive Closed Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, including Sections 551.071 (consultation with attorneys), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations),

551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.086 (economic development).

Chairman Ceballos motioned to take Item 9A into executive session and to enter into executive session.

Commissioner Solis seconded.

Motion passed unanimously.

Board entered into Executive Session at 1:40 p.m.

Board Returned from Executive Session at 2:50 p.m.

- A. Consultation with legal counsel related to River Bank and Casa Verde housing developments.**

No action taken.

11. ADJOURNMENT

Chairman Ceballos motioned to adjourn.

Commissioner Solis seconded the motion.

Motion passed unanimously.

Meeting adjourned at 2:54 p.m.



Jose L. Ceballos
Board Chairman



Melissa Ortiz
Acting/Interim Executive Director