

Laredo Housing Authority
Special Board of Commissioners Meeting
Zoom Video Link:

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Call in Number: 1-346-248-7799

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LHA Board Room

2000 San Francisco Ave.

Laredo, Texas 78040

Wednesday, February 22, 2023

11:30 A.M.

Board of Commissioners

Jose L. Ceballos, Board Chairman

Cynthia Mares, Commissioner

Joe E. Aranda, Commissioner

Gloria Ann Freeman, Resident Commissioner

Silvia Madrid, Commissioner

The Board of Commissioners will convene for a Board meeting for discussion on the following matters (NOTE: A quorum of the Board will be physically present at this location, but up to two other Commissioners may attend by videoconferencing, as permitted by Tex. Gov't Code Section 551.127)

A-23-S-1

Minutes

February 22, 2023

1. CALL TO ORDER

Chairman Jose L. Ceballos called the meeting to order at 11:30 a.m.

He stated, I would like to thank everybody for being here Board of Commissioners, staff, attorney and those on line.

2. INVOCATION PRAYER

Resident Commissioner Gloria Ann Freeman led them in prayer: "Please bow your heads, Dear Heavenly Father, we thank you for this day. We pray for everyone in harm's way. We pray for peace on earth. We pray for former president Jimmy Carter, that his end is peaceful. We pray for everyone that is in the path of this massive winter storm that will affect the entire country. We pray for all those affected by the earthquakes in Turkey and Syria. We pray for their families. We pray for all students and educators. We pray for all first responders. We pray for our military and veterans. We pray for the disabled, the hungry, and the homeless. And lastly thank you for all the gifts you bestow on us. In Jesus name. Amen."

Chairman Ceballos thanked Ms. Freeman for the prayer.

3. PLEDGE OF ALLEGIANCE

Chairman Ceballos led them in the recital of the Pledge of Allegiance.

4. ROLL CALL AND DECLARATION OF QUORUM

Chairman Ceballos asked Mrs. Gaona to proceed with roll call.

Chairman Ceballos stated that they have a quorum.

Commissioners Present

Jose L. Ceballos, Chairman
Joe E. Aranda, Commissioner
Silvia Madrid, Commissioner
Cynthia Mares, Commissioner
Gloria Ann Freeman, Resident Commissioner

Commissioners Absent

Staff Present

Mary Gaona, Executive Director
Jennifer Barrientos, Director of Finance
Bulmaro Cruz, Director of Construction
Melissa Ortiz, Director of HCV Programs
Robert Pena, Director of IT
Raquel Aguilar, Interim Director of Housing Management
Melissa Hernandez, Interim Director of Planning and Community Services
Alejandro Jimenez, Assistant Director of IT
Christy Ramos, Administrative Assistant
Sonia Flores, Senior Accountant (zoom)
Sara Vicharelli, Leasing Specialist (zoom)
Maria Hernandez, Property Manager (zoom)
Veronica Alcala, Assistant Property Manager (zoom)
Melinda Gavilanes, Property Manager (zoom)
Elsa Rodriguez, Clerk (zoom)
Maria Serrano, Assistant Property Manager (zoom)
San Juana Valero, Assistant Property Manager (zoom)
Kayla Moreno, Property Manager (zoom)
Denise Guzman, Property Manager (zoom)
Doug A. Poneck, Attorney
Ricardo De Anda, Attorney (zoom)

Others Present

Abraham Gonzalez, Off Duty Police Officer
Ana Karen Serna, Quantcorp Construction, LLC
Abraham González, Quantcorp Construction, LLC
José Nava, Nava Group, LLC

5. CHAIRMAN COMMENTS

Chairman Ceballos stated, I asked Mary to add this item on the agenda since today we are going to have elections. So, my presumption is that there will be a new chair. So, I would just like to say, it's been my privilege to serve as chair of the Housing Authority during my term. I got appointed in December of 2015; we were out of town for a couple of weeks over my wife had had an injury at that time. So, I was actually in El Paso for two weeks so I couldn't serve the initial first meetings that were held in December. So, I started serving in January and it was a little bit rough, the prior Chairman was not accepting my service and my replacement so we ended up essentially having some meetings in January. We ended up with some projects that were very difficult. I think the staff and team and the Board that was here should be very proud of. Both Russell Terrace and Casa Verde, we managed to save Casa Verde so essentially, I've put in a lot of time here and I am happy to do that, I am happy to continue with the group that is here and be supportive in the finality of serving those that need it. It's very interesting that and I am not going to say very much more about my service, I think that will speak for itself. Obviously when you set meetings as the chair, by the way I have perfect attendance let me say that. I am close to one-hundred meetings but then again, I am setting the meetings and setting the time for it but somewhere along the way, I was able to make every meeting that was called during the Russell Terrace two-three-year situation. We had a lot of meetings, hopefully we will never have to go through that again where you are having to come into all of those meetings because of regulations and other things. I am very hopeful that the organization will continue to move forward in the spirit of serving others. So, that is all that I am going to say about my service. I didn't talk to Ms. Freeman today but I wanted to take a few minutes today to actually share with you, Ms. Freeman mentioned President Carter, and I wanted to take a few minutes for the Board, staff, and those that are online to actually listen to a video and I thought about in terms of who serves and why we serve. This is probably the humanistic president that we may have had and well he is still alive but he is in hospice. So, he is likely reaching the end of his life. President Jimmy Carter, served as the thirty-ninth President of the United States, he is a 2002 Noble Peace prize winner and I had two quotes to read and as I was thinking about service this morning, I came across this story and I will read the quotes first and then we can watch this very short clip that yahoo news put out for him about his messaging.

"The measure of a society is found in how we treat their weakest and most helpless citizens." And then this other quote "I only have one life and one chance to make it count for something...My Faith demands that I do whatever I can, wherever I am, whenever I can, for as long as I can with whatever I have to try to make a difference."

And you have seen his impact beyond his service to the country. Some people say that his true impact, largest impact occurred after he left office. And even at 98 years old, even in the last couple of years, he was building homes for people and he is someone who got very close to Habitat for Humanity, So, for me I want to take this moment to potentially as I exit from Chair, to really reflect on President

Carter's service as we serve in housing people. I think it is very relevant. Robert played video.

https://news.yahoo.com/jimmy-carter-library-atlanta-visitors-153213952.html?fr=sycsrp_catal

6. NOMINATION AND ELECTION OF OFFICERS

Attorney, Doug Poneck stated, my name is Doug Poneck, with Escamilla & Poneck, we have been working with the Housing Authority for about eight years from 2015 on. We represent governmental agencies throughout the state. One of our oldest clients is the San Antonio Housing Authority, which we have been representing since 1995. And it is one of the largest Housing Authority's in the Southwest, which is now called Opportunity Homes. So, we have experience in this area and our role is to advise the entity, the Housing Authority is the client. Being the highest embodiment of that and we work with staff as the Board directs us to do so. So, now we are at the point where you have your elections of officers and just so that you know, you have the Housing Authority and then you have the three related non-profits. So, you have meetings set up for those as well. Because when you take action on your Board officers, you should also do that for your non-profits. So, after we are done with this meeting, you will open up the non-profits individually and do officer elections for those as well. There are three officers but the office of Secretary, there is Chairperson and Vice-Chairperson for this and for the non-profits it's President and Vice-President those are held by Board members and then for all of these entities, this Housing Authority and those three non-profits, there is the office of Secretary and per state law, the office of Secretary is held by the Executive Director of your agencies. So, that is really already predetermined and the same is true in the bylaws for the nonprofits that the Secretary is to be your Executive Director. So, really what we are talking about today with this entity is Chairperson and Vice-Chairperson. So normally we start with the Chairperson election and just so you know to make a nomination there isn't a second for that. You just say I nominate such person and typically the person states yes, I am willing to serve. If the person is not willing to serve, they would say, I would like to not be considered. That's not usually the case. So, once we have the nominations, we will take them in order of the nominations if there is more than one there will be an election The first time someone gets the majority. Then that person is the Chairperson and I can continue the election and or the Chairperson can say okay, I will take over for calling for the office of Vice-Chair whatever the Board prefers. So, if there are no questions, I can start the process, okay. Chairman Ceballos responded, go ahead. Attorney, Doug Poneck stated so the first office is of course Chairperson for the Housing Authority. So, are there any nomination? Gloria Freeman for the record, I nominate, Jose Ceballos for continuity of the projects that we are currently working on. Mr. Poneck asked, are there any other nominations? Mr. Joe E. Aranda stated, I nominate Cynthia Mares for the Chair. Mr. Doug Poneck asked, are there any other nominations? If not, we will close the nominations and like I said, we will take them in order. All those in favor of Jose Ceballos serving as the Chair for the Housing Authority please raise your hands.

We have one vote on that. All those in favor of Cynthia Mares serving as the Chairperson, please raise your hands. Commissioner Cynthia Mares asked, can I vote for myself? Attorney Doug Poneck responded, yes, you can vote. Okay, we have majority. So, Ms. Mares you are now the Chairperson for the Housing Authority. Congratulations and Condolences. Board Chair Cynthia Mares responded, well thank you very much. Commissioner Jose L. Ceballos asked, Board Chair Cynthia Mares do you want to come over here? Board Chair Cynthia Mares responded, I will sit here for the remainder of the meeting, no problem. Just some very brief comments. Thank you for the vote of confidence, for those who voted. And Mr. Ceballos undoubtedly you have a great trajectory here with this organization as it's Chairperson. You are to be commended for the job that you have done thus far and I have big shoes to fill and I am glad you are staying on because you'll serve to be my anchor in terms of information. I am excited and happy to meet the rest of you individually so you all can tell me exactly what it is that you do and how it all functions. Of course, Mrs. Gaona, definitely we have to come together and meet. It's an honor and privilege and I am humbled to have been selected but I just want you all to know that you have my three hundred percent of effort and energy you know to make this function the way it's supposed to be. It's certainly like I said following what Mr. Ceballos has already set as a foundation and on his footprints are there and whatever new things the government decides to throw our way. Cause there is always the baggage you get from left to right in terms of changes and policies, laws, funding, etc. So, again there is a lot to learn and I appreciate all my colleagues here, the new Board members as well, I know together we will march forward and make this run smoothly with no interruptions and all. I am a person that has an open door to all things.. I've always accepted feedback; you know constructive criticism from anyone. Ideas on how to make things work better. I've always said there is always a better mouse trap out there and if someone has that idea well then let's go after it and see what it brings. As long as it brings positive results to each and every resident of this great community and the people that are here in housing. Certainly, we have to take care of their needs, we have been entrusted with that responsibility and job so as a Board and its commissioners I know we all share that in the vision and the role that has been set out for us of responsibilities. Having been on the Board at LC for a couple of years you know I understand processes and organization. So, thank you for the opportunity to serve you and I am here for anyone and lets move this project forward. Thank you very much. Attorney, Doug Poneck stated with your permission Ms. Mares, may I call for nominations for Vice Chair? Alright, so now we have the nominations for Vice-Chair of the housing authority. Are there any nominations? Commissioner Joe E. Aranda stated, I would like to nominate Ms. Silvia Madrid to be the Vice-Chairperson. Are there any other nominations? If not, although someone will say we have a vote of acclimation whatever I would just ask are all those in favor of Ms. Madrid serving as Vice-Chair? Would you raise your hand? Very good, so now we have a Vice-Chair. Vice-Chair Silvia Madrid replied, thank you. Commissioner Jose L. Ceballos stated, congratulations. Attorney, Doug Poneck stated, so ma'am that concludes the elections of officers so we can do to the item on the agenda which is number seven, citizens comments. Board Chair Cynthia Mares stated, thank you very

much for doing that election, really appreciate it. Attorney, Doug Poneck stated, yes ma'am.

7. 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 the time. There will be a 3-minute limitation per speaker. (Texas Attorney General Opinion-JC-0169)

Board Chair Cynthia Mares stated that there were no comments.

8. DISCLOSURE OF CONFLICTS OF INTEREST FOR BOARD OF COMMISSIONERS AND STAFF

Board Chair Cynthia Mares stated that there were no disclosures.

9. ACTION ITEM

- A.** Discussion and possible action to renew authorized signer for all bank accounts and HUD online systems with newly elected Chairperson.

Good morning, Jennifer Barrientos, Director of Finance for the record. Our banking institutions require board approval to make any changes to the authorized signers for all of our agency's bank accounts. That includes our Falcon International Bank and also, we have our PNC Bank as well. Additionally, we would like to update all HUD online systems to reflect newly elected Chairperson.

**Commissioner Joe E. Aranda moved to approve as presented.
Resident Commissioner Gloria Ann Freeman seconded the motion.
Motion passed unanimously.**

- B.** Discussion and possible action to authorize the Executive Director to establish four (4) general depository accounts with Falcon International Bank two (2) for the Mainstream Program and two (2) for the Emergency Housing Voucher Program.

Jennifer Barrientos for the record. The Department of Housing and Urban Development, which is HUD, requires that all monies deposited with the General Depository for the Housing Authority shall be credited in a separate interest bearing account. Additionally, HUD requires to maintain two separate bank accounts one for administrative revenue and expenses and another one for the Housing Assistance Payments (HAP) revenue and expenses. For accounting purposes, we are requesting authorization to open these bank accounts for the mainstream and EHV programs.

Commissioner Jose L. Ceballos moved to approve as presented.

**Resident Commissioner Gloria Ann Freeman seconded the motion.
Motion passed unanimously.**

- C. Discussion and possible action to authorize the Executive Director to extend the contract with Nava Group, LLC for an additional year, as allowable by Contract No. 2020-0510-1, effective December 28, 2022 through December 27, 2023. This represents the third year of the contract maximum of five years.

Good morning, Valeria Cabello, Procurement Officer for the record. So, in May of 2021, we entered into request for proposals for Housing & Supportive Programs Consultant. Nava Group submitted a qualification for that RFQ and they were awarded. We did execute a contract with them in December 2020. And they have been working with us for the past two years and we are asking to extended their contract for an additional year which you have the possibility to do up to five years. So, if you would approve the third year, we would still have two years with them. We have done some work with them in the past. He helped us with project management for the Ana Maria Lozano Community Modernization Project. He has also assisted with project management services for the Administrative Campus. He has also assisted with some construction work at the LHA Main Campus here at Colonia Guadalupe. Mr. Joe E. Aranda asked, I am just curious, I know who signed the contract but who is the Nava Group? Valeria Cabello replied, they are actually here and we can invite them to speak, Mr. Nava can you come forward? Mr. Jose Nava stated, my name is Jose Nava and I am with Nava Group, LLC and we have been around for probably seventeen years. We started in San Antonio and so we have a lot of experience in construction and we have a lot of experience in project management. Myself, I also have experience with the city in the FAA program. I managed the noise abatement program as well helped out as a Construction Superintendent for the City of Laredo. A lot of projects in Community Development that I was called for. I was always called for the very difficult projects, especially the areas where it is historical projects. And so, we have a team, Sandy Nava is also, she takes care of and she has a very good relationship with the city planning and zoning and so we have two Project Managers right now that allow me to focus on projects like this, like the Housing Authority. We love working with this type of projects. You know like Casa de Misericordia when they call, we are there to help them with several projects that they do. And for the Housing Authority we have been privileged during COVID to come in with an unfinished eyesore that was there because of COVID at Ana Maria Lozano and so we were able to push things while the city was having you know issues with plans and doing different things. The team that was there was excellent and working together with other contract ed companies during that process. And here this campus, it is a very old campus, it has a lot of easements so we bring to the table. During the city, doing real-estate, I was the guy that you called for any easement or real-estate as well so we bring that to the table in difficult projects like this one because we had to run a lot of lines just different issues that the campus brings. Commissioner Jose L. Ceballos replied, Mr. Aranda, Ms. Mares, and Ms. Madrid so, both proponents that are here during COVID we had some extra monies that came in to the

agency just like the city, the housing authority got extra money. So, we found as oppose to hiring a general contractor and marking up and taking longer we streamlined the construction projects that we had. So, we hired multiple project managers. In this case these two companies were two of them and there is at least a third one. To help us speed up the construction projects. I can attest for Mr. Nava's care for the work that he does particularly for the work that he does for us. The project that he is talking about is the BiblioTech at Lozano, the Public Housing Project on Gale and Springfield. So, it went through a renovation during the COVID stage when we didn't have a lot of staff and we were really doing stuff at really a smaller-slower scale then before and the other group that is coming up worked on a project here also a renovation with COVID funds of the main offices but these are both great companies from my experience with them, great people. Commissioner Silvia Madrid asked, and we still need two companies? Commissioner Jose L. Ceballos responded, it allows, you want to at least have some competition so that the director and the staff can select who is the best fit for that particular project. Since, they have been procured, it gives you the opportunity to choose who's the better fit cause they all have different capabilities and capacity too. Board Chair Cynthia Mares asked, do you have any current projects now with the housing authority? Mr. Jose Nava responded, right now one of the things we do is work portfolios, I work a lot the inner-city renovations. So, there's a lot of houses that we take especially in the westside and it's one of the things that we do. We currently have taken eighteen units two separate units of eight which we are advocating through our investors to partner up with housing which we have. So, right now we are doing a renovation on Reynolds with eight units and I am currently with another eight units for affordable housing and we are connecting them to the housing authority. So, we do work closely and we are very familiar with how the housing authority works. We do commercial right but we love the affordable housing that's something we have a passion for. Board Chair Cynthia Mares stated, so, if there is nothing that would benefit us do we still pay a retainer to you all? Mrs. Gaona replied, no ma'am. Board Chair Cynthia Mares stated, I just wanted to clarify that just to understand because right now I am just trying to learn as well cause I don't know, the public may not even be aware cause it hasn't been detailed. Mrs. Gaona replied, we do bring the contract to the board, the board authorizes the contract, the contract is available once we identify a project, and we identify the need cause sometimes we are able to do it inhouse and sometimes we can't so we determine the need and then we do a work authorization we will discuss the fees and timeline and do the work authorization for that one particular project. So, right now there is currently none. Mr. Jose Nava responded, so you have me here and there is no retainer and if there is a project that fits what we can do, we are willing to help. Board Chair Cynthia Mares stated, then you do the work authorization? Mrs. Gaona replied, yes. Commissioner Joe E. Aranda stated, so, you were saying that you are currently working on eighteen units so you rehabilitate those? Mr. Jose Nava responded, so I have two investors in our company. So, what we do is we do portfolios for investors and we are trying to bring them into, the city wants inner city projects, and so we reach out and this is what is the need and now learning in the housing there is a lot of

education that needs to be brought to investors that they have a bad taste right but working through and here in the housing we see that there is a lot of professionalism and a lot of benefit for investors so we just picked up three months ago eight units and we are rehabilitating them and we are putting them through housing. Housing goes and inspects them and then we are having units coming up that you can also have. So, we partner up with our investors. Commissioner Joe E. Aranda asked, so right now where are you at, are they completed? Mr. Jose Nava responded, we have three units complete, we have two people from housing on Kearney and we are on eight. So, as we are going, we have to understand that there are tenants and these are areas where they are in the inner city like Kearney and Reynolds. So, as either people leave or we can move them while we do the renovations. So, it could be a six-month project. Like every month, I think we are moving in somebody. Commissioner Joe E. Aranda asked, does the Housing Authority have control of who moves in there or is it the investor. Mrs. Gaona replied, we do not control it, the voucher is given to the tenant and the tenant chooses that particular unit. We have no control of where the tenant goes. Commissioner Joe E. Aranda asked, we do not guide them when we give them the voucher. Mrs. Gaona replied, no, we have a listing that the landlords give us of units that are available and that is all that we provide to the tenant. The tenants choose where they want to go and if it fits their configuration like a two-bedroom or a three-bedroom and if it fits within their allowable rent. Commissioner Joe E. Aranda asked, do you have available vouchers at this time? Mrs. Gaona replied, we've got about maybe ten vouchers and that's it and of course people that are moving because some people choose to move units during their renewal. Commissioner Joe E. Aranda stated, basically it's like a waiting list. Mrs. Gaona replied, yes. Commissioner Joe E. Aranda stated, I was looking at exhibit B the one that talks about their scope of work and I look at the scope of work that the other company has and obviously they parallel each other like Mr. Ceballos was saying I guess it's just intentional because it depends on the projects that may pop up. Commissioner Jose L. Ceballos responded, the other company probably has more capacity, it's a larger company so they have architectural services and other things that they integrate so it depends on the project. For the most part, project management the scope is going to be similar. Commissioner Joe E. Aranda asked, so, are you an architect or an engineer? Mr. Jose Nava responded, so, we do construction project management so that is our main things. I have a Bachelors in Business Administration and I am licensed in real-estate to teach agencies and I have certificates in green building and things like that. There is a resume that I turned in. Commissioner Joe E. Aranda asked, so, if there is a need for somebody with a degree or someone who has expertise. Mr. Jose Nava responded, exactly so, we do Davis Beacon, we understand all of that but if we need to bring in somebody for safety, we hire a company for safety. Commissioner Joe E. Aranda stated, OSHA. Mr. Jose Nava responded, absolutely. Commissioner Joe E. Aranda asked, so right now, the discussion and the presentation is to basically extend the contract another year and to actually bring back the contract when a project develops. Mrs. Gaona

replied, no, not the contract but the work authorization. Commissioner Joe E. Aranda stated, I don't have any problem with that.

Commissioner Joe E. Aranda moved to approve that we renew this for another year as long as Mrs. Gaona keeps us posted on when we are actually engaging services.

Commissioner Jose L. Ceballos seconded the motion.

Board Chair Cynthia Mares stated, obviously this is something I guess you alluded to Mr. Ceballos or pointed out back then that this project management is kind of a new thing opposed to hiring Construction Managers or At-Risk Construction Managers that just deal with that instead of a larger scope because they manage everything, they oversee everything during the construction and whatever else goes on with that particular project. Mr. Jose Nava responded, and the work will speak for itself for both the consultants that are here. If you go to the projects that we've done, and how we have been able to finish with the team of the housing authority, the team that is present. So, we hope the work will speak for itself when you look at what we were able to accomplish. Board Chair Cynthia Mares asked, you met deadlines? Mr. Jose Nava responded, not because of us. And that's why we are there, we have an extra push outside the city to try to push things sometimes. Commissioner Jose L. Ceballos stated, the last thing that I wanted to say is, a lot of times these federal monies require you to get it out fast so when these folks have already been procured. So, they have been solicited and procured competitively, so they are ready to go. When you have to post something and get bids it will take you longer. So, it's an advantage of having these companies to manage and speed up projects. Mr. Jose Nava responded, also, I just wanted to take the time on behalf of Nava Group LLC to say congratulations.

Motion passed unanimously.

- D. Discussion and possible action to authorize the Executive Director to extend the contract with Quantcorp Construction, LLC for an additional year, as allowable by Contract No. 2022-0131-1, effective February 21, 2023 through February 20, 2024. This represents the second year of the contract maximum of five years.

Good morning, Valeria Cabello, Procurement Officer for the record. So, on January 31, 2021, we issued a Request For Proposals for Project Management Services and Quantum Construction submitted a proposal in response to the RFP and we did select them to serve as a provider for those services. The contract began on February 21, 2022, and it was for a period of twelve months with also the option to extend for five years. So, we've reached the point where the contract is about to expire so we are also requesting to extend for the second year. They have worked for us through work authorization as well. They have done some project management work for the COVID-19 Public Health and Safety Project, which was the renovation of our two-story building here at the main office. And Mr. Abraham Gonzalez, the owner is also here today if

you would like to meet him. Board Chair Cynthia Mares replied, yes come up. Good afternoon, sir. Mr. Abraham Gonzalez responded, Congratulations! Board Chair Cynthia Mares replied, thank you I appreciate it. Mr. Abraham Gonzalez stated, Great job! Commissioner Jose L. Ceballos responded, thank you. Commissioner Joe E. Aranda stated, I just want to ask you the same similar questions like. What does your group do? What do they consist of? Mr. Abraham Gonzalez responded; we are a general construction company. We work throughout South Texas and we do all commercial construction. We do retail, we do warehouse and then we do multi-family. And we enjoyed working with the Housing Authority because what you all do is very important and there is definitely a need in all cities and especially in the City of Laredo. We've done several projects with you all so far and we have good relationships with you all and we wish to continue that. But as a GC, we do all kinds of construction. Multi-family which fits more in line with what housing does, right now we are doing twenty-seven units on Ross Lane and we are getting ready to do thirty-one units there off of International behind the Academy. And we are also getting ready to do four unit there on Del Mar. And that is kind of a specialized team that we have to do the multi-family. Commissioner Joe E. Aranda stated, and so what you do for the Housing Authority is basically, a consultant that helps out on individual projects or are you connected to the Voucher Program? Mr. Abraham Gonzalez responded, we did one project as a GC and we did a project management and we made sure everything was scheduled and everything was ordered when it was supposed to be and we would like to continue to do that for you all. Commissioner Joe E. Aranda asked, and like right now are you doing any work for us? Mr. Abraham Gonzalez responded, no, not at this time. Hope you understand that as projects come up, they will reach out to us and we will look at it. Commissioner Joe E. Aranda stated, the only question I have Mrs. Gaona if you look at the scope of work and I know this is going back to last year I guess but it does say like on the very first one that the company will assist on the day-to-day management of the agency's project. Mrs. Gaona responded; he would manage the construction project. He would meet with the sub-contractors and assign tasks and work on the day-to-day calendar of the tasks that need to be completed. Commissioner Joe E. Aranda stated, obviously you have to have a very well-coordinated effort because if you look at the third point, it says that the company also supervises the third party which includes LHA staff. So, he supervises your staff? Mrs. Gaona responded, no, not if staff is not assigned to that project. If staff was assigned they would but we did not have any staff assigned to that construction project it was all subcontractors. Commissioner Joe E. Aranda stated, most cases the issue becomes, who's my boss? who's my supervisor? I deal with a lot of that stuff so maybe clarify the language. Mrs. Gaona responded, yes, for this particular project that they worked, we did have construction meetings that involved procurement and the finance department. So, we did have our construction meetings and the project manager that was assigned by Mr. Gonzalez to this particular project would meet with us and we would collaborate on the task that were pending. Commissioner Joe E. Aranda asked, on both of these contracts, do you foresee projects coming? We are going to go ahead and approve but I am asking do

you foresee project? Mrs. Gaona responded, we might, we do have a project management position that we are trying to fill but like everybody else in the community, we have struggled to fill. So, we may need to come to this with the Capital Fund Projects that we have coming up.

**Commissioner Joe E. Aranda moved to approve this contract for one year.
Commissioner Jose L. Ceballos seconded the motion.
Motion passed unanimously.**

Commissioner Jose L. Ceballos stated, thank you for your work. ¿Vice-Chair Silvia Madrid pregunto tenemos arquitecto verdad? cual es el papel del arquitecto que trabaja para ustedes. Commissioner Jose L. Ceballos responded; we have several architects. Mary, this is more for you. Mrs. Gaona respondió, tenemos varios arquitectos. Tenemos a Mario Jasso, Red Line, Slay, y Able City. Board Chair Mrs. Mares pregunto no son parte de estas compañías, los arquitectos están independientes. Mrs. Gaona respondió, cuando vamos a tener un proyecto, l arquitecto hace el diseño y nosotros decidimos si se va a realizarlo con un contratista general o si vamos a traer personal si no tenemos el personal para hacerlo. Vice-Chair Silvia Madrid responded, because the other day, they say they have a twenty-four hour on call person that they. Mrs. Gaona responded, that's for the maintenance work orders. Commissioner Silvia Madrid responded, oh, okay.

- E. Discussion and possible action to approve the revised 2023 Housing Choice Voucher (HCV) Program Payment Standard amounts effective April 1, 2023 and adopt Resolution No. 23-R-04.

Good afternoon, Board of Commissioners, Melissa Ortiz, Director of HCV Programs for the record. We are here by proposing an increase in the calendar year 2023 payment standards effective April 1st, 2023. The Housing Choice Voucher Program HAP renewal funding for 2023 has increased to \$11,480,000 which represents an increase of \$1,230,000 compared to the 2022 funding of \$10,250,279. This increase is due to the renewal funding inflation factor of 7.5% for 2023. Due to this significant increase in HAP renewal funding for 2023, we are recommending to increase the payment standards for the zero bedroom, two-bedroom, three-bedroom, and four bedroom units from 100% of the fair market rents to 105% of the fair market rents in order to be able to utilize this funding and to provide families with a higher contract rent. Due to the current market, families are struggling to find affordable units. If this increase in funding is not utilized, we will be allocated less funding in 2024. Currently with this funding we are able to maximize our unit allocation of 1,640 monthly units.

Commissioner Joe E. Aranda stated, this is interesting because in year past, way before your time, a long time ago, the issue was reversed where the actual availability of units was there and of course there wasn't any vouchers. You said, you have very little vouchers. Mrs. Gaona responded, yes, we have ten. We have been pushing to maximize our utilization of the units months. We are allocated 1,640 units, which total 19,680 in a year so, we have been trying to hit that number as close as we can. Last year, we did utilize 19,227 of the 19,509

that we were allocated. So, we have been pushing to do that but as we do that, HUD sees that in our reporting and we get more funding the following year. The more we utilize, the more we get. So, that is why we are bring this item to you because I've always said, I do not want to return any money. So, if I can use this money to utilize all our available units, because even though we have the money we can only lease those 19,680 unit months we can't go over that. But right now with the increase in the funding and the increase in the rents. Some need a four bedroom and they are at \$1,300 to \$1,500 a month. This will help them be able to find a unit easier and it will help us maximize our budget authority so that we can next year get more money and we also have a HAP reserve that the government keeps for us. Currently as of 2022 it was at \$710,000 that we have there. So, if we utilize some of that reserves, like last year, our budget authority was \$10,250,000 and we spent \$10,579,000 so we utilized 379,000 from those reserves. So, that is how we go increasing and unfortunately like we say, we don't want to go over but some housing authorities have been pushing the unit month utilization so they get a slap on the hand from HUD because they went over but they get more funding in the next year. Because a lot of housing authorities were underutilizing their unit months and they were never able to afford them. So, we don't want to do that, we want to be able to utilize all of our unit months and utilize our funding and if we have to use some of our HAP reserves so that next year we can continue to maximize them. Commissioner Joe E. Aranda asked, so the Voucher Program is the one where if I get \$1,000 but the unit is \$1,200, I pay the difference or how does it work. Melissa Ortiz responded, no, it depends on the family's income. Based on their income, they are able to find a unit between a certain amount and also whether they need to pay the light and or the water or the owner is going to pay. So, from there we do the calculation and they can't pay more than 40% of their monthly income for rent plus utilities. They can't exceed that that's why it's not necessarily paying the difference I mean the way HUD calculates it you have to do the gross rent. Commissioner Joe E. Aranda stated, I've been out the game for a while but this is the one that goes out in the market and the other one is Public Housing is where we are at. Mellissa Ortiz responded, correct. Commissioner Jose L. Ceballos responded, tax credit. Mrs. Gaona responded, the multi-family tax credit which is Casa Verde and River Bank. Commissioner Joe E. Aranda stated, I would like to see for myself, I would like to see the list of all the property owners that you have that you have the ones that are actually on your list that we give to the potential clients so that I can look at it. I know I had a list many years ago, you may not have been around. So, if you don't mind, I would like to see that. Mrs. Gaona responded, the list that we give the tenants. Commissioner Joe E. Aranda responded, yes. Resident Commissioner Gloria Freeman for the record. Does it have the owners name on it? Mrs. Gaona responded, yes. Ms. Freeman stated, oh, you just want to see where they are located and how much. Commissioner Joe E. Aranda stated, well, I would like to see everything. Commissioner Jose L. Ceballos stated, I just wanted to go back if I may to his question cause I am not sure it got completely clear. So, he was asking I think if we are short of units because it use to be that we had a lot of units. So, the answer is yes. So, in particular the units that we are short of, we are always

short the larger units right cause there are families all of a sudden you get multiple four-bedroom families but where we have really been short is in the homelessness category where your moving people from homelessness so efficiencies and one-bedrooms have traditionally been a shortage so what Mr. Nava was saying that in the inner city is where people walk to buy groceries and its cheaper to live in the inner city than to live outside the loop. We don't have enough units right and once you get outside the loop the Section 8 scale now it's competitive it use to not be competitive so you couldn't really rent out there but now it's getting to the point that it's competitive. So, we're encouraging for more landlords to build affordable units in the inner city because if you live on the loop and you don't have a car you are not going to live outside the loop, you're going to have to find something. So, is it still true that one bedroom and efficiencies are where we try to get people to get units into the program? Mellissa Ortiz responded, correct and all the others we are proposing to go to the 105%, the one-bedroom we have them at 110% because we've seen the pattern. Commissioner Jose L. Ceballos stated, and the 110% is the max. Melissa Ortiz responded, 110% it use to be 120% during COVID but right now its 110%. Commissioner Joe E. Aranda stated, what I see personally on my neck of the woods and Ms. Madrid is also aware of this, so, we have homeless kidos and I don't know who is the entity is but they end up in some hotels and they are there for a period of time and we pick them up in the school bus because we have to and we have to take them to different schools. Sometimes, we see a lot of kids and a lot of families and there is obviously a need and a burden to all the public entities. And that's why I am just curious to see if we can take advantage of some of the things that you mentioned Mr. Nava and like Mr. Ceballos is saying, a drop in the bucket, but something is something and that's what we are here for.

**Commissioner Jose L. Ceballos moved to approve as presented by staff.
Resident Commissioner Gloria Ann Freeman seconded the motion.
Motion passed unanimously.**

10. EXECUTIVE 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 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).

11. ACTION ON ANY EXECUTIVE SESSION ITEM

12. ADJOURNMENT

Commissioner Joe E. Aranda moved to adjourn and then convene as a different organization.

**Commissioner Jose L. Ceballos seconded the motion.
Motion passed unanimously.**

Meeting adjourned at 12:21 p.m.



Cynthia Mares, Board Chair



Mary Gaona, Executive Director