

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

nbha

THE CITY OF NEW BRAUNFELS HOUSING AUTHORITY



NBHA ANNUAL BOARD MEETING

Thursday, January 23, 2025 at 5:15 pm

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the NBHA's Administrative Office at 830.625.6909 x202 at least two (2) workdays prior to the meeting so that appropriate arrangements can be made.

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

Community Center
300 Laurel Lane
New Braunfels, Texas 78130
Thursday, January 23, 2025 at 5:15 pm

ANNUAL MEETING NOTICE

AGENDA

A. CALL TO ORDER

B. ROLL CALL

C. CITIZENS' COMMUNICATION

This time is for citizens to address the Board on issues and items of concern. Pursuant to the Texas Open Meetings Act, there will be no Board discussion or action on items not on the agenda. Each citizen will be given five (5) minutes to speak.

D. MINUTES

1. Consideration and approval of minutes of the New Braunfels Housing Authority Board of Commissioners meeting of October 17, 2024.

E. INDIVIDUAL ITEMS FOR CONSIDERATION

1. Consideration and approval of resolution to approve Payables Report fourth (4) Quarter 2024 payables.
2. Consideration and approval of resolution to approve the New Braunfels Housing Authority's 2023-2024 Fiscal Year End Financial Reports
3. Consideration and approval of resolution to approve 2025 Utility Allowance Schedule
4. Consideration and approval of a resolution to enter into Lease Option Agreement with New Villa Serena Phase I, LLC (HRI Communities)
5. Consideration and approval of a resolution to enter into Partnership with the Park Development Group, LLC - "Park at Dogwood"

F. EXECUTIVE DIRECTOR REPORT

1. Tenant Account Receivables
2. Boiler Assessment

G. ADJOURNMENT.

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

NOTE: Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the NBHA's Administrative Office at 830.625.6909 x202 at least two (2) workdays prior to the meeting so that appropriate arrangements can be made.

CERTIFICATION

I hereby certify the above Notice of Meeting was posted on the bulletin board at New Braunfels City Hall on January 13, 2025 at 11:00 Am


Gayle Wilkinson, City Secretary

CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS
AGENDA

A. CALL TO ORDER

B. ROLL CALL

C. CITIZENS' COMMUNICATION

This time is for citizens to address the Board on issues and items of concern. Pursuant to the Texas Open Meetings Act, there will be no Board discussion or action on items not on the agenda. Each citizen will be given five (5) minutes to speak.

D. MINUTES

1. Consideration and approval of minutes of the New Braunfels Housing Authority Board of Commissioners meeting of October 17, 2024.

E. INDIVIDUAL ITEMS FOR CONSIDERATION

1. Consideration and approval of resolution to approve Payables Report fourth (4) Quarter 2024 payables.
2. Consideration and approval of resolution to approve the New Braunfels Housing Authority's 2023-2024 Fiscal Year End Financial Reports
3. Consideration and approval of resolution to approve 2025 Utility Allowance Schedule
4. Consideration and approval of a resolution to enter into Lease Option Agreement with New Villa Serena Phase I, LLC (HRI Communities)
5. Consideration and approval of a resolution to enter into Partnership with the Park Development Group, LLC - "Park at Dogwood"

F. EXECUTIVE DIRECTOR REPORT

1. Tenant Account Receivables
2. Boiler Assessment

G. ADJOURNMENT.

NOTE: Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the NBHA's Administrative Office at 830.625.6909 x202 at least two (2) workdays prior to the meeting so that appropriate arrangements can be made.

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

D. DRAFT MINUTES

The Board of Commissioners of the Housing Authority of the City of New Braunfels, Texas, met in a Regular Session, on October 18, 2024, at 5:15 pm.

COMMISSIONERS PRESENT:

Commissioner Justin Botter
Commissioner Cinderella Brown
Commissioner Sarah Dixon
Commissioner Raymond Marquez
Chairperson Sharon Samples

COMMISSIONERS ABSENT:

STAFF:

Henry Alvarez, Executive Director
Irene Cantu, Administrative Assistant
Mickey Lloyd, Programs Manager
Stacy Howard, Administrative Assistant
Isabel Lee, MBA
Doug Poneck, Esquire
Jeff Darby, Senior Council
Nathan Brown, Assistant City Attorney

- **MEETING CALLED TO ORDER**

Ms. Samples called the meeting to order at 5:20 p.m.

- **ROLL CALL**

Mrs. Cantu called roll. A quorum was present.

- **Public Hearing**

Hearing to receive comments on the PHA 2024-2028 Five-Year Plan.

No public comment.

- **Citizens' Communication**

Three (3) citizens were heard.

- **MINUTES**

Discussed and approved the minutes of the Regular Board of Commissioners meeting of July 18, 2024

Commissioner Marquez motioned to accept the minutes. Commissioner Dixon seconded the motion which passed unanimously.

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

INDIVIDUAL ITEMS FOR CONSIDERATION:

1. Discussion and resolution to approve the PHA 2024-2028 Five-Year Plan for the New Braunfels Housing Authority.

Isabel provided the item. Henry spoke on the item.

Commissioner Marquez moved to approve the item. Commissioner Dixon seconded which passed unanimously.

2. Discussion and resolution to approve the Second Quarter (Q2) Payables

Isabel provided the reports.

Commissioner Marquez moved to approve the item. Commissioner Dixon seconded which passed unanimously.

3. Discussion and resolution to approve the New Braunfels Housing Authority's 2023-2024 Year to Date Financial Reports.

Isabel provided the item. Commissioner Marquez moved to approve the item. Commissioner Dixon seconded which passed unanimously.

4. Discussion and resolution to approve New Braunfels Housing Authority Tenant Account Receivables Write-Off.

Ms. Lee presented the item. Additionally, Executive Director Alvarez spoke on the item. Commissioner Marquez motioned to approve the items. Commissioner Dixon seconded the motion which passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

1. Master Developer Update

Executive Director Alvarez provided the updates.

Commissioner Marquez moved to approve the update. Dixon seconded the motion which passed unanimously.

EXECUTIVE SESSION-Closed Session

- a. Tex. Loc. Gov't Code Section 551.071—Consultation with attorney and consideration of proposal regarding Case No. C2022-1609B; *Housing Authority of the City of New Braunfels v. Ellis Townhomes Inc., et al.*

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

CONVENE INTO EXECUTIVE SESSION

Convened into Executive session at 6:08 p.m.

RECONVENE INTO OPEN SESSION

Reconvened into open session at 6:08 p.m.

Commissioner Cinderella Brown moved to authorize amending the NBCR legal action be amended to add The Heart of the Family Assistance, Inc., as a party to the existing NBCR legal matter as discussed during Closed-Session. Commissioner Dixon provided a second to the motion. All Commissioner were in Favor. The motion was adopted

.

ADJOURNMENT:

Without objections, the meeting was adjourned at 6:08 p.m.

Attest:

Sharon Samples, Chairperson

Date

**Henry Alvarez,
Executive Director**

Date

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

E. INDIVIDUAL ITEMS FOR CONSIDERATION

AGENDA ITEM E1

SUBJECT:

Consideration and approval regarding Resolution No. 202501230001 approval of the Authority's Fourth Quarter 2024 Payables.

BACKGROUND AND RATIONAL:

The payables report reflects operational expenditures for the end of the Fourth (4th) Quarter.

FISCAL IMPACT:

The payables report reflects operational costs, with contractor expenses from vendors such as M&M Contractor, Meyer Heating and Air, and HD Supply Facilities Maintenance, Ltd. accounting for a large portion of the payables. These costs primarily reflect expenditures on maintenance, services and make ready supplies.

STAFF RECCOMENDATION:

Staff recommends approval of the fourth (4th) Quarter payables.

ATTACHMENT:

Accounts Payable Reports – Fourth (4th) Quarter

CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS

Payables Report Q4

New Braunfels Housing Authority

Page 1 of 3

Accounts Payable Invoice Listing

July, August, September 2024

100185	AT&T 6909			
Totals for Vendor:	Open Invoices:	Paid Invoices:	2	1,702.14
101184	AT&T MOBILITY			
Totals for Vendor:	Open Invoices:	Paid Invoices:	2	324.18
100152	AUTOMATIC ELEVATOR INC			
Totals for Vendor:	Open Invoices:	Paid Invoices:	2	2,485.49
101980	BRIDGEHEAD IT, INC			
Totals for Vendor:	Open Invoices:	Paid Invoices:	1	6.00
100996	CARRIER CORPORATION			
Totals for Vendor:	Open Invoices:	Paid Invoices:	1	4,760.61
101732	CHRIS PICKETTS PEST CONTROL			
Totals for Vendor:	Open Invoices:	Paid Invoices:	6	11,760.00
100168	CINTAS FIRE PROTECTION, INC.			
Totals for Vendor:	Open Invoices:	Paid Invoices:	1	4,867.07
100161	COMAL COUNTY GLASS INC.			
Totals for Vendor:	Open Invoices:	Paid Invoices:	1	690.00
101847	ESCAMILLA & PONECK, LLP			
Totals for Vendor:	Open Invoices:	Paid Invoices:	18	41,067.86
101610	EXPRESS SERVICES, INC.			
Totals for Vendor:	Open Invoices:	Paid Invoices:	1	454.08
100159	HD SUPPLY FACILITIES MAINTENANCE, LTD			
Totals for Vendor:	Open Invoices:	Paid Invoices:	19	18,237.65
101844	Hodell Window Covering, Inc.			
Totals for Vendor:	Open Invoices:	Paid Invoices:	1	3,335.04
101656	IRENE CANTU			
Totals for Vendor:	Open Invoices:	Paid Invoices:	2	7.56
100729	JUAN JOSE GOMEZ			
Totals for Vendor:	Open Invoices:	Paid Invoices:	7	9,610.00
102006	KEPT COMPANIES, INC			
Totals for Vendor:	Open Invoices:	Paid Invoices:	3	4,662.62
100750	KNIGHT OFFICE SOLUTIONS INC			
Totals for Vendor:	Open Invoices:	Paid Invoices:	4	1,225.62
101815	LANDSCAPE COMMANDER, LLC			
Totals for Vendor:	Open Invoices:	Paid Invoices:	2	5,900.00
101358	LARRY McKENZIE			
Totals for Vendor:	Open Invoices:	Paid Invoices:	6	1,200.00
101920	Leal & Carter			
Totals for Vendor:	Open Invoices:	Paid Invoices:	1	11,550.00
100601	Lowe's Credit Services			
Totals for Vendor:	Open Invoices:	Paid Invoices:	2	6,114.97
101874	M&M CONTRACTOR			
Totals for Vendor:	Open Invoices:	Paid Invoices:	22	57,375.00

CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS

Payables Report Q4

New Braunfels Housing Authority

Page 3 of 3

Accounts Payable Invoice Listing
July, August, September 2024

101995	Top Tek Pros, LLC			
Totals for Vendor:	Open Invoices:	Paid Invoices:	6	17,310.75
100827	United Healthcare Ins Co			
Totals for Vendor:	Open Invoices:	Paid Invoices:	3	32,496.29
100626	Waste Management/Cornal Landfil			
Totals for Vendor:	Open Invoices:	Paid Invoices:	3	471.26
Grand Totals:		Paid Invoices:	205	287,455.33

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

RESOLUTION NO. 202501230001

CONSIDERATION AND APPROVAL OF FOURTH (4RD) QUARTER PAYABLES REPORT.

WHEREAS, the Board of Commissioners of the Housing Authority of the City of New Braunfels, Texas, a public instrumentality created pursuant to the laws of the State of Texas (“NBHA”) recognizes the importance of responding to the housing and support needs of its residents in times of emergency or calamity; and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires Housing Authority Boards to review and approves Authority expenditures; and

WHEREAS, The HUD required auditors to recommend a similar Authority review of its operational expenditures.

NOW, BE IT THEREFORE RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF NEW BRAUNFELS, TEXAS, THAT:

Section 1. The Board hereby accepts and approves the City of New Braunfels Housing Authority Board of Commissioners hereby accepts and approves the Fourth (4th) Quarter Payables Reports.

Section 2. If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 3. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 4. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 6. This Resolution shall be in force and effect from and after its passage.

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

CERTIFICATE FOR RESOLUTION

The undersigned officer of the Housing Authority of the City of New Braunfels, Texas, a public instrumentality created pursuant to the laws of the State of Texas {"NBHA"} hereby certifies as follows:

1. In accordance with the bylaws of NBHA, the Board of Commissioners of NBHA {the "Board"} held a meeting on January 23, 2025 {the "Meeting"} of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

APPROVAL OF FOURTH (4TH) QUARTER PAYABLES REPORT

(the "Resolution") was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed, and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and the Bylaws of NBHA.

SIGNED AND SEALED _____, 2025.

Henry Alvarez, Secretary/Executive Director

(SEAL}

CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS

AGENDA ITEM E2

SUBJECT:

Consideration and approval regarding Resolution No. 202501230002 approval of the Authority's Fiscal Year End (FYE) 2024 Financial Reports.

BACKGROUND AND RATIONAL:

Low Rent Public Housing:

As of September 30, 2024, the Low Rent Program ("Public Housing") Operating Account had a balance of \$32,349.73. The month's operating revenue was \$193,934, while operating expenses amounted to \$360,441, resulting in a net loss of (\$166,506). A significant portion of the expenses was due to Depreciation (\$157,131) PILOT and Collection Losses (\$34,576). Excluding these non-cash expenses, the program would have posted a net income of \$25,201. For the year-to-date period ending September 2024, the Low Rent Program ("Public Housing") generated \$1,501,261 in operating revenue, but incurred \$1,724,514 in operating expenses, resulting in a net loss of (\$223,253). A significant portion of the expenses includes Depreciation (\$157,131) PILOT and Collection Losses (\$107,047). Excluding these non-cash expenses, the program would have realized a net income of \$40,925.

Housing Choice Voucher (Formerly Section Eight)

As of September 30, 2024, the Section 8 Operating Account holds a balance of \$13,163.28. During the month, the program earned \$287,993 in operating revenue and incurred \$227,714 in operating expenses, resulting in a net income of \$60,278. Year-to-date, the Section 8 Housing Choice Voucher Program has generated \$2,650,626 in revenue, with \$2,672,816 in operating expenses, leading to a net operating loss of (\$22,190). However, excluding the Port-In expenses of \$85,536 related to uncollected Port-In rents, the program would have achieved a net income of \$63,346.

FISCAL IMPACT:

Overall, this reflects the financial health of the Authority. The Low Rent Public Housing program experienced a significant increase in operating expenses, particularly in maintenance, insurance, and bad debts, leading to a higher net loss compared to the previous fiscal year. In contrast, the Section 8 Housing Choice Voucher Program saw a reduction in its net loss, despite the impact of uncollected Port-In rents when compared to the prior fiscal year.

STAFF RECCOMENDATION:

Staff recommends approval of the 2023-2024 Fiscal Year End Financial Reports.

ATTACHMENT:

2023-2024 Fiscal Year End Financial Reports

CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS

Public Housing

New Braunfels Housing Authority
Comparative Balance Sheet FDS Level
Low Rent
As of Date: 9/30/2024

Page 1 of 1

	9/30/2024	9/30/2023	Variance
Assets			
Cash and Cash Equivalents			
Cash - Unrestricted	9,937.86	245,480.33	(235,542.47)
Cash - Other Restricted	68,000.00	68,000.00	0.00
Cash - Tenant Security Deposits	34,350.00	34,350.00	0.00
Total Cash and Cash Equivalents	112,287.86	347,830.33	(235,542.47)
Accounts and Notes Receivables			
Accounts Receivable - HUD Other Projects	98,650.00	38,858.00	59,792.00
Accounts Receivable - Tenants	88,299.84	55,877.66	32,422.18
Allowance for Doubtful Accounts - Tenant	(8,829.98)	(5,553.64)	(3,276.34)
Total Accounts and Notes Receivables	178,119.86	89,182.02	88,937.84
Investments and Other Current Assets			
Investments - Unrestricted	487,267.15	487,267.15	0.00
Prepaid Expenses and Other Assets	8,023.22	6,916.61	1,106.61
Inter Program - Due From	6,579.95	0.00	6,579.95
Total Investments and Other Current Assets	501,870.32	494,183.76	7,686.56
Capital Assets, Net of Accumulated Depreciation			
Land	165,168.60	165,168.60	0.00
Buildings	6,425,834.94	6,425,834.94	0.00
Furniture, Equipment & Machinery - Dwelling	1,196,233.30	1,182,551.30	13,682.00
Furniture, Equipment & Machinery - Admin	874,338.48	874,338.48	0.00
Leasehold Improvements	633,482.88	633,482.88	0.00
Accumulated Depreciation	(8,097,496.40)	(7,940,364.92)	(157,131.48)
Total Capital Assets, Net of Accumulated Depreciation	1,197,561.80	1,341,011.28	(143,449.48)
Total Assets	1,989,839.84	2,272,207.39	(282,367.55)
Liabilities			
Current Liabilities			
Accounts Payable <= 90 Days	26,697.91	56,869.93	(30,172.02)
Accrued Wage/Payroll Taxes Payable	10,104.80	0.00	10,104.80
Accrued Compensated Absences - Current	2,170.74	2,170.74	0.00
Accounts Payable - Other Government	48,780.49	86,055.86	(37,275.37)
Tenant Security Deposits	28,524.00	30,009.00	(1,485.00)
Unearned Revenue	8,633.55	8,920.50	(286.95)
Inter Program - Due To	12,251.86	12,251.86	0.00
Total Current Liabilities	137,163.35	196,277.89	(59,114.54)
Non-Current Liabilities			
Accrued Compensated Absences - Non-Current	19,536.68	19,536.68	0.00
Total Non-Current Liabilities	19,536.68	19,536.68	0.00
Total Liabilities	156,700.03	215,814.57	(59,114.54)
Net Position			
Net Position			
Unrestricted Net Position	2,056,392.82	2,056,392.82	0.00
Total Net Position	2,056,392.82	2,056,392.82	0.00
Net Income (Loss)	(223,253.01)	0.00	(223,253.01)
Total Net Position	1,833,139.81	2,056,392.82	(223,253.01)
Total Liabilities and Net Position	1,989,839.84	2,272,207.39	(282,367.55)
			0.00

CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS

Public Housing Continued

New Braunfels Housing Authority
Comparative Income Statement FDS
Low Rent

Page 1 of 2

	Start: 10/01/2023 End: 09/30/2024	Start: 10/01/2022 End: 09/30/2023	Variance
Operating Revenue			
Tenant Revenue			
Net Tenant Rental Revenue	577,836.01	522,241.56	55,594.45
Tenant Revenue - Other	44,877.11	1,504.96	43,372.15
Total Tenant Revenue	622,713.12	523,746.52	98,966.60
Fee Revenue			
HUD PHA Operating Grants	469,890.00	413,737.00	56,153.00
Total Fee Revenue	469,890.00	413,737.00	56,153.00
Other Revenue			
Other Revenue	408,658.72	688,059.50	(279,400.78)
Total Other Revenue	408,658.72	688,059.50	(279,400.78)
Total Operating Revenue	1,501,261.84	1,625,543.02	(124,281.18)
Operating Expenses			
Administrative Expenses			
Administrative Salaries	178,938.51	174,004.47	(4,934.04)
Auditing Fees	21,050.00	18,000.00	(3,050.00)
Employee Benefit Contributions - Admin	82,410.31	91,166.79	8,756.48
Office Expenses	11,039.69	13,651.34	2,611.65
Legal Expense	105,177.25	126,693.47	21,516.22
Travel	547.31	1,055.29	507.98
Other Administrative Expense	81,611.60	101,173.30	19,561.70
Total Administrative Expenses	480,774.67	525,744.66	44,969.99
Tenant Services Expense			
Tenant Services - Salaries	28,720.96	20,315.36	(8,405.60)
Employee Benefit Contributions - Tenant	7,273.68	2,640.28	(4,633.40)
Tenant Services - Other	16,135.34	18,326.04	2,190.70
Total Tenant Services Expense	52,129.98	41,281.68	(10,848.30)
Utilities Expense			
Water	27,971.61	39,338.10	11,366.49
Electricity	50,461.01	40,162.61	(10,298.40)
Gas	10,711.29	11,239.60	528.31
Total Utilities Expense	89,143.91	90,740.31	1,596.40
Ordinary Maintenance and Operations			
Ord Maintenance and Operations - Lab	90,497.51	133,130.03	42,632.52
Ord Maintenance and Operations - Mat	114,150.09	117,649.59	3,499.50
Ord Maintenance and Operations - Cor	353,384.30	195,822.10	(157,562.20)
Employee Benefit Contributions - Ord M	66,363.74	59,768.28	(6,595.46)
Total Ordinary Maintenance and Operations	624,395.64	506,370.00	(118,025.64)
Insurance Premiums			
Property Insurance	102,753.98	68,975.34	(33,778.64)
Liability Insurance	3,477.04	3,801.82	324.78
Workmen's Compensation	7,600.58	6,471.86	(1,128.72)
All Other Insurance	2,766.54	2,323.58	(442.96)
Total Insurance Premiums	116,598.14	81,572.60	(35,025.54)
Other General Expenses			
Payment in Lieu of Taxes	48,780.49	43,011.77	(5,768.72)
Bad Debt - Tenant Rents	58,267.13	0.00	(58,267.13)
Total Other General Expenses	107,047.62	43,011.77	(64,035.85)
Other Expenses			
Extraordinary Maintenance	0.00	5,017.61	5,017.61
Casualty Losses - Non-capitalized	0.00	53,911.92	53,911.92

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

Public Housing Continued

New Braunfels Housing Authority
Comparative Income Statement FDS
Low Rent

Page 2 of 2

	Start: 10/01/2023 End: 09/30/2024	Start: 10/01/2022 End: 09/30/2023	Variance
Capital Fund Expenses	97,293.41	319,033.80	221,740.39
Total Other Expenses	97,293.41	377,963.33	280,669.92
Depreciation			
Depreciation Expense	157,131.48	170,961.47	13,829.99
Total Depreciation	157,131.48	170,961.47	13,829.99
Total Operating Expenses	(1,724,514.85)	(1,837,645.82)	113,130.97
Net Income (Loss)	(223,253.01)	(212,102.80)	(11,150.21)

CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS

HCV (Section 8)

New Braunfels Housing Authority
Comparative Balance Sheet FDS
(HCV (Section 8))
As of Date: 9/30/2024

Page 1 of 1

	9/30/2024	9/30/2023	Variance
Assets			
Cash and Cash Equivalents			
Cash - Unrestricted	6,081.02	69,715.40	(63,634.38)
Total Cash and Cash Equivalents	<u>6,081.02</u>	<u>69,715.40</u>	<u>(63,634.38)</u>
Accounts and Notes Receivables			
Accounts Receivable - HUD Other Projects	95,562.57	68,271.00	27,291.57
Accounts Receivable - Miscellaneous	30,079.27	1,821.75	28,257.52
Total Accounts and Notes Receivables	<u>125,641.84</u>	<u>70,092.75</u>	<u>55,549.09</u>
Investments and Other Current Assets			
Inter Program - Due From	12,251.86	12,251.86	0.00
Total Investments and Other Current Assets	<u>12,251.86</u>	<u>12,251.86</u>	<u>0.00</u>
Capital Assets, Net of Accumulated Depreciation			
Furniture, Equipment & Machinery - Admin	83,695.66	83,695.66	0.00
Leasehold Improvements	4,657.00	4,657.00	0.00
Accumulated Depreciation	(82,872.97)	(81,022.37)	(1,850.60)
Total Capital Assets, Net of Accumulated Depreciation	<u>5,479.69</u>	<u>7,330.29</u>	<u>(1,850.60)</u>
Total Assets	<u>149,454.41</u>	<u>159,390.30</u>	<u>(9,935.89)</u>
Liabilities			
Current Liabilities			
Accounts Payable <= 90 Days	12,770.08	7,701.65	5,068.43
Accrued Wage/Payroll Taxes Payable	606.25	0.00	606.25
Accrued Compensated Absences - Current	538.10	538.10	0.00
Inter Program - Due To	6,579.95	0.00	6,579.95
Total Current Liabilities	<u>20,494.38</u>	<u>8,239.75</u>	<u>12,254.63</u>
Non-Current Liabilities			
Accrued Compensated Absences - Non-Current	4,842.88	4,842.88	0.00
Total Non-Current Liabilities	<u>4,842.88</u>	<u>4,842.88</u>	<u>0.00</u>
Total Liabilities	<u>25,337.26</u>	<u>13,082.63</u>	<u>12,254.63</u>
Net Position			
Net Position			
Restricted Net Position	146,307.67	146,307.67	0.00
Total Net Position	<u>146,307.67</u>	<u>146,307.67</u>	<u>0.00</u>
Net Income (Loss)	<u>(22,190.52)</u>	<u>0.00</u>	<u>(22,190.52)</u>
Total Net Position	<u>124,117.15</u>	<u>146,307.67</u>	<u>(22,190.52)</u>
Total Liabilities and Net Position	<u>149,454.41</u>	<u>159,390.30</u>	<u>(9,935.89)</u>
			0.00

CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS

HCV (Section 8) Continued

New Braunfels Housing Authority
Comparative Income Statement FDS
HCV (Section 8)

Page 1 of 1

	Start: 10/01/2023 End: 09/30/2024	Start: 10/01/2022 End: 09/30/2023	Variance
Operating Revenue			
Tenant Revenue			
Tenant Revenue - Other	23,079.85	589.00	22,490.85
Total Tenant Revenue	<u>23,079.85</u>	<u>589.00</u>	<u>22,490.85</u>
Fee Revenue			
HUD PHA Operating Grants	2,526,495.57	2,225,680.00	300,815.57
Total Fee Revenue	<u>2,526,495.57</u>	<u>2,225,680.00</u>	<u>300,815.57</u>
Other Revenue			
Other Revenue	101,050.72	39,268.71	61,782.01
Total Other Revenue	<u>101,050.72</u>	<u>39,268.71</u>	<u>61,782.01</u>
Total Operating Revenue	<u>2,650,626.14</u>	<u>2,265,537.71</u>	<u>385,088.43</u>
Operating Expenses			
Administrative Expenses			
Administrative Salaries	196,621.03	200,867.65	4,246.62
Employee Benefit Contributions - Admin	88,739.19	83,623.36	(5,115.83)
Office Expenses	166.18	2,517.60	2,351.42
Other Administrative Expense	4,964.78	16,894.64	11,929.86
Total Administrative Expenses	<u>290,491.18</u>	<u>303,903.25</u>	<u>13,412.07</u>
Tenant Services Expense			
Tenant Services - Other	0.00	1,006.00	1,006.00
Total Tenant Services Expense	<u>0.00</u>	<u>1,006.00</u>	<u>1,006.00</u>
Ordinary Maintenance and Operations			
Ord Maintenance and Operations - Cor	0.00	3,121.52	3,121.52
Total Ordinary Maintenance and Operations	<u>0.00</u>	<u>3,121.52</u>	<u>3,121.52</u>
Other General Expenses			
Other General Expenses	6,911.31	2,832.21	(4,079.10)
Total Other General Expenses	<u>6,911.31</u>	<u>2,832.21</u>	<u>(4,079.10)</u>
Housing Assistance Payments			
Housing Assistance Payments	2,288,027.57	1,987,938.38	(300,089.19)
Total Housing Assistance Payments	<u>2,288,027.57</u>	<u>1,987,938.38</u>	<u>(300,089.19)</u>
HAP Port In			
HAP Portability-In	85,536.00	36,554.77	(48,981.23)
Total HAP Port In	<u>85,536.00</u>	<u>36,554.77</u>	<u>(48,981.23)</u>
Depreciation			
Depreciation Expense	1,850.60	1,922.71	72.11
Total Depreciation	<u>1,850.60</u>	<u>1,922.71</u>	<u>72.11</u>
Total Operating Expenses	<u>(2,672,816.66)</u>	<u>(2,337,278.84)</u>	<u>(335,537.82)</u>
Net Income (Loss)	<u>(22,190.52)</u>	<u>(71,741.13)</u>	<u>49,550.61</u>

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

RESOLUTION NO. 202501230002

RESOLUTION APPROVING THE NBHA 2023-2024 FISCAL YEAR END FINANCIAL REPORTS.

WHEREAS, the Board of Commissioners of the Housing Authority of the City of New Braunfels, Texas, a public instrumentality created pursuant to the laws of the State of Texas (“NBHA”) recognizes the importance of responding to the housing and support needs of its residents in times of emergency or calamity; and

WHEREAS, the Board of Commissioners believes it serves the public interest and is in the best interest of NBHA to accept the 2023-2024 Fiscal Year End Financial Reports; and

WHEREAS, the Board of Commissioners desires to approve and accept the 2023-2024 Fiscal Year End Financial Reports;

NOW, BE IT THEREFORE RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF NEW BRAUNFELS, TEXAS, THAT:

Section 1. The Board hereby accepts and approves the NBHA 2022-2023 Fiscal Year End Financial Reports;

Section 2. If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 3. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 4. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 6. This Resolution shall be in force and effect from and after its passage.

CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS
CERTIFICATE FOR RESOLUTION

The undersigned officer of the Housing Authority of the City of New Braunfels, Texas, a public instrumentality created pursuant to the laws of the State of Texas (“NBHA”) hereby certifies as follows:

1. In accordance with the bylaws of NBHA, the Board of Commissioners of NBHA (the “Board”) held a meeting on January 23, 2025 (the “Meeting”) of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

RESOLUTION APPROVING THE NBHA 2023-2024 YEAR TO DATE FINANCIAL REPORTS

(the “Resolution”) was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed, and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board’s minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and the Bylaws of NBHA.

SIGNED AND SEALED _____, 2025.

Henry Alvarez, Secretary/Executive Director

(SEAL)

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

AGENDA ITEM E3

SUBJECT:

Consideration and approval regarding Resolution No. 202501230003 authorizing the 2025 utility allowance schedule for Tenant Furnished utilities and other services for the Authority's Affordable Housing Programs.

BACKGROUND AND RATIONAL:

The New Braunfels Housing Authority (NBHA) is required to conduct an annual assessment of the utility allowance (UA) schedule for the Housing Choice Voucher (HCV) Program tenant furnished (i.e., tenant-paid) utilities and other services in an effort to determine if there have been any utility rate changes of 10% or more. Those services/allowances include, but are not limited to, the following: electric, gas, water, sewer, and trash. Cable and telephone services are not part of the utility allowance schedule. Other considerations such as tenant-or landlord-provided appliances and type of heating and cooling systems in a particular unit are also included in this schedule.

The proposed utility allowance schedule was prepared by the Nelrod Company for electric, gas, water, sewer, and trash for each unit type and bedroom size. The values provided were developed using engineering methodologies set forth by the HUD Utility Allowance Guidebook along with other currently accepted engineering design and consumption standards for runtimes, equipment sizing, and specific climate zones.

Villa Serena	2BR		3BR		4BR	
	2024	2023	2024	2023	2024	2023
Electricity	\$47.00	\$45.00	\$53.00	\$51.00	\$58.00	\$56.00
Natural Gas	\$66.00	\$72.00	\$71.00	\$78.00	\$75.00	\$83.00
Water	\$32.00	\$31.00	\$48.00	\$46.00	\$69.00	\$66.00
Sewer	\$72.00	\$65.00	\$89.00	\$80.00	\$106.00	\$96.00
Trash Collection	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00
Totals	\$236.00	\$232.00	\$280.00	\$274.00	\$327.00	\$320.00
Difference	1.7%		2.2%		2.2%	
Laurel Plaza	0BR		1BR			
	2024	2023	2024	2023		
Electricity	\$76.00	\$72.00	\$76.00	\$72.00		
Totals	\$76.00	\$72.00	\$76.00	\$72.00		
Difference	5.5%		5.5%			

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

FISCAL IMPACT:

Generally, increased Utility Allowances reduce program participants rent portions. Reduced participant rent portions are offset by increased housing subsidies provided by the Authority. These expenses are offset by the Department of Housing and Urban Development (HUD) increased subsidies.

STAFF RECCOMENDATION:

The utility allowance analysis confirmed that utility rates did not increase or decrease by 10% or more. As a result, no changes are necessary. Staff recommends maintaining the current utility allowances and carrying them forward to 2025.

ATTACHMENT:

Utility Allowance Schedule 2024

Utility Allowance Schedule 2023

CITY OF NEW BRAUNFELS HOUSING AUTHORITY BOARD of COMMISSIONERS

Utility Allowance Analysis for 2024



NEW BRAUNFELS HOUSING AUTHORITY, TX PUBLIC HOUSING

PROPOSED MONTHLY UTILITY ALLOWANCES Chart 1

UPDATE 2024

Building Type: Semi-Detached/Duplex

Villa Serena TX-343 (EE Equip: WH)	OBR	1BR	2BR	3BR	4BR	5BR
Electricity (L&A)			\$47.00	\$53.00	\$58.00	
Natural Gas (H,WH,C)			\$66.00	\$71.00	\$75.00	
Water			\$32.00	\$48.00	\$69.00	
Sewer			\$72.00	\$89.00	\$106.00	
Trash Collection			\$19.00	\$19.00	\$19.00	
Totals			\$236.00	\$280.00	\$327.00	

Building Type: High Rise Apartment

Laurel Plaza TX-343	OBR	1BR	2BR	3BR	4BR	5BR
Electricity (L&A,H,C)	\$76.00	\$76.00				

A monthly average cost of the summer and winter adjustments were used for the electric and natural gas costs.

L&A= Lights & Appliances

H= Space Heating

WH= Water Heating

C= Cooking

Note: Public Housing utility allowances are calculated similar to the method used by each utility provider. These allowances are not calculated by end use (like Section 8 HCV), but by total usage for each utility type. Utility providers' monthly charges are included in the calculations.

CITY OF NEW BRAUNFELS HOUSING AUTHORITY BOARD of COMMISSIONERS

Utility Allowance Analysis of 2024

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA New Braunfels Housing Authority, TX		Unit Type: Multi-Family (Apartment/Row House/Townhouse/Semi-Detached/Duplex)					Date (mm/dd/yyyy)
Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	\$13.00	\$15.00	\$16.00	\$19.00	\$20.00	\$22.00
	Bottle Gas	\$34.00	\$40.00	\$42.00	\$50.00	\$53.00	\$58.00
	Electric (avg)	\$9.00	\$11.00	\$13.00	\$16.00	\$18.00	\$21.00
	Electric Heat Pump (avg)	\$8.00	\$9.00	\$11.00	\$12.00	\$14.00	\$15.00
	Fuel Oil						
Cooking	Natural Gas	\$3.00	\$3.00	\$5.00	\$7.00	\$9.00	\$10.00
	Bottle Gas	\$8.00	\$8.00	\$13.00	\$19.00	\$24.00	\$27.00
	Electric (avg)	\$5.00	\$6.00	\$8.00	\$11.00	\$13.00	\$16.00
Other Electric	(avg)	\$18.00	\$22.00	\$30.00	\$39.00	\$47.00	\$56.00
Air Conditioning	(avg)	\$14.00	\$17.00	\$23.00	\$29.00	\$36.00	\$42.00
Water Heating	Natural Gas	\$7.00	\$8.00	\$11.00	\$14.00	\$18.00	\$21.00
	Bottle Gas	\$19.00	\$21.00	\$29.00	\$37.00	\$45.00	\$56.00
	Electric (avg)	\$11.00	\$13.00	\$17.00	\$20.00	\$24.00	\$27.00
	Fuel Oil						
Water	(avg)	\$31.00	\$31.00	\$38.00	\$46.00	\$56.00	\$66.00
Sewer	(New Braunfels Utilities)	\$62.00	\$63.00	\$75.00	\$87.00	\$99.00	\$111.00
Trash Collection	(City of New Braunfels)	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00
Other specify: Electric Charge \$23.33 (avg)		\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00
Other specify: Natural Gas Charge \$31.60		\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00
Range /Microwave		\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Refrigerator		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Actual Family Allowances -May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance	Allowance	
Head of Household Name					Heating		
					Cooking		
					Other Electric		
					Air Conditioning		
Unit Address					Water Heating		
					Water		
					Sewer		
					Trash Collection		
					Other		
Number of Bedrooms					Range/Microwave		
					Refrigerator		
					Total		



adapted from form HUD-52667
(04/2023)

The Nelrod Company 10/2024 Update

CITY OF NEW BRAUNFELS HOUSING AUTHORITY BOARD of COMMISSIONERS

Utility Allowance Analysis of 2024 Cont'd.

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA New Braunfels Housing Authority, TX		Unit Type Single-Family (Detached House/Mobile Home)					Date (mm/dd/yyyy)
Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	\$19.00	\$22.00	\$24.00	\$26.00	\$28.00	\$31.00
	Bottle Gas	\$50.00	\$58.00	\$64.00	\$69.00	\$74.00	\$82.00
	Electric (avg)	\$18.00	\$21.00	\$24.00	\$27.00	\$30.00	\$33.00
	Electric Heat Pump (avg)	\$11.00	\$13.00	\$16.00	\$18.00	\$20.00	\$22.00
	Fuel Oil						
Cooking	Natural Gas	\$3.00	\$3.00	\$5.00	\$7.00	\$9.00	\$10.00
	Bottle Gas	\$8.00	\$8.00	\$13.00	\$19.00	\$24.00	\$27.00
	Electric (avg)	\$5.00	\$6.00	\$8.00	\$11.00	\$13.00	\$16.00
Other Electric	(avg)	\$27.00	\$32.00	\$44.00	\$57.00	\$69.00	\$82.00
Air Conditioning	(avg)	\$11.00	\$13.00	\$29.00	\$45.00	\$61.00	\$77.00
Water Heating	Natural Gas	\$8.00	\$10.00	\$14.00	\$18.00	\$22.00	\$26.00
	Bottle Gas	\$21.00	\$27.00	\$37.00	\$45.00	\$58.00	\$69.00
	Electric (avg)	\$7.00	\$8.00	\$10.00	\$13.00	\$15.00	\$17.00
	Fuel Oil						
Water	(avg)	\$31.00	\$31.00	\$38.00	\$46.00	\$56.00	\$66.00
Sewer	(New Braunfels Utilities)	\$62.00	\$63.00	\$75.00	\$87.00	\$99.00	\$111.00
Trash Collection	(City of New Braunfels)	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00
Other specify: Electric Charge \$23.33 (avg)		\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00
Other specify: Natural Gas Charge \$31.60		\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00
Range /Microwave		\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Refrigerator		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Actual Family Allowances -May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance	Allowance	
					Heating		
Head of Household Name					Cooking		
					Other Electric		
					Air Conditioning		
					Water Heating		
Unit Address					Water		
					Sewer		
					Trash Collection		
					Other		
Number of Bedrooms					Range / Microwave		
					Refrigerator		
					Total		



adapted from form HUD-52667
(04/2023)

The Nelrod Company 10/2024 Update

CITY OF NEW BRAUNFELS HOUSING AUTHORITY BOARD of COMMISSIONERS

Utility Allowance Analysis of 2024 Cont'd using.

Reasonable Accommodation Medical Equipment Allowances

Electric Provider: New Braunfels Utilities & GVEC (wtd avg) (avg)

Item	Hours per Day	Wattage	Monthly kWh	Energy Charge	Utility Allowance
Oxygen Concentrator	18	400	223	0.11498	\$26.00
Nebulizer	2	75	5	0.11498	\$1.00
Electric Hospital Bed	0.2	200	1	0.11498	\$1.00
Alternating Pressure Pad	24	70	52	0.11498	\$6.00
Low Air-Loss Mattress	24	120	89	0.11498	\$10.00
Power Wheelchair/Scooter	3	360	33	0.11498	\$4.00
Feeding Tube Pump	24	120	89	0.11498	\$10.00
CPAP Machine	10	30	9	0.11498	\$1.00
Leg Compression Pump	24	30	22	0.11498	\$3.00
Dialysis Machine/Equipment	2	710	44	0.11498	\$5.00

Oxygen Concentrator

Use per day varies, assume 12-14 hours a day. The 5-Liter model uses 400 W, the 3-Liter model uses 320 W.

Nebulizer

A medicine delivery system used mostly for pediatric care. Used 4-6 times a day for 20 minutes at a time at 75W.

Semi/Fully Electric Hospital Bed

Use depends on adjustments. 200 W.

0.12116

0.1088

0.11498

Alternating Pressure Pad

An air-filled mattress overlay. Used 24 hours a day for someone who is bed-ridden.

Low Air-Loss Mattress

Takes the place of mattress - air -filled pressurized mattress. Cycles air around every 15-20 minutes.

Power Wheelchairs and Scooters

Need to be charged approximately 8 hours every 3 days. Batteries are 120 V, 3 Amp, 360 W.

Feeding Tube Pump (Continuous Feed)

A pump delivers a constant amount of formula throughout the day or night.

CPAP Machine

For Sleep Apnea. Runs only at night for people who have a tendency to stop breathing at night. At maximum pressure use is 40 Watts. On average - 30 Watts

Leg Compression Pump

Provides intensive compression therapy. Use varies, generally from 8-24 hours daily.

Dialysis Machine/Equipment (Small/Portable)

Filters a patient's blood to remove excess water and waste products. Used 2 hours daily.

CITY OF NEW BRAUNFELS HOUSING AUTHORITY BOARD of COMMISSIONERS

Utility Allowance Analysis for 2023



NEW BRAUNFELS HOUSING AUTHORITY, TX PUBLIC HOUSING

PROPOSED MONTHLY UTILITY ALLOWANCES Chart 1

UPDATE 2023

Building Type: Semi-Detached/Duplex

Villa Serena TX-343 (EE Equip: WI)	0BR	1BR	2BR	3BR	4BR	5BR
Electricity (L&A)			\$45.00	\$51.00	\$56.00	
Natural Gas (H,WH,C)			\$72.00	\$78.00	\$83.00	
Water			\$31.00	\$46.00	\$66.00	
Sewer			\$65.00	\$80.00	\$96.00	
Trash Collection			\$19.00	\$19.00	\$19.00	
Totals			\$232.00	\$274.00	\$320.00	

Building Type: High Rise Apartment

Laurel Plaza TX-343	0BR	1BR	2BR	3BR	4BR	5BR
Electricity (L&A,H,C)	\$72.00	\$72.00				

A monthly average cost of the summer and winter adjustments were used for the electric and natural gas costs.

L&A= Lights & Appliances
H= Space Heating
WH= Water Heating
C= Cooking

Note: Public Housing utility allowances are calculated similar to the method used by each utility provider. These allowances are not calculated by end use (like Section 8 HCV), but by total usage for each utility type. Utility providers' monthly charges are included in the calculations.

CITY OF NEW BRAUNFELS HOUSING AUTHORITY BOARD of COMMISSIONERS

Utility Allowance Analysis 2023

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban
Development

Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA New Braunfels Housing Authority, TX		Unit Type: Multi-Family (Apartment/Row House/Townhouse/Semi-Detached/Duplex)					Date (mm/dd/yyyy)
Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	\$16.00	\$18.00	\$20.00	\$22.00	\$23.00	\$26.00
	Bottle Gas	\$37.00	\$43.00	\$46.00	\$54.00	\$57.00	\$63.00
	Electric (avg)	\$9.00	\$10.00	\$13.00	\$15.00	\$18.00	\$20.00
	Electric Heat Pump (avg)	\$8.00	\$9.00	\$11.00	\$12.00	\$13.00	\$15.00
Cooking	Natural Gas	\$4.00	\$4.00	\$7.00	\$8.00	\$10.00	\$12.00
	Bottle Gas	\$9.00	\$9.00	\$14.00	\$20.00	\$26.00	\$29.00
	Electric (avg)	\$5.00	\$6.00	\$8.00	\$10.00	\$13.00	\$15.00
Other Electric	(avg)	\$18.00	\$21.00	\$29.00	\$37.00	\$45.00	\$54.00
Air Conditioning	(avg)	\$14.00	\$16.00	\$22.00	\$28.00	\$34.00	\$41.00
Water Heating	Natural Gas	\$8.00	\$9.00	\$13.00	\$17.00	\$21.00	\$25.00
	Bottle Gas	\$20.00	\$23.00	\$31.00	\$40.00	\$48.00	\$60.00
	Electric (avg)	\$11.00	\$13.00	\$16.00	\$19.00	\$23.00	\$26.00
	Fuel Oil						
Water	(avg)	\$30.00	\$31.00	\$37.00	\$45.00	\$55.00	\$65.00
Sewer	(New Braunfels Utilities)	\$56.00	\$57.00	\$68.00	\$79.00	\$89.00	\$100.00
Trash Collection	(City of New Braunfels)	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00
Other specify: Electric Charge \$23.33 (avg)		\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00
Other specify: Natural Gas Charge \$31.60		\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00
Range /Microwave		\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Refrigerator		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Actual Family Allowances-May be used by the family to compute allowance while searching for a unit. Head of Household Name					Utility/Service/Appliance	Allowance	
					Heating		
Unit Address					Cooking		
					Other Electric		
					Air Conditioning		
					Water Heating		
Number of Bedrooms					Water		
					Sewer		
					Trash Collection		
					Other		
					Range/Microwave		
					Refrigerator		
					Total		



adapted from form HUD-52667
(04/2023)

The Nelrod Company 9/2023 Update

CITY OF NEW BRAUNFELS HOUSING AUTHORITY BOARD of COMMISSIONERS

Utility Allowance Analysis 2023 Cont'd

Utility Allowance Schedule

See Public Reporting and Instructions on back.

**U.S. Department of Housing and Urban
Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA New Braunfels Housing Authority, TX		Unit Type Single-Family (Detached House/Mobile Home)					Date (mm/dd/yyyy)
Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	\$22.00	\$26.00	\$29.00	\$31.00	\$34.00	\$37.00
	Bottle Gas	\$54.00	\$63.00	\$68.00	\$74.00	\$80.00	\$88.00
	Electric <i>(avg)</i>	\$18.00	\$21.00	\$23.00	\$26.00	\$29.00	\$31.00
	Electric Heat Pump <i>(avg)</i>	\$11.00	\$13.00	\$15.00	\$17.00	\$19.00	\$21.00
	Fuel Oil						
Cooking	Natural Gas	\$4.00	\$4.00	\$7.00	\$8.00	\$10.00	\$12.00
	Bottle Gas	\$9.00	\$9.00	\$14.00	\$20.00	\$26.00	\$29.00
	Electric <i>(avg)</i>	\$5.00	\$6.00	\$8.00	\$10.00	\$13.00	\$15.00
Other Electric	<i>(avg)</i>	\$26.00	\$31.00	\$43.00	\$55.00	\$67.00	\$79.00
Air Conditioning	<i>(avg)</i>	\$10.00	\$12.00	\$28.00	\$43.00	\$59.00	\$74.00
Water Heating	Natural Gas	\$9.00	\$12.00	\$17.00	\$21.00	\$26.00	\$31.00
	Bottle Gas	\$23.00	\$29.00	\$40.00	\$48.00	\$63.00	\$74.00
	Electric <i>(avg)</i>	\$7.00	\$8.00	\$10.00	\$13.00	\$15.00	\$17.00
	Fuel Oil						
Water	<i>(avg)</i>	\$30.00	\$31.00	\$37.00	\$45.00	\$55.00	\$65.00
Sewer	<i>(New Braunfels Utilities)</i>	\$56.00	\$57.00	\$68.00	\$79.00	\$89.00	\$100.00
Trash Collection	<i>(City of New Braunfels)</i>	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00
Other specify: Electric Charge \$23.33 <i>(avg)</i>		\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00
Other specify: Natural Gas Charge \$31.60		\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00
Range /Microwave		\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Refrigerator		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Actual Family Allowances -May be used by the family to compute allowance while searching for a unit. Head of Household Name Unit Address Number of Bedrooms					Utility/Service/Appliance	Allowance	
					Heating		
					Cooking		
					Other Electric		
					Air Conditioning		
					Water Heating		
					Water		
					Sewer		
					Trash Collection		
					Other		
					Range / Microwave		
					Refrigerator		
					Total		



adapted from form HUD-52667
(04/2023)

The Nelrod Company 9/2023 Update

12

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

Allowance Analysis 2023 Cont'd

***Reasonable Accommodation
Medical Equipment Allowances***

Electric Provider: New Braunfels Utilities & GVEC (wtd avg) (avg)

Item	Hours per Day	Wattage	Monthly kWh	Energy Charge	Utility Allowance
Oxygen Concentrator	18	400	223	0.11077	\$25.00
Nebulizer	2	75	5	0.11077	\$1.00
Electric Hospital Bed	0.2	200	1	0.11077	\$1.00
Alternating Pressure Pad	24	70	52	0.11077	\$6.00
Low Air-Loss Mattress	24	120	89	0.11077	\$10.00
Power Wheelchair/Scooter	3	360	33	0.11077	\$4.00
Feeding Tube Pump	24	120	89	0.11077	\$10.00
CPAP Machine	10	30	9	0.11077	\$1.00
Leg Compression Pump	24	30	22	0.11077	\$2.00
Dialysis Machine/Equipment	2	710	44	0.11077	\$5.00

Oxygen Concentrator

Use per day varies, assume 12-14 hours a day. The 5-Liter model uses 400 W, the 3-Liter model uses 320 W.

Nebulizer

A medicine delivery system used mostly for pediatric care. Used 4-6 times a day for 20 minutes at a time at 75W.

Semi/Fully Electric Hospital Bed

Use depends on adjustments. 200 W.

0.11274

0.1088

0.11077

Alternating Pressure Pad

An air-filled mattress overlay. Used 24 hours a day for someone who is bed-ridden.

Low Air-Loss Mattress

Takes the place of mattress - air-filled pressurized mattress. Cycles air around every 15-20 minutes.

Power Wheelchairs and Scooters

Need to be charged approximately 8 hours every 3 days. Batteries are 120 V, 3 Amp, 360 W.

Feeding Tube Pump (Continuous Feed)

A pump delivers a constant amount of formula throughout the day or night.

CPAP Machine

For Sleep Apnea. Runs only at night for people who have a tendency to stop breathing at night. At maximum pressure use is 40 Watts. On average - 30 Watts

Leg Compression Pump

Provides intensive compression therapy. Use varies, generally from 8-24 hours daily.

Dialysis Machine/Equipment (Small/Portable)

Filters a patient's blood to remove excess water and waste products. Used 2 hours daily.

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

RESOLUTION NO. 202501230003

**RESOLUTION APPROVING THE UTILITY ALLOWANCES FOR THE NEW
BRAUNFELS HOUSING AUTHORITY (NBHA) HOUSING PROGRAMS.**

WHEREAS, the Board of Commissioners of the Housing Authority of the City of New Braunfels, Texas, a public instrumentality created pursuant to the laws of the State of Texas (“NBHA”) recognizes the importance of responding to the housing and support needs of its residents in times of emergency or calamity; and

WHEREAS, Federal Regulations require housing authorities to review utility allowance schedule(s) annually and adjust the schedule(s) if there has been a 10% or more rate change per category since the last revision; and

WHEREAS, Residential Utility Allowances, a Division of the Nelrod Company completed the utility allowance review for the Low Rent Public Housing and Housing Choice Voucher Programs and as required by HUD regulations 24 CFR 982.517, a comparison was made of the utility rates utilized in the previous study compared to the current utility rates; and

WHEREAS, the utility allowance review indicated that utility providers' rates have not changed more than 10%, therefore, staff recommends continuing to use the 2024 Utility Allowance Schedule in 2025 Exhibit 1; and

WHEREAS, Federal Regulations require the use of the revised utility allowance schedules at the next annual reexamination; and

WHEREAS, the Housing Authority of the City of New Braunfels will use the revised utility allowance schedules for new families assisted under the Housing Choice Voucher Program and current participants with reexaminations effective January 1, 2021 or later.

NOW, BE IT THEREFORE RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF NEW BRAUNFELS, TEXAS, THAT:

WHEREAS, the Board of Commissioners believes it serves the public interest and is in the best interest of NBHA to accept the Utility Allowances; and

WHEREAS, the Board of Commissioners desires to approve and accept the Utility Allowance.

**CITY OF NEW BRAUNFELS HOUSING AUTHORITY
BOARD of COMMISSIONERS**

NOW, BE IT THEREFORE RESOLVED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF NEW BRAUNFELS, TEXAS, THAT:

Section 1. The Board hereby accepts and approves the 2024 NBHA UTILITY ALLOWANCES FOR CALENDAR YEAR 2025.

Section 2. If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 3. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 4. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 6. This Resolution shall be in force and effect from and after its passage.

CERTIFICATE FOR RESOLUTION

The undersigned officer of the Housing Authority of the City of New Braunfels, Texas, a public instrumentality created pursuant to the laws of the State of Texas ("NBHA") hereby certifies as follows:

1. In accordance with the bylaws of NBHA, the Board of Commissioners of NBHA (the "Board") held a meeting on January 23, 2025 (the "Meeting") of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

RESOLUTION APPROVING THE REVISED UTILITY ALLOWANCES FOR THE NEW BRAUNFELS HOUSING AUTHORITY (NBHA) HOUSING PROGRAMS.

(the "Resolution") was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed, and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and the Bylaws of NBHA.

SIGNED AND SEALED _____, 2025.

Henry Alvarez, Secretary/Executive Director

(SEAL)

AGENDA ITEM E4

SUBJECT:

Consideration and approval regarding Resolution No. 202501230004 approval of the Authority to enter into a Lease Option Agreement with New Villa Serena Phase I, LLC (HRI Communities).

BACKGROUND AND RATIONAL:

The Texas Department of Housing and Community Affairs (TDHCA) Low Income Housing Tax Credit (LIHTC) Application Process, requires that the applicant have “site control” of the proposed development. Typically, a Lease Option Agreement serves the purpose of demonstrating site control.

The Lease Option has provisions for a 99 year lease, an option fee of \$10,000, and annual base rent of \$10,000 beginning on the first day of the second lease year. These elements will be subordinate to debt service obligations. The Lease Option Agreement is necessary to complete the LIHTC application. However, if the Lessee is not successful in securing the LIHTC, then the option will be revisited.

FISCAL IMPACT:

Revenue projections of \$10,000 per annum.

STAFF RECOMMENDATION:

Staff recommends approval of the Lease Option Agreement with the New Villa Serena Phase I, LLC (HRI Communities).

ATTACHMENT:

Exhibit - Lease Option Agreement

LEASE OPTION AGREEMENT

THIS LEASE OPTION AGREEMENT (the "Agreement") is made by and between **NEW BRAUNFELS HOUSING AUTHORITY**, a political subdivision of the State of Texas ("Lessor"), and **NEW VILLA SERENA PHASE I, LLC**, a Texas limited liability company ("Lessee"), who, in consideration of the agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

- A. Lessor (or a public facility corporation sponsored by Lessor pursuant to Texas Local Government Code, Chapter 303) and Lessee will enter into a Memorandum of Understanding (herein so called) related to the rehabilitation, construction, development and operation of an approximately 75-unit multifamily affordable housing development (the "Project") to be located upon the Property (hereinafter defined).
- B. An affiliate of Lessor will be a member and the sole manager of the Managing Member of the Lessee along with an affiliate of HRI Communities, LLC.
- C. Lessee intends to apply for low income housing tax credits (the "Tax Credits") allocated by the Texas Department of Housing and Community Affairs ("TDHCA") in order to partially finance the Project.
- D. Lessor is the owner of record of the Property (hereinafter defined); and
- E. In order to facilitate Lessee's application for the Tax Credits, Lessor and Lessee desire to enter into this Agreement.

ARTICLE 1.

LEASE OPTION

Subject to the terms and provisions of this Agreement, Lessor hereby grants to Lessee, and Lessee hereby accepts from Lessor, an irrevocable and exclusive option (the "Option") during the Option Period (hereinafter defined) to enter into a ground lease (the "Ground Lease") with Lessor for that certain real property more fully described on Exhibit A attached hereto, in the City of New Braunfels, Comal County, Texas, and as described under Exhibit A attached hereto, together with all rights and appurtenances thereon or in anywise appertaining thereto (collectively, the "Property") for the sole purpose of financing, constructing and operation of an approximately 75-unit multifamily affordable housing project that will be financed in part with the Tax Credits, and owned by the Lessee with an affiliate of Lessor as a member and the sole manager of the Managing Member of the Lessee.

ARTICLE 2.

OPTION PAYMENT

Within ten (10) days from the Effective Date (hereinafter defined), Lessee shall pay Lessor, the sum of Ten and No/100 Dollars (\$10.00) (the "Option Payment"). Such Option Payment is (i) in consideration of Lessor granting Lessee the Option to lease the Property, and (ii) non-refundable and non-applicable to the Initial Lease Payment (hereinafter defined).

ARTICLE 3.

OPTION PERIOD AND INVESTIGATION BY LESSEE

3.1 Option Period. Lessee shall have a period commencing on the Effective Date (hereinafter defined) and expiring on December 31, 2025 (the "Option Period") to physically inspect the Property and otherwise determine the feasibility of the Project and whether it will enter into such Ground Lease for the Property in its sole discretion.

3.2 Exercise of Option. If, on or before the expiration of the Option period, (i) Lessee receives notice from TDHCA that the Project is being awarded the Tax Credits and (ii) Lessee, in its sole discretion, determines the Property is acceptable and elects to exercise the Option, then after occurrence of both (i) and (ii) Lessee shall give written notice of Lessee's exercise of the Option to Lessor within the Option Period. Upon Lessor's timely receipt of written notice of Lessee's exercise of the Option, Lessor and Lessee shall enter into a mutually acceptable Ground Lease, which shall substantially include (in addition to any and all other terms so agreed to by the parties) the terms and conditions set forth in Article 3 hereof and which shall be subject to the approval of Lessee's investor and/or Lender. The Ground Lease shall be executed on the closing of debt and equity financing for the Project, which shall occur on or before December 31, 2026. Lessee acknowledges and understands that the Lessor's ability to enter into the Ground Lease is conditioned upon approval of the transaction by the US Department of Housing and Urban Development and Lessor shall incur no liability hereunder if such approval is not obtained by Lessee.

If Lessee does not give written notice of its exercise of the Option to Lessor, the Option granted by this Agreement shall automatically terminate and be null, void, and of no further force or effect, except for the provisions of this Agreement which expressly survive termination or expiration of this Agreement.

ARTICLE 4.

GROUND LEASE TERMS

Ground Lease Term: 99 years

NNN Lease: Lessor will lease the Property on an Absolute NNN basis.

Rent: The Annual Base Rent shall begin to accrue and shall be payable as provided below. Together, the Annual Base Rent is referred to herein as the "Rent". Rent shall be subordinate to the debt service obligations on the Project but shall resume after any foreclosure and sale.

Annual Rent Start Date: The earlier of (i) the date that is eighteen (18) months after Closing or (ii) the date Partnership receives a certificate of occupancy on the Project from the City of New Braunfels.

Lease Year: The term "Lease Year" as used in the ground lease means the twelve (12) consecutive calendar months during the Term beginning on the Annual Rent Start Date.

Annual Base Rent: Before the Annual Rent Start Date, no Rent is payable to Lessor. Starting on the Annual Rent Start Date and continuing through the end of the Term, Partnership shall pay to Lessor the Annual Base Rent for the corresponding Lease Year, in equal monthly installments. For the first (1st) Lease Year, the Annual Base Rent shall be not less than Ten Thousand Dollars (\$10,000). Beginning on the first (1st) day of the second (2nd) Lease Year, and the first (1st) day of each Lease Year thereafter, the Annual Base Rent will automatically increase from that of the prior Lease Year by three percent (3.00%), by multiplying the prior Lease Year's Annual Base Rent by 1.03; provided, however that Annual Base Rent shall be re-negotiated every fifteen (15) years throughout the term based on market conditions.

Ownership of Improvements: Lessee will own the improvements on the Project and will be responsible for the cost of the same. Upon termination of the Ground Lease, ownership of the improvements and fixtures constituting the Project shall revert to Lessor, subject to foreclosure requirements of any lenders for the Project.

4.3 Reversion. Upon expiration of the term of the Ground Lease, ownership of the improvements and fixtures constituting the Project shall revert back to the Lessor, subject to foreclosure requirements of any lenders of the Project.

ARTICLE 5.

LESSOR REPRESENTATIONS AND WARRANTIES

The Lessor represents and warrants to Lessee as of the Effective Date (hereinafter defined) that:

(a) no party has been granted any license, lease or other right relating to the use or possession of the Property; and

(b) there are no contracts or other obligations outstanding for the sale, exchange or transfer of the Property or any portion thereof. There is no agreement of sale or option or right of first refusal or right of first offer or similar agreement with respect to the Property giving any party a right to purchase all or any interest in the Property, except for this Agreement. Lessor agrees to work in good faith to obtain any required governmental approvals necessary for the Project, but makes no representations or warranties that it will be able to obtain such approvals.

ARTICLE 6.

INTERIM RESPONSIBILITIES OF LESSOR

Lessor agrees that during the Option Period:

(a) Lessor will enter into no agreement with respect to the leasing, use, operation, maintenance, or purchase and sale of any portion of the Property without the prior written consent of Lessee;

(b) Lessor will, at no cost to Lessor, cooperate with and assist Lessee in connection with any investigations that Lessee reasonably deems necessary to determine the feasibility of the construction of

the Lessee's proposed multi-family development, such cooperation will include, without being limited to, the signing of all documents necessary or instant to the processing of such applications and attendance at whatever meetings may be required in order that Lessee may receive approval of such applications;

(c) Lessor will not further encumber or permit encumbrance of the Property in any manner;

(d) Lessor will notify Lessee of any action, notice or correspondence that affects the availability of exemption of the Property from ad valorem taxation; and

(e) Lessor shall not, and shall not permit any other person or entity, to solicit, negotiate or enter into any agreement with any other person or entity with respect to the development, investment, construction, and management of the Project or any other similar improvements upon the Property without prior written consent of Lessee.

Lessor acknowledges that irreparable harm would result from any breach by Lessor of the provisions of this Agreement, including but not limited to the Option set forth hereunder. Accordingly, in the event of any breach of these covenants by Lessor, in addition to all other remedies at law or in equity possessed by Lessee, Lessee shall be permitted to seek specific performance and injunctive relief in favor of Lessee without the necessity of Lessee posting a bond. No remedy provided under this Agreement or any other document related thereto is intended to be exclusive of any other remedy, but each and every remedy shall be cumulative and in addition to any and every other remedy so provided under this Agreement or any other document related thereto, and those provided by law or in equity.

ARTICLE 7.

MISCELLANEOUS

7.1 Lessee's Liability. LESSEE AGREES TO INDEMNIFY LESSOR OR ANY OTHER PERSON OR ENTITY AGAINST, ANY LIABILITY, OBLIGATION OR EXPENSE OF LESSOR OR RELATING TO THE PROPERTY THAT IS DIRECTLY OR INDIRECTLY CAUSED BY ANY ACTION OF LESSEE IN CONNECTION HERewith.

7.2 Notices. All notices, demands, requests and other communications required or permitted hereunder shall be in writing, and shall be deemed to be delivered when actually received, or, if earlier and regardless of whether actually received (except where receipt is specified in this Agreement), upon the later of (i) email transmission to the addressee at the email address set forth below, receipt of which is confirmed (and if receipt is not confirmed, then a copy thereof shall be delivered to an overnight delivery courier for delivery the following day), or (ii) deposit in a regularly maintained receptacle for the United States mail, registered or certified, postage fully prepaid, addressed to the addressee at its address set forth below, or at such other address or email as such party may have specified theretofore by notice delivered in accordance with this Article 7.2 and actually received by the addressee:

If to Lessor:

New Braunfels Housing Authority
Attn: Executive Director
300 Laurel Lane
New Braunfels, Texas 78130

If to Lessee:

New Villa Serena Phase I, LLC
c/o New Villa Serena Phase I Manager, LLC
c/o HRI New Villa Serena Phase I, LLC

Attn: President and CEO
812 Gravier St. Suite 200
New Orleans, Louisiana 70112

7.3 Governing Law; Venue. The laws of the State of where the Property is located shall govern the validity, enforcement and interpretation of this Agreement.

7.4 Integration; Modification; Waiver. Excluding the Memorandum of Understanding between Lessor and Lessee or any other documents related thereto, this Agreement constitutes the complete and final expression of the agreement of the parties relating to the Property, and supersedes all previous contracts, agreements, and understandings of the parties, either oral or written, relating to the Property. This Agreement cannot be modified, or any of the terms hereof waived, except by an instrument in writing (referring specifically to this Agreement) executed by the party against whom enforcement of the modification or waiver is sought.

7.5 Counterpart Execution and Electronic Delivery. This Agreement may be executed in several counterparts, each of which shall be fully effective as an original and all of which together shall constitute one and the same instrument. Signed copies of this executed Agreement may be delivered electronically, and such copies shall be deemed to be originals.

7.6 Headings; Construction. The headings which have been used throughout this Agreement have been inserted for convenience of reference only and do not constitute matter to be construed in interpreting this Agreement. Words of any gender used in this Agreement shall be held and construed to include any other gender and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise. The words "herein," "hereof," "hereunder" and other similar compounds of the words "here" when used in this Agreement shall refer to the entire Agreement and not to any particular provision or section. If the last day of any time period stated herein shall fall on a Saturday, Sunday or legal holiday in the City or County in which the Property is located, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday or legal holiday.

7.7 Invalid Provisions. If any one or more of the provisions of this Agreement, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Agreement and all other applications of any such provision shall not be affected thereby.

7.8 Binding Effect. This Agreement shall be binding upon and inure to the benefit of Lessor and Lessee, and their respective heirs, personal representatives, successors and assigns. Lessor may convey the Property to a public facility corporation that Lessor is the sponsor of and assign its rights hereunder to such public facility corporation. Lessee may not assign its interest hereunder. Except as expressly provided herein, nothing in this Agreement is intended to confer on any person, other than the parties hereto and their respective heirs, personal representatives, successors and assigns, any rights or remedies under or by reason of this Agreement.

7.9 Exhibits. All references to Exhibits contained herein are references to Exhibits attached hereto, all of which are made a part hereof for all purposes the same as if set forth herein verbatim, it being expressly understood that if any Exhibit attached hereto which is to be executed and delivered at

Closing contains blanks, the same shall be completed correctly and in accordance with the terms and provisions contained herein and as contemplated herein prior to or at the time of execution and delivery thereof.

7.10 Effective Date. The date of formation of this Agreement (herein called the “Effective Date”) shall for all purposes be the date of the signature of the last to sign of the parties hereto, provided the fully-executed Agreement is delivered to both parties within one (1) business day thereafter.

7.11 Modifications and Waivers. This Agreement cannot be changed nor can any provision of this Agreement, or any right or remedy of any party, be waived orally. Changes and waivers can only be made in writing, and the change or waiver must be signed by the party against whom the change or waiver is sought to be enforced. Any waiver of any provision of this Agreement, or any right or remedy, given on any one or more occasions shall not be deemed a waiver with respect to any other occasion.

[Remainder of Page Intentionally Left Blank. Signature Page Follows.]

LESSOR:

NEW BRAUNFELS HOUSING AUTHORITY,
a political subdivision of the State of Texas

By: _____
Name (Print): _____
Title: _____
Date: _____

LESSEE:

NEW VILLA SERENA PHASE I, LLC,
A Texas limited liability company

By: NEW VILLA SERENA PHASE I MANAGER, LLC,
A Texas limited liability company, its manager

By: HRI NEW VILLA SERENA PHASE I, LLC,
A Texas limited liability company, its manager

By: _____
Name (Print): _____
Title: _____
Date: _____

EXHIBIT A

PROPERTY DESCRIPTION

VILLA SERENA, BLOCK 1, LOT 1

RESOLUTION NO. 202501230004 APPROVING AND RATIFYING THE NEGOTIATION AND EXECUTION OF A LEASE OPTION AGREEMENT FOR THE VILLA SERENA APARTMENTS TRANSACTION; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the New Braunfels Housing Authority (the “Authority”) was created to address the need for creation and preservation of safe and sanitary housing at affordable prices for persons of low and moderate income who are residents of the City of New Braunfels (the “City”);

WHEREAS, a to-be-formed affiliate of the Authority and HRI Communities (the “User”), are contemplating an Application for financing (the “Application”), requesting that the Authority or an affiliate thereof participate in the acquisition, rehabilitation, construction, and equipping of a proposed 85-unit multifamily housing facility to be located at the intersection of S Seguin Road and Rosa Parks Drive, New Braunfels, Texas and to be known as the Villa Serena Apartments (the “Project”);

WHEREAS, the User intends to finance the Project in part with 9% housing tax credits (the “Tax Credits”) competitively procured from the Texas Department of Housing and Community Affairs (“TDHCA”) and one or more loans;

WHEREAS, the members of the Board of Commissioners of the Authority (collectively, the “Board”) previously passed a Resolution inducing the Project and indicating the Authority’s preliminary, non-binding commitment, subject to the terms of such Resolution, to proceed;

WHEREAS, the Authority currently owns the property on which the Project will be located and has granted to the User an exclusive option to lease such property (the “Lease Option”) so that the User could submit its application to TDHCA for the Tax Credits;

WHEREAS, the member of the Board and their respective offices are as follows:

<u>Name of Director/Officer</u>	<u>Position</u>
Sharon Navarre Samples	Chairperson/Commissioner
Sarah Dixon	Vice-Chairperson/Commissioner
Justin Botter	Commissioner
Cinderella Brown	Commissioner
Raymond Marquez	Commissioner

WHEREAS, the Board has determined that it is in the public interest and to the benefit of the citizens and residents of New Braunfels for the various entities to enter into the transactions described above so that the User may construct the Project and desires to approve and ratify the negotiation and execution of the Lease Option in order to facilitate such transactions; and

WHEREAS, this Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of the Authority; now, therefore,

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE NEW BRAUNFELS HOUSING AUTHORITY THAT:

Section 1. The negotiation and execution of the Lease Option are hereby approved and ratified.

Section 2. The Chairperson, Vice-Chairperson, Executive Director, or any Commissioner of the Board are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 3. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 4. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 5. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 6. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 7. This Resolution shall be in force and effect from and after its passage.

* * *

VILLA SERENA APARTMENTS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the New Braunfels Housing Authority (the “Authority”) hereby certifies as follows:

1. In accordance with the bylaws of the Authority, the Board of Commissioners of the Authority (the “Board”) held a meeting on January __, 2025 (the “Meeting”), of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

RESOLUTION NO. 202501230004 APPROVING AND RATIFYING THE NEGOTIATION AND EXECUTION OF A LEASE OPTION AGREEMENT FOR THE VILLA SERENA APARTMENTS TRANSACTION; AND OTHER MATTERS IN CONNECTION THEREWITH

(the “Resolution”) was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board’s minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and the Bylaws of the Authority.

SIGNED AND SEALED January __, 2025.

Henry Alvarez
Executive Director

AGENDA ITEM E5

SUBJECT:

Consideration and approval regarding Resolution No. **202501230005** approval of the Authority to enter into a Development Partnership with Parkwood Development Group, LLC (Developer) – “Park at Dogwood”.

BACKGROUND AND RATIONAL:

The Park Development Group, LLC has requested the participation of the New Braunfels Housing Authority (NBHA) to create a development partnership to develop eighty five (85) affordable housing units commonly called the “Park at Dogwood”. The developer has proposed terms (Exhibit A) that reflects the affordability of all units at sixty percent(60%) are below the area medium income (AMI). Additionally, the Developer has proposed that NBHA’s financial participation be a ratio of twenty percent (20%) and the Developers participation ratio be at eighty percent (80%), for development fees, sales tax savings, and cash flow participation. Moreover, the Developer request that the NBHA ability to purchase the completed development at the end of the compliance period be at the Fair Market Value provided by an independent appraisor. NBHA cannot look favorably in providing a zero dollar property and sales tax exemption given the level of affordability the Developer is offering.

NBHA’s goals are to provide affordable housing in perpetuity. Generally, Low Income Housing Tax Credit development offer participation ratios that are typically thirty percent (30%) of development fees, twenty-five percent (25%) in cash flow and sales tax savings, and that the completed facility be purchase at the **“Minimum Purchase Price”** defined in the Internal Revenue Code Section 42(i)(7) – The remaining debt plus any exit taxes.

NBHA believes this scenario is counter to it’s goals to provide affordable housing in perpetuity. In fact, such a scenario may likely result in a purchase price too great for NBHA to activate an option to purchase, or to effectively acquire the property after the complianc period, or to maintain it’s affordability if the property moves exponentially to market value at the end of the affordability term. Staff, as a result of this reasoning, strongly encourages your Board not to agree or exectute a Partnership Agreement with the Developer’s proposed terms.

FISCAL IMPACT:

The long term affordability of the Partnership is questionable given the current proposed terms of the Partnership. It is NBHA goal to continue the developments affordability in perpetuity.

STAFF RECCOMENDATION:

Staff recommends your Board **NOT** approve this Development Proposal

ATTACHMENT:

Exhibit A - Developer’s List of Terms (with strike out)

Exhibit A

**LIST OF TERMS
BETWEEN
NEW BRAUNFELS HOUSING AUTHORITY
AND
PARK DEVELOPMENT GROUP, LLC
“PARK AT DOGWOOD”**

This List of Terms is between New Braunfels Housing Authority (“NBHA”), a Texas public housing authority, and Park Development Group, LLC (“Developer”), a Mississippi Limited Liability Company, and is dated effective as of _____, 2025.

Developer is a developer of affordable housing in the State of Texas. NBHA is a public housing authority whose mission, in part, is to provide safe, decent and sanitary housing for low-income persons. Developer and NBHA hereby agree to work cooperatively to develop affordable housing in accordance with the terms of this List of Terms.

In order to accomplish this purpose, the parties agree as follows:

AGREEMENTS:

Project Details

Project Name:	Park at Dogwood
Address:	0 Old McQueeney Rd, New Braunfels, TX 78130
Total Number of Units:	85
AMI mix:	9 units at 30% AMI, 34 units at 50% AMI, 42 units at 60% AMI

Ownership/Development Details

Owner:	Comal Partners, L.P.
General Partner:	NBHA [] GP, LLC
Sole Member of GP at Closing/ CO-Developer:	NBHA or a PFC sponsored by NBHA
Developer Partner (Class B or SLP):	Park at Dogwood, LLC
Developer:	Park Development Group, LLC
ILP (Investor Limited Partner):	TBD
Guarantor(s):	Park Development Group, LLC, Mark B. Willson, R. McKie Edmonson, Byron G. Burkhalter
Contractor:	[NBHA or, in the case of HUD financing, a JV between NBHA and Subcontractor]
Subcontractor:	TBD
Property Manager:	United Apartment Group

Fee Schedule Details

Paid Developer Fee:	TBD – based on final model and agreed upon in the LPA with the ILP.
---------------------	---

	2030 % NBHA ¹² 8070 % Developer
Sales Tax Savings:	2025 % NBHA 8075 % Owner
[JV Contractor/Subcontractor] Fee:	The not to exceed amount payable shall be inclusive of a typical 6-2-6 construction profit (i.e., 6% builder profit, 2% overhead and 6% general conditions) and will include a contractor's contingency of 5% solely for the use of Contractor or Partnership.
Management Fee:	Not to exceed 6%
Owner Cash Flow/Refinancing & Sale Proceeds Split:	To be set forth in the LPA or a Master Agreement; After fees and any priority distributions agreed upon by the partners, ILP to receive a set percentage of not to exceed 10%, and NBHA and Developer Partner shall split the remainder 2050 %/ 8050 %
PILOT Payment:	. It is understood that there will be a 100% property tax exemption with no property tax or PILOT payments.

¹ This fee split assumes NBHA receiving a Right of First Refusal at the ~~Fair Market Value to be set forth by an Independent Appraisal~~ "~~Minimum Purchase Price~~" as defined in Internal Revenue Code Section 42(i)(7), to be exercised at the end of the initial compliance period.

RESOLUTION NO. 202501230005

**RESOLUTION APPROVING THE NEW BRAUNFELS HOUSING AUTHORITY
PARTNERSHIP WITH THE PARKWOOD DEVELOPMENT GROUP, LLC**

WHEREAS, the Board of Commissioners of the Housing Authority of the City of New Braunfels, Texas, a public instrumentality created pursuant to the laws of the State of Texas (“NBHA”) recognizes the importance of responding to the housing and support needs of its residents in times of emergency or calamity; and

WHEREAS, the Board of Commissioners believes it serves the public interest and is in the best interest of NBHA to accept the approval of the New Braunfels Housing Authority Partnership with the Parkwood Development Group, LLC.; and

WHEREAS, the Board of Commissioners desires to approve and to accept the Development List of Terms by the Parkwood Development

NOW, BE IT THEREFORE RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF NEW BRAUNFELS, TEXAS, THAT:

Section 1. The Board hereby does accept and does approves the New Braunfels Housing Authority entering into an partnership with the Parkwood Development Group.

Section 2. If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 3. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 4. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 6. This Resolution shall be in force and effect from and after its passage.

CERTIFICATE FOR RESOLUTION

The undersigned officer of the Housing Authority of the City of New Braunfels, Texas, a public instrumentality created pursuant to the laws of the State of Texas (“NBHA”) hereby certifies as follows:

1. In accordance with the bylaws of NBHA, the Board of Commissioners of NBHA (the “Board”) held a meeting on January 23, 2025 (the “Meeting”) of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

RESOLUTION APPROVING THE NEW BRAUNFELS HOUSING AUTHORITY PARTNERSHIP WITH THE PARKWOOD DEVELOPMENT GROUP, LLC

(the “Resolution”) was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed, and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board’s minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and the Bylaws of NBHA.

SIGNED AND SEALED _____, 2024.

Henry Alvarez, Secretary/Executive Director

(SEAL)

D. EXECUTIVE DIRECTOR REPORT

1. Tenanat Account Receivables

ATTACHMENT: - HUD Notice: Notification of Excessive Tenant Accounts Receivables

2. Boiler Assessment



U.S. Department of Housing and Urban Development
San Antonio Field Office, Region VI
Office of Public Housing
Hipolito Garcia Federal Building
615 E. Houston, Suite 347
San Antonio, Texas 78205-2001
Telephone: (210) 475-6806 Fax: (210) 472-6817
www.hud.gov www.espanol.hud.gov

May 25, 2022

Henry Alvarez, Executive Director
New Braunfels Housing Authority
300 Laurel Lane
New Braunfels, TX 78130

SUBJECT: Notification of Excessive Tenant Accounts Receivable

Dear Mr. Alvarez:

Tenant Accounts Receivable (TAR) is an item on the balance sheet reported annually to HUD on your agency's Financial Data Schedule (FDS). It represents tenant rents and other charges that are due but uncollected. As you may already be aware, uncollected rent is lost revenue to your agency, and also causes a significant loss of points on your overall PHAS score. HUD's benchmark for TAR is less than 1.5% of total tenant revenue. Based on your PHA's most current financial information for FYE September 30, 2021, the New Braunfels Housing Authority TAR ratio was recorded as 14.2% uncollected. Under current scoring methodology, a TAR ratio of 2.5% or more would receive zero points in the FYE 2021 PHAS score report TAR sub indicator.

Due to the impact of the eviction moratoria on a PHA's ability to collect rent and manage rent collection activities, PIH notice 2022-02 was issued to help address this issue. The notice provides a temporary TAR scoring methodology for PHAs with fiscal years ending Mar 31, 2022, June 30, 2022, September 30, 2022, and December 31, 2022. For these fiscal years, you may experience temporary relief of current TAR scoring standards which will affect your overall PHAS score. The notice further states that PHAs will receive five points for TAR if their tenant accounts receivable is 80% collected or greater. PHAs that have tenant accounts receivable between 60% and 79% collected will receive two points. PHAs that have tenant accounts receivable below 60% collected will receive zero points.

Under normal circumstances (excluding COVID-19 challenges) poor rent collections often result from unstructured or inconsistently applied rent collection procedures. Reasonable and timely enforcement of rent payment leads to fewer late payments by establishing the agency's expectation of timely payment. A rigorous rent collection procedure does not preclude reasonable allowances for hardship or rent adjustments—both of which are allowed by program rules. It is important to maintain communication with the tenants to best understand any hardships they are facing. While enforcement of rent payment may lead to eviction, it is the experience of this office that fair and predictable enforcement reduces late payments and thus improves housing security for all involved. A suggested timeline for rent collection and enforcement is attached to this notice. Please review it and consider making changes to your policies and procedures.

For any family with an unpaid balance of rent, please secure a reasonable repayment agreement. A written agreement protects both the family and the PHA. Of course, some rents will simply go uncollected. Thus, it is important to work with your fee accountant annually to determine what amount of your TAR is uncollectable and may be eliminated from your books (this

is commonly referred to as a “write off”). Once the appropriate amount is determined, the Board of Commissioners should adopt a resolution to complete the action. This resolution will permit your fee accountant to reduce the TAR balance. Since TAR is only reported to HUD at year-end, it is advisable to complete this step in the final months of your fiscal year. Please know that writing off an amount does not prevent you from collecting it should that opportunity arise.

This office will follow up in the coming weeks on progress made toward improved rent collection enforcement procedures. Thank you for the work you do at the New Braunfels Housing Authority. Should you have any questions, please contact your Portfolio Management Specialist, William Bowman Jr. at William.BowmanJr@hud.gov or by telephone at 210-475-6834.

Sincerely,

David Pohler

David G. Pohler
Director
Office of Public Housing

cc: Sharon Samples Board Chairperson
Sarah Dixon Board Vice Chairperson

Enc. PIH notice 2022-02
Sample Rent Collection Timeline



OFFICE OF PUBLIC AND INDIAN HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

Special Attention of:

Office Directors or Public Housing;
Regional Directors; Public Housing
Agencies

Notice PIH 2022-02

Issued: February 4, 2022

Expires: This notice remains in effect until
amended, superseded, or rescinded.

Cross References: Notices PIH 2021-14;
PIH 2020-33; PIH 2020-13; PIH 2020-05;
PIH 2011-13, 24 CFR Parts 901, 902, and
907

SUBJECT: Return of Public Housing Assessment Systems (PHAS) assessments upon
expiration of PHAS-related waivers in Notice PIH 2021-14

1. Purpose

This notice:

- Advises Public Housing Agencies (PHAs) that, consistent with [Notice PIH 2021-14](#) (HA), PHAS scoring will resume starting with the March 31, 2022, Fiscal Year End (FYE) Cohort; and
- Temporarily adjusts the standard under the Management Assessment Subsystem (MASS) indicator for the Tenant Accounts Receivable (TAR) sub-indicator for the fiscal year 2022 PHAS assessment cycle.

2. Background

The Coronavirus Aid, Relief, and Economic Security Act ([CARES Act Public Law 116-136](#)), signed into law on March 27, 2020, provided HUD with broad authority—in the context of the public health emergency—to waive certain statutes and regulations (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) for the Public Housing program. The CARES Act waivers provided PHAs with the flexibility to adjust program practices where necessary so that when normal operations were restricted or severely constrained, PHAs could prioritize mission critical functions, sustain occupancy, and mitigate the health risks posed by COVID-19 to PHA staff, residents, and communities.

www.hud.gov

espanol.hud.gov

One of the CARES Act waivers HUD implemented suspended PHAS assessments for PHAs with fiscal year end dates beginning March 31, 2020, through December 31, 2021. PHAS is the annual assessment process by which HUD fulfills its statutory requirement¹ to assess PHA administration of the Public Housing program. Through PHAS, HUD evaluates indicators—as defined by 24 CFR Part 902—that measure the performance of PHAs. These indicators measure a PHA’s physical condition, financial condition, management operations, and Capital Fund obligation and occupancy. Ultimately, the culmination of these indicators establishes a PHAS score, which determines a PHA’s designation of High, Standard, Substandard, or Troubled. These designations determine the frequency of PHAS assessments.

The CARES Act waivers enabled HUD to delay PHAS assessments and carry over a PHA’s last PHAS score. The most recent PIH CARES Act waiver notice ([PIH Notice 2021-14\(HA\)](#)), published on May 4, 2021, extended the period of availability for most CARES Act waivers through December 31, 2021, including the suspension of PHAS scoring. This period will not be extended. Thus, PHAS assessments will begin again, pursuant to statutory requirements, allowing HUD to make a more accurate, up-to-date determination of a PHA’s performance.

Over the last year, HUD has started incrementally transitioning back to normal requirements associated with PHAS. On April 23, 2021, Secretary Fudge issued a letter to PHA Executive Directors, Multifamily Housing Owners, and Property Managers² stating that HUD would “substantially increase housing inspections” on June 1, 2021. Upon resuming inspections, HUD implemented various safety protocols to ensure that onsite inspections were operated in a safe and respectful manner in accordance with Centers for Diseases Control and Prevention (CDC) COVID-19 guidance. HUD resumed physical inspections of Public Housing properties on October 5, 2020. As part of these physical inspections, HUD extended the notification period from 14 days to 28 days. In addition, PHAs have resumed inspecting public housing units, and PHAs have continued to submit Financial Data Schedules (FDS) used to calculate the Financial Assessment Sub-system (FASS) Indicator under PHAS.

HUD has reviewed the financial data in FASS and determined that, with the implementation of the new MASS standard to account for TAR described in this notice, many PHAs do not need further modifications to PHAS related to the financial and management indicators. Specifically, HUD analyzed FDS data received for 1,182 PHAs with fiscal year end dates in March and June 2021 to evaluate how FASS and MASS indicators of the PHAS score would change if scores were issued using the TAR sub-indicator as described in this notice. HUD found that 91 percent of PHAs would have an improved or unchanged financial score, and 65 percent of PHAs would have an improved or unchanged management score. In April 2020, the occupancy rate using

¹ Under Section 6 of the U.S Housing Act of 1937 [42 U.S.C. 1437 and [76 FR 10136, Public Housing Evaluation and Oversight: Changes to the Public Housing Assessment System \(PHAS\) and Determining and Remedying Substantial Default: Interim Rule](#)

² [Secretary Fudge's letter to PHA Executive Directors, Multifamily Housing Owners, and Property Managers](#) (dated April 23, 2021)

HUD's Agency Priority Goal methodology³ was 95.84 percent and experienced only a slight decline in December 2021 to 94.11 percent. Based on this data, HUD has determined that resuming PHAS scoring will not negatively impact many PHAs.

3. Statutory and Regulatory Responsibility to Resume PHAS Scoring and Annual Inspections in FY 2022

PHAS assessment resumes in 2022 with the March 31, 2022, fiscal year end (FYE) cohort. Fiscal year (FY) 2022 assessments will be used by HUD as a baseline, wherein all qualified properties will be inspected under the Uniform Physical Condition Standards (UPCS). The resulting PHAS assessment and performance designation of (a) high, (b) standard, (c) substandard, or (d) troubled performer, will establish the subsequent assessment cycle and inspection interval for PHAs. HUD began UPCS inspections on January 1, 2022, for PHAs with fiscal years ending March 31, 2022. All current troubled agencies will be inspected by June 30, 2022, regardless of FYE, and will receive a FY22 PHAS assessment and designation. The remaining non-troubled agencies will be inspected according to their Fiscal Year End (FYE) cohort.

4. The MASS Indicator for the TAR Sub-Indicator for PHAS Scoring in Fiscal Year 2022

The Public Housing Evaluation and Oversight: Changes to the Public Housing Assessment System (PHAS) and Determining and Remediating Substantial Default ("PHAS Interim Rule"), published on February 23, 2011, at [76 FR 10136](#), became effective for PHAs with FYE March 31, 2011. Scoring for the MASS indicator is described in the Public Housing Assessment System (PHAS): Management Operations Scoring Notice (Management Assessment Subsystem, "MASS Scoring Notice") published on February 23, 2011, at [76 FR 10050](#). The MASS Scoring Notice explains that PHAs can receive up to five points for TAR, which generally measures the performance of a PHA's ability to collect rents and other charges.

The CARES Act included an eviction moratorium through July 31, 2020, and a 30-day notice prior to eviction filings for nonpayment of rent. At the same time, several States and localities issued eviction moratoriums. On September 4, 2020, the Centers for Disease Control (CDC) Director issued an order temporarily halting evictions in the United States due to the ongoing public health crisis. The initial CDC order expired on December 31, 2020, subject to extension, modification, or rescission. The Consolidated Appropriations Act, 2021 (Public Law 116-260), extended that order until January 31, 2021, and the original CDC Order was extended multiple times due to the continued national emergency. On August 3, 2021, the CDC Director issued a new order

³ The Agency Priority Goal (APG) for occupancy is a rate based on unit counts. The APG Occupancy rates applies the Capital Fund occupancy rate. The Capital Fund occupancy rate considers offline units as vacant. The MASS occupancy rate considers offline units as occupied. For example: Capital Fund occupancy counts units as occupied when an assisted tenant, employee or law enforcement personnel, non-assisted and special purpose tenant resides in the unit. The MASS occupancy rate excludes units approved by HUD to be offline for capital improvement, resident services, offices, litigation, and others.

temporarily halting evictions for persons in jurisdictions experiencing substantial or high rates of transmission. However, on August 26, 2021, the Supreme Court vacated the stay of a district court decision invalidating the original and new CDC order, holding that the applicants had a substantial likelihood of success on the merits. There have been, and continue to be, effective local and State eviction moratoria related to the ongoing pandemic.

These local, State, and Federal eviction moratoria have had a significant impact on rent collection and ultimately performance under the TAR sub-indicator. For many PHAs, the growth in TAR due to eviction moratoria resulted in an inability to perform usual processes for households who did not pay applicable rental payments during the PHAS assessment cycle. As a result, PHAs may not have been able to manage programs to the standards established in the MASS Scoring Notice for TAR. Further, despite the availability of emergency rental assistance at the local, State, and Federal levels, some jurisdictions-imposed restrictions, and limitations for such funding to reach HUD-assisted families. In these cases, despite efforts by PHAs to support families to apply for such assistance, many HUD-assisted families have not yet been able to receive such assistance. As such, HUD believes that PHAs may not have been able to manage programs to the standards established in the MASS Scoring Notice for TAR.

Due to the impact of the eviction moratoria on a PHA's ability to collect rent and manage rent collection activities, this notice advises that for PHAs with fiscal years ending March 31, 2022, June 30, 2022, September 30, 2022, and December 31, 2022, only, HUD is temporarily revising the scoring methodology for TAR. HUD believes that this temporary adjustment to the scoring notice will appropriately score PHAs for the impact of the eviction moratoria on PHA operations. Specifically, PHAs will receive five points for TAR if their tenant accounts receivable is 80 percent or greater. PHAs that have tenant accounts receivable between 60 percent and 79 percent will receive two points. PHAs that have tenant accounts receivable below 60 percent will receive zero points.

5. For Further Information

PHAs that have questions or need technical assistance should email REAC_TAC@hud.gov or call Technical Assistance Center (TAC) at 1-888-245-4860, between the hours of 7:00 a.m. – 8:30 p.m. Eastern Standard time. Office of Real Estate Assessment Center, Office of Public and Indian Housing, Department of Housing and Urban Development, Attention: Technical Assistance Center/TR/DBA, 550 12th Street SW, Suite 100, Washington, DC 20410-5000.

6. Paperwork Reduction

The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3520) and assigned OMB Control Numbers 2577-0237, 2535-0106, 2502-0369 and 2535-0107. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

7. Penalty for False Claims and Statements

HUD will seek civil, criminal, or administrative action against individual and entities who either make, present, submit, or cause to be submitted a false, fictitious, or fraudulent statement, representation, or certification. 18 U.S.C. §§ 287, 1001, 1010, 1012, 1014 and 31 U.S.C. §§ 3729, 3802.

/ s /
Dominique Blom
General Deputy Assistant Secretary
for Public and Indian Housing

SUGGESTED RENT COLLECTION/EVICTION TIMELINE



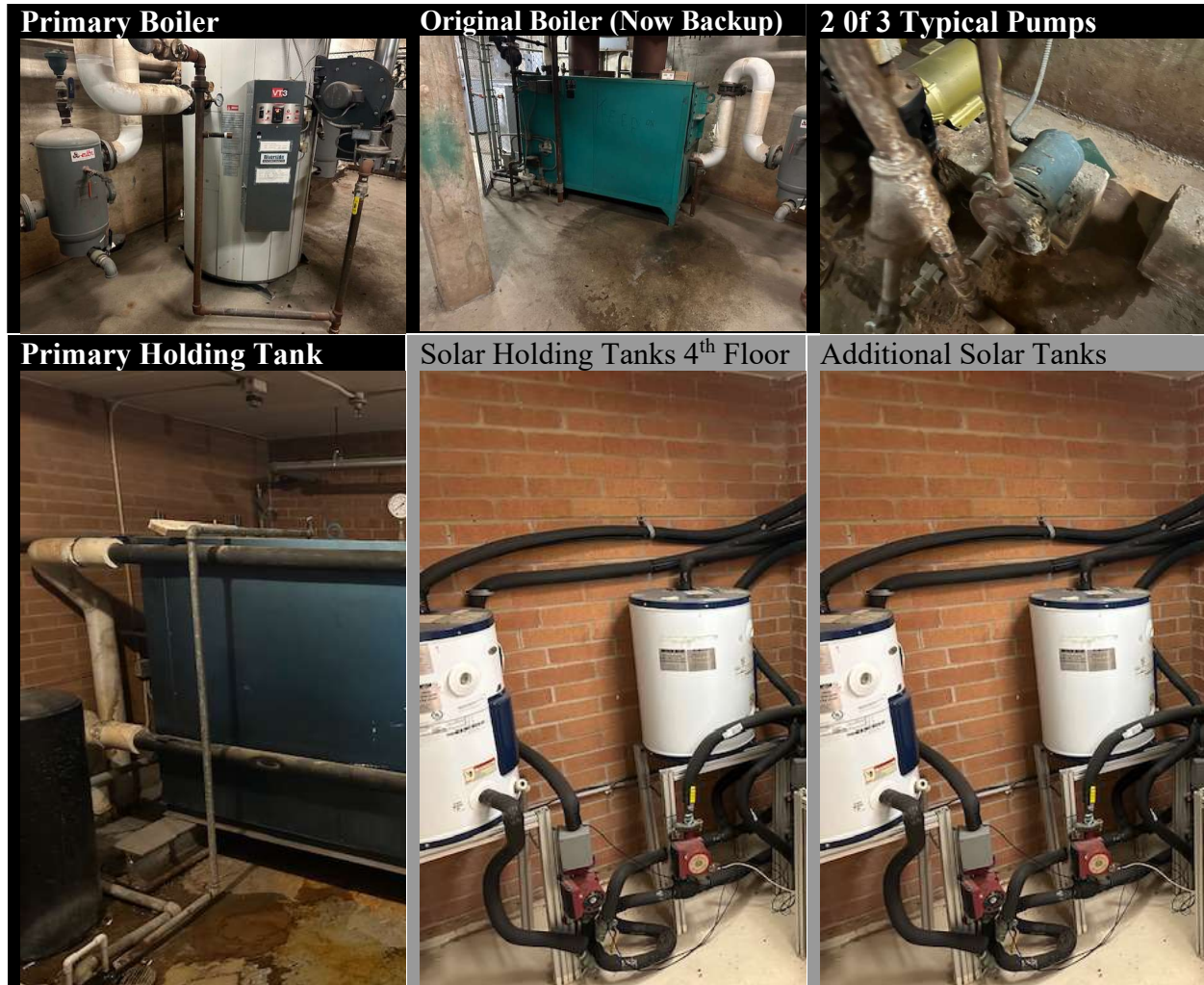
NOTE: This timeline is based on rent being due on days 1-5 of the month. The timeline MUST be adjusted to meet your PHA's lease. Bottom line; rent collection and eviction process should happen within 30 days.

1. **DAY#1-5:** based on the rent being due within the first 5 days of the month. This timeline MUST be adjusted to meet the PHA lease agreement.
2. **DAY#6:** The rent is due, and a Notice of Termination of Lease Agreement / lease termination is served. Moreover, the grievance process **(if the tenant chooses to exercise)** is conducted and a final decision is issued during the 14 days. Lease termination letter must offer a hearing as per your grievance policy.
3. **DAY#21:** If the tenant still has not paid his/her rent and a decision to evict has been rendered from the grievance process, then eviction procedures are initiated with the court.
4. **DAY#22-30:** If the tenant has not paid in full and or vacated the premises, then the PHA may proceed and ask for eviction from the judge. After PHA files with the court, tenant MAY be allowed to continue with lease if tenant pays rent + late fees + court costs incurred **(NOTE: PHA must submit dismissal for eviction action)**.

This is a sample / suggested timeline only, which can be utilized to ensure rent is collected / actively pursued.... The key is to start eviction proceedings within the first 30 days for tenants that are not paying rent. These timings are **suggestions** and should be adjusted to meet your current lease and Notice of Termination of Lease Agreement. **Purpose: to encourage timely payment of rent by all participants.**

E. EXECUTIVE DIRECTOR REPORT CONTD.

3. Boiler Condition



F. ADJOURNMENT.