

BEAUMONT
HOUSING
AUTHORITY

— 2011 —
ANNUAL REPORT



ANNUAL REPORT



"...BHA made it possible for me and my family..."

- Janice B., Beaumont



The Beaumont Housing Authority's mission is to acquire, develop and professionally manage a diverse real estate portfolio in order to provide affordable housing, supportive services and upward mobility opportunities to all economic sectors.

2011 mission

TABLE of Contents

BHA helps move families from dependence to independence. The following pages will give a glimpse into the different services, programs and partnerships that we have worked towards, the current successes, and insight to assure the Golden Triangle that the best is still yet to come.

message from the director.....	5
about BHA.....	6
○ seventieth anniversary.....	7
year in review.....	8
grants, scholarships, etc.....	9
programs.....	10
partners, employers.....	11
new developments.....	12
section 8 information.....	13
awards & recognition.....	14
○ financial reports.....	15
○ summary.....	16





BEAUMONT HOUSING AUTHORITY
1890 LAUREL • BEAUMONT, TX 77701
PH: (409) 951.7200 • www.bmtha.org

From the Director...

"To accomplish great things, we must not only act, but also dream; not only plan, but also believe."-Anatole France (French Writer, 1844-1924)

Dear Friends, Neighbors and Partners,

At the very core of what we do every day at the Beaumont Housing Authority is strive to achieve the dream and goal of helping others move towards a better tomorrow. This is our responsibility. This is our passion. We thank you for your interest in our 2011 Annual Report and we welcome you to review the terrific achievements and highlights from this monumental year of working towards a better tomorrow.

We are confident that 2011 will prove to be historic for BHA for years to come, primarily marked as the year of new beginnings and new opportunities with our community. The 70th Anniversary, the implementation of our military & veteran's waiting list preference, and the dawn of our newest senior housing development are just a few of our crowning achievements this year. This report will showcase several programs, success stories, personal profiles, and the financial facts and figures for the year. As important as these figures are to all of us, we are particularly proud to share a few other numbers from 2011 as well:

- We serve over 6,350 individuals through all of our programs
- This includes 1,080 elderly, 3,100 youth, 2,170 adults
- BHA has an annual budget of \$19 million dollars, with assets totaling \$65 million
- We paid private landlords in Beaumont over \$9,261,114 in rental assistance payments for our Section 8 families living in their properties
- We paid over \$1,620,832 for goods and materials purchased from our vendors and suppliers

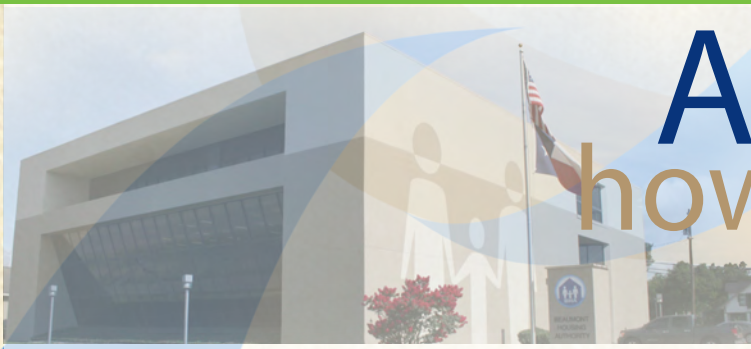
These numbers illustrate the very essence of this year's theme: Community and Opportunity for Southeast Texas. At BHA, we make it our business to serve the greater needs of individuals, families, and even the business and service sectors of this great city and the surrounding communities.

We hope this report clearly demonstrates the added value BHA provides to the Golden Triangle. We are always eager to receive your feedback and suggestions of how we can continue to increase opportunities in our community, as we continue our strides into 2012.

Thanks for Your Support,

Robert L. Reyna, Executive Director
Beaumont Housing Authority

THE BEAUMONT HOUSING AUTHORITY, like any business or corporation, wishes to always bring increased business opportunities and credit to our great city. BHA has received positive local, regional, state and national recognition for its innovative programs and achievements. Our partnerships and collaborations have always been at the very core of all of our success. As a result, we are able to offer a variety of programs, services and resources for residents. This year specifically will stand out as a period of reflection, renewal, progress and individual success. The proud mark of our 70th Anniversary, the substantial updates to apartments, the grants awarded, the demolition of one of our oldest apartments and the construction of our newest and most innovative development are just a few of the achievements that mark our memorable 2011.



ABOUT BHA

how what we do who we are
facts facts facts where we've been
when where we're going

Housing authorities across the nation exist to benefit individuals and communities alike. As an entity that works with the city, yet is separate from city government, housing agencies play a vital role in supporting families and neighborhoods. At the Beaumont Housing Authority, it is our goal to not only support, but also to proactively create new resources and opportunities to optimize success in Southeast Texas – for today, tomorrow, and beyond.



FACTS

- BHA is a complex agency whose services extend far beyond shelter.
- Tax exempt unit of local government, formed by the city council in 1941
- Separate from the city, adhering to state guidelines
- Operating under program regulations established by Congress and enforced by the U.S. Dept. of Housing & Urban Development (H.U.D.)
- Serves over 6,350 individuals and a 2011 operating budget of \$19 million
- Also operates a Section 8 Housing Choice Voucher Program and a Section 8 New Construction Program.

Statistics show that we can expect a rise in applications as more baby boomers reach retirement age and must find affordable housing to fit within their fixed income budgets.

With such high demand for affordable housing, BHA believes in the philosophy of helping families “in, up, and out.” Our [Client Services Team](#) works with families to move them towards self-sufficiency and independence from governmental assistance.

- 43% of our tenant population is elderly or disabled; 57% are families with children
- The average tenant annual income is \$12,735
- The average length of stay in our programs is four years

2011 Board of Directors

*To the great community of Beaumont,
thank you for your support and
inspiration, and here's to another
successful seventy years...*

Doug Landry
DOUG LANDRY
CHAIRMAN

Theresa Victoria
THERESA VICTORIA
COMMISSIONER

J. Shane Howard
J. SHANE HOWARD
VICE CHAIRMAN

Gloria Ramirez
GLORIA RAMIREZ
COMMISSIONER

Rev. Gary Cantue
REV. GARY CANTUE
COMMISSIONER

Robert L. Reyna
ROBERT L. REYNA
EXECUTIVE DIRECTOR

70th Anniversary

CELEBRATING OUR
70th
BHA
ANNIVERSARY

In September we celebrated our 70th Anniversary. Along with an open house to celebrate, we distributed a four-page insert to the Golden Triangle community to commemorate the milestone and to thank the area for embracing us and supporting what we do.

The insert offers a peek into our archives, featuring highlights of our history from 1941 to 2011, a timeline of events with photos and original architectural renderings for planned housing units, quotes from esteemed city partners and colleagues, and a list of exciting things to come.

The insert served as a Thank You letter to the community as well as a newsletter or photo album.

"Our 70th year is great, not just for us, but it is a celebration for all of Beaumont," says Robert L. Reyna, Executive Director.

"Through the grants we've been awarded, new developments and programs, our awards, scholarships...we must compete against other housing agencies from much bigger cities with bigger budgets, yet we continue to grow and bring in these honors and resources. And it just can't be done without a great team here and a great community of families, neighbors, businesses and organizations of Beaumont. We all have much to be proud of."

We have seen much success in 70 years and we look forward to taking the progress to new heights in decades to come.



Year IN REVIEW 2011



When passion, pride, and great resources come together, amazing things can happen. Perhaps there is no finer example of this from 2011 than the building of Regent II. Regent II is more than our new subdivision in north Beaumont. It's a glimpse of "the bigger picture."

First, the Beaumont Housing Authority used our \$20 million grant from the U.S. Department of Housing and Urban Development to build the Regent I townhome development on what was the old Southeast Texas fairgrounds and demolished the decrepit Magnolia Gardens apartments and built Pointe North in its place. Then work began in early 2011 for the all new Regent II. Regent I and Pointe North offer apartments for rent, but Regent II offers 87 single-family homes for those who can demonstrate an ability to meet monthly mortgage payments.

The idea is to create an opportunity for [home-ownership](#) and to create an entirely new neighborhood, which is then put on the tax rolls.

BHA has partners that will help families repair their credit and train them on intensive household budgeting so that they can meet their mortgage payments, insurance payments and tax obligations. Regent II will be controlled by a homeowner's association to ensure the properties are kept up in good condition.

Regent II is the result of vision and responsibility, creating opportunity and community with one subdivision. This is a prime example of how we can assist families with shelter and the tools to become independent while also injecting new life into areas of Beaumont.

TAX CREDITS

In 2010, the Board of Directors for the Texas Department of Housing and Community Affairs approved a resolution authorizing the award of a 9% Housing Tax Credit allocation generated approximately \$15.5 million dollars in funding. This allocation is funding the demolition of the old Lucas Gardens and the building of its replacement, The Crossing.

"We realize that federal funding is becoming harder to obtain for revitalization projects," says Robert L. Reyna. "We must take full advantage of the private sector financing opportunities. Through the utilization of the Housing Tax Credit Program, we can compete in the private sector for funding opportunities that will mutually benefit our low and moderate income clients as well as benefit those private sector investors and syndicators seeking to take advantage of tax credit shelters for their public and private business ventures."

GRANT PROGRAMS

Family Self-Sufficiency & Resident Opportunities and Self-Sufficiency

Family Self-Sufficiency (FSS) helps BHA residents achieve economic independence. This program represents a bold approach to helping families leave the welfare system or low-paying jobs and achieve economic self-sufficiency. Using BHA housing programs as a stabilizing force permits the families to invest their energy in other efforts, including employment, education and job training, which are necessary to achieve self-sufficiency.

The **FSS Program** forms a unique partnership with social service agencies, churches, citizens and the business community to provide child care, transportation, computer training and other services necessary to help participating families become self-sufficient.



Pointe North Apartments

Families that participate sign a Contract of Participation that spells out the services to be provided to the family and the obligations the family agrees to assume. An Individual Training and Service Plan is designed for each participant that covers training, counseling and any other assistance.

During the term of the Contract of Participation, BHA establishes an interest bearing escrow account into which the FSS family will contribute. When the family completes the program, the target is for them to use the escrow amount towards moving into non-assisted private housing, or for a down payment on a home, leading to the ultimate goal of homeownership.



The **Resident Opportunities and Self-Sufficiency (ROSS)** grant program provides funds for job training and supportive services to help residents of public housing transition from welfare to work.

Services available through this program include job training for specific fields, job placement, educational training, college preparatory classes, and supportive services like transportation and child care.

SCHOLARSHIPS

Students living in our programs today have more opportunities available than ever before. The national, regional and state professional housing organizations offer various scholarships for students.

In May of 2011, one of Beaumont's own from Concord Homes was the recipient of a national scholarship.

Dorothy Bennett, valedictorian of Central Medical Magnet High School, received \$15,000 in college scholarships from the Public Housing Authorities Directors Association (PHADA) and Southwest chapter of The National Association of Housing and Redevelopment Officials (NAHRO). She was chosen from 60 nominees. Bennett also was awarded a one-year tuition exemption from the state of Texas, and she began attending Prairie View A&M University in the fall.



HOPE VI CSS Endowment



Regent I Apartments

The HOPE VI Community and Supportive Services Program is an important example of how BHA offers more than merely brick and mortar housing. The endowment brings services that will continue long after the [HOPE VI Program](#) ends. HOPE VI CSS services pull from a network of over 70 faith-based organizations, community-based organizations, local government agencies and educational institutions committed to assisting families. The various partners assembled for this program target everything from youth programs to senior services. These services are gathered based on intensive Need Assessment Surveys.



Power Castle

Power Castle Ministries is one such faith-based operation that caters to the youth of Regent I and Pointe North apartments. On a weekly and monthly basis, Power Castle's team provides an hour of after school activities, music, entertainment, and fellowship with children and teenage residents. The kids are provided sack lunches that they can bring home. Pastor Craig Larson says that Power Castle has been partners with BHA for fifteen years and that the BHA relationship has been wonderful, growing and expanding throughout the years.

See the next page for a list of more partners...

Texas A & M University Evaluation of the HOPE VI Program

The U.S. Department of Housing & Urban Development requires that housing authorities procure an evaluation team to study the success of their respective HOPE VI grants, and BHA has selected the Texas A&M University Research Foundation as their evaluation team.

The evaluation project has three overarching goals:

- To evaluate the degree to which the HOPE VI effort meets the stated goals and objectives as presented in the HOPE VI Revitalization Plan and the Community and Supportive Services Plan
- To measure the impact of the HOPE VI activities on residents and the entire neighborhood targeted by the program
- To establish a monitoring system to provide ongoing feedback to BHA about necessary programmatic changes

As TAMU completes their full and final assessment of our program, we are confident that the results of their assessment will sustain BHA's perception and that of the entire city.

PARTNERS of BHA

We are so proud to have the support and dedication from our fine partners:

Adult Protective Services	City of Beaumont Public Health Dept.	King's Dental	Some Other Place
Advantage Staffing	City of Beaumont Recreation Dept.	Lamar Institute of Technology	Southeast Texas Food Bank
Area Agency on Aging	Clairmont Skilled Nursing	Lamar University	Spindletop Center
BBVA Compass Bank	Consolidated Home Health	Lone Star Legal Aid	Texas AgriLife Extension Service
Beaumont Police Dept.	DARS	Memorial Home Health	Texas A&M University
Best Years Center	Entergy	Molina Health Care	TGIF Summer Food Program
Beaumont ISD	Family Connection	Mt. Gilead Baptist Church	The Salvation Army
Capital One	Family Services of Southeast Texas	Nutrition & Services For Seniors	Triangle AIDS Network
Catholic Charities	Franks Educational School	Power Castle Ministries	Triumph Church
Chase Bank	Golden Triangle Empowerment Center	Rapha Support Services	UTMB Regional Maternal & Child Health Program
Christian Women's Job Corps of Southeast Texas	Harbor Hospice	RISE	Workforce Solutions
Christus Health	Julie Rogers Gift of Life	South East Texas Regional Planning Commission	Programs for Human Services

EMPLOYERS

These Are Just Some of the Companies That Have Employees That Receive Assistance from BHA:

Academy Sports & Outdoors	Discount Tire Company	Lowe's
Advance Auto Parts	Dollar General	Market Basket
Altus	Dupont Education 1st Credit Union	MCM Elegante Hotel
Acadian Ambulance Service	Entergy	MidSouth Bank
Army Reserve	ExxonMobil	Mobil Oil Federal Credit Union
Atria Collier Park Senior Living	Family Dollar	Moncla's
Bank of America	FedEx	Motiva Enterprises
Baptist Memorial Hospital	Five Point Credit Union	Munro's Dry Cleaning
BASF	Ford Park	Murphy Oil USA
BBVA Compass Bank	Forest Lawn Funeral Home	Old Navy
Beaumont Enterprise	Girls Haven	Port Arthur ISD
Beaumont ISD	Goodyear	Port of Beaumont
Beaumont Home Health	Guaranty Bank	Port Neches Groves ISD
Best Buy	H&R Block	Ritter Lumber
Capital One	H.E.B.	Sam's Club
Catholic Charities	Hamshire Fannett ISD	Sears
Centerpoint Energy	Hardin Jefferson ISD	Southeast Texas Medical Associates
Chase Bank	HealthSouth Rehabilitation	Southeast Texas Municipal Airport
Christus Health	Hobby Lobby	State of Texas
Christus St. Elizabeth Hospital	Holiday Inn	Supercuts
City of Beaumont	Home Depot	Target
City of Dayton	Jason's Deli	Union Pacific Railroad
City of Port Arthur	JC Penney	United States Postal Service
Classic Chevrolet	Jackson Hewitt	UPS
Claybar Funeral Homes	Jefferson County	Valero
Coca-Cola Enterprises	Kaplan	Valvoline Express Care
Conn's	Kohl's	Vidor ISD
Continental Airlines	Kroger	Walgreens
CVS Pharmacy	Lamar University	Walmart
Delta Downs	L'Auberge Hotel & Casino	Wells Fargo
Department of Veterans Affairs	LifeShare Blood Center	West Corporation
Dillard's	Lamar Institute of Technology	World Gym

LUCAS & demolition construction of THE CROSSING

After 5 decades, the era of Lucas Gardens comes to an end. The 56-unit apartment complex on East Lucas Drive has been home to elderly and disabled residents since 1966, and in October of 2011 demolition commenced. BHA announced that it will soon be replaced with a new, state-of-the-art complex three times its size and exclusively for low to moderate income seniors of 55+ in 2012. The new property will be named The Crossing, a reference to the historic railroad track nearby and symbolizing BHA's new direction and new possibilities.



Valued at an estimated \$13 million, The Crossing is financed through an allocation of 9% Housing Tax Credits from the Texas Department of Housing and Community Affairs - the state's primary means of directing private capital toward the creation of affordable rental housing.



Funding from tax credits is made possible by selling them to private investors who can then apply them to their respective tax liabilities for the next ten years. The income from the sale of the tax credits for The Crossing amounts to roughly \$15 million. The city of Beaumont is also investing by way of new sidewalks in the area, new asphalt and other beautification to compliment The Crossing. The complex will consist of a combination of market rate and public housing apartments. Depending on the size of the apartment, renters who are tax-credit qualified will pay up to approximately \$600 per month. The Crossing includes a list of new features like wider hallways to allow for mobility scooters and vehicles, an accessible walking path, a fitness center and more. Residents will enjoy the energy efficient apartments with Energy Star appliances, fully-equipped kitchens, private balconies with French doors and more available amenities. The Crossing is set to open early summer 2012. Learn more at www.TheCrossingBeaumont.com

Azure Pointe

In July 2011, the Texas Department of Housing & Community Affairs awarded BHA a 9% Housing Tax Credit award of \$19.164 million dollars for the construction of Azure Pointe, a 140 unit mixed income property.

Azure Pointe, developed in partnership with NRP, Inc., will be located in far north Beaumont off of U.S. 69 and Chinn Lane. The property will feature an array of community amenities, including controlled gate access, a swimming pool, a fitness center, a computer lab, barbecue grills and picnic tables and a children's playground. Units will include energy efficient design with Energy Star rated appliances and covered patios and balconies.

Construction will begin in the fall of 2012, with units becoming available in the summer of 2013.

DID YOU KNOW?

A recent study by the National Association of Home Builders reveals that the direct impact of a typical 100-unit property developed through housing tax credits includes 122 full-time construction jobs, \$7.9 million in total wages and salaries, and \$827K in taxes and other revenue to state and local governments.

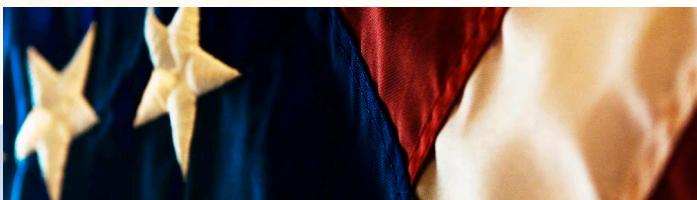
CREATING OPPORTUNITY

Considering the BHA's many wonderful new housing developments, improvements to existing units, and the plethora of programs available, the demand is quite high; and to say the waiting list is lengthy would be an understatement.

We maintain an exhaustive approval process to qualify individuals and families, which results in an ever-growing Waiting List. There are currently more than 3,800 families on the Public Housing waiting list and over 2,800 on our Section 8 Waiting List. Families may see five years before they reach the top of these lists without the benefit of a qualified preference. However, as it is our core goal to help as many people as we can, BHA makes it our responsibility to create opportunity wherever possible. Two of our proudest examples of this include our new Military & Veteran's Preference and Section 8 Working Preference.

MILITARY & VETERAN'S PREFERENCE

In November of 2011 BHA unveiled the implementation of a new housing preference for all active military personnel and widows of veterans as well as retired veterans who have been honorably discharged from a branch of the military. This distinction will help move their names to the top of the list.



This is way to generate an opportunity for the brave men and women who preserve, protect, and defend the rights and privileges of Americans. Statistics reveal that many active and retired military families are living at or below the poverty line both during and after their service.

Robert Reyna states, "This is unconscionable. Our men and women in uniform deserve every opportunity during and after their tour of duty to have access to all of the programs and services that BHA has to offer and we are very proud to make that opportunity available through this policy change."

WORKING PREFERENCE

Along with instituting the Military & Veteran's Preference policy, another window of opportunity is that of giving preference to those in the workforce. The Working Preference allows those who are employed with a full-time or part-time job to jump ahead in the list.

The policy acts as a reward for those who work and just need a hand up to become fully self sufficient.

SECTION 8 HOUSING

In the Housing Choice Voucher program, the prospective tenant selects rental housing of their choice from privately owned rental housing stock in the city. If the owner of the rental unit is willing to rent, BHA is responsible to determine if the unit is acceptable to program standards by conducting an inspection to determine if it meets the federal Housing Quality Standards (HQS). In addition, BHA is also responsible for conducting a rent comparability test to determine if the requested rent is reasonable when compared to the rents of similar rental housing in the area of the selected unit.

BHA is also required to decide if the requested rent is within the rent ceiling limits, established by HUD for the Beaumont area. These rental limits are known as the HUD Fair Market Rents (FMRs). If the dwelling meets these standards, BHA may execute a contract with the owner of the property.

BHA currently has 1,802 families on this program, and over 2,800 families on the waiting list.

NEW WEBSITE

In 2011 the re-design and re-organization of the Beaumont Housing Authority [website](http://www.bmtha.org) was unveiled.

The launch of the site was a product of carefully calculated feedback from visitors, employees, and partners alike. The website's content and layout are more conducive to navigating for the different audience types than ever before.

The site of bmtha.org has proved to be a convenient and professional platform for official releases, announcements, resources, documents and as an effective marketing tool.



SEMAP SCORES

HUD monitors the performance of the Housing Choice Voucher Program through an annual measurement instrument called the Section 8 Management Assessment Program (SEMAP).

BHA received a score of 99 on the SEMAP and was designated by HUD as a High Performer.



Awards AND HONORS

We are Proud to Share Our 2011 Awards with All of Our Families, Friends, Partners, and Community

2011 Southwest NAHRO Award – Accomplishment by an Agency
– Honoring our Bound for Success Program

2011 National NAHRO Award of Merit
– Hurricane Ike SSBG Program

2011 National NAHRO Award of Excellence
– Bound for Success Program



CONSOLIDATED INCOME STATEMENT

Combined Revenue and Expense Report For the Twelve Months Ended September 30, 2011

REVENUE

Total Tenant Revenue	\$2,956,643.00
HUD Contributions	\$15,757,248.00
Investment Income	\$20,052.00
Other Revenue	\$767,265.00

TOTAL REVENUE	\$19,501,208.00
----------------------	------------------------

EXPENSES

Administrative	\$4,325,017.00
Tenant Services	\$56,465.00
Utilities	\$578,871.00
Maintenance	\$1,484,477.00
General Expenses	\$459,844.00
Housing Assistance Payments	\$9,308,722.00
Equity Transfer	\$1,938,667.00
Interest Expense	\$645,704.00
Depreciation & Amortization	\$1,511,921.00

TOTAL EXPENSES	\$20,309,688.00
-----------------------	------------------------

SURPLUS/(DEFICIT)	(\$808,480.00)
--------------------------	-----------------------

RATING

BHA underwent its annual Independent Public Accountant (IPA) audit in 2011. We are pleased to report that BHA was given an "unqualified" rating, which is regarded as the best type of report an auditee may receive from an external auditor... the equivalent of receiving an A+ on a report card.

An "Unqualified" rating indicates:

- The financial statements have been prepared using the Generally Accepted Accounting Principles
- The financial statements comply with relevant statutory requirements and regulations
- There is adequate disclosure of all material matters relevant to the proper presentation of the financial information

The audit covered all of our programs and finances, including the \$52 million dollar HOPE VI grant, all of our federal and state grants, our payroll and employment accounts, our purchasing and procurement activities and our management of HUD funds for our Public Housing Operating Fund, Capital Fund and HCV Housing Assistance Payments and Administrative funds.



BEAUMONT HOUSING
AUTHORITY

*Opportunity
and Community*
for
SOUTHEAST TEXAS

Thank you for your interest and we appreciate your support.

If you have any questions about our plans for 2012, our housing, programs, grants,
or if you are interested in becoming a partner, please contact us today.

1890 LAUREL • BEAUMONT, TX 77701 • PHONE: 409.951.7200 • FAX: 409.951.7276

Visit Us Online Today at www.bmtha.org

Thank You
Our Dedicated Employees

Darrell Ardoin
Daniel Barrera
Dani Bellamy
Yvonne Blue
Robert Celestine
Sharon Charles
Swanola Chislum
David Ciampo
Rosette Cole
Cleveland Como
Sharetha Cooper
Jamie Davis
Brittany Deckard
Judy Doubt
Ronald Fisher
Kenneth Fontenot, Sr

Indeya Gilder
Melanie Grandi
Clarence Gray
Shawntelle Hillman
Jessica Isadore
Leonard James
Michelle Cavil Jones
Allison Landrum
Andre Lewis
Karon Little
Rolanda Mayo
Felicity McCarvy
Tuyet Nguyen
Paula Nicholas
Natalie Parks
Ev'Marie Peach

Jennifer Perez
Joyce Roach
Leanna Robles
John Scott
Jacquelyn Sostand
Karen Steward
Dana Stovall
Lekesha Tezeno
Karen Villanueva
Janet Watson
Jettis White
Stephanie Yarbrough

Robert L. Reyna
Executive Director