



**STRATEGIC HOUSING FINANCE CORPORATION**

**January 21, 2016**

**Strategic Housing Finance Corporation  
Resolution SHFC-2016-03**

**Resolution No. SHFC-2016-03:** To Approve the draft Employment Agreement for the Portfolio Manager/Executive Vice President

**WHEREAS**, SHFC Board of Directors interviewed and hired Mr. Patrick Howard as Portfolio Manager/Executive Vice President for the organization in May 2015; and

**WHEREAS**, At the time of hire, no Employment Agreement was collectively agreed upon and/or finalized; and

**WHEREAS**, Establishing stable leadership with clearly defined goals and expectations are paramount to the future success of SHFC; and

**WHEREAS**, An Interlocal Agreement established between HATC and SHFC provides the basis for the need to collaborate on matters related to the terms of an employment agreement that addresses Mr. Howard's joint role as HATC Executive Director and SHFC Portfolio Manager/Executive Vice President.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of SHFC hereby:

1. Approves Resolution SHFC-2016-03,
2. Authorizes the Executive Vice President to execute all relevant policies and procedures.

**Passed and approved the 21 day of January 2016.**

**Willie S. Anderson, President, Board of Directors**

**Attested and approved as to form:**

**Patrick B. Howard, Executive Vice President**



**Resolution No. SHFC-2016-03:** To Approve the draft Employment Agreement for the Portfolio Manager/Executive Vice President

**Background Information:**

Patrick Howard was hired and began working June 15, 2015 as the Portfolio Manager/Executive Vice President for HATC, while also agreeing to serve in the capacity of Interim Executive Director of HATC. At the time of hire, employment expectations were discussed, but a formal employment agreement was not collectively agreed upon by all parties. On January 7, 2016, the HATC Board voted to remove Mr. Howard's *Interim* status, designating him as the agency's permanent Executive Director. Additionally, the Board deferred the development of an employment agreement to its Budget, Finance, and Personnel Committee with the intention of collaborating with the SHFC Board or its recently-established 3-member Policy Committee on the development of said employment agreement that references duties and responsibilities related to providing leadership and management oversight of both organizations.

**Requested Action:**

Consideration and appropriate action regarding Resolution No. SHFC-2016-03: To Approve the draft Employment Agreement for the Portfolio Manager/Executive Vice President.

Board members have consistently expressed the need and desire to have stable, responsible leadership in place. The establishment of a comprehensive, collectively-agreed upon employment agreement for executive management ensures the organization's greater likelihood of achieving its strategic goals and objectives.

**Alternate Option:**

The Board of Directors could elect to not Approve the draft Employment Agreement for the Portfolio Manager/Executive Vice President.

**Fiscal Impact:**

N/A

**Attachments:**

A. Draft Employment Agreement

**Prepared and Approved by:**

Patrick B. Howard, Executive Vice President/Portfolio Manager

## EMPLOYMENT CONTRACT

### **EXECUTIVE DIRECTOR OF THE HOUSING AUTHORITY OF TRAVIS COUNTY**

**This Agreement is made on February XX, 2016, between the Housing Authority of Travis County (hereinafter known as "HATC") and Patrick Howard (hereinafter known as "Employee.")**

#### RECITALS

That The Housing Authority is engaged in providing housing for very low and low income families and maintains an office at 502 Highland Mall Boulevard, Suite 106B, Austin, Texas 78752.

That Employee is willing to be employed by the Housing Authority of Travis County (HATC) to perform functions on behalf of HATC and for the Strategic Housing Finance Corporation via an Interlocal Agreement, and HATC is willing to employ Employee, on the terms, covenants, and conditions hereinafter set forth.

For the reasons set forth above, and in consideration of the mutual promises and agreements hereinafter set forth, the Housing Authority and Employee agree as follows:

**SECTION ONE -EMPLOYMENT** – HATC hereby engages and hires Employee, contingent upon Employee providing a satisfactory DPS Criminal History report and negative drug screen, as Interim Executive Director of the Housing Authority of Travis County and Employee hereby accepts and agrees to serve and perform the duties and responsibilities of said position.

**SECTION TWO -BEST EFFORTS OF EMPLOYEE** -Employee agrees that he will at all times faithfully, industriously, and to the best of his ability, experience, and talents, perform all the duties that may be required of and from him pursuant to the express and implicit terms hereof, to the reasonable high standards of the both HATC and SHFC, when performing services for SHFC.

**SECTION THREE -RESPONSIBILITIES OF EMPLOYEE**- The Commissioners of HATC are appointed by the Commissioners Court of Travis County. All powers of the HATC are vested in the Board of Commissioners. Powers of the Commissioners include the employment of an Executive Director to perform the day to day operations, administrative and managerial work involving the administration and operation of the Housing Authority and its subsidiaries, and functions as the primary liaison between the Board of Commissioners, the U. S. Department of Housing and Urban Development (HUD), and local jurisdictions.

The Executive Director (Employee) shall be the Chief Executive officer of HATC, and shall act as Executive Vice President (Portfolio Manager) for SHFC pursuant to the agreement between HATC and SHFC, and, in that position, Employee's duties shall include the following:

- 1.) Is responsible to plan, develop, organize, coordinate, delegate, supervise and direct implementation of the Housing Authority's public housing, Section 8 and entrepreneurial programs.
- 2.) Provides for safekeeping of the Housing Authority's buildings, grounds, facilities, equipment, supplies, monies, files, records and documents.

- 3.) Serves as Executive Secretary of the Board of Commissioners (BOC) and as liaison between the BOC and Housing Authority staff.
- 4.) Attend BOC meetings and inform them of the status of activities and projects within the Housing Authority; develop and propose new policies or changes in existing policies; notify the BOC of changes or proposed changes in federal, state, or local legislation affecting the Housing Authority; provide the BOC with information on evaluation of efficiency and effectiveness of Housing Authority operations and provides recommendations for improvements.
- 5.) Is spokesman for the BOC when so authorized by the BOC Chairman.
- 6.) Responds to other BOC inquiries regarding Housing Authority plans and operations.
- 7.) Oversees preparation and submission of all budgets and revisions, revises and approves all Housing Authority expenditures and monitors funds for effective and efficient use.
- 8.) Develops organizational structure and plans, and implements internal policies, programs, goals and priorities.
- 9.) Negotiates contracts with outside agencies and companies for major maintenance service and management services.
- 10.) Makes policy, administrative, and management decisions concerning the daily operation of the Housing Authority.
- 11.) Discusses Housing Authority goals, priorities, problems, and concerns with officials, representatives, and members of the local government, news media, social and public service agencies, state government, and federal government.
- 12.) Is responsible for the employment, training, direction, supervision, utilization, discipline and termination of Housing Authority employees. Recommends to BOC a schedule of salary ranges and employee benefits and periodic revisions thereto. Reviews periodic reports on the accomplishments of assigned goals and objectives.
- 13.) Meets with residents concerning complaints and/or grievances and advises them of their rights to hearings according to the Housing Authority's procedures.
- 14.) Personally monitors, surveys and inspects various aspects of the Housing Authority's operations on a frequent and continuing basis, so that he has a general idea of conditions, appearance, problems, accomplishments and results at any given time.
- 15.) Pursuant to the agreement between HATC and SHFC, Oversee the SHFC's existing portfolio of affordable housing properties in accordance with the policies, goals and objectives established by the SHFC Board of Directors. This will include, in conjunction with the **Asset Manager**, oversight responsibilities with regard to property management, maintenance, and resident service programs. Additionally identify and work with development partners on new development opportunities for the Corporation. This position will also be the primary liaison with the Board of Directors, federal, state, and local entities.

- 16.) Monitors the Housing Authority's compliance with Federal, State and Local laws and regulations pertaining to the PHA. Prepares and submits reports and statistics required by such entities.
- 17.) Reviews and approves reports and other documents that are required by federal, state, and local jurisdictions.
- 18.) Attends professional meetings, seminars and conferences to keep abreast of new trends, activities and concepts in Public Housing. Supports, assists and works with other PHAs and affiliated organizations in joint efforts which are mutually beneficial. Volunteers new ideas, suggestions and recommendations to HUD as desired. At the request of HUD or affiliated groups, may assist in national training, orientation, planning and development seminars, conferences and workshops. May review proposed laws or regulations and recommend changes or improvements.
- 19.) Performs other duties as assigned.

**SECTION FOUR -TERM OF EMPLOYMENT** -The initial term of the Agreement shall be a period of three (3) years, commencing on January 7, 2016 and terminating on January 7, 2019. The Board of Commissioners will, on at least an annual basis, provide Employee with an evaluation that addresses both the Board of Commissioner's assessment of Employee's performance and expectations for future performance.

**SECTION FIVE -COMPENSATION OF EMPLOYEE** -The Housing Authority shall pay Employee and Employee shall accept from the Housing Authority, in full payment for Employee's services hereunder, compensation at the monthly rate of \$XXX base salary from HUD program funding plus \$4,550 monthly supplemental salary from non-program income to be provided by SHFC. Employee's salary may not be increased or reduced without approval of the Board of Commissioners. The percentage allocation is based on an expected 65%/35% split between HATC and SHFC. Employee will devote no less than 65% of his time to activities of the Housing Authority.

- (a) Employee is entitled to any additional compensation and benefits that are applied across the board to other Housing Authority employees. Additionally, Employee is entitled to annual incentive pay of 3.5 to 12.5 percent of their annual base salary, based on performance and/or completion of goals and objectives set by the HATC board.

**OPTIONAL LANGUAGE:**

- (a) Employee is entitled to any additional compensation and benefits that are applied across the board to other Housing Authority employees. Additionally, Employee is entitled to annual incentive pay of 3.5 to 12.5 percent of their annual base salary as established at the discretion of the Board, based on performance and/or completion of goals and objectives set by the HATC board.

Employee's salary will be payable in twenty-six (26) equal payments per annum, payable every two (2) weeks. Employee benefits may change as benefits for other employees generally are changed.

**SECTION SIX -ADDITIONAL COMPENSATION** -Employee shall receive the following benefits immediately upon employment.

- 1.) **Retirement Benefits** – The Housing Authority will contribute 10% of Employee's gross salary into the Housing Authority's Employee Retirement Fund.

- 2.) **Health Insurance – (including optical and Prescriptions)** -The Housing Authority will provide for health insurance on annual basis for 100% of Employee's premiums and 85% of the combined premiums for Employee and his eligible dependents.
- 3.) **Life Insurance** – Assuming normal insurability, the Housing Authority will provide \$100,000.00 of Life Insurance for Employee which will remain in force until the Employment Contract is terminated. Employee has the sole discretion to designate the beneficiary of said life insurance policy.

OPTIONAL LANGUAGE:

- 4.) **Car Allowance** – The Housing Authority will provide for a car allowance of \$500 per month.

OPTIONAL LANGUAGE:

~~3.) **Life Insurance** – Assuming normal insurability, the Housing Authority will provide \$100,000.00 of Life Insurance for Employee which will remain in force until the Employment Contract is terminated. Employee has the sole discretion to designate the beneficiary of said life insurance policy.~~

- 5.) **Transportation** -Employee will have the use of a Housing Authority vehicle with insurance under the Housing Authority's existing insurance policy, gasoline and maintenance. This vehicle is to be used for Housing Authority business including driving to and from work and reasonably incidental transportation during the regular work day
- 6.) **Leave** - Employee will accrue Annual Leave at the rate of 1.25 days per month, not to exceed 120 hours per annum. Employee will accrue 1.25 days of Sick Leave per month, not to exceed 120 hours per annum. Employee can only carry forward a maximum of 240 hours per year of unused annual leave and an unlimited amount of unused sick leave from year to year.
- 7.) **Holidays** -Employee will be entitled to 11 regularly scheduled paid holidays plus 3 personals day, 1 day for birthday, and 3 days of bereavement leave upon death of immediate family members. These are the same holidays that Regular Full Time HATC employees are entitled.

OPTIONAL LANGUAGE:

~~**Holidays** -Employee will be entitled to 11 regularly scheduled paid holidays plus 1 personal day and 3 days of bereavement leave upon death of immediate family members. These are the same holidays that Regular Full Time HATC employees are entitled. See 5.2, Personnel Policy, Observed Holidays.~~

**SECTION SEVEN -MODIFICATIONS OF CONTRACT** -No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the parties to charged therewith and no evidence of any, waiver or modification shall be offered or received in evidence of any arising out of or affecting this Agreement, or the rights or obligations, of the parties hereunder, unless such waiver or modification is in writing, duly executed as aforesaid, and the parties further agree that the provisions of his section may not be waived except as herein set forth.

**SECTION EIGHT -TERMINATION** -This Agreement may be terminated by either party by providing thirty (30) days written notice to the other with the exception noted below. If the Housing Authority shall so terminate this Agreement prior to the completion of the term of employment specified herein *without cause*, Employee shall be entitled to 6 months' salary and benefit at the level existing at the time of termination. If the Housing Authority shall so terminate this Agreement prior to the completion of the term of employment specified herein *with cause*, Employee shall be entitled to 1 month's salary and benefit at the level existing at the time of termination. In exchange for these severance payments, Employee will fully and completely release the Housing Authority from any and all claims or causes of action except for accrued salary and benefits, notwithstanding any other provision herein. If the reasons for termination *with cause* are malfeasance in handling HATC funds, conviction of any felony or Class A misdemeanor (or your pleas of guilty or no contest to any such charge), dishonesty, fraud, or self-dealing, no severance shall be paid and termination is immediate.

- 1.) **With Cause** - For the purposes of this Agreement, "Cause" includes, but is not limited to, any of the following as determined by the Housing Authority based on the information known to it at the time of termination: gross neglect of duty; intentionally engaging in any activity which is in conflict with or adverse to the business interests of the Housing Authority or any of its subsidiaries; willful or serious misconduct; insubordination; breach of fiduciary duty; failure, neglect, or refusal to perform duties in any material respect (other than by reason of a Disability); misfeasance or incompetence in any material respect; serious violation of the Housing Authority's Policies and Procedures; any material breach of this Agreement; or failure to maintain satisfactory PHAS and SEMAP scores within the sole discretion of the BOC.
- 2.) **Non-Solicitation** – Following a termination with or without cause, Employee agrees that during the period for which he is paid a severance (for 6 months following a termination without cause and for 1 month following a termination with cause), Employee will not, directly or indirectly, individually or on behalf of any other person, firm, partnership, corporation, or business entity of any type, solicit, assist or in any way encourage any current employee of HATC, SHFC or any subsidiaries thereof to end his or her employment relationship with HATC, SHFC or any subsidiaries thereof nor will he solicit the employment services of any former employee of HATC, SHFC or any subsidiary thereof who has left HATC's or SHFC's employment within the previous six (6) months. Employee also agrees that during this time period, he will not, directly or indirectly, individually or on behalf of any other person, firm, partnership, corporation, or business entity of any type, take away or attempt to take away, solicit or attempt to solicit, any equity partner or Customer of HATC or SHFC. For purposes of this section, "Customer" shall mean any company or business entity that HATC or SHFC does business with or provides services to or that he had contact with or performed services for during his employment with HATC. Employee agrees to this provision as consideration of the above referenced severance agreement and for other good and valuable consideration.
- 3.) **Non-Compete** - Following a termination with or without cause, Employee agrees that during the period for which he is paid a severance (for 6 months following a termination without cause and for 1 month following a termination with cause), Employee will not, directly or indirectly, participate in the ownership, management, operation, financing or control of, or be employed by or consult for or otherwise render services to, any person, corporation, firm, or other entity that engages in the conduct of the business of SHFC as conducted or as proposed to be conducted, nor shall he engage in any other activities that materially conflict with his obligations to HATC or SHFC.
- 4.) **Consulting** – Following a termination with or without cause, Employee agrees that during the period for which he is paid a severance for 6 months salary following a termination without cause and for 1 month following a termination with cause, Employee will consult with HATC and SHFC up to 2 hours per week without additional pay if requested to do so by HATC or SHFC.

**SECTION NINE -SEVERABILITY** -All agreements and covenants contained herein are severable, and in the event any of them shall be held to be invalid by a competent court, this Agreement shall be interpreted as if such invalid agreements or covenants were not contained herein.

**SECTION TEN -CHOICE OF LAW** -It is the intention of the parties hereto that this Agreement and the performance hereunder and all suits and special proceedings hereunder be construed in accordance with and under and pursuant to the laws of the State of Texas and that in any action, special proceeding, or other reason of this Agreement, the law of the State of Texas shall be applicable and shall govern the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted. The venue of any dispute is Travis County, Texas.

In witness whereof, the parties have executed this Agreement in Travis County, State of Texas, on the \_\_\_\_ day of \_\_\_\_\_, 2016.

Housing Authority of Travis County

\_\_\_\_\_  
Patrick Howard

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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