

BYLAWS OF THE HOUSING AUTHORITY OF THE COUNTY OF HIDALGO, TEXAS

ARTICLE I – THE AUTHORITY

Section 1. Name of Authority. The name of the Authority shall be “THE HOUSING AUTHORITY OF THE COUNTY OF HIDALGO, TEXAS” (AUTHORITY).

Section 2. Seal of Authority. The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority.

Section 3. Office of Authority. The offices of the Authority shall be at such places in the County of Hidalgo, Texas, as the Board of Commissioners of the Authority may from time to time designate by resolution.

Section 4. Authorization. The Authority was created by Resolution adopted by the Commissioners Court of the County of Hidalgo on May 4, 1948 pursuant to Article 1269K V.T.C.S.

ARTICLE II – COMMISSIONERS

Section 1. Appointment. The Authority shall be governed by a Board of Commissioners of five persons appointed by the Commissioners Court of Hidalgo County for two year terms pursuant to Article 1269K, V.T.C.S. The Authority shall act only through its Board of Commissioners except as specifically authorized herein. The

present Commissioners and their terms are set forth as follows:

Name	Term
Commissioner Lita Leo	May, 2014 – May, 2016
Commissioner Eloy Avila	May, 2013 - May, 2015
Commissioner Alberto Trevino	May, 2014 – May, 2016
Commissioner Greg Garcia	May, 2012 – May, 2014
Commissioner Sergio Diaz	May, 2013 – May, 2015
Secretary to the Board Mike Lopez	May, 2014 – May, 2016

Section 2. Compensation. Commissioners shall receive no compensation for their services but shall be entitled to reimbursement for necessary expenses, including travel expenses, incurred in the discharge of duties as commissioner.

ARTICLE III – OFFICERS

Section 1. Officers. The officers of the Authority shall be a Chairman, a Vice-Chairman and a Secretary (who shall be the Executive Director).

Section 2. Chairman. The Chairman shall preside at all meetings of the Authority. Except as otherwise authorized by resolution of the Authority, the Chairman shall sign all contracts, deeds and other instruments on behalf of the Authority and perform all other duties incident to this office.

Section 3. Vice-Chairman. The Vice-Chairman shall perform the duties of the Chairman in the absence or incapacity of the Chairman and in case of the resignation or death of the Chairman, the Vice-Chairman shall perform such duties as are imposed on the Chairman until such time as the Authority shall elect a new Chairman.

Section 4. Secretary. The Secretary shall keep the records of the Authority, shall act as Secretary at the meetings of the Authority, and record all votes and keep a record of the minutes of the Authority and shall perform all duties incident to this office. The Secretary shall keep in safe custody the seal of the Authority and shall have the power to affix such seal to all contracts and instruments authorized to be executed by the Authority.

Section 5. Election of Officers. The officers of the Authority shall be elected at the annual meeting of the Authority from among the Commissioners of the Authority, and shall hold office for one year or until their successors are elected and qualified. In case of the absence or incapacity or both the Chairman and Vice-Chairman, the other Commissioners of the Authority may elect an Acting Chairman to serve during the period of absence or incapacity of the Chairman and Vice-Chairman.

Section 6. Attendance-Removal. Should any Commissioner miss three consecutive regular meetings without being excused by the remaining Commissioners, the office shall be declared vacant and filled in accordance with these Bylaws.

Section 7. Vacancies of Office. Should the offices of Chairman and Vice-Chairman become vacant, the Authority shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of said office.

Should the office of any Commissioner be declared vacant, the Commissioners Court of Hidalgo County shall appoint a replacement.

ARTICLE IV – EXECUTIVE DIRECTOR

Section 1. Appointment- Duties. The Board of Commissioners shall appoint an Executive Director of the Authority who shall have general supervision over the administration of the business and affairs of the Authority, subject to the direction of the Board of Commissioners of the Authority. The Executive Director shall have primary responsibility for management of the housing projects of the Authority and supervision of personnel. The Executive Director shall also serve as Secretary of the Board of Commissioners.

Section 2. Other Duties. The Executive Director shall have primary responsibility for the care, custody and management of all funds of the Authority and shall deposit the same in such bank or banks as the Board of Commissioners of the Authority may select. The Executive Director shall prepare all orders and checks for the payment of money and shall pay out and disburse such money under the direction of the Board of Commissioners of the Authority. Except as otherwise authorized by Resolution of the Authority, all such orders and checks shall be signed by the Executive Director and one other member of the Board of Commissioners. The Executive Director shall keep regular books of account showing receipts and expenditures and shall render to the Board of Commissioners of the Authority, at each regular meeting (or more often if requested), an account of the transactions and financial condition of the Authority.

Section 3. Bond. The Executive Director and all other employees responsible for handling Authority funds shall give such bond for the performance of their duties as required by the Board of Commissioners and in accordance with any applicable laws.

Section 4. Compensation. The compensation of the Executive Director shall be determined by the Board of Commissioner of the Authority.

ARTICLE V – ADDITIONAL EMPLOYEES

The Authority may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the Housing Authorities Law of the State of Texas, and all other applicable laws. The selection and compensation such personnel shall be determined by the Authority subject to applicable laws.

ARTICLE VI – MEETINGS

Section 1. Regular Meetings. The Board of Commissioners of the Authority shall have at least one regular meeting each month on the last Wednesday at such time and at such locations as determined by the Chairman of the Board of Commissioners. If such date falls on a legal holiday, the meeting shall be re-scheduled by the Chairman of the Board of Commissioners.

Section 2. Annual Meetings. The annual meeting of the Board of Commissioners of the Authority shall be held on the last Wednesday of May each year at such time and at such locations as determined by the Chairman of the Board of Commissioners. If such date falls on a legal holiday, the annual meeting shall be rescheduled by the Chairman of the Board of Commissioners.

Section 3. Special Meeting. The Chairman of the Board of Commissioners may call Special Meetings as necessary for the conduct of Authority business and shall call a Special Meeting at the request of the at least three members of the Board of Commissioners, such meeting to be held within seven (7) days of such request.

Section 4. Quorum. A quorum at any meeting shall consist of three Commissioners present and voting.

ARTICLE VII – ANNUAL BUDGET AND AUDIT

A. ANNUAL BUDGET:

The Board of Commissioners shall adopt a budget for the forthcoming year at the annual meeting subject to the following restrictions:

1. No expenditure may be approved or authorized which is inconsistent with these Bylaws or applicable law or regulations.
2. Budget expenditures shall not exceed funds available for the forthcoming year.

B. FINANCIAL AUDIT:

At the annual meeting, the Board shall select a certified public accountant to provide an annual audit report for the preceding year. The audit shall be due on or before August 30 of each year unless extended by the Board.

ARTICLE VIII – RESTRICTIONS ON COMMISSIONERS AND EMPLOYEES

Section 1. Interested Commissioners or Employees. No Commissioner or employee of this Authority shall acquire any interest direct or indirect in any housing project or in any property included or planned to be included in any project, nor any

interest or indirect in any contract or proposed contracts for materials or services to be furnished or used in connection with any housing project. If any Commissioner or employee of the Authority owns or controls an interest direct or indirect in any property included or planned to be included in any housing project, the Commissioner or employee immediately shall disclose the same in writing to the Authority and such disclosure shall be entered upon the minutes of the Authority. Failure to so disclose such interest shall constitute misconduct in office.

Section 2. Removal of Commissioners. For inefficiency or neglect of duty or misconduct in office, a Commissioner of the Authority may be removed by the Commissioners Court of Hidalgo County, but a Commissioner shall be removed only after being given a copy of the charges at least ten (10) days prior to hearing thereon and provided with an opportunity to be heard in person or by counsel. In the event of the removal of any Commissioner, a record of the proceedings, together with the charges and findings thereon, shall be filed in the office of the County Clerk of Hidalgo County.

ARTICLE IX – POWERS OF AUTHORITY

The Authority shall constitute a public body corporate and politic exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate its purposes including the following powers in addition to others herein granted:

Section 1. To sue and to be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the Authority; and to make and from time to time amend and repeal ByLaws, rules, and regulations, not in

consistent with applicable law, to carry into effect the powers and purposes of the Authority.

Section 2. Within Hidalgo County: to prepare, carry out, acquire, lease, and operate housing projects; to provide for the construction, reconstruction, improvement, alteration, or repair of any housing project or any part thereof.

Section 3. To arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works, or facilities for, or in connection with, a housing project or the occupants thereof; and (notwithstanding anything to the contrary contained in any applicable law) to include in any contract in connection with a project, stipulations requiring that the contractor and any subcontractors comply with the requirements as to minimum wages and maximum hours of labor, and comply with any conditions which the Federal Government may have attached to financial aid of the project.

Section 4. To lease or rent any dwellings, houses, accommodations, lands, buildings, structures, or facilities embraced in any housing project and to establish and revise the rents or changes therefore; to own, hold, and improve real or personal property; to purchase, lease, obtain options upon, acquire by gift, grant, request, devise, or otherwise any real or personal property or any interest therein; to acquire by the exercise of the power of eminent domain any real property; to sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal property or any interest therein, to insure or provide for the insurance of any real or personal property or operations of the Authority against any risks or hazards; to procure insurance or guarantees from the Federal Government of the payment of any debts or parts thereof (whether or not incurred

by said Authority) secured by mortgages on any property included in any of its housing projects.

Section 5. To invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control; to purchase its bonds at a price not more than the principal amount thereof and accrued interest, all bonds so purchased to be cancelled.

Section 6. Within Hidalgo County: to investigate into living, dwelling, and housing conditions and into the means and methods of improving such conditions; to determine where slum areas exist or where there is a shortage of decent, safe, and sanitary dwelling accommodations for persons of low income; to make studies and recommendations relating to the problem of clearing, replanning, and reconstructing of slum areas, and the problem of providing dwelling accommodations for persons of low income, and to cooperate with the State of Texas or any political subdivision thereof in action taken in connection with such problems; and to engage in research, studies and experimentation on the subject of housing.

Section 7. Acting through one or more Commissioners or other person or persons designated by the Authority; to conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for its information; to administer oaths, issue subpoenas requiring the attendance of witnesses or the production of books and papers and to issue commissions for the examination of witnesses who are outside the State or unable to attend before the Authority, or excused from attendance; to make available to appropriate agencies

(including those charged with the duty of abating or requiring the correction of nuisances or like conditions, or of demolishing unsafe or unsanitary structures within its area of operation) its findings and recommendations with regard to any building or property where conditions exist which are dangerous to the public health, morals, or safety or welfare.

Section 8. To exercise all or any part or combination of powers granted by law.

ARTICLE X – OPERATION NOT FOR PROFIT

It is hereby declared to be the policy of the Authority to manage and operate its housing projects in an efficient manner so as to enable the Authority to fix the rentals for dwelling accommodations at the lowest possible rates consistent with providing decent, safe and sanitary dwelling accommodations. The Authority shall not construct or operate any such project for profit, or as a source of revenue to Hidalgo County. To this end, the Authority shall fix the rentals for dwellings at no higher rates than necessary in order to produce revenues which (together with all other available moneys, revenues, income, and receipts from whatever sources derived) will be sufficient (a) to pay, as the same become due, the principal and interest on the bonds of the Authority; (b) to meet the cost of, and to provide for, maintaining and operating the projects (including the cost of any insurance) and the administrative expenses of the Authority; and (c) to create (during not less than six (6) years immediately succeeding its issuance of any bonds) a reserve sufficient to meet the largest principal and interest payments which will be due on such bonds in any one year thereafter and to maintain such reserve.

ARTICLE XI – RENTALS AND TENANT SELECTION

In the operation or management of housing projects the Authority shall at all times observe the following duties with respect to rentals and tenant selection:

- (a) Rent or lease dwelling accommodations only to persons of low income and at rentals within the financial reach of such persons.
- (b) Rent or lease to a tenant dwelling accommodations consisting of the number of rooms (but no greater number) deemed necessary to provide safe and sanitary accommodations to the proposed occupants thereof, without overcrowding.
- (c) Not accept any person as a tenant if the person or persons who would occupy the dwelling accommodations have an aggregate annual income in excess of five (5) times the annual rental of the quarters to be furnished such person or persons except that in the case of families with three (3) or more minor dependents such ratio shall not exceed six to one; in computing the rental for this purpose of selecting tenants, there shall be included in the rental the average annual cost to the occupants, of heat, water, electricity, gas, cooking range, and other necessary services or facilities, whether or not the charge for such services and facilities is in fact included in the rental.

ARTICLE XII – EMINENT DOMAIN

The Authority shall have the right to acquire by the exercise of the power of eminent domain any interest in real property, including a fee simple title thereto, deemed necessary for its purposes after the adoption of a resolution declaring that the acquisition of the real property described therein is necessary for such purposes.

ARTICLE XIII – BONDS

The Authority shall have power to issue bonds from time to time in its discretion, for any of its corporate purposes. The Authority shall also have power to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it. The Authority may issue such types of bonds as it may determine, including bond on which the principal and interest are payable; (a) exclusively from the income and revenues of the housing project financed with proceeds of such bonds, or with such proceeds together with a grant from the Federal Government in aid of such project; (b) exclusively from the income and revenues of certain designated housing projects whether or not they were financed in the whole or in part with the proceeds of such bonds; or (c) from its revenues generally. Any of such bonds may be additionally secured by a pledge of any revenues or a mortgage of any housing project, projects, or other property of the Authority.

Neither the Commissioners of the Authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The Bonds and other obligations of the Authority (and such bonds and obligations shall so state on their face) shall not be debt of the County of Hidalgo, the State of Texas or any political subdivision thereof, and neither nor the County of Hidalgo nor the State of Texas or any political subdivision thereof shall be liable thereon, nor in any event shall such bonds or obligations be payable out of any funds or properties other than those of the Authority. The bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

ARTICLE XIV – ORDER OF BUSINESS

Section 1. ORDER OF BUSINESS. At all regular meetings of the Authority, the following shall be the order of business.

- a. Roll Call
- b. Reading and Approval of Minutes of the Previous Meeting
- c. Report of transactions and financial condition
- d. Reports of Officers & Committees
- e. Additional Agenda items
- f. Executive Session (if authorized)
- g. Adjournment

Section 2. RESOLUTIONS. All resolutions shall be in writing and shall be in writing and shall be copied into the minutes, which shall be kept by the Secretary.

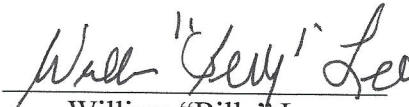
Section 3. MANNER OF VOTING. Voting on all questions shall be by roll call, the votes by yeas and nays being entered upon the minutes of each meeting.


ARTICLE XV – AMENDMENTS

The ByLaws of the Authority shall be amended only with the approval of at least three (3) members of the Authority at a regular or special meeting, but no such amendment shall be adopted, unless the proposed amendment is submitted in writing, to all members of the Authority, at least 7 days before such meeting.

ADOPTED with amendments approved by the Board of Commissioners
of the Housing Authority of the County of Hidalgo, Texas on the 6th day of April, 2011.

ATTEST:


William "Billy" Leo
Chairman


Mike Lopez,
Secretary