

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

GOVERNING BOARD MEETING

VIA TELEPHONE AND WEB LINK

November 5, 2020
9:04 a.m.

MEMBERS:

LESLIE BINGHAM, Vice Chair
PAUL A. BRADEN, Member
SUSAN THOMASON, Member
LEO VASQUEZ, Member

BOBBY WILKINSON, Executive Director

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ITEM 1: APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:	
ASSET MANAGEMENT	
a) Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application 02005 Brenham Oaks Brenham 19344 Patriot Place El Paso	
b) Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Land Use Restriction Agreement 02070 Woodview Apartments Wichita Falls 02174 Gateway Village Seniors Beaumont 05236 Clifton Manor Apartments I and II Clifton 05237 Bel Aire Manor Apartments Brady 05238 Hamilton Manor Apartments Hamilton 08195 St James Village Apartments Houston 11120 La Promesa Apartments Odessa	
MULTIFAMILY FINANCE	
c) Presentation, discussion, and possible action regarding the issuance of Determination Notices for 4% Housing Tax Credit Applications 20486 Old Manor Senior Austin ETJ 20489 Horizon Pointe San Antonio ETJ	
d) Presentation, discussion, and possible action on a Determination Notice for Housing Tax Credits and an Award of Direct Loan Funds (#20462, Sunland Country Apartments, Harlingen)	
e) Presentation, Presentation, discussion, and possible action on a Determination Notice for Housing Tax Credits and an Award of Direct Loan Funds (#20463, Trinity Oaks, Sulphur Springs)	
f) Presentation, discussion, and possible action regarding a waiver of 10 TAC §11.101(b)(1)(C) of the Qualified Allocation Plan for Cavile Place in Fort Worth, Tarrant County	

- g) Presentation, discussion, and possible action on an order adopting the repeal of 10 TAC Chapter 13, concerning the Multifamily Direct Loan Rule, and an order adopting the new 10 TAC Chapter 13 concerning the Multifamily Direct Loan Rule, and directing its publication in the *Texas Register*

LEGAL

- h) Presentation, discussion, and possible action regarding the adoption of an Agreed Final Order concerning related properties Twentyfive25 f/k/a The Grove at Trinity Mills (Bond # MF009, CMTS 2529), Solaire f/k/a Heritage Square (Bond # MF011, CMTS 2562), The Finley f/k/a The Highlands (Bond # MF012, CMTS 2535), 600 East f/k/a Stone Ridge (Bond # MF014, CMTS # 2519)
- I) Presentation, discussion, and possible action regarding the adoption of an Agreed Final Order concerning related properties Mitay Inc Scattered Site (HTC 92009 / CMTS 1026), 2512 Thorne (HTC 70046 / CMTS 2344), and 1213 Pecan (HTC 70083 / CMTS 912)

BOND FINANCE

- j) Presentation, discussion, and possible action on an order adopting the repeal of 10 TAC Chapter 12, concerning the Multifamily Housing Revenue Bond Rules, and an order adopting new 10 TAC Chapter 12 concerning the Multifamily Housing Revenue Bond Rules, and directing its publication in the *Texas Register*

SINGLE FAMILY & HOMELESS PROGRAMS

- k) Presentation, discussion, and possible action on Orders repealing all sections of 10 TAC Chapter 23, Single Family HOME Program, and Orders adopting new 10 TAC Chapter 23, Single Family HOME Program, concerning HOME single family activities, and directing their publication in the *Texas Register*

RULES

- l) Presentation, Discussion and Possible Action on the statutory four-year rule review and re-adoption of 10 TAC Chapter 1, Subchapter D, Uniform Guidance for Recipients of Federal and State Funds, §1.406 Fidelity Bond Requirement, §1.407 Inventory Report, and §1.408 Travel;

and directing their publication for adoption in the *Texas Register*

- m) Presentation, discussion, and possible action on an order adopting the repeal, and new rule, for 10 TAC Chapter 1, Subchapter D, Uniform Guidance for Recipients of Federal and State Funds, §1.401 Definitions, §1.402 Cost Principles and Administrative Requirements, §1.403 Single Audit Requirements, §1.404 Purchase and Procurement Standards, §1.405 Bonding Requirements, §1.409 Records Retention, §1.410 Determination of Alien Status for Program Beneficiaries; and an order and directing their publication for adoption in the *Texas Register*

COMMUNITY AFFAIRS

- n) Presentation, Discussion, and Possible Action on the 2021 Section 8 Payment Standards for the Housing Choice Voucher Program (HCVP)

CONSENT AGENDA REPORT ITEMS

ITEM 2: THE BOARD ACCEPTS THE FOLLOWING REPORTS:

- a) Outreach and Activities Report
(October-November)
- b) Report on Activities Related to the Department's Response to COVID-19 Pandemic
- c) Report on the Department's 4th Quarter Investment Report in accordance with the Public Funds Investment Act
- d) Report on the Department's 4th Quarter Investment Report relating to funds held under Bond Trust Indentures

ITEM 3: RULES

Presentation, discussion, and possible action on repeal of and proposed new 10 TAC Chapter 2 Enforcement, Subchapter A General, Subchapter C Administrative Penalties, and Subchapter D Debarment to be published in the *Texas Register* for public comment 8

ITEM 4: MULTIFAMILY FINANCE

Presentation, discussion, and possible action on an order approving and recommending to the Governor the repeal of 10 TAC Chapter 11 concerning the Housing Tax Credit Program Qualified Allocation Plan, and an order approving and recommending to the Governor in accordance with Tex. Gov't Code §2306.6724(b) 20

the new 10 TAC Chapter 11 concerning the Housing Tax Credit Program Qualified Allocation Plan, and, upon action by the Governor, directing its publication in the *Texas Register*

PUBLIC COMMENT ON MATTERS OTHER THAN ITEMS FOR WHICH THERE WERE POSTED AGENDA ITEMS 91

EXECUTIVE SESSION None

OPEN SESSION None

ADJOURN 93

P R O C E E D I N G S

1
2 MS. BINGHAM: Good morning. Welcome to the
3 November meeting of the Governing Board of the Texas
4 Department of Housing and Community Affairs. My name is
5 Leslie Bingham, and I'll be chairing the meeting today, and
6 will now call us to order.

7 We'll take roll call first to establish quorum.
8 Mr. Braden?

9 MR. BRADEN: Here.

10 MS. BINGHAM: Ms. Thomason?

11 MS. THOMASON: Here.

12 MS. BINGHAM: And Mr. Vasquez?

13 MR. VASQUEZ: Here.

14 MS. BINGHAM: Great. So we do have a quorum.
15 Bobby, before you lead us in the Pledge of Allegiance, just
16 because I know -- so I see that there are about 100 people
17 attending the meeting today. And we will be reviewing the
18 QAP, and we anticipate that we'll have some comments, maybe
19 comments on several items, but we may have considerable
20 comment on a couple of already-identified items.

21 So what we're going to ask anyone that wants to
22 make comments on Item 4, which would be our QAP item on the
23 agenda, if they could help Renee by differentiating whether
24 they're going to speak on a part of the QAP that is related
25 to supportive housing or an item that is not related to

1 supportive housing. And that will help us kind of start to
2 organize those comments so that we can make sure that we
3 address all of the comments.

4 Good. Great. So Bobby, will you lead us in the
5 pledge?

6 (Pledges are recited.)

7 MS. BINGHAM: Thanks, Bobby. Let's move on to
8 the consent agenda. We'll ask the Board and staff if there
9 are any items on the consent agenda that they would like to
10 either move to action items or to table or that need to be
11 removed.

12 (No response.)

13 MS. BINGHAM: Great. Hearing none, we'll
14 entertain a motion on the consent agenda.

15 MR. BRADEN: Move to approve consent agenda.

16 MS. BINGHAM: Okay. I have a motion from Mr.
17 Braden. Is there a second?

18 MS. THOMASON: I second. I'm reading lips
19 because I can't hear you.

20 MS. BINGHAM: If there are no further questions
21 or discussion, all those in favor, aye?

22 (A chorus of ayes.)

23 MS. BINGHAM: Opposed?

24 (No response.)

25 MS. BINGHAM: Great. Motion carries. Thank you

1 very much. That will take us to the action items.

2 We have Item 3, Patricia Murphy.

3 MS. MURPHY: Good morning. Patricia Murphy,
4 Director of Compliance. Item 3 on your agenda is
5 rulemaking related to the Department's enforcement rule.
6 This rule is made up of four subchapters, and staff is
7 proposing repeal and replacement of three of them.

8 The subchapter related to the Community Affairs
9 and Homelessness Programs is not included in this
10 rulemaking. The significant changes are noted in your
11 Board write-up, and there are just a few of them that I'd
12 like to highlight.

13 Subchapter D addresses debarment. Section
14 2306.0504 is the section of the statute that covers
15 debarment, and there are really two different
16 considerations. There is a "shall debar" and there is a
17 "may debar."

18 The statute says that the Department shall debar
19 a person from participation in a Department program if the
20 person materially or repeatedly violates any condition
21 imposed by the Department or if they are debarred by HUD.
22 It also says that the Department may debar a person from
23 participation on the basis that the person's failure to
24 comply with any condition imposed by the Department in the
25 administration of its program.

1 So this rule is where staff is suggesting what
2 things should be considered a "may debar" event and what
3 instances should be a "shall debar" event. Although the
4 rule is a repeal and replace, it is shown in your Board
5 book in blackline so that everyone can see the changes.
6 Many items are being moved from "shall debar" to "may
7 debar."

8 For example, co-mingling of funds and
9 misapplication of funds is being moved from "shall debar"
10 to "may debar." Commingling and misapplication of funds
11 sounds pretty bad, but there might be a story behind that,
12 justifying why it does not merit debarment.

13 Staff is also recommending changes to what
14 should be considered a material or a repeated violation
15 which would result in a debarment. Under the proposed
16 rule, a uniform, physical condition standard inspection
17 that results in a score of 70 or below in sequential UPCS
18 inspection would be considered a material violation and a
19 "shall debar" event.

20 In addition, persons who control five or more
21 actively monitored developments shall be considered for
22 debarment if 50 percent of those developments are referred
23 to the Enforcement Committee or if 50 percent of the
24 person's actively monitored development score a 70 or below
25 during a UPCS inspection. These changes would apply only

1 after the rule goes into effect.

2 A virtual roundtable was held on Friday,
3 September 11, 2020 to discuss the proposed amendments and a
4 recording of the webinar was made available on the
5 Department's website and YouTube channel. The office
6 received very little feedback about this proposed rule.

7 Staff recommends approval of the rule, as shown
8 in your Board book, for publication in the *Texas Register*
9 to solicit public comment. And I'm available to answer any
10 questions you might have.

11 MS. BINGHAM: Thanks, Patricia. Does the Board
12 have any questions for Patricia? I have not seen anyone
13 come up on the -- oh, excuse me. Mr. Braden?

14 MR. BRADEN: Patricia, is the debarment a
15 specific number of years or it's just till they correct
16 these actions?

17 MS. MURPHY: Debarment is -- it's an interesting
18 thing. It's entirely in this Board's control; it doesn't
19 go through SOAH or some other administrative process.

20 So either the Compliance Division or any [audio
21 skip] agency could refer someone for debarment on the basis
22 of this rule for the "may debar" or "shall debar." Then
23 the Enforcement Committee would hear it and see -- make a
24 recommendation, if they indeed do trip the wire for "shall
25 debar." They would recommend a term for debarment. Then

1 it goes to the Executive Director, and then it comes to
2 you.

3 It comes to this Board, who can decide on the
4 term, and so the rule is open-ended for how long is the
5 term for any of these things. The recent ones that staff
6 has recommended, where the Board doubled the recommended
7 term that the staff was suggesting, and there's other ones
8 that have been a really short term for debarment.

9 So it's entirely up to the Board.

10 MR. BRADEN: Okay. Thank you.

11 MR. WILKINSON: Patricia, I have a question. Is
12 this your last Board meeting?

13 MS. MURPHY: Yes, this is my last Board meeting.
14 Public comment should be submitted to Wendy Quackenbush.

15 MR. WILKINSON: Is this, like, your 500th or
16 1,000th TDHCA --

17 MS. MURPHY: I haven't counted, but you're
18 probably right in the ballpark. Yes.

19 MS. BINGHAM: Wow.

20 MR. WILKINSON: As y'all know, Patricia has been
21 a huge part of this team for many years, and -- either
22 within the Department and nationally. I have a statement
23 that I would like to read. "It gives me great pleasure to
24 congratulate Patricia on her 25 years of stellar work at
25 TDHCA, and to wish her a rewarding retirement.

1 "During her extensive career, she's played an
2 instrumental role in the Department's compliance activities
3 and has provided substantial guidance, training and
4 leadership, not only to her staff, but to TDHCA's partners
5 as well. Her purview includes a significant portion of the
6 Department's activities, and includes tax credit
7 compliance, inspections, single family monitoring,
8 community affairs monitoring, previous participation, and
9 single audit.

10 "Among her major achievements is the creation of
11 the physical inspection section and the implementation of
12 the uniform physical condition standard for property
13 inspections, which has helped ensured that the people we
14 serve have a decent, safe and sanitary place to live. Her
15 efforts have played a significant role in the Department's
16 being a lead voice among state housing finance agencies,
17 and her absence will be felt, not only in TDHCA, but
18 nationwide.

19 "Patricia's influence is not limited to TDHCA.
20 In addition to being a champion for the Department's
21 affordable housing and community affairs programs, she has
22 opened her heart and home to many foster children over the
23 years, powerfully advocating for society's most
24 disadvantaged and vulnerable.

25 "Patricia has consistently given her time to

1 help building a better community for all. She is an
2 exemplary role model for all public servants helping to
3 work for a better tomorrow and a shining example of how one
4 tenacious person can meaningfully benefit countless others.

5 "Patricia, [audio skip] your hard work, your
6 passion, your dedication, your leadership, and most of all
7 the smiles you put on faces time and time again. On behalf
8 of TDHCA and my colleagues, I wish you success and the very
9 best in all your future endeavors."

10 MS. MURPHY: Thank you, Bobby. Thank you for
11 those kind words. In 25 years, it's hard to believe
12 I've -- half my life I've worked at TDHCA in the Compliance
13 Division.

14 But it's time for me to go and it's time for
15 Wendy and Earnest to spread their wings. And they're more
16 than capable and ready to take on this challenge of -- we
17 have the nation's largest affordable housing portfolio, and
18 it's a big job. And they're more than ready to take over.

19 And I have really enjoyed working with you,
20 Bobby, and Homer and the Board, and this is just a really
21 great opportunity for me. So thank you.

22 MR. WILKINSON: Please answer our calls, because
23 we'll have some questions, I'm sure.

24 MS. MURPHY: Yes, of course.

25 MS. BINGHAM: I'm telling you right now, it

1 looks like Patricia's parting gift is no comments on some
2 of these items. So we'll just take -- you know, on behalf
3 of the Board, just take the opportunity to echo everything
4 that Bobby said.

5 We're definitely a better organization and a
6 better state, thanks to all of your efforts. So you will
7 be greatly missed. But I know you've been a great leader
8 and so we look forward to carrying on your legacy.

9 All right. Let's see. Okay. So we --
10 literally, that wasn't a joke. It doesn't look like we
11 have any comments queued up for Item 3.

12 So let's see, then we will entertain a motion
13 for approval of Item 3 on the agenda. Is there a motion?

14 MR. VASQUEZ: So moved.

15 MS. THOMASON: Move to approve.

16 MS. BINGHAM: Let's see. We'll have Ms.

17 Thomason moves to approve, and then we heard Mr. Vasquez
18 second. Is there any further discussion on this item?

19 (No response.)

20 MS. BINGHAM: Okay. I'll call for a vote. All
21 those in favor, aye?

22 (A chorus of ayes.)

23 MS. BINGHAM: Opposed.

24 (No response.)

25 MS. BINGHAM: Great. Motion carries. All

1 right.

2 Just -- so here's a little wrinkle here. I
3 guess we moved a little too quickly through the consent
4 agenda. So it looks like we have someone that wanted to
5 speak to Item 1(d).

6 It doesn't say -- yeah -- Item 1(d). And then
7 we have somebody that wishes to speak on Item 1(f). So I'm
8 wondering if -- so we had a motion from Mr. Braden and a
9 second from Ms. Thomason on the consent agenda.

10 Would you prefer to hear the comments before you
11 make a determination on your motion, or would you like to
12 withdraw the motion and second?

13 MR. BRADEN: I'm willing to do it either way. I
14 mean, if we want to reconsider 1(d) and 1(f) to hear the
15 comments, I'm okay with that as well. You know, if Bobby
16 or Beau have an opinion on this?

17 MS. BINGHAM: Is Beau on?

18 MR. ECCLES: Beau is on.

19 MS. BINGHAM: Hi, Beau. Would you prefer that
20 we just amend the motion to pull off (d) and f)? Or what
21 would be the best order?

22 MR. ECCLES: How about a motion to hear comments
23 on these, and we'll see if the previous motion needs to be
24 amended?

25 MS. BINGHAM: Awesome. Great.

1 MR. BRADEN: I'll make a motion to hear comments
2 on Consent Agenda Item 1(d) and Consent Agenda Item 1(f).

3 MS. BINGHAM: I have a motion from Mr. Braden to
4 comment on Consent Agenda Items 1(d) and 1(f). Is there a
5 second?

6 MR. VASQUEZ: Second.

7 MS. THOMASON: Second.

8 MS. BINGHAM: Great. I hear Ms. Thomason's
9 second. All those in favor, for -- aye?

10 (A chorus of ayes.)

11 MS. BINGHAM: Opposed?

12 (No response.)

13 MS. BINGHAM: Motion carries. Great. Renee,
14 let's hear the comments on Agenda Item 1(d).

15 MS. NORRED: Okay. We are looking for Sunny
16 Philip to unmute. Sunny, you are unmuted. Can you hear
17 us?

18 MR. PHILIP: Yes, I can. Can you hear us?

19 MS. NORRED: Okay. Yes.

20 MR. PHILIP: Okay. Well, we would like to make
21 a comment in case -- if there is any questions, since the
22 Board is voting in favor of it, we simply want to say,
23 thank you, and we are looking forward to continuing that.

24 MS. BINGHAM: Okay. Thanks so much, Sunny.
25 Sorry about missing you prior, but thank you.

1 MR. PHILIP: No problem. Thank you.

2 MS. BINGHAM: Great. All right. Renee, how
3 about 1(f)?

4 MS. NORRED: We have Elizabeth Roehm. We are
5 finding her to unmute.

6 MS. BINGHAM: Great.

7 MS. NORRED: Elizabeth, you should be unmuted.

8 MS. ROEHM: Hi, there. I'm sorry. Good
9 morning. Hi. I'm Elizabeth Roehm, staff attorney at Texas
10 Housers. This agenda item, 1(f), is about waiving TDHCA's
11 existing rule, which is in the 2021 and proposed 2021 QAP
12 that prohibits use of LIHTC in an area with failing schools
13 where they've had TEA's lowest rating for two years in a
14 row.

15 Texas Housers believes that the existing
16 prohibition on building housing in an area with a failing
17 school is the right policy. Applicants should not be able
18 to use housing tax credits in an area where kids will have
19 to go to a failing school.

20 If the Board disagrees and feels compelled to
21 approve this waiver, then it should stipulate that the
22 project give every parent living in the LIHTC development
23 the option for free, dependable transportation to allow
24 their child to attend a high-performing school.

25 This should be a permanent option until all the

1 schools in the area have a consistent performance level of
2 C or above, and this should be written into the LURA. If
3 you're going to compel people to live in an area with a
4 failing school system, you need to give parents a viable
5 option to get their children into a better school.

6 That would be appropriate mitigation for waiving
7 this important school quality requirement for the QAP.
8 Thank you so much.

9 MS. BINGHAM: Thank you, Elizabeth. Does the
10 Board have any questions for Elizabeth on that item?

11 (No response.)

12 MS. BINGHAM: Okay. We have -- I think that's
13 all of the comments on those two public comment -- I mean,
14 consent agenda items. So we have -- we had taken action,
15 motion and second, from Braden and Thomason originally on
16 the consent agenda.

17 That would then stay as it is, unless anybody
18 wants to amend the -- that motion or second. Mr. Braden,
19 are you okay where you were?

20 MR. BRADEN: Yeah. I'm okay where we were. I
21 thought staff's write-up with respect to Item 1(f)
22 indicated the extensive mitigation and their recommendation
23 was for the waivers. I'm okay with the waiver.

24 MS. BINGHAM: Great. Ms. Thomason, are you
25 still okay with your second?

1 MS. THOMASON: Yes.

2 MS. BINGHAM: Great. Then, I don't think --
3 Beau, we can move on. We don't need to take any other
4 action on consent. The motion, the second, and the vote
5 still carry. Correct?

6 MR. ECCLES: That is correct.

7 MS. BINGHAM: Great. Thank you. Thanks very
8 much. All righty.

9 Then, moving back to Item 4, Marni, we are
10 trying to organize some of the comments. We have a few
11 comments. We had asked the commenters to specify whether
12 or not they were going to be speaking to supportive housing
13 or an item other than supportive housing.

14 I have a few that did that, that did
15 differentiate, and then I have a few that just put QAP. So
16 I do have -- so we basically just have the differentiation
17 for a few commenters that are going to speak on supportive
18 housing.

19 MS. NORRED: Vice Chair Bingham?

20 MS. BINGHAM: Yes?

21 MS. NORRED: I'd like to make a request really
22 quick about Item 4. If you have volunteered speakers for
23 Item 4, can you please make sure that they indicate in the
24 questions box that they would like to speak? Thank you.

25 MS. BINGHAM: Great. Thank you, Renee. All

1 right. Why don't we -- Marni, why don't you review the
2 item and we'll see if our process for public comment kind
3 of refines while you're going over the item with us?

4 MS. HOLLOWAY: Okay. We had discussed moving
5 the supportive housing item to the end of the presentation.

6 Would you like to do that?

7 MS. BINGHAM: Correct.

8 MS. HOLLOWAY: I will discuss all the other
9 changes, and then we'll take up the supportive housing
10 piece at the end, and that should kind of help everything
11 get organized.

12 MS. BINGHAM: Great.

13 MS. HOLLOWAY: Item 4 is "Presentation,
14 discussion, and possible action on an order approving and
15 recommending to the Governor the repeal of 10 TAC
16 Chapter 11 concerning the Housing Tax Credit Program
17 Qualified Allocation Plan, and an order approving and
18 recommending to the Governor in accordance with Tex.
19 Government Code §2306.6724(b) the new 10 TAC Chapter 11
20 concerning the Housing Tax Credit Program Qualified
21 Allocation Plan, and, upon action by the Governor,
22 directing its publication in the *Texas Register*."

23 And I think that's probably the longest agenda
24 item we've ever -- title we've ever had. Statute requires
25 that the Board adopt the QAP on or before November 15 and

1 then we submit it to the Governor, who will approve, reject
2 or modify and approve, not later than December 1.

3 After the Governor responds, the final QAP will
4 be effective 20 days after it is submitted to the Texas
5 Register. Public comment on the draft QAP was accepted
6 between September 18 and October 9. We have reviewed all
7 of the comments that were received and provided a reasoned
8 response in the Board action request.

9 Also included are the preamble and required
10 analysis for the repeal and replacement of the QAP. We are
11 required to analyze and address certain potential impacts
12 of amended or replaced rules and include the results of our
13 analysis in the *Texas Register* publication.

14 We have received comment from 177 entities or
15 individuals this year, and unlike past years, very little
16 of it was repeated. 148 of those comments addressed the
17 proposed changes to the supportive housing definition.

18 Today we are discussing the comments and changes
19 that staff are proposing as a result. This will be the
20 last opportunity for the Board to make any changes to the
21 2020 QAP before it is transmitted to the Governor. There
22 were some changes requested in the comments that we were
23 not able to make because of limitations on rulemaking in
24 the Administrative Procedures Act. I'm sure that Beau will
25 be able to keep us on track with any potential changes out

1 of your deliberations today.

2 So starting off -- and, Renee, if you would go
3 to the next slide, please, in the presentation. In our BAR
4 [phonetic], we described a technical correction to 11.4(c)
5 regarding increases in eligible bases for tax-exempt bond
6 development.

7 Unfortunately, the language in the BAR and in
8 the QAP are incorrect. The correct language is on the
9 slide that Renee is showing us. And rather than read it to
10 you, what this change does is align our rule with federal
11 requirements for applications that seek to preserve
12 expiring QCTs for SADDAs for the following year.

13 Applicants must submit a complete application to
14 the issuer and provide certification to the Department to
15 make sure that the correct language is in the QAP that goes
16 to the Governor and is ultimately published. So I just
17 wanted to make sure that you knew of that correction in
18 that particular section and that's very important for our 4
19 percent applicants.

20 One of the comments that we received is not
21 included in your book. We neglected to include the letter
22 from the Rural Rental Housing Association of Texas. This
23 is the group that represents USDA developers.

24 Their comments are similar to ones we received
25 from others, and as we work through them, I'll let you know

1 what part of the rule they addressed in their letter so
2 that you are aware of those comments that were published.
3 I'm going to very briefly describe the comments that we
4 received and then any changes that we made as a result.

5 So starting off, in definitions for applicable
6 percentage, a commenter pointed out that fixing the 4
7 percent applicable percentage has been included in several
8 draft bills in Congress and requested that the definition
9 allow the fixed rate to be used if adopted, which is
10 already included in that definition. But they also
11 requested that we use the percentage applicable at
12 underwriting rather than at application, and staff is
13 recommending that the proposed change be accepted.

14 Next, regarding the two-mile, same-year rule,
15 commenters are concerned that the two-mile, same-year rule
16 impedes the development process in some cities and suggests
17 that any city should have the ability to waive the
18 requirement, if approved by local officials. The
19 requirements of this rule are -- implement our statute. So
20 we are recommending no changes, based on this comment.

21 Under competitive tax credit set-asides, a
22 commenter requested changes to applicants' eligible to
23 participate in at-risk set-asides. Because those
24 applicants are defined in our statute, staff is suggesting
25 no changes to the rules.

1 Under tiebreaker factors, two commenters suggest
2 only using distance, as opposed to the current multi-step
3 system, as does the Rural Rental Housing association.
4 Another commenter suggested the current tiebreaker should
5 not be changed. Staff is recommending no changes based on
6 these comments at this time.

7 Regarding pre-application threshold criteria, a
8 commenter pointed out an inconsistency across the QAP
9 regarding dates that neighborhood organizations must be on
10 record. We have made changes throughout to align those
11 requirements to 30 days prior to the application acceptance
12 period. So this impacts pre-application thresholds and
13 notifications in several sections.

14 Under notification recipients, a commenter
15 described difficulty in determining the accurate address
16 for neighborhood organizations and requests that language
17 regarding a reasonable search be added. Staff believes
18 that the term "reasonable search" is difficult to define
19 and could lead to confusion among applicants regarding the
20 requirements, so we recommend no changes.

21 Under pre-application results, a commenter
22 points out that applicants may not know if they have a need
23 for multifamily direct loan funds at pre-application in
24 order to submit a request for preliminary determination,
25 and they ask that this deadline be moved to the application

1 delivery date. Staff appreciates that applicants may not
2 know the full financing structure at the pre-application
3 deadline for their development.

4 The preliminary determination is intended to
5 serve a similar purpose as a lender letter for applicants
6 seeking only multifamily direct loan funds as permanent
7 financing. So as a compromise, we've moved that deadline
8 to February 12.

9 Under sponsor characteristics, two commenters
10 note that the proposed conditions discourage nonlocal
11 nonprofits from competing in the 9 Percent Program and
12 prevent local nonprofits from having the ability to expand
13 outside their footprint. Those commenters recommend
14 striking the language related to nonprofit organizations in
15 regards to not being a related party to, or affiliate of
16 the applicant, developer or guarantor.

17 We appreciate these concerns. They are
18 something we fully intend to address during the 2022 QAP
19 planning process. Now, we are a little more comfortable
20 with our pandemic limitations and being neutral to gather
21 input, we will be certain to take this one up. It's been
22 kind of hanging out there for a little while, and we need
23 to get it resolved.

24 Under Resident Services, two commenters have
25 concerns regarding owner's flexibility to change services.

1 The requirements for changing supportive services,
2 however, are in the asset management rule, which was not
3 out for comment during this period. So we're recommending
4 no changes.

5 Other opportunity index -- three commenters
6 opposed the increase of mile distances for certain
7 amenities. We've made these changes in order to expand the
8 number of potential development size and we are
9 recommending no changes, based on those comments.

10 Another commenter pointed that language is
11 missing regarding property rights, and we have made her
12 suggested change to the opportunity index item.

13 Under underserved area, a commenter requested
14 that the minimum population be reduced from 100,000 to
15 50,000. This suggestion would cause substantive changes
16 from what was proposed and require republication of the
17 QAP, so staff is recommending no changes at this time.

18 Under proximity to job areas, 11 commenters
19 request that the Department not make any modifications for
20 the radius or job thresholds in the proximity to our
21 scoring item. And five commenters all proposed various
22 changes in regard to thresholds or radius. Staff believes
23 that these divergent suggestions would require substantive
24 changes from what was proposed and would require
25 republication of the QAP, so we are recommending no changes

1 based on their comments for this year.

2 Further, readiness to proceed -- three
3 commenters, including the Rural Rental Housing Association,
4 proposed that readiness to proceed should not apply for
5 applications under at-risk or the USDA set-asides.

6 In particular, because these are units that are
7 already on the ground and occupied, staff agrees and has
8 made that change. Other commenters suggest the readiness
9 point category be entirely removed and another requests a
10 later deadline.

11 In contrast, two commenters support the
12 extension of the readiness measure to four years. Staff
13 understands the complexity of the concerns surrounding the
14 readiness item, and in response to all the commenters on
15 this proposed rule, and in particular, timing of issues
16 related to the pandemic, staff recommends the points for
17 this scoring item be suspended for the 2021 tax credit
18 round.

19 Under local government support, Commenter 62 has
20 requested clarification regarding development sites that
21 are partially within a municipality and an ETJ or county.
22 This is something that staff will provide clarification on
23 in writing on a case-by-case basis, so we're recommending
24 no changes at this time.

25 Under commitment of development funding by local

1 political subdivisions, a few commenters request that
2 commitments from HOME, CDBG, or other local funding to
3 developments should be weighed more heavily. This scoring
4 item implements our statute which describes a de minimis
5 amount for that contribution, and the requested change
6 would significantly disadvantage applications in
7 communities that do not use these or do not have access to
8 these fund sources, so staff is recommending no change.

9 Under concerted revitalization plan, a commenter
10 notes that developments in certain communities that could
11 qualify for points under the opportunity index may apply
12 under CRP in order to take advantage of statutory
13 requirements that the highest scoring CRP be awarded in
14 those communities. The commenter proposes that if an
15 application is eligible for opportunity index points, then
16 they should not be eligible for CRP points. Staff believes
17 that this statute is concise enough that this change would
18 not be allowed.

19 Three commenters have concerns for the rules
20 regarding CRPs preventing municipalities from determining
21 what development plans are eligible, and that compromises
22 local control. Another commenter states that the
23 additional efforts required by the QAP are subjective.

24 This is another one that we believe that the
25 suggestions represent sufficiently substantive changes that

1 would require republication of the QAP's comments.

2 Therefore, we are recommending no changes at this time.

3 Under cost of development per square foot, one
4 commenter opposes the increase, and another supports it.
5 Staff is recommending no changes.

6 Under undesirable site features, a commenter
7 proposed that a local resolution be accepted for shorter
8 distances where the current rules require an ordinance.
9 Another commenter opposes the added exemption to exempt
10 parking areas from the allowed distance to high-voltage
11 power lines. Staff believes, again, that these are
12 substantive changes that would require republication of the
13 QAP, and we are recommending no changes to the rule.

14 Under neighborhood risk factors, five commenters
15 and the Rural Rental Housing Association suggest that the
16 TEA school ratings requirement should be removed from
17 threshold. Two commenters support the proposed language
18 regarding the most recent TEA school ratings. One
19 commenter proposes the suspension of the requirement for
20 mitigation for 2021 applications. So one supports and
21 another opposes.

22 A commenter requests that supportive housing
23 developments where all units are one bedroom be added to
24 developments that are exempt from the school threshold.
25 Another comment proposes alternative mitigation for school

1 districts that have wider enrollment or school choice.
2 While staff appreciates all the commenters' recommendations
3 and concerns, we believe that these suggestions would
4 require republication of the QAP for public comment, and we
5 recommend no changes.

6 Also, under neighborhood risk factors, one
7 commenter continues to oppose a change that was made to the
8 2020 QAP, which allowed a high poverty rate to be mitigated
9 with a resolution from the governing body of the
10 community. While we appreciate the commenter's
11 recommendations and concerns, these changes would require
12 that the QAP be republished.

13 Under community supportive services, a commenter
14 is suggesting increasing the number of points awarded for
15 specific service coordination or part-time resident
16 services coordinator to incentivize these services. Staff
17 disagrees with the premise that these services should be
18 awarded more points when considered in context with all of
19 the other points items, and recommends no changes.

20 Under development requirements and restrictions,
21 a commenter describes an update to the 2018 International
22 Green Construction Code. Because only the title of the
23 code was in the rule, any updates will automatically
24 incorporated without a change to the draft language. Staff
25 recommends no change based on these comments.

1 Under deficiency process, a commenter notes that
2 several 2020 applications were allowed to provide missing
3 or additional documentation for scoring items during the
4 deficiency review, and suggests that if this continues to
5 be allowed, then TDHCA should revise or renew their
6 reception for the QAP in regards to deficiencies at issue.

7 This is a revision that would represent a substantive
8 change. Staff is recommending no changes at this time.

9 Under experience required, six commenters
10 objected to the new language regarding HUB service not
11 meeting that experience requirement, and they point out
12 that HUB -- that the HUBs participate in the process of
13 development, construction, and operation of the proposed
14 development, therefore -- thereby already having met the
15 experience requirement. Staff intends to address
16 suggestions regarding HUBs in conjunction with the
17 sponsorship characteristics during the 2022 QAP planning
18 process. In addition, we have recommended clarifying
19 language be added to the experience requirement section.

20 Another commenter proposed that multiple parties
21 be able to aggregate their experience in order to qualify
22 for an experience certificate. This suggestion will be a
23 substantive change, and staff is recommending no changes
24 based on it.

25 Under development costs, a commenter requests

1 that the proposed language, which is "and the source of
2 their cost estimate," be further described. In order to
3 better understand and evaluate an application, staff must
4 have access to accurate information. The source of a
5 particular cost is not a matter of evaluation, but rather a
6 point of information. Staff recommends no changes.

7 Under rental assistance and subsidy, a commenter
8 requests that the phrase "must be provided" be removed from
9 the stricken language. This proposed language is in
10 accordance with the requirements described in statute and
11 we are recommending no changes in those comments.

12 Under feasibility report, four commenters and
13 the Rural Rental Housing Association suggest removing the
14 requirement for acquisition and rehabilitation, only
15 applications provided feasibility reports, as it is
16 burdensome and unnecessary. Staff agrees with these
17 concerns, and we've excluded acquisition and rehabilitation
18 developments from that requirement.

19 Under appraisal review, four commenters suggest
20 that the appraisal review fee be removed entirely. Staff
21 recommends that these commenters with similar concerns
22 participate in our 2022 QAP planning process so we can
23 better understand their concerns. We recommend no changes.

24 Under direct loan -- and this is in the
25 underwriter section of the QAP -- a commenter is concerned

1 that the described calculation could have a negative impact
2 on the feasibility conclusion for a direct loan
3 application, particularly given the structures and
4 requirements typical of supportive housing. And while
5 staff is aware of the commenter's concerns, the Department
6 is required by federal funding sources to show that the
7 development is not over-subsidized. Commenters that
8 support other methodologies -- methodology, wow -- should
9 clarify them during the 2022 QAP planning process.

10 So that's all of the changes before supportive
11 housing. Are there any questions on that part?

12 MS. BINGHAM: Great. Thank you. Thanks, Marni.

13

14 Does the Board have any questions on the
15 comments that Marni went over on the QAP?

16 MR. VASQUEZ: Are we going to get comments first
17 on these exceptions, or --

18 MS. BINGHAM: Yes. I think -- in fact, would
19 you mind just making a motion to hear comments?

20 MR. VASQUEZ: Sure. I'd like to move to hear
21 comments on the parts addressed so far.

22 MS. BINGHAM: Great. Thank you very much. So I
23 have a motion from Mr. Vasquez to hear comments. Is there
24 a second?

25 MR. BRADEN: Second.

1 MS. BINGHAM: Mr. Braden seconds. All those in
2 favor, aye?

3 (A chorus of ayes.)

4 MS. BINGHAM: Opposed?

5 (No response.)

6 MS. BINGHAM: Very good. So we have been able
7 to organize commenters. So we're going to try to hear
8 comments on items other than supportive housing items.

9 Renee, I have -- the first three I have are
10 Donna Rickenbacker, Robbye Meyer and Elizabeth Roehm.

11 MS. NORRED: That is correct. We will start
12 with -- is that who --

13 MS. BINGHAM: Yes.

14 MS. NORRED: -- start with Donna Rickenbacker?

15 MS. BINGHAM: That's --

16 MS. NORRED: Donna, you are unmuted. Can you
17 hear us? Oh, Donna, you are self-muted. Can you unmute
18 yourself, please?

19 MS. RICKENBACKER: Yes. I'm unmuted.

20 MS. NORRED: Perfect.

21 MS. RICKENBACKER: Can you hear me? Good.

22 MS. NORRED: Yes, ma'am.

23 MS. RICKENBACKER: I'm first. Okay. Good
24 morning, Bobby and Board members. My name is Donna
25 Rickenbacker. I'm with Marque.

1 First, I want to thank staff for all of its hard
2 work in working through these reasoned responses to a lot
3 of public comment. And I do hope that next year we can
4 take a holistic approach to each of these scoring
5 categories and make some substantive changes in 2022.

6 That being said, my question is clarification of
7 the experience requirement, which based on staff's changes,
8 excludes a HUB that participated in the eligible -- in an
9 eligible development or developments from qualifying to
10 receive an experience certificate.

11 I do support staff's change. Before I get to my
12 questions, though, I want the Board to recognize that an
13 application receives sponsor characteristic points for
14 including a HUB that has experience in the housing
15 industry, which can be achieved in multiple ways, or
16 includes a qualified nonprofit organization.

17 The HUB or the nonprofit must materially
18 participate in the development and in the operation of the
19 development throughout the compliance period. So an
20 applicant gets points in their application for this
21 involvement.

22 So my question is whether this change excludes
23 qualified nonprofit participation, as well. And will this
24 change be applied retroactively to include a HUB that
25 received an experience certificate in prior rounds based

1 solely on their participation in an eligible development or
2 developments?

3 MS. BINGHAM: Thanks, Donna. Marni, do you want
4 to provide any background for that one?

5 MS. HOLLOWAY: Certainly. As far as Donna's
6 question regarding nonprofits, no, there's no impact to
7 nonprofits in any way. And regarding anyone who currently
8 has an experience certificate based on HUB participation,
9 no, we are not going to go back and take away an experience
10 certificate.

11 What we will be looking for if a HUB comes to us
12 with -- looking for an experience certificate, is something
13 more than an agreement between the HUB and the applicant.
14 We're going to look for them to be participants in a
15 developer agreement and an LCA, documentation of a deeper
16 level of participation than just an agreement between two
17 parties.

18 MS. BINGHAM: Thanks, Marni. Does the Board
19 have any questions for Donna or Marni?

20 (No response.)

21 MS. BINGHAM: Okay. Thank you. Thanks very
22 much. Robbye Meyer will be the next one, Renee?

23 MS. NORRED: Robbye, you are self-muted. Can
24 you please unmute yourself?

25 MS. MEYER: I am? Can you hear me?

1 MS. NORRED: Yes, ma'am.

2 MS. MEYER: Good morning, Madame Chair, Board.
3 My name is Robbye Meyer. I'm speaking to the same item
4 that Ms. Rickenbacker just spoke to. I made a comment in
5 September on this same agenda item, and it had to do with
6 the experience certificate as well.

7 There was different language that was added in
8 September. That has been struck, and they've now added
9 this new language as an agreement between the HUBs listed
10 as a participant on a previous application, and the person
11 then can follow that thing.

12 I'm not really sure that I'm fully agreeing to
13 that language. I think maybe it gives some protection, but
14 I would rather see no language be added this year and allow
15 the stakeholders, as we've been promised for a couple of
16 years now, to revamp the sponsor characteristics
17 participation, as well as this section, and just not add
18 any language this year.

19 Let's talk about it in 2021 and add that
20 language in 2022. I think that is the best decision to
21 make. I mean, we've lived with it this long. I don't know
22 what one more year is going to make that much difference.
23 I would appreciate that, I being a HUB, and wanting that
24 experience certificate. You know, I'd like to have that
25 opportunity.

1 Additionally, you know, we have the same sort of
2 problem with the new fees that were added to the appraisal
3 part of this year's QAP. For those that have to submit
4 appraisal to the Department for their application, and now
5 there's an additional fee for another appraisal. And this
6 doesn't seem, you know, realistic when you're having two
7 appraisals to the same lender, in essence.

8 That's just driving up the cost of affordable
9 housing. Again, I would like to see, you know, pause on
10 that one for 2021. Let's sit back and discuss that and see
11 the best way to do that, and then fix it in 2022.

12 Again, this is another thing we've been doing
13 for several years. Waiting one more year, I don't think,
14 is going to be that unrealistic to wait on. I appreciate
15 your time, and thank you.

16 MS. BINGHAM: Thank you, Robbye. Does the Board
17 have any questions of Robbye or staff on those comments?

18 (No response.)

19 MS. BINGHAM: Okay. All right. Renee,
20 Elizabeth?

21 MS. NORRED: Yes. We're looking for Elizabeth
22 Roehm, and then we have one more person after Elizabeth for
23 the QAP.

24 Elizabeth, you are self-muted. Can you please
25 unmute yourself?

1 MS. ROEHM: Hi, there.

2 MS. NORRED: Hi, Elizabeth.

3 MS. ROEHM: Can you hear me?

4 MS. NORRED: Yes, ma'am.

5 MS. ROEHM: Great. Hi. This is Elizabeth Roehm
6 again, staff attorney at Texas Housers. Thanks for taking
7 our comments on the QAP, both written and verbal. We
8 appreciate all the time and effort that staff have put in
9 to updating the QAP this year.

10 For years, Housers has -- Texas Housers has been
11 advocating for using the QAP to incentivize development in
12 areas with great schools and low poverty, areas where
13 people would choose to live, where people do choose to live
14 when they have the resources to make that choice. And to
15 that end, we're very disappointed to see the weakening of
16 the opportunity index in the 2021 QAP draft before the
17 Board today.

18 This seven point opportunity index area is
19 already non-competitive with nearly all applications
20 claiming the full seven points in 2020. By increasing the
21 distances to most amenities, developers can now create
22 LIHTC housing farther from grocery stores, pharmacies,
23 child care, libraries and recreational options.

24 Tenants mean nothing in this senseless bargain
25 that will only move bidding wars and competition to

1 cheaper, less desirable sites. We urge the Board to
2 refrain from allowing this drastic change in the
3 opportunity index in a year with minimal opportunity for
4 public engagement in the QAP process.

5 Similarly, the removal of the mitigation
6 requirement for failing schools and the neighborhood risk
7 factor section of the QAP moves us farther from a world
8 where low income people can readily access great schools.
9 The existing mitigation requirements, which I'll go
10 through, are still written in the QAP but not applicable
11 for 2021, but they're still completely relevant and
12 achievable in our current pandemic climate. There is no
13 reason to remove these, except to weaken the rules around
14 school quality in the QAP.

15 The Board should enforce the existing mitigation
16 requirements, which are, one, requiring specific plans and
17 current progress for the campus improvement planning goals
18 and restoring the school to an acceptable rating status.
19 Campus improvement plans are existing documents, and this
20 additional write-up requested by the QAP does not
21 constitute a substantial burden to create even during this
22 pandemic.

23 Mitigation item two asks the applicants to
24 provide space on site for early childhood pre-K programs
25 through an agreement with the school district or Head Start

1 provider. This is a promise for future activities well
2 after the 2021 application cycle and is still a reasonable
3 ask of an applicant in 2021.

4 And the final mitigation item three requires
5 that, until the school achieves a rating above a C, the
6 applicant will operate an after-school learning center with
7 on-site educational services. If the school rating remains
8 at a failing D or F, the applicant should be able to
9 provide these educational services years in the future.

10 Just because we're in a pandemic now should not
11 mean that children living in LIHTC five or 10 years from
12 now should suffer in poor-performing schools. The Board
13 should strongly consider reinstating use of the existing
14 mitigation language for 2021 applicants.

15 Lastly, and this is about supportive housing,
16 but I'll be brief on this, we want to reiterate our
17 disappointment about the criminal screening criteria as
18 being kept in the supportive housing definition in this
19 draft before you today. As Texas Housers has stated
20 before, we're troubled by the disparate impact this rule
21 could have in blocking people of color from accessing
22 LIHTC's supportive housing, and you can see our written
23 comment for more on that.

24 We hope that in 2021, TDHCA can find a way to
25 provide a roundtable process for collaboration and input

1 throughout the summer so we can come to better outcomes for
2 Texas tenants in the 2022 QAP. Thank you so much.

3 MS. BINGHAM: Thank you, Elizabeth. Are there
4 any questions for Elizabeth or staff on those comments?

5 (No response.)

6 MS. BINGHAM: And we do hear you. I know this
7 year -- this summer did pose quite a challenge in terms of
8 trying to get stakeholder feedback. So we look forward to
9 things being a little back to normal hopefully by next time
10 we're looking at this, but we appreciate all the effort
11 that staff made and all the comments from the stakeholders.

12 I think, Renee, that looks like -- you did have
13 Eric Samuels, but it looks like Eric is going to comment on
14 a supportive housing --

15 MS. NORRED: Yes.

16 MS. BINGHAM: -- item, so I don't think I have
17 anybody else for --

18 MS. NORRED: There --

19 MS. BINGHAM: -- item, other than that.

20 MS. NORRED: -- there is. Antoinette Jackson
21 wants to speak on the QAP as well.

22 MS. BINGHAM: Okay.

23 MS. NORRED: So we're going to find her to
24 unmute her.

25 MS. BINGHAM: Okay.

1 MS. NORRED: Antoinette, you're self-muted. Can
2 you please unmute?

3 MS. JACKSON: I think I am unmuted. Can you
4 hear me?

5 MS. NORRED: Yes, ma'am.

6 MS. JACKSON: Thank you. Hi. How are you
7 doing, Board members?

8 I just wanted to speak again also on the HUB
9 piece, as it relates to the previous participation. I
10 appreciated the comments that were made by Donna, but I
11 concur with Robbye that this is something that I think
12 should be vetted by the development community a little more
13 closely.

14 Then-Senator Rodney Ellis is the one who pushed
15 very strongly for the State of Texas to create the HUB
16 legislation in an effort to get more people of color into
17 the business. This, I think, process has worked well for
18 women, however, I think we are still very woefully behind
19 as it relates to people of color being able to seek the
20 pathway to becoming a developer.

21 And if this is reeled back in a way that you
22 having the HUB certification does not give you a pathway to
23 previous participation, I think it hurts and goes against
24 what this was in fact created to do. I think this is
25 something that we should hold off on this year.

1 As Robbye says, we've been doing it for a while,
2 but wait until we are in a time where we can truly get
3 stakeholder participation and work through ways that we can
4 truly create this path, because some of the documentation,
5 although I appreciate what Marni mentioned -- some
6 documentation is also driven by the investors and the
7 lenders in terms of how it's structured.

8 So I think we need to have the opportunity for
9 more input before we basically ratchet back this particular
10 piece. Thank you.

11 MS. BINGHAM: Thank you, Toni. Any questions
12 for Toni?

13 (No response.)

14 MS. BINGHAM: Very good. Hey, I just had a
15 question. Mr. Vasquez and Mr. Braden, on your motion to
16 hear comment, was that inclusive of all comment on the QAP?

17 Shall we move forward with supportive housing public
18 comment now, and then take action afterwards?

19 MR. VASQUEZ: I'm happy to amend it as such.

20 MS. BINGHAM: Great. Thank you. And Mr.
21 Braden, we'll hear comments on the supportive housing items
22 first?

23 MR. BRADEN: Sure. I'll accept the amendment as
24 well.

25 MR. VASQUEZ: You know, actually, since we

1 expect this next session is going to go, kind of -- be sort
2 of extensive, maybe we should sort of address some of the
3 questions that were already -- that we've discussed to this
4 point.

5 MS. BINGHAM: I think so, too.

6 MR. VASQUEZ: I'm open to hear more questions,
7 more comments, but let's talk a little bit about what they
8 have so far.

9 MS. BINGHAM: Great.

10 MR. VASQUEZ: If I still have the floor, I don't
11 know if Marni or someone can help remind us? There are
12 still not going to be any school scoring evaluations for
13 this current school year. Is that correct? I mean --

14 MS. HOLLOWAY: For the current school year?

15 MR. VASQUEZ: -- school ratings aren't going to
16 be available. Right?

17 MS. HOLLOWAY: Yeah, I know that for last year,
18 the last academic year, ratings are not available. I don't
19 know that there will be for this current academic year.
20 Beyond that, we're sensitive to, you know, everything
21 that's going on in the schools right now, and will
22 applicants even be able to access leadership in the schools
23 or in the school districts in order to provide us that
24 mitigation information.

25 MR. VASQUEZ: Right. So this could all be a

1 moot point if we can't get the evaluations or the ratings
2 aren't published anyhow.

3 Okay. Well, I just was trying to -- wanting to
4 clarify that.

5 MR. WILKINSON: Yeah. No. That was definitely
6 part of the argument, and you know, we had schools removed
7 totally, and we have advocates wanting to keep it as it
8 was, and we kind of met them in the middle, and said, well,
9 let's not require mitigation at this point because schools
10 are in flux.

11 Ratings aren't really happening. Let's keep
12 the -- you know, the double-F kind of more bright line, and
13 so we made both sides unhappy, which is good government.

14 MS. BINGHAM: Well, Leo -- Mr. Vasquez, any
15 other -- did you have any other questions on these
16 comments?

17 MR. VASQUEZ: No, no. That's -- that was my
18 main question.

19 MS. BINGHAM: Great. Thank you. Mr. Braden and
20 Ms. Thomason, did you have any questions on the comments on
21 these items?

22 (No response.)

23 MS. BINGHAM: Okay. Very good. Okay. Marni, I
24 think we'll move forward then with supportive housing.
25 Would you like to give us the overview first? I mean, I

1 assume we're going to -- we'll take action on the entire
2 Item 4 together.

3 So I think we're ready to go ahead and move
4 forward with supportive housing item.

5 MS. HOLLOWAY: Okay. So due to the large number
6 of comments, that 148 that we received regarding the
7 supportive housing definition, we had to create individual
8 summaries of each one --

9 MR. ECCLES: Actually, this is Beau Eccles.
10 Elizabeth Roehm has asked to address that school mitigation
11 issue again if the Board so wishes to hear her comment.

12 MS. BINGHAM: Yes, yeah. That's fine. Renee,
13 do you want to get Elizabeth Roehm back to us?

14 MS. NORRED: Okay, there she goes.

15 MS. ROEHM: I believe I was just unmuted. Thank
16 you so much. I just wanted to speak to the point of not
17 having TEA ratings for 2020, which is what TEA has
18 announced, that they won't have 2020 ratings.

19 But they do have 2018 ratings and 2019 ratings,
20 and you know, as we stated in our public comments, a
21 proposal to get rid of the mitigation is akin to expecting
22 this mitigation to take place or improvement to take place
23 on its own, and these are schools that have 2018 failing
24 grades, 2019 failing grades, which is a very low percentage
25 of Texas schools that even get these terrible ratings.

1 Around 5 percent get the F rating each year.

2 And in terms of how quickly they improve on
3 their own, in 2019, 26 percent of campuses improved their
4 letter grade, 18 percent decreased their letter grade, and
5 56 percent have the same letter grade. So there's not a
6 ton of movement, and the school has to earn an F rating for
7 five years or a D for six years before there's any State
8 intervention.

9 So these -- relying on 2018 and 2019 TEA ratings
10 to consider how a school might be in 2021 is not
11 unreasonable, and we don't believe it is a reason to get
12 rid of these mitigation requirements.

13 Thank you.

14 MS. BINGHAM: Thanks, Elizabeth. If the Board
15 has no questions, we'll move forward with the supportive
16 housing items.

17 (No response.)

18 MS. BINGHAM: And Marni, we're ready.

19 MS. HOLLOWAY: Okay. All right.

20 So regarding the supportive housing comments,
21 we've grouped them as well as we could, according to common
22 themes, and then have called up some unique comments
23 individually within your Board item. So a large number of
24 comments expressed concern that implementation of the
25 revised criminal background criteria would increase

1 homeless and exclude the homeless from the supportive
2 housing that's designed to assist them.

3 Commenters also expressed concern for the
4 children and families of offenders, who may also experience
5 housing instability or homelessness if they aren't able to
6 access supportive housing. Others are concerned that the
7 criteria may have a disparate racial impact or impact on
8 persons with disabilities.

9 Commenters describe criminalization and
10 increased encounters with police that would lead to the
11 homeless often being more likely to have a record. Others
12 pointed out that some offenders may have taken a plea
13 agreement in order to expedite the legal process or due to
14 lack of knowledge, and several described increased
15 convictions among victims of human trafficking and domestic
16 violence.

17 Many commenters believe that the criteria, as
18 originally proposed, would lead to increased recidivism,
19 and that the screening criteria would not improve safety or
20 provide other public benefits. A large number of
21 commenters described the criteria as an additional sentence
22 on the offender.

23 There were suggestions for changes to the
24 criteria, including shorter look-back periods, more
25 mitigation options, allowance for people who are in

1 compliance with parole requirements or who had completed
2 parole.

3 There were two commenters who presented legal
4 arguments, which were reviewed by our Legal Division.
5 Several commenters suggested changes to potential
6 mitigation. Eleven commenters requested that the new
7 language be removed in its entirety, but if that was not
8 possible, they provided alternative language, all of which
9 is presented in the BAR.

10 A group of commenters cited the COVID-19
11 pandemic as reason to not implement the proposed changes,
12 and another group believes housing providers in local
13 communities should be able to set their own criteria. So
14 the changes to this rule are proposed to bring clarity and
15 consistency to tenants' criminal history screening criteria
16 imposed by the Board of Housing Development by providing
17 the minimum time periods to restrict tenancy for
18 individuals following particular felony criminal
19 convictions.

20 Developments will be given a rule-based tool for
21 developing their screening criteria and process to assess
22 the suitability for tenancy of individuals who have been
23 convicted of these crimes, and whether their tenancy would
24 pose an undue risk to the health, safety and peaceful
25 enjoyment of the property of other tenants, as well as

1 those residing in the immediate vicinity of the
2 development.

3 There are a number of changes that have been
4 suggested in the -- for the final QAP based on the comments
5 that we've received: temporary denial for a minimum of
6 seven years for a felony conviction for a short list of
7 Part I crimes to replace the permanent denial; temporary
8 denial for a minimum of three years for a felony conviction
9 for aggravated assault, robbery, drug possession or drug
10 distribution charges replaces a list of less violent
11 felonies; denial for other non-violent felonies and Class A
12 misdemeanors were removed.

13 Mitigation is required to be available for all
14 denials, and written notice must be provided to a
15 prospective tenant of their ability to provide mitigation
16 evidence. The screening criteria must include provisions
17 for individual review of the denial, if a conviction is
18 more than seven years old, or if the applicant or resident
19 is over 50 years old, and the prospective resident has no
20 additional felony convictions in the last seven years.

21 A requirement was added that the development's
22 criminal screening criteria and mitigation must conform to
23 federal regulations and official guidance, including HUD's
24 2016 guidance on application of Fair Housing Act standards
25 to be used for criminal records. A reminder was inserted

1 that the process of evaluation of prospective residents
2 must follow our rule regarding reasonable accommodation.

3 I'd be happy to take any questions.

4 MS. BINGHAM: Thanks, Marni. Does the Board
5 have any questions for Marni on this section?

6 (No response.)

7 MS. BINGHAM: Okay. So we already amended Mr.
8 Vasquez's motion. Mr. Braden seconded our action to hear
9 comments. So I think we can move forward with hearing
10 public comment.

11 I had -- the first three I have, Renee, are
12 Walter Moreau, Barbie Brashear, and Katherine Villarreal.

13 MS. NORRED: Yes, ma'am. We are looking for Mr.
14 Moreau.

15 Mr. Moreau, you are moved over as a panelist, so
16 you now may share your webcam and unmute yourself.

17 MR. MOREAU: Hi. Thank you for the chance to
18 comment. First, I should just say, thank you for all your
19 investment in our supportive housing work. We have six
20 communities. You may be familiar with Capital Studios,
21 because it's right across the street from TDHCA.

22 And we're getting ready to open Waterloo Terrace
23 next month in North Austin by The Domain. We have huge
24 wait lists. We're really proud of our communities.
25 They're well-maintained. They're well-managed. We do have

1 criminal screening criteria right now that is really
2 focused on the major felony offenses.

3 So my main feedback is that I'm not sure we
4 really want or need these rules added, but we can live with
5 them. We would follow them, and they're not that
6 inconsistent with what we currently do. Perhaps it
7 provides neighborhood organizations and others some comfort
8 that there's something in the rules that addresses criminal
9 screening criteria.

10 Maybe the wording isn't exactly the way we would
11 like it, but we're generally okay with what the staff has
12 come up with.

13 MS. BINGHAM: Thanks, Walter. Thank you for
14 that. Does the Board have any questions of Walter?

15 (No response.)

16 MS. BINGHAM: Thank you. Renee?

17 MS. NORRED: Yes, ma'am. We are looking for a
18 Barbie Brashear, to unmute her.

19 MS. BRASHEAR: Good morning. Can you hear me?

20 MS. NORRED: Yes, ma'am.

21 MS. BRASHEAR: Thank you. Good morning. I am
22 Barbie Brashear, and I am the Executive Director of the
23 Harris County Domestic Violence Coordinating Council, a
24 nonprofit in the Houston area.

25 We work and collaborate with area domestic

1 violence programs and provide access to safe housing
2 through a coordinated process for families who are fleeing
3 domestic violence who also have the highest vulnerability,
4 and safety needs are prioritized at the top of our list.
5 We know that families fleeing often have many barriers and
6 challenges to leaving, and we also know that when a woman
7 leaves a violent relationship, it's the most dangerous time
8 and can significantly increase the lethality of the
9 situation, oftentimes resulting in death.

10 The housing opportunities afforded for
11 innovative programs within domestic violence organizations
12 give new and critical pathways to safety for families who
13 are fleeing. Many times, women who are fleeing have also
14 encountered the criminal justice system, which can include
15 felony charges that may have resulted due to a violent
16 relationship, often where the woman has resorted to using
17 violence as a strategy for her own safety.

18 I understand that there have been changes to the
19 rules and [audio skip] continue to consider how the
20 proposed rule for minimum denial periods may only serve to
21 increase barriers and obstacles to safe housing and make
22 the avenues to safety even more unattainable for the most
23 vulnerable families in the need of safe housing.

24 Harris County sees more than 42,000 calls to law
25 enforcement for domestic violence. More than 5,000

1 families are provided with emergency shelter annually, and
2 more than 70 percent of the callers to our hotlines are
3 turned away from emergency shelter due to lack of space.

4 More than 500 families are assessed each year
5 for domestic violence safe-housing opportunities, and
6 sadly, Harris County is on course to see one of the most
7 deadly years for domestic violence homicides. It's
8 critical that our systems and organizations work to break
9 down the barriers to accessing safe solutions, rather than
10 increase barriers and challenges to freedom from violence.

11 Rules that make it more difficult for a family
12 to obtain affordable housing and rules that support denial
13 have negative and long-lasting impacts to the safety of
14 families. Our work is to help make families safer. We
15 need the partnership support and understanding of our
16 funders, our leaders, and our policymakers in order to
17 accomplish this.

18 I thank you all for the opportunity to speak
19 today. I thank you for your hard work, and I know these
20 are difficult decisions, but I also thank you for your
21 consideration of how this rule can negatively impact and
22 have negative consequences for families most in need of
23 safety.

24 Thank you.

25 MS. BINGHAM: Thanks, Barbie. Does the Board

1 have any questions for Barbie?

2 (No response.)

3 MS. BINGHAM: Okay. Barbie, I had a question
4 before you go. Did you happen to comment during the
5 comment period? And did you want the Board to just keep
6 this in mind, or did you have a specific recommendation,
7 language-wise or change?

8 MS. BRASHEAR: I don't. I know that the Texas
9 Council on Family Violence did comment, and we supported
10 the comment that they made during the open period. And we
11 also support the comments of the Coalition for the
12 Homeless, who we're actively a member of, here in Houston.

13 MS. BINGHAM: Great, great. Thank you very
14 much, Barbie.

15 MS. BRASHEAR: Thank you.

16 MS. BINGHAM: Renee, Katherine Villarreal?

17 MS. NORRED: Yes, ma'am. We are looking for her
18 to unmute her.

19 Katherine, you are self-muted. Will you please
20 unmute yourself?

21 MS. VILLARREAL: Yes. I am here. Can you hear
22 me?

23 MS. NORRED: Yes, ma'am.

24 MS. VILLARREAL: Hi. I actually was not looking
25 to make a comment myself. I'm trying to get my -- our

1 present CO, Mike Nichols, so that he can make a comment on
2 behalf of our organization.

3 MS. BINGHAM: Great. I think we need to hear
4 from him -- right, Renee? And you're keeping an eye out
5 for Mike? Is it Mike?

6 MS. NORRED: Yes, yes, ma'am. And I do not even
7 see that he's on the call at all, unless he has signed on
8 as someone -- as a different person. So Mike Nichols, if
9 you are on someone else's line, please let us know, so we
10 can unmute you.

11 MR. DARUS: Also, as a reminder, if you only use
12 the call-in number and did not log into the meeting using
13 the GoToWebinar software, we will not be able to see you to
14 unmute you, so we wouldn't know if you were there.

15 MS. BINGHAM: Great. Thanks. Hey, Katherine,
16 we'll keep an eye out, and we'll move on to the next
17 commenter, but we'll keep an eye out for Mr. Nichols.

18 MS. NORRED: We have Joy Horak-Brown.

19 MS. BINGHAM: Great. Did you also -- did we
20 lose Veronica Soto, or is she somewhere down the list?

21 MS. NORRED: She's somewhere down the list.

22 MS. BINGHAM: Okay. No worries. Thank you.

23 MS. NORRED: You're welcome.

24 MS. HORAK-BROWN: Hi. Can you hear me? Good
25 morning. I'm Joy Horak-Brown, the president and CEO of New

1 Hope Housing in Houston, Texas. We have nine supportive
2 housing developments with more than 1,300 tenants. I'm
3 going to have two comments to make today.

4 First, I would expect that we would sort of come
5 [audio distorted] housing authorities, housing providers,
6 and social service agencies [audio distorted] with [audio
7 distorted] state senators and two state representatives,
8 [audio distorted], and 72 concerned citizens [audio
9 distorted], in addition to those [audio distorted], and I
10 find that surprising and sobering and [audio distorted] in
11 one form or another.

12 Supportive housing is a very valuable housing
13 type in this state. You have provided a means for it to be
14 funded and [audio distorted] services that are [audio
15 distorted] supportive housing to [audio distorted] of our
16 citizens. Let's find a way to include them and not exclude
17 them.

18 And then finally, [audio distorted] in terms of
19 [inaudible] that I can say that I appreciate very much the
20 extraordinary effort it must have been to make the switch.

21 It goes to show that we're able to make that and [audio
22 distorted] to the roundtables [audio distorted] so that we
23 might make some adjustments -- some additional adjustments
24 for 2022. Thank you very much for the work you do and for
25 the investment that you have made in [audio distorted].

1 Thank you.

2 MS. BINGHAM: Thank you so much, Joy. The sound
3 quality wasn't great, but I think we heard your point.
4 Does the Board have any questions?

5 (No response.)

6 MS. BINGHAM: Thank you very much for your
7 comments, Joy.

8 MS. NORRED: We have Veronica Soto. Veronica,
9 we are looking to -- Veronica, you are unmuted. Can you
10 hear us?

11 MS. SOTO: Yes. Can you hear me okay?

12 MS. NORRED: Yes, ma'am.

13 MS. SOTO: Okay. Great. Good morning. My name
14 is Veronica Soto. I'm the director of Neighborhood Housing
15 Services with the City of San Antonio.

16 I'm here to express concern about the proposed
17 change to the definition of supportive housing, and
18 specifically, the wording on the tenant selection
19 criteria. The proposed criteria would severely hamper the
20 ability of developers, nonprofits, and localities to meet
21 the needs of the difficult-to-serve population experiencing
22 homelessness.

23 My department and I understand the desire for
24 thoughtful management plans from supportive housing
25 providers, including written tenant selection criteria. We

1 agree that they should design the criteria with safety in
2 mind for residents and neighbors. We understand the need
3 for the criteria to take into account criminal history,
4 including registered sex offenders and others with a
5 violent criminal history.

6 However, the proposed language is overly
7 specific and restrictive. By limiting the ability of
8 supportive housing developers to develop their own
9 thoughtful tenant selection criteria, this proposal
10 prevents housing for San Antonians and other Texans
11 experiencing homelessness, who are the intended
12 beneficiaries of supportive housing.

13 This proposal will exacerbate the economic
14 disparities found in San Antonio, will reinforce multi-
15 generational poverty, and will disproportionately harm our
16 residents of color. This is particularly troubling as we
17 continue to grapple with the effects of COVID-19 and the
18 impending eviction crisis.

19 The three-year denial of residence with eviction
20 means it will be even more difficult for families evicted
21 as a result of job loss during the COVID-19 pandemic to
22 find housing again. Further, people with records still
23 need housing, and we know they can be good tenants.

24 Since September 2019, the City of San Antonio
25 and our local continuum of care, the South Alamo Regional

1 Alliance for the Homeless, have partnered to help higher-
2 risk individuals and families access housing. Our program,
3 called PLACE, supports landlords willing to waive screening
4 criteria and additional fees to house applicants with poor
5 rental history, eviction, or trivial criminal convictions.

6 Through PLACE, households have been successfully
7 rehoused at reduced costs to service providers. With
8 limited access to supportive housing in San Antonio, we
9 hope that any further project would not be off-limits to
10 our PLACE participants.

11 Further, I'm concerned the criteria results in
12 serious and credible violations of the Fair Housing Act,
13 not only by TDHCA, but also by the developers and their
14 partners who are forced by this agency to comply with the
15 proposed criteria. I encourage you to remove the proposed
16 language from the QAP, and to work with your partners to
17 develop a more reasonable, non-discriminatory criteria
18 regarding criminal history.

19 Thank you.

20 MS. BINGHAM: Thank you, Veronica. Does the
21 Board have any questions of Ms. Soto?

22 (No response.)

23 MS. BINGHAM: I have a question for Marni.
24 Marni, can you just refresh us on the three-year denial for
25 the eviction-related history? Is that separate and aside

1 from the criminal?

2 MS. HOLLOWAY: Yeah, so our compliance rules
3 require that there be some screening criteria -- I think
4 it's mentioned in here somewhere -- for an eviction
5 history, but it does not put a time period on it. It just
6 says that the developer must include that in their
7 screening criteria.

8 It doesn't say how --

9 MS. BINGHAM: Okay.

10 MS. HOLLOWAY: -- or what potentially they need
11 for an eviction history.

12 MS. BINGHAM: Okay. So there's room in there
13 for -- so if Ms. Soto is concerned because of COVID and the
14 related economic challenges and what we can see as probably
15 an increased likelihood of an increase in evictions, then
16 the -- there's a bit -- there's some discretion built in?

17 MS. HOLLOWAY: Yes. And the other important
18 thing to keep in mind is that this will apply to 2021
19 applications. So you know, we're looking at developments
20 that are actually placed in service in 2023.

21 So, hopefully, by then we will have a handle on
22 the pandemic and won't be facing the issues that we are
23 right now with tenant evictions.

24 MS. BINGHAM: Okay. Great.

25 MR. VASQUEZ: Leslie, I have a question. And

1 this is actually for Bobby or Beau, I guess.

2 Can y'all reassure us that these rule changes
3 we're proposing all fall in line with any federal Fair
4 Housing Acts or HUD rules and -- et cetera?

5 MR. WILKINSON: I think we're good, but Beau, do
6 you want to elaborate?

7 MR. ECCLES: Indeed, the changes to the rule
8 following public comment expressly put in the rule the
9 requirement that they -- the screening criteria that are
10 established by the developments must comply with federal
11 regulations and official federal guidance, including,
12 specifically, the 2016 HUD guidance on application of Fair
13 Housing Act standards to the use of criminal records by
14 providers of housing.

15 So it's not even just my assurance. It's
16 expressly in the rule.

17 MR. VASQUEZ: Okay. Great. I mean, just so
18 everyone recognizes, we're not putting -- proposing to put
19 in anything more onerous than what complies with the
20 federal guidelines or requirements.

21 MS. BINGHAM: Great. Thank you. So I think --
22 do we have Eric Samuels next?

23 MS. NORRED: Yes. We are looking for Eric
24 Samuels to unmute him.

25 Eric, you are self-muted. Can you please unmute

1 yourself?

2 MR. SAMUELS: I have unmuted myself. Can you
3 hear me just fine?

4 MS. NORRED: Yes, sir.

5 MR. SAMUELS: All right. Thank you. Yes. I'm
6 Eric Samuels. I'm the president and CEO of Texas Homeless
7 Network, and I am speaking on the addition of the proposed
8 tenant criminal screening criteria, and we were expressing
9 our concern.

10 First of all, I want to thank the Board for the
11 opportunity to speak on this issue today. Every night in
12 this state, over 27,000 people are on the streets or in
13 shelter, and over 4,000 of those are children. 3,700 are
14 chronically homeless, and nearly 2,000 are veterans.

15 And that's only on any given night. Over the
16 course of a year, many more fall into homelessness and some
17 do have criminal records. To help us reach our goal of
18 making homelessness rare, brief, and non-recurring, our
19 homeless response systems need access to low-barrier and
20 affordable and supportive housing.

21 It's the best way to end homelessness for
22 individuals and families, and it's also the most cost-
23 efficient way to do this. The justice sector currently
24 houses more than 20 percent of those in need of supportive
25 housing in Texas, paying far beyond the cost of supportive

1 housing on a daily and annual basis.

2 We can do better, and at the LIHTC program --
3 and through the LIHTC program, it's a way for us to create
4 the housing that allows us to do better. So for these
5 reasons, THN opposes any rule change that adds barriers to
6 accessing available housing, and we recommend that the
7 tenant criminal background screening criteria proposed for
8 inclusion in the QAP be removed. Instead, allow that
9 responsibility to remain with the property owners.

10 In the past, this has not been an issue.
11 Property owners have complied with Texas Administrative
12 Code 10.802. Now, all that being said, I want to say
13 that -- and I want to thank the TDHCA staff for responding
14 to all the public comments received, and I know they
15 received quite a bit of public comment.

16 And I also want to thank them in responding and
17 lowering the barriers for client tenancy based on those
18 comments. That is appreciated.

19 And one more thing: if the TDHCA Board chooses
20 to accept the proposed tenant criminal screening criteria,
21 as recently amended, I would add one more recommendation.
22 Please consider removing felony drug possession from the
23 list of items that deny tenancy for potential residents.

24 And that is all I have. Thank you very much for
25 allowing us to speak today.

1 MS. BINGHAM: Thank you very much, Eric.
2 Any -- does the Board have any questions for Eric Samuels?

3 (No response.)

4 MS. BINGHAM: Okay. Renee, do you have the --
5 Mr. Costis?

6 MS. NORRED: Yes. We are looking for him right
7 now.

8 Mr. Costis, you are self-muted. Can you please
9 unmute yourself?

10 MS. COSTIS: Hi. It's Thao Costis, and it's a
11 she, but that's okay. It happens a lot. Don't worry.
12 Yes. Hi.

13 I am the CEO of SEARCH Homeless Services. We
14 are a faith-based leading agency in Houston that, for more
15 than 30 years, help people who are homeless move from the
16 streets into jobs and safe, stable housing. And yes, at
17 its most fundamental, in fact, these restrictions and
18 additional guidelines you are putting in place would
19 severely hamper our ability in Texas communities overall to
20 have clean, clear streets and doorways, which I think we're
21 all struggling with in our major cities.

22 Last year, SEARCH helped more than 3,000 clients
23 across our four programs. In addition to being a lifeline
24 with our outreach team, where we served almost 600
25 unsheltered individuals to obtain IDs and to meet the

1 qualifiers to move into housing, we also helped 340
2 individuals and families successfully move into homes of
3 their own, and these are people who are the chronically
4 homeless, straight from the street, into their own homes.

5 The average speed from approval of their rent
6 financing to move-in was still taking a long 87 days, and a
7 lot of those delays is because we are trying to find
8 housing options, landlords, who are willing to take these
9 individuals who have criminal histories and eviction
10 histories that make it complicated.

11 Our case managers work with over 800 of our
12 community's most vulnerable who have been homeless and are
13 now in permanent supportive housing, so that we can help
14 them build their skills and abilities to manage their
15 lives. And we have an 88 percent retention rate.

16 So more than half of this number of residents
17 live in properties that have benefitted from the low income
18 tax credits. So we rely on these units that are intended
19 to help people who are poor to have a home.

20 One of our community's greatest barriers -- so
21 I'm reiterating again -- to ending homelessness is the
22 disqualification of people with criminal histories from
23 being able to obtain a lease. They remain stuck living
24 under the freeway overpasses and the business entryways.

25 Our outreach team is working as quickly as we

1 can, but you know, our downtown streets are filling up with
2 people who are just simply stuck. So the proposed changes
3 to the QAP will keep more of these people on the street.

4 These changes will cause business leaders to
5 raise more alarms. We're already hearing the cries for
6 help to move them along, and there's very little that we
7 can do, and further would be confined if we have these
8 restrictions. So having a home is a fundamental need for
9 our community's health.

10 Please keep the options open. Thanks.

11 MS. BINGHAM: Thank you. Thank you very much
12 for your comments. Does the Board have any questions?

13 (No response.)

14 MS. BINGHAM: Okay. Renee, does that conclude
15 our folks that are in the queue for comments?

16 MS. NORRED: No, ma'am. I believe we have Mike
17 Nichols available now.

18 MS. BINGHAM: Oh, okay. Very good.

19 MS. NORRED: So we're going to find him and
20 unmute him.

21 Mr. Nichols, you should be unmuted.

22 MR. NICHOLS: Thank you. This is Mike Nichols.
23 How are you doing? Thank you --

24 MS. BINGHAM: Good morning.

25 MR. NICHOLS: -- very, very much. I was having

1 a little trouble, but I want to -- I need -- if you bear
2 with me one minute, I'm going to find my notes, and I
3 apologize. I'm on different systems now.

4 I am -- for Houston, Harris County, Fort Bend
5 County and Montgomery County. And I again want to thank
6 you for giving me a chance to speak today. It is so
7 important, so, so important.

8 We have the ability to serve the most vulnerable
9 people in our communities. For that reason, we would
10 prefer that there were no tenant selection criteria being
11 added to the QAP definition of supportive housing.

12 The federal government already has selection
13 criteria for its vouchers, like excluding registered sex
14 offenders, and we feel that those are sufficient. However,
15 if the TDHCA feels that it must add tenant selection
16 criteria, and again, for political reasons, I guess I
17 understand. I don't understand for practical reasons or
18 fiscal reasons.

19 We acknowledge that this draft you're
20 considering today is an improvement over the initial mark-
21 up that was released, and we thank you for being responsive
22 to our and others' written comments submitted last month.
23 So thank you very much, deeply appreciative.

24 That being said, the tenant selection criteria
25 given here is still quite concerning to us because it will

1 preclude our homeless -- to house many disabled and highly
2 vulnerable people. And I believe you will hear or have
3 already heard from several of our Houston-area providers
4 today about why that is.

5 Today, I am here to ask you, at the very least,
6 you consider a few minor language changes to improve the
7 clarity of this regulation and alleviate future
8 administrative burdens on your agency and on supportive
9 housing developers upon audits, as well as limiting
10 unintended consequences of this policy.

11 In Section V -- it's Section V, Item 2, under
12 supportive housing, at the bottom of page 119 of the
13 supplemental book, we would like you to add, "and
14 recertifications," after the words, "approving
15 applications." So it reads, "the criminal screening
16 criteria must include provisions of approving applications
17 and recertifications, despite tenant criminal history," and
18 then so on.

19 The second change is further down in the same
20 section, at the top of page 120 in the supplemental book.
21 We would like you to add the words, "in addition," before
22 the sentence that begins, "the criteria." So it reads, "in
23 addition, the criteria must include provisions for
24 individual review of permanent or temporary denials," and
25 so on.

1 This will help clarify that mitigation is
2 available to all applicants at a minimum -- and at a
3 minimum, must apply to those with a conviction more than
4 seven years old or 50 years of age. I am happy to submit
5 this suggested mark-up in writing as soon as possible if it
6 is helpful to the Board.

7 Our continuum of care has been able to house
8 more than 20,000 people experiencing homelessness since
9 2011 with an 85 percent success rate. That represents a 53
10 percent decrease in the number of people experiencing
11 homelessness in our area over that time.

12 We have been able to make this progress because
13 we have been able to leverage tax credit resources that
14 have come into our community. We know that you are not --
15 that it is not your intent to inhibit our progress or to
16 disproportionately impact Black and African American people
17 experiencing homelessness. But these -- this QAP change
18 would indeed be the impact of the suggested changes.

19 We would respectfully ask that you consider
20 incorporating our edits before you vote today. We thank
21 you for your interest. You're trying to do the right
22 thing, and we hope you look at these edits.

23 But moreover, we hope you just don't change the
24 QAP, because, as I said earlier, the change is --
25 disproportionately impacts Black and African Americans, and

1 also it is fiscally irresponsible. However, if you do, we
2 hope that you will take in these suggestions that we've
3 made.

4 Be glad to answer any questions.

5 MS. BINGHAM: Thank you, Mr. Nichols. Are there
6 any questions from the Board members for Mr. Nichols?

7 (No response.)

8 MS. BINGHAM: Hey, Mike -- so those -- the two
9 recommendations that you made, they are not already part of
10 the comments that we received? You're making those
11 recommendations and saying they're available to the staff
12 to review?

13 MR. NICHOLS: They are not. They were -- these
14 are recommendations -- after we saw the changes Monday,
15 these are some recommendations subsequent to those changes.
16 So we have not had the opportunity to make those
17 recommendations, but we would love to do that, and so you
18 can see that.

19 MS. BINGHAM: Understood. Great. Thank you
20 very much. It looks like we did have one more person that
21 we had not acknowledged for public comment.

22 Renee, do you have one more person in the queue
23 for comment?

24 MS. NORRED: Yes, ma'am. We have Mark Thiele,
25 and we are looking -- Mark, you should be -- or you are

1 self-muted. Will you please unmute yourself?

2 MR. THIELE: My name is Mark Thiele, interim
3 president and CEO of the Houston Housing Authority. We are
4 the largest provider of affordable housing in South Texas,
5 and arguably, in state. We are strongly committed to
6 effectively ending homelessness in Houston and Harris
7 County.

8 I would like to thank you all for the
9 opportunity to speak on this item, and particularly, to
10 thank Director Wilkinson and TDHCA staff for making
11 themselves available and being receptive to feedback and
12 working to make adjustments to the language as originally
13 proposed.

14 We appreciate the revisions. They do represent
15 an improvement, in our opinion. Nevertheless, we would
16 recommend striking the screening criteria from the proposed
17 definition of supportive housing. Anyone who knows me
18 knows that I am a houser, meaning, getting it done, not de-
19 housing or restricting access to housing, and that is
20 fundamental from my perspective.

21 As you have noted, in Houston/Harris County, a
22 broad array of committed partners, housers all, have been
23 working for years to effectively end homelessness in our
24 jurisdiction. Coalition for the Homeless, City of Houston
25 via Housing and Community Development and the Mayor's

1 Office, Harris County via the Community Services Department
2 and Protective Services, Harris County Housing Authority,
3 and the Domestic Violence Coordinating Council and others,
4 SEARCH Homeless Services and other incredible service
5 providers, and outstanding tax credit developers, like New
6 Hope Housing.

7 We have made tremendous progress. As again
8 noted during this call, a 53 percent decrease in overall
9 homelessness since 2011, so we definitely put our money
10 where our mouth is. During the last few years, however,
11 our unsheltered homeless numbers have been static, between
12 1,528-1,570.

13 As an operator, part of the challenge is that a
14 number of those remaining, as Thao so eloquently indicated,
15 are among the hardest to house. What this calls for is
16 creativity and resolve, not additional barriers.

17 By definition, the pandemic will add both to
18 need and obstacles, and I predict it will be over years,
19 not ending in the short term, although I would be delighted
20 to see so. As a system, we have outstanding outreach staff
21 that work very hard to form relationships with folks in our
22 streets, not easy.

23 We have outstanding housing specialists at the
24 Housing Authority that work equally hard to assemble the
25 required paperwork that supports the housing of each

1 homeless veteran, homeless youth, homeless family with
2 children. These are not easy processes for anyone.

3 As you can consider this very serious issue, I
4 ask -- there are a number of ways to reduce barriers to
5 housing, not inadvertently create them. Thank you for your
6 consideration.

7 MS. BINGHAM: Mark, thank you for your comments.
8 Does this Board have any questions for Mr. Thiele?

9 (No response.)

10 MS. BINGHAM: Great. Okey-doke. All right.

11 Can we see if we can get Marni back, then?

12 So Marni, that concludes all the public comment
13 that we have on those supportive housing items and all of
14 the other QAP items, and so we'll just give you a second in
15 case there's anything else that you'd like to inform us
16 about.

17 MS. HOLLOWAY: No. I have nothing further.

18 MS. BINGHAM: Great. Very good. Mr. Braden?

19 MR. BRADEN: I have one question probably of
20 Marni, just how this would work. When I read the new
21 amended sections -- and I do appreciate staff's efforts to
22 address all those concerns. I thought you all did a very
23 good job in addressing those concerns.

24 But when it talks about temporary denial for a
25 minimum of seven years, and then temporary denial for a

1 minimum of three years, you know, based on the criminal
2 history at application or recertification, how is that
3 period supposed to be measured?

4 Does it mean that somebody who had a criminal
5 conviction 25 years ago who then makes a new application
6 and the fact that he has criminal -- he or she has a
7 criminal record, bars them for that seven years, or is it
8 supposed to be seven years from what? Date of conviction,
9 date of parole?

10 How is that supposed to work?

11 MS. HOLLOWAY: I believe that it's date of
12 conviction. It's not the date of application to the
13 development. So you know, if someone had a conviction 25
14 years ago, they will have passed that seven-year waiting
15 period by the time they apply for housing.

16 MR. BRADEN: And what that realistically may
17 mean, right, is that certain people who -- they are
18 convicted for really bad things -- I mean, they may very
19 well serve more than seven years, and so the fact that --
20 when they're, you know, paroled and they're walking out the
21 door, that time period may have already been gone, and it
22 won't -- you know, this won't be a barrier for them to
23 seeking housing, if we take -- you know, assuming that's a
24 correct reading?

25 MS. HOLLOWAY: Correct.

1 MR. BRADEN: I do think it might help with a
2 little wordsmithing, and I'm sure that you all can work on
3 this, just to make it clear that that seven years is from
4 the date of the conviction. Because I think, later on, it
5 talks about, you know, if the conviction is more than seven
6 years old.

7 So when we're talking about individual review of
8 permanent or temporary denials, there's sort of a clearer
9 reference that, I would think, in those two sections, that
10 we might want to add a little more clarity.

11 That's all I have.

12 MS. BINGHAM: Mr. Vasquez, comments?

13 MR. VASQUEZ: I have a comment, or maybe, sort
14 of a request for Bobby to express a little bit more about
15 how we believe that this amended proposed -- these amended
16 proposed rules, these proposed rules as amended are taking
17 into consideration that there will be mitigation factors
18 readily available to all applicants going into housing.

19 So it's -- while up front, there are some
20 restrictions that -- you know, so a framework being put in
21 place, and again, that reflects lots of other national
22 guidelines and such. But all these affordable housing
23 providers will have an opportunity on a case-by-case basis
24 to show the mitigation, show the improvements and efforts
25 that people have then made, so even if they are falling

1 under this criteria, they still can show that they have an
2 opportunity to become a resident.

3 Can you talk a little more about that, Bobby?

4 MR. WILKINSON: Yeah. So we think -- you know,
5 first of all, we had a lot of comments and they were
6 helpful, and so we changed the language. We changed it
7 drastically; we didn't meet them 50 percent. We went, you
8 know, eight-tenths of the way there.

9 I think when you look at the new language, it's
10 a very low barrier. It's a very -- you know, it's a
11 minimal screening criteria requirement. A development
12 owner that is motivated to accept anyone could still do so
13 with this criteria, if you could manage getting a, you
14 know, case manager to write a letter, for instance.

15 As Mr. Braden was saying, the look-back periods
16 that we have, combined with the severity of the crime, for
17 a lot of people on reentry, you wouldn't even need
18 mitigation. I mean, assuming you went away for murder, and
19 you know, did your time, your 10 years or whatnot, this
20 poses no barrier to you at all.

21 I think we reached a good place here, and
22 there's reasons for this. I mean, it's to prevent a zero
23 screening criteria, anything-goes scenario, which is not
24 necessarily in the best interest of the residents
25 themselves, of the neighborhood, of acceptance of

1 supportive housing and affordable housing in general.

2 As you know, we sometimes face opposition when
3 we're trying to, you know, develop in different parts of
4 the state, and I think having these kind of minimum
5 criteria that we can point to, especially, you know,
6 adjusted as it is now, is something that everyone should be
7 somewhat comfortable with, that you know, there is
8 something there, but it's very reasonable, and I think
9 supportive housing developments already have long waiting
10 lists.

11 It's a very valuable resource, an inexpensive
12 way to house certain populations. But given the changes
13 and if you really read it and see the opportunities for
14 mitigation, I think this is a reasonable and low barrier --

15 MR. VASQUEZ: And just further following up, I
16 mean, the Department recognizes the importance of reentry
17 into our society, and you know, giving ex-offenders a
18 chance to get back -- for them to get back on their feet. I
19 mean, again, this -- the supportive services providers are
20 key to help making that happen.

21 So we want to work with them throughout this
22 whole process.

23 MR. WILKINSON: Certainly. It would be great to
24 fund some more supportive housing developments. As y'all
25 know, it's a subset of the 9 percent awards we get every

1 year. And hopefully, you know, we can have some more
2 applications, and build some more of these fine --

3 MR. VASQUEZ: Madame Vice Chair, two more little
4 points I want to --

5 MS. BINGHAM: Absolutely.

6 MR. VASQUEZ: -- clarify. Okay. So the
7 comments made by Mr. Nichols on his suggested edits, from
8 that quick reading that he did, it sounded fairly
9 reasonable and logical to me. What's the process for
10 incorporating that -- those suggested edits at this point?

11 Or you know, how are we moving forward? I guess
12 this is more for Bobby or Beau.

13 MR. WILKINSON: I think, move, second and vote.
14 Marni is prepared. She has them already written down.
15 We've been emailing back and forth. So if y'all want to
16 accept those edits, they seemed reasonable to me.

17 MS. HOLLOWAY: Yes, I think, especially the --
18 including recertification is an important thing that should
19 be in the rules.

20 MR. VASQUEZ: Okay. So whoever makes this final
21 motion, we just state -- to incorporate the recommended
22 edits from Mr. Nichols.

23 MR. WILKINSON: And Mr. Braden, the two that we
24 clarified that it's from date of conviction, the seven and
25 three years.

1 MR. VASQUEZ: Okay. If I may, one last thing,
2 and y'all are going to kill me, because it's from way
3 back. I missed in my notes when we were going through.
4 Marni, you mentioned in your comments regarding the
5 school's requirement for studio-only projects -- or I don't
6 know if it was one-bedroom. I thought you said studio
7 only.

8 So this is way back. This is isn't the
9 supportive housing. This is --

10 MS. HOLLOWAY: Way back. Yeah.

11 MR. VASQUEZ: -- the introduction --

12 MS. HOLLOWAY: So current -- right -- so
13 currently, developments that are exempted from the school
14 threshold are supportive housing SRO developments where
15 they're all efficiencies or elderly or certain acquisition
16 rehab developments are exempted from those school
17 requirements.

18 So the request is to add supportive housing
19 developments that are all one bedroom units. Staff's
20 concern with adding them to that exemption is that a
21 supportive housing development is ultimately a general
22 population development.

23 So the owner can't put a restriction on a
24 supportive housing development that only adults live there,
25 and it's entirely possible, especially with a one-bedroom

1 apartment, that there could be one or more children living
2 in that development. And I think that adding those to the
3 developments that are exempted from that school threshold,
4 I think, didn't make sense to me, with the Board's previous
5 position regarding schools that had failed twice in that
6 bright line.

7 MR. VASQUEZ: Okay. All right. So the SRO
8 projects, supportive housing projects are still -- they're
9 still exempt?

10 MS. HOLLOWAY: Correct.

11 MR. VASQUEZ: We're not adding or changing that.
12 Okay, okay. That's the reason I -- okay. I'm good with
13 that. Thanks.

14 I'm all done. Thanks, Leslie.

15 MS. BINGHAM: Thank you, Mr. Vasquez. Ms.
16 Thomason, did you have any other additional questions?

17 (No verbal response.)

18 MS. BINGHAM: Okay. Great. Marni, can you
19 just -- just for the sake of the motion, I also had
20 heard -- so I heard Mr. Nichols, you know, communicate kind
21 of, you know, his preference in terms of no tenant
22 selection criteria, but he did make those recommendations
23 for those two edits.

24 Do you mind just briefly reminding the Board
25 what those were, and then we'll see what we can do about

1 incorporating that?

2 MS. HOLLOWAY: Certainly. I sent it to Bobby
3 just a minute ago. Let me find it again.

4 So the changes, as I understand it, that Mr.
5 Nichols suggested, on -- under Subsection -- under V, under
6 Subsection 2, the language would read, with his changes:
7 "The criminal screening criteria must include provisions
8 for approving applications" -- and then he added -- "and
9 recertifications, despite the tenant's criminal history, on
10 the basis of mitigation evidence."

11 And I think that "and recertifications" is
12 really important. Further down in that same paragraph, the
13 sentence right now starts with "the criteria must include."

14 He requested that we add, "in addition, the criteria must
15 include," so that it all works together within that part of
16 the rule, and I think that those are good changes.

17 MS. BINGHAM: Great. Perfect. Thank you, and
18 thanks, Mr. Nichols, for those recommendations also. Okay.

19 So we have no additional comment, no further
20 questions from the Board, no further additions from staff.

21 I think we are ready to entertain a motion on Item 4.

22 MS. NORRED: Vice Chair Bingham?

23 MS. BINGHAM: Yes?

24 MS. NORRED: We do have Elizabeth Roehm that
25 wants to speak one more time.

1 MS. BINGHAM: Okay.

2 MS. NORRED: And we are about to unmute her
3 right now.

4 Elizabeth, you are unmuted.

5 MR. ROEHM: Hi, there. Thank you so much.

6 Don't mean to hog the meeting, but actually, I'd hoped to
7 speak about this recertification issue, and I'm surprised
8 it's coming up again. I'm actually from the other side.

9 So in the specific language in the QAP draft
10 before the Board today, we actually find that mandating the
11 screening requirement both at application and at
12 recertification, which is already in V(1)(a) and V(1)(b),
13 to be problematic.

14 So when you're considering this, this is causing
15 a person who's already stably housed in LIHTC supportive
16 housing to be potentially removed from their home, and
17 stably housed tenants in supportive housing are then going
18 to be more vulnerable to homelessness, mental health crises
19 and recidivism, which is something that all this, I think,
20 is concerned with, and tenants who have already been
21 admitted with mitigation evidence may again have to go
22 through that burdensome process of proving to the property
23 owner that they deserve to remain in their housing despite
24 a conviction.

25 So this is a really large administrative burden

1 on the housing provider and the tenant that you're causing
2 at recertification. So I think you really need to consider
3 this very carefully if you want that recertification
4 language in any of these sections.

5 So I just wanted to bring up that we strongly
6 believe that that should actually be removed from all of
7 the language and that application should be sufficient for
8 what you're trying to do. So we hope you consider that
9 change to protect tenants, rather than, you know,
10 clarifying and adding that language.

11 Thank you very much for letting me speak again.

12 MS. BINGHAM: Thank you, Elizabeth. Thank you.
13 Any questions for Elizabeth or staff on the comment?

14 MR. BRADEN: I just had more of a question for
15 staff. I mean, it seems to be there might be some validity
16 to her comment, so I guess I do want to ask staff's view on
17 that, as to why we put in recertifications, and then what
18 would it take if we had to strip it out at this late stage,
19 if we could?

20 MR. WILKINSON: I mean, you could amend to strip
21 it. So realistically, recertification, Marni, is every
22 three years?

23 MS. HOLLOWAY: Depending on the development,
24 yes. But it's my -- so how I'm reading this request to
25 insert "recertification" here -- recertification appears in

1 other places within the screening criteria, and I take it
2 to mean, if there is an offense or a conviction while
3 someone is a tenant.

4 Adding "recertification" here extends the
5 ability to provide the mitigation at recertification. I am
6 not reading this as you have to recertify, you know, you
7 have to mitigate every time you recertify. I'm reading
8 this as, if there is -- something happens while you are a
9 tenant and you are recertifying, you have the opportunity
10 to provide the mitigation.

11 MR. BRADEN: If that's an accurate reading, I
12 agree with that. I can see how that would be important.

13 MS. HOLLOWAY: Uh-huh. Sure.

14 MS. BINGHAM: Do you think there's an
15 opportunity to wordsmith that just a little bit too, to
16 make sure that that's clear?

17 MS. HOLLOWAY: Well, let me read you the
18 sentence with the language added and see if it's clear for
19 you all. "The criminal screening criteria must include
20 provisions for approving applications and recertifications
21 despite the tenant's criminal history on the basis of
22 mitigation evidence" -- is what that sentence says.

23 MR. BRADEN: So I'm sorry, but I don't really
24 think that's necessarily clear, in terms of what you just
25 indicated. And you can dream up scenarios where a property

1 owner -- somebody either gets -- you know, their situation,
2 and then for some reason the property owner wants to remove
3 tenants or do whatever, and they're saying, okay. You have
4 to show mitigation again. We're recertifying, and you
5 know, we don't take the same mitigation as before.

6 I mean, it seems like there ought to be some
7 indication that it would be, you know, some criminal
8 conviction that occurred in the interim.

9 MR. VASQUEZ: Can we add something about no
10 new -- in the recertification, addressing any new offenses
11 or arrests for offenses, charges of offenses, that -- new
12 ones is the key item that I'm trying to get at.

13 MR. WILKINSON: We could add a sentence, "After
14 mitigation is accepted for an offense, mitigation may no
15 longer be required for that same offense."

16 MR. BRADEN: Yeah. I think something like that
17 would be okay.

18 MR. VASQUEZ: Or the recertification is -- must
19 address any new arrests. I don't think it's convictions at
20 that point. It's brushes with the law.

21 MR. WILKINSON: Screening criteria is just about
22 convictions. So I mean, honestly, if someone within the
23 three years is convicted of one of these crimes, they'd
24 probably be in prison anyway.

25 MR. BRADEN: Yes, they probably would. Yeah,

1 that's true.

2 MS. BINGHAM: Hey, Bobby, can you just remind
3 us? So relative to the wordsmithing, well, you guys do an
4 awesome job of, you know, capturing kind of the -- you
5 know, the consensus or what the Board has asked for.

6 When we -- if we make a motion now to approve
7 this for publication in the *Register*, there's still
8 opportunity to tweak non-material, like, that kind of
9 thing -- language that doesn't represent a material change,
10 like wordsmithing type --

11 MR. WILKINSON: We call it, grammatical type.
12 Yes.

13 MS. BINGHAM: Okay, okay, okay. Let's see.
14 That -- does that answer everybody's questions? Leo?

15 MR. VASQUEZ: Yes.

16 MS. BINGHAM: Okay. Very good. All right. So
17 then I think we are at a point where we will entertain a
18 motion for action on Item 4.

19 MR. BRADEN: Okay. I'll take a stab at a
20 motion. So I make a motion that we adopt the order
21 presented, which is this action order approving
22 recommending to the Governor the repeal of 10 TAC Chapter
23 11 concerning the Housing Tax Credit Program Qualified
24 Allocation Fund, and replacing it with what was presented
25 at today's meeting, with the following additional

1 modifications.

2 So with respect to the seven-year and three-year
3 reference in the order, we would include language to
4 indicate that those timeframes are -- they are following
5 the date of conviction. And then we would accept Mr.
6 Nichol's comments which added the words, "and
7 recertification" and "in addition," to Section 2 --
8 Subsection 2 -- V(2).

9 And we would include some additional language
10 that indicates that previously-submitted mitigation does
11 not to be resubmitted at recertification.

12 MS. BINGHAM: Thank you. So we have a motion on
13 the floor. Is there a second to Mr. Braden's motion?

14 MR. VASQUEZ: I'll second that.

15 MS. BINGHAM: I have a second from Mr. Vasquez.
16 Is there any further discussion on this item?

17 (No response.)

18 MS. BINGHAM: Okay. If not, we will call for a
19 vote. All those in favor, aye?

20 (A chorus of ayes.)

21 MS. BINGHAM: Opposed?

22 (No response.)

23 MS. BINGHAM: Motion carries. Well, thank you
24 very much. Thanks.

25 Again, I know this year presented a lot of

1 challenges in terms of getting that stakeholder feedback,
2 and appreciate all of the commendations from the
3 stakeholders that made comments today about staff being
4 receptive to feedback, and also that desire to reconvene or
5 resume more traditional methods for roundtable and
6 feedback, hopefully, in the near future as we look at
7 future QAPs.

8 That does conclude the items on the action
9 agenda today. We do have a spot now for public comment on
10 any matters that aren't on the agenda.

11 MR. WILKINSON: Vice Chair Bingham, may I make
12 one comment? She just disappeared, but I'd like to thank
13 Marni and all the multifamily staff for their hard work,
14 putting together the reasoned response and all their
15 revisions to the QAP.

16 It was really top-heavy this time, and -- great
17 job of going through everything and addressing those
18 concerns. I really, really appreciate Marni, Elena,
19 Matthew, the whole team over there.

20 MS. BINGHAM: Great. It was awesome work.
21 Yeah. Thank you. I'm sure the Board agrees. And then,
22 let's see.

23 Renee, do we have any commenters in the queue
24 for public comment on matters other than posted agenda
25 items?

1 MS. NORRED: We have no one in -- oh, Robbye
2 Meyer would like to make some comments. This just came in
3 as I was saying we have no one in queue.

4 MS. BINGHAM: Very good.

5 MS. NORRED: Robbye, you are unmuted. You
6 should be able to speak now.

7 MS. MEYER: Hi. Well, once again, my name is
8 Robbye Meyer. I just want to make one quick comment, and
9 it has to do with readiness to proceed in the applications
10 that are in the 2020 -- on the 2020 round.

11 We have a couple of clients that have submitted
12 our comments to Marni on the anticipation of not being able
13 to meet that November 30 date, and it's due to USDA. You
14 know, with the pandemic going on, USDA got behind, and then
15 USDA is also going through a major transition from a state
16 allocating agency and doing the transfers to a regional
17 allocation, and so that has slowed them down tremendously.

18 We've already gotten confirmation that, in all
19 likelihood, they are not going to be able to meet that
20 transfer deadline by the November 30 date. And we have
21 several USDA applications, and I think that also is going
22 to roll over to any application that has USDA 538.

23 I just want to put the Board on notice that
24 those are going to be coming back in front of you. You
25 know, nobody anticipated the pandemic when we submitted our

1 applications in February. And we certainly didn't know
2 about USDA's transformation and the things that they're
3 going to be doing and the transition that they're making.

4 So I will ask the Board's consideration of those
5 when it goes to -- if we can't make that November 30, to
6 realize those applications and that award for the next
7 year.

8 MS. BINGHAM: Thanks.

9 MS. MEYER: Thank you.

10 MS. BINGHAM: Thanks so much, Robbye. Well
11 noted. So it looks like there are no other comments. We
12 will entertain a motion for adjournment.

13 MR. BRADEN: Move to adjourn.

14 MS. BINGHAM: And a second?

15 MS. THOMASON: Second.

16 MS. BINGHAM: All those in favor, aye?

17 (A chorus of ayes.)

18 MS. BINGHAM: Thank you, guys, very much. Thank
19 you.

20 (Whereupon, at 11:06 a.m., meeting was
21 adjourned.)

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C E R T I F I C A T E

MEETING OF: TDHCA Board
LOCATION: via GoToWebinar
DATE: November 5, 2020

I do hereby certify that the foregoing pages, numbers 1 through 9293, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Texas Department of Housing and Community Affairs.

DATE: November 12, 2020

(Transcriber)

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