TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

BOARD OF DIRECTORS MEETING

John H. Reagan Building
Room JHR 140
105 West 15th Street
Austin, Texas

February 20, 2014
10:06 a.m.

MEMBERS:

J. PAUL OXER, Chair
JUAN MUÑOZ, Vice-Chair
J. MARK McWATTERS, Member
LESLIE BINGHAM ESCAREÑO, Member
ROBERT D. THOMAS, Member
TOM GANN, Member

TIMOTHY K. IRVINE, Executive Director

ON THE RECORD REPORTING
(512) 450-0342
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b) Presentation, Discussion, and Possible Action on an order adopting new 10 TAC Chapter 1, Administration, Subchapter A, General Policies and Procedures, '1.1 Concerning Reasonable Accommodation Requests

c) Presentation, Discussion, and Possible Action on an order adopting a statutory four-year review with amendments of Department rules at 10 TAC Chapter 1, Administration, Subchapter A, General Policies and Procedures, '1.2, Concerning Department Complaint System, pursuant to Texas Government Code '2001.039

d) Presentation, Discussion, and Possible Action on proposed amendments to 10 TAC Chapter 5, Community Affairs Programs, Subchapter D, Comprehensive Energy Assistance Program, '5.430, concerning Allowable Subrecipient Administrative and Program Services Costs, and directing their publication for public comment in the Texas Register

ON THE RECORD REPORTING (512) 450-0342
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13502 Majors Place Apartments Greenville

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

EXECUTIVE SESSION

OPEN SESSION

ADJOURN
MR. OXER: Good morning, everyone. I'd like to welcome everybody to the February 20 meeting of the Texas Department of Housing and Community Affairs Governing Board.

We will begin, as we do, with roll call. Ms. Bingham?

MS. BINGHAM ESCAREÑO: Here.

MR. OXER: Mr. Gann is not with us today; Mr. McWatters is not with us today.

MR. OXER: Dr. Muñoz?

DR. MUÑOZ: Present.

MR. OXER: I am here. And Mr. Thomas is here.

We have a quorum so we can safely proceed.

Tim, start us with the pledge.

(Whereupon, the Pledge of Allegiance and the Texas Allegiance were recited.)

MR. OXER: Okay. Michael, have we got any guests we'd like to recognize? Is Viveca here?

MR. LYTTLE: I don't see Viveca, but I do see Bobby Wilkinson.

MR. OXER: Bobby Wilkinson is our new advisor from the Governor's Office. Stand up and say hi, Bobby. Stop by, everybody, and say hello, introduce yourselves.

MR. IRVINE: Meredyth Fowler from the Speaker's
Office just joined us.

MR. OXER: Good morning, Meredyth. See, we recognize people when they come in. Ask him.

MR. LYTTLE: Tom Gouris is here, too, today.

MR. OXER: Tom Gouris. Since Cameron is not here, things are going to be official your fault when they go wrong. Is that right?

(General laughter.)

MR. OXER: Do we have anything to start off with here, Mr. ED?

MR. IRVINE: No, sir.

MR. OXER: Okay. We'll take a look at the consent agenda. Is there anything that any member would care to pull from the consent agenda?

(No response.)

MR. OXER: I hear none. That being the case, I'll entertain a motion to consider the consent agenda.

MR. THOMAS: So moved.

MS. BINGHAM ESCAREÑO: I'll second then.

MR. OXER: Okay. Motion by Mr. Thomas, second by Ms. Bingham on the consent agenda. Are there any questions? No comment from the public. All in favor?

(A chorus of ayes.)

MR. OXER: Opposed?

(No response.)
MR. OXER: There are none.

Okay. It looks like Ms. Murphy is up first.

MS. MURPHY: Good morning. Patricia Murphy, chief of Compliance.

The first item before you this morning is a report summarizing the results of the customer service survey that the Compliance Division has been sending out. You'll recall last summer there were a series of roundtables, public hearings and work groups focused on potential amendments to the Compliance rules. As I sat through those meetings, I realized that we were not necessarily getting feedback about the rules, it was feedback about the Compliance Division itself. Some of the comment included remarks along the lines of: Department staff should be inspiring property personnel rather than discouraging them. And we also heard things about rude inspectors.

So late last summer we started sending out a customer service survey after each monitoring review. The results in your Board book show a pretty positive response, with some noted areas in need of improvement in the Community Affairs monitoring section of the Compliance Division, but overall the feedback has been fairly positive.

So what does this all mean? I guess it could
mean we're awesome and we always have been, but probably not.

(General laughter.)

MS. MURPHY: It could mean that the employees of the Compliance Division and our contracted inspectors now think twice about the words they choose, knowing that when they leave, the person they're talking to is going to get a survey that asks was this person professional, and hopefully that has changed some behavior.

It could also mean that we don't have the full picture yet. I'm not naive enough to believe that the response to date represents what everybody out there is thinking about us. After all, it is a self-selected survey and not everyone is responding. While I'm grateful for those who have responded, I'm concerned about those who did not respond, and that's where I would like to press further. So I recognize that there are still issues out there about the Compliance Division, and along with the rest of the Department staff, we are looking for ways to bridge any gaps and provide a forum and an opportunity for people to let us know how we're doing and how we could do better.

I plan to periodically bring a report item to the Board to let people know that we do want their feedback, we want to do a good job, and we're committed to
making improvements where they need to be made. I welcome any comments and suggestions from the Board and the public about what would be the most comfortable way for people to provide this feedback and any areas or questions that we should be including in our surveys.

MR. OXER: Good. Thanks, Patricia.

Any questions from the Board? We've got a couple.

DR. MUÑOZ: Patricia, I'm just curious about this UPCS group. Who is on that and what's the criteria for appointment to that sort of work group?

MS. MURPHY: The UPCS work group, they're not an active group anymore. Last summer there was a group, we sent out a listserv saying would anybody like to participate in this work group, and it was kind of an informal group. We met several times at -- where did we meet? -- at the Coates Rose Law Firm, maybe, and they split up into different work groups to try to provide us with some feedback. I don't know if you recall, but we used to have major and minor violations, and we were kind of trying to get some feedback on where should that line be, and those groups had a great deal of difficulty in coming up with a recommendation, and now we just have a violation, we don't distinguish any longer.

DR. MUÑOZ: Was that group before the
roundtables, or did that group exist after the roundtables?

MS. MURPHY: After the roundtables.

DR. MUÑOZ: And then you said that you've sort of sunsetted those groups. Why not maintain something like that? I mean, I'm not saying that you should, that would be your decision and Tim's, but usually those sort of response committees happen because of something. If you have them, you might prevent the sort of something, the ambiguity, the concern, the complaint.

MS. MURPHY: You know, that's a great idea, because it was through those work groups where I really did get a lot of feedback and sort of got an understanding for what are the issues, where's the disconnect, and where I think that people thought that the Department had the ability or authority to change things that we don't, and I think that I maybe made a tiny bit of headway in explaining where is the Department's role in this kind of thing.

DR. MUÑOZ: I think that this thoughtful and it revealed some things that, you know, perhaps you would have preferred not to be made aware of, but that's what makes them so helpful. These committees when they exist -- and it doesn't have to be something that's very onerous -- it could provide sort of a vehicle to find
areas of improvement before they escalate to negative
responses on a survey that you send out. Because once
that survey goes out and once it's completed, it's on the
record forever, and it may reflect something even less
desirable.

MS. MURPHY: Agreed. And I think that UPCS is
a sticky area, it's a tough thing for the management
companies to deal with, and that's really a big area in
the compliance monitoring where they have a lot of issues.

That's a great idea.

Any other suggestions?

MR. OXER: A question, Patricia. How many ways
do we currently have, apart from this, this one request
for input, how many other ways do you have for input to be
made in terms of -- I mean, are there informal ways, as
well as formal ways, and for those formal ways we keep
statistics like you've got on this one.

MS. MURPHY: Certainly people do reach out to
me to say: Hey, I just want to let you know you've got a
rogue monitor out there, sort of. So do have those kinds
of calls that come in in an informal manner. In addition
to the Texas Apartment Association, about quarterly,
myself and the president from one of the major management
companies host a roundtable, and I always kind of call it
"Stump the Chump." It's really open, I can get hit with
any sort of question out there, and that is also a real
opportunity for me to hear what's going on, as well as for
people who are more seasoned and just don't want to sit
through an eight-hour compliance training, they just want
to hear about something new. It's a good two-way exchange
of information, so we do that on a quarterly basis.

MR. OXER: That's regular?

MS. MURPHY: Yes. TAAHP has reached out as
well. Just yesterday we did participate, as you were
there, with TAAHP, and so we could maybe set up something
more formal with TAAHP. The Rural Rental Housing
Association, we've offered to do training with them, as
well, to offer our Housing Tax Credit training. But we're
looking for ways and ideas to communicate and clear the
air.

MR. OXER: When an inspector, either on the
staff or on contract, goes out there, and essentially you
start with okay and it goes downhill. Is there any place
in there where we can give a compliment who did a
particular good job at something that would be considered
on the inspection.

MS. MURPHY: We could consider it. You know
something, in the UPCS protocol, so you're right, it's no
observed deficiency or it's a Level 1, 2 or 3 deficiency,
there's not a "this looks great" sort of way to rate the
property. And we do talk with the staff about, you know:  
as you're walking the property if you see nice landscaping  
be sure to point that out, if you like the architecture of  
the buildings please comment on that, please don't only  
photograph deficiencies so that we have a complete and  
accurate picture of what the property looks like. So some  
of that is just sort of training the staff in  
communication style.  

And we could try to do something more formal  
about trying to find a way to say we found these positive  
features on your property. The file monitoring staff, I  
think, gives a lot more technical assistance and feedback  
and your files are organized, this looks good sort of  
stuff. And our physical inspectors, you're right, they're  
out there to say was there an observed deficiency, and  
there's not a way to say better than no observed  
deficiency sort of rating.  

MR. OXER: I have other instances that I've  
encountered this in let's just say the defense area. You  
send people out there to find deficiencies, they feel like  
their job is not done unless they find some, so they could  
still do a good job finding no deficiencies. So maybe we  
need to make sure that that's apparent to the staff also,  
or to our inspector corps.  

MS. MURPHY: Agreed.
MR. OXER: Great. Any other questions?

Robert.

MR. THOMAS: Thank you, phenomenal, just exactly what I would have hoped for. I'm coming out of the rulemaking process and before could tell that there were areas, and I think that's natural that you would expect. I also have been very impressed with the Compliance Division, and yourself, in particular, the sensitivities in the training for me to join the board about making sure that you were taking care of our obligations by being respectful of our various constituents. So thank you, personally thank you.

How often do you think is reasonable for us to receive some type of feedback along these lines, given the totality of the work and expectations.

MS. MURPHY: I was thinking of doing it quarterly, but if you it more or less frequently, I'd be happy to do that.

MR. THOMAS: You probably offered that in the beginning, talking about doing this quarterly, didn't you?

MS. MURPHY: I don't remember if I did or not, I think it was just in my head.

MR. THOMAS: Okay. Well, then we're on the same wavelength.

MR. OXER: Quarterly works.
MR. THOMAS: I would love to hear about this quarterly.

MS. MURPHY: Great. Now we're really going to get some feedback, which is what we want.

MR. OXER: Right. We need the feedback.

Other questions from the Board?

(No response.)

MR. OXER: Okay, good. Thanks, Patricia. Jean, I think you're next.

MR. IRVINE: Teresa.

MR. OXER: Teresa. Oh, okay.

MS. MORALES: Teresa Morales, manager of Multifamily Finance.

Chairman Oxer and Board members, item 3(1) Patriot’s Crossing, is a 162-unit new construction, general population development, to be located in south central Dallas. The Department is the issuer of the bonds, and the financial structure involves an FHA 221(d)(4) loan takeout that is similar to that of a previously approved bond transaction, the Waters at Willow Run. The bonds will be issued as short-term, tax-exempt, fixed rate bonds that will be cash collateralized with the proceeds of a taxable FHA mortgage loan.

As noted in the Board writeup, there were some concerns raised during our internal awards committee.
meeting, or EARAC, that was held on February 11, and staff
has been working very diligently with the applicant to
resolve those concerns. Specifically, a member of EARAC
had a recollection of al letter that was submitted in
response to the 9 percent application for this same site
that was filed last year. The letter was submitted on
behalf of ICP, and it made a comparison to the crime rates
for the area surrounding the Patriot's Crossing site
compared to those of the area immediately surrounding a
2013 application for development in a high opportunity
area.

The purpose of the letter was to raise concern
about the approval of a community revitalization plan
submitted during the 2013 9 percent round, but it also
raises possible eligibility issues with respect to
undesirable area features found in the Department's
Uniform Multifamily Rules, 10.101(a)(4), due to assertions
that crime in the area was disproportionately high as
compared to crime levels in higher opportunity areas.
This letter was not directed to this specific application,
nor was it resubmitted in response to the filing of this
application, however, the issues raised therein were
directed at the Patriot's Crossing development located on
the same site, and are therefore relevant to the factors
that the Department must consider under the Uniform
Multifamily Rules.

That being said, EARAC convened yesterday afternoon to discuss the information that had been provided since that initial EARAC meeting, and I believe Tim is going to go into some additional information.

MR. IRVINE: Thank you very much.

EARAC is sort of the last line of defense in receiving all of the staff information that rolls up, all of the applicant information that rolls up, and as the statute indicates, making the recommendation to the Board about funding or allocation decisions. And I'm pleased to say that we've gotten to the point where the blanks in your Board book can now be filled in that recommends the bonds and the determination notice be approved.

As we dug into this, though, I'd like to shout out certainly the applicant for dealing with something that came out of the blue, apparently, and for handling it with aplomb and deftness, and especially I'd like to shout out to my staff for really digging in. You know, at the end of the day, what we want is for EARAC to develop the best possible information, to develop the full truth of the situation, and as we dug into this, what we found was that compared with two other high opportunity sites that were identified in the past tax credit competitive round, crime levels at this site were actually lower. We
identified a downward trend over the last few years, a
significant downward trend over the last few years in
crime activity.

We received, thanks to Claire Palmer, who
represents the applicant, we received an email from the
assistant chief of police in Dallas, pointing out that
additional resources had already been devoted to the area,
confirming that this was not in any of the city's
identified crime hot spots, and generally confirming the
favorable overall impression that we were receiving and
documenting about improvements in criminal activity within
the area.

Based on all of this, we believe that the
certification that this area was not in a place that
involved undesirable area features, as defined in our
rule, and we believe that those certifications have been
satisfied, they should be accepted as presented. And
based on that, the EARAC voted unanimously to recommend
this transaction.

MR. OXER: Any questions from the Board?

DR. MUÑOZ: Tim, I recall in my reading that
there was a public hearing on the 28th and generally
everybody was supportive of the development, and there's a
magnet school that's been recognized located very closely?

MR. IRVINE: I believe so, yes.
MR. OXER: Any other questions from the Board?

(No response.)

MR. OXER: We have to have a motion to consider which is for the recommendation of staff to approve this action.

MS. DEANE: Mr. Chair, if I could make a suggestion that if a Board member wishes to make a motion to approve that they include in there that all documentation underlying the decision that's been provided be specifically incorporated into the record, just in case we need to have this documentation when we do our annual report on the remedial plan up in Dallas.

MR. OXER: I should hope that would be the plan under all of these, but certain on this one. Yes. So that being the case, do I hear a motion?

MS. BINGHAM ESCAREÑO: I'll move staff's recommendation to approve the issuance of the bonds, and would ask that all documentation related in support be included on the record, and the determination notice. Pardon me. I'm amending that.

MR. OXER: All related notes associated with it.

MS. BINGHAM ESCAREÑO: Yes, sir.

MR. OXER: Motion by Ms. Bingham to approve staff recommendation with all documentation supporting.
Do I hear a second?

DR. MUÑOZ: Second.

MR. OXER: Second by Dr. Muñoz.

Now we have opportunity for public comment.

Claire, this is going in the direction you probably want it. You sure you want to say anything?

MS. PALMER: I just need to make one really quick comment on the resolution as it's made. Claire Palmer, the development consultant for the applicant at Patriot's Crossing.

I would just like to make one request that the resolution include that you're allocating the 4 percent tax credits, as well, because this is an approval of the bonds and the 4 percent tax credits at the same time.

MR. OXER: That's included in the resolution -- is it, or isn't it?

MS. PALMER: It just wasn't included in Ms. Bingham's resolution.

MR. OXER: It's included in her recommendation which is staff recommendation, and we can read this.

DR. MUÑOZ: You said all documentation.

MR. OXER: Well, the resolution is staff recommendation.

MS. BINGHAM ESCAREÑO: It had two parts to it.

MR. OXER: You're including that, of course.
MS. BINGHAM ESCAREÑO: Yes.

MR. OXER: It's $13 million tax-exempt multifamily revenue housing bonds. Further resolve the issuance of determination notice of $840,653 in 4 percent housing tax credits, which is included in the resolution. Is that clear?

MS. PALMER: Thank you.

MR. OXER: Any other comment from the public?

MR. ARECHIGA: Just a brief comment. My name is Jason Arechiga. I'm representing the NRP Group and TALHFA, as well.

I just wanted to applaud EARAC and the decision of allowing Patriot's Crossing to go forward. There was some, I guess, discussion in the development community, as you can imagine, about setting a precedent, especially with 4 percent and the federal government's intention to develop in difficult to develop areas, which sometimes can rise to slightly higher crime levels. And that's just slightly higher, we're not saying it's disproportionately, but as you mentioned, the beats in some 9 percents can even be higher.

And the basis of comparison, by using beats, sometimes can be a little bit flawed, if you ask me. In the letter from Michael Daniels, he had send three beats and Dallas has over 600 beats, so if I have a sample size
of 600 and I can choose three out of them, I can kind of make a sample to say sort of what I want it to say.

MR. OXER: The question of those statistics.

MR. ARECHIGA: Yes, basically. It's just I can make the statistics what I want them to be out of a sample size of 600 when I choose three. So the rule itself is just a little bit vague is all, and when it says an area, what defines the area, and then it says significant criminal activity rising to the level of frequent police reports. What necessarily defines frequent, and are you using a beat to define the area? And specifically, the only crimes also mentioned are drug trafficking, prostitution and gang activity.

MR. OXER: The big three.

MR. ARECHIGA: The big three. I mean, like with the junkyard, for instance, there's a measurable distance, 300 feet away, but from a gang I can't say I'm 300 feet from this gang right at the moment, and it's just kind of a movable target. So I guess there's left open a very broad interpretation of it and it can establish a dangerous precedent.

And then the final thing with establishing that, too, is I think it also goes a little bit against the spirit of a QCT to a certain degree. I mean, it's generally defined to be a difficult to develop area by
HUD, and we need some assistance. We don't want to just
give up on these areas. You know what I mean? Everything
has some crime, and what defines the type of crime? Some
higher opportunity areas may have a higher degree of DWI
or white collar crimes, or assault or burglary, or
whatever the case may be. This isn't exclusive to what
may be a poor area or what may be a higher opportunity
area, it can be anywhere.

And I guess as developers we want to help the
community, hence the CRPs, and we want to help everything,
we want to bring these areas up, and we don't want to
abandon them. Obviously, we do want to look for our
profits, we do want to develop the bond deals in the
future, but we don't want to be hamstrung, I guess, in the
future by having to abandon these areas because they may
qualify as being slightly -- have a little bit more crime
and what type of crime is that.

That's basically all wanted to say. I applaud
the decision, I think it was definitely the right move,
and thank you very much.

MR. OXER: You're quite welcome. Your comments
are noted.

Tim, did you have a comment?

MR. IRVINE: Michael has a letter to read into
the record too.
MR.OXER: Michael. And I have a quick comment after that too.

MR. LYTTLE: It's addressed to Tim Irvine, dated February 20, 2014.

"Mr. Irvine, The City of Dallas was recently informed that questions had been raised within your organization about crime in and around the Lancaster Corridor, which is one of the main focus areas of my economic development plan for southern Dallas called Grow South. The Lancaster Corridor includes the Lancaster-Kiest Shopping Center, the VA Medical Center, multiple transit-oriented developments in the Dallas Area Rapid Transit Police Department's headquarters.

"In recent years this area has achieved drastic improvements in investment, development and crime reduction. Overall, crime in Police Beat 726 which contains 4623 S. Lancaster Road, has dropped 47 percent in the past ten years, according to an analysis by the Dallas Police Department. The positive momentum in this neighborhood has been fueled by the opening in 2007 of the DPD South Central Patrol Division which serves the Lancaster Corridor, and the city's establishment of a community court, the opening of a My Children's Medical Center Clinic, and growth of public charter schools.

"The Lancaster Corridor is an area of great

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opportunity. With new commercial and residential developments coming to the area, we have a real opportunity to make drastic improvements in the quality of life for residents living in this area of our city. The City of Dallas will continue to focus resources on the Lancaster Corridor as part of my Grow South initiative.

"Please do not hesitate to contact me through my chief of staff if you have any further questions or desire specific information about Grow South.

Respectfully, Michael S. Rawlings, Mayor."

MR. OXER: Great. Thanks.

I think one of the things that should be noted, and I think there were a lot of you that were here, certainly Tim and Barbara and I were actually at TAAHP conference meeting yesterday looking at the way that EARAC addresses these issues, and none of these is going to be a single check the box, you're in/you're out, at least my interpretation of it -- and I speak as one member amongst the Board here -- is to take a look at these and say if it's a high crime area, and it's the subject of evaluation -- that's why we have more than one set of eyes that look at it and more than one perspective on it -- hold on, Claire, we're on your side, so just sit tight. Okay?

The point is to take a look at these, if there
is high crime or if there is opportunity to develop an area to put these resources there so that it begins to improve it, what we're also looking for is to see that those resources available for crime prevention and protection are also being addressed into it so that that drives it down over time.

So at this point, everybody got what they wanted, so why don't we all be quiet.

Any other questions?

(No response.)

MR. OXER: I think we have a motion by Ms. Bingham, second by Dr. Muñoz to accept staff recommendation, as modified with all documentation, certifications. Anything else to add to that, Counselor?

MS. DEANE: No. Specifically just included in the record.

MR. OXER: Included in the record so that it becomes part of our evaluation package for the things that we have to do with respect to our legal requirements. So that being the case, any other public comment?

(No response.)

MR. OXER: Okay. All in favor?

(A chorus of ayes.)

MR. OXER: Opposed?

(No response.)
MR. OXER: There are none. Congrats, Claire.

Okay. Item number 4.

MR. IRVINE: It's been pulled.

MR. OXER: It's been pulled. I hate to say this, we may set a record here.

Everybody be still for a second and listen because we've got to do this. We're about to go into closed session, into executive session. The Governing Board to the Texas Department of Housing and Community Affairs will go into close session at this time, pursuant to the Texas Open Meetings Act, to discuss pending litigation with its attorney under Section 551.071 of the Act, to receive legal advice from its attorney under Section 551.071 of the Act, to discuss certain personnel matters under Section 551.074 of the Act, to discuss certain real estate matters under Section 551.072 of the Act, and to discuss issues related to fraud, waste or abuse under Section 2306.039(c) of the Texas Government Code.

The closed session will be held in the anteroom behind us. The date is February 20, 2014, the time is 10:36. We expect this will not be a particularly long executive session, so we'll be back well before 11:30, wrap this thing up and be out of here, so I'd suggest everybody stand by and we'll be right back.
(Whereupon, at 10:36 a.m., the meeting was recessed, to reconvene this same day, Thursday, February 20, 2014, following conclusion of the executive session.)

MR. OXER: The Board is now reconvened in open session at 11:43. We received counsel on a couple of items. No further action was taken, and we are back in the game here.

So with respect to the agenda, are we at the end of it here, Tim?

MR. IRVINE: We are, sir.

MR. OXER: Okay. We are at that point where we take comment from the public for anything you'd like to add to the agenda for the future. So we have some public comment here? Which one of you is carrying the over/under on twelve o'clock? You know, I have some influence on this.

(General talking and laughter.)

MR. OXER: No other public comment here. Is there any comment from staff? Any comment from Mr. ED or general counsel? Any other Board member?

(No response.)

MR. OXER: Okay. I get the last word, and that is thanks everybody. It's a good job that we do.

I'll entertain a motion to adjourn.

MS. BINGHAM ESCAREÑO: So moved.
MR. OXER: Motion by Ms. Bingham to adjourn.

DR. MUÑOZ: Second.

MR. OXER: Second by Dr. Muñoz. All in favor?

(A chorus of ayes.)

MR. OXER: We'll see you in two weeks.

(Whereupon, at 11:45 a.m., the meeting was concluded.)
CERTIFICATE

MEETING OF:     TDHCA Board
LOCATION:      Austin, Texas
DATE:      February 20, 2014

I do hereby certify that the foregoing pages, numbers 1 through 30, 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.

02/25/2014
(Transcriber)         (Date)

On the Record Reporting
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