

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

HOUSING AND HEALTH SERVICES
COORDINATION COUNCIL MEETING

Via GoToWebinar

October 13, 2021
10:00 a.m.

COUNCIL MEMBERS:

BOBBY WILKINSON, Chair
DONI GREEN, Vice Chair
SUZANNE BARNARD (absent)
SUZIE BRADY
DAVID DANENFELZER (absent)
REV. KENNETH DARDEN (absent)
DIANA DELAUNAY
HELEN EISERT
JENNIFER GONZALEZ, Ph.D (absent)
MICHAEL GOODWIN
BLAKE HARRIS, Ph.D
DONNA KLAEGER
DERRICK NEAL
BARRETT REYNOLDS (absent)
SCOTT STROUFE (absent)

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P R O C E E D I N G S

MR. WILKINSON: Good morning. Welcome, everyone, to the Housing and Health Services Coordination Council meeting on October 13, here at 10:00 a.m. Let's start with the roll call.

Suzie, are you here?

(No response.)

MR. WILKINSON: Jeremy, is it just everyone I can see is here?

MR. STREMLER: It looks like Suzie is here. She just got on. I see it on the --

MS. BRADY: I am here. Hi, everyone. Sorry, I had another thing that just finished.

MR. WILKINSON: No worries.

MR. STREMLER: But otherwise, yes. It seems that everyone you see here is who is here.

MR. WILKINSON: Donna, Mr. Goodwin.

MS. KLAEGER: Yes.

MR. GOODWIN: (Inaudible response.)

MR. WILKINSON: Diana. Helen.

MS. EISERT: Yes. I am here.

VOICE: I think someone is calling is as well. It sounds like somebody is calling in, doesn't it?

VOICE: That was my phone, probably.

VOICE: Okay. Sorry.

1 MR. STREMLER: I want to say Doni is here. She
2 stepped away for --

3 MS. GREEN: Yes, I'm here.

4 MR. STREMLER: There she is.

5 MR. WILKINSON: Is there anyone else on the
6 phone?

7 (No response.)

8 MR. WILKINSON: I have eight. Is that what you
9 have, Jeremy?

10 MR. STREMLER: Eight, and then nine, including
11 yourself.

12 MR. WILKINSON: I'm counting myself. So, who
13 did I miss?

14 MR. STREMLER: Let's see. Got Blake, Derrick.

15

16 MR. WILKINSON: Oh, I'm sorry. I missed Blake.
17 Sorry, Blake. Okay.

18 MR. HARRIS: Don't worry.

19 MR. WILKINSON: Great. We have a quorum. So
20 we can now approve our minutes, and what-not. Before we
21 do so, Jeremy, do you want to go over the housekeeping
22 basics?

23 MR. STREMLER: Yes. This will be very quick,
24 because I don't believe we really have many attendees
25 watching. So for those attendees that are watching, your

1 screen should look something like this.

2 Your control panel on the right. All of our
3 faces are on the left, in the middle of the screen there.

4

5 You can control your audio and ask any
6 questions in the questions box from your control panel on
7 the right. That also goes for our members as well. If
8 you have any questions, you can put in the questions box,
9 if you don't want to speak.

10 Just a reminder, if you get disconnected and
11 you are calling in by phone, to hang up, wait a few
12 minutes before getting back in. This takes the system a
13 minute to realize you are not there. You can also test
14 your computer audio from your control panel on the
15 right-hand side, under the audio tab to make sure that you
16 can hear everything.

17 And then for those attendees that are watching,
18 when we get to public comment and after presentation of
19 items, if you have any questions, please use the Raise
20 Your Hand button, so that we can note that you want to
21 make public comment, and then unmute you, so that you can
22 speak. That is all.

23 MR. WILKINSON: Thank you, Jeremy. Appreciate
24 it.

25 Moving on, we can move on to the approval of

1 the July 29th meeting minutes. If no one has any edits, I
2 would entertain a motion.

3 MR. GOODWIN: I so move.

4 MR. WILKINSON: Mike Goodwin. Mr. Goodwin.

5 MR. HARRIS: I second. Harris.

6 MR. WILKINSON: Mr. Harris. All those in favor
7 of approving the minutes, say aye.

8 (A chorus of ayes.)

9 MR. WILKINSON: Any opposed?

10 (No response.)

11 MR. WILKINSON: The ayes have it. We will move
12 on. Brooke is going to tell us about Texas Rent Relief,
13 the CARES Act, and the American Rescue Plan, so all our
14 COVID money.

15 MS. BOSTON: Okay. Thanks, everyone. As Bobby
16 said, we're just going to give you an update of what has
17 been going on for us.

18 So first with the Texas Rent Relief program.
19 This was one we have talked to you about before. But we
20 received \$1.3 billion in our first round of funding and
21 then another billion in our second round of funding.

22 I am very pleased to share that this week we
23 are just on the cusp of hitting our \$1 billion mark of
24 payments made out and approved for households, so that is
25 very exciting. So that means we are just on the cusp of

1 transitioning to working through the second billion.

2 We also -- because we met the federal deadlines
3 associated with that first 1.3, that puts us in a position
4 to potentially be able to receive additional reallocated
5 funds separate from that second billion that would be
6 coming from other grantees across the country who have not
7 spent theirs by the required deadline.

8 So it will be a couple of months, I think,
9 before we know where Treasury is going to land with that.

10 They are intending, understandably, to try and keep it at
11 least in the same states as where they are taking it from.

12 So, for instance, if one grantee is a city and
13 they are not doing well, they may try and give it to the
14 state, or vice versa, as opposed to just moving it across
15 the country to Texas. So we will kind of see where that
16 ends out. We will have to submit a request at some point
17 indicating how much we would be willing to take.

18 The other dynamic of this resource, the
19 Emergency Rental Assistance Funds, is that we are allowed
20 to program a certain portion of the funds for our Housing
21 Stability Services. Luckily, Treasury has been pretty
22 expansive about what that can mean.

23 And so we have programmed -- out of ERA I, we
24 programmed \$71 million for that purpose. That is for
25 both; \$20 million goes to the Texas Access to Justice

1 Foundation for providing legal services, and then roughly
2 the other \$51 million is going to 30 different providers
3 across the states.

4 We will also then be releasing a NOFA for \$85
5 million out of the ERA II Stability Services, again, just
6 for nonprofits and communities across the state to come in
7 to get funds for stability services, so that is going
8 really well, and we are excited that those funds were
9 there for us to have that flexibility.

10 MS. EISERT: Can I ask a question.

11 MS. BOSTON: Yes. Of course. Do it.

12 MS. EISERT: What falls under Housing Stability
13 Services for this NOFA?

14 MS. BOSTON: Yes. A lot. It could be anything
15 from -- it doesn't pay for rent itself, but it can pay for
16 deposits, it can pay for incentives to landlords, it can
17 pay for a whole array of homelessness services.

18 It is really -- and I know that is not a very
19 thorough answer, but it is really comprehensive. So we
20 have something on our website, and I will have Jeremy
21 share that around with you guys.

22 But it gives a list of what all the eligible
23 activities are. But if you know of an entity that might
24 be interested in the NOFA and you think something that
25 should be a service isn't on there, let me know, because

1 it is not a list that can't be augmented. We have to kind
2 of check and look into that, but it is not set in stone.
3 There is still room for flexibility.

4 MS. EISERT: Thank you. That is great.

5 MS. BOSTON: So other CARES Act funds, we
6 received \$48 million in Community Services Block Grant
7 funds, which went out to our Community Action Network.
8 They are about 80 percent done with that. And that is in
9 addition to their normal CSBG allocation, so that is
10 great.

11 We also received \$94 million in LIHEAP; that
12 stands for Low Income Home Energy Assistance Program. And
13 Texas uses its LIHEAP funds for utility payment
14 assistance. So we are about 60 percent of the way through
15 those funds.

16 I would note that through ARPA, more recently,
17 we also got a second round of that pot, LIHEAP for another
18 \$134 million. So it is great, because while the Texas
19 Rent Relief pays for utility assistance, it doesn't move
20 as nimbly as a local CEAP provider might. And so it is
21 nice that there is this alternate way to also get utility
22 assistance.

23 TDHCA also received \$141.8 million in Community
24 Development Block Grant funds. I think that I told you
25 guys about this last time. I told you that, you know, it

1 seems like every time we tried to plan an activity with
2 it, then we would get new federal money that was for that
3 activity, so it was kind of undermining all of our
4 planning.

5 We now go are set in moving aside from doing
6 rental assistance, which had started out before the Texas
7 Rent Relief program, which is mostly ramping down now. We
8 are also providing mortgage assistance, food bank
9 assistance, assistance to people with disabilities for
10 legal services through Disability Rights Texas, and then
11 also to organizations that serve people with disabilities
12 to help cover some of their costs of having to adjust to
13 the pandemic.

14 And then most recently, kind of the balance of
15 funds has been programmed into a new community resiliency
16 NOFA that was just released last week. And that allows
17 mostly rural Texas or small metropolitan areas to come in
18 and try and improve their facilities, which can include
19 mobile facilities, to either better respond to COVID or to
20 respond to future pandemics.

21 So for communities that were hit pretty hard by
22 the pandemic and didn't have, let's say, a mobile health
23 clinic, they can come in now and get assistance from us
24 for that.

25 So if you know of rural communities that you

1 want to get the word out, let me or Jeremy know. We have
2 tried to get the word out through our listservs, through
3 the Association of Rural Counties in Texas, or communities
4 in Texas; Texas municipal leagues, TARC. So we think we
5 are trying to hit a lot of outreach, but we are happy to
6 spread the word.

7 And then the last thing under CARES Act was the
8 Emergency Solutions Grant Funds. These were for
9 homelessness assistance in addition to our normal
10 allocations.

11 We got that in two different tranches. The
12 first was \$33 million. The second was \$64 million. That
13 first batch, we are almost 70 percent of the way through.

14 The second batch we are about 15 percent of the way
15 through.

16 We are finding an interesting dynamic, and I
17 imagine that some of you guys may be seeing the same thing
18 happening in your communities. But that is one of the
19 challenges, is that local nonprofits can only take so much
20 from these fire hoses of funds flowing to them.

21 And while they want it, and it is totally in
22 line with their mission, it can only ramp up and get
23 capacity within limitations. And so one of in fact the
24 things that we are trying to be thoughtful about is for
25 instance, if the same subrecipients who are getting our

1 ESG are also the ones who are getting our Housing
2 Stability Services.

3 And so let's say for them to perform on the
4 stability service contract, that may mean they are working
5 a little more slowly on the ESG contract, and that is just
6 kind of a reality of channeling so much money out into our
7 communities.

8 And then last but not least, we also had gotten
9 15 mainstream vouchers from the CARES Act, which we issued
10 right away. The second pot of major funding that we
11 received was from the Consolidated Appropriations Act of
12 2021.

13 That was where we first got our first round of
14 TRR, the Texas Rent Relief funds. That also created a new
15 program nationally, called the Low Income Water Assistance
16 Program. And that one is kind of just like the utility
17 assistance program, LIHEAP, I was telling you about, but
18 it is just for water and wastewater, because LIHEAP, the
19 earlier one I mentioned, is only for electric and gas. So
20 this is meant to complement that. We received \$51.8
21 million. It is funded through HHS.

22 And they have told us that they wanted us to
23 use our same network as we use for LIHEAP, which makes a
24 lot of sense. We have relationships with a lot of the
25 local utility providers already. We have submitted a plan

1 to HHS; they have gone through it with a fine-tooth comb.

2 We are submitting them some revisions this
3 week, and we are hopeful to be able to enter into
4 contracts, hopefully maybe in the next month, assuming HHS
5 gives us approval.

6 And then last, the newest big pot of funds that
7 TDHCA had access to is under ARPA, the American Rescue
8 Plan Act. It had second allocations, as I mentioned, for
9 ERA, so the Texas Rent Relief, the LIHEAP, and then they
10 also gave us a second round of LIHWAP, the program I was
11 just talking about. So, a lot of second pots coming
12 through ARPA.

13 It also established the Homeowner Assistance
14 Fund, we call that HAF, and that is a pretty meaty one for
15 Texas as well. That is \$842 million, and it allows the
16 state to assist homeowners kind of the way the rent relief
17 program was designed to help tenants.

18 This alternatively assists the homeowners with
19 mortgage delinquencies, defaults, foreclosures, and other
20 associated costs they may have accrued, like condo fees,
21 that kind of thing. Treasury is the oversight agency, and
22 they require that we do a plan.

23 That plan was submitted on September 30. We
24 are in the process of contracting for a vendor for this,
25 and we are just going to eagerly await Treasury's approval

1 so we can move forward.

2 A few other things under ARPA. We received 798
3 emergency housing vouchers. These are focused
4 predominantly on households that are homeless, at risk of
5 homelessness, or from the domestic violence populations.
6 We are working on getting those out.

7 Spencer has been helping with that
8 significantly. We are focused on trying to get at least a
9 chunk of those into the balance of state. We are required
10 to work with the continuums of care on that activity. And
11 THN, as you guys likely know, is the balance of state
12 coordinator.

13 THN stands for Texas Homeless Network, and they
14 are working with us. They think they will be able to use
15 at least half of those vouchers in rural areas of the
16 state that wouldn't typically -- or small metro also --
17 that wouldn't typically have gotten assistance through any
18 other public housing authority. So, that is exciting.

19 And then I actually saved this one for last,
20 because I think it is one that you guys may be most
21 interested in. The last pot under ARPA is HOME ARP. We
22 received \$132 million.

23 And this is an interesting hybrid of HOME and
24 what you might have thought of as ESG. It is homeless-
25 oriented HOME funds, and they can be used for some normal

1 HOME activities like Tenant Based Rental Assistance.

2 But then it also can be used for permanent
3 supportive housing, construction of non-congregate
4 shelter, and services. HUD requires, this is not --
5 whereas normally when we have a HUD fund like CDBG or ESG,
6 we have just a plan amendment.

7 And in this case, HUD said, no, you need to do
8 a whole different planning process. And it is big. So we
9 are right now on the front end of that, because HUD
10 guidance only recently came out.

11 We are doing three weeks of consultations. I
12 do think that Jeremy had sent an announcement about those
13 out to you guys. But if not, we can get that out. There
14 is a series of consultations. Some are targeted for
15 public housing authorities, some for service providers.

16 So we will get initial input from all those
17 folks, and then we will do a draft plan. We will take
18 that to our Board, and it will go out for 15 days of
19 public comments, and then we'll have our Board do a final
20 adoption.

21 Then we can turn it into HUD, and then we wait,
22 so we are still a little ways away, probably, from getting
23 those funds out through a NOFA.

24 Initially we are thinking that we have a lot of
25 interest in using the funds in ways that can have a

1 lasting impact, so capital investments in permanent
2 supportive housing and non-congregate shelter. But we
3 will see what all the consultation yields. And with that,
4 I am happy to answer any other question.

5 MR. WILKINSON: Thank you, Brooke. That was a
6 lot. Has anyone kind of what -- seen like a chart, with
7 it, kind of with all this stuff? We -- Brooke has one in
8 the Board book.

9 Brooke, could we email that around for
10 everybody, so they could kind of at a glance see the
11 difference of COVID activities we have been doing with the
12 various funding sources. It helps me to review it.

13 Welcome, Diana. Thank you for joining us.
14 Good morning.

15 So we're excited on crossing this billion. We
16 will probably do a press release this week, I think. We
17 were at 994 disbursed this morning, so it is very close.

18 Another 52 approved, so we're first in the
19 nation in dollars out, and I think we are third in
20 percentage of awards behind Virginia, and then New Jersey
21 somehow passed it this last quarter. But we will see.

22 And then staff has been working hard trying to
23 get all that other money out, you know, like Brooke was
24 describing. Some of it, we are waiting on the feds for
25 like, Treasury for HAP plan. They haven't approved any in

1 the nation, yet. So that will be slow out in that rental
2 assistance, but it will get there.

3 All right. If there is no more questions about
4 all this funding, we'll move on to Item 3, from Jeremy, an
5 update on our projects.

6 MR. STREMLER: Yes. So as I spoke about the
7 last couple meetings, been collecting information for the
8 service-enriched housing database that we have been
9 speaking about and that the Council is trying to produce.

10 So, for that, of course, as I mentioned before,
11 collected information on HUD funded, HUD directly funded
12 811 properties and 202 properties. So those are 811
13 properties that are not funded by money that TDHCA has
14 disbursed.

15 And then also of course, we have a list of all
16 of the properties that TDHCA has funded through low income
17 housing tax credits that are used for supportive housing.

18 And that is kind of what we have got.

19 So the question I wanted to pose to everyone
20 today was, if anybody knew of another source of data that
21 showed, you know, addresses, locations for other
22 supportive housing developments around the state, because
23 obviously those three pots of data do not necessarily make
24 up all of the supportive housing in the state.

25 So if anybody had any other suggestions of

1 where they think more information on supportive housing,
2 or service enriched housing could be found, I would love
3 to hear it, because at this point, I have kind of hit -- I
4 have kind of found as much as I can find from what we know
5 of through TDHCA, because obviously there are some. You
6 know, there are different like churches or other
7 organizations that may develop this type of housing, not
8 with federal funding, not with state funding, that could
9 potentially be available to people around the state.

10 And we want to, you know, of course, in trying
11 to include as much as we can in anything that we are going
12 to post on our website to provide as a resource for people
13 in the community.

14 So if anybody had any suggestions, I would love
15 to hear it. If you don't think of it now, and you think
16 of it later, just you know, shoot me an email with where
17 you think some of that information might be found. But
18 I'd love to hear if anybody has any ideas now, as well.

19 MS. EISERT: You know that first thing you
20 said, you said 811 and something else that you guys had
21 looked at?

22 MR. STREMLER: 202, HUD 202.

23 MS. EISERT: I mean, looking at the properties
24 funded through the local Continuums of Care, I notice some
25 overlap there, right? -- because if they have developed

1 something, well I am just thinking -- I was just trying to
2 think of where all -- I mean, they would have probably
3 used tax credit properties, I am thinking for that.

4 MR. STREMLER: Right.

5 MS. GREEN: I can send you a link to the
6 housing inventory developed by the Aging and Disability
7 Resource Center Housing Navigator. I am not sure if there
8 is any additional information that you guys wouldn't
9 already have.

10 But I know within our region, he has been
11 working on adding senior communities that may or may not
12 meet the definition of affordable. You know, there are 27
13 other housing navigators who would be compiling
14 inventories. We haven't gotten a lot of clarity about
15 what to include or exclude.

16 But again, I will send you a link, let you look
17 at that. And if you see anything that might be new or
18 helpful, let me know. And I can kind of coordinate
19 requests to the other Aging and Disability Resource Center
20 housing navigators.

21 MR. STREMLER: Thanks, Doni. And then that is
22 another thing, too, you know, if because of course, TDHCA
23 funds through local housing tax credits, you know, elderly
24 only geared, you know, properties, as part of that
25 funding. So, those can also be, you know, something that

1 could be included separate on this list.

2 They are of course also available on the
3 website and other places, too. But to consolidate them
4 all into one place, those could also be added to this list
5 as well, which could of course, potentially include some
6 of what you might have sent Doni, as well as Helen, other
7 things developed with local COCs as part of those
8 developments.

9 But yes, anything anybody has, let me know,
10 because of course, we want to try and get as much
11 information as possible into this database.

12 MS. EISERT: Is there a way to organize it,
13 once you have all the data points to organize it, based on
14 a map? Sort of an interactive map that you could click
15 on?

16 MR. STREMLER: So, yes. Sort of. You know, I
17 guess the question would be, you know, something like what
18 our current 811 program has on their portion of our
19 website.

20 They have a Google map that shows the, you
21 know, kind of data point where it is located in the state
22 for each of those properties, you know, which is
23 definitely doable in terms of something that is easily
24 accessible by a lot of people.

25 Because you know, anyone can access Google and

1 open the map with all the places. And it provides the,
2 you know, address and phone number of the location. So
3 that is something that definitely is doable.

4 And that was -- I think once we collect all of
5 the data, that was the next, you know, ask of the Council,
6 is, you know, if we are going to provide this on the
7 website, what type of format do we want to see it in.
8 Because obviously, you know, a plain Excel spreadsheet
9 with tabs with all these different types of data is
10 always -- you know, serves a purpose and is simple.

11 But you know, if we want to provide that in a
12 different way that isn't as mundane, you know, we can, you
13 know, look into doing that, and try and get that done. So
14 definitely something that is possible, Helen.

15 MR. GOODWIN: Have you included the VA, Rural
16 Housing, and housing authorities in this?

17 MR. STREMLER: I haven't included housing
18 authorities. I think simply because that would -- I mean
19 that is thousands of properties that, you know, are
20 accessible from HUD's website already. It is already all
21 in one place for public housing authorities, for sure.

22 But definitely, you know, looking at including
23 you know, VA, and see if there is anything from, you know,
24 USDA rural development housing. Of course, some of those
25 overlap, similar to anything else with our tax credit

1 properties that are geared towards supportive housing, or
2 elderly-only housing as well. Because many developers in
3 rural areas are accessing multiple pots of money to build
4 those developments.

5 MR. WILKINSON: Jeremy, what about GLO and
6 their multifamily that they are funding? They don't mix
7 it with tax credits.

8 MR. STREMLER: True.

9 MR. WILKINSON: I don't if it follows the
10 general pop or some --

11 MR. STREMLER: Right. Okay. Well, thank you
12 everyone.

13 That is a good list of places to start, you
14 know, gathering more data from, to see if we can find
15 additional properties that are built, that are intended to
16 serve, you know, communities that need access to
17 supportive housing and other forms of service enriched
18 housing. So that is a good place to start.

19 And you know, hopefully at the next meeting, I
20 will have a better update on, you know, having collected
21 more of that information. And then maybe we can talk more
22 about what we want it to look like when we put it up on
23 the website.

24 MR. WILKINSON: Thanks, Jeremy. Next up we
25 have an update from Spencer Duran on our Section 811

1 rental assistance program.

2 MR. DURAN: Thank you, guys, for timing that so
3 fast. So Section 811, we have basically been hard at work
4 just, you know, operating our program in a pretty -- per
5 usual, essentially.

6 We're fully staffed up. We are super excited
7 to have Katherine Cole, who is an internal TDHCA transfer
8 from the Compliance Division, join our team.

9 So we are really hoping to increase our
10 customer service as it relates to properties, providing
11 more detailed training for properties on things like
12 annual, you know, income recertifications and working with
13 tenants, and things like that. So Katherine will provide
14 a really good kind of property focused enhancement to us.

15

16 So, just the top line numbers, we have 450
17 currently housed. We were kind of stuck at around 430,
18 440 for quite a while. We were just waiting on vacancy
19 and turnover. And so we finally had that adequate
20 turnover to get 450 housed.

21 We still have some capacity in our second 811
22 grant, what we call it the FY '13 grant. So we should be
23 able to keep ramping that number up with our first two
24 grants.

25 We have 2,100 people on the waiting list

1 currently, and we have 905 units that are currently under
2 contract with us right now. I think that basically, yeah,
3 things are going well, kind of status quo, our billing
4 units and all that.

5 The big news, though, is we have received from
6 HUD, finally, our confirmation that we can start our third
7 grant, what we call the FY '19 grant. So we have FY '12,
8 FY '13, and FY '19. And FY '19 is \$6.4 million for rental
9 assistance. We applied for these funds in February of
10 2020, and we just now got a draft of the contract
11 documents.

12 So we are in the process of reviewing those
13 documents, and then I will be routing those along through
14 TDHCA soon. There are a few strange changes in the
15 program. It is a new administration. So I am trying to
16 wrap my head around some of the tweaks that HUD made to
17 the contract, so it's a little confusing. But we are
18 working through those issues now.

19 But the big -- basically where it all matters
20 is that that \$6.4 million will basically buy us about 128
21 additional units. So we will just basically continue to
22 fund our existing portfolio. We have a ton of properties
23 that are signed up to the program that are just kind of
24 waiting for, you know, more funding.

25 So our general strategy, well -- our original

1 strategy was to absorb all that funding through new
2 construction properties through 2018 and 2019 multifamily
3 cycle, but because it took so long to get our money, a lot
4 of those properties have already been constructed, so
5 we're kind of revising our plan.

6 Fortunately, unfortunately, there are quite a
7 few properties that have delayed placed in service, so
8 that means that they are not physically constructed yet.
9 They were delayed due to COVID, due to the weather.

10 And so we are going to try and grab some of
11 those new construction properties that were delayed and
12 commit our funds to some of those. So we will end up
13 committing the last grant largely through new
14 construction, but -- which will, you know, commit the
15 funds quickly.

16 But we don't have enough capacity to fully
17 absorb the funds in new constructions, so we are going to
18 end up, you know, filling some units more slowly through
19 the existing property portfolio. As existing families
20 move out, we will make 811 referrals, and we will just
21 fill those units slowly, until we get up to about 128
22 committed units.

23 So we're super happy to have the additional
24 money, but our plan was completely blown out of the water
25 by the delay. We're trying to fold in all this money into

1 our list of resources, and we will just continue to fund
2 properties as we can.

3 MS. EISERT: Spencer, would you mind telling
4 them a little bit about some of your strong work with DFPS
5 on helping youth phasing out of foster.

6 MR. DURAN: Yeah. Thanks. So I think as we
7 have have shared previously, about 92 percent of the
8 households that we serve are people with serious mental
9 illness that are referred to us through the local mental
10 health authority.

11 So we have not served youth aging out of foster
12 care that well, or people who are exiting out of nursing
13 homes. But with our foster care folks, we have been
14 having a ton of meetings. So we have a multiprong
15 strategy to boost referrals.

16 We're working directly with DFPS. There are
17 Pathway to Assisted Living folks, to redesign process maps
18 and just kind of start from scratch to really figure out
19 what the pathway is for someone who has a disability, who
20 is aging out of foster care, how do we navigate them from
21 you know, 18, out of foster care, and into our program.

22 So DFPS has been going a really good job of
23 kind of using 811 to create housing strategies for those
24 youth, so the idea is to start a housing plan before they
25 turn 18, six months before they turn 18, and then start

1 thinking about education and job training, things like
2 that, and housing. And hopefully we can kind of get that
3 housing plan fully integrated into their other health and
4 social outcome planning as well.

5 So I want to give a shout of thanks to Jay
6 Currier. He is new at DFPS. He has been super helpful.

7 The other thing on the foster care front is
8 Superior Health Plan. They are the sole health insurance
9 provider for youth and young adults in the Texas foster
10 care system.

11 So health insurance companies have been a
12 really strong ally for us in making 811 work, because they
13 have a lot of members who they are responsible for, and if
14 you have someone in your health insurance pool that
15 doesn't have access to housing, then that could be, you
16 know, pretty problematic.

17 So we have DFPS, you know, working with us, and
18 we also have Superior, a managed care organization that
19 are now also working with us. And we're just trying to
20 create, you know, process maps and policies to, you know,
21 just try and walk these youth and young adults from foster
22 care into permanent housing.

23 MS. EISERT: Thank you, Spencer.

24 MR. GOODWIN: Tongue in cheek, does your 2019
25 funding require vaccination?

1 MR. DURAN: It's funny you ask. But no. I
2 don't think it is related. It is just a housing subsidy.

3 MR. WILKINSON: Thank you, Spencer.

4 MR. DURAN: Sure.

5 MR. WILKINSON: Next up, Suzanne is going to
6 talk to us about the CDBG program at TDA.

7 MS. BARNARD: Thank you. So Jeremy asked if I
8 could give a quick overview of what the CDBG program is.
9 So I just brought some pretty pictures along, to hopefully
10 illustrate what it is that we do as a program here. And I
11 will try to tie it into what this group is most will
12 identify with as well.

13 So the CDBG program, you get points if you can
14 say the acronym quickly. But their goal is to provide
15 suitable living environments in rural areas is the goal of
16 our state and our entitlement programs.

17 These are federal funds from HUD. They are
18 part of the overall allocation from Congress for the CDBG
19 program, and they come to us as a block grant, based on a
20 formula. So Congress will allocate one number, and then
21 based on some sort of formula, it comes to the state
22 programs to distribute from there.

23 The CDBG program was originally created to
24 replace a number of other programs. So, in theory, the
25 current program should be able to meet any of those needs.

1 But it has to be prioritized, of course, so there is
2 never enough funding to meet all the needs of the
3 community. And so we do have to prioritize, both at the
4 state level and also at the local level.

5 So the idea behind CDBG is that every community
6 in the country has access to the CDBG program as it's
7 appropriated from Congress. Larger communities will have
8 a relationship directly with HUD, and they will get their
9 funding directly from HUD.

10 These are going to be your major metro areas
11 and even smaller metro areas. Cities that are greater
12 than 50,000 population, and counties that have a non-metro
13 population of greater than 200,000, or a metro population
14 of greater than 200,000, they will have that relationship
15 directly with HUD.

16 And then the state program takes care of
17 everybody else, so we are the balance of state, if you
18 will, for the CDBG program.

19 We do cover a lot of ground. Over 800 separate
20 municipalities and 244 counties are currently eligible for
21 the CDBG program. And that looks like this: So we're the
22 yellow. The red dots and the blue counties have that
23 direct relationship. And then we try to cover everybody
24 else.

25 To qualify for CDBG funds, we absolutely have

1 to fit a project into one of these categories. And the
2 vast majority, 98 percent, are going to benefit,
3 principally benefit low to moderate income persons.

4 That is the goal of the program, is to serve
5 the communities that don't have the resources because they
6 don't have -- because their population is more the
7 moderate income. That can be a neighborhood, that can be
8 a city, that can be an entire county, whatever the area of
9 the project is serving has to benefit primarily low and
10 moderate income persons in order to participate in most of
11 our programs. There are a couple of other ways the funds
12 can be used, but those are less common.

13 And then I add this slide in as part of our
14 standard training, just because we can do almost anything.

15 CDBG is a very flexible program, but there are certain
16 things that we just can't do. New housing is one of them.

17 New housing construction can only be used under very
18 limited circumstances. It is possible, but it is an
19 exception to the rule. So we do housing rehabilitation,
20 but doing new housing construction is not a standard
21 activity for CDBG.

22 There is also a five year -- our planning
23 process that we go through and coordinate with TDHCA for
24 these so that we are part of the overall HUD action plan:
25 five-year plan, one-year plans, and then lots of citizen

1 participation.

2 And we do a fair amount of informal stakeholder
3 input as well, especially as we trying to shift our
4 priorities as the world changes. This is a lovely graph I
5 like to share about our allocations. These are unadjusted
6 dollars. This is our total allocation. You can see at
7 one point in time we received almost \$90 million in 2000
8 funds.

9 And then there has been a decrease, and we are
10 starting to see some increase in funding, so we are about
11 up to where we were in terms of this year's funding we
12 received about the same dollar amount as 2010.

13 But of course, we can't buy as much with that
14 same dollar amount now as we could have before, so we are
15 still working with communities to try and figure out how
16 to make the funding stretch to meet the most important
17 needs.

18 We divide up our program into several different
19 categories. The slices are a little too -- or the caption
20 is a little too small to actually read here, but the small
21 blue is our fast fund. The orange is our planning grants.

22 Colonia funds are in that gray slice. The yellow is our
23 economic development. And then the great big blue hatband
24 is what we call our regional program, our CD fund.

25 Most of what we do in the CD fund is lots of

1 water and sewer and street projects and basic public
2 facilities improvements. These do need to be not
3 maintenance but rehabilitation projects. But that is a
4 lot of what the local priorities are.

5 The program really relies on local priorities
6 to drive what is actually funded. The state does
7 prioritize basic infrastructure equivalent to those
8 priorities for housing inside of our programs, but the
9 utilities are a huge priority at the local level.

10 I love these pictures, because we are replacing
11 some pretty antiquated infrastructure in a lot of cases
12 and ending up with these results.

13 So when I think of regional program, we do
14 divide our money so that every region is ensured that they
15 have access to funding, for that large slice of that pie.

16 The smaller programs are statewide competition.

17 But for the community development programs, you
18 are only competing against those who are within your
19 region, and priorities are set at the regional level, and
20 then the community also gets to choose what they are going
21 to apply for. So there is an emphasis on both regional
22 priorities and then what is really important to that
23 particular community.

24 The conversation we are starting to have with
25 our regions right now is that our traditional focus on

1 infrastructure may or may not serve us well for the
2 future, because there is just so much funding out there,
3 both real funding and potential funding that will address
4 infrastructure.

5 Is this the program to meet those needs, or do
6 we use the flexibility of this program to meet any of the
7 other needs?

8 I mentioned housing before. Housing is
9 traditionally a high-priority-on-paper need. But we do
10 not receive applications for that. It is often not
11 prioritized at the regional level, and it is not
12 necessarily prioritized for this type of funding at the
13 local level, either.

14 We may see some shifts in that, as other
15 fundings are available and we are trying to match
16 different resources to different needs. We may see some
17 different kinds of projects coming through.

18 And then I think there was a picture -- I may
19 have left it out. But the other thing we can do with our
20 community development fund is use it for community
21 facilities. So when I am talking about shifting
22 priorities, we have funded medical facilities, you know,
23 rural clinics.

24 We have funded, you know, some multipurpose
25 centers that were community centers and educational

1 facilities with the local college. We have had some
2 different projects like that. Sometimes that is done as a
3 set-aside pilot experiment, and sometimes it is done
4 because that is just the need for the community.

5 When I talk about shifting priorities, those
6 are kind of some of the things that we have done. I am
7 really excited about some of the medical facilities that
8 we funded recently. Now that we are starting to see some
9 of those come on line, that is really exciting for us to
10 have those facilities much closer to home in some of these
11 rural communities.

12 The image you see now is part of our Main
13 Street revitalization program, or Downtown Revitalization.
14 The idea being if it's a nice place to be, people will
15 want to shop there. So we can improve some of that public
16 infrastructure in the downtown areas.

17 We also have -- both the federal legislation
18 and state legislation have identified the Colonia fund as
19 a required set-aside, where we will dedicate 12-1/2
20 percent of our money, essentially, to funding colonia
21 improvement projects. And a colonia -- every state agency
22 has a different definition of colonia. This is the one
23 that we use.

24 We are looking at 150 miles of the Texas Mexico
25 border and a lack of basic infrastructure, and in

1 existence prior to this date. The colonia areas are
2 identified in this slide, based on history of predatory
3 development.

4 So while these conditions exist across the
5 state, this particular geography is set aside to receive
6 additional funding. But it does cover a lot more of the
7 state than you might think.

8 If you see the map on the next page, it
9 covers -- I believe it is 67 counties have some part of
10 their county has been identified as eligible for colonia
11 set-aside funding. And most of those projects are going
12 to be basic infrastructure projects.

13 This is where we do see housing come into play,
14 is in this colonia set-aside. Where we do see housing
15 rehabilitation is usually these projects. The colonias we
16 are funding now -- we are 30 years into the set-aside --
17 can be pretty remote.

18 The thing that I find fascinating about
19 colonias, if you look at the bottom right photo, is that
20 these are home-grown communities that don't have a lot of
21 active development, that were abandoned by the developers
22 or what-not, so you'll see a real mix of housing.

23 You will see rustic housing, and then you will
24 see a nice big modern structure right next door to it. It
25 is just a real --it's both developed and undeveloped at

1 the same time. They often don't have the infrastructure
2 in place to support modern development practices, based on
3 that history.

4 We also allow for planning and capacity
5 building, comprehensive planning, utility mapping, just so
6 we know what we're dealing with. A lot of communities
7 just really don't know what they have to work with, what
8 are these already -- the current capacity.

9 We can make small improvements that will make a
10 big difference. The land use policy some of them don't
11 have those well documented, and then you go figure out how
12 they want to go about their future development, and there
13 is funding for that. That will be our next application
14 that we release.

15 We also have a state urgent-need fund. These
16 are for small-scale disaster events. So large scale
17 disasters are eligible for other federal funding. Those
18 are not the events that we are currently having eligible
19 for this special set-aside.

20 We are looking at the more localized events,
21 where you are not going to receive that additional federal
22 funding. So tornados, we can go in and help clear debris.

23 Isolated flooding events, where they've knocked out
24 county roads and there is no longer access to that
25 neighborhood, we can go in and improve some of that. That

1 is an option.

2 And then my favorite project is we have the
3 ability to fund ambulances and fire trucks. And this is a
4 program called the fast fund, because they were supposed
5 to spend money fast, because they funds were money that
6 was expiring.

7 So, we said, What can we do that will make a
8 big impact and is relatively straightforward in terms of,
9 you know what you need; let's go purchase it.

10 It still has to serve low to moderate income
11 areas, which those of you who are statistics folks, the
12 bigger the area, the harder it is to actually make those
13 kind of percentages work.

14 But we are really excited about what we are
15 planning to do with this. And we even did a pilot
16 recently with the money that was on a very short timeline.

17 And Dallam County, up in the Panhandle is sponsoring a
18 pilot project where we are actually funding some remote
19 medical support programs that are going to be operating
20 across the state.

21 We are partnering with our State Office of
22 Rural Health to provide the -- we provided the vehicle for
23 the workers that are supported by a different grant, will
24 be able to travel to these remote communities, or less
25 remote communities, but rural areas, and bring the medical

1 care to folks where they are, both in terms of
2 preventative care, and then also being responsive to more
3 urgent needs. It's not emergency care. So we are excited
4 about that little pilot as well.

5 So these are kind of some of the creative
6 things we can do with the CDBG program as we go. But then
7 of course, while that's the fun part, we do have to follow
8 all the lovely federal requirements, which is why some of
9 the projects don't choose -- some of the choice of
10 projects is based on what can work with these requirements
11 and not make things more difficult than necessary.

12 So some of our communities choose not to use
13 our funding for housing, because it would trigger some of
14 these additional requirements that they may or may not
15 want to -- they may want to choose a different program to
16 fund housing, for example. Or construction projects have
17 to follow some of these and non-construction builds, so
18 that may impact the kind of projects that they choose.

19 I have mentioned before that when I talk about
20 housing, there are two different kinds of housing that we
21 do: the owner occupied rehab, which is pretty
22 straightforward, but we also allow for nonprofits to
23 purchase some rehab housing units if it is going to be
24 dedicated to a population that is low to moderate income.

25

1 So that is an option that has been around that
2 we haven't had any takers yet, but I keep mentioning it,
3 just in case I have someone who wants to, one, advocate
4 with their community, if this is the one project you want
5 to do this year, and then also advocate at the regional
6 level to make that kind of project a priority.

7 So those are the things, if we want to take
8 advantage of some of the more flexible options for CDBG,
9 it has to be a local choice, and it has to be something
10 often that the region chooses to make a priority as well.

11

12 That in summary is the CDBG program, and I am
13 happy to answer any questions as projects come up. There
14 is my contact information.

15 MS. EISERT: Suzanne, I had a quick question
16 for you. This is Helen. So you have the owner-occupied
17 projects, and then it was the second, and you said it was
18 rehab projects by nonprofits? I wasn't sure.

19 MS. BARNARD: If a nonprofit is the owner of
20 the unit, we can rehab those as well. So we don't do
21 rehab of privately owned rental units, but if it is a
22 nonprofit-owned rental unit, we can do that.

23 MS. EISERT: I see. Okay. Thank you.

24 MS. BARNARD: The idea being presumably a
25 nonprofit would be mission oriented and would be a good

1 fit for our low to moderate income requirements in many
2 cases, because that is the kind of thing that we're
3 willing to work with a nonprofit on.

4 MS. EISERT: Okay.

5 MR. WILKINSON: Thanks, Suzanne. For that
6 nonprofit rehab, is that statewide, where you would work
7 directly with a nonprofit? Or does that go through the
8 COGs and their priorities?

9 MS. BARNARD: So it would still have to go
10 through a regular program, so they would still have to ask
11 for the city or the county to apply. That is one thing I
12 didn't mention: Our applicants can only be cities and
13 counties.

14 So you have to have the applicant being the
15 local government, even if they are partnering with another
16 entity to actually carry out the project. So if they
17 could partner with a utility, they can partner with a
18 nonprofit to actually make the project work, but the
19 applicant has to be the city or county.

20 So you have to work with the local government.

21 If you are working through the Community Development
22 Fund, you would be well advised to help your region
23 understand that this is a priority, so that you get
24 maximum points for that project. And then you apply
25 through the state.

1 MR. WILKINSON: Thank you.

2 Any more questions for Suzanne?

3 (No response.)

4 MR. WILKINSON: Okay. Next up is public
5 comment. So for anyone up there who is watching, do the
6 raise-the-hand option that Jeremy showed us how to do at
7 the beginning, and he will -- Jeremy will unmute anyone
8 who requests to make a comment, and then please fill out
9 the Witness Affirmation Form.

10 MR. STREMLER: I don't think we are going to
11 have anybody. We have one person on the other end over
12 there that is not a TDHCA employee, also watching. So at
13 this time, they have not raised their hand to provide any
14 public comment.

15 MR. WILKINSON: Thank you for watching.

16 Without public comment, let's move on to the
17 next meeting, date to be determined.

18 It will be in January, and Jeremy will send out
19 a calendar invite sometime before Thanksgiving. If you
20 have any questions or suggested agenda items, send that to
21 Jeremy before the next meeting, and we will get you on the
22 agenda.

23 With that being said, I will entertain a motion
24 to adjourn.

25 MS. GREEN: I will make a motion.

1 MR. GOODWIN: Second. Mike Goodwin.

2 MR. WILKINSON: All those in favor, say aye.

3 (A chorus of ayes.)

4 MR. WILKINSON: The ayes have it. Have a good
5 one, everybody. See you all next time.

6 (Whereupon, at 10:59 a.m., the meeting was
7 adjourned.)

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C E R T I F I C A T E

MEETING OF: Housing and Health Services Coordination
 Council

LOCATION: Austin, Texas

DATE: October 13, 2021

I do hereby certify that the foregoing pages,
numbers 1 through 43, inclusive, are the true, accurate,
and complete transcript prepared from the verbal recording
made by electronic recording by Latrice Porter before the
Texas Department of Housing and Community Affairs.

DATE: October 18, 2021

/s/ Carol Bourgeois
(Transcriber)

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