

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

BOARD OF DIRECTORS MEETING

Dewitt C. Greer State Highway Building
Ric Williamson Hearing Room
125 East 11th Street
Austin, Texas

January 15, 2015
9:30 a.m.

MEMBERS:

J. PAUL OXER, Chair
JUAN MUÑOZ, Vice-Chair
J.B. GOODWIN, Member
LESLIE BINGHAM ESCAREÑO, Member
T. TOLBERT CHISUM, Member
TOM H. GANN, Member

STAFF:

TIMOTHY K. IRVINE, Executive Director

I N D E X

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CALL TO ORDER	5
ROLL CALL	
CERTIFICATION OF QUORUM	
CONSENT AGENDA	6
ITEM 1: APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:	
EXECUTIVE	
a) Presentation, Discussion, and Possible Action on Board Meeting Minutes Summaries for October 9, 2014, and November 13, 2014	
ASSET MANAGEMENT	
b) Presentation, Discussion and Possible Action regarding Housing Tax Credit Application Amendment	
93100 Villa Oaks Houston	
c) Presentation, Discussion and Possible Action on Material LURA Amendment	
92041B Redbud Trail Apartments McKinney	
d) Presentation, Discussion and Possible Action regarding Ratification of Housing Tax Credit Application Amendment	
12170 Fairfield Creek Estates Cypress	
COMMUNITY AFFAIRS	
e) Presentation, Discussion, and Possible Action regarding Program Year 2015 Community Services Block Grant Program Award and Program Year 2015 Comprehensive Energy Assistance Program Award for Northeast Texas Opportunities Inc.	
f) Presentation, Discussion, and Possible Action regarding authorization to release a Notice of Funding Availability (ANOF@) for Fiscal Year 2015 Emergency Solutions Grants Program (AESG@)	

HOME PROGRAM

- g) Presentation, Discussion, and Possible Action to Approve amendments of three HOME CHDO Single Family Development Household Commitment Contracts issued under Reservation Agreement 11591 for the development of three single family homes by WREM Literacy Group, Inc. located in Hempstead

NEIGHBORHOOD STABILIZATION

- h) Presentation, Discussion, and Possible Action regarding a Notice of Funding Availability (ANOFA@) for the Programming of Program Income (API@) from the Neighborhood Stabilization Program Round One (ANSP1@).
- I) Presentation, Discussion and Possible Action regarding the waiver of Notice of Funding Availability (ANOFA@) requirements from the Neighborhood Stabilization Program Round One (ANSP1@)

77090000106 City of Irving Irving

MULTIFAMILY FINANCE

- j) Presentation, Discussion, and Possible Action regarding an Award of HOME funds from the 2014-1 HOME Multifamily Development Program Notice of Funding Availability for #14209 Riverside Village Apartments
- k) Presentation, Discussion, and Possible Action on Determination Notices for Housing Tax Credits with another Issuer and Award of HOME Multifamily Development Program (AMFD@) Funds

14417 Waters at Sunrise Round Rock

- l) Presentation, Discussion, and Possible Action to Accept Guidance Issued by Staff in the Form of Frequently Asked Questions for the 2015 Competitive 9% Low Income Housing Tax Credit Application Round 11

REPORT ITEMS

The Board accepts the following reports:

ON THE RECORD REPORTING
(512) 450-0342

1. TDHCA Outreach Activities for December
2. Compliance Division Update
3. Presentation, Discussion, and Possible action regarding the status of the 2014 Competitive (9%) Housing Tax Credit Application Cycle 21
4. Presentation, Discussion, and Possible Action regarding the Submission of Competitive (9%) Housing Tax Credit Pre-Applications in the 2015 Application Cycle
5. Report providing an Update on the Board Action requested during Public Comment at the December 2014 Board meeting on the pre-qualification of individuals with disabilities in the HOME Program

ACTION ITEMS

- ITEM 2: INTERNAL AUDIT
- a) Report of the Meeting of the Audit Committee 15
 - b) Presentation, Discussion, and Possible Action on the 2015 Internal Audit Charter and Board Resolution No. 15-011 17
 - c) Presentation, Discussion, and Possible Action regarding State Auditor=s Office audit reports on TDHCA=s Financial

Statements

- ITEM 3: MULTIFAMILY FINANCE 21
- Presentation, Discussion, and Possible Action regarding approval for publication in the Texas Register of the 2015-1 HOME and TCAP Multifamily Development Program Notice of Funding Availability

PUBLIC COMMENT ON MATTERS OTHER THAN ITEMS FOR WHICH THERE WERE POSTED AGENDA ITEMS. 29

EXECUTIVE SESSION none

ADJOURN 33

P R O C E E D I N G S

1
2 MR. OXER: Good morning, everyone. I'd like to
3 welcome you to the January 15 meeting of the Government
4 Board for the Texas Department of Housing and Community
5 Affairs.

6 We'll begin with roll call. Ms. Bingham?

7 MS. BINGHAM ESCAREÑO: Here.

8 MR. OXER: Mr. Chisum?

9 MR. CHISUM: Here.

10 MR. OXER: Mr. Gann?

11 MR. GANN: Present.

12 MR. OXER: Mr. Goodwin?

13 MR. GOODWIN: Here.

14 MR. OXER: Dr. Muñoz?

15 DR. MUÑOZ: Here.

16 MR. OXER: I am also here, so that gives us a
17 full house, full roster here. We're in business.

18 Tim, lead us in the flag salute.

19 (The Pledge of Allegiance and the Texas Pledge
20 were recited.)

21 MR. OXER: Anything special? Bobby Wilkinson,
22 our representative from the Governor's Office, like to
23 welcome him back. He gets to stay and play for another
24 little while under Governor Abbott, so we're happy to have
25 him back.

1 Michael, anybody else to ID?

2 MR. LYTTLE: No, sir.

3 MR. OXER: All right. Any special items to
4 begin with, Tim?

5 MR. IRVINE: No, sir.

6 MR. OXER: All right. Let's go to the consent
7 agenda.

8 MS. SAAR: Good morning. I'm Katheryn Saar and
9 I represent 9% Tax Credits. There's one item that we're
10 pulling from the consent agenda, it's item 1(1), and
11 that's simply to make a few minor corrections to a couple
12 of the FAQs.

13 MR. OXER: 1(1). And the reason you're pulling
14 it, Katheryn, is what?

15 MS. SAAR: There's a couple of minor
16 corrections that will be made to some of the FAQs related
17 to 811.

18 MR. OXER: So this is just a response so we can
19 put this up on the website so that people can --

20 MS. SAAR: Correct.

21 MR. OXER: We don't have anything critical
22 timing on this. Is that what you're saying?

23 MS. SAAR: No, no, no.

24 MR. OXER: All right. I understand there's
25 some folks here that want to make comment on the agenda.

1 I think on the consent agenda we can hear comment before
2 we have a vote to consider. Right?

3 Does anybody wish to speak on the consent
4 agenda on any item? Annette, was there one on number 5?
5 Anybody?

6 (No response.)

7 MR. OXER: Peggy, did you have something to say
8 on this?

9 MS. LAVELLE: Good morning. My name is Tanya
10 Lavelle. I'm the senior manager of advocacy at Easter
11 Seals Central Texas. I wanted to provide comment on
12 report item number 5.

13 I'd like to begin by thanking TDHCA staff for
14 their work and consideration of our recommendation to
15 create a preliminary approval process for HBA project
16 setups within the PWD set-aside. We appreciate the
17 complexity of the situation and are grateful that the
18 Department is closely examining the issue at hand.

19 That being said, I would like to provide
20 additional comment on a few points in the staff report and
21 stress the urgency of this matter. It is accurate to say
22 that this is a new problem because of new funding
23 processes, however, it is still a serious one that should
24 be addressed as soon as possible.

25 Easter Seals Central Texas is an administrator

1 of the HBA program in Central, North and East Texas
2 through the PWD set-aside, and we have been privileged to
3 help over 500 individuals with disabilities purchase their
4 first home over the last 20 years. However, because of
5 the lack of available funding, we have had to suspend our
6 program activities indefinitely, telling families that we
7 are unable to accept applications because we cannot
8 guarantee funding. We made this decision after having
9 multiple clients go through the program in recent months,
10 only to break their final housing contract because of a
11 lack of available funding.

12 Our families are often on fixed incomes and
13 dedicate years of their life to financial counseling and
14 saving money for the up-front costs associated with
15 purchasing a home. It is devastating for a family to come
16 out of this process with nothing to show for it, and as
17 the program currently functions, a different outcome is
18 highly unlikely.

19 While we understand the Department's concerns
20 with reducing the number of setup documents, particularly
21 with regard to ensuring that funds are distributed and
22 spent in a timely manner, we feel that these concerns
23 could be mitigated by stipulating a set period of time in
24 which individuals must enter into a purchase contract and
25 supply subsequent documentation as required by the

1 Department. A preliminary setup will prevent potential
2 homebuyers from losing earnest money, inspection fees and
3 title fees. On average, our clients pay about \$1,800 to
4 acquire all the necessary documentation to be entered into
5 the reservation system to compete for funds. These are
6 often the biggest checks our clients will ever write.

7 As the staff report stipulates, it is true that
8 individuals with disabilities are being held to the same
9 program application standards as those in the HOME general
10 set-aside, however, we have been directed by the agency
11 that HBA PWD set-aside administrators cannot apply for
12 general set-aside funding for a person with a disability
13 if we intend to use the funds within a participating
14 jurisdiction which are large urban areas in the state.
15 Individuals with disabilities overwhelmingly choose to
16 live in urban areas so they are able to access services
17 like health care and public transportation. Without being
18 able to use general set-aside funds in participating
19 jurisdictions, people with disabilities are currently left
20 with no way to participate in the HBA program.

21 We appreciate your consideration of this issue
22 and look forward with working with the Department to solve
23 this problem as quickly as possible.

24 MR. OXER: And tell us again what was the item
25 number on the agenda.

1 MS. LAVELLE: Report item number 5.

2 MR. OXER: Five, okay. Great. Thank you.

3 With that, are there any comments from the
4 Board? Is there any item that the Board would like to
5 pull?

6 Peggy, do you have a comment to add to the
7 consent?

8 MS. HENDERSON: Peggy Henderson, TDHCA,
9 registering public comment for Rosa Gonzalez-Abrego of
10 Easter Seals Central Texas, and she would like to
11 recommend the comments just made by Ms. Tanya Lavelle
12 regarding report item number 5.

13 MR. OXER: Okay. Thanks, Peggy.

14 Okay. I'll entertain a motion to consider on
15 the consent.

16 MR. GOODWIN: So moved.

17 MR. OXER: Motion by Mr. Goodwin. Is there a
18 second?

19 MS. BINGHAM ESCAREÑO: Second.

20 MR. OXER: Second by Ms. Bingham. Any other
21 questions by the Board?

22 (No response.)

23 MR. OXER: Motion by Mr. Goodwin, second by Ms.
24 Bingham to approve the consent agenda. All in favor?

25 (A chorus of ayes.)

1 MR. OXER: Opposed?

2 (No response.)

3 MR. OXER: There are none; it's unanimous.

4 Let's go to item number 2.

5 MR. IRVINE: We have 1(1) which has been pulled
6 from consent.

7 MR. OXER: You want to consider that to make
8 those corrections today. Is that correct, Katheryn?

9 MS. SAAR: Yes.

10 MR. OXER: Okay, good. Let's do it.

11 MS. DEANE: Just to clarify the record that the
12 vote on the consent agenda just now did not include item
13 5(1).

14 MR. OXER: Correct.

15 MS. SAAR: Good morning. Katheryn Saar, 9%
16 Housing Tax Credits.

17 Item 1(1) is the FAQs prepared by staff for the
18 9% Tax Credit Program. These are published annually to
19 give applicants additional information and clarify some
20 points in the rules that we get questions about
21 frequently. The reason it's been pulled from your agenda
22 is because some of the questions and answers related to
23 tenant populations with special housing needs were not
24 entirely clear so we've made some corrections to the
25 language that is included in your Board book, and I'd just

1 like to read that into the record.

2 So on page 7 of the report under 11.9(c)(7),
3 Tenant Populations with Special Housing Needs, the second
4 answer where it begins however, those next two sentences
5 should read: "However, those applicants will be required
6 to show evidence that the project-based vouchers are
7 committed at the time of HTC commitment. If vouchers
8 committed would not preclude the development from
9 participating in the 811 Program, for example, if vouchers
10 were committed for all but five units, leaving those five
11 units available for participation in the 811 Program, the
12 Department will require participation in order to retain
13 the award." The final sentence remains the same.

14 The question directly preceding that should
15 read: "If an application is proposing 98 of 100 units
16 that have long-term rental assistance, is the development
17 eligible to participate in the 811 Program and therefore
18 required to do so in order to qualify for the points?"
19 And the answer to that question, the first sentence should
20 read: "Assuming the other requirements in 11.9(c)(7)(i),
21 (ii) and (iv) are met, yes." And then the final sentence
22 remains the same.

23 MR. OXER: So the net impact of this is simply
24 a clarification?

25 MS. SAAR: Yes. The bottom line with the 811

1 Program, if you have one unit available for participation
2 in the 811 Program, we want that unit to participate in
3 order to qualify for the points.

4 MR. OXER: So they have to have the 811
5 certificate satisfied or the requirements satisfied to get
6 the credits. Is that what you're saying?

7 MS. SAAR: There's a point item that is worth
8 two points and it's this tenant populations with special
9 needs, if you elect those two points and you're eligible
10 to participate in the 811 Program, even if you don't have
11 the full ten units, we want the number of units that are
12 available. There's some reasons why units might be
13 ineligible for participation but if you're required to put
14 ten units in the 811 Program to get the two points but you
15 only have two eligible units, we want those two eligible
16 units to qualify for the points.

17 MR. OXER: So if you're expected to put ten in
18 but only two qualify, you want to at least get those two
19 qualified.

20 MS. SAAR: Correct.

21 MR. OXER: Okay. Were there questions from the
22 development community about the clarification on this that
23 drove this?

24 MS. SAAR: We've had that conversation a number
25 of times which is why we wanted to put it in the FAQs, and

1 hopefully, with those clarifications that I just read into
2 the record, it's a little more clear.

3 MR. OXER: So this is a little quirk killing.

4 MS. SAAR: Yes.

5 MR. OXER: Good. Any questions from the Board?

6 (No response.)

7 MR. OXER: Motion to consider 1(1).

8 MR. CHISUM: So moved.

9 MR. OXER: Motion by Mr. Chisum to approve
10 staff recommendation on item 1(1).

11 DR. MUÑOZ: Second.

12 MR. OXER: Second by Dr. Muñoz. Is there any
13 questions? There's no public comment requested. All in
14 favor?

15 (A chorus of ayes.)

16 MR. OXER: Opposed?

17 (No response.)

18 MR. OXER: There are none. Thank you.

19 And since it's a new year, Happy New Year to
20 everybody, glad to see you all back. I'll go through the
21 housekeeping rules again for those of you that are new.
22 The first row up here over here on our side on our left is
23 for those who wish to speak on an item, and will speak
24 from the center chair towards the outside. So don't be
25 shy, if there's only one person who wants to speak, you

1 sit in that chair right there next to the aisle.

2 Okay. I think we're item 2. Is that correct?

3 This is a report on audit. Ms. Bingham, do you have a
4 comment?

5 MS. BINGHAM ESCAREÑO: Good morning, Mr. Chair.
6 Just a brief comment while Mark comes up. The Audit
7 Committee met this morning, our first committee meeting of
8 the new year. It was a very productive committee meeting
9 where we began by introducing Mr. Chisum as the new
10 appointee. Thank you for appointing him, Mr. Chair, at
11 our request. And also, we had the opportunity to
12 introduce Mark Scott, who is the new director of the Audit
13 Department for TDHCA, to the group, and I think Mark will
14 go over the highlights of the meeting.

15 MR. OXER: Good. Thanks. Welcome aboard,
16 Mark.

17 MR. SCOTT: Good morning. I'm Mark Scott, the
18 director of Internal Audit.

19 We did have a meeting this morning, the Audit
20 Committee, and we talked about three things basically: we
21 talked about the ongoing audit, we talked about the
22 charter, and we talked about the State Auditor report.
23 The annual Internal Audit Charter is required by Internal
24 Audit standards, and I went over that to some degree this
25 morning, and so I asked for the Audit Committee to

1 recommend to the full Board approval of that charter,
2 which at this point I would ask the full Board to approve
3 the charter.

4 MS. BINGHAM ESCAREÑO: Mr. Chair, the Audit
5 Committee did vote to recommend to the full Board the
6 approval of the 2015 charter.

7 MR. OXER: Great. Any questions from other
8 members of the Board who are not Audit Committee members?

9 (No response.)

10 MR. OXER: Okay.

11 MR. IRVINE: And since the recommendation comes
12 from a committee, there's no second required.

13 MR. OXER: Right. Motion by Ms. Bingham to
14 approve staff recommendation on the Internal Audit
15 Charter. All in favor?

16 (A chorus of ayes.)

17 MR. OXER: And opposed?

18 (No response.)

19 MR. OXER: There are none.

20 MR. SCOTT: Thank you very much.

21 Also, at this meeting we talked about the
22 external audit that was conducted by the State Auditor's
23 Office. This agency is required by statute to have the
24 financial statements audited every year and we contract
25 with the State Auditor's Office to do it, and we were very

1 happy to get unqualified -- that means clean opinions on
2 all the financial statements. And the State Auditor staff
3 is here and they would like to make a brief presentation.

4 Our chief financial officer is also here to make a couple
5 of comments.

6 MR. OXER: Great. Who gets to go first?
7 David, why don't you come up and introduce these folks.

8 MR. CERVANTES: Good morning, Mr. Chair,
9 members of the Board. David Cervantes, chief financial
10 officer for the Department.

11 And this morning I'm pleased to introduce a
12 couple of the members from the State Auditor's Office, Mr.
13 Cesar Saldivar, who is the audit manager for the project,
14 and Ms. Jeannette Quiñonez, who was another key staff
15 member in the engagement. So they'll come up and give you
16 just a brief presentation.

17 MR. OXER: Do you want to make comments before
18 or after they speak?

19 MR. CERVANTES: I'm pretty much here as a
20 resource, to be very honest with you. The opinions are
21 unqualified, as was noted just a few moments ago by Mark,
22 so in the event that you have other questions after their
23 comments, I'm available to you.

24 MR. OXER: Okay. Welcome aboard.

25 MR. SALDIVAR: Good morning. For the record,

1 my name is Cesar Saldivar. I'm an audit manager with the
2 State Auditor's Office. With me this morning is Jeannette
3 Quiñonez. She was the project manager on this audit.
4 Jeannette is going to lay out what deliverables we had for
5 this audit and she will also be available for any
6 questions that you may have over the deliverables or the
7 required communication document that was provided to you.

8 MR. OXER: Thanks, Cesar.

9 MS. QUIÑONEZ: Good morning. I'm Jeannette
10 Quiñonez and I was the project manager for the Department
11 of Housing and Community Affairs financial audit for
12 fiscal year 2014, and we issued several reports over the
13 course of the audit and so I'll just highlight what those
14 reports were.

15 On December 19 we issued several unmodified
16 opinions which is the unqualified opinions they talked
17 about earlier on the basic financial statements, the
18 revenue bond program, enterprise fund financial
19 statements, and on the computation of unencumbered fund
20 balance of the Housing Finance Division. And we also
21 issued a report on compliance with the Public Funds
22 Investment Act.

23 Prior to that we also issued two other reports.
24 On July 17, 2014, we issued a report that concluded that
25 the financial data schedule prepared by the Department was

1 fairly stated in all material respects in relation to the
2 fiscal year 2013 financial statements. And then on
3 September 29, 2014, we also issued a report that concluded
4 that the Department's electronically submitted financial
5 data schedule that was submitted to the U.S. Department of
6 Housing and Urban Development Real Estate Assessment
7 Center agreed with related hard copy documents.

8 And then on December 29, 2014, we emailed you a
9 document titled "Required Communication with Those Charged
10 with Governance," and in that document, a three-page
11 document, it outlines several things that we're required
12 to communicate to the Board. Did you have any specific
13 questions on that document, or did you want me to go over
14 that document in more detail?

15 MR. OXER: Any questions?

16 (No response.)

17 MR. OXER: So essentially what you're saying is
18 we've got some money in the bank, we know where it is,
19 it's in the right place.

20 MS. QUIÑONEZ: Yes.

21 MR. OXER: Good answer.

22 Mark, what have you got? Is this an action
23 item?

24 MS. BINGHAM ESCAREÑO: So as Mark has explained
25 it, the Board would need to accept the report from the

1 State Auditor's Office, and the committee did this morning
2 approve recommending to the full Board the acceptance of
3 the audit.

4 MR. OXER: So since it's from a committee, we
5 don't need a second on the motion. Is that correct?

6 Okay. Motion by the Audit Committee to accept
7 the State Auditor's Office report on our internal audit.
8 All in favor?

9 (A chorus of ayes.)

10 MR. OXER: And opposed?

11 (No response.)

12 MR. OXER: There are none.

13 MR. SCOTT: Thank you very much. And the rest
14 of the discussion at this morning's meeting had to do with
15 the status of the audit plan. I like to do that every
16 Audit Committee meeting. Basically, we're on schedule,
17 we've added two projects. The projects include a sources
18 and uses audit and some consultation we're going to do
19 with respect to subrecipient monitoring. So if there's
20 any questions, I'll be happy to answer them.

21 MR. OXER: Any questions of Mark?

22 (A chorus of ayes.)

23 MR. OXER: Great. Good job, Mark. Thanks for
24 the help today.

25 MR. SCOTT: Thank you very much.

1 MR. OXER: Katheryn, you had another comment
2 you wanted to make?

3 MS. SAAR: Good morning again. Katheryn Saar,
4 9% Tax Credits.

5 There were two report items that were included
6 in your agenda that had to do with, one, the wrap-up of
7 the 2014 9% cycle, and that was report item 3. I just
8 wanted to kind of go over a few highlights. We were able
9 to allocate 100 percent of our ceiling which was about \$65
10 million. There's a chart in your report outlining the
11 specific steps that got us to that allocation, but it
12 wound up being 72 developments. We will create 5,793
13 units of affordable housing with that cycle. On average,
14 it's going to generate equity in excess of \$550 million
15 that will go directly into the Texas economy.

16 So that is really all I had to say about that.

17 If you had any questions about the 2014 cycle, I'd be
18 happy to answer.

19 MR. OXER: So just as sort of an extrapolation
20 of the impact on this, it represents about \$550 million in
21 equity which are put into these projects which represents
22 only about 70 percent of the total.

23 MS. SAAR: Correct.

24 MR. OXER: The project value that it actually
25 supports is around \$750- to \$800 million.

1 MS. SAAR: That would be correct.

2 MR. OXER: Which is not small.

3 MS. SAAR: No. Almost a billion dollars.

4 MR. OXER: Hey, as the chairman, I'd like to
5 comment that I understand that the work that we do is
6 important, the work that you do is important and we
7 appreciate what you and the rest of the staff, the whole
8 agency does, but particularly for our largest program this
9 is not a casual adventure, this is not an enterprise we
10 should approach casually because of the impact that it
11 has. So thanks for that, Katheryn.

12 Anything else on the next one?

13 MS. SAAR: On the next one I was going to give
14 a status report on the pre-application cycle that we just
15 finished up last week. As you know, at the last meeting
16 you approved the waiver of the CD requirement for
17 delivering pre-applications, so the only real difference
18 between the 2014 pre-application and the 2015 pre-
19 application was the delivery method. In 2014 applicants
20 were required to fill out a multi-page form that was
21 created by staff in Excel. That Excel file then had to be
22 saved to a CD and delivered to the Department, along with
23 a few attachments. That CD was manually intaken by staff,
24 assigned an application number, and once the delivery
25 period expired, staff manually uploaded that Excel file to

1 a database one CD at a time. Last year we had 301 pre-
2 applications, so you can imagine the time that it took to
3 upload each individual file.

4 In 2015 we cut out all of these middle steps.
5 The applicants still filled out a multi-page form but
6 rather than being in Excel, it was on the internet. They
7 filled out the form online, and once they hit submit, the
8 data that they input into the form was uploaded directly
9 to a database and automatically assigned them an
10 application number. This happened in real time and staff
11 could monitor applications as they were coming in, and if
12 there was a noted problem with the application submission,
13 staff could call the applicant and say hey, it looks like
14 one of your attachments doesn't work, or something to that
15 effect.

16 So applicants also received an email
17 confirmation once they hit submit that outlined all of the
18 elections that they made, and it included an edit link so
19 that they could go back and change things up until the
20 5:00 p.m. deadline. At the 5:00 p.m. deadline on January
21 8, the form was turned off and no more applications were
22 accepted.

23 So the system performed remarkably well. We
24 received 337 pre-application submissions with 714
25 attachments. That's quite a lot of data. On January 8

1 alone, the day that they were due, we received more than
2 100 new submissions just that day, as well as about 275
3 edited submissions, so a very high volume of traffic
4 between the hours of 2:00 p.m. and 5:00 p.m.

5 MR. OXER: And you didn't crash the server?

6 MS. SAAR: We didn't crash the server.

7 MR. OXER: Maybe we ought to stand up and give
8 the IT gang a hand on that one.

9 MS. SAAR: I would like to note that there is
10 one applicant who has filed an appeal with the executive
11 director because they believed they submitted some pre-
12 applications that we don't have record of, but that's an
13 active appeal and it may come to you at a later time for
14 some action. But with the exception of that one
15 applicant, the system performed wonderfully and we've
16 gotten a lot of positive feedback on it.

17 MR. OXER: So this was specifically at this
18 point only for the pre-applications.

19 MS. SAAR: Correct.

20 MR. OXER: And you had 300-and-some into that.

21 MS. SAAR: Yes. There were twelve of the
22 submissions that were actually submitted that ended up
23 falling out for various reasons, mostly due to not being
24 able to get site control. So the final tally on the pre-
25 applications is, I think, 326 which is an 8 percent

1 increase over last year.

2 MR. OXER: And how many of those, just in terms
3 of the community working with the new system, how many
4 were edited and when did they start coming in? Did they
5 start coming in Thursday night before they were due?

6 MS. SAAR: They started coming in Friday the
7 2nd, as soon as we opened the pre-app form. By the end
8 for the first day I think we had -- and this is just from
9 memory -- maybe about 70 submissions on that first day, so
10 we received quite a lot in advance of the deadline, but
11 again, people were able to edit their submissions up until
12 five o'clock.

13 MR. OXER: Do you have any sense of what
14 percentage of them were edited once they were submitted?

15 MS. SAAR: I know for a fact that about 275 of
16 them were edited on that last day in the afternoon.

17 MR. OXER: They just couldn't leave it alone.

18 MS. SAAR: They just couldn't leave it alone.
19 They had the ability to go back and change things, so they
20 were updating contact information and then a couple of
21 them were concerned that they had like messed up their
22 pre-application and called me in a panic. And I said, No,
23 it's still there, it's fine, you're good.

24 MR. OXER: So all in all, we're pretty happy
25 with the way it worked out.

1 MS. SAAR: Yes. It was a great success.

2 MR. GANN: Mr. Chairman, I'm curious to know
3 which clock they used.

4 MR. OXER: Is this the Naval Observatory clock?

5 MR. GANN: Was it 5:01 that you turn it off or
6 5:00?

7 MS. SAAR: I made sure that my iPhone, my
8 computer and my work phone said five o'clock, and then I
9 turned it off.

10 MR. OXER: We'll give them 60 seconds grace
11 time.

12 MS. SAAR: There you go.

13 MR. OXER: If any of you here really want to
14 know what time it is, call 202-762-1069. That's the
15 nuclear clock that Tom referred to at the Naval
16 Observatory in D.C.

17 MS. SAAR: I'll use that next year.

18 (General laughter.)

19 MR. OXER: That's a warning to everybody out
20 there in the audience. Okay?

21 Anything else on that, Katheryn?

22 MS. SAAR: That's it.

23 MR. OXER: Any questions from the Board?

24 (No response.)

25 MR. OXER: Great. Thanks very much.

1 Who gets item 3?

2 MR. WEINER: Eric Weiner. I'm the loan program
3 administrator for multifamily programs.

4 MR. OXER: You sent Jean out on vacation?

5 MR. WEINER: Jean is at the conference right
6 now.

7 So this item is regarding the 2015 HOME and
8 TCAP NOFA. This came in front of you in November as a
9 Board action request. The difference from that time is
10 that we've updated the amounts. Last time the TCAP was up
11 to and now it's at least \$6 million, and this is based on
12 information we've gathered since then. The other action
13 change is that we want to make sure that we have the
14 opportunity to do the HOME and the TCAP NOFA together.

15 MR. OXER: So the point is to approve this, to
16 approve staff recommendation on this item. Is that
17 correct?

18 MR. WEINER: Yes, sir.

19 MR. OXER: Any questions of the Board?

20 (No response.)

21 DR. MUÑOZ: So moved.

22 MR. OXER: Motion by Dr. Muñoz to approve staff
23 recommendation on item 3.

24 MR. GANN: Second.

25 MR. OXER: Second by Mr. Gann. There appears

1 to be no public comment. Any other questions of the
2 Board?

3 (No response.)

4 MR. OXER: All in favor?

5 (A chorus of ayes.)

6 MR. OXER: And opposed?

7 (No response.)

8 MR. OXER: There are none.

9 MR. WEINER: Thank you.

10 MR. OXER: Thanks.

11 You know, Tom Gouris, is Tom here? That's why
12 we don't have anybody to yell at so that's why this is
13 going so quickly.

14 DR. MUÑOZ: There's Cameron.

15 MR. OXER: Cameron is here.

16 (General laughter.)

17 MR. OXER: It appears that we have a remarkably
18 short agenda today. Counselor, do we have any need for
19 exec session today? I gather not.

20 MS. DEANE: We do not.

21 MR. OXER: Okay. Then we will not go into
22 executive session.

23 We are then at the point in the agenda where we
24 accept public comment on other matters than those that are
25 on the posted agenda for the purpose of constructing

1 agenda for the future. Is there anybody that cares to
2 speak?

3 (No response.)

4 MR. OXER: Well, I can't let that go, so I'm
5 going to ask for a special consideration here. Mr. Vice
6 Chairman, I'll ask you to assume the helm.

7 DR. MUÑOZ: It's about time.

8 MR. OXER: I guess I should sign in.

9 DR. MUÑOZ: Please state your name for the
10 record.

11 (General laughter.)

12 MR. OXER: My name is J. Paul Oxer, former
13 chairman of this August body. Every once in a while I get
14 to stand down here. It's rare enough that they see this
15 part of me and that you don't see me standing up there, so
16 I've got something special to do today that's sort of an
17 odd thing that nobody usually gets to do.

18 In keeping with our consideration for the
19 effort that I made earlier to show that this agency has
20 impact, we put 500-plus million dollars' worth of value
21 into one program, if you load up all of the total programs
22 we have and total them up every year, we're representing
23 or supporting approximately \$1.4 billion worth of activity
24 in the Texas economy with respect to housing. That
25 housing, as it turns out, provides a place for people to

1 stay that we add another 25- or 30,000 people a year that
2 now have homes that would not otherwise have had that
3 quality for housing available.

4 Occasionally, the agency has to recognize that
5 we don't operate in a vacuum, that we're part of a larger
6 continuum and we're part of what state looks at as a total
7 approach to a problem, and I'd like to read something
8 here.

9 "On behalf of all of our fellow Texans, I thank
10 you for your work on the Texas Task Force on Infectious
11 Disease Preparedness and Response. Diseases like the
12 Ebola virus present a formidable threat to public health
13 and your wisdom and expertise has been truly
14 indispensable. Thanks to you, the Lone Star State is
15 better prepared to protect the public in the event of an
16 outbreak, paving the way for a bright future for all of
17 those who call this great state home. So First Lady Anita
18 Perry joins me in sending our best wishes."

19 It's signed by Rick Perry. It's from the State
20 of Texas Governor. To all whom these presents shall come,
21 greetings. Know ye that this official recognition is
22 officially presented to Tim Irvine.

23 (Applause.)

24 MR. IRVINE: Thank you so much.

25 MR. OXER: Smoked you on that one, didn't I?

1 MR. IRVINE: Totally surprised, totally
2 shocked, greatly appreciative, totally in awe of the
3 leadership of the governor and the rest of the task force,
4 Dr. Jurar and everybody. I'm so proud of Texas for just
5 following the science and doing it right and being
6 proactive, and I'm glad to have been a small part of it.
7 Thank you.

8 MR. OXER: Congrats.

9 (Applause and pause for photos.)

10 MR. OXER: I have to watch that; he may start
11 to enjoy this chair, you know.

12 Is there anybody else who would like to say
13 anything? Any member of the staff? Any member of the
14 Board? Counselor?

15 (No response.)

16 MR. OXER: All right. The chair gets the last
17 word. We're off to a good start this new year, we have
18 high expectations for this time, all of our programs are
19 in good shape, and I appreciate the effort of everybody in
20 this room.

21 I'll entertain a motion to adjourn.

22 MS. BINGHAM ESCAREÑO: So moved.

23 MR. OXER: Motion by Ms. Bingham to adjourn.

24 MR. GOODWIN: Second.

25 MR. OXER: Second by Mr. Goodwin. No

1 discussion required. All in favor?

2 (A chorus of ayes.)

3 MR. OXER: It is unanimous. See you in a
4 month.

5 (Whereupon, at 10:05 a.m., the meeting was
6 concluded.)

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C E R T I F I C A T E

MEETING OF: TDHCA Board
LOCATION: Austin, Texas
DATE: January 15, 2015

I do hereby certify that the foregoing pages, numbers 1 through 33, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Penny Bynum before the Texas Department of Housing and Community Affairs.

(Transcriber) 01/20/2015
(Date)

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