

# **SUPPLEMENTAL BOARD BOOK OF JANUARY 18, 2018**



**J. B. Goodwin, Chair**  
**Leslie Bingham Escareño, Vice-Chair**  
**Paul Braden, Member**  
**Asusena Reséndiz, Member**  
**Sharon Thomason, Member**  
**Leo Vasquez, III, Member**

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS  
GOVERNING BOARD MEETING**

**A G E N D A**

**8:00 AM**

**January 18, 2018**

**John H. Reagan Building  
JHR 140, 105 W 15<sup>th</sup> Street  
Austin, Texas 78701**

**CALL TO ORDER**

**ROLL CALL**

**J.B. Goodwin, Chair**

**CERTIFICATION OF QUORUM**

*Pledge of Allegiance - I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.*

*Texas Allegiance - Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.*

Resolution Recognizing February as *Black History Month*

**CONSENT AGENDA**

Items on the Consent Agenda may be removed at the request of any Board member and considered at another appropriate time on this agenda. Placement on the Consent Agenda does not limit the possibility of any presentation, discussion or approval at this meeting. Under no circumstances does the Consent Agenda alter any requirements under Chapter 551 of the Tex. Gov't Code, Texas Open Meetings Act. Action may be taken on any item on this agenda, regardless of how designated.

**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 12, 2017, and November 9, 2017

**J. Beau Eccles**  
General Counsel

**LEGAL DIVISION**

- b) Presentation, discussion, and possible action regarding the adoption of an Agreed Final Order concerning 814 S. Kentucky (HTC 70005 / CMTS 874)
- c) Presentation, discussion, and possible action regarding the adoption of an Agreed Final Order concerning 1209 Keralum (HTC 70062 / CMTS 901)
- d) Presentation, discussion, and possible action regarding the adoption of an Agreed Final Order concerning Las Villas de Merida (HTC 02009 / CMTS 3210)

**Jeffrey T. Pender**  
Deputy General Counsel

**MULTIFAMILY FINANCE**

- e) Presentation, discussion, and possible action on Determination Notices for Housing Tax Credits with another Issuer
  - 17421 The Brookwood San Antonio
  - 17444 Sabine Place Fort Worth
- f) Presentation, discussion, and possible action on Determination Notice for Housing Tax Credits with another Issuer and an Award of Direct Loan Funds
  - 17445 Nightingale at Goodnight Ranch Austin
- g) Presentation, discussion, and possible action on Inducement Resolution No. 18-013, McMullen Square Apartments, for Multifamily Housing Revenue Bonds Regarding Authorization for Filing Applications for Private Activity Bond Authority on the 2018 Waiting List

**Marni Holloway**  
Director  
Multifamily Finance

- h) Presentation, discussion, and possible action regarding a request for waiver of 10 TAC §10.101(b)(2), related to Development Size Limitations for Hutto Station in Hutto

## ASSET MANAGEMENT



**Raquel Morales**  
Director  
Asset Management

## **SINGLE FAMILY OPERATIONS AND SERVICES**

- j) Presentation, discussion, and possible action on Colonia Self Help Center (“Colonia SHC”) Program Award to Val Verde County in accordance with Tex. Gov’t Code §2306.582 through Community Development Block Grant (“CDBG”) Funding

**Homero Cabello**  
Director  
Single Family Operations  
and Services

## HOUSING RESOURCE CENTER

- k) Presentation, discussion, and possible action on a draft substantial amendment of the 2015-2019 State of Texas Consolidated Plan

**Elizabeth Yevich**  
Director  
Housing Resource Center

COMMUNITY AFFAIRS

- l) Presentation, discussion, and possible action on awards for 2018 Community Services Block Grant Discretionary (“CSBG-D”) Direct Client Assistance and Network Operational Investments

**Michael DeYoung**  
Director  
Community Affairs

## **HOME AND HOMELESSNESS PROGRAMS**

- m) Presentation, discussion, and possible action to authorize the issuance of the 2017 HOME Single Family Programs Homeowner Rehabilitation Assistance (“HRA”) Notice of Funding Availability (“NOFA”) and publication of the NOFA in the *Texas Register*
  - n) Presentation, discussion, and possible action to authorize the issuance of the 2017 HOME Single Family Programs Tenant-Based Rental Assistance (“TBRA”) and Homebuyer Assistance (“HBA”) Notice of Funding Availability (“NOFA”) and publication of the NOFA in the *Texas Register*

**Abigail Versyp**  
Director  
HOME and Homelessness  
Programs

## **CONSENT AGENDA REPORT ITEMS**

## **ITEM 2: THE BOARD ACCEPTS THE FOLLOWING REPORTS:**

- a) TDHCA Outreach Activities, (December 2017 – January 2018)
  - b) Report on Department’s Fair Housing Activities
  - c) Report on minor amendments to the 2014 and 2015 State of Texas Consolidated Plan: One Year Action Plans
  - d) Report on the 2019 QAP Planning Project
  - e) Report on the Department’s Swap Portfolio and recent activities with respect thereto

**Michael Lytle**  
Chief of External Affairs  
**Suzanne Hemphill**  
Fair Housing Project Mgr  
**Elizabeth Yevich**  
Director  
Housing Resource Center

## ACTION ITEMS

### ITEM 3: REPORTS

- a) Quarterly Report on Texas Homeownership Division Activity
  - b) Report on change in reporting to the Internal Revenue Service (“IRS”) regarding eligible basis

**Cathy Gutierrez**  
Director, Texas  
Homeownership Division  
**Patricia Murphy**  
Chair, fCGR

#### **ITEM 4: MULTIFAMILY FINANCE**

- a) Presentation, discussion, and possible action on a Request for Rural Designation under 10 TAC §10.204(5)(B) for the Cameron Park Colonia
  - b) Presentation, discussion, and possible action regarding site eligibility under 10 TAC §10.101(a)(2), related to Undesirable Site Features for Residences of Stillwater in Georgetown
  - c) Presentation, discussion, and possible action regarding an award of Direct Loan funds from the 2017-1 Multifamily Direct Loan Notice of Funding Availability  
17028 The Vineyard on Lancaster Fort Worth

- d) Presentation, discussion, and possible action regarding the interpretation of provisions of the Qualified Allocation Plan relating to the claiming of disaster points; the timing of submittal of resolutions of local government support or opposition and state representative input letters; and the handling of these matters by staff if they create a change in self-score that would disqualify an applicant for pre-application points

Marni Holloway  
Director  
Multifamily Finance

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

### EXECUTIVE SESSION

The Board may go into Executive Session (close its meeting to the public):

1. The Board may go into Executive Session Pursuant to Tex. Gov't Code §551.074 for the purposes of discussing personnel matters including to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee;
2. Pursuant to Tex. Gov't Code §551.071(1) to seek the advice of its attorney about pending or contemplated litigation or a settlement offer;
3. Pursuant to Tex. Gov't Code §551.071(2) for the purpose of seeking the advice of its attorney about a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Tex. Gov't Code Chapter 551; including seeking legal advice in connection with a posted agenda item;
4. Pursuant to Tex. Gov't Code §551.072 to deliberate the possible purchase, sale, exchange, or lease of real estate because it would have a material detrimental effect on the Department's ability to negotiate with a third person; and/or
5. Pursuant to Tex. Gov't Code §2306.039(c) the Department's internal auditor, fraud prevention coordinator or ethics advisor may meet in an executive session of the Board to discuss issues related to fraud, waste or abuse.

J.B. Goodwin  
Chair

### OPEN SESSION

If there is an Executive Session, the Board will reconvene in Open Session. Except as specifically authorized by applicable law, the Board may not take any actions in Executive Session.

### ADJOURN

To access this agenda and details on each agenda item in the board book, please visit our website at [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us) or contact Michael Lyttle, 512-475-4542, TDHCA, 221 East 11<sup>th</sup> Street, Austin, Texas 78701, and request the information.

If you would like to follow actions taken by the Governing Board during this meeting, please follow TDHCA account (@tdhca) on Twitter.

Individuals who require auxiliary aids, services or sign language interpreters for this meeting should contact Terri Roeber, ADA Responsible Employee, at 512-475-3959 or Relay Texas at 1-800-735-2989, at least three (3) days before the meeting so that appropriate arrangements can be made.

Non-English speaking individuals who require interpreters for this meeting should contact Elena Peinado, 512-475-3814, at least three (3) days before the meeting so that appropriate arrangements can be made.

Personas que hablan español y requieren un intérprete, favor de llamar a Elena Peinado, al siguiente número 512-475-3814 por lo menos tres días antes de la junta para hacer los preparativos apropiados.

### NOTICE AS TO HANDGUN PROHIBITION DURING THE OPEN MEETING OF A GOVERNMENTAL ENTITY IN THIS ROOM ON THIS DATE:

Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.

De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta.

Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.

De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista.

**NONE OF THESE RESTRICTIONS EXTEND BEYOND THIS ROOM ON THIS DATE AND DURING THE MEETING OF THE GOVERNING BOARD OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**

4a

**BOARD ACTION REQUEST**  
**MULTIFAMILY FINANCE DIVISION**  
**JANUARY 18, 2018**

Presentation, discussion, and possible action on a Request for Rural Designation under 10 TAC §10.204(5)(B) for the Cameron Park Colonia

**RECOMMENDED ACTION**

**WHEREAS**, pursuant to 10 TAC §10.204(5)(B), a political subdivision or Census Designated Place may request to be designated as rural if the area meets certain criteria ;

**WHEREAS**, Cameron County has requested such designation for an unincorporated area that is surrounded by the City of Brownsville;

**WHEREAS**, the area for which the rural designation is being sought includes a Census Designated Place, the Cameron Park Colonia, and unincorporated land, and the appropriate “duly authorized official” for the area would be a Cameron County official, but this amalgamation of characteristics places this matter beyond the scope of what staff clearly has unambiguous authority to address as a request by either a political subdivision or a census designated place;

**WHEREAS**, the request for rural designation was supported by a letter and materials provided by the County Judge of Cameron County; supplemental information was requested by staff, and after receiving supplemental information the Multifamily Finance Division staff has determined that it cannot confirm the rural nature of the Application; and

**WHEREAS**, by operation of 10 TAC §10.204(5)(B) and not reflective of a staff conclusion staff is required to present this matter to the Board as a denial recommendation, procedurally clearing the way for the Board to make its determination on the matter;

**NOW, therefore, it is hereby**

**RESOLVED**, that the Board hereby determines the Request for Rural Designation under Tex. Gov’t Code §2306.6740 and 10 TAC §10.204(5)(B) for the area for which the determination is requested that such area does/does not meet the criteria to be deemed rural.

## **BACKGROUND**

Tex. Gov't Code §2306.6740. DESIGNATION OF CERTAIN AREAS AS RURAL. states:

- (a) The department by rule shall provide for the designation by the department of an area located within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area as a rural area under Section 2306.6702(a)(12)(B) for purposes of receiving housing tax credits administered by the department under this subchapter.
- (b) Rules adopted under this section must:
  - (1) provide procedures by which a political subdivision or a census-designated place may apply for a rural designation;
  - (2) provide guidelines for designating an area as rural, including specifying:
    - (A) conditions under which a rural designation is not appropriate, including the proximity of the area to or the presence of major amenities commonly associated with urban or suburban areas; and
    - (B) conditions under which a rural designation is appropriate, including areas with low population density, the proximity of the area to or the absence of major amenities commonly associated with urban or suburban areas, a high level of undeveloped land, a significant presence of unimproved roads, or significant agricultural activity; and
  - (3) ensure that any housing tax credits allocated to a designated rural area comply with applicable federal requirements regarding that assistance.

This requirement is codified in the Texas Administrative Code at 10 TAC §10.204(5), related to Designation as Rural or Urban:

(A) Each Application must identify whether the Development Site is located in an Urban Area or Rural Area of a Uniform State Service Region. The Department shall make available a list of Places meeting the requirements of Tex. Gov't Code, §2306.004(28-a)(A) and (B), for designation as a Rural Area and those that are an Urban Area in the Site Demographics Characteristics Report. Some Places are municipalities. For any Development Site located in the ETJ of a municipality and not in a Place, the Application shall have the Rural Area or Urban Area designation of the municipality whose ETJ within which the Development Site is located. For any Development Site not located within the boundaries of a Place or the ETJ of a municipality, the applicable designation is that of the closest Place.

(B) Certain areas located within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area can request a Rural designation from the Department for purposes of receiving an allocation Housing Tax Credits (§2306.6740). In order to apply for such a designation, a letter must be submitted from a duly authorized official of the political subdivision or census designated place addressing the factors outlined in clauses (i) – (vi) of this subparagraph. Photographs and other supporting documentation are strongly encouraged. In order for the area to be designated Rural by the Department for the 2018 Application Round, such requests must be made no later than December 15, 2017. If staff is able to confirm the findings outlined in the request, the Rural designation will be granted without further action and will remain in effect until such time that the population as described in clause (i) of this subparagraph exceeds 25,000. In the event that staff is unable to confirm the information contained in the request, the Applicant will be given an opportunity to supplement their case. If, after receiving any supplemental information,

staff still cannot confirm the rural nature of the Application, a recommendation for denial will be presented to the Board.

- (i) The population of the political subdivision or census designated place does not exceed 25,000;
- (ii) The characteristics of the political subdivision or census designated place and how those differ from the characteristics of the area(s) with which it shares a contiguous boundary;
- (iii) The percentage of the total border of the political subdivision or census designated place that is contiguous with other political subdivisions or census designated places designated as urban. For purposes of this assessment, less than fifty percent contiguity with urban designated places is presumptively rural in nature;
- (iv) The political subdivision or census designated place contains a significant number of unimproved roads or relies on unimproved roads to connect it to other places;
- (v) The political subdivision or census designated place lacks major amenities commonly associated with urban or suburban areas; and
- (vi) The boundaries of the political subdivision or census designated place contain, or are surrounded by, significant areas of undeveloped or agricultural land. For purposes of this assessment, significant being more than one-third of the total surface area of political subdivision/census designated place, or a minimum of 1,000 acres immediately contiguous to the border.

The County Judge for Cameron County has made a request that an unincorporated and Colonia area and Census Designated Place, entirely surrounded by the City of Brownsville, be determined to be rural pursuant to Tex. Gov't Code §2306.6740 and 10 TAC §10.204(5). The County Judge is a local government official with authority to speak on behalf of that area, and his letter relates to that area alone, not to the entire county. Although Cameron County as a whole has a population of greater than 25,000 and if it were requesting such a designation for the entire county, it obviously exceeds the 25,000 person threshold set out in the applicable rule. However, since the only area in question has a population of less than 25,000 it is recommended that the Board view this threshold requirement as met.

Assuming this threshold matter is addressed such that the determination may be considered, the Board must consider whether the County Judge has provided suitable support of the five other factors contained in 10 TAC §10.204(5)(B) for his assessment that the limited area in question is rural in nature. Staff has noted that this area is entirely surrounded by a large city, the City of Brownsville (population estimated at 183,046 in 2014) which is in the Brownsville-Harlingen Metropolitan area (population estimated at 420,392 in 2014). However, because of the operation of boundaries there are numerous instances where areas legally characterized as rural are adjacent to large metropolitan areas.

The County Judge has pointed out that the area contains a large amount of agricultural or undeveloped land, a high number of residents without sewage service, and unpaved streets and is considered by HUD and USDA and state use of CDBG and Housing Trust Fund to be rural. Although the area does contain some developed areas and housing not atypical in the City of Brownsville as well as two elementary schools, these features are not uncommon in similarly sized rural communities throughout the state. Staff believes that

deference to the County Judge's assessment of all of these factors, considered as a whole, is warranted, but because of the unique facts and circumstances involving the area's location being contained within a major city and metropolitan areas believes that this is a matter most appropriately handled by the Board in a public meeting where interested persons may offer their input.



*Eddie Treviño, Jr.*  
*County Judge*

December 11, 2017

Ms. Elizabeth Henderson  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

RE: Request for Rural Designation

Dear Ms. Henderson:

This letter serves to request rural designation for an underserved area that is surrounded by the City of Brownsville. This unincorporated region consists of 3 Colonias (Cameron Park, Praxedis Saldivar and Central Estates) including the oldest and largest Colonia in the nation, Cameron Park; please see application *attachments*.

The area being submitted for rural designation is located within a small portion of census tract 15180-48-061-0126.09 (this census tract includes city annexed areas) and includes census tract 15180-48-061-0144.00. The total population of this unincorporated area does not exceed 25,000 (according to 2010 census the population of this area is 9,885).

The percentage of total border that is contiguous with other designated urban areas is 100%; noteworthy, the boundaries of this unincorporated area contain a significant amount of undeveloped and agricultural land – more than 1/3 of its boundaries consist of undeveloped and agricultural land. This area, unlike the surrounding city annexed areas, contain a higher number of residents without sewage service and unpaved streets, not commonly associated with the surrounding incorporated urban and suburban areas. Disparities and needs for maintenance are seen in the condition of housing stock, public amenities and streets essential for mobility within the city.

Cameron County has been involved with many State and Federal initiatives to bring basic services to the Colonias and the rest of the unincorporated area which is nationally recognized as being the poorest area of the United States. As part of these efforts the area has played host to visiting dignitaries such as the Federal Reserve Chairman, the HUD Secretary and TDHCA Board of Directors. Funds from the United States Department of Agriculture, Texas Water Development Board, HUD Rural Housing and Economic Development Program (HUD RHED) and TDHCA's Boot Strap Loan Program, Colonia Self-Help Center, HOME Single Family Development Funds and Home

Ms. Elizabeth Henderson

December 11, 2017

Page 2

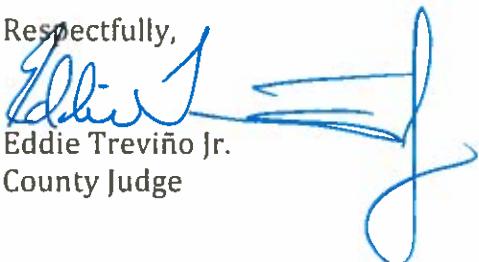
Down Payment Assistance programs have been funneled into this area. Funds have been utilized to provide basic services such as indoor plumbing, clean water, wastewater, housing rehabilitation, opportunities for home ownership and paved streets to residents in this area – a privilege afforded to residents just outside of this unincorporated area, serviced by the City of Brownsville.

The area is considered rural by both the USDA and HUD. It is also considered rural for TDHCA HOME funds, TDHCA CDBG funds and TDHCA's Housing Trust Fund. The only State or Federal Program that considers it urban is TDHCA's Housing Tax Credit Program.

Cameron County appreciates the efforts TDHCA has made to help bring basic services and housing opportunities to the residents of the area. It is Cameron County's intent to continue its longstanding partnership with TDHCA to improve Cameron Park and the surround areas. Granting the request for this area to be considered rural brings the Housing Tax Credit Program in line with other Federal and State programs and reinforces TDHCA long-standing commitment to the area.

Should you have any questions, please do not hesitate to contact Raul Garcia, Community Development Coordinator, Program, Development and Management at 956-550-1354.

Respectfully,

A handwritten signature in blue ink, appearing to read "Eddie Treviño Jr.", is positioned below the typed name and title.

Eddie Treviño Jr.  
County Judge

## Request for Rural Designation

The purpose of the *Request for Rural Designation Packet* is to formalize the process by which a municipality may request a Rural designation from the Department under 10 TAC §10.204(5)(B) of the Uniform Multifamily Rules for an area within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area. The request must be submitted to [Elizabeth.Henderson@tdhca.state.tx.us](mailto:Elizabeth.Henderson@tdhca.state.tx.us) by 5:00 p.m. (Austin local time) on December 15, 2017 in order to be considered.

**Ms. Chloé Dotson**

**Contact Name**

**cdotson@cdcb.org**

**Email**

**956.579.4489**

**Phone**

**901 East Levee Street**

**Contact Address**

**Brownsville**

**City/Place**

**Cameron**

**County**

**78520**

**Zip**

**11**

**Region**

All of the following must be met to be considered for a Rural Designation under 10 TAC §10.204(5)(B) of the Uniform Multifamily Rules.

**Please ensure that the letter from a duly authorized official of the political subdivision or census designated place (CDP) is attached and addresses the factors listed below:**

- Population of the political subdivision or census designation place does not exceed 25,000;
- Description of the characteristics of the political subdivision or CDP and how it differs from the characteristics of the area(s) with which it shares a contiguous boundary;
- Description of the percentage of the total border of the political subdivision or CDP that is contiguous with other political subdivisions or CDPs designated as urban. For purposes of this assessment, less than 50% contiguity with urban designated places is presumptively rural in nature;
- The presence of a significant number of unimproved roads in the political subdivision or unimproved roads that are relied upon to connect it to other places;
- Description of how the political subdivision or CDP lacks major amenities commonly associated with urban or suburban areas; and
- The boundaries of the political subdivision or CDP contain, or are surrounded by, significant areas of undeveloped or agricultural land. For purposes of this assessment, significant being more than one-third of the total surface of the political subdivision or CDP, or a minimum of 1,000 acres immediately contiguous to the border.



Photographs are attached as supporting documentation.

Attachment: Photos provide graphic documentation of unpaved street conditions on major and minor corridors throughout the unincorporated area. 6075 Cavazos Road graphically documents a paved street in need of major repairs and the lack of storm water management systems. Raphael Road provides examples of housing conditions, neighborhood characteristics, along with street conditions not commonly found in the surrounding incorporated urban and suburban areas of the City of Brownsville.

Provide a brief description of the factors the photographs are identifying in the box above.



Other supporting documentation is included.

Attachments A through D provide maps of the unincorporated area seeking TDHCA rural designation. These attachments show the location of the incorporated area within the south Texas region of Cameron County and surrounding city of Brownsville urban and suburban areas. Attachment C and D provide an aerial view of area - documenting the large amounts of undeveloped and agricultural land within the unincorporated area. Attached E demonstrates USDA rural designation of the area. Attachment F provides additional narrative of the conditions of the area and includes TDHCA funded projects within the area.

Provide a brief description of the supporting documentation in the box above.



I have included each of the checked items, including documentation, photos and/or narratives, that supports my request for Rural designation under §10.204(5)(B) of the Uniform Multifamily Rules.

The undersigned hereby requests a determination regarding the eligibility of a Rural designation. By signing this document, I am affirming that all statements and representations made in this document, including all supporting materials, are true and correct.



Signature

Ms. Chloé Dotson Director of Real Estate Development

Printed Name and Title

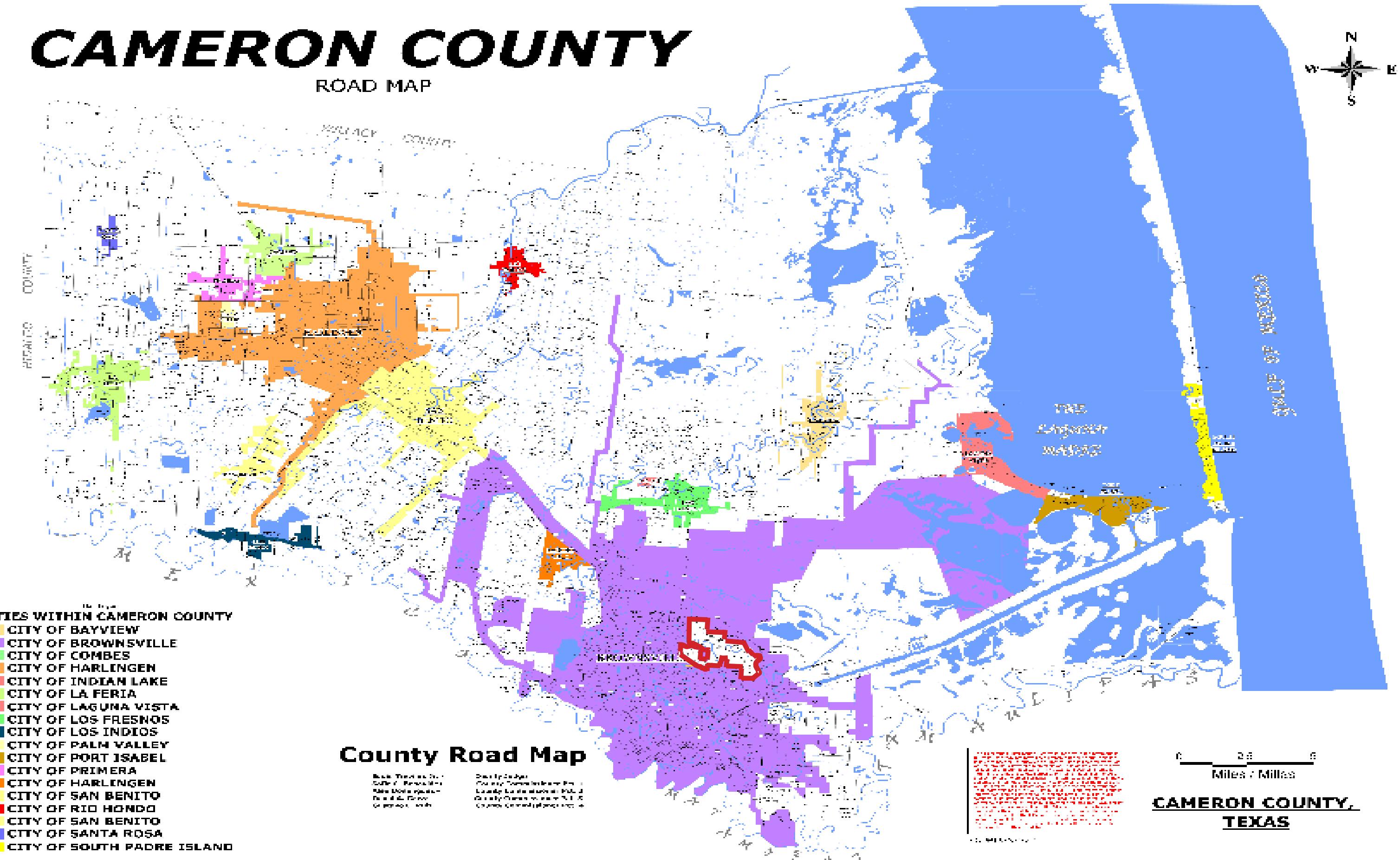
12/11/17

Date

## **ATTACHMENT A**

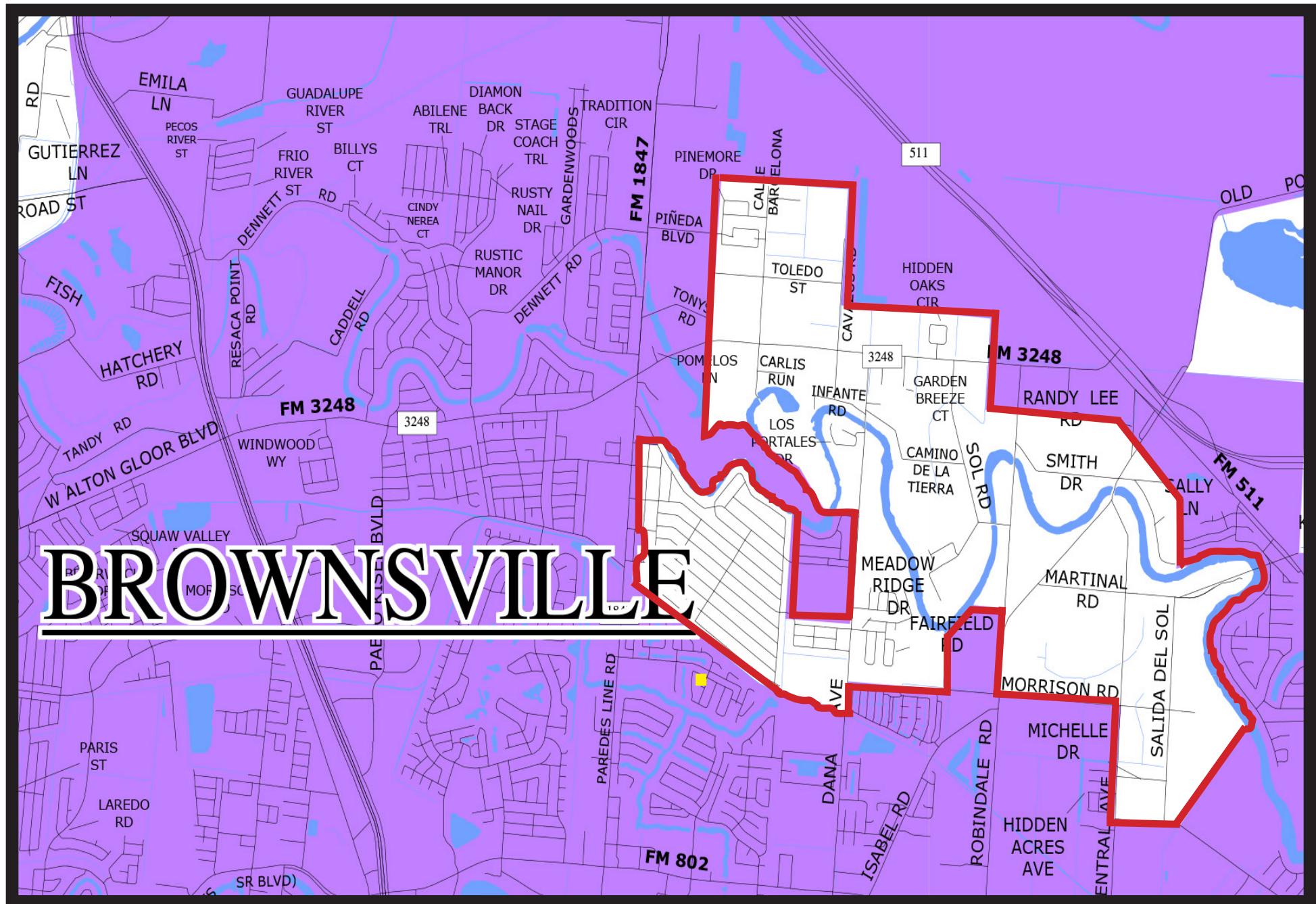
# **CAMERON COUNTY**

## ROAD MAP

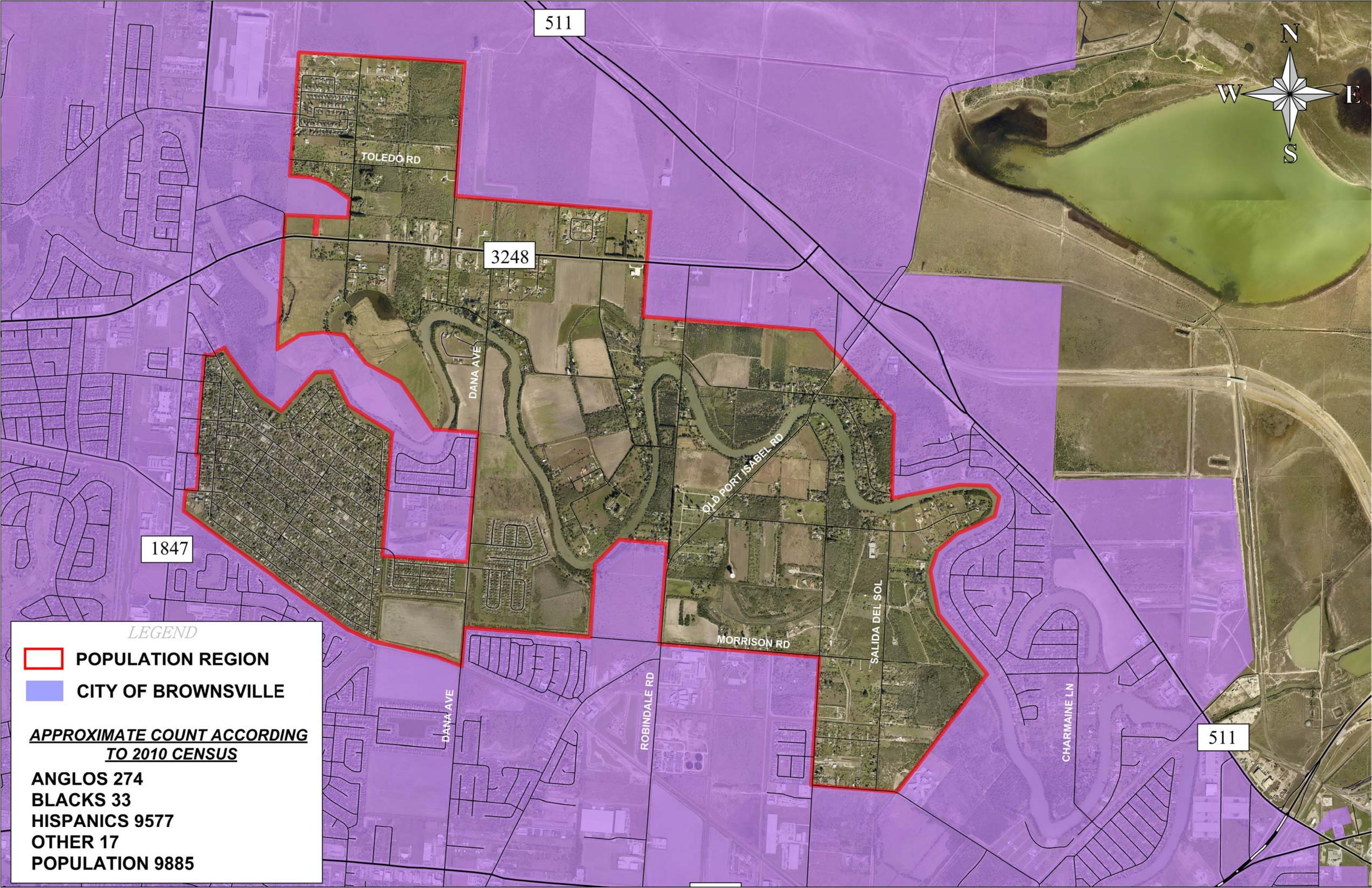


 Unincorporated Area Seeking TDHCA Rural Designation

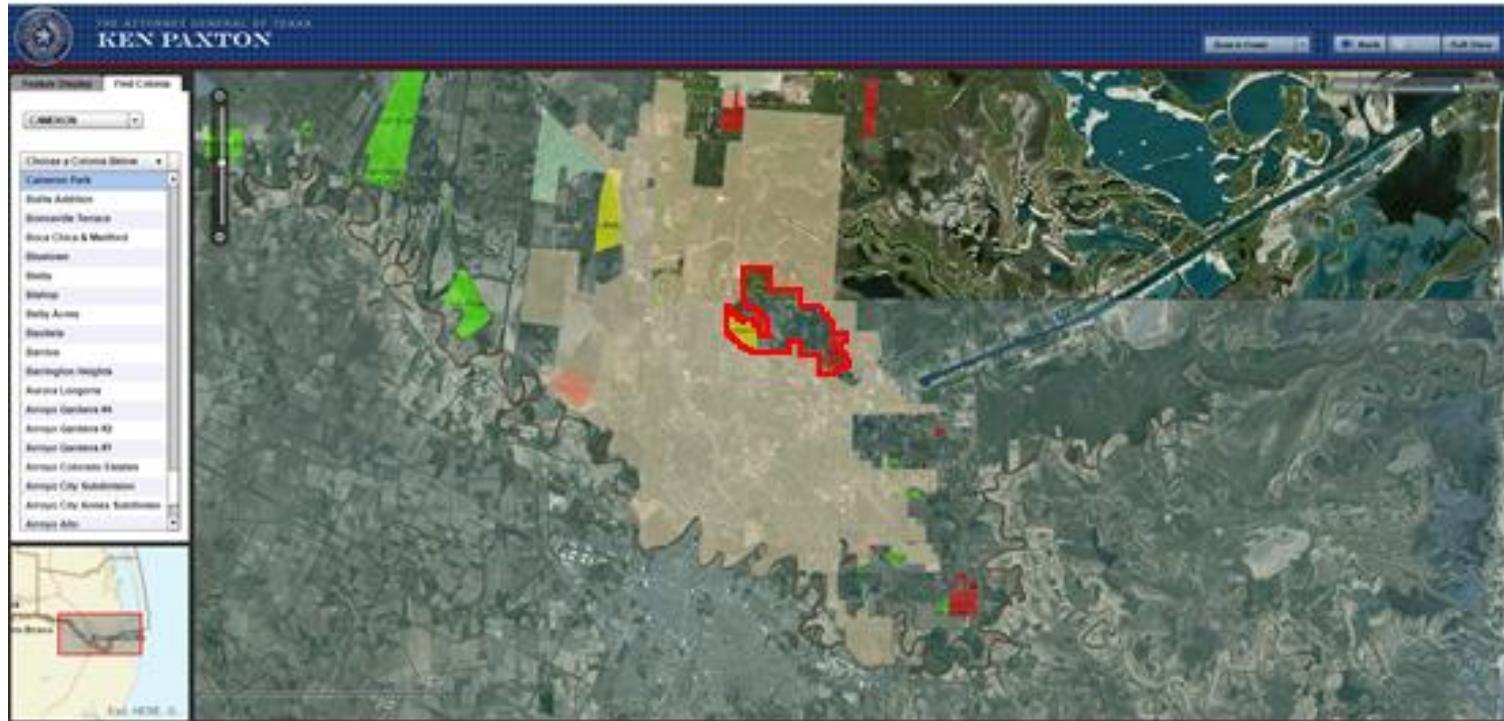
## ATTACHMENT B



Unincorporated Area Seeking TDHCA Rural Designation

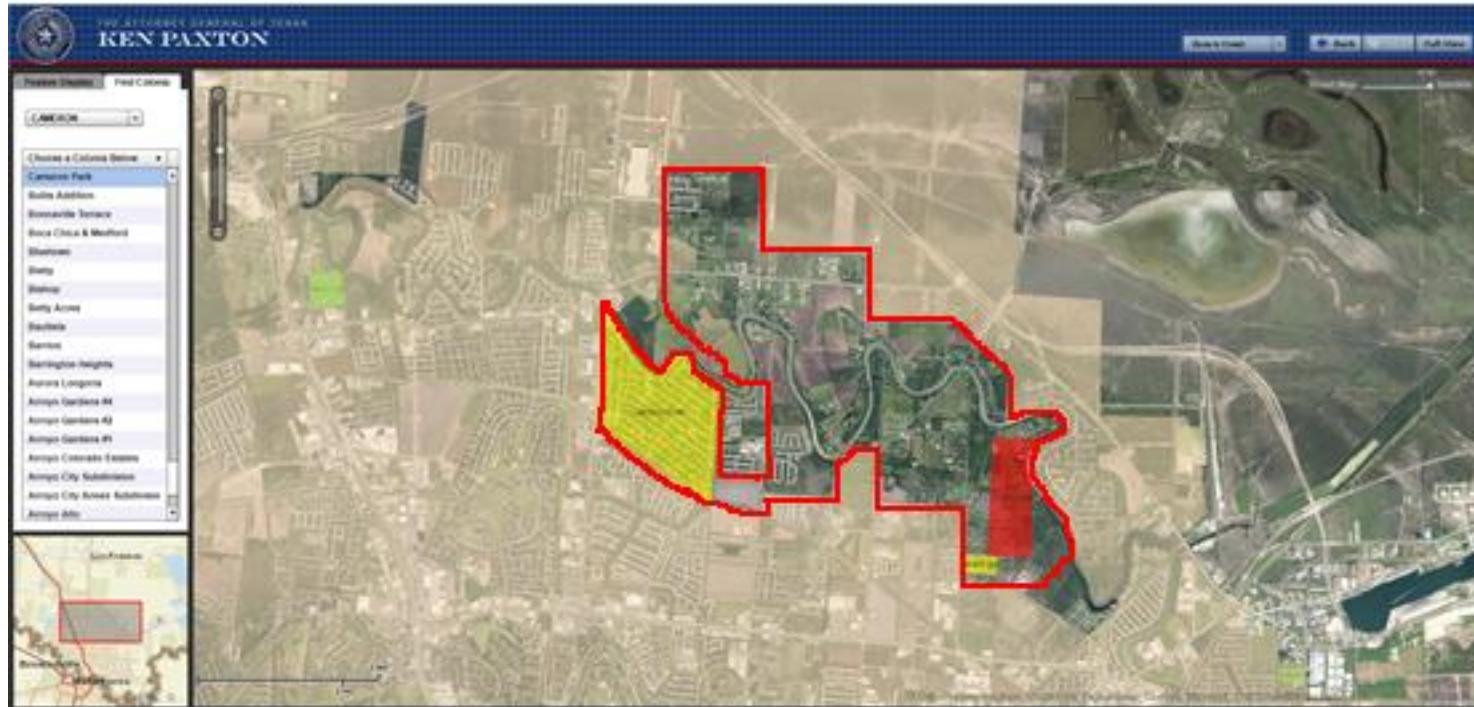


## **ATTACHMENT C**



## Unincorporated Area Seeking TDHCA Rural Designation

## ATTACHMENT D



- ## Unincorporated Area Seeking TDHCA Rural Designation

## ATTACHMENT E



# **US Department of Agriculture, Rural Development Initial Eligibility Determination**

Committed to the future of rural communities.



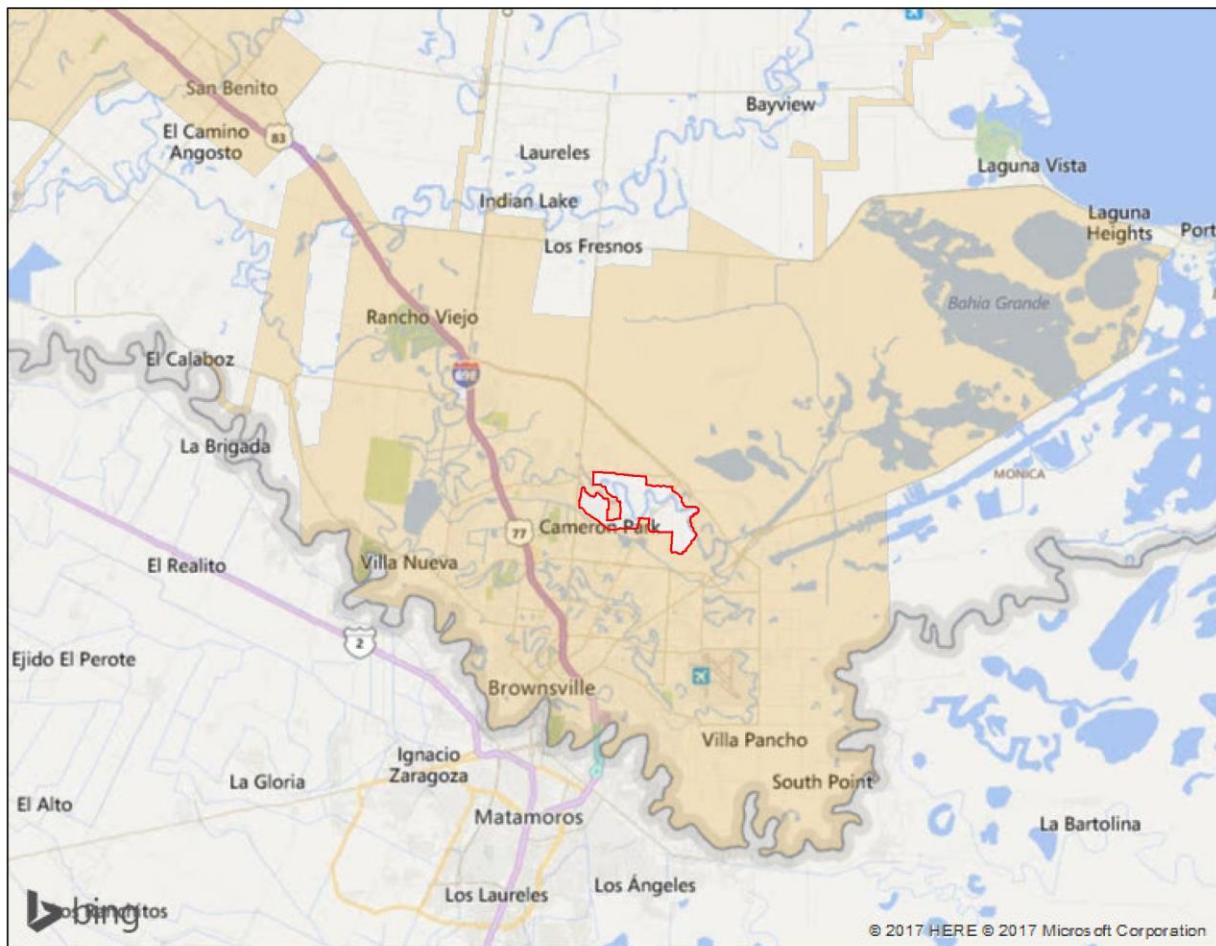
This address  
located in an eligible area.

\* Keep in mind that this is only an initial determination on the eligibility of your address. There are other eligibility factors for this program which cannot be confirmed through this tool.



This address  
located in an eligible area.  
for properties in the US

RHS SFH MFH  
**Ineligible Area**



Date created: Wednesday, December 06, 2017 - 3:59:54 PM (Central Daylight Time)



## Unincorporated Area Seeking TDHCA Rural Designation

## **ATTACHMENT F**

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Economist**[World politics](#)[Business & finance](#)[Economics](#)[Science & technology](#)[Culture](#)[Blogs](#)[Debate](#)[Multimedia](#)[Print edition](#)**The colonias of the Mexican border**[Comment \(5\)](#)[Timekeeper reading list](#)

# Paving the way

[Reprints & permissions](#)[Print](#)**Texas's colonias are still desperately poor, but there are signs of progress**

Jan 27th 2011 | BROWNSVILLE, TEXAS

[Timekeeper](#)[Like 115](#)[Tweet](#)

CAMERON PARK, a small community on Texas's southern border, is clearly poor. On a recent afternoon children, dogs and chickens were playing in the streets. A few businesses—taco trucks, car repair, a beauty salon—advertised with handwritten signs. Some of the homes were lushly landscaped, with hibiscus flowers and orange trees, although others were broken-down shacks interspersed with piles of lumber and rubble. And on one quiet street, two men were building a pavement.

Advertisement

For Cameron Park, this is progress. At the census in 2000 it was the poorest place in the United States with more than 1,000 people. Its income per head was \$4,100. Few of the roads were paved, and many of its residents had no access to running water or electricity. The neighbourhood was close to Brownsville, a large border city, but people from the city kept their distance.

It was a dire way to live, but not uncommon along the border. Texas alone has around 2,300 of these districts, known as *colonias*. Together they have about 400,000 residents.

standards of living. Many were built on flood plains, meaning residents are stuck in a mosquito-infested open sewer after every heavy rain. Most of the counties and cities on America's southern border are poor, with correspondingly wretched schooling and health care. But even against that background, the *colonias* are in a stark state.

On the most recent estimates, income per head in Cameron Park is up to about \$5,700. To some extent, the modest uptick in income and standards of living reflects the precipitous growth of the Texas-Mexico border. Brownsville has about 170,000 people, up 30,000 from ten years ago, and income per head there has grown to nearly \$12,000, from \$10,000, during that time.

But the *colonias* have also had some help since the abysmal conditions began to draw more statewide attention. In 1999 Texas authorised a *colonias* initiative to co-ordinate state efforts to improve transport, housing, health and water, and hundreds of millions of state dollars have been allocated for the work over the past decade. In December 2010 a report laid out details of modest progress so far. Looking at six of the counties along the border, it found that in 2006 about 63,000 people lived in "red" *colonias*, which have no drinkable water or drainage, compared with 145,000 in "green" *colonias* (basic infrastructure, including sewerage and paved roads). In 2010, 45,000 people lived in the reds and 194,000 in the greens.

That means a better standard of living for tens of thousands of people. But there is still tremendous work to be done. Eddie Lucio junior, a long-serving state senator from Brownsville, argues that the biggest troublemakers now are unscrupulous developers,

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# SOUTHEAST MISSOURIAN

## Texas shantytown is poorest place in America

Friday, June 7, 2002

By Lynn Brezosky, The Associated Press

CAMERON PARK, Texas -- In many ways, things are better than they were just a few years ago in Cameron Park, a cluster of shacks stretching for miles near the Mexican border.

Gunfire no longer erupts at sunset. Families are more likely to stay put when fathers leave for months to pick crops in Michigan or North Dakota. The new pavement means children can walk to the bus on rainy days without having to wrap garbage bags around their shoes. Televisions are powered by electric lines rather than car batteries. There are stoves and refrigerators -- some of them even indoors.

Yet national census figures show there is still a long way to go.

Among places with 1,000 households or more, Cameron Park is the poorest spot in America.

It ranks dead last in median per-capita income, at \$4,103 a year. About 6,000 people live in the unincorporated community near Brownsville. Many of them are migrant workers and factory hands, and many of them are from Mexico.

"Extreme Third World conditions," said Cameron County Judge Gilberto Hinojosa. "You can pave the streets and put lights and police patrols and parks, but you still have to deal with the fact that many remain poor, and because so many are undocumented, it's difficult to provide them with programs."

Their poverty has been worsened by economic trends that hit the least-skilled hard. The textile industry that employed many with working papers has disintegrated -- the Levi's, Haggar and Horace Small factories have all announced closings. Drought has meant fewer agricultural jobs in the region.

In Cameron Park, only 19.3 percent of people age 25 or older have a high school diploma or better. The state average is 72.1 percent.

## Border phenomena

Some 1,800 colonias, or shantytowns, that developed without services like water or sewers, have emerged along the Texas-Mexico border.

They started in the late 1960s and early 1970s with landowners offering mostly poor Mexican immigrants land on easy terms.

Cameron Park was one of the first. In 1968, a plot went for \$300, paid at a rate of \$7 a month. By 1977, it was \$1,200, at \$20 a month. The plots lacked water, sewers and drainage, but it was a chance to own land. Preliminary dwellings sprang up in a weekend.

In recent years, the plight of the colonias has drawn the attention of county, state and federal officials, who have made campaign stops and passed laws to fix substandard conditions. A constitutional amendment passed in November authorized up to \$175 million in state bonds to build or improve roads and drainage. And the U.S. Department of Housing and Urban Development has offered low-cost financing to build homes.

"I saw firsthand when there's three inches of rain and children don't go anywhere and the water stagnates, bringing mosquitoes and opportunities for disease," Gov. Rick Perry said in supporting the measure.

When social worker Alma Rendon first visited in the early 1990s, the colonia was full of outhouses, and pots and pans collecting rainwater for washing.

Now most of the homes have indoor plumbing.

Also since the early 1990s, a program through Texas A&M University has enlisted people in the community to tell neighbors about such services as counseling or vision care. At a community center, families are matched with food stamps and other public assistance programs.

There are English classes, and a new computer center is under construction.

It has been against the law since 1995 to sell unimproved land for housing. But the colonias keep on growing, and those who sell their land have profited, with plots now going for as much as \$18,000.

Houses have developed over time into a hodgepodge of styles, some pastel Mexican stucco, others pale brick. Most are in some stage of construction, with half a roof, windows without panes, an uncompleted second floor.

Teresa Serna has been working for 19 years on her dream house -- a five-bedroom rose stucco with balconies and elaborate door moldings. It is yards away from the wooden trailer where she lived 30 years ago as a 15-year-old newlywed from Brownsville's sister city of Matamoros, Mexico.

But for every home like Serna's are three or four rusted 20-by-6-foot campers with large families crowded inside.

Several times developers have come to the community, offering to buy the land, raze it all and build new homes. They got laughed away.

"It's part of the mindset they brought with them from Mexico," Rendon said. "A person doesn't have anything unless you have property and your own home."

## Bottom's Up

Cameron Park is the poorest community in America, a Brownsville colonia where people struggle to get by on little more than \$4,000 a year. So why are its residents so optimistic?

by CECILIA BALLÍ | JANUARY 2003 | 0 COMMENTS



HE CALLS THEM HIS “ONE thousand acres of excellence.” In the northeastern corner of this border city, just four miles north of Mexico, Bill Hudson has reinvented Brownsville in a way Brownsville never dared imagine itself. Using tile, stone, and stucco, the cheery blue-eyed native converted property his grandfather had purchased in 1937 into an upscale and as yet unfinished residential and retail development known as Paseo de la Resaca. There are now restaurants, shopping strips, and an events center, and when all is said and done, Brownsville will also count some two thousand new homes and a man-made waterway framed by a nine-mile hiking and biking trail. “This is six years ago,” says Hudson, who looks and dresses like a Southern gentleman but is fascinated by Mexican border culture. He points at an aerial shot of a brown wasteland hanging on his conference room wall and snickers. “*Nada.*” For Hudson, Paseo de la Resaca is more than a development; it is a symbol of what could happen all along the Texas-Mexico border if only its people were willing to think big, to dream. In his view, the biggest challenge the border region faces is not drugs or immigration or low wages but what he calls “a deficit of spiritual capital, which is reflected in a resignation to mediocrity.”

But even as Brownsville basks in this new identity, Paseo de la Resaca is not the only development in this part of town where people have come with visions of upward mobility. Rubbing against Hudson’s excellent acres, in the shape of a

slightly flawed parallelogram—and at a markedly different point on the economic spectrum—lies Cameron Park. This neighborhood of 4,895 residents is, according to the 2000 U.S. census, the poorest place in the country. The ranking is based on the median income per capita for communities of one thousand or more households. If the middle-American tries to make it on \$21,587 a year and the middle-Texan lives on \$19,617, the Cameron Park resident squeaks by on just \$4,103. For most of the people who live here, this is the beginning of the American experience. “This is the starting point in Brownsville,” says Father Mike Seifert, a quick-witted, highly philosophical missionary with the Marist Brothers who has worked in Cameron Park since 1996. “This is the place you land when you cross the river.”

From Paredes Line Road, the thoroughfare that links it to the rest of the city, Cameron Park looks like your typical working-class neighborhood on the border. You see trees (mesquite, mostly), businesses (from tax services to tire shops), chain-link fences, and lots of life. But take a drive down its skinny streets, a confusing network of paved roads with names unfitting for its Mexican population—Gregory, Nannette, Jeffrey—and the poverty begins to seep into the picture. A grand home here and there may have six bedrooms and three baths and be worth up to \$150,000. But next to a two-story stucco with ornate Mexican windows will sit a trailer that sags mournfully—or maybe two, or maybe five, sometimes squeezed onto a single plot of land, sometimes spilling out useless junk. The most interesting dwellings are the hybrids, where a wood-frame house that’s been painted only on the front sprouts from a one-room mobile home. Cinder blocks, rebar, and gravel stack up on empty lots until the owner can afford all the material necessary to start a home or add on to one. Decommissioned cars decay in front yards. On one lot a horse passes the day tied to a scraggly tree amid a tangle of brush and old tires. Children—little ones in diapers, big ones with blaring car stereos—are everywhere, and for each family that lives comfortably, there is another whose kids sleep side by side on couches and floors.

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Cameron Park is a “colonia.” The Spanish term refers literally to a “neighborhood” or a “settlement of homes,” but along the Texas-Mexico border, it carries the stigma of fierce deprivation. Along the border it translates to rutted roads, crumbling homes, no running water. Along the border it means that the community is not incorporated, that it exists in legal limbo, really, because no government entity wants the responsibility of providing basic services. Colonias began to crop up in the sixties, when wily developers started selling plots of raw land that were cheap but had no infrastructure: no paved streets, no water and electricity hookups, no sewer lines. The lots were typically sold under contracts for deed, meaning that the buyer did not get title to the land until he made his final payment. By 2000, when critics of George W. Bush made conditions in the colonias an issue in the presidential race, the number of colonias in Texas had grown to almost 1,500.

The origins of Cameron Park date to 1964, when a thin, bespectacled man with a white mustache named Edward Dicker began selling off hundreds of 7,200-square-foot lots for as little as \$300 each. That was well before Cameron County officials passed building codes in the early seventies that required new subdivisions to provide water and sewer services. But even after the new restrictions were passed, Dicker continued to sell. In 1979, when a Mexican journalist asked him who had authorized the sales, he replied defiantly, “Me. They’re mine.”

The floodgates were open. People who had crossed over the border from Mexico flocked into the neighborhood, where they squeezed into acquaintances’ homes or rented trashed-out trailers while saving up to buy their own plot of land—their own little chunk of the American promise. The men took jobs as shrimpers, welders, day laborers, construction workers, or housepainters. The women became maids, home health aides, or seamstresses, or they participated in the informal economy, selling blankets, jewelry, and used clothing. Cameron Park stretched out until it became a city of sorts, one that has now displaced Indian reservations and Southern rural towns as this country’s most glaring illustration of economic deprivation. After the census made Cameron Park’s status official, journalists arrived from Chicago, Washington, D.C., and Germany, pressing residents on what it’s like “to live in the poorest place in the nation.” They cited the alarming numbers: Four fifths of the colonia’s dwellings are substandard; more than a third still lack indoor plumbing.

And yet, these poverty statistics obscure the fact that Cameron Park is, in its own way, a success story, a down-and-out version of Paseo de la Resaca. Like Bill Hudson’s Brownsville, the Cameron Park of today looks nothing like its former

incarnation. As the largest of the county's 119 colonias, it has in the past eight years demanded and secured the attention of elected officials, with some \$8 million in public funds having gone into making the place a symbol of what can be done in these poor settlements of the border: paved roads, water and sewer hookups, and soon to come, even curbs, gutters, sidewalks, and streetlights. How to show in a quantitative survey that Cameron Park has a bustling community center that offers a whole slew of social services? How to brag that there is now a Boys and Girls club, a sheriff's substation, a small health clinic, and a park? How to describe the shops lining its western boundary, which offer everything from birthday cakes and flowers to rotisserie chickens and tuxedo rentals? The signs of empowerment are everywhere. Undocumented immigrants speak of legalization, the documented speak about the importance of voting, and religion has taken root in the homes, where neighbors gather weekly to relate spiritual readings to their own material needs.

In other words, how to explain to demographers and statisticians and newspaper reporters that poverty is a relative thing—to rationalize why, amid the doom and the tragedy, optimism thrives?

"THIS IS THE WAY CAMERON Park used to be," says 56-year-old Gloria Moreno, tapping her fingernail on a snapshot of mesquite and three-foot-tall weeds, which she pulls from a pile of photo albums documenting Cameron Park's progress since the seventies. "Like this. Like a jungle. There were snakes, there were scorpions, there were tarantulas, and at night you could hear the coyotes go like this: *auiuuu!*" The worst was when it rained, says the self-described traditional Mexican wife who metamorphosed into an unflinching activist. When it rained, the children were scolded by bus drivers for climbing on with dirty shoes and had to scrape off the mud at the school's restroom sinks before entering the classroom. When it rained, the excrement rose to the top of the latrines, where the mosquitoes hovered before buzzing around the colonia and feasting on its residents. When it rained, the neighborhood erupted into a chorus of grunting automobile engines as cars and trucks fell prey to the hidden potholes and the chewy mud, their wheels spinning pitifully until the earth gave or a motor broke. If the rain came at three in the morning, the men emerged from their homes in a frenzied rush to park their trucks on the main road outside the colonia. The next morning, the repercussions: a missing battery, slashed tires.

The activism was born of sheer frustration. In its nascent stages, it was a movement shaped by men in guayaberas and cowboy hats, residents of the colonia who were inspired to action when they began to see county officials and other

politicos pop into the neighborhood to drum up political support. Maybe their voice—at least their vote—mattered beyond Cameron Park. They joined forces with Valley Interfaith, a church-based, grassroots community group that was working to raise the standard of living for residents across the Rio Grande Valley. They organized meetings in the colonia, where the community president, Fidel Velasquez, diligently learned how to conduct a meeting. On the walls, they hung white paper and spelled out the rules in Spanish: We shall put our politics aside when the meeting begins; we shall maintain our concentration on the central topic; we shall not digress from the issues to discuss personal problems. But it seemed the politicians never lived up to their end of the deal. The Mexican daily newspapers, which covered Cameron Park extensively in the seventies and eighties, speculated that county officials hoped Cameron Park would not develop into a permanent neighborhood because the Brownsville Country Club was about to be constructed not far from the colonia's western boundary.

Moreno, who moved into Cameron Park in 1977, sometimes stood near the back of the room during those meetings, soaking up the lessons about how to approach and speak in front of elected officials. But when the U.S. Department of Agriculture asked the mother of eight to begin organizing nutrition classes for the colonia's residents, she initiated another kind of activism that catered particularly to the needs of women and children. After the nutrition lessons had been imparted to her neighbors, she began working the rest of the colonia by street, which wasn't easy since there were no street signs or addresses at the time. So Moreno pulled out the map she had received when she bought her property and began tracking her progress with a black marker. When an organization that provided health care asked her to find it some clients, her method became more precise; she filed each household's paperwork in separate envelopes and labeled them for future reference: "White house with red trimmings and three pines."

The huddled political meetings and street organizing began to pay off. In 1994, after residents had made frequent visits to Austin, the Texas Water Development Board and the Brownsville Public Utilities Board agreed to install water and sewer lines. Many of the homes did not meet the codes required for hookup, but state officials decided to proceed anyway. After much prodding, Cameron County began paving the streets, and Texas A&M University's Colonias Program helped build the community center. That center serves as the clearinghouse for a number of other government and nonprofit programs, which deliver their services in Spanish, with cultural modifications if necessary. The colonia's churches—Catholic, Baptist, and Pentecostal—provide another crucial spiritual and social support

system. "If Gloria and I want to do something, and if we want everybody to know," Alma Rendon, the center's 54-year-old program coordinator, says, "we call the churches and everybody hears the gossip."

Social services have transformed Cameron Park, but the biggest remaining challenge here, as in all colonias along the border, is housing. Owner-built homes, which are the norm in the community, take years to complete and sometimes don't meet building codes when they are finished. The major obstacle to securing a mortgage is that the poor have a difficult time qualifying for loans because banks require some credit history. Using low-interest loans subsidized by the federal and state governments, the nonprofit Community Development Corporation of Brownsville (CDCB) has built 130 simple wood-frame and brick homes in the colonia since 1997, but this hardly makes a dent in the housing problem. Several years ago Don Currie, the executive director of the CDCB, pushed this idea: that the government loans would go further if they could be bundled with private loans from Valley banks. The CDCB has helped organize the eight-year-old Rio Grande Valley Multibank, a group of lenders that has been making these loans for two years—with nearly flawless results. Unlike traditional mortgages, potential homebuyers do not have to meet rigorous credit standards; they only have to prove that they pay their bills on time and earn enough to meet their monthly payment. The banks protect their own risk by jointly maintaining a reserve fund in case anyone fails to make a monthly payment. Out of 145 mortgages the CDCB has overseen in Cameron Park, only one has been foreclosed on—and this because the borrower died and left no family to take over. "Our main point," Currie says, "was to show that you can lend these people money and they'll pay it back."

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ALONG WITH THE DREAM OF owning a home, the promise of an education is the other main source of Cameron Park's optimism. After contending for years with the question of how best to educate the colonia's children—one highly controversial proposal involved pulling them out of the regular elementary school they attended and educating them inside the neighborhood in portable classrooms (thus, the conspiracy theory went, leaving more space in the regular

school for the rich kids)—the Brownsville school district, in 2001, finally built them their own gleaming campus, which is staffed by a corps of teachers that is 100 percent bilingual. Despite their faith in their students' potential, however, the teachers at Gallegos Elementary find themselves playing a number of roles beyond that of educator. The children have to be socialized. Some even have to be taught to use an indoor restroom, since they have never seen one. The little ones have to be encouraged to speak in complete sentences—sometimes to speak, period—because their language skills haven't been developed at home. Parents get to "shop" for used clothes that teachers donate, and principal Lucy Green has kept a bag of shoes in her office ever since she witnessed a small girl padding around the school in socks. Her shoes, the girl's teacher later explained, were too tight. "We believe that all children can learn," says Green, a bubbly native of Mexico City. "But there are days when we take a deep breath."

And yet, the success stories are breathtaking. Consider the case of Gaspar Garcia: In 1991 Gaspar was a sixth grader at Vela Middle School with dark skin and soft eyes who had fancied playing the clarinet until the realization struck that his family couldn't afford to buy him one. When he tried to tell the band director that he couldn't join the band after all, the teacher mulled over the problem for a moment and then struck a simple, unusual deal: You stay in my class this semester, and I'll give you an A. Secretly, he thought the child could at least begin by learning rhythms. And so, for the entire first semester, while the rest of the students made awkward sounds with their new instruments, the boy who had none sat clapping out the beats with his thick, bare hands.

Few kids from Cameron Park were in the band or other extracurricular activities in those days. Those who did well in school learned to do so by keeping to themselves and focusing on their work; those who didn't formed a gang they called C.P., in deference to their home turf. At lunchtime, the school cafeteria replicated the class segregation of their outside lives: right side, Country Club; left side, Cameron Park. Yet Gaspar persisted, and in his second semester he was able to borrow a bass clarinet from the school. Every weekday and Saturday morning were spent in the band hall, blowing notes and counting rests and fingering keys. By his first year of high school, Gaspar had made All-State Band, a rare accomplishment for a freshman. The following year—and again the next and the next—he was the highest-ranked bass clarinetist in Texas.

The story of Gaspar is dramatic evidence that lives in the colonias do get better, even little by little, and that when they do—and this is perhaps the biggest enigma about Cameron Park—some people insist on staying put. It would seem that

Gaspar, now an extroverted, exceedingly polite 22-year-old with worlds to conquer, would be ready to leave Cameron Park behind. But the opposite is true. “I come to my senses when I come home,” he says, creasing his forehead and offering a broad smile. He has one more year of music school left at the University of Nevada, Las Vegas, where all of his expenses are paid right down to his clothes and shampoo and where he still plays a borrowed instrument—this one, however, a silver-plated Selmer bass clarinet worth some \$10,000. He has performed abroad and been invited to attend the world’s most prestigious bass clarinet conservatory, in Rotterdam, next year, whose director—in Gaspar’s exuberant words, “the greatest bass clarinetist who ever lived!”—sends him postcards from his global travels: “This could be you in five years if you come with me.”

But during his summers, Gaspar returns to Brownsville and rings up groceries at the local H-E-B. He admits to me that he is considering passing up the chance to attend the conservatory, because his real desire is to come back to the border to teach disadvantaged kids, to use music to impart a profound lesson he himself learned and came to believe in: that poverty is not binding, that there is an entire world beyond the rigid boundaries of Cameron Park in which you can choose your own place—even if the place you settle on is, ultimately, the same place you started. “I’ve been in some very fancy places to play,” Gaspar says. “I can act the part. But when I come back here, this is me. I appreciate a lot of these things. What some say is nothing, I think is a lot. I could never let go of that house we grew up in; there are so many memories. We’re still there, but we have come a long way. As a family. As a community.”

IMPROVING THE STANDARD OF LIVING in colonias is a project without end. For every person who builds a new house or just an indoor bathroom, who lands a higher-paying job or celebrates a college graduation—for every person who manages to leave the tightly circumscribed world of poverty behind—another one arrives to start at the bottom. The large percentage of people who are barely getting by explains why the census numbers, despite so much progress, remain dismally low. Too many stories resemble that of Miriam Lopez, 37, a petite round woman with small, dark eyes, thick hair, and a burning desire to see her children escape poverty. A native of Tampico, she followed her husband to the United States only to have him abandon her cold in Cameron Park. She now lives with her three kids inside a room no bigger than a cozy kitchen, which is attached to the back of a handsome, two-story stucco home with neat landscaping. The owners, who are not related to her, do not charge her any rent. But even with no monthly payments beyond a small telephone bill, there is never enough money to do seemingly simple things, like buy her growing daughter a sweater when winter arrives.

Her incentive to work is this: a \$50 bill at the end of the week, which is to say at the end of cleaning, cooking, washing, ironing, and baby-sitting full-time for another family. The government gives her \$100 a month for her two youngest children, ages seven and ten, who are U.S. citizens. In the best-case scenario—and life never does seem to make its best case—she would earn \$3,800 a year for a family of four. She daydreams often of returning to Mexico because she is utterly alone here, and bursts into tears when she confesses this to me. But Miriam remains in Cameron Park because she insists that her children be bilingual and well educated. There is only one snag in her otherwise neatly conceived plan: Her eldest son—a shy, long-legged boy of fourteen who likes to watch documentaries—is undocumented and soon will come of age. “If he can’t get his papers fixed, my heart is going to break in two,” Miriam says, choking up as we spend a muggy afternoon on rickety chairs outside her one-room shelter. It contains a gas stove, a mini-refrigerator, a folding dining table, one set of bunk beds, a small television, and an antiquated Macintosh computer she bought used so her children could learn to type. “Because what is he going to do when he graduates and he’s not legal?” she continues. “Work in the yards? I don’t want that.” Like other undocumented residents of Cameron Park, Miriam and her family live nearly invisibly, slipping out of the colonia only when necessary, because the Border Patrol is notorious for patrolling the neighborhood’s fringes.

FOR CAMERON PARK’S MOST IMPOVERISHED residents, the list of challenges does not stop with a lack of money. Family members are in jail. Teens are getting pregnant by the dozen. People are trudging around with diseases and no health insurance. Drug dealers come and go in their shiny trucks. And then there’s the stuff that makes you shudder: physical and sexual abuse of wives and children. “There’s a pornographic side to life in a colonia,” says Father Seifert. “You have to wonder if that amount of sex abuse would be happening if people had three- or four-bedroom homes, where a thirteen-year-old could have her privacy.” Though all of these social ills occur nationwide, they seem particularly urgent in the colonias, where poverty runs so deep. “The things you have to do to get out of it—go to the church to ask for help, go to the food bank—they’re humiliating things for a people who come from a culture that’s inherently proud,” Seifert says. “It creates an incredible amount of stress.”

If Cameron Park needed reassurance that, for all its problems, life here will keep getting better, it came in June 2001, when Governor Rick Perry chose the community center as the site to sign a bill that provides up to \$175 million to build or improve colonia roadways and drainage along the entire border. (“How can we expect children of the border to reach for the stars,” he recited, “when they can’t even get out of their neighborhoods because the streets are flooded?”)

During the fall election campaign, Tony Sanchez rolled in on the Tony Express bus to deliver a bilingual campaign speech, tejano music pumping in the background. These events testified to the effectiveness of a voter registration drive launched by Seifert and others in 1997. In the 2000 presidential election Cameron Park posted a 46 percent voter turnout. In the most recent Democratic primary—which in the Rio Grande Valley typically decides who will be the county’s leaders—the colonia had the fourth-highest turnout of the county’s 87 precincts. The showing is no coincidence. Since colonias are in the jurisdiction of the county, the county judge is the elected official with the most influence over their living conditions. (The incumbent, Gilberto Hinojosa, was considered a big friend of Cameron Park’s, so the residents did everything they could to help him get reelected.) In Cameron Park, to vote is to establish directly the terms of your life.

The ultimate test of how far the neighborhood has come will be whether the City of Brownsville, which has created a doughnut hole on its map by annexing all of the land surrounding the colonia, ever decides to take it in too. It is doubtful that this will happen anytime soon. Cities annex only areas that can provide enough tax revenue to pay for services like maintaining the streets and providing police and fire protection, and Cameron Park lacks the tax base. Time and again, city officials have sniffed at the idea, but they always conclude that the cost of providing services is too high. The colonia thus remains under the care of the county, which has neither the authority nor the funds to do what a city can do. Some residents say they would rather not pay city taxes anyway, while others point out that annexation would bring garbage collection, animal control, bus service—possibly even a post office and a fire station.

One person believes with certainty the day will come. “This will be a prime neighborhood fifty years from now, prime neighborhood,” says Bill Hudson, tapping at the parallelogram on his aerial map. “Cameron Park is gonna get better and better and better. It is not the bombed-out, burned-out permanent slum, and it’s mostly because of the people. They are decent people.” While Paseo de la Resaca may provide Brownsville’s vision, this colonia will continue playing the essential role of absorbing the border’s—and America’s—deepest poverty. As Hudson’s neighbor Seifert candidly puts it: “Thank goodness for Cameron Park.”

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# **July/21 Grant money paves way Cameron Park improving conditions, but process slow #/Cameron Park colonia has almost 6,000 people, and has been the target of dozens of grant programs from a variety of state, federal and private agencies. While atte**

**Posted: Sunday, July 21, 1996 12:00 am**

By CECILIA BALLI

Herald Staff Writer

Many of Cameron Park's 1,200 families can't afford to hook up to their neighborhood's new water and sewer lines.

But they do have a pipeline to government money that will soon be paving their roads and in some cases improving their homes.

Since 1993, about \$9.2 million in state and federal money has been funneled into this colonia -- the area's largest -- including some \$3 million for home rehabilitation and construction, \$4.8 million for water and sewer line installations and \$600,000 for street paving.

The money, however, can only begin to provide basic services neglected for decades or nonexistent to begin with, treating a disease that a state-funded study once calculated would take three times as much to cure.

"Cameron County, the State of Texas, the Federal Government, and the residents of Cameron Park are looking squarely at a \$27 million cost to correct 33 years of indifference," the 1994 study, conducted by private consultants, stated.

County officials say this estimate is unrealistic and unaffordable, because it assumes the entire colonia should meet both county and city standards, even though Cameron Park's 401 acres are not within the Brownsville city limits.

"Twenty-seven million is probably what it would take if you were going to do that and turn it completely around, but how can you do it overnight?" asked Frank Bejarano, the county's program development and management director.

State and county officials prefer to see a half-full glass, not a half-empty one. Cameron Park residents themselves disagree on the adequacy and pace of the work so far.

No pavement just yet

In July, 1994, the county received a \$1 million grant for street paving from the Texas Department of Housing and Community Affairs (TDHCA), known as the Cameron Park Demonstration Grant.

Of this money, \$600,000 has been earmarked for street and drainage improvements, translating to 7 1/2 miles of paved roads.

Hoping to save money, County Commissioner Carlos Cascos has put his precinct road crew to work on the project, rather than hiring an outside contractor.

"This is the largest project, to my knowledge, that Cameron County has ever endeavored to do in-house," Cascos said in a recent interview.

County officials have pushed back the project's expected completion date several times, citing an understaffed road crew.

The crews are currently installing drainage culverts at street intersections

and home driveways. Most residents have already purchased the culverts for their homes, at a cost of about \$180, and the pipes have been sitting on their front yards for months.

Cascos said he expects to begin laying asphalt by the end of August, and hopes to finish the project sometime next year.

"Yes, it takes a long time, but it's a long project," he said. "Hopefully a year and a half from now people will be happy."

That will leave 41/2 miles of streets still unpaved, but Cascos wants to "finish them all." He's willing to use up to \$100,000 from Precinct 2 funds to eventually pave the streets not covered by the grant.

Water everywhere, but...

State, county and Brownsville Public Utilities Board (PUB) funds also made it possible to begin providing water and sewer services in Cameron Park.

The \$4.8 million project, launched in August 1993, installed 131,742 feet of water and wastewater lines throughout the colonia. Until then, residents had no choice but to rely on septic tanks or outhouses.

As of June this year, PUB reported that 614 households -- roughly half of the neighborhood -- had connected to the new lines. Another 15 applications had been approved and were pending connections.

There's a small but costly catch that has kept many residents from hooking up to the services, however.

Aside from the \$220 that residents must pay to connect to both water and sewer

lines and the roughly \$650 they must shell out for pipes, their homes must first get the county's go-ahead.

A total of 290 applications have been rejected since the lines were installed, but officials estimate that 70 of them could meet county standards with repairs costing \$1,000 or less, said Javier Mendez, county building official.

Meeting the county's requirements can mean anything from fixing a broken faucet to building a new bathroom. The PUB reported in June that 186 applications for water and wastewater services were awaiting county inspections.

Moreover, residents living in flood-prone areas must elevate their homes by adding a second layer of wood on their floors inside the house.

"It's foolishness, but it's a requirement that has to be met," said Gloria Moreno, a Cameron Park resident and community activist.

To help residents qualify, Rural Economic and Community Development (RECD), a federal agency formerly known as the Farmers Home Administration, offers up to \$5,000 to assist people in repairing or building bathrooms.

Some Cameron Park residents have already received this grant, but criticized the resulting construction.

"They feel that some of the construction was shoddy, some of the fixtures were cheap," Cascos said. "Things were leaking, things were broken -- just shoddy construction."

Paperwork, then repairs

Bathrooms aren't the only things that need fixing in Cameron Park homes, said Dolores Gomez, an RECD community development manager.

"As I'm visiting the homes I see the need," she said. "There's much more than the bathroom."

The agency has another \$1 million to dole out in low-interest loans to needy families for house rehabilitation, reconstruction and construction in Cameron and Willacy counties, Gomez said. In addition, it can guarantee up to 90 percent of private loans for residents.

But while that money sits around, the colonia's residents are waiting for help in filling out the loan applications.

"A lot of the people take the applications, but if they don't understand all of it, someone has to fill it out for them," Gomez said.

Gomez has only two assistants in her office, and they're busy doing other work, she said.

"How am I going to do it?" she asked. "/Me voy a volver loca,/ I'm going to go crazy. There's only so much I can push the workers here."

Home building and rehabilitation loans and grants for Cameron Park residents are also available through the Community Development Corporation of Brownsville (CDCB), which is managing a hodge-podge of local, state and federal monies totaling close to \$1.2 million.

The CDCB's grant money, however, will only help 40 to 50 families, to be selected from an area of the colonia that the CDCB deemed more needy, said Don

Currie, executive director of the CDCB.

"We're not going in there and saying, 'Okay, anybody come and get an application from us,'" Currie said.

The distribution and processing of these loans could take up to another six months, said Bejarano, while the CDCB figures out what kinds of financing to offer. Some of the money was approved as far back as December 1994.

"I would say before the end of the summer we should be rolling," Bejarano said, then added, "Hopefully before September, no later than December."

#### The waiting game

Although the numerous grants and loans for Cameron Park have passed through the Cameron County Commissioners Court months -- in some cases years -- ago, residents will have to wait a bit longer before they see their full effect.

"We've been waiting four or five years for the streets to be paved," said Amelio Villagr n, 55, a 15-year resident of Cameron Park.

And while the government money has improved the lives of some Cameron Park residents, officials and residents agree there's still a ways to go in improving the colonia across the board.

"It (\$10 million) sounds like a lot of money," Bejarano said, "but when you compare that to what the consultants said the real need is out there, it's just a drop in a bucket."

Colonia	Agency	Project Number	Project Name	Start Date	End Date	Status	Project Scope
Bullis Addition							
	TWDB	62600	Emergency Water Improvements	12/15/2014	8/22/2015	In Progress	Colonia
Cameron County - County Wide							
	TAMU	2011-014	Women, Infants & Children (WIC) Outreach	9/1/2010	8/31/2011	Complete	Region
	TAMU	2011-019	High School Equivalency Program	9/1/2010	8/31/2011	Complete	Region
	TAMU	2014-002	Rio Grande Regional Hospital	9/1/2013	8/31/2014	Complete	Region
	TAMU	2013-014	TDSHS Women, Infants & Children (WIC)	9/1/2012	8/31/2013	Complete	Region
	TAMU	2011-003	Mexican Consulate Ventanillas de Salud	9/1/2010	8/31/2011	Complete	Region
	HHSC	HHSC_FY10-FY11	HHSC Colonia Initiatives	9/1/2010	8/31/2014	Complete	Region
	TAMU	2012-018	Texas Colonias Lead Outreach and Education	9/1/2011	8/31/2012	Complete	Region
	TAMU	2011-010	Texas Colonias Lead Outreach and Education-HUD	9/1/2010	8/31/2011	Complete	Region
	TAMU	2012-014	TDSHS Women, Infants & Children (WIC)	9/1/2011	8/31/2012	Complete	Region
	TAMU	2013-002	Outreach for Rio Grande Regional Hospital	12/1/2012	11/30/2013	Complete	Region
	TAMU	2011-018	THHSC Colonias outreach FY 11 (Border Wide)	9/1/2010	8/31/2011	Complete	Region
	TAMU	2012-003	Mexican Consulate Ventanillas de Salud	9/1/2011	8/31/2012	Complete	Region
	TAMU	2013-003	Mexican Consulate Ventanillas de Salud	9/1/2012	8/31/2013	Complete	Region
	TAMU	2012-002	Outreach Rio Grande Hospital	9/1/2011	8/31/2012	Complete	Region
Cameron Park							
	TDHCA	37800	HOME Program Program	2/11/2013	2/10/2015	Complete	County
	TDHCA	34557	HOME Program Program	11/24/2009	11/23/2012	Complete	County

Colonia	Agency	Project Number	Project Name	Start Date	End Date	Status	Project Scope
	TDHCA	36794	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	37880	HOME Program Program	2/11/2013	2/10/2015	Complete	County
	TxDOT	3C0310026	Cameron Park	9/1/2008	8/31/2012	Complete	Colonia
	TDHCA	37442	HOME Program Program	2/11/2013	2/10/2015	Complete	County
	TDHCA	34200	HOME Program Program	11/24/2009	11/23/2012	Complete	County
	TDHCA	33969	HOME Program Program	11/24/2009	11/23/2012	Complete	County
	TDHCA	36467	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	35802	HOME Program Program	11/24/2009	11/23/2012	Complete	County
	TDHCA	37363	HOME Program Program	2/11/2013	2/10/2015	Complete	County
	TDHCA	36760	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	34426	HOME Program Program	11/24/2009	11/23/2012	Complete	County
	TDHCA	35765	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	35939	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	37902	HOME Program Program	2/11/2013	2/10/2015	Complete	County
	TDHCA	37437	HOME Program Program	2/11/2013	2/10/2015	Complete	County
	TDHCA	36521	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	36896	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	36791	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	36911	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	36897	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	37361	HOME Program Program	2/11/2013	2/10/2015	Complete	County

Colonia	Agency	Project Number	Project Name	Start Date	End Date	Status	Project Scope
	TDHCA	35938	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	33977	HOME Program Program	11/24/2009	11/23/2012	Complete	County
	TDHCA	1000982005	Housing Trust Fund	11/21/2008	5/22/2011	Complete	Colonia
	TDHCA	1000982007	Housing Trust Fund	11/21/2008	5/22/2011	Complete	Colonia
	TDHCA	34808	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	1000982002	Housing Trust Fund	11/21/2008	5/22/2011	Complete	Colonia
	TDHCA	34807	HOME Program Program	11/24/2009	11/23/2012	Complete	County
	TDHCA	38035	HOME Program Program	2/11/2013	2/10/2015	Complete	County
	TDHCA	34466	HOME Program Program	11/24/2009	11/23/2012	Complete	County
	TDHCA	1000982004	Housing Trust Fund	11/21/2008	5/22/2011	Complete	Colonia
	TDHCA	1000982006	Housing Trust Fund	11/21/2008	5/22/2011	Complete	Colonia
	TDHCA	34874	HOME Program Program	1/3/2011	1/2/2013	Complete	County
	TDHCA	38566	HOME Program Program	2/11/2013	2/10/2015	Complete	County
	TDHCA	712023	Colonia Self-Help Center	1/17/2013	1/17/2017	Complete	County
	TDHCA	1000982001	Housing Trust Fund	11/21/2008	5/22/2011	Complete	Colonia
Casa Del Rey							
	TWDB	62599	Emergency Water Lines	1/12/2015	6/12/2016	Complete	Colonia
Chula Vista							
	TWDB	62599	Emergency Water Lines	1/12/2015	6/12/2016	Complete	Colonia
Cielito Lindo							

**ATTACHMENT: PHOTOS OF UNINCORPORATED & INCORPORATED AREAS**



**INTERSECTION OF ROBINDALE AND MORRISON ROAD**

**UNPAVED STREET CONDITIONS**



6075 CAVAZOS ROAD

UNPAVED STREET & NO SEWAGE SERVICE CONDITIONS



40502 SOL ROAD

UNPAVED STREET CONDITIONS



INTERSECTION OF RAPHAEL ROAD  
UNPAVED STREET CONDITIONS



RAPHAEL ROAD

UNPAVED STREET CONDITIONS



RAPHAEL ROAD

UNPAVED STREET CONDITIONS



VAMONOS DRIVE

NEIGHBORHOOD STREET CONDITIONS JUST OUTSIDE OF AREA SEEKING TDHCA  
RURAL DESIGNATION



ALTA MESA BLVD

NEIGHBORHOOD STREET CONDITIONS JUST OUTSIDE OF AREA SEEKING TDHCA  
RURAL DESIGNATION



RANCHO VIEJO BLVD.

NEIGHBORHOOD STREET CONDITIONS JUST OUTSIDE OF AREA SEEKING TDHCA  
RURAL DESIGNATION

# TDHCA REQUEST FOR RURAL DESIGNATION for the UNINCORPORATED AREA SURROUNDED BY THE CITY OF BROWNSVILLE

The **Community Development Corporation of Brownsville, CDCB**, requests rural designation for an underserved area, the "**DOUGHNUTHOLE**," that is surrounded by the City of Brownsville. For decades, political influences have historically overlooked this considerably lower income area for annexation and provision of city services. The area under consideration consists of 3 Colonias (Cameron Park, Praxedis Saldivar and Central Estates) including the oldest and largest Colonia in the nation, Cameron Park. According to the 2010 census, the population of this area seeking Rural Designation is 9,885.

The boundaries of this unincorporated area contain a significant amount of undeveloped and agricultural land – over 1000 acres and more than 1/3 of its boundaries consist of undeveloped and agricultural land. This area, unlike the surrounding city annexed areas, contain a higher number of lower income residents without sewage service and unpaved streets, not commonly associated with the surrounding urban and suburban areas. Disparities and needs for maintenance are seen in the condition of housing stock, public amenities and streets essential for mobility within the city.

Cameron County has been involved with many State and Federal initiatives to bring basic services to the Colonias and the rest of the unincorporated area which is nationally recognized as being the poorest area of the United States. As part of these efforts, the area has played host to visiting dignitaries such as the Federal Reserve Chairman, the HUD Secretary and the TDHCA Board of Directors. Funds from the United States Department of Agriculture, Texas Water Development Board, HUD Rural Housing and Economic Development Program (HUD RHED), TDHCA's Boot Strap Loan Program, Colonia Self-Help Center, HOME Single Family Development Funds Program and Home Down Payment Assistance programs have been funneled into this area.

Funds have been utilized to provide basic services such as indoor plumbing, clean water, wastewater, housing rehabilitation, opportunities for home ownership and paved streets to residents in this considerably lower income area – a privilege afforded to residents just outside of this unincorporated area, serviced by the City of Brownsville.

The area is considered rural by both the USDA and HUD. It is also considered rural for TDHCA HOME funds, TDHCA CDBG funds and TDHCA's Housing Trust Fund. One of the few State or Federal Programs that considers the area seeking rural designation as urban is TDHCA's Housing Tax Credit Program.

Cameron County appreciates the efforts TDHCA has made to help bring basic services and housing opportunities to the lower income residents of the area. It is Cameron County's intent to continue its longstanding partnership with TDHCA to improve Cameron Park and the surround areas. Granting the request for this area to be considered rural brings the Housing Tax Credit Program in line with other Federal and State programs and reinforces TDHCA's long-standing commitment to the area. **Please see full Application for more details.**



**Location of area under consideration for Rural Designation surrounded by the City of Brownsville.**



**USDA Area Eligibility Map: Area under consideration for TDHCA Rural Designation within Cameron County determined eligible for USDA Rural Development funds.**



**PHOTOS of AREA UNDER CONSIDERATION  
FOR TDHCA RURAL DESIGNATION**

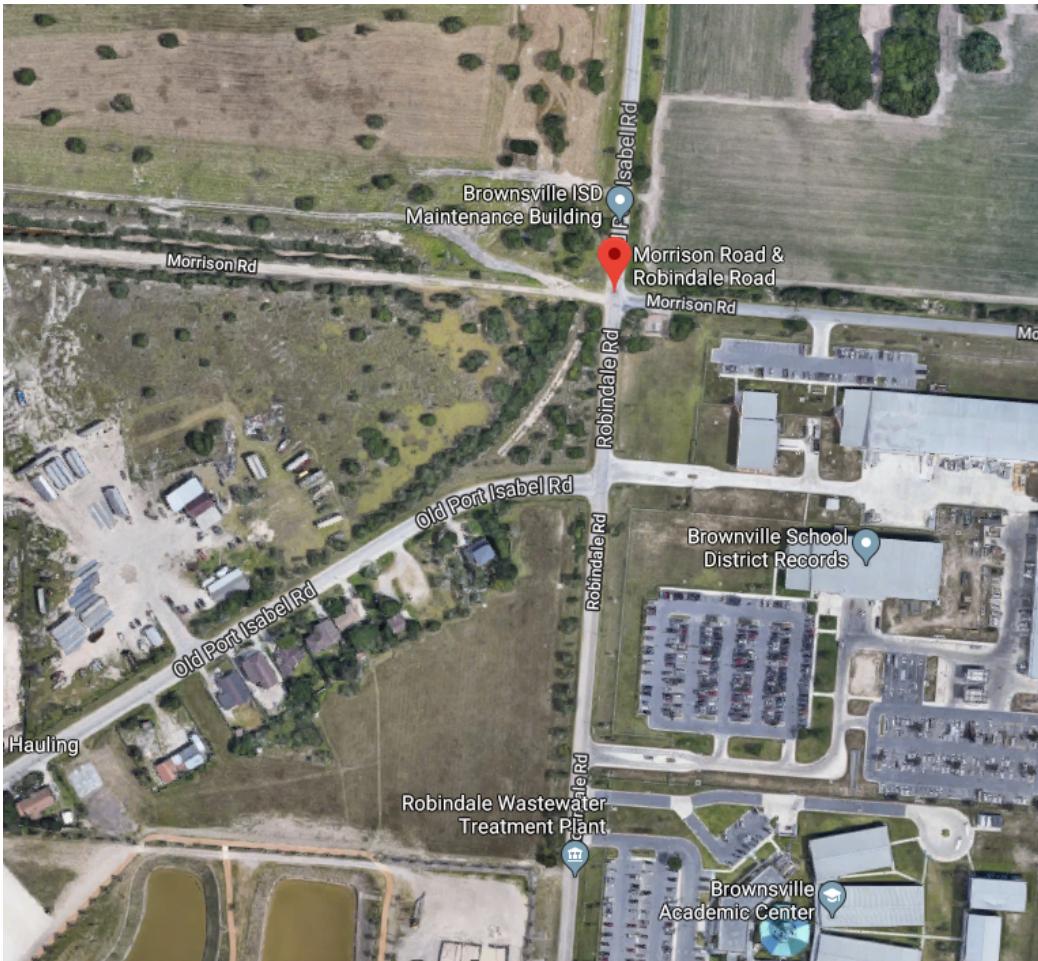


**PHOTOS of CONDITIONS JUST OUTSIDE of  
AREA UNDER CONSIDERATION FOR TDHCA  
RURAL DESIGNATION**



901 East Levee Street Brownsville, Texas 78520

This is the intersection of Morrison Rd. and Robindale Rd. Morrison is unpaved for part and paved for part, Robindale is paved from what I can see in Google Maps Street View. The picture of this intersection appears a bit strategic in that it shows the worst of the conditions while leaving out the part that isn't so bad. The part of Robindale where the school district HQ and warehouse are located is paved but in need of repair and is not curbed, although the driveways are. Conditions aren't pristine but this picture really isn't representative of the actual conditions of even most of the streets themselves, let alone the whole area.



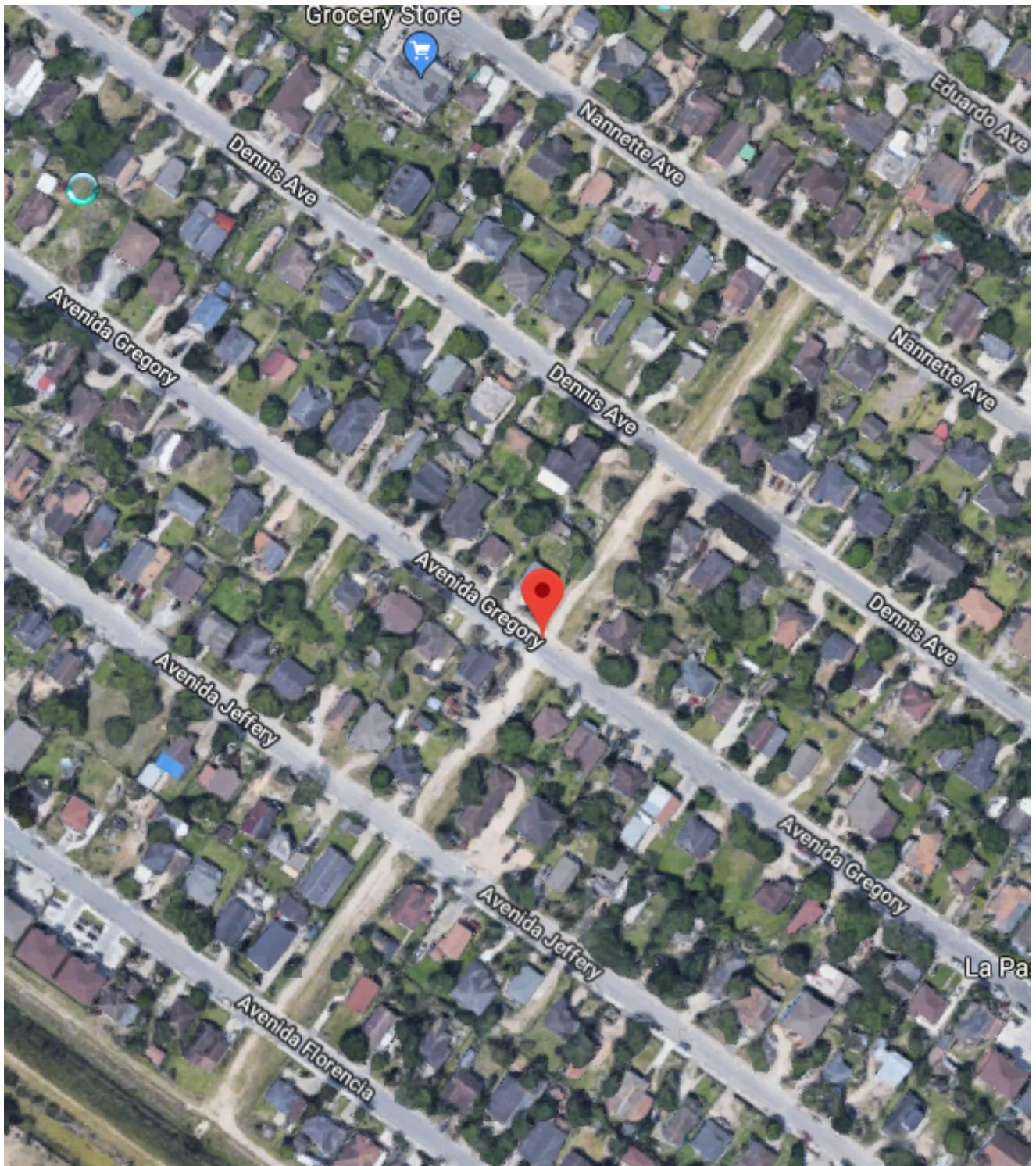
The condition of Cavazos Rd. is pretty similar to this from end to end, based on Google Street View. There is one well-paved spot, where it intersects with Dr Hugh Emerson Rd., which is a 5-lane highway with curbs. Cavazos Rd. turns into a private road for county drainage authority use and then ends all together. Beyond it, on that end, is undeveloped land. Dana Ave. is a street just next to Cavazos and it is in much better condition. It has an asphalt surface and no curbs but it is not as damaged and in need of repair as Cavazos. So again, the picture is strategic in this case as well.



Sol Rd. has also received the selective treatment. The address chosen does show as unpaved in Google Street View but Sol Rd. is more than the section that sits in this neighborhood, and as you can see, there are in-ground pools throughout so again, no water problems here. Other parts of Sol Rd. look better, they're asphalt paved but not curbed. So once more, the part of the street they chose doesn't represent most of the street.



The red bubble sits on Raphael Rd., based on Google Street View. It is unpaved but it sits in the middle of an area that is well developed with lots of nice houses and a sprinkling of in-ground pools. The streets all around Raphael Rd. are paved and curbed with concrete sidewalks. This single, unpaved street doesn't represent the majority of the streets in the area where it's located. It's actually an anomaly among the well-maintained streets that outnumber it by quite a bit, particularly in this part of town.



4d

**COMMUNICATIONS RECEIVED  
REGARDING 4d**

**From:** Tony Sisk <[tsisk@cri.bz](mailto:tsisk@cri.bz)>  
**Date:** January 12, 2018 at 10:48:27 AM EST  
**To:** "[Marni.Holloway@tdhca.state.tx.us](mailto:Marni.Holloway@tdhca.state.tx.us)" <[Marni.Holloway@tdhca.state.tx.us](mailto:Marni.Holloway@tdhca.state.tx.us)>,  
"[Patrick.Russell@tdhca.state.tx.us](mailto:Patrick.Russell@tdhca.state.tx.us)" <[Patrick.Russell@tdhca.state.tx.us](mailto:Patrick.Russell@tdhca.state.tx.us)>  
**Subject:** FW: Filing deadline for Declared Disaster Areas

**Subject:** Filing deadline for Declared Disaster Areas

TDHCA staff and Board-

We would like to convey to staff as well as to the TDHCA Board next Thursday January 18 our thoughts with regard to the discussion of filing deadlines. We are working on several applications in Region 3 that required us to spend both political capital and additional financial resources to meet the January 26 filing deadline that allows us to claim the 10 selection criteria points for Declared Disaster Area . We were adamant with these cities that January 26 was a critical deadline for those cities to have a chance at winning a tax credit allocation. This deadline requires these cities to adjust their normal vetting process. We are concerned that if the TDHCA board extends this deadline to February 26 that these cities in the future will not trust us to give them accurate information. Please consider this in your recommendation and present this statement to the Board as they consider this agenda item on January 18.

Thanks

Tony

J. Anthony Sisk  
Churchill Residential  
5605 North MacArthur  
Suite 580  
Irving Texas 75038  
972-679-8395 Cell  
972-550-7800X224 Office  
[tsisk@cri.bz](mailto:tsisk@cri.bz)  
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[www.evergreenseniorcommunities.com](http://www.evergreenseniorcommunities.com)

**From:** Ryan Combs [<mailto:rcombs@palladiumusa.com>]  
**Sent:** Tuesday, January 09, 2018 2:42 PM  
**To:** Beau Eccles  
**Cc:** Tim Irvine; Tom Huth  
**Subject:** RE: TDHCA: Applications Regarding the Declared Disaster Points  
[HTC][HTF][MFB][MFDL][S811]

Mr. Eccles,  
Thank you for your response. However, I do not see why questions about timing would be brought to the board by applicants as deadlines were clearly distributed by TDHCA staff in the attached document that is still on the TDHCA website giving clear direction. What is incredibly unfortunate is a re-examination of what statute requires by the board after pre-apps have been submitted. The reality is that staff interpreted statute and distributed clear direction in the attached document and are now changing that direction with no time for developers to react causing incredible risk and cost to the development community.

What has happened is that a developer who wanted more time has now hurt the integrity of the whole process by pressing and being allowed to do so. The QAP is not perfect. The deadlines are not perfect. Statute is not perfect. However, we all need a reliable set of rules and timeline to operate under and it is a shame when a loud voice is allowed to undermine those basic needs.

**Ryan Combs**  
**Vice President**  
Palladium USA International, Inc.

*"Changing lives - one apartment home at a time"*

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**From:** Beau Eccles [<mailto:beau.eccles@tdhca.state.tx.us>]  
**Sent:** Tuesday, January 9, 2018 2:19 PM  
**To:** Ryan Combs <[rcombs@palladiumusa.com](mailto:rcombs@palladiumusa.com)>

**Cc:** Tim Irvine <[tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)>

**Subject:** RE: TDHCA: Applications Regarding the Declared Disaster Points [HTC][HTF][MFB][MFDL][S811]

Mr. Ryan:

Staff is in no way changing any of the requirements of statute or rule/QAP. What will be before the Board on January 18<sup>th</sup> is a question of how the Board interprets its rules as it relates to the narrow circumstance of early-filing an application prior to the expiration of the two year statutory period. By undergoing this formal interpretative process before the filing deadline we hope to avoid the uncertainty brought about by appeals and third party requests for administrative deficiencies. You are welcome to appear at the Board meeting and comment when this item is presented to the Board for its interpretation.

J. Beau Eccles  
General Counsel  
Texas Department of Housing and Community Affairs

**From:** Ryan Combs <[rcombs@palladiumusa.com](mailto:rcombs@palladiumusa.com)>

**Date:** January 8, 2018 at 4:38:52 PM CST

**To:** Tim Irvine <[tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)>

**Cc:** Sharon Gamble <[sharon.gamble@tdhca.state.tx.us](mailto:sharon.gamble@tdhca.state.tx.us)>, Marni Holloway <[marni.holloway@tdhca.state.tx.us](mailto:marni.holloway@tdhca.state.tx.us)>, Tom Huth <[tom@palladiumusa.com](mailto:tom@palladiumusa.com)>, "Beau Eccles" <[beau.eccles@tdhca.state.tx.us](mailto:beau.eccles@tdhca.state.tx.us)>

**Subject: RE: TDHCA: Applications Regarding the Declared Disaster Points [HTC][HTF][MFB][MFDL][S811]**

Tim,

This is already a problem as everyone now has to readjust to this new email with less than a day before pre-apps are due. We have dropped sites because we thought they couldn't get to Jan. 26th and wouldn't be competitive. We pay our consultants to rush to get to Jan. 26th. I am requesting an immediate retraction of that email. The more time that passes, the worse the fallout is from this as everyone is being forced to make financial decisions today and tomorrow. Thank you for your consideration.

Ryan Combs  
Vice President  
Palladium USA International, Inc.

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-----Original Message-----

From: Tim Irvine [<mailto:tim.irvine@tdhca.state.tx.us>]  
Sent: Monday, January 8, 2018 4:31 PM  
To: Ryan Combs <[rcombs@palladiumusa.com](mailto:rcombs@palladiumusa.com)>  
Cc: Sharon Gamble <[sharon.gamble@tdhca.state.tx.us](mailto:sharon.gamble@tdhca.state.tx.us)>; Marni Holloway <[marni.holloway@tdhca.state.tx.us](mailto:marni.holloway@tdhca.state.tx.us)>; Tom Huth <[tom@palladiumusa.com](mailto:tom@palladiumusa.com)>; Beau Eccles <[beau.eccles@tdhca.state.tx.us](mailto:beau.eccles@tdhca.state.tx.us)>  
Subject: Re: TDHCA: Applications Regarding the Declared Disaster Points [HTC][HTF][MFB][MFDL][S811]

Thanks for your concern. We will ensure this is handled in a compliant manner.

Tim Irvine  
TDHCA

On Jan 8, 2018, at 4:15 PM, Ryan Combs <[rcombs@palladiumusa.com](mailto:rcombs@palladiumusa.com)> wrote:

Director Irvine,  
I am shooting this email as I am extremely alarmed by the email just shot out by the Department. This kind of last minute changing of substantive deadlines pertaining to points undermines the program. Changes of this magnitude the day before pre-apps are due is unprecedented. At this point, who knows if 10 points should be claimed on Pre-apps as the board will not make it official until after the pre-app due date. Regardless of whether a technicality about dates is right or not, we have to be able to rely on rules to be fair and consistent at some reasonable point.

There must be a reasonable cut off to changes so we can make wise financial decisions. I realize someone is trying to get more time. However, the whole development community has made financial decisions based on rules and dates that we thought were done being interpreted. I respectfully hope the department and board will move to guard the integrity of a fair and reasonable program.

Ryan Combs  
Vice President  
Palladium USA International, Inc.

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[https://urldefense.proofpoint.com/v2/url?u=http-3A\\_www.palladiumusa.com&d=DwIFAg&c=euGZstcaTDllvimEN8b7jXrwqOf-v5A\\_CdpgnVfiiMM&r=ItueMCowQ5zyCTOTIYQMwLkPz-11DQojAtlxycw2dGE&m=2LC46kGjfCgdWu1\\_QYN5VNv5IU2HK8WBsjveHfFJZTk&s=RcDifxPQn52RWZMwEcdMosEw20kwEd0FqAtSHadPVGk&e=](https://urldefense.proofpoint.com/v2/url?u=http-3A_www.palladiumusa.com&d=DwIFAg&c=euGZstcaTDllvimEN8b7jXrwqOf-v5A_CdpgnVfiiMM&r=ItueMCowQ5zyCTOTIYQMwLkPz-11DQojAtlxycw2dGE&m=2LC46kGjfCgdWu1_QYN5VNv5IU2HK8WBsjveHfFJZTk&s=RcDifxPQn52RWZMwEcdMosEw20kwEd0FqAtSHadPVGk&e=)

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-----Original Message-----

From: TDHCA [<mailto:do-not-reply@tdhca.state.tx.us>]  
Sent: Monday, January 8, 2018 3:33 PM  
To: Ryan Combs <[rcombs@palladiumusa.com](mailto:rcombs@palladiumusa.com)>  
Subject: TDHCA: Applications Regarding the Declared Disaster Points  
[HTC][HTF][MFB][MFDL][S811]

The Texas Department of Housing and Community Affairs ("TDHCA") received an inquiry regarding the deadline for submitting an Application early in order to be eligible for the 10 points for Declared Disaster Area in counties for which the disaster declaration will expire prior to the Full Application Delivery Date of March 1, 2018. The inquiry suggested that the expiration date of the declaration should be February 26, 2018, rather than January 26, 2018. Staff has considered the issue and determined that board action on this non-statutory, un-published due date is in order. An action item to present the issue has been added to the agenda for the Board meeting of January 18, 2018.

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## **INFORMATION APPLICABLE TO PROCLAMATIONS TO BE USED IN SCORING DISASTER POINTS**

### **LIMITATIONS ON THE TYPE OF DISASTER DECLARATION**

Tex. Gov't Code §2306.6710(b)(1)(H) requires that the area be declared a disaster by the Governor under Tex. Gov't Code §418.014 related to Declaration of State of Disaster in order for the Application to receive points. Any other declarations, including presidential and FEMA declarations for areas that don't meet this requirement will not qualify for points under this scoring item.

Tex. Gov't Code §2306.6710(b)(1)(H):

- (b) If an application satisfies the threshold criteria, the department shall score and rank the application using a point system that:
  - (1) prioritizes in descending order criteria regarding:
    - (H) whether, at the time the complete application is submitted or at any time within the two-year period preceding the date of submission, the proposed development site is located in an area declared to be a disaster under Section 418.014;

### **APPLICABLE TIME LIMITS**

Based on the revisions made to the QAP by the Governor's office, certain counties that were not previously identified will be eligible for scoring purposes, although with a different time-frame. Pursuant to the revised 10 TAC §11.9(d)(3) of the 2018 QAP, an Application may receive ten (10) points if at the time of Application submission or at any time within the two-year period preceding the date of submission, the Development Site is located in an area declared to be a disaster area under the Tex Gov't Code, §418.014. **Page two of this document includes a list of counties for whom eligibility will expire on January 26, 2018. For Applicants wishing to score points under 10 TAC §11.9(d)(3) of the 2018 QAP for a Development to be located in one of these counties, a complete Application must be received prior to January 26, 2018 at 5:00 p.m., Austin local time.**

Page three of this document includes a list of counties for whom eligibility will expire after the March 1, 2018 Full Application Delivery Date. For Applicants wishing to score points under 10 TAC §11.9(d)(3) of the 2018 QAP for a Development to be located in one of these counties, a complete Application for a Development to be located in one of these counties must be received prior to March 1, 2018 at 5:00 p.m., Austin local time.

Page four of this document includes the counties that are eligible for five points under 10 TAC §11.9(c)(8) related to readiness to proceed in disaster impacted counties.

If additional counties are declared prior to March 1, 2018, the list will be updated.

### **WEB ADDRESSES FOR RESEARCHING DISASTER PROCLAMATIONS MADE BY THE TEXAS GOVERNOR**

The most recent proclamations are best obtained at the following web address:

<http://gov.texas.gov/news/proclamation>

Older proclamations are best obtained at the following web address:

<http://www.lrl.state.tx.us/legeLeaders/governors/searchDisaster.cfm>

**If you believe a county has been omitted from the list, please submit evidence to Sharon Gamble, Competitive Housing Tax Credit Administrator, at:**

[sharon.gamble@tdhca.state.tx.us](mailto:sharon.gamble@tdhca.state.tx.us)



## 2018 Declared Disaster Areas

**Counties Expiring January 26, 2018**

**Eligible under §11.9(d)(3) of the 2018 QAP**

Bailey	Deaf Smith	Hockley	Navarro
Castro	Dickens	Hopkins	Parmer
Childress	Ellis	Kaufman	Red River
Cochran	Franklin	Kent	Rockwall
Collin	Hall	King	Terry
Dallas	Hardeman	Lamb	Titus
			Wichita

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**



221 E. 11th St., Austin, TX 78701      Main Number: 512-475-3800      Email: [Info@tdhca.state.tx.us](mailto:Info@tdhca.state.tx.us)  
P.O. Box 13941, Austin, TX 78711      Toll Free: 800-525-0657      Web: [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

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Relay Texas: 800-735-2989 (TTY) and 711 (Voice).





## 2018 Declared Disaster Areas Counties Expiring after March 1, 2018 Eligible under §11.9(d)(3) of the 2018 QAP

Angelina	Eastland	Karnes	Roberts
Aransas	Erath	Kerr	Robertson
Atascosa	Falls	Kleberg	Sabine
Austin	Fayette	Lavaca	San Augustine
Bandera	Fort Bend	Lee	San Jacinto
Bastrop	Galveston	Leon	San Patricio
Bee	Goliad	Liberty	Shelby
Bexar	Gonzales	Lipscomb	Smith
Bosque	Gray	Live Oak	Somervell
Brazoria	Gregg	Lubbock	Stephens
Brazos	Grimes	Madison	Travis
Brown	Guadalupe	Marion	Trinity
Burleson	Hardin	Matagorda	Tyler
Caldwell	Harris	Milam	Van Zandt
Calhoun	Harrison	Montgomery	Victoria
Callahan	Hemphill	Newton	Walker
Cameron	Henderson	Nueces	Waller
Chambers	Hidalgo	Ochiltree	Washington
Clay	Hood	Orange	Wharton
Coleman	Houston	Palo Pinto	Wheeler
Colorado	Jackson	Parker	Willacy
Comal	Jasper	Polk	Wilson
Comanche	Jefferson	Rains	
DeWitt	Jim Wells	Refugio	

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## 2018 Declared Disaster Areas Counties Eligible under §11.9(d)(8) of the 2018 QAP

### Readiness to Proceed in Disaster Impacted Counties

Aransas	Fayette	Jefferson	Orange
Austin	Fort Bend	Karnes	Polk
Bastrop	Galveston	Kleberg	Refugio
Bee	Goliad	Lavaca	Sabine
Brazoria	Gonzales	Lee	San Jacinto
Caldwell	Grimes	Liberty	San Patricio
Calhoun	Hardin	Matagorda	Tyler
Chambers	Harris	Montgomery	Victoria
Colorado	Jackson	Newton	Walker
DeWitt	Jasper	Nueces	Waller
			Wharton

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