

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

HOUSING AND HEALTH SERVICES
COORDINATION COUNCIL MEETING

Texas Department of Housing & Community Affairs
Room 116
221 E. 11th Street
Austin, Texas

July 11, 2018
10:05 a.m.

COUNCIL MEMBERS PRESENT:

TIMOTHY IRVINE, Chair
DONI GREEN, Vice Chair
SUZANNE BARNARD
REV. KENNETH DARDEN
MICHAEL GOODWIN
JESSICA HISSAM
VERONICA NEVILLE
SCOTT SROUFE
MICHAEL WILT

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P R O C E E D I N G S

MR. IRVINE: Good morning, everyone. My name is Tim Irvine. I will call to order the quarterly meeting of the Housing and Health Services Health Services Coordination Council. We will begin with roll call. Jessica Hissam?

MS. HISSAM: Hello, Hissam here.

MR. IRVINE: Hissam. Excuse me.

MS. HISSAM: It's okay.

MR. IRVINE: Veronica Neville?

MS. NEVILLE: Hi.

MR. IRVINE: Debbie Hall?

(No response.)

MR. IRVINE: Not here.

Suzanne Barnard?

MS. BARNARD: Here.

MR. IRVINE: Scott Sroufe?

MR. SROUFE: Yes.

MR. IRVINE: Michael Wilt? Justin Coleman?

No. Me. Doni Green?

MS. GREEN: Here.

MR. IRVINE: Michael Goodwin?

MR. GOODWIN: Here.

MR. IRVINE: Kenneth Darden?

REVEREND DARDEN: Here.

1 MR. IRVINE: Vacant, vacant, vacant, vacant.
2 We have a quorum. So I apologize in advance. I'm going
3 to have to take off a little bit early because I've got an
4 off-campus meeting after this that I will have to get to.
5 So before we jump into the agenda, we've got some
6 visitors here.

7 I want everybody to know this is a highly
8 participatory meeting. The only requirements -- if you
9 want to participate in the discussion, you'll need to drag
10 your chair up to the table so that you can be heard by the
11 microphone and therefore captured in the recorded record
12 of the meeting, and also if you are not a member of the
13 Council, you will need to identify yourself by name and if
14 you represent someone else, say who you represent.

15 But everybody is welcome at any time to chime
16 in, jump in and participate. This is a small enough group
17 that we can erase that sort of formality. I'd like to
18 take care of the action items first, just in case we are
19 at risk of losing a quorum.

20 So the first item is -- you've all been
21 provided the Biennial Plan and Report of Findings and
22 given opportunity to provide input. Anybody got any
23 further input, discussion, comment, questions? Very quiet
24 group.

25 MR. GOODWIN: I had one. I'd like to go back.

1 I've lost it --

2 MR. IRVINE: Fire away.

3 MR. GOODWIN: -- now. In one of the intros, it
4 said, the purpose of the Council was -- and it left off
5 the term for elderly and persons with disabilities --

6 MR. IRVINE: Okay.

7 MR. GOODWIN: -- and I don't know if that's --

8 MR. IRVINE: No, I think that's important.

9 MS. GREEN: -- important enough to go into it or
10 not.

11 MR. IRVINE: I think that's very important.
12 So -- what's the matter, Suzanne? You look dazed. You've
13 got input? Okay. Anybody else got any other things? You
14 know, I've got to say that offline, while we were going
15 through the comment process, we had some in-depth
16 engagement with some of the members, and had some really
17 productive discussions, and to me, one of the best things
18 about this Council is it does create those connections for
19 offline engagement.

20 I think those can be phenomenally helpful. So
21 they are always encouraged. So if no one has any other
22 comment or questions, I would entertain a motion to
23 approve submitting the Biennial Plan and Report of
24 Findings.

25 MR. GOODWIN: So moved.

1 MS. BARNARD: Second.

2 MR. IRVINE: Seconded a motion. Any further
3 discussion?

4 (No response.)

5 MR. IRVINE: If not, all in favor, say aye.

6 (A chorus of ayes.)

7 MR. IRVINE: Any opposed? Motion carries.
8 They are approved. Thank you so much. Next, I would like
9 to take a chair's prerogative to move an item up and out
10 of order. We have with us Suzanne Hemphill, who is going
11 to facilitate a consultation in connection with our
12 development of our Analysis of Impediments to Fair Housing
13 Choice, commonly known as the AI.

14 The AI is a document that is required by HUD in
15 connection with administering community planning and
16 development programs, and it involves reaching out,
17 engaging with all manner of Texans and Texas interests to
18 identify potential impediments to fair housing choice.

19 And once we've identified those impediments, we
20 use that in connection with our five-year planning
21 documents to create responses with our programmatic
22 resources to help overcome those impediments, and then we
23 go on down the road, and we keep track of our success in
24 overcoming those impediments.

25 So the AI is a really important document, and

1 it's all about, like I said, identifying obstacles or
2 barriers to fair housing choice. And you know, this
3 Council is such a great resource, but also we're advocates
4 for people who do have challenges and limitations with
5 respect to their housing options, so our input is
6 extremely valuable.

7 So take it away, Suzanne.

8 MS. HEMPHILL: Okay. It's nice to be here,
9 this morning. I'm Suzanne Hemphill, Fair Housing manager,
10 with TDHCA. Years ago, I was staff to the Council, so
11 it's nice to be back here today. And I'm somewhat
12 familiar with y'all's work, so I'm hoping we can have a
13 nice conversation this morning.

14 So like Tim said, I'm here at this morning's
15 Council meeting to discuss fair housing issues in Texas.
16 This is part of the State of Texas Citizen Community
17 Participation Plan for the AI. Funds that the State
18 receives from the U.S. Department of Housing and Urban
19 Development, or HUD, come with a duty to affirmatively
20 further fair housing.

21 That obligation comes from the Fair Housing Act
22 of 1968, which gives HUD a lead role in administering the
23 Act. Because we want to ensure comprehensive input for
24 the Analysis of Impediments to Fair Housing Choice, before
25 we even begin drafting the AI, a significant degree of

1 public consultation and engagement is scheduled across the
2 state.

3 Only after that extensive input is obtained
4 will staff then compile the results with objective data
5 analysis and research efforts to present a draft of the AI
6 to the Department's Board for consideration in fall or
7 winter 2018.

8 After that, the draft will be published and
9 released for a formal, statewide public comment period to
10 follow. That will be considered, and then final AI will
11 be presented to the Department's Governing Board in May
12 2019, and that -- excuse me. May 2019 is when it's due to
13 HUD.

14 So today I want to lead a discussion which is
15 going to be considered consultation for the AI. Input
16 from everybody in the room and Texans in general is sought
17 through this process. The input will be summarized and
18 noted.

19 Transcripts from today's Council meeting will
20 be publicly available. No names will be used in the final
21 report, but comments will be summarized by location or
22 maybe stakeholder or advocate, things like that. So with
23 that, I have a series of specific questions that I'll
24 throw out, and if you have input and feedback, I'd love to
25 hear that this morning.

1 So under the Fair Housing Act, there are seven
2 protected classes. That includes race, color, national
3 origin, religion, sex, familial status and disability.
4 For those who represent agencies or organizations that
5 provide direct services to individuals, have you observed
6 specific issues of the clients you serve related to a
7 protected class?

8 (No response.)

9 MS. HEMPHILL: So I know this Council focuses
10 disability issues and access to housing. That is --
11 disability is one of seven protected classes. Are there
12 any specific issues you've seen for those kinds of folks
13 in trying to access housing in Texas?

14 MR. GOODWIN: Well, from the developers' side,
15 I think it's across the board, and that is, two things:
16 fear, lack of knowledge and not wanting to get wound up
17 with HUD. And most people understand fair housing law.
18 They don't necessarily practice it, so that's not the big
19 issue.

20 It's just they don't want to go beyond renting
21 to, I'll say, the job-holding person that they see twice
22 in the tenancy, once when they sign their lease and once
23 when they turn in their keys.

24 MS. GREEN: Yeah, and there's no doubt that
25 it's really difficult to find housing for nursing home

1 residents in particular. That's where most of my
2 experience lies. But I'm not sure whether it's the
3 disability or the income.

4 My sense is that it's the income. Particularly
5 in the Dallas-Fort Worth area, where occupancy rates are
6 really high, there's a strong bias against someone who may
7 require a voucher in order to cover the rent, and add to
8 that the need for in-home services.

9 You know, some people, some landlords, I think,
10 have reservations about housing somebody who's been
11 residing in a nursing facility. I think there are
12 concerns, sometimes valid, sometimes not, that the
13 individual may require more supports than will be
14 reasonably available.

15 But again, I think it's the income issue that's
16 the primary barrier and perhaps the disability is a
17 secondary barrier. Landlords are usually savvy enough to
18 not say anything illegal. But I think the other issue
19 with nursing home residents in particular is it's a
20 particularly delicate dance.

21 So when we're relocating somebody from an
22 institution to the community, it's a very involved process
23 to transfer the benefits, get the in-home services lined
24 up to do the inspection, to get the service coordinator on
25 board, to get the relocation specialist on board, and if a

1 landlord has an option of renting to somebody who's ready
2 to move in his boxes tomorrow, as opposed to waiting a
3 week, two weeks, three weeks, until someone has all of the
4 equipment and the services and it's ready to go, it
5 becomes a financial issue where, you know, it's hard to
6 get them to extend the lease, but then to wait, you know,
7 a week or two weeks until everything is ready to go, it
8 just kind of aggravates the financial issue, and that
9 becomes a problem.

10 You know, with independent living, with
11 landlords typically, you know, they wouldn't have access
12 to the tenant's health history. So I think there's less
13 bias, as opposed to assisted living facilities, where
14 they're reviewing charts.

15 We see a lot who say, oh, no, this person is
16 mentally ill. Well, she's been well-controlled for
17 37 years. So it tends to be more overt with assisted
18 living, which is kind of beyond the definition of
19 community. But --

20 MS. HEMPHILL: Okay. That's great feedback.
21 And I'll ask some follow-up questions, just so we're able
22 to do more research on our end and kind of dig in a little
23 bit more for the AI. When you talked about -- and so many
24 of these issues overlap, with the connection between maybe
25 a voucher and income, is it that those folks, the folks

1 that you're serving, have disabilities and then they also
2 have the voucher and also probably low income?

3 MS. GREEN: And sometimes, you know, there's
4 history of non-payment --

5 MS. HEMPHILL: Uh-huh.

6 MS. GREEN: -- so that becomes a risk.
7 Sometimes they're -- the criminal history, and that
8 becomes an issue, so it's kind of a loading effect.

9 MS. HEMPHILL: Okay. And then is it Michael?

10 MR. GOODWIN: Yes.

11 MS. HEMPHILL: Okay. You talked about fear and
12 lack of knowledge and not wanting to go beyond HUD regs.
13 How might that be an obstacle for someone?

14 MR. GOODWIN: Well, we keep talking about
15 owners, but in my opinion, the key is to get to the
16 management companies that are running these properties,
17 because they're the ones who can sway the owner, and the
18 owner doesn't care.

19 All he cares about is, his property is working
20 normally. He's not getting dinged by anybody, and in that
21 case, what I'm finding is, they're becoming so
22 automated -- anything that's not automated, they don't
23 want to talk about.

24 If you can't put it on a computer, and it's --
25 I'm an ex-Navy, and I see our apartments going the same

1 way as the two ships that collided in the area of
2 Singapore. Everybody had their head inside looking at a
3 radar scope and nobody was looking out a window to see
4 what was going on, and that, in a nutshell, was the cause
5 of killing 17 people, because nobody was looking out the
6 door.

7 And I see the apartment industry going the same
8 way. The staff spending all their time in running reports
9 or getting on the Twitter or Facebook and things like
10 that, and nobody's looking around. So there's not an
11 educational process.

12 When I say up here -- it's a lack of an
13 educational process and understanding of, hey, it's not
14 that hard if you would try it. And a lack of cross-
15 pollenization. I'll give an example. You used to sponsor
16 a group called -- is it TAAHPS, Texas Affordable Housing
17 Coalition, or something like that?

18 MR. IRVINE: We don't sponsor them, but --

19 MR. GOODWIN: But --

20 MR. IRVINE: -- they're the big multifamily --

21 MR. GOODWIN: They're a big multifamily, and
22 you all were a key part of an annual meeting they had.
23 And I came up to one about the year after dirt was
24 invented, and they were talking about developing a fair
25 housing handbook.

1 Well, the affordable -- as we call the
2 affordable housing, i.e. HUD Section 8 properties -- had
3 produced two fair housing handbooks that had been run
4 through HUD's Fair Housing people, and the whole nine
5 yards, and they'd been on the market for two years, and
6 nobody outside that little community.

7 So somehow to create an educational capability,
8 and I'll go back and look at Tim again -- if he can
9 strong-arm the apartment associations and including TDHCA
10 staff at a presentation at every apartment association
11 meeting in Texas, San Antonio Apartment Association, TAA,
12 and start putting this out through the apartment
13 association, you might -- I don't know -- you might get a
14 few more takers.

15 MR. IRVINE: Well, we have developed a Tenants'
16 Rights Handbook that includes those factors and it's out
17 there.

18 MR. GOODWIN: Yeah, well, I'm talking about is
19 getting to the great majority of people --

20 MR. IRVINE: But you have the training --

21 MR. GOODWIN: -- so that they understand that
22 there's not this wheelchair brigade of people and their
23 lawyers are going to descend on your property.

24 MR. IRVINE: Sure.

25 MR. GOODWIN: What we're bringing you is a

1 rent-paying tenant --

2 MR. IRVINE: Uh-huh.

3 MR. GOODWIN: -- who has the support services
4 they need to be lease-conforming.

5 MR. IRVINE: Right.

6 MS. HEMPHILL: Okay.

7 MR. GOODWIN: I don't know how -- you know --

8 MR. IRVINE: No. I think that's -- MS.

9 HEMPHILL: Yeah, and I'm going to keep asking questions
10 and we might bounce around and come back to some of these
11 topics, because a lot of them overlap.

12 MR. IRVINE: Yeah. I actually have a comment
13 about vouchers too.

14 MS. HEMPHILL: Yeah.

15 MR. IRVINE: I think that there is an
16 oversimplified view of what vouchers are. They aren't
17 just money to pay for rent. They place obligations and
18 responsibilities on the landlord as well, including
19 obligations to submit to inspections, maintain property to
20 certain standards, keep records and all those things,
21 which are all great objectives, but they can operate as a
22 financial disincentive to participate in voucher programs.

23 So I think that it would be useful if, at the
24 federal level, where these voucher programs are designed
25 and established, people would assess ways that vouchers

1 might be made basically into money so the tenants can use
2 market selection and go to any landlord and say, here's my
3 rent.

4 MS. GREEN: Yeah.

5 MS. HEMPHILL: Yeah.

6 MS. GREEN: We had kind of an interesting
7 discussion last time, and this is not a major impediment,
8 but I think it is an impediment, and that is -- I guess
9 there was a new HUD ruling about prohibiting smoking in
10 some facilities --

11 MR. GOODWIN: Yeah.

12 MS. GREEN: -- and that's been huge for our
13 folks, and I think somebody mentioned last time that among
14 folks with mental illness --

15 MS. HEMPHILL: Uh-huh.

16 MS. GREEN: -- like, 40 percent are smokers.
17 I'm not a smoker. I'm not necessarily advocating for
18 smoking, but I'm an advocate for consumer rights, and to
19 tell someone that she can't live in an apartment because
20 she engages in smoking, which is legal -- I mean, I
21 understand that there are health risks and, you know,
22 fires, and everybody can be affected by the fires, but,
23 you know, that's been a very real barrier for some of our
24 folks, where they've waited months and months and months
25 to get the unit, only to find out that all of the

1 properties exclude smokers, and for somebody who's smoked
2 for 40, 50, 60 years, it's -- you know, that's a problem.

3 MS. HEMPHILL: I guess I'm not as familiar with
4 that, but I'm wondering if they exclude folks smoking in
5 the property or the person in general, or if there are --

6 MS. GREEN: The person in general, the tenant?

7 MS. HEMPHILL: Is your understanding?

8 MS. GREEN: Yeah.

9 MS. HEMPHILL: Okay.

10 MR. GOODWIN: It's essentially a no-smoking
11 apartment. Your guests can't smoke in it, you can't smoke
12 in it, and the two major reasons -- one, are fire, but the
13 biggest major reason -- if you have ever gone into an
14 apartment that's occupied by a heavy smoker --

15 MS. GREEN: Oh, the cleaning.

16 MS. HEMPHILL: The walls, yeah.

17 MR. GOODWIN: -- the walls are --

18 MS. GREEN: Yeah.

19 MR. GOODWIN: -- dingy orange, and you --
20 there's almost no way to get the smell out. There's a
21 product called Kilz that's supposed to cover and seal
22 everything in. It doesn't work.

23 MS. HEMPHILL: And every now and then, we hear
24 complaints come --

25 MR. GOODWIN: Yeah.

1 MS. HEMPHILL: -- from the other side with folks
2 with severe allergic reactions --

3 MR. GOODWIN: Yeah.

4 MS. HEMPHILL: -- to things like that, in those
5 units. It's difficult. What types of housing -- oh,
6 yeah?

7 MS. YEVICH: Excuse me. I'm sorry to
8 interrupt. This is Elizabeth Yevich with TDHCA. I think
9 we had about seven people on the phone, and I wanted to
10 make sure -- does anybody on the phone want to introduce
11 themselves or have anything to add to the conversation so
12 far?

13 (No response.)

14 MS. YEVICH: Hearing none, we're going to move
15 back to Suzanne then. Okay.

16 MS. HEMPHILL: Okay. Feel free to speak up,
17 folks, on the phone. What types of housing opportunities
18 exist in your area? And then the next question is, what
19 are some of the specific housing needs of persons with
20 disabilities?

21 MR. IRVINE: I would just comment about the
22 Department's portfolio overall. I think in the major
23 metropolitan areas, we obviously have a lot of new
24 construction. We have programs like the 811 Program.
25 We've got local housing authorities providing significant

1 voucher resources and so forth.

2 But when you get out to rural Texas, there are
3 a lot fewer opportunities. I think that there is a lot of
4 aging housing stock that is not particularly accessible
5 and I think that, you know, the pilot program for 811 is
6 focused on some large metropolitan areas, but you know,
7 those needs are very present in rural Texas as well, and
8 in fact, I would say that because of the prevalence of
9 disabilities in the aging population, the needs might
10 actually be greater proportionally in rural Texas.

11 MS. HEMPHILL: Persons with disabilities need
12 housing that is integrated, affordable and accessible.
13 How is the community that is served by your organization
14 in that regard? Are there any issues surrounding possible
15 group homes and housing for persons with disabilities?

16 Are group homes in your community allowed in
17 all residential areas, and is there enough accessible
18 housing to assist persons with disabilities? If not, how
19 much more is needed?

20 MS. GREEN: No, it's definitely not adequate,
21 and I think that raises a lot of issues, and I'm not sure
22 how you define group homes. In my mind, a group home is
23 an intermediate care facility for folks with intellectual
24 and developmental disabilities, which is different from
25 assisted living facilities, which is different from board

1 and care homes.

2 So group homes are regulated, kind of loosely.
3 Board and care homes are not regulated. Wild, wild west.
4 Assisted living facilities are regulated. They -- the
5 supply is not adequate, certainly in north central Texas,
6 probably in the state.

7 What we see -- with assisted living in
8 particular, I think you -- did you ask about that?

9 MS. HEMPHILL: No, you're welcome --

10 MS. GREEN: Because that really is --

11 MS. HEMPHILL: -- to address it.

12 MS. GREEN: -- kind of beyond the scope.

13 MS. HEMPHILL: Yeah.

14 MS. GREEN: But I think it's consistent with
15 what we see in terms of independent housing as well.
16 Tremendous expansion for folks with moderate to high
17 incomes. For folks with low incomes, good luck. It's
18 interesting.

19 We did an analysis a couple days ago of all the
20 calls we received through our Aging and Disability
21 Resource Center. Twenty-one percent are specific to
22 housing, people looking for affordable, integrated
23 housing, and they're -- we generate long lists.

24 We know that no apartment on that list will
25 have an opening for an average of a year to two years. We

1 work with people who are on the verge of homelessness and
2 they don't qualify for any programs. We -- you know, we
3 talk with couch surfers or people who are staying with
4 extended family members, in abusive relationships.

5 We refer them to shelters. And sometimes we
6 work with people coming out of nursing homes, and the only
7 thing we can timely offer them is a shelter, which is not
8 appropriate, but you know, there's nothing better. I
9 mean, we talk with people are, you know -- I'm moving to
10 Texas from California, and I'll need a subsidized
11 apartment.

12 Well, good luck with that.

13 MS. HEMPHILL: Uh-huh.

14 MS. GREEN: You might want to call, you know,
15 U-Haul and put it on hold.

16 MS. HISSAM: Yeah, to build off of that -- this
17 is Jessica Hissam at HHSC -- for the mental health
18 population, in terms of group homes, based on the all the
19 barriers that we talked about before, criminal histories,
20 mental histories, oftentimes our folks are sent at the
21 last resort to group homes and there aren't mental health
22 group homes in the community.

23 They're board and care homes for the mental
24 health population. They are vastly unlicensed. If
25 anything, they're under the radar. There are a couple of

1 metropolitan areas that have instilled sort of licensure
2 and sort of monitoring, but overall, these folks are just
3 going to what they can find.

4 And a lot of the group homes or board and care
5 homes do as well as they can, but in terms of regulations
6 and a lot of things, they just don't make it, and we're
7 not even totally aware of how many are in the state. So
8 one of the goals is to do an environmental scan to get
9 kind of an idea of what's out there, because some of them
10 are very, very substandard, and really, people just try
11 not to be on the streets.

12 So we really don't have enough. We don't have
13 anything, really, in terms of that population. So --

14 MR. WILT: To build on that as well -- this is
15 Michael Wilt with Texas State Affordable Housing
16 Corporation. This came up in the TICH meeting yesterday.

17 Where there's hostility on the neighborhood level to
18 these types of homes as well.

19 There was the example of the Oxford House. I'm
20 not sure where it's located, but it's a substance use
21 recovery home, and the neighbors are trying to get it shut
22 down. So either people actively trying to get that type
23 of recovery house out of their neighborhood, or not
24 allowing in the first place.

25 MS. HEMPHILL: Okay.

1 MS. BARNARD: To speak to the rural
2 communities, and certainly back there, we have seen some
3 increased demand for assisted living facilities in the --
4 I would say the outskirts of urban areas. They still
5 qualify for our program as rural, but they're not the
6 isolated communities, but we have been seeing -- it's
7 under our economic development programs, so we don't
8 collect data on the residents, only on the employees.

9 So we don't exactly who they're serving, but
10 we've been seeing a number of applications to build new
11 facilities --

12 MS. GREEN: Yeah, and that's a growth industry.

13 MS. BARNARD: -- in quasi-rural areas.

14 MS. GREEN: Yeah. I mean, we have -- since
15 I've been with my agency I think we've gone through 30 or
16 40 assisted livings to 200 plus --

17 MS. BARNARD: Right.

18 MS. GREEN: -- and I think 10 participated in
19 the Medicaid program, and not the entire facility
20 participates. They may have two beds or 10 beds, and so
21 again, if you have money and can pay \$4,000 a month,
22 you'll have a lot of options, but if you have Medicaid --

23 MS. BARNARD: Right.

24 MS. GREEN: -- you're going into facilities
25 that, you know, tend to be less well funded.

1 MS. BARNARD: Right. And the other thing,
2 really, on the housing, we don't get very many
3 applications to do housing from our communities, but when
4 we do, it's almost exclusively to benefit elderly and
5 disabled, to rehabilitate homes for the elderly and
6 disabled populations.

7 That's almost exclusively what those end up
8 being.

9 MR. SROUFE: And from the certified retirement
10 community side of that same thing, dealing with our semi-
11 urban rural communities, more of what I'm seeing is new
12 developers coming into, like Doni was saying, that upper-
13 and mid-range economic status, rather than the folks that
14 really need it that we would deal with here, and so we've
15 got developers that are moving in to build things, but
16 they're not necessarily always the types of housing that
17 we would look for or hope for with this committee.

18 MS. HEMPHILL: Okay. Are social services
19 located in areas where persons with disabilities can
20 easily access them? Does location of social services
21 influence housing options of persons with disabilities?

22 MS. HISSAM: I'm Jessica Hissam, HHSC. So
23 transportation is -- immobility is a huge issue not just
24 within urban areas, but especially rural. There are some
25 of our local mental health authorities that serve 11 to 19

1 different counties, that that can take seven hours to
2 drive across, and a lot of our clients don't have an easy
3 way to get to their services.

4 They might have a couple of satellite clinics,
5 but it's going to take them three hours one way to meet
6 with the doctor for 20 minutes. So it's a huge, huge,
7 huge, huge, huge barrier for sure, at least in the, again,
8 mental health/behavior health sort of world.

9 MR. IRVINE: And I think that there's actually
10 a situation developing here where the concept of
11 affirmatively furthering fair housing as propounded by HUD
12 is really diametrically opposed to centering housing
13 around many of the facilities and support services.

14 You know, the whole concept of dispersion.
15 When we were developing the 811 Program, we were very much
16 driven by the concept of fair housing choice and
17 dispersion, and this Council expressed a lot of concern
18 over that strategy.

19 You know, I think that there is a common sense
20 desire among many people to have a policy to site more
21 housing closer to support facilities.

22 MS. GREEN: Yeah. I think the other issue is,
23 you know, there tends to be kind of a minimal level of
24 services for those meet programs' eligibility criteria
25 with Medicaid being the major funder, but I think often

1 there is a lack of awareness, particularly in communities
2 that don't have an on-site service coordinator.

3 So folks may be eligible for Medicaid waiver
4 services or home-delivered meals or community attendant
5 services, but unless somebody who's knowledgeable of the
6 system and the eligibility criteria is able to connect
7 that person, it's, you know -- just having it be available
8 is not enough.

9 There needs to be some -- in many cases, there
10 needs to be someone who can assist that person in
11 navigating, and that's where I see a real difference
12 among, you know, communities that have an on-site service
13 coordinator, whatever the term may be.

14 MS. HEMPHILL: And it sounds like what you're
15 saying is -- and correct me if this is wrong, is that
16 those services and supports could help someone live
17 wherever they choose --

18 MS. GREEN: Yeah.

19 MS. HEMPHILL: -- and could help them access
20 services that they could be safe and well in their home.

21 MS. GREEN: Right.

22 MS. HEMPHILL: That's great.

23 MR. GOODWIN: Well, and caveat, wherever they
24 choose with -- depending on how much money they have to
25 pay rent. I -- the key to the whole thing is dollars.

1 For example, in the past, I'll be ugly and say the
2 national standard in developing affordable housing was to
3 put it in the place needed it the most, and then 20 years
4 later, everybody gets sued because we put all the
5 affordable housing in the poor areas, and there's no
6 affordable housing in the upscale areas, so there's a --
7 what would you call, a segregation of the population
8 within a metropolitan area.

9 On the other hand, if we're going to do it
10 today, based on the rent requirements, I can't put an
11 affordable housing property for -- and affordable housing,
12 I'm using the term as one that a person with disabilities
13 and the Medicaid and voucher might could afford because
14 the cities will only pay so much for their part.

15 I can't put it in an upscale area, because the
16 dirt's too expensive, and if the dirt's too expensive,
17 I've then got to charge a higher rent, and I've just
18 pushed myself out of their ability to rent. So it's a --
19 what do they call it -- a circular formula.

20 It doesn't matter what you do. You keep coming
21 back to the same place.

22 MS. HISSAM: Circular logic. Yeah.

23 MR. GOODWIN: And so that's -- you know, how do
24 you solve the cost of putting the housing down so that the
25 folks that you want to live there can do it?

1 MS. GREEN: Although a developer was telling me
2 recently about rent averaging --

3 MR. GOODWIN: Yeah.

4 MS. GREEN: -- as one strategy to -- I mean, it
5 doesn't fully resolve the issue but it --

6 MR. GOODWIN: If you can -- for example, in
7 Boerne, 30 miles out of San Antonio, people can't afford
8 to live there anymore, because the apartments are too
9 expensive, but if you could have the ability to do the
10 rent averaging, you could put -- you know, set aside X
11 number of units at a lower cost that would --

12 MR. IRVINE: Well, and I think that's a barrier
13 right there, because although Congress enacted the ability
14 to elect income averaging on a tax credit property, the
15 Internal Revenue Service has issued no guidance and none
16 is anticipated anytime soon.

17 So until and unless the IRS explains to people
18 how it works, you know, it's a very big risk.

19 MS. HEMPHILL: We touched on this a little bit
20 earlier. Have you observed instances of prohibited
21 discrimination in housing for folks with disabilities?
22 Please provide specifics. Have you seen any instances of
23 things like impermissible steering a person seeking to
24 rent or buy housing?

25 MS. GREEN: I've seen it with assisted living

1 facilities, but again, I think that's beyond the purview
2 of the Council.

3 MS. HEMPHILL: Are there affordable housing
4 options dispersed throughout the community that is served
5 by your organization? Are you aware of any specific
6 zoning, building requirements, land use or other policies
7 that affect affordability and dispersion of housing,
8 including affordable housing and service-enriched housing?

9 MS. GREEN: I think Mike's right on target.

10 MR. GOODWIN: There are, in many cities, that
11 drive the cost up. For example, down in Kyle, we put a
12 facility down in Kyle, and the cost got driven up because
13 you had to have so much masonry, and it had to go so high,
14 and so their building codes drove the price of the
15 property, which drove the rents up, which, you know, the
16 property did okay because it was a developing area with a
17 lot of people making a lot of money, but I'll say, the
18 people in Kyle originally couldn't afford to live there.

19 MS. HEMPHILL: And it sounds like those weren't
20 tied to health or safety issues.

21 MR. GOODWIN: No, they're not tied to --

22 MS. HEMPHILL: Okay.

23 MR. GOODWIN: -- they're tied to what the
24 community wants to see. They want to see pretty houses,
25 if you will, as opposed -- and I'm not advocating going

1 back and building things with tin siding, but the ability
2 to put a quality building up -- we're talking about the
3 facade.

4 The inside of it is going to be to code and
5 buildings standards and everything. It's just what do you
6 have to do on the outside, and that's one factor that can
7 affect it.

8 MS. HEMPHILL: Okay.

9 MR. WILT: I want to go back to the last
10 question, and it builds upon what Michael was saying
11 earlier about selection criteria for property managers,
12 and again this came up again yesterday -- it came up in
13 yesterday's TICH meeting, but I can't cite specific
14 examples of discrimination, but you can look at the data
15 that the Austin Reentry Task Force did.

16 They interviewed all the property managers for
17 market rate and affordable housing units in Austin, and
18 overwhelmingly there was no consistency in the tenant
19 selection criteria when it comes to lookback periods and
20 what type of defenses to look for, and this has a bigger
21 impact on a protected class of race than it does
22 disability, although it would affect the mental health
23 population overwhelmingly.

24 So if they don't have -- or their lookback
25 policies run afoul of HUD guidance, then there is a strong

1 chance that they could be discriminating against people,
2 but they may not even know what the HUD guidance says, but
3 across the board, there needs to be better education about
4 whether, say, the apartment association or TAHSA or
5 somebody else on how to make sure they're complying with
6 HUD guidance when it comes to their selection criteria.

7 MS. HEMPHILL: And speaking of, kind of,
8 education and information about tenants' rights, do
9 housing consumers as well as housing providers have
10 sufficient information about fair housing laws?

11 MS. HISSAM: Have information or understanding
12 of?

13 MS. HEMPHILL: That's a good question. Yeah.
14 So it sounds like you're saying those are different
15 things --

16 MS. HISSAM: Yes.

17 MS. HEMPHILL: -- and they may have
18 information --

19 MS. HISSAM: But do not have a firm and
20 confident understanding in their rights and their
21 abilities.

22 MS. HEMPHILL: Okay. On both sides of
23 housing --

24 MS. HISSAM: Yes.

25 MS. HEMPHILL: -- consumers and providers?

1 MS. HISSAM: Yes.

2 MS. HEMPHILL: Okay. And Doni, it sounds like
3 what you were saying of helping folks navigate --

4 MS. GREEN: Uh-huh.

5 MS. HEMPHILL: -- and understand.

6 MS. GREEN: Uh-huh.

7 MR. GOODWIN: I don't think that fair housing
8 law knowledge is questioned anymore. It may be at a mom
9 and pop, where it's a personally owned little property,
10 but anybody that has a property of any size or a
11 management company that has more than one property is
12 sometimes painfully aware of fair housing laws.

13 MR. IRVINE: I think that they're --

14 MS. GREEN: The tenants --

15 MR. IRVINE: -- I think that they are aware of
16 it on a superficial level.

17 MR. GOODWIN: Yeah.

18 MR. IRVINE: I think everybody understands the
19 prohibitions in the Fair Housing Act. I'm not sure --
20 would be interested in polling the room -- how many people
21 are really familiar with the granular HUD guidance on
22 tenant selection criteria.

23 MR. SROUFE: I am not.

24 MS. GREEN: And I know criminal history --
25 we've seen properties all over the map in terms of

1 disqualifying on the basis of criminal history.

2 MR. GOODWIN: Yeah, and there's --

3 MS. HISSAM: Even on just arrests.

4 MS. GREEN: Yeah.

5 MR. GOODWIN: -- there's no -- you're right.

6 There's no standard on lookback period or severity.

7 MR. IRVINE: There's not a bright line --

8 MS. GREEN: Right.

9 MR. IRVINE: -- and, you know, if you're an
10 owner and you're hiring a property manager, you want
11 people that can administer bright-line criteria, you know.

12 MR. GOODWIN: I'll give you a good example in
13 Austin. We got smacked right in the nose, and it was a
14 knowledgeable person who figured that they could wiggle
15 the fair housing issues. We were working with Catholic
16 Charities and taking refugees.

17 Well, what we found out is Catholic Charities
18 was teaching the refugees how to cheat and not declare all
19 their family, and then once they got in the apartment,
20 their families would show up and you would end up with six
21 or seven people in an apartment.

22 Well, our manager was aware of it and did
23 nothing and, in some cases, allowed it, because what else
24 could we do with these people? So we got sued by the
25 Austin Tenants Council, because we were starting to

1 enforce the standard -- I'll say, TAA occupancy standard
2 of two persons per bedroom plus an infant under the age of
3 six months.

4 And they took these refugees and says, you
5 can't do that. We may win if we go to court but we'll
6 cost you so much money and it will hurt you. So we have
7 an agreement that we'll take three persons per bedroom
8 now, and that property, which is not a new property, has a
9 potential of being terribly over-housed and deteriorating
10 very rapidly because the systems are 35 and 40 years old
11 and not built to handle that volume of people.

12 And here's a manager that had had fair housing
13 training and knew about it, and thought, oh, well, I can
14 do this here, but when I go over here, I go back to my
15 strict standard.

16 MS. HEMPHILL: Oh, so it sounds like they were
17 having -- they were treating people differently --

18 MR. GOODWIN: Yeah, and -- but that's --

19 MS. HEMPHILL: -- and that --

20 MR. GOODWIN: -- why I'm saying -- so I think
21 there -- in any major management company, they pretty much
22 understand getting people to do what they're told to do,
23 is our --

24 MS. HEMPHILL: I see. So was occupancy
25 standards tied to national origin, because these folks --

1 MR. GOODWIN: No.

2 MS. HEMPHILL: -- refugees --

3 MR. GOODWIN: Not at all. Wasn't tied to -- it
4 was tied to number of people per bedroom. We were using
5 the --

6 MS. HEMPHILL: Okay.

7 MR. GOODWIN: -- TAA-approved, if you will --

8 MS. HEMPHILL: Oh, as the housing requirement?

9 MR. GOODWIN: As the housing standard.

10 MS. HEMPHILL: Okay. Okay. Then next set of
11 questions I have, I'm going to pass around a handout.
12 There's probably extra copies of this. This is the list
13 of impediments to fair housing that were identified in the
14 2013 AI, so that's the State's last Analysis of
15 Impediments to Fair Housing Choice.

16 If you can look over the list, and then I'd
17 love to hear about whether you're experiencing these
18 organizations -- or these impediments within your
19 organization in the community that you serve. So there's
20 six main impediments identified.

21 NIMBYism can create barriers to housing choice
22 for protected classes in some communities. We've touched
23 on that today. There is inadequate information available
24 to local governments, stakeholders and the public about
25 fair housing requirements and programs to assist persons

1 with disabilities and low income residents.

2 I think that's also come up. The public is not
3 sufficiently aware of how to obtain assistance necessary
4 to protect fair housing rights. Protected classes may
5 experience disparities in home mortgage loan denials and
6 high-cost loans.

7 Lack of accessible housing and visibility
8 standards limits fair housing choice for persons with
9 disabilities. And the last impediment -- there are
10 barriers to mobility and fair housing choice for protected
11 classes.

12 If some of you could comment on your
13 experiences with any of these impediments, and if you feel
14 like they're still present in communities in Texas, that
15 would be really helpful to us.

16 MR. GOODWIN: I would challenge number two. I
17 think that there is a wealth of information that's readily
18 available.

19 MR. SROUFE: I think there's inadequate
20 guidance.

21 MR. GOODWIN: Yeah.

22 MS. HISSAM: And inadequate amount of programs
23 and accessibility to programs.

24 MS. GREEN: Uh-huh.

25 MS. ZATARAIN-FLOURNOY: May I offer a comment?

1 MS. HEMPHILL: Yes, yes.

2 MS. ZATARAIN-FLOURNOY: I apologize for my
3 delay. I ran into traffic. I never seem to be able to
4 find a way around it. I'm Josefa Zatarain-Flournoy with
5 the Alamo Area Council of Governments. I'm a housing
6 navigator there.

7 And I've seen this list two or three times now,
8 and it initially didn't hit me until the second time I saw
9 this, but when I take number one, number five and number
10 six, one of the things that comes to mind is the situation
11 that you know, has been brought to my attention two or
12 three times in the Boerne area, where there are, I
13 believe, two elderly housing properties that are -- I
14 think their affordability period's maybe, two years out,
15 maybe more. I'm not sure.

16 And so increasingly, I'm getting phone calls
17 from professionals and other people who serve this
18 population, and now it's coming from the residents
19 themselves, where they're wanting to know which -- who of
20 all of us can address their concern.

21 Because Boerne doesn't want any of these
22 housing units in their backyard, and so there is a lack of
23 accessible housing for these folks, and there are barriers
24 to them having this free choice of housing units. And you
25 know, we're getting these phone calls.

1 I don't -- you know, we're trying to work with
2 them to prepare them for a possible move, but they're
3 being displaced. In fact, their rents are going up during
4 the affordability period, you know, so I just wanted to --
5 so that is a concern, but I'm also offering that for
6 discussion and maybe some help.

7 MR. IRVINE: Yeah. I would argue that the
8 length of affordability periods may in some respects be a
9 potential problem. So if these deals that are nearing the
10 end of their affordability were able to re-syndicate and
11 refresh their properties and so forth, they're basically
12 signing up for another 30 years, and that's a very, very
13 long financial commitment for the investors.

14 So you know, I often wonder if --you know,
15 given the fluidity and the changes in markets, if it
16 wouldn't, in some respects, attract more investment in
17 affordable housing if affordability requirements weren't
18 quite as long.

19 MS. ZATARAIN-FLOURNOY: It appears not to be
20 the intent --

21 MR. GOODWIN: The thing you're looking square
22 in the face is what I'll call the broker's language.
23 Affordability restrictions that expire in two years with
24 great upscale -- upward potential for return, 20 percent
25 cash-on-cash return, and that's the way they're selling

1 the market.

2 So what you have to do is, get the community to
3 want that housing. I know, in one instance, where the
4 community turned down a tax credit property because there
5 was a mobile home area that was part of what was going to
6 become a tax credit property, and they were going to
7 displace the residents.

8 So everybody used that as an excuse to say,
9 bump, and then we don't want that type housing in this
10 area. They won't say, but it's there.

11 MR. IRVINE: Yeah.

12 MS. HEMPHILL: Okay. My last question is not
13 specifically related to the AI, but to the larger planning
14 document called the 2020 to 2024 State of Texas
15 Consolidated Plan. Today's consultation is an early
16 opportunity for input on the State's next five-year Con
17 Plan.

18 The Plan lays out the major ways the State will
19 use its HUD funds. Is there any input on how the State
20 should spend its HUD funds, and specifically, do you have
21 any suggestions as to how any of the HUD funds could be
22 used to address fair housing matters we've been discussing
23 this morning?

24 MS. ZATARAIN-FLOURNOY: Do we have -- I'm just
25 going to ask this question. I still don't know.

1 There's -- of the various agencies that are included in
2 the Impediments to Fair Housing Choice and also with
3 regard to the plan, we are -- as I encounter service
4 providers and other professionals in the rural communities
5 particularly, and they're asking questions about how they
6 can develop some kind of an effort, an organization, a
7 program to deliver more housing programs or opportunities,
8 and this may speak to one of the questions you asked
9 earlier -- are there technical assistance professionals in
10 divisions or departments in each of these agencies that
11 could help these service providers in the rural
12 communities develop a program to deliver additional
13 housing?

14 Because we could possibly spend some money in
15 that area. Increasingly, I have rural communities with
16 homeless populations that have not been identified. They
17 are not being served, and so people are digging into their
18 pockets to continue to pay motel-hotel expenses, and it's
19 just not going to end anytime soon.

20 And so I'm really trying to get them to
21 understand that there are some -- that there is
22 assistance, and that there are dollars, whether it's
23 through the balance of State and to the expansion of maybe
24 an area COG, but I needed them to have a way, you know,
25 that they can, you know, get this type of assistance

1 through someone other than just myself and you know, just
2 kind of walking and talking them through each of the
3 processes.

4 And it may take two or three years for them to
5 be fully qualified and develop the capacity. And so I'm
6 wondering if there's just technical assistance, that -- if
7 don't already have, that we might be able to fund?

8 MS. HEMPHILL: I --

9 MS. HISSAM: I -- I'm sorry. I don't know
10 about to the agencies, but they could reach out to CSH,
11 Center for Supportive Housing. They do a lot of technical
12 assistance. They could reach out to Texas Homeless
13 Network.

14 They do a lot in terms of the balance of State.
15 I would start there, personally.

16 MS. HEMPHILL: And I believe the Council in the
17 past has funded some TA efforts -- right -- for --

18 MR. IRVINE: Uh-huh.

19 MS. HEMPHILL: -- service-enriched housing?

20 MR. IRVINE: TCAP.

21 MS. HEMPHILL: Yeah. So there has been funding
22 towards this.

23 MR. IRVINE: The Department of Housing and
24 Community Affairs does not specifically have appropriated
25 staff just to provide TA, but the program staff that

1 administers the programs will, you know, provide intensive
2 assistance to anybody that wants to engage in the
3 programs.

4 MR. DURAN: Yeah, I think -- Spencer of TDHCA.

5 One other suggestion I would have is that counties and
6 municipalities get their own allocation HUD dollars, even
7 rural in a lot of cases. So you could -- if you're
8 interested in that, you can approach them and say, hey,
9 you know, you could, you know, be a lot more responsible
10 on a local level by working with a local entity to program
11 their HUD dollars to address whatever unmet need you might
12 see, and they're all doing their AI-type activities right
13 now.

14 Or you could comment on their actions plans or
15 whatever as well.

16 MS. HEMPHILL: Okay. So that concludes all the
17 questions for y'all this morning. Thanks for bearing with
18 me and providing such thoughtful input that we use on the
19 AI. Written input can be submitted to Nathan Darus, and
20 I've got his business card and his address on here.

21 Anything received by 5:00 p.m., Austin local
22 time, on Friday, August 10, 2018, will be considered as
23 consultation for the draft Analysis of Impediments to Fair
24 Housing Choice. And I'll leave these business cards by
25 the front of the room.

1 MS. HISSAM: Thank you.

2 MR. IRVINE: Thanks so much. Before we jump
3 into the report and update items, I've gotten out of the
4 habit of having approval of minutes. Well, so unless
5 somebody's got technical corrections, I would entertain a
6 motion to approve as presented the minutes for January 11,
7 April 12, July 12, October 18, 2017, and January 31 and
8 May 4, 2018.

9 MR. GOODWIN: So moved.

10 MS. HISSAM: And second.

11 MR. IRVINE: We have a motion and a second.
12 Any discussion?

13 (No response.)

14 MR. IRVINE: All in favor, say aye. And we'll
15 put this on the calendar again to do in a year and a half.
16 Cool. Okay. It's update time.

17 MS. GREEN: Do we need to take a vote on that?

18 MR. IRVINE: Oh, wait. Anybody opposed?

19 (No response.)

20 MR. IRVINE: All in favor, say aye.

21 (A chorus of ayes.)

22 MR. IRVINE: Any opposed?

23 MR. GOODWIN: This is Texas. It's a Sam
24 Rayburn vote. The ayes have it.

25 MR. IRVINE: Okay. Sorry. Veronica, you're

1 up.

2 MS. NEVILLE: Oh, okay. Actually, I think
3 Michael's --

4 MR. WILT: I'm just going to read your notes.

5 MS. NEVILLE: Okay.

6 MS. BARNARD: Tim, I'm going to have to slip
7 out in just a minute. Is there anything else you need
8 quorum for?

9 MR. IRVINE: I think we have --

10 MS. BARNARD: Just checking.

11 MR. IRVINE: -- conducted all of our action
12 items.

13 MS. BARNARD: Great.

14 MR. IRVINE: So yeah --

15 MS. BARNARD: Then it won't ruin anything.

16 MR. IRVINE: -- and I too will have to slip out
17 in a few minutes.

18 MR. WILT: I'll give an update on the -- on
19 NASHP now. As you might recall, at past Council meetings,
20 we gave y'all an update on the work between HHSC and TSAHC
21 on the CMS Housing State Medicaid IAP Program, which is
22 the Center for Medicaid Services Housing State Medicaid
23 Innovative Accelerator Program.

24 That began in May -- actually, August 2017, and
25 it concluded in May 2018 with the creation of an action

1 plan that has been submitted to HHSC leadership for
2 review, and then will be sent to CMS. So that action plan
3 is done.

4 It was completed in May, and that wraps up the
5 work we did under the IAP. The good news is that while
6 that was wrapping up, we were able to get some technical
7 assistance from NASHP, which is the National Academy of
8 State Health Policy, and that assistance will be
9 running -- it's running currently and will go through
10 2020.

11 We're one of five states that received that
12 technical assistance. So we have some goals in the action
13 plan, and we'll be working between now and 2020 along with
14 NASHP on implementing some of those goals from the IAP.
15 The benefits of this NASHP assistance is we'll get expert
16 consultation through quarterly group state and individual
17 state technical assistance calls.

18 We have state-to-state learning opportunities,
19 and we'll participate in an on-site annual meeting this
20 August with the other states that were selected. So the
21 current plan is to continue building on action items
22 identified through the IAP in order to support the
23 developments and/or implementation of sustainable
24 financing of health and housing programs to improve the
25 health of Medicaid beneficiaries and lower costs.

1 And for our purposes at TSAHC, you know, we're
2 interested in finding mechanisms and improving upon
3 mechanisms that create more service-enriched housing
4 units. Carissa Dougherty is the lead staff on the NASHP
5 effort and Dana Williamson is the Medicaid sponsor over at
6 TSAHC.

7 We're continuing to be the housing sponsor in
8 all this. And the good news also is that we had a pretty
9 robust, big group of people from multiple parts of HHSC
10 and Medicaid and also at TSAHC and then managed care
11 organizations participating in the IAP.

12 And that group has stayed together. Instead of
13 meeting biweekly, we're now meeting monthly on an ongoing
14 basis. So it's great that we kept the team intact. Is
15 there anything you want to add, Veronica?

16 MS. NEVILLE: No, that's great.

17 MR. IRVINE: Thanks. Okay. Spencer, what's
18 going on with 811?

19 MR. DURAN: Sure. I want -- I have two items,
20 811 and then the Integrated Housing Rule. They're
21 somewhat related, and Jessica Hissam's here also. She's
22 our -- one of our points of contact with HHSC. So please
23 jump in if you have any thoughts.

24 And also, you know, Doni is a referral agent.
25 Let me know if you have any thoughts about 811 as well.

1 But the general update is -- the general update with 811
2 is that we have 65 households that are -- that have been
3 served by the program.

4 We've signed 21 rental assistance contracts.
5 Those are the HUD-required contract that we have between
6 TDHCA, HUD and the actual participating properties. And
7 then we also have received almost 600 referrals for the
8 program in general.

9 So I think that, you know, we've definitely
10 jumped from start-up, development, to you know, fully-
11 fledged program. So we're really excited to be, you know,
12 really kind of up and running. At the last meeting, I was
13 reviewing the minutes, and I was kind of wanting to make
14 sure that what I reported to y'all was kind of in response
15 to some of the things we talked about last time.

16 One of the big topics last time was rejections,
17 and we pulled together some data, kind of taking a deeper
18 dive into what's going on with rejections, and that's what
19 the table is that we have, that I provided for y'all. And
20 this is just kind of a general snapshot of what's going on
21 with the households once they're referred to a property
22 that has a vacancy.

23 So what happens is, an applicant will come
24 through one of our local disability service organizations.
25 We'll put them on the main TDHCA-managed waiting list,

1 and then they select what properties they are interested
2 in, and then once a vacancy pops up at one of their
3 properties, we will then refer them to the property, and
4 then the property level process begins, including where
5 the properties apply their regular credit, rental,
6 criminal screening criteria.

7 Some of the highlights of looking at the data
8 are that the number one rejection or property manager
9 denial reason is criminal backgrounds, but overall, the
10 biggest reason why someone doesn't move into an available
11 unit is actually they -- that household themselves is
12 choosing not to live there.

13 So that's an example of -- a vacancy pops up,
14 and they've expressed a previous interest in a property,
15 but then once it comes time to actually moving in, they
16 choose not to move forward with their application. And so
17 that's, you know, a reflection of, you know, we have
18 healthy tenant choice, but we're also aware that that
19 could mean that the product we're delivering to the
20 customer may not always be exactly what they're looking
21 for.

22 We know we've had quite a few applicants, you
23 know, think that they want to live somewhere, but then
24 when it comes down to it, they're, like, well, transit
25 access isn't what I was hoping or something like that.

1 Some of the other findings are that we have, you know, a
2 lot of demand in the more typically urban areas, but we
3 are definitely working with HHSC and our local partners to
4 make sure that all the areas that are eligible are really
5 active and so we think of things on the metropolitan
6 statistical area scale, which includes urban and rural
7 areas.

8 So we serve whole counties, essentially, and
9 you know, all the counties we serve have, you know, urban
10 and rural components and are bringing a mix of properties
11 to the table that include a mix of urban and rural
12 properties.

13 You know, we have properties in the Mueller
14 Development here in Austin, for example, and then we have
15 properties in Kyle, if you're familiar with the Austin
16 area. So we try and, you know, continue to bring a really
17 good mix of properties to the program.

18 So if anyone has any questions about rejections
19 or referrals, we can talk about that. I also want to talk
20 about -- we have a proposed rule that is pending Board
21 adoption that is poised to be adopted by the Board in
22 September and it will essentially mimic the Integrated
23 Housing Rule we have talked about with this group, and
24 what we're basically talking about is the Integrated
25 Housing Rule will go from an 18 percent maximum

1 integration up to 25 percent maximum integration for large
2 properties, and the 811 rule kind of mirrors that change
3 as well, because the 811 rule has -- or the 811 Program
4 has a 25 percent cap that's mandated by HUD.

5 So that means that no more than 25 percent of
6 the units can be dedicated to, reserved for, have a
7 preference for people with disabilities. So we're kind of
8 better aligning the 811 Program with the TDHCA Integrated
9 Housing Rule.

10 So the 811 Rule, Integrated Housing Rule have
11 been initially approved by the Board and they -- the two
12 rules have been out for public comment, and the public
13 comment period ends at five o'clock today, and I'm not
14 aware of any public comments for, against or neutral on
15 either of the rules, but we've definitely vetted the rules
16 pretty well with y'all, and the Disability Advisory
17 Workgroup.

18 We had an online message board, and we also
19 presented both of the rules, the 811 and the Integrated
20 Housing Rule, to the developer community, those who
21 actually participate in our multifamily programs. So I do
22 feel really confident that we've given adequate
23 opportunity to comment on those changes.

24 Lastly, with 811, we have some really good news
25 that we have secured funding, \$750,000, through our Money

1 Follows the Person grant that we could use for a property
2 manager or risk mitigation fund. So this would be for
3 unreimbursed damages that are caused by 811 tenants.

4 So the 811 Program -- the security deposit is
5 limited by HUD to the greater of \$50 for the tenant
6 portion of rent, which for a lot of the households is
7 maybe \$200. So the security deposit is quite a bit less
8 than what our properties are used to getting, and so just
9 as a way to provide further reassurance to our property
10 managers and our owners, we want to have this resource
11 available.

12 So we have \$750,000 available and we're working
13 right now to modify our Money Follows the Person contract
14 so we can start spending that money. And then we're
15 working, you know, all of our policies and procedures at
16 TDHCA to figure out -- okay -- what is our -- what kind of
17 evidence do we need?

18 You know, we're going to do it on a
19 reimbursement basis. Do we want to have a kind of -- you
20 know, how much are we going to pay for a six-inch hole in
21 drywall versus an eight-inch hole in drywall? You've got
22 all kinds -- there's all kinds of things to consider
23 whenever you're going to paying landlords for damages.

24 And so we're contemplating all of those
25 policies right now, but nothing's going to happen until we

1 get the Money Follows the Person agreement, and then have
2 that budget be amended as well. So yeah. So that's kind
3 of it for 811.

4 And then to kind of loop back around the
5 Integrated Housing Rule, like I mentioned, public comments
6 ends today. It's been out for public comment since
7 May 24, and I'm not aware of any comments we've received
8 through the Texas Register System so far.

9 So we'll bring Integrated Housing Rule, again,
10 to go from 18 to 25 percent to the September Board
11 meeting, and then that will also coincide with the 811
12 rule being bumped up from 18 to 25 percent as well. So
13 yeah. So that's all I had.

14 MS. HISSAM: Do you want to mention the online
15 training?

16 MR. DURAN: Yes. Thank you, Jessica. We
17 worked really hard to take our online training for our
18 referral agents who give us the referrals to the program,
19 to take that training and put it online. So we have in
20 the past gone out and done on-site trainings for -- I
21 should have brought the number.

22 It's probably 500 people, maybe more than that,
23 that we've trained. So we'll go to your local nonprofit
24 or your local mental health authority and we'll provide
25 you with in-person training to all your case managers or

1 all the -- you know, all the folks, and we're going to
2 continue to do that, but because there's so much turnover
3 with those organizations, we -- in the next couple weeks,
4 we should have online a training that can be accessible to
5 all of our referral agents.

6 And so if you have staff turnover, rather than
7 us having to go back out and train you again or do a one-
8 off webinar, we'll be able to just have an online training
9 for people. So --

10 MR. IRVINE: I have handed the virtual gavel to
11 Doni.

12 MR. WILT: Spencer -- Michael Wilt with TSAHC.
13 The risk mitigation fund -- that's great news. It seems
14 to me that if you avail yourselves to those funds as a
15 landlord that you should have to loosen the restrictions
16 on your tenant selection, because that -- you know, if
17 that's insurance policy against a risky tenant, that risk
18 mitigation fund, then you should have to house hard-to-
19 house people, if you're going to be guaranteeing financial
20 compensation and something goes right in that instance.

21 MS. HISSAM: Isn't that something that we
22 talked about?

23 MR. DURAN: Yeah, that's great. We've heard
24 that before. Yeah. So thank you.

25 MR. GOODWIN: From the landlord's standpoint,

1 I'm saying, wait. I'm taking a risk already, and what are
2 you going to make me to do be reimbursed?

3 MR. WILT: Well, you'll be made whole if
4 something happens with a unit.

5 MR. GOODWIN: Well, you don't know, because he
6 doesn't know.

7 MR. WILT: But I don't think that a landlord
8 should have -- should be able to restrict tenants and
9 avail themselves to a mitigation fund that's meant to
10 guard -- be an insurance policy against risky tenants.

11 MS. HISSAM: Especially those that have, like,
12 ten-year felony lookbacks, the really, really extensive
13 ones --

14 MR. WILT: Right.

15 MS. HISSAM: -- you know.

16 MR. GOODWIN: I would say, with qualifications,
17 a person who damages an apartment, I'll say, through
18 violence, is not only damaging the apartments, but they're
19 affecting their neighbors, and so you now have a case
20 where -- am I required to take in a person that has a
21 history of violence because I'm going to get paid if he
22 breaks my door?

23 And the answer is no, because the violence is
24 affecting everybody else that lives there, or potentially
25 lives there. So it needs to be really vetted pretty hard

1 to require loosening the screening process from prior
2 landlord checks. Just a comment. Okay?

3 I'm not going to challenge you or right about
4 it.

5 MR. WILT: No, I understand.

6 MR. GOODWIN: You know, I understand your
7 point, but from the other side -- that there's a point on
8 the other side too about who do I have to take?

9 MR. WILT: I guess there's a question of how --
10 what is the -- you know, what is the appropriate lookback
11 period? If somebody hasn't been violent for 10 years --

12 MR. GOODWIN: No, you're -- yeah --

13 MR. WILT: -- and they're still excluding them
14 from a unit --

15 MS. HISSAM: Right.

16 MR. WILT: -- from a felony 11 years ago, it
17 doesn't --

18 MR. GOODWIN: You know, the one that surprised
19 me the most is that you've got two people on the list that
20 were turned down for credit. How in the world do you turn
21 down somebody for credit when they're getting rent-
22 scammed?

23 MS. HISSAM: Right.

24 MR. GOODWIN: I don't care if they get their
25 car repossessed. If my rent's guaranteed --

1 MS. HISSAM: It doesn't matter.

2 MR. GOODWIN: -- I don't care what your -- MR.

3 DURAN: Yeah, and a lot of the --

4 MS. GREEN: But their share -- if they're in
5 arrears on their share --

6 MR. GOODWIN: Yeah.

7 MS. GREEN: -- that's a risk.

8 MR. DURAN: Yeah, and so the credit, just to
9 kind of -- so Mr. Goodwin was referring to the table. So
10 like, credit shows four rejections globally, but also
11 landlords -- so if you owe money to a landlord, we count
12 that as landlord.

13 MS. GREEN: A landlord. Okay.

14 MR. DURAN: Right. So it's kind of muddled.

15 MS. GREEN: Okay.

16 MR. DURAN: I actually maybe could do a better
17 job of that. So the landlord rejection, it could be a
18 landlord reference, but really it's most often owing a
19 previous

20 MR. GOODWIN: Left owing money.

21 MR. DURAN: -- landlord money. Yeah. So it's a
22 little bit higher than before.

23 MR. GOODWIN: Yeah.

24 MR. WILT: Have you -- there are a couple of
25 outliers on this when it comes to criminal rejections:

1 Prairie Commons and Renaissance Square.

2 MS. GREEN: Yeah. Dallas-Fort Worth.

3 MR. WILT: Right.

4 MR. GOODWIN: Right.

5 MS. HISSAM: Yeah.

6 MS. GREEN: Those are my friends.

7 MR. WILT: I mean, when you are rejecting 30 to
8 40 percent of the applicants --

9 MR. DURAN: Yes.

10 MR. WILT: -- that you've asked to look at their
11 criteria --

12 MS. GREEN: Which is interesting because for
13 those referrals we make, we ask about criminal history.
14 We don't do our own check.

15 MR. DURAN: You ask about it ahead of time?

16 MS. GREEN: Oh, yeah.

17 MS. HISSAM: Uh-huh.

18 MS. GREEN: Yeah.

19 MR. DURAN: Yeah. So the best practice is
20 definitely to -- for the case managers or whoever's
21 assisting that applicant, have a frank conversation about
22 what their criminal interaction has been so that you're
23 better armed and then -- so that is the best practice.

24 So the tenant selection criteria and
25 practices -- they're approved by TDHCA. So all of these

1 rejections, they are high, but we do have them show us the
2 rejection letter, and then it has to have the required
3 language, reasonable accommodation, reasonable
4 modification, you know, 14-day notice to appeal, you know,
5 there's a whole bunch of stuff.

6 So I'm fairly confident that although they are
7 high they've -- I don't want to vouch for them, but
8 they've probably been, you know, technically legal --

9 MR. WILT: Okay.

10 MR. DURAN: -- and so it's the -- they get to
11 choose their own criteria and apply it within the confines
12 of the law and the policies.

13 MS. GREEN: And it could also be a reflection
14 on where the referrals are coming from, because we have a
15 disproportionate share of people with criminal history,
16 but I would venture to guess that it's much lower than
17 clients referred by the mental health authority.

18 So if you're getting a greater share from the
19 LMHAs, I would expect to see a higher rate of rejections
20 for criminal history.

21 MS. HISSAM: I know the majority of the
22 referrals are from the LHMAS --

23 MS. GREEN: Uh-huh.

24 MS. HISSAM: -- right now --

25 MR. DURAN: Right.

1 MS. HISSAM: -- so yeah.

2 MR. DURAN: Yes. So yeah. I don't know,
3 Michael. It's -- yeah. And just to clarify your point
4 about the mitigation fund and trying to use it as an
5 incentive to lower criteria, were you suggesting that if
6 we did take that approach as an incentive that if we tried
7 to get them -- if we asked to lower criteria, that it be
8 tied to a risk for damage?

9 Does that make sense? So should we offer the
10 risk -- the damage fund if you have a poor criminal
11 history related to marijuana usage, you know? Or should
12 it be lower your criteria as it relates to previous
13 damages that you've done?

14 MR. WILT: Well, I just think criteria across
15 the board should be lowered. I mean, credit, criminal,
16 whatever. Ultimately, you're going to get made whole, and
17 I realize that you might be impacting clear tenants if you
18 have a violent occupant, but if -- philosophically, if the
19 goal of a risk mitigation fund is to house hard-to-house
20 people, then you'd think that you would relax screening
21 criteria across the board so that you would create the
22 incentive to house those people, knowing that worst-case
23 scenario, I'll still be made financially complete.

24 MR. DURAN: Yeah, absolutely.

25 MS. NEVILLE: Would it be connected just to the

1 specific tenants that are hard to house or is it, you
2 know, for all their tenants that -- like for every single
3 person that they house that they would get this --

4 MR. DURAN: Right. So one approach could be if
5 you someone who is -- who would be rejected --

6 MS. NEVILLE: Uh-huh.

7 MR. DURAN: -- as a way to incentivize the
8 landlord --

9 MS. NEVILLE: Right.

10 MR. DURAN: -- to take that one particular
11 tenant, you could then say, well, this tenant will qualify
12 for this safety net program --

13 MS. NEVILLE: Uh-huh.

14 MR. DURAN: -- so we could do it like that by a
15 case-by-case basis in response to rejections, you know, or
16 on the back end, to access the funds, you would have to
17 not only show us the unreimbursed costs for the actual
18 damages themselves, but then also lower your criteria, or
19 on the front end in general, if you want to participate in
20 this program, then you have to just lower on the front
21 end.

22 MS. NEVILLE: Right.

23 MR. DURAN: So there's a lot -- yeah, there's a
24 lot of things to consider.

25 MS. NEVILLE: Different options, uh-huh. And

1 then to the question about credit, so is there education
2 that happens, like, after -- you know, under the landlord
3 column, you know, if so many people are getting denied
4 because of rental arrears, do we go back and talk to the
5 landlords about this -- about the program and the voucher
6 and that the rent is covered, or --

7 MR. DURAN: I think that the local service
8 coordinator or service provider --

9 MS. NEVILLE: Uh-huh.

10 MR. DURAN: -- you know, they're the tenants'
11 best -- they're the applicants' best advocate, and so
12 hopefully we have done a good job in educating them about
13 the program to be able to tell the landlord, well, the
14 tenant portion of rent is only going to be 50 bucks, and
15 the program pays the balance of \$750 of the remaining
16 rent. So --

17 MS. NEVILLE: Uh-huh.

18 MR. DURAN: -- I think that -- I hope that the
19 referral agents are doing a good job of explaining the
20 program and then on our side, we also do an in-person
21 training for all of our property managers and owners who
22 participate in the program.

23 So hopefully we've done a good job of
24 explaining to them that this is a project-based voucher
25 and tenant portion of rent is generally very low and we

1 pay the difference.

2 MS. SYLVESTER: And I know that it probably
3 won't work for most of your folks, but there are some
4 folks that would qualify as homeless under HUD's program,
5 and you know, HUD's ESG Program, this is an eligible
6 expense, to go pay back rent owed a landlord in order to
7 house somebody.

8 So that would be something to look into, for
9 people who would qualify as homeless.

10 MS. YEVICH: And you are Megan Sylvester.

11 MS. SYLVESTER: Sorry. Megan Sylvester of
12 TDHCA. And we don't do that very often. We look at other
13 programs, but that could be something to look into.

14 MS. YEVICH: But the risk mitigation fund
15 paying off the --

16 MS. SYLVESTER: No, not the risk mitigation
17 fund. This is to the point of that sometimes people are
18 being rejected --

19 MS. YEVICH: Right.

20 MS. SYLVESTER: -- because they owe another
21 landlord money.

22 MS. YEVICH: Right.

23 MS. NEVILLE: And you said that's the HUD --
24 what did you call it?

25 MS. SYLVESTER: It's the Emergency Solutions

1 grant. It's --

2 MS. NEVILLE: Oh, okay.

3 MS. SYLVESTER: -- probably not going to work
4 for most folks because they won't qualify. If they've
5 been in a nursing home or a facility for a long time, they
6 don't --

7 MS. NEVILLE: Uh-huh, right.

8 MS. SYLVESTER: -- qualify as homeless.

9 MS. HISSAM: But we did -- what -- 50 percent
10 of our referrals by accident ended up qualifying as
11 homeless, right?

12 MR. DURAN: Around 40 percent are homeless or
13 at risk of homeless.

14 MS. HISSAM: Right. So it's probably, like, a
15 20ish?

16 MR. DURAN: Yeah, I don't know.

17 MS. HISSAM: Ish.

18 MR. DURAN: Yeah. But it is -- that is a good
19 point, that sometimes small amounts of money can go a long
20 way. Like, I used to work around foreclosure issues, and
21 the average amount owed on a foreclosure that caused the
22 tenants to lose their house is frighteningly low --

23 MS. HISSAM: Right.

24 MR. DURAN: -- like a couple hundred dollars --

25 MS. GREEN: Wow.

1 MR. DURAN: -- at times, and so you know, yeah,
2 cleaning up a previous landlord or a utility debt that is
3 acting as a hard barrier, if you had a couple hundred
4 bucks to throw at that problem, it could definitely --

5 MS. HISSAM: And this is ESG grants? So --

6 MS. YEVICH: Yeah. So you know, the State gets
7 a pot, but we can't spend it directly. We have to use it
8 for subs, so you've got to convince your local -- you
9 know, the local recipient that that's a good use of those
10 funds to partner with you.

11 But I know that the -- I think here in Austin
12 that they have a program like that with --

13 MS. HISSAM: Yeah. So that's great and I'm
14 curious if there's a way that perhaps we could get the
15 list of maybe referral agent entities who receive ESG
16 grants so we can maybe specifically reach out and say,
17 hey, I know that you guys are getting this. Have you
18 thought about this?

19 MR. DURAN: That's a great -- yeah, we --
20 that's a great point. We've -- that's something that's on
21 my lifetime to-do list --

22 MS. HISSAM: Cool.

23 MR. DURAN: -- so -- because the 811 Program
24 serves extremely low income people --

25 MS. HISSAM: Uh-huh.

1 MR. DURAN: -- so there's a lot of cross -- they
2 would dual-qualify.

3 MS. HISSAM: They are cross-pollination funds.

4 MR. DURAN: Cross-pollination.

5 MS. HISSAM: Yeah.

6 MR. DURAN: Yes. Thank you. That's a great
7 point, yeah.

8 MS. HISSAM: But if we can get that list back
9 for -- at least for me, it could be super duper helpful --

10 MR. DURAN: Yeah.

11 MS. HISSAM: -- to let them know.

12 MR. DURAN: Thank you.

13 MS. HISSAM: Thanks.

14 MR. DURAN: Okay.

15 MS. YEVICH: Was there anyone on the phone that
16 wanted to participate or add anything? I thought I heard
17 somebody want to chime in? Hearing none --

18 MR. DURAN: So yeah. So thank y'all for
19 y'all's feedback, and I'll continue to keep this group
20 updated on 811, the rule changes, and how the risk
21 mitigation fund policies start to shape up.

22 MS. LAVELLE: May I ask a question real quick?

23 MS. HISSAM: Yeah.

24 MS. LAVELLE: This is Tanya Lavelle with the
25 Hogg Foundation for Mental Health. I was wondering if

1 you're actually tracking the specific reasons why families
2 are backing out of the program? I think you mentioned
3 that they decided not to live there.

4 MS. GREEN: So we've had several who have
5 backed out and the primary issue -- when we first started
6 making referrals, there was only one property, which was a
7 townhome, and it wasn't really accessible to people with
8 disabilities.

9 The smoking issue was a barrier as well.

10 MS. HISSAM: Transportation, like you
11 mentioned, getting somewhere has been a big thing. Only
12 having third-floor units when we need a first-floor unit.
13 That's been a thing. Bedrooms, is that one as well? The
14 amount --

15 MS. GREEN: Uh-huh.

16 MS. HISSAM: -- the unit itself --

17 MS. GREEN: Yeah.

18 MS. HISSAM: -- doesn't match the needs of the
19 family and/or person. That's been a thing. It's usually
20 pretty practical means overall.

21 MR. DURAN: Yeah, and then there's a lot of
22 folks who, when they sign up for the program, they check
23 all the --

24 MS. HISSAM: Check every box.

25 MR. DURAN: -- properties and --

1 MS. HISSAM: Every box, because there's a lot
2 of them.

3 MR. DURAN: -- yeah, and so with a vacancy pops
4 up in El Paso and you live in Houston, they're, like,
5 never mind.

6 MS. HISSAM: Like my great uncle lived in El
7 Paso, and they thought about it, and they're, like, no --

8 MR. DURAN: Right, right.

9 MS. HISSAM: -- you know, so -- but it takes a
10 while to figure that out.

11 MR. DURAN: But your larger question of, are we
12 tracking the reasons -- I think so. I'll definitely look.

13 MS. LAVELLE: Okay. Thank you.

14 MS. ZATARAIN-FLOURNOY: Spencer, this is
15 Josefa Flournoy with ACOG. So do any of these ever come
16 back? Is there a limitation on coming back? And do these
17 families know that it's not necessarily any easier to get
18 a unit otherwise?

19 MR. DURAN: Right. So all the referral status
20 that are denied, except for the LIFT program, they would
21 be -- they would stay on the larger list and then they
22 would have the opportunity to still be eligible for other
23 properties, and then if they declined a unit, then they
24 would still be the next in line at that property.

25 MS. SYLVESTER: So like, for example, in the

1 scenario where the family really needed a two-bedroom, but
2 only a one-bedroom came up, they're still the next one on
3 the list. Right?

4 MR. DURAN: Yes, yes.

5 MS. SYLVESTER: Is that -- yeah.

6 MR. DURAN: Yes. I mean, bedroom size is
7 slightly more tricky because a lot of times, well, you
8 know, unless your bedroom changes, or your family size
9 changes, then your unit size will not change either. So
10 that's one of the -- yeah, you'd stay eligible.

11 MS. ZATARAIN-FLOURNOY: And if they use the
12 program, can they come back? Or can they come back?

13 MR. DURAN: Yeah. They're welcome to reapply.

14 A lot of times people leave because they got a better
15 subsidized housing deal. Like they got a housing choice
16 voucher that allows for mobility, whereas our program is
17 tenant based and does not allow for mobility.

18 MR. SYLVESTER: Yeah, project-based.

19 MR. DURAN: Oh, project-based. Yeah.

20 MS. NEVILLE: The 106 that are in process --
21 what does that mean?

22 MR. DURAN: They have been referred to
23 properties, and as of yesterday, we haven't heard back
24 from the property manager or the applicant about what
25 their status is.

1 MS. NEVILLE: So when you say, they've been
2 referred, there's an actual unit of family?

3 MR. DURAN: Yes.

4 MS. NEVILLE: Okay.

5 MS. ZATARAIN-FLOURNOY: And are -- these are
6 the access vouchers? Is that --

7 MS. HISSAM: No.

8 MR. DURAN: This is a Section 811 project
9 rental assistance.

10 MS. ZATARAIN-FLOURNOY: Okay. So it's an 811
11 voucher? Is that --

12 MR. DURAN: It's -- well, we don't really call
13 it a voucher. It's 811 project rental assistance.

14 MS. ZATARAIN-FLOURNOY: Okay.

15 MR. DURAN: It's associated with these specific
16 participating properties.

17 MS. ZATARAIN-FLOURNOY: And there are still
18 current funds for that? Is this ongoing?

19 MR. DURAN: Yes.

20 MS. ZATARAIN-FLOURNOY: Okay.

21 MR. DURAN: Yes.

22 MS. GREEN: Thank you. We will move to an
23 update on the definition of service-enriched housing.
24 Elizabeth?

25 MS. YEVICH: Yes. And much mirroring what

1 Spencer just said about the integrated housing rule to
2 remind everyone this is the definition of service-enriched
3 housing which the Council agreed upon back in 2010. It
4 was out for rule review and I think the last time we met
5 in May, we had said we were going to take it to the May
6 Board meeting, and just like the integrated housing rule,
7 it went before the Board, was approved for the Board at
8 the May 25 meeting, went to the Texas Register.

9 It's been out for public comment almost about
10 five weeks now. Just like the integrated housing rule, it
11 closes today at five o'clock, and unlike the integrated
12 housing rule, we have one comment. So that's where we
13 differ.

14 I think in your packet, Kali put in the rule,
15 and if you could look at the language and where it starts
16 in the bold print, "Service-enriched housing is defined as
17 integrated, affordable, accessible housing. It provides
18 residents with the opportunity to receive on-site or off-
19 site."

20 The comment was, and I will read you that --
21 they would like to strike the words, "or off-site." And
22 it said, we don't believe -- the commenter said that "we
23 do not believe that housing providing services 'off-site'
24 is considered service-enriched housing.

25 "When services are off-site, it's difficult to

1 confirm if the appropriate services are being provided nor
2 monitor the level of quality of services. Furthermore,
3 off-site services require transportation which could be a
4 barrier for a resident to receive the appropriate
5 services. We believe the designation of service-enriched
6 housing should carry a meaningful benefit and only on-site
7 appropriate services can effectively accomplish this
8 designation."

9 This came from National Church Residencies. So
10 I wanted to open this up to Council and what are your
11 thoughts?

12 MR. GOODWIN: Well, I know Michelle Norris who
13 is a VP for development, and I'm surprised she would say
14 that.

15 MR. WILT: I would say approximately located.
16 If you don't want to say, off-site, just to where it's not
17 a reasonable barrier to get health services.

18 MR. GOODWIN: Remember the place we went to in
19 El Paso, which -- it was a services facility for persons
20 with disabilities, and none of them lived there, but that
21 service center provided pick-up and transportation and
22 medication monitoring and physical therapy and everything
23 else to the community.

24 And to say that we're now going to throw that
25 away, because if you don't take it to your property, we're

1 not going to let you do it -- I think you're going to lose
2 a tremendous asset in many communities.

3 MR. WILT: I get what they're saying, because
4 service-enriched housing isn't service enriched if it's a
5 mile and a half away or two miles from --

6 MS. GREEN: But it could be --

7 MR. WILT: -- the health facility.

8 MR. GOODWIN: If it provides --

9 MS. GREEN: -- and again, I think if you have
10 someone who is assisting tenants in making that
11 connection --

12 MR. WILT: Right.

13 MS. GREEN: -- there are lots of services.
14 You're not going to have a medical clinic set up shop --

15 MS. HISSAM: Right.

16 MS. GREEN: -- in a housing project, but if you
17 have a service coordinator who can help arrange Medicaid
18 transportation to the clinic or if you can arrange the
19 Triple A transportation service to get somebody to a
20 senior center, there's value in that.

21 I think what she's saying is that you don't
22 want the property saying, oh, we're service-enriched, and
23 you know, here are 13 great agencies that are, you know,
24 located in east Texas. Good luck with that. So I hear
25 what she's saying, but I think it's valid to include off-

1 site.

2 Again, what I'm looking for is someone who can
3 help tenants access those services regardless of the
4 location, but I think if you limit services to those that
5 can be made available on-site, we're being too
6 restrictive.

7 MR. WILT: So could you, say, receive on-site
8 or providing access to off-site?

9 MS. GREEN: Yeah, yeah, I like that.

10 MS. HISSAM: Or coordinate access.

11 MS. GREEN: And coordinate access too. I like
12 that.

13 MS. SYLVESTER: It's easier for changes to be
14 made if we receive the specific comment, written comment.

15 MS. YEVICH: Right. So if we're going to
16 change this, then again, and I'm glad you're here,
17 would -- because this is Council's rule, but it's through
18 TDHCA, would we then have to vote on it? Would it have to
19 go back to the Texas Register, if we're going to change
20 this wording?

21 MS. SYLVESTER: I would want to check with our
22 general counsel. I think that if this is -- if we
23 received a comment that said what Michael just said, that
24 you know, that is something we could consider and it would
25 be up to Beau whether that's beyond the scope.

1 I wouldn't think it would be, but he is the --
2 he's the boss.

3 MS. YEVICH: So if it's beyond the scope of
4 what this definition is, it would have to open back up for
5 another four weeks of public comment and it would --

6 MS. GREEN: And I would just see it as bringing
7 greater clarity the issue.

8 MS. SYLVESTER: Yeah.

9 MS. GREEN: It's really not changing at all.

10 MS. SYLVESTER: Yeah. I mean, like I said, I
11 don't want to speak for my boss, but I do know that staff
12 can't just make that change at this point, that we would
13 need a written comment saying that.

14 MS. ADAMS: Can it come from a Council member?

15 MS. SYLVESTER: It can come from a Council --
16 it can come from anyone. The public comment is open until
17 five o'clock.

18 MR. GOODWIN: Going back to this thing being
19 beat to death with a club, my recollection is that
20 aspect -- by saying, off-site, there was a connotation
21 that the resident whom you say had access -- not just, oh,
22 it's across town, so you can go.

23 It had the whole bucket with it. These
24 services for your particular disability are available over
25 there, and the system gets you there and back --

1 MS. YEVICH: That's -- yes, from --

2 MR. GOODWIN: -- and that's --

3 MS. YEVICH: -- going back to 2010, I believe,
4 and it's --

5 MR. GOODWIN: -- we tried to keep it fairly
6 concise without having so many words in there that --
7 you've got 17 comments before you get to the end of the
8 sentence --

9 MS. YEVICH: Right.

10 MR. GOODWIN: -- but to be inclusive by saying,
11 you can do it either on-site or off-site at the choice of
12 the resident, and if it's off-site, that connotes the
13 ability for the resident to be there, and however that
14 happens, whether they have a family member or they can
15 drive themselves or there is a service that says, part of
16 our services, we transport you back and forth.

17 MR. WILT: Right. So it could be -- have
18 access, or provides access and coordinates off-site. I
19 think you said, coordinate access --

20 MS. HISSAM: Yeah.

21 MR. WILT: -- because then, if you're providing
22 access, but not --

23 MR. GOODWIN: Yeah, but the housing --

24 MS. HISSAM: But --

25 MR. GOODWIN: -- is not going to the

1 coordinated -- the housing --

2 MR. WILT: I thought that's what Doni was
3 saying.

4 MR. GOODWIN: -- the coordination is going to be
5 done by the service providers.

6 MS. HISSAM: Which naturally should coordinate
7 with the housing --

8 MR. GOODWIN: Okay. It's not the housing
9 manager's job to go call a taxi. Okay?

10 MR. WILT: But then is it service-enriched
11 housing if they're not providing that service?

12 MR. GOODWIN: That was part of the issue -- is
13 that -- I'll give you an example even deeper than this.
14 811 housing before TDHCA owned it was privately owned.
15 Generally, it was sponsored by the national mental
16 health -- local organizations, not national.

17 The site manager is not qualified nor can you
18 take the liability to make them the case manager. They
19 recognize they have a resident with a problem, and they
20 call a case manager or a family member and they're
21 responsible for managing.

22 MS. HISSAM: That's the coordination.

23 MR. GOODWIN: We had an area, a room, that if
24 someone was bringing something on that was available to
25 them, and so the coordination was saying, oh, yeah, you

1 can have the room for an hour. But it was not the
2 manager's responsibility to get a resident to their off-
3 site services.

4 You can't -- that's too much liability. You
5 can't lay that on them. Because if that person doesn't
6 make it there and back, you all of a sudden have a private
7 owner that is facing a multi-million-dollar lawsuit. So
8 you killed my grandmother.

9 MR. WILT: Which is -- that's perfectly fine.
10 They don't have to do that. They just can't be called
11 service-enriched housing.

12 MS. GREEN: And I don't think we're saying that
13 the housing folks have to do that, but in order for it --

14 MR. GOODWIN: Yeah, that's what I'm saying.

15 MS. GREEN: -- to be service-enriched --

16 MR. WILT: No, just coordinated. Right. To be
17 service-enriched --

18 MS. HISSAM: Yeah, you guys, I think, are
19 speaking the same language here.

20 MR. WILT: Right.

21 MS. GREEN: Yeah.

22 MS. HISSAM: They're not making -- the
23 expectations of service-enriched housing is not to make
24 the housing people --

25 MS. GREEN: Responsible.

1 MS. HISSAM: -- responsible. They --

2 MS. GREEN: We're just saying that the
3 tenants --

4 MR. GOODWIN: Well, but then the --

5 MS. GREEN: -- have access to someone --

6 MR. GOODWIN: -- on-site is coordinated too, but
7 we don't say, coordinated on-site or coordinated off-site.
8 It's connoted in the fact that if you add that, there is
9 a method in place to provide it.

10 MS. HISSAM: And that they should be
11 responsible --

12 MS. GREEN: But it's done by outside folks, the
13 service agency, and that's why we went through this whole,
14 I'll say, mish-mash of having concentrated service
15 providers, where you get 17 people that are providing
16 various services all coordinated through this program, and
17 everybody knows who they are.

18 MS. HISSAM: In the past, but I think -- I
19 totally see what -- like, what everybody said about where
20 the comment is meaning -- but two -- like, two of the main
21 pinnacles of permanent supportive housing is, one, choice
22 and two, while integrated housing and services are
23 together, that they do not have to be co-located on site,
24 because inherently, if you know your doctor is going to
25 see you walking home from the grocery store, when he

1 really has no business being involved in that level of
2 your life, it's a choice to have a separation from that.

3 So it's supposed to be -- you can have service-
4 enriched housing in terms of having clinic on-site, like
5 Mobile Loaves and Fishes, but really, it should be an
6 option. Do I want to live in a place that has that, or do
7 I want to live in a place where I can be coordinated and
8 go off-site.

9 So I see what they're saying, but if we cut
10 off-site, it just wouldn't speak to -- there wouldn't be
11 any service-enriched housing, because there isn't a lot of
12 on-site places. So --

13 MS. NEVILLE: It seems like there could be,
14 though, an opportunity to strengthen that last word. So
15 something -- more coordinated, off-site, health-related
16 services, or access to the coordination of -- something,
17 like, works with a little bit, just so that it's a little
18 stronger, so it's not, like, just a property that's
19 saying, here's a list of community resources -- right --
20 and that Council is servicing.

21 Because that's not the intent.

22 MS. GREEN: Right.

23 MR. GOODWIN: But to get into the program in
24 the first place, the property has to already have the
25 connections.

1 MS. NEVILLE: Right.

2 MR. GOODWIN: It's not a list. It is a
3 connection with a, what I'll call it, community-based
4 organization that is buying in on the other side of the
5 special services. And I'll remind you of my old cliché.
6 An elephant was a racehorse that was designed by
7 committee.

8 By the time everybody got -- saying, we need --
9 it needs bigger feet, because it needs to stand on them.
10 Well, you need a thing back here to swat the flies off.
11 And you need the ears up here so they can fan themselves
12 in hot weather.

13 MS. NEVILLE: It's well taken. I think,
14 though, the word -- I had thought of the word, connection,
15 as well. Like, I don't know if that could be something to
16 put in there, just that -- to make it clear that the
17 housing property manager is not the one responsible for
18 providing those services, but that in and of itself, this
19 housing property has formal connections with resources.

20 MS. HISSAM: That's what I mean. Right.

21 MS. NEVILLE: Because that's more fundamental
22 to it. Right.

23 MS. HISSAM: Yeah. Provides residents with
24 assistance to coordinate an opportunity to receive on-site
25 and off-site -- they just need to be a part of the

1 treatment team, but not have -- as the housing manager,
2 they just have to be a formal -- be comfortable with
3 calling these people, not just say, hands-off. I can't
4 help you.

5 MS. ZATARAIN-FLOURNOY: Typically, in most of
6 the communities that I visit -- this is Josefa Flournoy
7 again -- typically, most of the communities that I visit
8 and work with that are -- have some type of affordability
9 component, the great many of the majority of them are
10 either required to have a service-coordinating function
11 under their LURA, or because of, you know, their mission
12 and vision statement, they have a housing-coordinating
13 function.

14 And it's the service coordinator that is the
15 connection to the services, and Mr. Goodwin is correct
16 when you note that the property management should not be
17 the responsible party for coordinating any of these types
18 of services because it's not in either party's favor.

19 It's not in the property management's favor to
20 have the responsibility, nor is it on their resident
21 tenants' favor to have the property management to be their
22 service coordinator, because property management is the
23 business end of this relationship, and the residents need
24 someone who is unbiased in that regard.

25 And so as they work with -- when the property

1 management works with residents, they can't be both. They
2 can't be, like, looking out for their needs, their
3 interests, knowing what their health conditions are, you
4 know, delving into their personal information, like Social
5 Security and other health information, and also be the
6 person that is, you know, sending out the late notices or
7 issuing fees and fines.

8 And so the service coordinator has that
9 function. Many times, I find that the property that --
10 even though the communities and properties have this
11 responsibility to have the service coordinating function,
12 they don't have one on-site, and it's typically the other
13 half of the responsibility for a leasing agent or an
14 assistant property manager.

15 But there's a conflict with that. They're not
16 meeting the responsibility and their obligation to provide
17 the service-coordinating function. Recently, in San
18 Antonio, as we worked through an eight -- approximately an
19 eight-month process for housing -- with the Housing Policy
20 Task Force, we had a technical working group that I was
21 appointed to serve on, and we discussed, you know, the
22 needs of special populations, disabled, elderly and
23 others, you know, that are often faced with these
24 difficulties and have these challenges, and so we
25 determined that the service-enriched communities, as we

1 ultimately referred to them, was really something that was
2 of importance to us and that we needed to create
3 priorities for.

4 And so this kind of speaks to the on-site/off-
5 site portion of the discussion, where not only did we
6 choose not to say, housing, but we chose instead,
7 communities, because that gave us the opportunity and
8 flexibility to reflect how important it was to have
9 service coordination, not only for multi-family units and
10 that type of a community, but also for established
11 communities where many of these populations currently live
12 or want to live, or will ultimately have to choose a unit
13 in.

14 And so the service coordinating in the
15 community concept was established, communities that would
16 be reinvested in, and so that there was -- that there --
17 because a service-enriched portion of what these
18 populations need is so significant and so important, that
19 we chose not to go with housing necessarily, but with
20 communities.

21 And so ultimately, I think it will probably be
22 reflected in both ways, like, it will probably say,
23 service-enriched housing communities. But yes, it
24 definitely ought to be an on-site and off-site. And then
25 just kind to close this off, and one other opportunity

1 that I had to offer, you know, this expression of
2 residence need on-site services to the degree that, as we
3 build, maybe there ought to be larger units or spaces
4 where providers can make themselves available on-site.

5 There was a note that there might be something
6 that might preclude, say, a health provider to have an
7 actual presence. So whether it was on a rotating basis or
8 some other basis, and so I don't know if that's attached
9 to the QAP.

10 That's something that I still need to follow up
11 and research on. And so if we say, only on-site, which
12 was the original -- one comment on this change, only on-
13 site, then we're -- it's going to paint the situation into
14 a corner.

15 And so definitely -- but maybe something as
16 simple as, and/or, might be easier than trying to change
17 the entire statement.

18 MS. NEVILLE: Yeah, I agree to definitely
19 include both on-site and off-site. I'm wondering if we
20 just added, coordinated. So to receive coordinated on-
21 site or off-site health-related --

22 MS. HISSAM: Right.

23 MS. NEVILLE: -- that that would kind of get to
24 the point.

25 MS. HISSAM: We just need to be involved.

1 MS. YEVICH: Right. And thank you. And this
2 comment had just come in. And to sort of recap and
3 clarify, because it's open for public comment now, the
4 only comment we have received is to strike off-site, and
5 from what I'm hearing here, the reasoned response that
6 TDHCA would write, that the Council is agreeing, is not to
7 strike that.

8 However, in order to add something, we would
9 need a public comment officially received by five o'clock
10 this evening. So just so everybody understands the
11 process, because this is out for official public comment.

12 So any --

13 MR. GOODWIN: You would also have to go back
14 and get a quorum to be --

15 MS. GREEN: Well, but this group --

16 MR. WILT: Well, anybody can do it on their
17 volition.

18 MS. GREEN: -- this group doesn't have to take
19 action.

20 MR. WILT: Right.

21 MS. YEVICH: There we go. No, no. He's right.

22 MS. HISSAM: It's just the --

23 MS. YEVICH: Yeah, and thank you for clarifying
24 that. Actually, we would not need quorum for that,
25 because it goes out through TDHCA's discussion and it's

1 Council's rule -- I mean, it's Council's definition. It's
2 very confusing. But it's under -- it's TDHCA that takes
3 the rule out.

4 So Doni is correct, and that's a great
5 question. So is the complicated process clarified? I
6 made it more complicated. And Megan, anything else to add
7 on that?

8 MS. SYLVESTER: No.

9 MS. YEVICH: Okay.

10 MS. GREEN: Good conversation.

11 MS. YEVICH: Yeah.

12 MS. GREEN: All righty.

13 MS. YEVICH: Okay.

14 MS. GREEN: Public comment. Any other public
15 comment?

16 (No response.)

17 MS. GREEN: Okay. Seeing none, general
18 updates. Kali, do we have a date --

19 MS. YEVICH: Yeah.

20 MS. ADAMS: Yes. We are proposing a future
21 meeting date for Wednesday, October 24. Does anyone have
22 any issues with that?

23 MS. YEVICH: That you know of right now?

24 MS. ADAMS: Yeah. If not, are there any
25 requested agenda items?

1 MS. HISSAM: Okay. Yeah.

2 MS. ADAMS: Are there any requested agenda
3 items for our next meeting?

4 MS. GREEN: I'm interested in hearing more
5 about the rent averaging, but it sounds like there's no
6 clear guidance so --

7 MS. ADAMS: Okay. All right.

8 MS. GREEN: -- I think that answers the
9 question.

10 MS. ADAMS: Yeah.

11 MR. GOODWIN: Another -- the -- I think the
12 issue is, if you're going to do that, to get the IRS or
13 something in the tax laws as to how you handle your taxes,
14 but from a landlord's standpoint, there's no reason --
15 that if I'm going to pro forma, I can't income average. I
16 can set the rents wherever I want, and in fact, we've done
17 that on a couple of properties, where we've lowered the
18 rents on a couple of the units for affordability that are
19 the same, that are the same -- that are -- we'll, say, \$50
20 a month higher for somebody that's not in that affordable
21 category.

22 MS. SYLVESTER: I think one of the big
23 outstanding questions, and this has been discussed with
24 the developer community, is that the -- so when you
25 declare a tax credit project, you have a project, and the

1 project can be a building.

2 It can be a group of buildings. It can be, you
3 know, kind of whatever. And the other two choices, the
4 historical choices, specifically allow those units to
5 float within your project, but the way this law was
6 written, it doesn't specifically say that, and so the
7 question is, does it have to be a fixed unit, like if
8 this -- if I declare this unit as a 30 percent unit, am I
9 now declaring that to be, that physical unit a 30 percent
10 unit for the entire time, or can it float as it in the
11 other choices?

12 And that's -- from a claiming credit
13 perspective, that's a big unknown. And there's some other
14 more minor things, but that's a big one.

15 (Chime sounds.)

16 MS. HISSAM: It seems like our signal.

17 MS. GREEN: Pass the collection plate.

18 MR. GOODWIN: I don't know if you all saw the
19 Facebook post of a person my age technologically working
20 and it's a sloth. I had no idea how to make this thing
21 mute, not --

22 MS. GREEN: Okay.

23 MR. GOODWIN: It does what it wants.

24 MS. HISSAM: Well, and it did perfectly, I
25 think.

1 MS. GREEN: Any other business? Seeing none,
2 we will adjourn at 11:49.

3 MS. HISSAM: Wow. Good.

4 MS. GREEN: Thank you all.

5 MS. YEVICH: Thank you, Doni.

6 MS. HISSAM: Thank you.

7 MS. YEVICH: Thank you all.

8 (Whereupon, at 11:49 a.m., the meeting was
9 adjourned.)

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C E R T I F I C A T E

MEETING OF: Housing and Health Services Coordination
 Council

LOCATION: Austin, Texas

DATE: July 11, 2018

I do hereby certify that the foregoing pages,
numbers 1 through 90, inclusive, are the true, accurate,
and complete transcript prepared from the verbal recording
made by electronic recording by Elizabeth Stoddard before
the Texas Department of Housing and Community Affairs.

DATE: July 15, 2018

(Transcriber)

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