

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

HEALTH AND HUMAN SERVICES
COORDINATION COUNCIL MEETING

Room 501
Brown Heatly Building
4900 N. Lamar Boulevard
Austin, Texas

May 15, 2012
10:00 a.m.

COUNCIL MEMBERS PRESENT:

TIMOTHY IRVINE, Chair
PAULA MARGESON, Vice Chair
STEVE ASHMAN (for Marc Gold)
DAVID DANENFELZER
KENNETH DARDEN
MARC GOLD
MIKE GOODWIN
AMY GRANBERRY
DONI GREEN
JIM HANOPHY
JEAN LANGENDORF
JONAS SCHWARTZ
LAURA VANONI
MARK WYATT

ON THE RECORD REPORTING
(512) 450-0342

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PROCEEDINGS

MR. IRVINE: I call to order the Housing and Health Services
Coordination Council meeting for May 15, 2012 at 10:00 a.m.

I'd like to begin by calling the roll. Mark Wyatt?

MR. WYATT: Here.

MR. IRVINE: David Danenfelzer?

MR. DANENFELZER: Here.

MR. IRVINE: Jonas Schwartz?

MR. SCHWARTZ: Here.

MR. IRVINE: Jim Hanophy?

MR. HANOPHY: Here.

MR. IRVINE: Steve Ashman?

MR. ASHMAN: Present.

MR. IRVINE: Laura Vanoni?

MS. VANONI: Here.

MR. IRVINE: Sherry Gotthart-Barron is not here.

Doni Green?

MS. GREEN: Here.

MR. IRVINE: Michael Goodwin?

MR. GOODWIN: Here.

MR. IRVINE: Amy Granberry is not here.

Paula Margeson?

MS. MARGESON: Here.

MR. IRVINE: Felix Briones is not here.

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Kenneth Darden?

MR. DARDEN: Here.

MR. IRVINE: And Jean Langendorf?

MS. LANGENDORF: Here.

MR. IRVINE: I confirm that we do have a quorum.

As is our custom, this is a meeting where we will be keeping a transcript so this will all be documented, we certainly welcome and encourage public participation and we will allow for general public comment at the beginning of the meeting and also if you would like to speak on a specific agenda item that's a more effective time and place to deliver public comment once the agenda item is out there for consideration, you're welcome to give remarks at that time.

Does anybody wish to make general public comment?

(No response.)

MR. IRVINE: Okay. Hearing none, we'll move on to the first item and that's the approval of the minutes. The chair would entertain a motion to approve.

MR. GOODWIN: So moved.

MR. HANOPHY: Second.

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

(No response.)

MR. IRVINE: Hearing none, all in favor say aye.

(A chorus of ayes.)

MR. IRVINE: Any opposed?

(No response.)

MR. IRVINE: The motion carries unanimously, the minutes are

adopted.

The next item is the discussion and approval of the council's budget recommendations, and as we get into the budget, I would like to remind everybody that this is an unusual budget in that we are a council, not an agency, so obviously the appropriations do flow through agency budgets. We must be mindful of the need to keep to the constraints imposed by our statutes.

I think that the statutory charge to this council has got some very specific directives and those are the things that we need to accomplish with our budget. We also have, as always, the appropriations question, and I believe it's pretty clear that our budgetary funds are appropriated to the enumerated activities of the council, but we really could not go outside of that.

At this time, Elena, did you want to talk about our proposed budget recommendations?

And as each person comes to address the council, please state your name and the agency you represent and the capacity in which you're here.

MS. PEINADO: Hello. My name is Elena Peinado. I'm the senior legislative advisor for the Texas Department of Housing and Community Affairs.

I'm here because at the last meeting, the March 4 council meeting, members had requested visit with the Legislative Budget Board regarding the degree of latitude the department had with respect to general revenue funds appropriated to TDHCA for the purpose of providing support to the council.

As many of you may not deal regularly with state budget matters, before addressing that question, I'd like to provide some basic background information. First off, please allow me to explain who what the Legislative Budget

Board, or LBB, is for those of you, again, that may not deal regularly with them. As their name implies, the LBB is an agency that answers to and works for the Texas Legislature.

They're essentially the number crunchers. They are the ones that come up with the first draft of the budget as the legislators receive public testimony, receive bills that they make recommendations, they are the ones that come back and say this is how the numbers are going to look and do that final budget, when people file legislation, they're the ones that say this is how much it's going to cost. Every state agency submits their budgets, their performance measures, their operating budgets and other fiscal matters to the LBB. So that's their role in this landscape.

In addition to their budget-writing role, the LBB makes policy recommendations at the beginning of each legislative session, of course, every two years, and it's presented in a document called the Government Effectiveness and Efficiency Report. The 2009 report recommended the creation of this council. Some legislators heard the testimony, read that report, filed legislation and created this council through Senate Bill 1878 in 2009. That was the 81st Legislature.

Then during that same legislative session, there was something put in the General Appropriations Act that gives the funding for the state, something called a rider that said if this bill passed, TDHCA will receive these funds to provide staff support and pay travel expenses for this council. And then they continued that funding this past legislative session, so that was effective September 2009 and then they continued it on, they approved it.

The state general revenue that TDHCA uses for the council support, like most state general revenue -- and another thing I want you to understand state

general revenue, we receive state general revenue, money from the state, not federal government, state general revenue -- they have some very specific time constraints that I think would be helpful to for you to know as you're thinking of what uses you would like to identify to TDHCA.

Normally, state general revenue appropriations have been given very specific time constraints. They're appropriated for a state fiscal year and state fiscal years begin September 1 and ends August 31. So when you get an appropriation for a state fiscal year, you have to have it encumbered -- that means under contract or otherwise expended -- by the end of that fiscal year, August 31. You have to have it at least under contract by the end of that fiscal year under normal circumstances, and then you have to expend it all within the next fiscal year. So you've got one year to encumber, put it under contract, two years to expend. So for state fiscal year 2012, we got our money September 1 for council support, and we have up to August 31 to spend it or encumber it and then up to August 31, 2013 to expend it all. If that doesn't happen, then the money what's called swept and goes back to state coffers. So those are the time constraints that I wanted you to be aware of.

So when I visited with our liaison in the Legislative Budget Board about what latitude we have for these funds, the question that emerged was: Has the council performed all the duties, completed all the duties statutorily assigned to it? So when you go through it, if we wanted to use these funds for something such as the issue was for direct assistance, we would have to establish that the council had already developed and implemented policies to coordinate increased state efforts for service-enriched housing, that we've identified the barriers preventing service-enriched housing, that we've developed a system to cross-educate selected staff from the state

housing agencies and the health and human services agencies, that we've also identified opportunities for state agencies and health services to provide technical assistance and training to local housing and social services, health services agencies, and also those performance measures.

So when we're looking at the uses of funds, we have to look at those statutory duties that we have been given and we have to look at the timing issues discussed. So as you're looking at September '12 funding that we received for support of the council, we're in mid May, we have up until August 31 of this year to encumber it, and we have to encumber it to something that we think can reasonably be expended by August 31, 2013.

My understanding is that one of the things that has been discussed is having a vendor that will look at best practices and make very specific recommendations for use of state resources, and given these time constraints, it would probably be prudent for TDHCA and the council to make decisions sooner rather than later with respect to these funds.

And with that, I'm closing my comments and opening up to questions that you might have.

MS. LANGENDORF: How many FTEs are associated?

MS. PEINADO: I believe it's three. I can verify that.

MS. LANGENDORF: How many do we have?

MS. PEINADO: One.

MS. LANGENDORF: Are we going to fill more? And was it added to the agency, the FTEs, or was it specific to the council?

MS. PEINADO: Added to the agency. The funding and the FTEs

were appropriated to the agency.

MS. LANGENDORF: So the agency is two short?

MS. PEINADO: In terms of FTEs associated with the council. Is that correct?

MR. WYATT: So there's two open FTE spots.

MS. PEINADO: No, not at this point.

MR. IRVINE: Would you come up so that we can get you on the record? Please state your name.

MS. YEVICH: Elizabeth Yevich, Housing Resource Center at Texas Department of Housing and Community Affairs.

And Jean, and most of you might remember, when we first started, we had Ashley Schweickart as the coordinator, we had Marshall Mitchell and then we had David Johnson. And then David Johnson ended up being transferred to another area within the agency, and then after about a year, Marshall retired. Suzanne Hemphill then took over as the data person for the council, and then Suzanne ended up moving over to the HOME Division in the agency. And at that point, I think all of you know, Ashley Schweickart has been phenomenal in this position. We realized that the council really only needed one person.

MR. DANENFELZER: So the FTEs are no longer available?

MR. IRVINE: The FTEs are available but we do not see a present need for additional staff to serve the council as it's currently conducting its business.

And let the record reflect that Amy Granberry has joined us too.

MR. HANOPHY: So have you re-budgeted based on not filling those positions, and are you targeting those funds to be spent elsewhere?

MS. YEVICH: Those funds are now included in the money that we've been talking about here since September. Correct.

MR. IRVINE: We're in the process of preparing our biennial operating budget and legislative appropriations request, strategic plan, all of those wonderful things that we go through in the alternate year cycles, and at present we believe that the staffing is appropriate to the activities of the council. The additional funds that were appropriated are available for the specific enumerated duties of the council, things like cross-training so that I understand the services that other agencies provide and they understand the housing services that our agency provides and so forth, and not just training at the state level but also getting that kind of comprehensive cross-training out to local providers.

MR. ASHMAN: It seems like you were budgeted \$450,000, and I think that was the fiscal note for this. Are you going back next session for \$450- and reprogram the dollars, or are you going to reduce that amount?

MS. PEINADO: And also to clarify, the funds that were appropriated for that, they're being used for the staff, but I believe that that was because -- I think that the funding that is under discussion now is because we're not fully utilizing all the FTEs. Is that correct?

MS. YEVICH: The remaining what would have been budgeted for the salary is included in the amount.

MR. ASHMAN: Right. I remember a few months ago it was like a little over \$100,000 or something like that.

MS. YEVICH: Exactly.

MR. ASHMAN: The question was for the next biennium are you going to go back for the \$450- with three staff, or change the staffing level and then use the money for some other, are you going to reduce the request?

MR. IRVINE: We would anticipate there would be a roll forward in the base budget.

MS. PEINADO: Alternately, it's going to be up to -- we'll roll forward a base budget, as Tim said, but we are going to be -- it's going to be dependent on what direction we get from the legislature, and the legislature oftentimes will tell us what our base general revenue is going in, if you will, to play with in the base budget, and then the LBB with the Governor's Office, they determine that base amount, and then during the actual session, the legislators themselves decide what our funding is. So we'll roll forward but what you might see might be we might be directed to reduce our general revenue by a certain amount. That's not untypical.

MS. LANGENDORF: We haven't been directed as such at this time?

MS. PEINADO: Not yet.

MS. LANGENDORF: But I know probably everybody thinks that's coming. Right?

MS. PEINADO: And they'll give is a target for general revenue and then we have to look within what we have here.

MS. LANGENDORF: So basically the question, I think, that was raised last time was whether or not we could use some of the money to spur development or use it in direct service, and the answer is no.

MS. PEINADO: Yes. The answer is we have to show that -- if we

have no fulfilled the duties of the council, then we have to somehow justify and they're going to go and look at that statute when we ask to use the funds.

MR. IRVINE: Let me clarify. Even if we have fulfilled the duties of the council, if there were available additional funds, they can only be spent for the specific enumerated duties of the council.

Well, to borrow a phrase from my father-in-law, we're trading daylight for dark, and as Elena said very eloquently, we have a pressing deadline of fiscal year-end, last day of August, to get funds under contract, i.e., obligated, and one of the significant measures that we have under consideration is interest in procuring a vendor, and would like for Ashley Schweickart to update us on that, please.

MS. SCHWEICKART: Thank you. My name is Ashley Schweickart, coordinator of the Housing and Health Services Coordination Council.

So what is in your packets and was emailed electronically is the draft scope of work section of a request for proposal based on the feedback received from the council at their last meeting which was to pursue the recommendation that was made by the Housing Committee on a comprehensive analysis of service-enriched housing financing and development practices.

So using that recommendation that was made by the council, a request for proposals has been drafted, and this is the scope of work section of that draft. I was told by the director of our procurement office that I cannot bring the entire request for proposals to a public open meeting, but the main section is before you now.

And basically, it is up to the council if you have any feedback regarding the content within the scope of work section, but I believe that what the intention is in terms of the timeline, if we want to move forward with putting this out

here, putting the request for proposals out into the world and procuring a vendor, we would need to move forward with a definitive decision of this council to make that recommendation to TDHCA. So is there any discussion around the scope of work?

MS. MARGESON: If it's not very lengthy, I would like to hear it because I don't have it in front of me.

MS. SCHWEICKART: Okay. How about I summarize?

MS. MARGESON: Summarize, okay.

MS. SCHWEICKART: I'll summarize. So the scope of work contains three main pieces. The first is an analysis of nationwide best practices in service-enriched housing financing and development. So basically, it's research and outreach to those five states and to developments that have been utilizing the funding of those five states that have a service-enriched housing type of program.

The second component is recommended actions, so with the outside vendor that we procure and looking at the research that they've done with those five states that administer government assistance for the development and operation of service-enriched housing. The vendor is then responsible for developing recommended actions to the council, and so those recommended actions could address the regulatory, administrative and financial barriers to service-enriched housing in Texas and how those barriers could possibly be overcome.

And then the third component of what the outside vendor would be procured to do is to develop and present some educational training materials, so looking at what has been best practices elsewhere, educating both the state housing and health service agencies staff as well as educating local organizations that are interested in pursuing service-enriched housing.

Those are the three main components of the scope of work.

MR. HANOPHY: This may just reflect my ignorance of terms, but in the second page when it talks about each state, the vendor will also be responsible for contacting three development owners identified by the state as successful providers of service-enriched housing. Is it possible we'd be talking about more than one entity there? When I think of developer, I think of the person who might build or manage a property, and then a provider of service-enriched housing could be a different entity.

MS. SCHWEICKART: That is a possibility that the developer may not necessarily be the owner and that the management company could be another organization. Yes, that's possible.

MR. HANOPHY: Or a nonprofit could be running the service-enriched housing part on their property. So I don't know if you can delineate that.

MS. SCHWEICKART: We can try to expand on that.

MR. HANOPHY: Okay. Is your goal to get this, given the issue related to funding, to get this RFP out on the streets as soon as possible so that you can encumber the funds this fiscal year?

MS. SCHWEICKART: That's correct, yes.

MR. IRVINE: I would say there would be a couple of timing goals. One would be to get the funds encumbered as quickly as possible, and two would be to get the study rolling fast enough that hopefully some of the information could be provided to the legislature as it considers the policy issues.

MS. LANGENDORF: In A on the first page, I think this may just be an error but I need it clarified, on the fourth sentence: Housing for persons with disabilities. Aren't we going to do individuals who are elderly? Is there a reason we

don't list elderly? I thought that was a big part of our charge.

MS. SCHWEICKART: Yes. I'm sorry. Oh, right there, I see it. I can add to that.

MS. LANGENDORF: Because otherwise I looked and I don't see anything about elderly, but I really think we're look at elderly.

MS. SCHWEICKART: Yes, that's correct.

MS. LANGENDORF: I mean, truth be known, the original legislation didn't even have people with disabilities in it, so I think we need to state elderly.

MS. GREEN: Well, it brings up a larger issue, because in the plan it does refer to people who are elderly and people with disabilities, and personally, I don't like including people who are elderly as users of long-term services and supports because age does not create demand, it's only when a person of any age has a disability that there's a need for long-term services and supports.

MS. MARGESON: That's an interesting philosophical point, Doni.

MS. GREEN: Well, in the preface it talks about the spending be skewed in terms of institutional, but Medicaid will not pay for institutional care unless there's medical necessity which, again, is related to a chronic, some kind of healthcare condition or disability as opposed to just growing older.

MS. SCHWEICKART: And so in terms of how we would I guess try to make sure that our language for our request for proposals would capture that idea, do you have any recommendations for changes for the way they're being talked about -- I mean, in terms of the way we talk about service-enriched housing?

MS. GREEN: For this topic, my preference is to say persons of all

ages with disabilities.

MR. IRVINE: Is that the consensus of this council?

MS. GRANBERRY: To say all ages or any ages.

MR. IRVINE: Great terminology there.

MS. MARGESON: And that would work for me. The only thing is our waivers specifically identify two different target populations, but if you say of all ages, I think that would be fine.

MS. LANGENDORF: Can we turn to the Code, the Government Code? I'm just looking there because we're trying to follow our duties -- not that the Code has it right.

(General laughter.)

MR. DANENFELZER: Well, it could be something that in the initial paragraph that you define that broad population and then simply refer to the rest of the time as service-enriched housing throughout the document.

MS. SCHWEICKART: And service-enriched housing, just so everyone knows, in the introduction of the request for proposals specifically defines service-enriched housing as the council has defined it, and specifically states which statutory directives we are looking for the vendor to be assisting the council with. So that's not in the scope of work but it is in like the beginning that has the objectives, has that information.

And so in our definition of service-enriched housing, we do include persons who are elderly in that definition that we adopted, so that is provided at the beginning of the request for proposals, but I see what you're saying in terms of phrasing it differently here.

MR. WYATT: Ashley and the group, I just wanted the relationship of the outcome of this study and the biennial plan. Now, a lot of the content will be similar, clearly. It's kind of like there's recommendations in the plan, there's recommendations here. Is this going to be an addendum to it or is it going to help craft the final version, or is it just going to follow afterwards?

MS. SCHWEICKART: Well, the 2012-2013 biennial plan is due to the Governor and the LBB by August 1 of this year, so it can't change the biennial plan that we are submitting at that time.

MR. WYATT: I'm thinking for the legislative session. So you've got two documents, one crafted in August, one crafted later, that are going to have recommendations which may or may not agree, so which one is representing the viewpoint of the council? You now have two documents as you discuss your duties and your outcomes and recommendations, so how is that going to pay out?

MS. SCHWEICKART: Well, I think that's a question for this council in terms of their utilization of the vendor's findings and recommended actions, because it's up to the council once the vendor came back and presented their findings and their recommended actions, how you wanted to move forward with that information in terms of how it's utilized.

MS. LANGENDORF: So we think they'd have the report by August?

MR. WYATT: I'm just saying you would have two things. I didn't know if you would modify the plan or if it would be the next biennial plan.

MS. SCHWEICKART: It would be more relevant because you want to have time to digest what you've received and be able to have your own opinions and feedback for the vendor and also for me as to how you want to utilize their

recommendations.

MR. WYATT: But the recommendations going into this upcoming session would be the ones in the plan.

MS. SCHWEICKART: Yes, that's correct.

MS. GREEN: So what would the period of performance be? When would the vendor be required to complete the scope of work?

MS. SCHWEICKART: Well, that's something that we would negotiate once we had vendors who had responded to the request for proposals.

MS. YEVICH: This is Elizabeth Yevich. That hasn't been determined at this point. Let's say we approved of spending the money today, we finish crafting this, we put it out for the RFP June 1 to get a response by June 30, then we'd have to decide between July 1 and July 30, then we would be working on the contract in August, so it probably wouldn't begin until September 1. Typically it would be a six-month, it could be a nine-month. It depends on who the vendor is, what you decide, it could be a year-long study. So it actually wouldn't be two plans at all going into this legislative session.

Of course, at any time, I think, this membership could amend this biennial plan and add something to it, but it doesn't look like, even at the earliest, let's say it's six months, September to March, that's going to be halfway through the session. And I think that's what you're looking at.

MR. IRVINE: But just so that nobody feels tricked if the genie comes out of the bottle, it is entirely that once you've procured a vendor and they are doing work, discussions and information about their findings and observations and recommendations do begin to emerge, and it is entirely possible that one or more

members could take that into consideration in developing legislation, even if the final product had not been reported to this council and voted by this council to be accepted.

MR. HANOPHY: Relative to that, I was going to ask a question. Is there any merit to having within the contract a requirement or recommendation that certain information be brought forward prior to the entire report being done? Because I think that could be helpful, first of all, for us to get a sense of what's going on and what they're learning and what implications that might have in Texas, for your point being that you may be called to testify. The way it's laid out, I think it logically fits that maybe wouldn't necessarily have to release it for approval, but you've identified best practices, let's see what you've got, you've got these, let's see what you've got.

MS. MARGESON: Different deliverable dates.

MS. SCHWEICKART: Yes.

MS. MARGESON: Maybe coinciding with our quarterly meetings that we have a report.

MS. SCHWEICKART: Yes.

MR. GOODWIN: Ashley, just a couple of minor basic questions. Where did the number 5 come from, and is that sufficient, because otherwise, it seems to me we're going to be heavily skewed for three designated states, and we threw a couple in just so that we didn't have to say we used those three states.

MS. SCHWEICKART: And we can change that. The way that that came about was looking at what's come out of federal guidance in the last year. The Melville act has been one main piece of federal guidance that I think mirrors the mission and purpose of the council, and within that guidance HUD has stated that the three states that they utilized in order to create the Melville Act were Pennsylvania,

Louisiana and North Carolina, so that was the basis for choosing those states. However, I think what I realized was that those three states have a lot of differences from Texas, there are a lot of things that those state have that Texas does not, and just based on those states are smaller states, they don't have the variety of issues that a state as large as Texas has. So I wanted to also have states that have similarities to our state in terms of population size, amount of funding that they receive for certain types of housing and services programs. I did want to have more than just the three that HUD had recommended. But we can obviously work on that, and if you want to add more.

MR. GOODWIN: It's a quandary because there are states that have, I'll say, humongous housing programs, like New York and Massachusetts, but you're talking also critical masses of people in small areas as opposed to what we have, some widely dispersed, so we may want to designate going westward a bit where we have some issues with delivery of services because of the scattered nature of the population we serve.

MR. HANOPHY: What about some sort of parameter, no less than five, no more than ten, twelve?

MR. GOODWIN: Somewhere between five and ten would seem to be a pretty significant sample.

MS. SCHWEICKART: And we can talk about the dispersal of population issue as well if we want to highlight that component.

MR. DANENFELZER: I would recommend that in that first sentence you do just say that similarities to the State of Texas, but then you clarify by saying in regards to the quantity and proportion of state and federal funding, so it doesn't really

answer the question of size. North Dakota may have the same amount of spending as we do but they're going to have completely different types of issues, so elaborate in that section.

MS. SCHWEICKART: Sure.

MR. DANENFELZER: And I also would recommend too that it does seem -- and correct me if I'm wrong, but it does seem like this is heavily skewed towards the use of public funding in those states, and if there's any way the research can also explain if there are states that have similar proportional public funding but have some form of private funding that's really boosting their ability to provide service-enriched housing, it would be good to know why and how those states are doing that.

MR. ASHMAN: See, I was wondering the same thing. I don't know how the three got picked. I kind of can guess, they always come up in conversations, but I think that at least I know two of the three have programs because of Olmstead lawsuits and court-mandated certain things occurred, so that may not be occurring naturally in other states. So here we are looking at three states that the court said you shall -- which is a good thing -- and we can see how they did it, but I'd also look at states that are doing it who didn't have the court-imposed sanctions.

MS. GREEN: And I think on the second page where it says identification of the funding sources, that's not specific to public funding, that perhaps you could insert both public and private to speak to that issue.

MS. SCHWEICKART: Where was this again?

MS. GREEN: On page 2, number 2.

MS. SCHWEICKART: Page 2, identification of funding.

MR. GOODWIN: Or add a specific that says identify states that have a significant private funding source, if they can -- they may not.

MS. SCHWEICKART: And I can see the reason why I was focused on public funding sources, because the original recommendation made by the Housing Committee was looking at current housing development financing sources, but we can always widen that, the parameters of the original recommendation.

MS. GREEN: And I think that's where the primary interest is because those will be the funding sources that are more likely to be available, but I think it's important to get a broader perspective.

MR. ASHMAN: And Mike, I'd watch the wording on that too, and I think you even mentioned it, because if we're looking at what the private sector can do for affordable housing, we already know that they're not hitting the 17 percent because it's financially not feasible, so we need to open up to every type of funding source we can possibly see, including the private sector, private investment, but if we specifically look for private investment, I don't think we're going to see much, at least for the SSI population.

MS. LANGENDORF: And Louisiana needs another I.

MS. SCHWEICKART: Uh-oh. Thank you.

(General laughter.)

MR. ASHMAN: Ashley, just one other thing. Did we identify what we're considering affordable here? Are we saying we're looking at 30 percent or less of area median income? I don't recall reading it.

MS. SCHWEICKART: That's a good point. I didn't specify that because I think when you do a request for proposals you're walking a tightrope

because you want to say I want to provide enough detail that people will be interested, but I don't want to provide too many barriers or restrictions that people are going to say, well, how am I going to find that, or how much is actually out there if you're asking me to do at least five states. So I guess I want to say how much do we want to specify.

MR. ASHMAN: Well, here's my other question. I'd hate to invest in this report and find out that we're going to see it's 50, 60 and 80 percent of area median income, and we know that's doable.

MS. GREEN: I think that distinction is critical

MS. MARGESON: Maybe we just say of all income groups, and then as you negotiate with the individual, you can specify.

MS. GREEN: With particular emphasis on housing for persons at or below 30 percent.

MR. SCHWARTZ: And I agree with Steve's comment. You can certainly refine and make sure that the vendors know that's what we want when we're in negotiations.

MR. ASHMAN: They really ought to tie the two together if they're looking at long-term service and supports because Medicaid is paying for it so it ought to be logical they would come to that conclusion, but I'd let them know.

MS. SCHWEICKART: Okay, sure, sure.

Are there any other comments or questions on the draft scope of work?

MR. DANENFELZER: The only kind of followup question I have is have you already identified any potential service providers that do both research and

training, and have you been able to discuss any of the scope of work with them to determine sort of if the budget that's set aside for this is appropriate?

MS. SCHWEICKART: I have identified organizations that do research and do training. When speaking with the director of our procurement, I was advised that in terms of actual communication that would not be allowed. However, I did talk to, we have several other current contracts going on right now within TDHCA, market studies for particular populations, an Analysis of Impediments to Fair Housing Choice, we have many outside vendors right now that we're contracted with, so I did speak with the staff members that are managing those contracts, and said, This is the amount of money that we have to put forward, do you think if I give this scope of work to them they would balk based on the price? And they said that they didn't think we would have any issues cost-wise. They thought that we would actually have a lot of interest at the price point that we could possibly provide.

Now, we don't go out and say this is how much money we have, obviously, it's a negotiation, but what I was told by those staff members who are currently working at administering contracts with outside vendors, they thought that we would be doing fairly well.

MR. DANENFELZER: Okay, good.

MS. GREEN: So in the event of competing bids, does procurement then assume responsibility for evaluating those?

MS. SCHWEICKART: No. Actually, what would happen is procurement would make sure that they meet the threshold requirements that we create for the bids, and then if we have multiple that meet threshold, actually I would take the responsibility of creating a team that would score so there's an entirely other piece

that's about scoring, and we would score on several components to then go into negotiations with the highest scoring bidder.

MR. SCHWARTZ: And your evaluation team, is it appropriate for that to be comprised of members of the council?

MS. SCHWEICKART: That is a great question.

MR. HANOPHY: I would think maybe not the entire council but staff and council members.

MR. SCHWARTZ: I was thinking of a subset.

MR. HANOPHY: And I think Jonas just raised his hand.

(General laughter.)

MR. SCHWARTZ: I've done several of these.

MR. HANOPHY: I'd be happy to help too.

MS. GRANBERRY: I'm actually reviewing right now but for something else.

MR. IRVINE: In order to ensure that we move forward quickly, flexibly and legally, I would like to suggest to the council, if everyone is in accord, that what we would do is that for another day or two we would be available for any after developing thoughts that you have on the process, we would refine the document consistent with this general guidance, we would issue the procurement as quickly as possible after that opportunity for additional input, and we would develop a scoring team, and the scoring criteria will be in the procurement document, but subject to legal confirming that it's okay, we would include I would think a workable number would be up to a couple of people from the council to participate on it so we have expressions of input. And I know we can't include everybody who would like to be on

it, but we don't want this to become too unwieldy.

MR. GOODWIN: How long after you get the word "go" will it take you to put it together to go out for procurement?

MS. SCHWEICKART: Well, I mean, the draft is done and I've received feedback on the draft today which I will be using to refine it, but I don't see why it wouldn't be -- I mean, the thing is we do have to go through CATRAD, which is the state's procurement organization that they have to give their okay on a request for proposals, so that will take a small period of time for CATRAD to approve it, but we're ready to move forward.

MR. GOODWIN: Would two days of additional options for comment and then Friday he pulls the trigger and it goes?

MR. IRVINE: What I would anticipate the timing would be that by the end of the week we would have a massaged and proposed document for submittal to CATRAD. Typically if you call in all your chips, you can get CATRAD to turn something around within a week -- typically it's several weeks -- so I would anticipate probably getting clearance from CATRAD sometime in June, which if we get the contract out on the street by the end of June and have a 30-day procurement period, that puts us at the end of July, and then we've got basically just one month to do selection, negotiation and award. So that's a very tight schedule.

MS. SCHWEICKART: It's tight, it's not impossible.

MR. IRVINE: It's workable.

MR. GOODWIN: Do you need a motion to make that direction?

MR. IRVINE: I would welcome a motion.

MR. GOODWIN: I make a motion then that by Friday we have a

proposal ready to submit externally, as required for submitting it to the vendors.

MS. GRANBERRY: I'll second it.

MR. IRVINE: Any more discussion?

MS. GREEN: And the amount of the funding that's available for this?

MR. ASHMAN: I'm not sure you can say that out loud, it might affect the procurement.

MS. SCHWEICKART: At a public meeting we're not allowed.

MS. GREEN: I rescind the question.

MR. ASHMAN: I don't know, but I think it could affect the procurement.

MR. HANOPHY: Roughly between zero and a million dollars.

(General laughter.)

MR. IRVINE: All in favor say aye.

(A chorus of ayes.)

MR. IRVINE: Any opposed?

(No response.)

MR. IRVINE: The motion carries unanimously. Thank you. This is a big task.

Next I would like to propose that we take up all of the volume of planned discussion which seems to bracket that LAR exceptional item, and what I propose to do when we get to the LAR exceptional item would be to recuse myself since this is a request directed to the department. So what I'd really like to do would be to take up the biennial plan and the June public forums because they're all

interconnected, and after that turn the chair over to Paula and bid you adieu.

So Ashley, would you like to present?

MS. SCHWEICKART: Yes.

So given the council's hard work since January when we first started meeting in committees, we have crafted the chapters of the plan and there are some chapters which you'll see are consistent with the last plan, so we're starting out in terms of if you look at page 3 which is the table of contents, you're looking at an executive summary section, a preface, I have not changed the preface from the last plan, and then we go into the work that the council has undertaken over the last almost two years.

So just to give a frame around the biennial plan for everyone, there are four main sections that the work has been broken up into. The first two chapters in Section 1 concern basically the current progress, so looking at the history of the council, what happened with our 2010-2011 biennial plan, so looking at the recommendations made in that plan, progress that had been made on those recommendations, and then followup as the council sees the need to continue prioritizing those recommendations moving forward.

The Chapter 2 looks at the impacts of the 82nd Legislative Session, so looking at for the state agencies that are represented on the council, what impact the session had on the programs and the funding sources that they utilize that are helpful for persons with disabilities and persons who are elderly in achieving affordable housing with connections to services and supports.

Section 2, which is the next four chapters of the plan, looks at research that has been undertaken to fulfill statutory directives. So we always have an

assessing existing need chapter, we had it last time and have it this time, basically looking at what is the most recent data that's been pulled on the needs of the populations we intend to serve. Then looking at local capacity, so understanding local capacity through the provider capacity survey which was the survey that we conducted about a year ago, it was last March, and the results of that were provided to the council last June, so we're providing that information in here just in a different way, so we're providing some graphs and charts, some ways to see the data.

Chapter 5 looks at the best practice case studies for Texas, so that's the interviews that we did with providers of service-enriched housing around the state to look at how they made their developments financially feasible, how did they receive funding sources, what do they do with those funding sources, how are they able to serve the populations they're serving. So that's within Chapter 5 on best practice case studies.

Then Chapter 6 looks at the public input we've received on barriers, so continued barriers to service-enriched housing. So that public input was received through the online discussion forum that we did last fall, as well as any public testimony that we have received at our quarterly council meetings in the last year. And that is the end of Section 2.

Section 3 is the recommendations section, so there is a chapter on the housing recommendations and a chapter on the service recommendations, and those are pulled directly from the committees that have been meeting every other week for the last four months, so those have been crafted by the council members and then put into these chapters.

And then the last main section, Section 4, is next steps and future

efforts. So Chapter 9, which is the first chapter in that section, is the chapter that looks at the efforts currently underway through the CMS Real Choice Systems Change grant and we all hope to be the HUD Section 811 demonstration program, so right now we're at a place where we hope to be able to move forward with the application for those funds once they are released, but that's a step forward in terms of fulfilling the mission and purpose of this council. And then Chapter 10 is the conclusion.

So we will be having some appendices that will be added, they're not in this draft. We will have all the public forum input that we receive from our public forums that we're having in June, and any other public comment that is received on the plan during that time frame, we will have in the appendices. I also was going to do very brief appendices on some influential policies and programs that are affecting this council, the first one being the Affordable Care Act and the second one being the Analysis of Impediments to Fair Housing Choice.

So that's the breakdown. I know it's a large document and I killed lots of trees. I'm sorry.

MR. SCHWARTZ: I appreciate you bringing a hard copy. Thank you.

MS. SCHWEICKART: No problem, Jonas.

So at this time this is still in draft form and I wanted to emphasize that, that it's in draft form, but we want to have something that the council finds acceptable to be submitted for public comment, so submitted to the *Texas Register* and submitted out to anyone who will attend our public forums. So what I'm saying is that this is not a final draft, there can obviously be changes continuing to be made by the council members as well as the public, but we need something to put forward.

MR. IRVINE: And I would say that the litmus test for clearing this document is there anything in here that you're just horrified about and you'd say, Oh, my gosh, pull that out. Is there any major fact or issue that we somehow overlooked? I would say this not the time for wordsmithing, polishing, but that's something that will occur in the larger process. So essentially, are you comfortable with this as the rollout document to get the public dialogue.

MS. SCHWEICKART: And so, Jean, you had a comment?

MS. LANGENDORF: I didn't have time, and that would be my only comment, I did have time with many of the committee meetings, and I would just like the department to think about maybe a half-time person to help Ashley. I don't know. Some of this has been, at least for me, we get the documents -- this time we got it on Friday morning before. It's just been difficult having a regular job to spend the time I'd like to spend on this, and so I may be the only one that's been experiencing that. And I hate to be critical because Ashley is doing a great job, it's just we get stuff with not a lot of time to really have to devote to it.

With that being said, I'm not comfortable with saying -- and I'm not wordsmithing it, I haven't had a chance to really read it -- there are some things in the section where you're taking the best practices. If you could you could look at pictures, I know I've talked to you about this before, we're just showing those pictures that are all congregated, so I was hoping you'd utilize some other pictures from some of the other ones that you've looked at. I know that's been discussed before.

I went right to the service recommendations because I think when we did this last time, we actually had the opportunity, if we weren't serving on that committee, to review those recommendations. And so because I had limited time, I

went to the committee I wasn't serving on to see, and I understand the recommendations. I think in the intro if we could somehow reference least restrictive environment, that we do refer to Olmstead, and I know there's a lot of discussion about having options and all that, but I still think we need to somehow tie it back to -- it says they deem desirable, which is appropriate but I think we also need to follow that we're looking at least restrictive. I don't know if that's the right terminology, but that we somehow tie it clearly to Olmstead.

And this is me, I don't like the reference where it says: Public testimony received at recent council meetings reflects the need for such continuum which includes group living arrangements. And then we have all the comments, which I appreciate, but then I couldn't see the tie-in to then the recommendations, and it's maybe me looking as a houser, not looking as a service provider, although we provide services too. But it was just some difficulty there, but I think it's something that can be fleshed out since this is the draft, but I'm not comfortable with -- because I haven't read it.

MR. SCHWARTZ: So Ashley, tell me this, because I haven't had a chance to read it either because it didn't come out until Friday morning and that didn't fit the timeline I was working under, so when do you need to roll this out for public comment?

MS. SCHWEICKART: Right. I have to submit it next week to the *Texas Register* in order for us to stay on the public comment timeline that we need for June. So if it's possible to have a date set by this council right now that I can receive your feedback electronically, that would be a good idea. I don't know if Friday is a good day, Monday of next week.

MS. GRANBERRY: So when you say you have to submit it next week, when next week to make the deadline, because I know it says posted on June 1.

MS. SCHWEICKART: I don't have the date in front of me, I think it's Wednesday.

MS. GRANBERRY: Wednesday?

MS. SCHWEICKART: Wednesday of next week.

MS. GRANBERRY: So then you need time if we give you feedback. You need time after we give you feedback to actually make the changes, if there are changes.

MS. SCHWEICKART: Right.

MS. GRANBERRY: Would Friday be better than Monday, or would Monday be doable?

MS. SCHWEICKART: Well, if some people refer to work on the weekend, if you want to send it on Sunday, I'll have it by Monday. Or we can make it Friday.

MR. GOODWIN: I think you need to go back to Tim's premise too is that this is not a final document and it's going out for public comment and at that point we are part of the public. You know, if we've got time, do as much as we can in the next four days, but that doesn't mean that if you don't get it now, forever hold your peace. We've got the same amount to review it and submit subsequent comments as anybody else does.

MS. YEVICH: And as a reminder, none of this is new. I mean, most of it is built on the biennial plan from two years ago, and for the past three months at each of the committee meetings, the Housing and Services, each of the chapters have

been rolled out and everybody discussed them. So the document that was given out last week is just a compilation of everything we worked on the past few months.

MR. HANOPHY: I have a connect-the-dot question here. It may not be appropriate, given the fact that you'll recuse yourself, but we have a plan here and we have recommendations, the Service, for example, and there's recommendations in there, some are about policy, some are about accessing other funds and some are about increasing funds.

Then we have the draft of the possibility of an exceptional items request for a service-enriched fund. Do you envision this exceptional items request as representative of the items in here, or is that separate from the recommendations, is it a separate category of funding and/or requirements? If so, then wouldn't it belong in here as a recommendation?

Do you follow what I'm saying?

MS. SCHWEICKART: I see what you're saying.

MR. HANOPHY: I'm not sure which it is.

MS. SCHWEICKART: Well, I would say that the recommendations in the housing recommendations chapter, there are two recommendations to the legislature about funding for service-enriched housing. Given that an exceptional item of a legislative appropriations request is a request to the legislature for funding and the letter specifies service-enriched housing funding -- and the council, those Housing Committee members who brought forward this letter can also provide -- I assumed that the recommendation and the exceptional item request reflected one another.

MR. HANOPHY: I was making sure that's where they connected. Connects on the housing side for the funding request for service-enriched housing.

MR. WYATT: Correct, one and two.

MR. HANOPHY: That's all I needed.

MS. SCHWEICKART: So then should we say Friday then?

MR. GOODWIN: Close of business Friday.

MR. IRVINE: 5:00 p.m. Friday, Austin time.

And we've already mentioned the public forums.

MS. SCHWEICKART: I just wanted to have everyone reference in their packets the page that is the Save the Date that went out to all of our local partners, and so our local partners in each location are disseminating this Save the Date and the information to relevant stakeholders to give testimony. WE will also be doing further outreach, both on our LISTSERV, as well as on our website, as well as press releases. So there are many ways in which we're getting the information out there, but obviously I encourage everyone to also bring this back to your organizations and to provide the information to all the relevant stakeholders from your organizations as well.

MS. LANGENDORF: Are you having an interpreter at all of these? I think it would be real important, if you're not, to put that statement, probably put it there anyway even if you're going to schedule someone.

MR. SCHWARTZ: They need to let you know by such-and-such date.

MS. LANGENDORF: The assumption would be that you're going to have an interpreter.

MS. SCHWEICKART: I'll make sure that that's at the bottom of the press release and the LISTSERV announcement and I'll put it in the body of the email

that I send to the local partners.

And the other thing that I wanted to state in terms of the public forums is that please do let me know, if you haven't already, what your intention is in terms of your attendance for those. As everyone knows, for those Governor appointees, we can provide travel reimbursement for traveling expenses and food expenses at these, so I can do the hotel reservation, plane reservation, those things in advance for you, so please do let me know. And also, even for those state agency representatives, I want to know who will be able to make it and where and what works with your schedule. So please do send that information in to me.

MS. GRANBERRY: And Ashley, you've got on here where they can go to the website and see it, but is it okay -- like if I forward this electronically, is it okay to attach this draft plan or wait until you send it out to us again? Because if they get it attached versus having to go look it up, they're going to be even more likely to actually look at it.

MS. SCHWEICKART: Right. I would say that we'd probably want to wait until it's ready and it's what's going to the *Texas Register* before attaching it.

MS. GRANBERRY: So then you'll send that back out to us and then we can forward that.

MR. IRVINE: When we have it ready, I assume we'll put it on our website and we'll just email a link to it.

MS. SCHWEICKART: Yes. That sounds good.

MS. MARGESON: When it's on the website, it's not a PDF, though.
Right?

MS. SCHWEICKART: Typically it is, but I can provide it in multiple

forms.

MS. MARGESON: And on the website as well, because I might not be the only blind person that wants to wander by there.

MS. SCHWEICKART: And your document reader cannot read the PDF. Is that correct?

MS. MARGESON: No.

MS. SCHWEICKART: Okay. I will make sure it's provided in both formats.

MR. HANOPHY: For my education, what's the other format?

MS. SCHWEICKART: So PDF and Word.

MR. IRVINE: So does that cover the biennial plan issues, at least for the moment?

MR. DANENFELZER: You'll be able to post this by the 25th or 26th then?

MR. IRVINE: We'll be able to submit it next Wednesday and then it will appear the following Friday.

MS. SCHWEICKART: The following Friday in the *Texas Register*.

MR. DANENFELZER: Which what's the date?

MS. SCHWEICKART: The following Friday would be June 1 that it's going to appear in the *Texas Register*.

MR. DANENFELZER: And the first hearing is the next week.

MS. SCHWEICKART: I can post it on the website before that because it will be ready by next Wednesday, so I can post it on the council's website.

MR. DANENFELZER: I just wanted to make sure that Friday was

going to be enough time, if we did edits by Friday to you, in order to get it posted and published to the *Register* before the first hearing since the *Register* takes that extra week to publish.

MS. SCHWEICKART: Yes.

MS. MARGESON: Have we already discussed use of biennial plan and role of council?

MS. SCHWEICKART: That was the next item.

MS. MARGESON: Okay.

MS. SCHWEICKART: So during the last council meeting and during subsequent committee conference calls, there has been some questions that arose as to how the council can fulfill its statutory directive, what tools the council has to fulfill that directive, and the role of council staff in fulfilling their own statutory directive, so that's actually the reason why I provided the copy to everyone of Section 2306 of the Texas Government Code that pertains to the council.

The council has five goals that they're directed towards, and then the council staff has twelve goals that they're directed towards. And so all of those goals go into the tool which is the biennial plan, it's the main communication mechanism for the council. And so basically, I guess I wanted to have a conversation and discussion with you all, given that we are growing closer to finalizing a biennial plan and that we will be sending that biennial plan to the Governor and the Legislative Budget Board by the August 1 deadline that we've been given, how the council wants to -- what additional ways the council wants to utilize their plan. This was a question that I asked last year, and I think that also it's an also broader discussion in terms of the council is a very unique mixture of state agency representatives and Governor

appointees and we know that there are limitations on the role of state employees in terms of lobbying, so there's obviously that kind of inherent restriction, however, that restriction doesn't exist for our Governor appointees.

MS. GREEN: Actually it does.

MS. GRANBERRY: Oh, yes. We get letters reminding us.

MS. SCHWEICKART: Okay. Our Governor appointees as well. So there's that kind of basis that we have to understand and remember, but I think there should be a way in which the council can utilize its plan to its full potential, more than just submitting it to those organizations which it's required to be submitted to on August 1 of every even-numbered year.

MR. DANENFELZER: Well, is there any way we could get -- if there's any ability to have someone from Leg Con whatever agency that does this can provide the whole council advice on the fine line between lobbying and advocacy? Because we should all be able to go to meetings with legislative staff to explain what's in the plan and allow them to ask questions and answer those questions, but obviously there is that fine line between being able to actually really advocate and push specific issues in the plan. So that everyone on the council knows how to answer questions when you're asked by a legislator or if you go to meetings and hearings with legislators, because typically, having been a state employee covered by these rules, I know that we can go to hearings and we can sign up for neutral and answer questions that legislators have about the plan and describe the plan to them but you can't really advocate for specific pieces of that.

I'm sure Mr. Lyttle will be able to enlighten us more.

MR. LYTTLE: Michael Lyttle with TDHCA, director of External

Affairs.

Yes. Actually who you'd want to get, if possible, to come to the council would be the Attorney General's Office. They're the ones that can advise the council on what is appropriate and what would not be appropriate in terms of talking about the plan. Certainly that's something that TDHCA could coordinate for the council, but that's who you'd want to talk to.

MR. DANENFELZER: I would find that to be very helpful, personally.

MR. IRVINE: And I would also interject that while we are moving forward without that kind of guidance and direction from the Attorney General, there are some very specific concrete things that we do need to do that clearly do not implicate lobbying issues, and I think that the procurement of this vendor and the launching of the training is right there at the top. I also think that as you take the information from whatever the vendor ultimately provides, you will be able to assess what can be done within existing constraints, and obviously, if you've got the resources and power to do something now, you want to put that near the top of your list.

I think there's plenty of very important work that we can press forward with that falls well short of getting into issues that even remotely touch on potential lobbying.

MS. MARGESON: Well, it seems to me that even if we're educating and advocating and it relates back to our mandates and the things that our founding legislation said that we are to do, then I don't know how we could be criticized for that. And that's pretty comprehensive, really, when you think about it.

MR. SCHWARTZ: I think the suggestion I would make, at a minimum, I think a small group of us ought to request a meeting with the housing person on the Governor's policy staff and at least go and make a brief presentation about this report to that person so that they're aware of it and have an opportunity to ask questions.

MR. HANOPHY: And I think it falls within the scope of our requirements that anything that, at least from what I can tell, are recommendations, it's not really lobbying in that we were asked to look at barriers and identify solutions, and limitations on funding is a barrier, here's a recommendation. We're educating based on our information, and so we're responding to our requirements.

But I like Jonas's idea. I think that makes a lot of sense to do that.

MR. GOODWIN: Would it be good to have a non state agency person standing in the front of that group so that so that there is plausible denial of lobbying, if you will.

MR. HANOPHY: You can't lobby either.

MR. GOODWIN: Yes, but I'm not here trying to get money for TDHCA, I'm trying to get money for service-enriched housing, because I happen to have state agency people who are helping me with knowledge.

MR. HANOPHY: I think staff shouldn't present it, or maybe somebody else should be in the front and staff could be part of the presentation. I mean, we're responding to our charge.

MS. MARGESON: That's right.

MR. HANOPHY: We were told to look at this and make recommendations, and this is our solution to this is this. And quite honestly, I think

the thing I like about the plan is it's really not a one-shot approach, there's multiple venues to change policy and/or affect funding, it's not just we can't do this unless you give us X. So I think it's very palatable because there's multiple options. We're just responding to our charge, and I think if we keep it that way.

MR. IRVINE: Well, I think it's always useful to go back and read the exact wording in the charge under the duties section in 1096: number 1, develop and implement policies to coordinate and increase state efforts; number 2 is identifying barriers; number 3 is cross-educating; number 4 is identifying opportunities to provide technical assistance and training; and number 5 is developing suggested performance measures to track progress. And that's the charge.

MR. MARGESON: I mean, is there anything really in that state plan that's in the biennial plan that doesn't relate back to one of those duties?

MR. IRVINE: I think it relates to it, and I'm really kind of setting myself up to the point where I really must exit the meeting, and that is when you move from having identified a situation, a barrier and moved from that to developing specific recommendations that the legislature either appropriate funds or enact laws to address that barrier, that's something that I really have a problem participating in.

MR. LYTTLE: Well, and it would put Ashley in a difficult spot too if during session, let's say if members were to file bills that promote ideas that were in the biennial plan and/or any appropriation to finance activities, Ashley can't be the one that's out there in the front talking about that unless she's merely being responsive to a question, and that's where the advocacy line gets very dangerous for a state employee.

MS. SCHWEICKART: Okay. So I think that we had a couple of things that came out of that discussion. One is seeking further guidance from the

OAG on appropriate communication mechanisms for this council, and the second thing would be looking at a group of persons within the council that could educate the Governor's staff on the plan.

MR. SCHWARTZ: Michael, who is the Governor's current council policy advisor?

MR. LYTTLE: Viveca Martinez.

MS. GRANBERRY: I would add to that because there are housing and services recommendations, I would think there would be more than one side that needed to have that presentation.

MR. SCHWARTZ: Actually, that's true. We could also talk to their policy advisory on health and human services as well.

MS. GRANBERRY: Their HHSC advisor as well.

MR. LYTTLE: And really, unsolicited piece of advice here, but since you're just talking about the plan, it probably wouldn't hurt for the council to reach out to the policy staff in both the Speaker's Office and Lieutenant Governor's Office as well, just so they're full conversant on what the plan says and what the recommendations are.

MR. SCHWARTZ: I agree.

MR. IRVINE: Any further discussion?

MR. GOLD: I apologize for being late.

MR. IRVINE: Marc Gold has arrived.

MR. GOLD: I apologize. I had like 5,000 meetings all going on at the same time.

I caught the very short end of this conversation, but when we submit

the Promoting Independence Plan, we just link that to everyone, we just send it to beyond where we're just required to submit it to for purpose of communication, to meet that goal.

MR. IRVINE: Well, I guess at this time we're ready then to take up the next item which is the recommendation to the Department of Housing and Community Affairs regarding the legislative appropriation request. And I would, for the record, like to say that I'm recusing myself and turn the chair over to Ms. Margeson. Thank you so much for taking this over.

MR. MARGESON: Who's leading this discussion?

MR. IRVINE: I do not know.

MR. HANOPHY: That would be you.

(General laughter.)

MS. SCHWEICKART: I'll let Tim head out.

MR. IRVINE: And staff, although you are here to continue to answer factual questions, you're not participating in, obviously, the policy discussions.

(Mr. Irvine left the meeting.)

MS. SCHWEICKART: To give everyone some background, in April the Housing Issues Committee requested that staff draft a letter that would be read to the Governing Board of TDHCA on behalf of the council requesting an exceptional item be placed in the agency's legislative appropriations request, or LAR, which asks the legislature to appropriate funding for service-enriched housing.

So this was a request of the Housing Issues Committee, and so they asked that I bring this forward in the form of a letter to the full council to receive basically a decision on whether or not the council wanted to submit this letter to the

Governing Board.

MR. GOODWIN: At one point in the discussion on this and the birth of it, there was a specific reference to probably the biggest barrier to service-enriched housing is the recipient being able to pay rent. Is that the purpose of this letter, or are we just saying service-enriched housing which means kind of like chasing cats, it's just whatever happens.

MS. SCHWEICKART: That is entirely up to the council as to what they want to be putting forward to the Governing Board. I'm going off of the feedback that I received during the conference call was to draft a letter that simply put forward the request to fund service-enriched housing. That was the very broad direction that I was given, so it's up to the council.

MR. DANENFELZER: And I would understand that the point of that was that in the recommendation section of the plan, as well, there's really two separate funding mechanisms, one which is direct assistance to development of projects, as well as project-based rental assistance, and so the second would fulfill the question you had which is it may not be directly to an individual like a tenant-based voucher, but it would be project-related assistance.

MR. GOODWIN: It's sticks and bricks and not services.

MR. DANENFELZER: It's not as directly related to the services, yes.

MR. GOODWIN: Because the biggest hit, I'll say, on the developer side is the ability to collect rent on a unit so that you can make the debt service, pay your bills.

MR. DANENFELZER: Right. And this would provide some of that rental assistance but it would be project-based, based on the recommendations that

have been pushed forward so far.

MS. MARGESON: But I mean, I'd like to hear from the Housing Committee the discussion that led to this and the thinking, because it seems that if we're talking about subsidizing units within a project, that's a really long-term commitment of funds which can be not so popular in this state.

So can you just let us hear your discussion and what led to this recommendation and everything, Jean?

MR. WYATT: She's not here. Jean left.

MS. MARGESON: How dare she.

MR. GOLD: Has anyone done a fiscal note on what they're looking at, because I think that goes what I'm hearing from you, Paula, is that. From my understanding what I've learned from Steve over here is we're talking about like ten years out, or you're talking about some of these subsidies or you're talking about tax credits that would go out in time.

So you know, has there been any attempt to look at a fiscal note for putting together an exceptional item? That's just the mechanism we use at DADS when we're looking at these type of recommendations.

MS. SCHWEICKART: I should clarify that a letter from the council would be read as a form of public testimony and then it would be up to the agency which they're recommending it to, so in this case TDHCA and the Governing Board, if they were going to move forward and the specifics that you're discussing would not be specifics unless the council wants to say that public testimony and I'll put it in the form of this letter

MR. GOLD: And I guess I'm just coming from the point, obviously,

as a state agency I'm going to abstain, regardless, but helping to inform other people on the council to go forward with a recommendation, and whether or not you can limit the scope of what this funding looks like. So if you're not going to be talking like full activity, you could say it almost like the Housing Trust Fund, it's going to be X amount of dollars that you're requesting or not requesting, or how much bang for the buck do you get for that, and that's something I would have no idea.

MR. GOODWIN: I think you hit the hill that everybody ran into. My recollection is the specific purpose was to provide within TDHCA a fund -- for better use we'll say vouchers. Now, whether that be sort of like a Federal Home Loan Bank half million dollar grant to bring down the equity component in exchange for a guaranteed number of units that would be rented to persons at or below we'll say 30 percent, or whether it be an additional set of vouchers controlled by TDHCA above and beyond what's out there now, new vouchers specifically designated for persons for service-enriched housing. But specific dollars were not addressed. It was acknowledged this is not a one-year-commitment. You put it out there and it's a forever.

MR. WYATT: Let me also share, I think there were two ideas in the discussion, and I think those two ideas are reflected in recommendations 1 and 2. Probably the original idea was number 1, although it doesn't really matter which was first, and that was just a one-time buy-down, and so the idea of number 1 that you see there would be a one-time capital grant to supplement existing capital sources, so that would be a fund and the plan does not reference the agency, it just talks about the fund location to be determined by the legislature, and that would be a known amount, whatever would be appropriated for that, and that's a little easier to quantify. So that's

kind of where it started in the discussion is a one-time grant supplement to the project and that would make it more affordable.

And then the other idea which was discussed was the idea of what you'd call a recurring subsidy which is obviously more of a challenge because you're talking about the prospect of somebody getting funded for a period of time and then the funding not being there. And I'm not sure if the letter just refers to recommendation 1 or if it's meant to refer to 2. Since it talks about the service-enriched housing fund, I assumed, perhaps incorrectly, I assumed it referred to recommendation 1, or at least emphasized recommendation 1.

But that's kind of the history of it, so the idea would be a one-time capital grant to supplement some type of existing capital funding source, and so I wouldn't say 1 and 2 are required to be together, but someone could argue that that's a good idea or not. But certainly, the first idea is you put whatever assistance is up front, it's a buy-down, just flat out a buy-down; the second is clearly a recurring commitment.

MS. MARGESON: And certainly the first option would be easier to sell to the legislature.

MR. WYATT: And I was assuming, Ashley, help me with this, is the letter meant to just address recommendation 1, or is that not for you to say?

MS. SCHWEICKART: Well, the letter was requested separately from the creation of recommendation 1, so I went based on the separate request.

MR. WYATT: Okay.

MR. SCHWARTZ: I mean, I really like the language that Dave talked about when we kicked off this discussion to say maybe some of the funds would be

used to develop housing, bricks and mortar kinds of things, and then money also to help with rental subsidies. I like the idea of putting that more specifically in the letter so that the board, if they choose to adopt said recommendation, then they have some options of a shorter term commitment as opposed to a longer term commitment, giving them a little bit of flexibility and being more specific about what we're asking for.

The letter as written is good but it's very general, and if I were sitting on the TDHCA Board, I would say, Okay, this is fine but what are they going to do with what they're asking for? It's not very clear.

MS. SCHWEICKART: So it's up to the council to make a recommendation on any changes, additions to this, and it's up to the council to decide on submittal of this to the board.

MS. MARGESON: When this is presented to the board, will council members be present to basically negotiate? I mean, I agree with Jonas, I think that we could be very specific about what we want to see and what our intent is, but knowing that we may not get everything we want, so will council members be present when this is presented? I mean, I don't know the process. I know DARS' process for exceptional item requests, but I don't know how TDHCA deals with all of that.

MR. SCHWARTZ: Paula, my understanding is -- and Michael, correct me if I'm wrong -- this would be given to the board as public testimony and then they would have some discussion and then direct staff, if they thought it was a good idea, to develop a more specific exceptional item based on the content of the letter with whatever caveats the board felt appropriate to include. So we're simply making a recommendation to the Governing Board of TDHCA. Whether or not they choose to take it up, we don't know and that's within their purview.

I don't know what TDHCA's timeline is for when they have to have their LAR completed and when they have to have their exceptional items done.

MR. GOLD: I would assume it's probably similar to ours which is like now. I mean, don't you have to submit it in like July -- I mean, your LAR is going to be in late July or August. And so the exceptional process from the health and human service system is being formalized now, is probably being completed like by mid June or early June.

MR. LYTTLE: Michael Lyttle with TDHCA. A couple of things. First of all, Jonas is right on the money, that's exactly my understanding after being here for many years, how it would work. Ideally, a council member would present or read the letter to the board.

Madam Chair, you had asked about how that process might work, and how it's worked in the past, at least, with the TDHCA Board is a member of a council that may be advocating for something or asking for something would come as a representative of the council and offer that testimony.

I think the reason you're here, too, in terms of a decision point, is that the Housing Committee, if I recall correctly from being on some of those meetings, was looking at moving the ball, if you will, two ways. Number one, of course, is that you include this kind of recommendation in your biennial plan which will go to the legislature, but also, in the interest of time, and as Marc Gold has mentioned, agencies are right now preparing their legislative appropriations requests. It was thought by the Housing Committee that if they were to get that out there, they would sort of get it into the hands of TDHCA to start considering right now instead of waiting until the biennial plan is to go to the legislature and the legislature considers that action.

MR. SCHWARTZ: Paula, and for the rest of the council members, you always have, in my years of watching the legislature, you always have more opportunity of possibly getting something funded if it's already in an agency's budget request for the legislature to consider it. So I think, rightly so, that the Housing Committee is on the right track. I think we have an obligation as a council to at least ask TDHCA to consider putting this forward in their LAR in order for the ball to be moved a little bit further down the field in the next two years.

MS. GREEN: I agree, and I do think it needs to be made more specific and that the letter needs to be able to stand on its own without a council member interpreting it. I think it would be good to be fairly specific about what kind of funding we're requesting, what the purpose is, and of course, that might be rejected, but I think we need to be fairly clear about what we're asking.

And on a separate point, this document is the one that raised my concerns about separating out people who are elderly, especially in paragraph 2 where it says that public programs spending for long-term services and supports for people who are elderly has been allocated to institutional care. I think if we just say people of all ages with disabilities, it would be more accurate.

MR. GOLD: I agree on that, but I also agree really say what you want to say in this letter. If this is based on these recommendations, then say these recommendations.

MR. HANOPHY: Reference specifically the draft biennial plan, that this is in response to.

MR. GOLD: At least people know what they're talking about.

MR. SCHWARTZ: And I mean, more for the Governing Board's

benefit, when you get down to an exceptional item, you're very specific about what it is you're asking for, so let's tell the board what we want them to consider and then they can either accept it or not, and that's within their purview.

MR. GOLD: I mean, I know that at least for DADS, the same thing across the enterprise, is we have like a specific template we ask people to fill out and it really gets down to the nitty-gritty of what you're asking for and that's what goes forward as exceptional items. The decision is made with our councils to set a priority and ultimately it's my commissioner, and then ultimately it's the executive commissioner who makes the decision what exceptional items go forward or not. But there's got to be meat to this conversation. And if the recommendations are 1 and 2, both of them, or one or the other, they seem to be clearly articulated within the recommendations here, so why not just restate that in this letter.

MR. GOODWIN: Are we looking for numbers? Because you said to say specifically what you want.

MR. SCHWARTZ: Well, I mean, in an exceptional item, typically the ones that I've seen, you have to put a dollar amount in that exceptional item.

MR. GOODWIN: Well, see, that's where we ran up against a nut is because we're not the analysts and I can't tell you what \$100,000 will buy me over ten years with vouchers.

MR. GOLD: Well, and the reason I brought up about fiscal note originally is the concern are you asking for an exceptional item that's going to be built into a budget that's going to be there ad infinitum until someone stops, or is this going to end up being a rider that's good for a two-year period. And my understanding of the nature of these recommendations is sort of ongoing issues, it's not going to help

anybody for a two-year sort of process or a one-time funding opportunity. You're really asking for like a new line item to be built into TDHCA's budget that would fund this until someone says stop funding this item.

So that part of the information, I think, is crucial for anyone who is responsible for making those decisions to make those decisions based on some sort of fiscal guesstimate. Or just draw a line in the sand, I assume. There would never be enough money but, I mean, drawing a line in the sand someplace.

MR. DANENFELZER: Is there any way we can agree to move forward with submitting the letter but having the Housing Committee revise the letter and getting it done before the June board meeting for TDHCA?

MS. MARGESON: What's the date of that board meeting?

MR. LYTTLE: June 14.

MS. MARGESON: I think that's a great suggestion, actually.

MS. GRANBERRY: So if it's for public comment, then it doesn't have to be ready before that, it's not going out and getting posted or anything, it's just for public testimony.

MS. SCHWEICKART: So as far as I understand the limitations of my role, it would need to be the Housing Committee that moves this forward.

MR. DANENFELZER: Right.

MS. MARGESON: The LAR isn't due before then, is it?

MR. SCHWARTZ: No. Well, Michael, it's not due before then, is it?

MR. LYTTLE: No. We still have time.

MS. SCHWEICKART: And then the other question then is along the

lines of what Jonas asked. I think what's problematic about not making a decision is that is this a letter that is representing the council, all of the council, a portion of the council? I mean, that's what I'm trying to figure out, is given the window of time that we have before the June 14 meeting for making a decision and this is letter that is it on behalf of everyone, limited number of members? I mean, I'm just trying to make sure.

MS. MARGESON: I mean, I think we could definitely vote on the action of submitting a letter regarding this exceptional item request, but just the details is what we were saying that the Housing Committee.

MR. SCHWARTZ: And I do believe that the letter would come as on behalf of the council as a body to the Governing Board of TDHCA.

MR. GOLD: Would you identify individuals or organizations in the vote their exact position, or are you just going to go on majority rules?

MS. MARGESON: Which vote?

MR. GOLD: Well, I'm talking about, for example, Promoting Independence, when we have a vote on recommendations we list out nine voting yes, one voting no, two abstaining and we actually identify the organizations in that vote. And we say the recommendation is going forward but all the various organizations, how they fell out on any individual recommendation.

MS. MARGESON: Does that add additional credence, or why do you do that?

MR. GOLD: I do that because there are some people and some organizations who feel very strongly that they can't support a recommendation, yet their name is attached to the committee and it sounds -- if you just say PIAC recommends this, that sounds like everybody who's part of PIAC supports that, when,

in fact, an organization may wish to abstain or not support the idea. So it's not like it's this sort of monolithic committee, there are component parts to that committee with differing points of view, and trying to give respect to those different points of view.

MR. DANENFELZER: Well, and can we add that as the introduction to the letter. If the committee as a whole votes, then we could state in the letter that based on a majority vote of the council that this letter is being provided to TDHCA's Board in order to recommend the following.

MR. WYATT: Well, I can give a good example. Between 1 and 2, personally, 2 is more problematic, I'll be honest, but when you're in a committee setting and a council setting, you understand there's other viewpoints and there's other ideas, and it was promoted as a recommendation, one that you may not have necessarily felt strongly in favor of because you understand it's a recurring charge and you don't really think maybe it's the ideal solution where you put up a fund that may run out of money in two, four or six years, but you understand someone else was having a discussion and felt that that was a legitimate option to throw out. That's how I view it. It's not like you're signing off on number 2 and you go down the list because there's some that, frankly, you just don't feel very strongly about or you're not even necessarily in favor of.

And that's kind of an example here with this thing. You may not even prefer the recurring one but yet you feel someone should submit something as a LAR request.

MR. GOLD: Personally, I don't see any problem if you put forward this recommended request, however, here's the vote, you know, as an attachment.

And one of the reasons why I feel very sensitive to this is there's a lot

of people here on this council -- and I'll talk specifically about myself with DADS, we are another state agency. So it's kind of weird for another state agency making a recommendation for an exceptional item to another state agency. It's just an awkward position because I haven't had my council review this and say yes, please send this forward to TDHCA. I mean, that's just the complex issue I'm feeling right now, and maybe after I talk to my boss, I'd feel more comfortable, but it just seems awkward to me as a state agency making that recommendation to another state agency for inclusion in their exceptional items. That's not usually a usual state of course.

MS. SCHWEICKART: Right.

MS. MARGESON: Well, you know, the large portion of this council is composed of state agency reps and if you all felt that way, then we might have trouble getting a majority approval.

MR. SCHWARTZ: Well, the statute clearly says that state agencies have to participate.

MR. GOLD: On the council. It's another thing to make recommendations for exceptional items. And maybe I'm being too nuanced. That's one thing about having boards and making general statements or recommendations, at least in my brain. It's probably another thing saying going to your LAR and doing that.

MR. HANOPHY: Well, we've essentially done that by making the recommendation in the biennial plan. This is really just the formalization of that one section of the biennial plan and the recommendation to move forward with funding commitment. I'm comfortable in the sense that it's still one layer removed and that all we're saying is that we support moving ahead and letting the Governing Board look at

this issue and decide if they want to do it or not.

MR. SCHWARTZ: And ultimately, the decision to them, we're just making a recommendation.

MR. HANOPHY: But we already have it in our biennial plan that we're charged with looking at the issue and creating a plan, and all part of the plan says there's a gap here, here's a recommendation. I realize that we're all competing for nothing.

(General laughter.)

MR. GOODWIN: Our thoroughbred is passing the draft horse stage going toward the [inaudible] stages. It was supposed to be a fairly safe recommendation.

MR. HANOPHY: Marc's point is well taken, but I realize that we're charged to be on this and we're charged to make recommendations.

MR. DANENFELZER: I mean, it appears that the worst case scenario would be that we don't have enough votes to carry a recommendation to submit a letter, and at that point, I think we'd just move on.

MR. HANOPHY: We haven't specified a dollar amount.

MS. GREEN: We're 50 and 50 in terms of state agencies and non state agencies.

MS. GRANBERRY: I think that was originally but I don't know that it is anymore.

MS. GREEN: We have the option to abstain. But under Robert's an abstention counts as a vote against. So I guess if all of the non state agencies agree.

MS. SCHWEICKART: Well, another thought that I wanted to put

forward, and I'm not sure what the answer is, but we don't have the full council currently present, so we have 15 members currently on the council. Are we looking for a vote that reaches the quorum of the entire 15, given that you have been stating this letter would be on behalf of the entire council?

MR. GOLD: I think everybody is going to have to have an opportunity to vote if you're saying it's from the entire council. How do you avoid that?

MR. DANENFELZER: Well, but do we end up then having an issue where are we ever going to get full council participation at every meeting?

MR. HANOPHY: There's no way to determine whether you have a quorum or not?

Ms. SCHWEICKART: We have a quorum right now of the council.

MR. HANOPHY: When you have a quorum and the council votes to move forward, either here or not here. I'm not here but there's a quorum, oh, well.

MS. GRANBERRY: Well, we've never had all 15 of us, I think, except for probably the first meeting, and frankly, as a Governor appointee, I think this discussion epitomizes why we get so frustrated -- and I really hate that Jean is not here right now because I'd have a little backup -- because I thought we were going to do something and we've talked for three years, and this is doing something.

MR. GOODWIN: I think maybe we should make it two steps: one would be a vote to proceed or don't proceed; and if the majority of this group says let's proceed, then we go crack the nut. If they say don't proceed, then why spend any more time on it.

MS. GRANBERRY: Donna, there was a motion on the floor, wasn't

there? I mean, you said you'd make a motion.

MS. GREEN: Yes. I make a motion that we submit the letter with more specific information about funding that's being requested and purpose.

MS. GRANBERRY: I'll second it.

MR. GOODWIN: Second.

MS. GREEN: We have talked about funding this morning. We've determined that if we do have unexpended funds that they can't be used on direct services, so we've come up with some recommendations, we've developed a framework, and so I see this as kind of the next step in terms of creating a pool of funding, the size to be determined, to actually help with the expansion of service-enriched housing.

MS. MARGESON: More discussion?

(No response.)

MS. MARGESON: Are you ready to put it to the vote then?

MS. VANONI: Do we need a second?

MS. GRANBERRY: You had two seconds.

MS. SCHWEICKART: Can I just get the language of the vote?

MS. GREEN: To proceed with submission of a request for TDHCA exceptional item for service-enriched housing.

MR. WYATT: Do you want that consistent with the two recommendations?

MS. GRANBERRY: Consistent with the biennial plan.

MS. GREEN: Consistent with housing recommendations 1 and 2 in the biennial plan.

MR. SCHWARTZ: And I would just amend that by saying in the proposed biennial plan since it's draft at this moment.

MS. MARGESON: That sounds pretty specific.

MS. SCHWEICKART: Is this as revised by the Housing Committee?

MS. GRANBERRY: Yes.

MS. GREEN: No. It's the draft plan.

MS. GRANBERRY: The letter has to be revised.

MR. GOODWIN: The letter needs to be revised because somehow we need to quantify a number.

MS. GREEN: Right, with funding levels and intended use as specified.

MR. GOODWIN: And for example, we don't have TDHCA here to answer the question: What's a scary number?

MS. VANONI: Are you saying to add a dollar amount to this letter?

MR. GOODWIN: Yes.

MR. HANOPHY: I thought we weren't. I thought we were going to make a recommendation.

MS. VANONI: You said before how are you going to know what \$10,000 is going to buy you.

MR. HANOPHY: We're recommending they look at the recommendation.

MR. WYATT: I agree. It's going to be easier to vote for it without a dollar amount.

MR. HANOPHY: Make an exceptional item request based on what

the board and the staff feels is most reasonable.

MR. GOODWIN: That's good wording.

MR. SCHWARTZ: Yes. Because certainly, if the board chooses to accept this recommendation and take it forward and put it in their LAR, then TDHCA staff will be asked to develop a number. They can certainly come back to the Housing Committee and say, Here's the number that we came up with based on XYZ factors.

MR. HANOPHY: The board is going to have to prioritize it anyway.

MR. SCHWARTZ: Yes, and the board is going to have to prioritize it anyway.

MS. GREEN: But I like the idea of revising with input from the committee that developed the recommendation.

MS. MARGESON: Well, it sounds like, though -- truthfully, I haven't seen the draft letter, I'll just use everybody else's excuse, I got it too late, what the heck --

(General laughter.)

MS. MARGESON: -- but if we're going to add that it's in support of those recommendations 1 and 2 in the proposed biennial plan, then we have further defined, because I got the impression that wasn't in the initial letter. Right?

MS. GRANBERRY: Correct.

MR. GOLD: The letter is very general.

MS. MARGESON: So basically, what more could the Housing Committee do other than --

MS. GREEN: Well, I think insert a dollar amount.

MR. GOODWIN: Rather than just say service-enriched housing,

maybe we need to say that will produce units of service-enriched housing, and then TDHCA determines how much they're willing to ask for that would be specifically dedicated to units that are going to be in service-enriched housing.

MR. GOLD: So does that wordsmithing recommendations in the larger plan that's going to be referenced within this letter, or are we going to restate recommendations 1 and 2 within the letter as an attachment?

MR. HANOPHY: The language in here, as I recall, was a service-enriched housing fund, and I think we need to be consistent with what you have, and I think that's what you put in the recommendations, so I don't know that I'd wordsmith it beyond that at this point, but referencing those recommendations.

MS. MARGESON: And the recommendations that we're referencing were a one-time capital grant was the first one, and the second one was --

MR. WYATT: Project-related.

MS. MARGESON: Just want to make sure we're all clear on that.

MS. GREEN: But to uncap, I'd like to make a recommendation to just say that the letter would be consistent with 1 and 2, and I think if that passes, then we can get a little more specific about the content.

MR. GOLD: When is there going to be a vote on the larger plan?

MR. SCHWARTZ: Well, Marc, what we decided was we would give Ashley our comments on the biennial plan by close of business on Friday, and this draft of the biennial plan is what will be put in the *Texas Register* for public comment, and we also have the option of providing additional public comment while the plan is out for public comment itself. So we won't vote on the plan that actually goes to the Governor, et al, until what, August?

MS. SCHWEICKART: It would be late July because August 1 is the deadline.

MS. MARGESON: Do we have a meeting scheduled in July?

MS. SCHWEICKART: Well, that was going to be part of the next steps agenda item.

MS. MARGESON: Oh, okay.

So then, Council, are you ready to vote on this exceptional item letter -- or the motion as it was made, I should say. Are you nodding at me or what?

(General laughter.)

MR. GOLD: Paula, I have to tell you, for me, again, what is it that we're voting on?

MR. DANENFELZER: Can we just get a restatement of the motion?

MS. SCHWEICKART: What I had was to proceed with submission of letter request consistent with draft biennial plan recommendations number 1 and 2, as revised by the Housing Committee. That's as far as we got.

MS. GRANBERRY: That sounds fair.

MR. DANENFELZER: I think that still stands.

MS. MARGESON: Well, my concern with that as revised by the Housing Committee sounds like we might have a problem with recommendations 1 and 2.

MR. DANENFELZER: No. It's revision of the letter.

MS. MARGESON: Then maybe we should bring that phrase up.

MS. GRANBERRY: Right now the letter doesn't actually include recommendations 1 and 2, so it's just specifying that it reference those.

MS. MARGESON: Well, the way it reads as Ashley has it drafted there, it sounds like it's the 1 and 2 that you're revising and not the letter.

MS. SCHWEICKART: Proceed with submission of letter as revised by Housing Committee consistent with the draft biennial plan recommendations 1 and 2.

MS. MARGESON: Yes.

MR. DANENFELZER: Does the person who made the motion accept the amendments?

MS. GREEN: Yes.

MS. MARGESON: The second?

MS. GRANBERRY: Yes, both of us do.

MS. MARGESON: I call the question. All those in favor -- I know, I'm thinking -- you can look at the hands. Those in favor say aye.

(A chorus of ayes.)

MS. SCHWEICKART: I need numbers here, I actually do need numbers.

MS. GRANBERRY: We do need hands.

MS. MARGESON: All those in favor, show by raising hands.

(A show of hands.)

MS. SCHWEICKART: I got eleven.

MR. GOODWIN: Use the Sam Rayburn method: it doesn't matter what they say, it's what you declare.

(General laughter.)

MS. MARGESON: Those opposed by the same sign.

(No response.)

MS. MARGESON: Abstentions.

MS. GRANBERRY: Do you have to note that Tim was an abstention because he recused himself?

MS. SCHWEICKART: Tim was an abstention.

MR. DANENFELZER: Anyone absent or not voting is an abstention, technically.

MS. SCHWEICKART: We'll have to check on the rules for Mr. Irvine did recuse himself, so whether or not that is an abstention, but I'll check on that.

MR. DANENFELZER: And since there was eleven and there's 15 on the board, then the motion carried?

MS. SCHWEICKART: The motion carried.

MS. MARGESON: So now we move on to discussion of next steps. Right?

MS. SCHWEICKART: That's correct.

Basically, the last decision before the council before we adjourn is looking at our next steps in terms of we have, obviously, this public comment period and these public forums that are occurring in June, and then the biennial plan in its final form would need to be approved by the council before submission to the Governor and LBB on August 1.

So a decision needs to be made on whether or not we are reconvening prior to August 1 for approval of the plan. I believe the last time that we submitted a plan, I believe it was the 2010-2011 plan, we did not take a vote, it was just a majority approval that was made fairly informally, so I want to put it forward to you all for your

decision as to our submission of our final plan for August 1, on whether a reconvening needs to be made in late July.

MR. GOODWIN: I would recommend that we do it by electronic vote.

MR. DANENFELZER: I second that.

MS. MARGESON: So that was a motion then, and that's legitimate, is that allowable?

MS. SCHWEICKART: I don't know of anything that would say it was not allowable.

MS. MARGESON: So there's a motion that we approve the biennial plan by electronic vote and there's a second. Any discussion?

(No response.)

MS. MARGESON: All in favor say aye.

(A chorus of ayes.)

MS. MARGESON: Opposed, no.

(No response.)

MS. GRANBERRY: So if we're doing that electronically, then when will we actually meet again?

MS. SCHWEICKART: So then the next meeting -- we can call it -- since we're right now in May, would be in August. I think it's very important for us to set this so everyone has it on their calendar.

MS. GRANBERRY: This was actually the June meeting that we moved back.

MS. YEVICH: No. There is a June meeting.

MS. GRANBERRY: There is a June meeting.

MS. YEVICH: I'm sorry. That's the forum.

MS. GRANBERRY: That's the public forum, because initially they were going to be together and we moved this one away from it.

MS. SCHWEICKART: But this stands as our quarterly meeting, though. I mean, our next meeting, we can either have the next meeting be August or if we wanted to push into fiscal year 2013, have the first meeting of the 2013 be in September, we can do that. It depends on what your schedules are looking like.

MS. MARGESON: But if we do that, would we have had four quarterly meetings?

MS. SCHWEICKART: In fiscal year 2012 we've had, let's see here, September, December, March, May. So we have had four.

MR. SCHWARTZ: Because we're going by state fiscal year.

MS. GRANBERRY: I thought that's what we did. Instead of meeting in August, we met in September last year.

MS. SCHWEICKART: That's correct. So we did September, December, March, May, so we have had four for this fiscal year. So we have completed, in terms of our statutory obligation, for fiscal year 2012. So do we want to start with our first meeting of 2013 being in September then?

MS. MARGESON: I have a question. We're not going to be giving any money back. Right? In our budget, you know how Tim was referring to if we don't spend funds, and I was thinking about travel and all that, so are we on par so that we -- do we need, in other words, to have another meeting?

MR. SCHWARTZ: Well, but, Paula, because -- and Elizabeth,

correct me if I'm wrong -- because we're only in the first year of this biennium, we can roll that money into the second year. Right?

MS. YEVICH: That is a question I'm not sure of. I think you're correct, although I know there have been other instances where we thought we could and we couldn't. So I need to check.

MS. MARGESON: I just hate giving money back, that's the thing.

MS. YEVICH: Understood.

(General discussion.)

MS. SCHWEICKART: So I figure we want to look at September then?

(General agreement from council members.)

MS. SCHWEICKART: Okay. This was a specially called meeting so it wasn't typical of our schedule. We had been doing the first Monday of the month.

MS. GRANBERRY: That would be Labor Day.

MS. SCHWEICKART: Okay. So the second Monday of the month then. How do we feel about that?

MR. GOLD: That's September 10?

(General discussion and laughter.)

MS. SCHWEICKART: So is the 10th an amenable day? So I will put down Monday, September 10 at 10:00 a.m.

MS. GRANBERRY: And Ashley, it's possible to call in for those. Right? I know Doni did last time.

MS. YEVICH: That was the next thing I was going to bring up. We've only had a call-in once and that was for Doni and that was just for council

members, but we've had a request or two recently to have the capacity -- and I wanted to bring that up, if the council agrees to that up, we can have call-in for the general public as well, a call-in number. It's up to you to decide whether you would want to restrict it just for council members to call in or open it up for the public to give the number out.

MR. GOLD: Why would you restrict it?

MS. GREEN: I think it's a good option, but I heard about 30 percent of what was being said.

MS. GRANBERRY: Well, the only reason I ask is because I know I've already got a meeting scheduled from 12:00 to 1:00 that day that I'm in charge of, so I know I'll need to call in.

MS. YEVICH: So we'll certainly have it then, the option -- even though, unfortunately, the technology is not as good, apparently -- to call in. But do you want that just for council members or do you want it for all the public?

MR. GOLD: Well, if it's a public meeting and you're putting it in the *Register*, then why wouldn't you put that out there?

MS. GRANBERRY: I think you would make it an option.

MR. GOLD: Just as long as you set the ground rules during the meeting that people are to put it on mute.

MS. YEVICH: It's whatever you want, so that's what we'll do then.

MS. MARGESON: Well, but you know, I'm on other councils and that's very disruptive, people want to just interject comments throughout the meeting, and it's frustrating from a listener's standpoint -- which is what I am -- and so I don't know that -- I don't like that option, personally, I think it's disruptive.

MR. GOLD: But, Paula, if you say from the get-go at the start of the meeting that unless you're an officially designated member of this council, we're offering this service for listening purposes only.

MS. VANONI: That public comment is available at the beginning or the end, like we did today.

MS. MARGESON: I'm good with that. But I know the one time we did have it that the person was interjecting throughout the meeting, and I found that frustrating.

MS. YEVICH: So if we set some ground rules, would you be comfortable with it, Paula?

MS. MARGESON: Yes, I would.

MS. YEVICH: Okay.

MR. DANENFELZER: Do you not have the technological ability to have two separate access codes, one which is always muted and one which is not?

MS. SCHWEICKART: I can look into that.

MR. DANENFELZER: I've been on other conference calls where the person organizes the call actually determines who has access to speak and who does not.

MR. GOLD: And Ashley, I'll just offer, if you need a second access code, my area has its own discreet code and you can have that.

(General discussion and laughter.)

MS. MARGESON: Are there any other next steps or other issues people want to discuss?

MR. GOLD: I would just offer one thing. I don't know if you

discussed it. Again, I apologize for being late. There was a very important in our world we call them notice of public rulemaking from the Centers for Medicare and Medicaid Services, and it was attached to another set of rules, and this has to do with the past three years there's been a discussion from CMS, and this is an important conversation, on how they're going to define a qualified housing residence.

And back in 2009 -- it began in 2008 and 2009 -- they came out with some very restrictive language, what would be defined as a qualified residence, so for a lot of things that we call supportive housing or whatever the terminology means, a lot of those places would have been excluded, including like assisted living facilities. So now with the new set of proposed rules there's a little more leeway but it's still going to be restrictive and administratively cumbersome for any group of people. On an individual basis you'd have to make a certain determination.

They're still soliciting comment. We at DADS, and me personally, wrote the comments, we've submitted those. HHSC is going to be collating that information. Basically, our concerns are that yes, we all obviously support promoting independence, we all support integration, we all support person-centered planning, we all support individual choice. Other than, though, really saying these items, nursing facility, ICF and hospital-like or IMD sort of settings, states should really have the right to develop the system as it sees fit.

There's certain philosophical issues, but I spent about 2-1/2 pages trying to get into some of the more discreet details. And I think I sent that to you, Ashley, the link.

MS. SCHWEICKART: Yes. I have the link to the *Federal Register*, it's available to the public.

MR. GOLD: Right. And you may want to look at it and you may want to submit comment. We certainly support, as we said, the goals of what they're trying to do, but for any one state it could end up being kind of problematic in doing it. And again, when they first did it, they must have gotten thousands of comments from across, because for any one individual it could become a very complicated situation.

MR. SCHWARTZ: The public comment period is 60 days and I believe it closes on July 7. And this particular rule set is 204 pages.

MR. GOLD: There's a discreet part there which is only about two or three pages on the housing pieces, and that's what you want to focus on. And again, I didn't send you the exact page numbers -- I think I did, Ashley, which pages to look on.

MS. SCHWEICKART: Yes, you referenced it. I can forward that to the council.

MR. GOLD: You may want to look at that, you may want to make a recommendation, but you have to think broadly about this. I mean, there's NORQs [phonetic] and these other sort of residential continuous care retirement systems, there's a lot of different systems out there that work, don't work.

And again, one of our comments, too, we talk about integration, there are a lot of people here raised on farms and ranch lands and for them they may want to have a setting that's on a ranch or a farm-like setting in a rural area. So it becomes very complicated when you start thinking about the nuances of what they're trying to do, again, support and applaud that they want to make sure that the money is coming from CMS is going towards, truly, community systems. It's just where the rubber hits the road is how you define community.

So I just wanted to bring that up just to put on your radar if you haven't already looked at it.

MS. MARGESON: Thank you.

Any other comments? Motion to adjourn?

MR. HANOPHY: So moved.

MS. GRANBERRY: Second.

MS. MARGESON: All right. Then we're adjourned.

(Whereupon, at 12:20 p.m., the meeting was concluded.)

CERTIFICATE

MEETING OF: Health & Human Services Coordination
Council

LOCATION: Austin, Texas

DATE: May 15, 2012

I do hereby certify that the foregoing pages, numbers 1 through 74, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Texas Department of Housing and Community Affairs.

05/17/2012
(Transcriber) (Date)

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