

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

BOARD OF DIRECTORS MEETING

John H. Reagan Building
Room JHR 140
105 West 15th Street
Austin, Texas

February 20, 2014
10:06 a.m.

MEMBERS:

J. PAUL OXER, Chair
JUAN MUÑOZ, Vice-Chair
J. MARK McWATTERS, Member
LESLIE BINGHAM ESCAREÑO, Member
ROBERT D. THOMAS, Member
TOM GANN, Member

TIMOTHY K. IRVINE, Executive Director

I N D E X

<u>AGENDA ITEM</u>	<u>PAGE</u>
CALL TO ORDER, ROLL CALL CERTIFICATION OF QUORUM	5
CONSENT AGENDA	6

**ITEM 1: APPROVAL OF THE FOLLOWING ITEMS
PRESENTED IN THE BOARD MATERIALS:**

EXECUTIVE

- a) Presentation, Discussion, and Possible Action regarding the Board Minutes Summary for November 7, 2013

RULES

- b) Presentation, Discussion, and Possible Action on an order adopting new 10 TAC Chapter 1, Administration, Subchapter A, General Policies and Procedures, '1.1 Concerning Reasonable Accommodation Requests
- c) Presentation, Discussion, and Possible Action on an order adopting a statutory four-year review with amendments of Department rules at 10 TAC Chapter 1, Administration, Subchapter A, General Policies and Procedures, '1.2, Concerning Department Complaint System, pursuant to Texas Government Code '2001.039
- d) Presentation, Discussion, and Possible Action on proposed amendments to 10 TAC Chapter 5, Community Affairs Programs, Subchapter D, Comprehensive Energy Assistance Program, '5.430, concerning Allowable Subrecipient Administrative and Program Services Costs, and directing their publication for public comment in the *Texas Register*

ASSET MANAGEMENT

- e) Presentation, Discussion, and Possible Action on approval of Housing Tax Credit Amendment

10035 Zion Gardens Houston

- f) Presentation, Discussion, and Possible Action on approval of Material LURA Amendments

01144 Corinth Autumn Oaks Corinth

BOND FINANCE

- g) Presentation, Discussion, and Possible Action on Resolution No. 14-016 authorizing a Mortgage Credit Certificate Program (MCC) for first-time homebuyers (Program 82) along with related program documents to be administered by TDHCA

COMMUNITY AFFAIRS

- h) Presentation, Discussion, and Possible Action on Approval of the PY 2014 Department of Energy (ADOE@) Weatherization Assistance Program (AWAP@) State Plan for submission to DOE

HOUSING RESOURCE CENTER

- i) Presentation, Discussion, and Possible Action on adoption of the Final 2014 State of Texas Low Income Housing Plan and Annual Report, and Final Order adopting amendments to 10 TAC '1.23 concerning the 2014 Final State of Texas Low Income Housing Plan and Annual Report, and directing its publication in the *Texas Register*

REPORT ITEMS

The Board accepts the following reports:

1. TDHCA Outreach Activities, January 2014
2. Presentation and Discussion on the Department Quarterly Snapshot tool

3. Report on the Department=s 1st Quarter Investment Report in accordance with the Public Funds Investment Act (APFIA@)
4. Report on the Department=s 1st Quarter Investment Report relating to funds held under Bond Trust Indentures

ACTION ITEMS

ITEM 2: COMPLIANCE DIVISION

Results from Compliance Division Customer Service Surveys 7

ITEM 3: MULTIFAMILY FINANCE

- a) Presentation, Discussion, and Possible Action Regarding the Issuance of Multifamily Housing Revenue Bonds with TDHCA as the Issuer, Resolution #14-013 and a Determination Notice of Housing Tax Credits for Patriot=s Crossing Apartments 15

ITEM 4: APPEALS AND WAIVERS 27

Presentation, Discussion, and Possible Action on Timely Filed Appeals and Waivers under any of the Department=s Program or Underwriting Rules

13502 Majors Place Apartments Greenville

PUBLIC COMMENT ON MATTERS OTHER THAN ITEMS FOR WHICH THERE WERE POSTED AGENDA ITEMS. 28

EXECUTIVE SESSION 27

OPEN SESSION 27

ADJOURN 29

P R O C E E D I N G S

1
2 MR. OXER: Good morning, everyone. I'd like to
3 welcome everybody to the February 20 meeting of the Texas
4 Department of Housing and Community Affairs Governing
5 Board.

6 We will begin, as we do, with roll call. Ms.
7 Bingham?

8 MS. BINGHAM ESCAREÑO: Here.

9 MR. OXER: Mr. Gann is not with us today; Mr.
10 McWatters is not with us today.

11 MR. OXER: Dr. Muñoz?

12 DR. MUÑOZ: Present.

13 MR. OXER: I am here. And Mr. Thomas is here.
14 We have a quorum so we can safely proceed.

15 Tim, start us with the pledge.

16 (Whereupon, the Pledge of Allegiance and the
17 Texas Allegiance were recited.)

18 MR. OXER: Okay. Michael, have we got any
19 guests we'd like to recognize? Is Viveca here?

20 MR. LYTTLE: I don't see Viveca, but I do see
21 Bobby Wilkinson.

22 MR. OXER: Bobby Wilkinson is our new advisor
23 from the Governor's Office. Stand up and say hi, Bobby.
24 Stop by, everybody, and say hello, introduce yourselves.

25 MR. IRVINE: Meredyth Fowler from the Speaker's

1 Office just joined us.

2 MR. OXER: Good morning, Meredyth. See, we
3 recognize people when they come in. Ask him.

4 MR. LYTTLE: Tom Gouris is here, too, today.

5 MR. OXER: Tom Gouris. Since Cameron is not
6 here, things are going to be official your fault when they
7 go wrong. Is that right?

8 (General laughter.)

9 MR. OXER: Do we have anything to start off
10 with here, Mr. ED?

11 MR. IRVINE: No, sir.

12 MR. OXER: Okay. We'll take a look at the
13 consent agenda. Is there anything that any member would
14 care to pull from the consent agenda?

15 (No response.)

16 MR. OXER: I hear none. That being the case,
17 I'll entertain a motion to consider the consent agenda.

18 MR. THOMAS: So moved.

19 MS. BINGHAM ESCAREÑO: I'll second then.

20 MR. OXER: Okay. Motion by Mr. Thomas, second
21 by Ms. Bingham on the consent agenda. Are there any
22 questions? No comment from the public. All in favor?

23 (A chorus of ayes.)

24 MR. OXER: Opposed?

25 (No response.)

1 MR. OXER: There are none.

2 Okay. It looks like Ms. Murphy is up first.

3 MS. MURPHY: Good morning. Patricia Murphy,
4 chief of Compliance.

5 The first item before you this morning is a
6 report summarizing the results of the customer service
7 survey that the Compliance Division has been sending out.

8 You'll recall last summer there were a series of
9 roundtables, public hearings and work groups focused on
10 potential amendments to the Compliance rules. As I sat
11 through those meetings, I realized that we were not
12 necessarily getting feedback about the rules, it was
13 feedback about the Compliance Division itself. Some of
14 the comment included remarks along the lines of:
15 Department staff should be inspiring property personnel
16 rather than discouraging them. And we also heard things
17 about rude inspectors.

18 So late last summer we started sending out a
19 customer service survey after each monitoring review. The
20 results in your Board book show a pretty positive
21 response, with some noted areas in need of improvement in
22 the Community Affairs monitoring section of the Compliance
23 Division, but overall the feedback has been fairly
24 positive.

25 So what does this all mean? I guess it could

1 mean we're awesome and we always have been, but probably
2 not.

3 (General laughter.)

4 MS. MURPHY: It could mean that the employees
5 of the Compliance Division and our contracted inspectors
6 now think twice about the words they choose, knowing that
7 when they leave, the person they're talking to is going to
8 get a survey that asks was this person professional, and
9 hopefully that has changed some behavior.

10 It could also mean that we don't have the full
11 picture yet. I'm not naive enough to believe that the
12 response to date represents what everybody out there is
13 thinking about us. After all, it is a self-selected
14 survey and not everyone is responding. While I'm grateful
15 for those who have responded, I'm concerned about those
16 who did not respond, and that's where I would like to
17 press further. So I recognize that there are still issues
18 out there about the Compliance Division, and along with
19 the rest of the Department staff, we are looking for ways
20 to bridge any gaps and provide a forum and an opportunity
21 for people to let us know how we're doing and how we could
22 do better.

23 I plan to periodically bring a report item to
24 the Board to let people know that we do want their
25 feedback, we want to do a good job, and we're committed to

1 making improvements where they need to be made. I welcome
2 any comments and suggestions from the Board and the public
3 about what would be the most comfortable way for people to
4 provide this feedback and any areas or questions that we
5 should be including in our surveys.

6 MR. OXER: Good. Thanks, Patricia.

7 Any questions from the Board? We've got a
8 couple.

9 DR. MUÑOZ: Patricia, I'm just curious about
10 this UPCS group. Who is on that and what's the criteria
11 for appointment to that sort of work group?

12 MS. MURPHY: The UPCS work group, they're not
13 an active group anymore. Last summer there was a group,
14 we sent out a listserv saying would anybody like to
15 participate in this work group, and it was kind of an
16 informal group. We met several times at -- where did we
17 meet? -- at the Coates Rose Law Firm, maybe, and they
18 split up into different work groups to try to provide us
19 with some feedback. I don't know if you recall, but we
20 used to have major and minor violations, and we were kind
21 of trying to get some feedback on where should that line
22 be, and those groups had a great deal of difficulty in
23 coming up with a recommendation, and now we just have a
24 violation, we don't distinguish any longer.

25 DR. MUÑOZ: Was that group before the

1 roundtables, or did that group exist after the
2 roundtables?

3 MS. MURPHY: After the roundtables.

4 DR. MUÑOZ: And then you said that you've sort
5 of sunsetted those groups. Why not maintain something
6 like that? I mean, I'm not saying that you should, that
7 would be your decision and Tim's, but usually those sort
8 of response committees happen because of something. If
9 you have them, you might prevent the sort of something,
10 the ambiguity, the concern, the complaint.

11 MS. MURPHY: You know, that's a great idea,
12 because it was through those work groups where I really
13 did get a lot of feedback and sort of got an understanding
14 for what are the issues, where's the disconnect, and where
15 I think that people thought that the Department had the
16 ability or authority to change things that we don't, and I
17 think that I maybe made a tiny bit of headway in
18 explaining where is the Department's role in this kind of
19 thing.

20 DR. MUÑOZ: I think that this thoughtful and it
21 revealed some things that, you know, perhaps you would
22 have preferred not to be made aware of, but that's what
23 makes them so helpful. These committees when they
24 exist -- and it doesn't have to be something that's very
25 onerous -- it could provide sort of a vehicle to find

1 areas of improvement before they escalate to negative
2 responses on a survey that you send out. Because once
3 that survey goes out and once it's completed, it's on the
4 record forever, and it may reflect something even less
5 desirable.

6 MS. MURPHY: Agreed. And I think that UPCS is
7 a sticky area, it's a tough thing for the management
8 companies to deal with, and that's really a big area in
9 the compliance monitoring where they have a lot of issues.
10 That's a great idea.

11 Any other suggestions?

12 MR. OXER: A question, Patricia. How many ways
13 do we currently have, apart from this, this one request
14 for input, how many other ways do you have for input to be
15 made in terms of -- I mean, are there informal ways, as
16 well as formal ways, and for those formal ways we keep
17 statistics like you've got on this one.

18 MS. MURPHY: Certainly people do reach out to
19 me to say: Hey, I just want to let you know you've got a
20 rogue monitor out there, sort of. So do have those kinds
21 of calls that come in in an informal manner. In addition
22 to the Texas Apartment Association, about quarterly,
23 myself and the president from one of the major management
24 companies host a roundtable, and I always kind of call it
25 "Stump the Chump." It's really open, I can get hit with

1 any sort of question out there, and that is also a real
2 opportunity for me to hear what's going on, as well as for
3 people who are more seasoned and just don't want to sit
4 through an eight-hour compliance training, they just want
5 to hear about something new. It's a good two-way exchange
6 of information, so we do that on a quarterly basis.

7 MR. OXER: That's regular?

8 MS. MURPHY: Yes. TAAHP has reached out as
9 well. Just yesterday we did participate, as you were
10 there, with TAAHP, and so we could maybe set up something
11 more formal with TAAHP. The Rural Rental Housing
12 Association, we've offered to do training with them, as
13 well, to offer our Housing Tax Credit training. But we're
14 looking for ways and ideas to communicate and clear the
15 air.

16 MR. OXER: When an inspector, either on the
17 staff or on contract, goes out there, and essentially you
18 start with okay and it goes downhill. Is there any place
19 in there where we can give a compliment who did a
20 particular good job at something that would be considered
21 on the inspection.

22 MS. MURPHY: We could consider it. You know
23 something, in the UPCS protocol, so you're right, it's no
24 observed deficiency or it's a Level 1, 2 or 3 deficiency,
25 there's not a "this looks great" sort of way to rate the

1 property. And we do talk with the staff about, you know:
2 as you're walking the property if you see nice landscaping
3 be sure to point that out, if you like the architecture of
4 the buildings please comment on that, please don't only
5 photograph deficiencies so that we have a complete and
6 accurate picture of what the property looks like. So some
7 of that is just sort of training the staff in
8 communication style.

9 And we could try to do something more formal
10 about trying to find a way to say we found these positive
11 features on your property. The file monitoring staff, I
12 think, gives a lot more technical assistance and feedback
13 and your files are organized, this looks good sort of
14 stuff. And our physical inspectors, you're right, they're
15 out there to say was there an observed deficiency, and
16 there's not a way to say better than no observed
17 deficiency sort of rating.

18 MR. OXER: I have other instances that I've
19 encountered this in let's just say the defense area. You
20 send people out there to find deficiencies, they feel like
21 their job is not done unless they find some, so they could
22 still do a good job finding no deficiencies. So maybe we
23 need to make sure that that's apparent to the staff also,
24 or to our inspector corps.

25 MS. MURPHY: Agreed.

1 MR. OXER: Great. Any other questions?
2 Robert.

3 MR. THOMAS: Thank you, phenomenal, just
4 exactly what I would have hoped for. I'm coming out of
5 the rulemaking process and before could tell that there
6 were areas, and I think that's natural that you would
7 expect. I also have been very impressed with the
8 Compliance Division, and yourself, in particular, the
9 sensitivities in the training for me to join the board
10 about making sure that you were taking care of our
11 obligations by being respectful of our various
12 constituents. So thank you, personally thank you.

13 How often do you think is reasonable for us to
14 receive some type of feedback along these lines, given the
15 totality of the work and expectations.

16 MS. MURPHY: I was thinking of doing it
17 quarterly, but if you it more or less frequently, I'd be
18 happy to do that.

19 MR. THOMAS: You probably offered that in the
20 beginning, talking about doing this quarterly, didn't you?

21 MS. MURPHY: I don't remember if I did or not,
22 I think it was just in my head.

23 MR. THOMAS: Okay. Well, then we're on the
24 same wavelength.

25 MR. OXER: Quarterly works.

1 MR. THOMAS: I would love to hear about this
2 quarterly.

3 MS. MURPHY: Great. Now we're really going to
4 get some feedback, which is what we want.

5 MR. OXER: Right. We need the feedback.

6 Other questions from the Board?

7 (No response.)

8 MR. OXER: Okay, good. Thanks, Patricia.

9 Jean, I think you're next.

10 MR. IRVINE: Teresa.

11 MR. OXER: Teresa. Oh, okay.

12 MS. MORALES: Teresa Morales, manager of
13 Multifamily Finance.

14 Chairman Oxer and Board members, item 3(1)
15 Patriot's Crossing, is a 162-unit new construction,
16 general population development, to be located in south
17 central Dallas. The Department is the issuer of the
18 bonds, and the financial structure involves an FHA
19 221(d)(4) loan takeout that is similar to that of a
20 previously approved bond transaction, the Waters at Willow
21 Run. The bonds will be issued as short-term, tax-exempt,
22 fixed rate bonds that will be cash collateralized with the
23 proceeds of a taxable FHA mortgage loan.

24 As noted in the Board writeup, there were some
25 concerns raised during our internal awards committee

1 meeting, or EARAC, that was held on February 11, and staff
2 has been working very diligently with the applicant to
3 resolve those concerns. Specifically, a member of EARAC
4 had a recollection of a letter that was submitted in
5 response to the 9 percent application for this same site
6 that was filed last year. The letter was submitted on
7 behalf of ICP, and it made a comparison to the crime rates
8 for the area surrounding the Patriot's Crossing site
9 compared to those of the area immediately surrounding a
10 2013 application for development in a high opportunity
11 area.

12 The purpose of the letter was to raise concern
13 about the approval of a community revitalization plan
14 submitted during the 2013 9 percent round, but it also
15 raises possible eligibility issues with respect to
16 undesirable area features found in the Department's
17 Uniform Multifamily Rules, 10.101(a)(4), due to assertions
18 that crime in the area was disproportionately high as
19 compared to crime levels in higher opportunity areas.
20 This letter was not directed to this specific application,
21 nor was it resubmitted in response to the filing of this
22 application, however, the issues raised therein were
23 directed at the Patriot's Crossing development located on
24 the same site, and are therefore relevant to the factors
25 that the Department must consider under the Uniform

1 Multifamily Rules.

2 That being said, EARAC convened yesterday
3 afternoon to discuss the information that had been
4 provided since that initial EARAC meeting, and I believe
5 Tim is going to go into some additional information.

6 MR. IRVINE: Thank you very much.

7 EARAC is sort of the last line of defense in
8 receiving all of the staff information that rolls up, all
9 of the applicant information that rolls up, and as the
10 statute indicates, making the recommendation to the Board
11 about funding or allocation decisions. And I'm pleased to
12 say that we've gotten to the point where the blanks in
13 your Board book can now be filled in that recommends the
14 bonds and the determination notice be approved.

15 As we dug into this, though, I'd like to shout
16 out certainly the applicant for dealing with something
17 that came out of the blue, apparently, and for handling it
18 with aplomb and deftness, and especially I'd like to shout
19 out to my staff for really digging in. You know, at the
20 end of the day, what we want is for EARAC to develop the
21 best possible information, to develop the full truth of
22 the situation, and as we dug into this, what we found was
23 that compared with two other high opportunity sites that
24 were identified in the past tax credit competitive round,
25 crime levels at this site were actually lower. We

1 identified a downward trend over the last few years, a
2 significant downward trend over the last few years in
3 crime activity.

4 We received, thanks to Claire Palmer, who
5 represents the applicant, we received an email from the
6 assistant chief of police in Dallas, pointing out that
7 additional resources had already been devoted to the area,
8 confirming that this was not in any of the city's
9 identified crime hot spots, and generally confirming the
10 favorable overall impression that we were receiving and
11 documenting about improvements in criminal activity within
12 the area.

13 Based on all of this, we believe that the
14 certification that this area was not in a place that
15 involved undesirable area features, as defined in our
16 rule, and we believe that those certifications have been
17 satisfied, they should be accepted as presented. And
18 based on that, the EARAC voted unanimously to recommend
19 this transaction.

20 MR. OXER: Any questions from the Board?

21 DR. MUÑOZ: Tim, I recall in my reading that
22 there was a public hearing on the 28th and generally
23 everybody was supportive of the development, and there's a
24 magnet school that's been recognized located very closely?

25 MR. IRVINE: I believe so, yes.

1 MR. OXER: Any other questions from the Board?

2 (No response.)

3 MR. OXER: We have to have a motion to consider
4 which is for the recommendation of staff to approve this
5 action.

6 MS. DEANE: Mr. Chair, if I could make a
7 suggestion that if a Board member wishes to make a motion
8 to approve that they include in there that all
9 documentation underlying the decision that's been provided
10 be specifically incorporated into the record, just in case
11 we need to have this documentation when we do our annual
12 report on the remedial plan up in Dallas.

13 MR. OXER: I should hope that would be the plan
14 under all of these, but certain on this one. Yes. So
15 that being the case, do I hear a motion?

16 MS. BINGHAM ESCAREÑO: I'll move staff's
17 recommendation to approve the issuance of the bonds, and
18 would ask that all documentation related in support be
19 included on the record, and the determination notice.
20 Pardon me. I'm amending that.

21 MR. OXER: All related notes associated with
22 it.

23 MS. BINGHAM ESCAREÑO: Yes, sir.

24 MR. OXER: Motion by Ms. Bingham to approve
25 staff recommendation with all documentation supporting.

1 Do I hear a second?

2 DR. MUÑOZ: Second.

3 MR. OXER: Second by Dr. Muñoz.

4 Now we have opportunity for public comment.
5 Claire, this is going in the direction you probably want
6 it. You sure you want to say anything?

7 MS. PALMER: I just need to make one really
8 quick comment on the resolution as it's made. Claire
9 Palmer, the development consultant for the applicant at
10 Patriot's Crossing.

11 I would just like to make one request that the
12 resolution include that you're allocating the 4 percent
13 tax credits, as well, because this is an approval of the
14 bonds and the 4 percent tax credits at the same time.

15 MR. OXER: That's included in the resolution --
16 is it, or isn't it?

17 MS. PALMER: It just wasn't included in Ms.
18 Bingham's resolution.

19 MR. OXER: It's included in her recommendation
20 which is staff recommendation, and we can read this.

21 DR. MUÑOZ: You said all documentation.

22 MR. OXER: Well, the resolution is staff
23 recommendation.

24 MS. BINGHAM ESCAREÑO: It had two parts to it.

25 MR. OXER: You're including that, of course.

1 MS. BINGHAM ESCAREÑO: Yes.

2 MR. OXER: It's \$13 million tax-exempt
3 multifamily revenue housing bonds. Further resolve the
4 issuance of determination notice of \$840,653 in 4 percent
5 housing tax credits, which is included in the resolution.
6 Is that clear?

7 MS. PALMER: Thank you.

8 MR. OXER: Any other comment from the public?

9 MR. ARECHIGA: Just a brief comment. My name
10 is Jason Arechiga. I'm representing the NRP Group and
11 TALHFA, as well.

12 I just wanted to applaud EARAC and the decision
13 of allowing Patriot's Crossing to go forward. There was
14 some, I guess, discussion in the development community, as
15 you can imagine, about setting a precedent, especially
16 with 4 percent and the federal government's intention to
17 develop in difficult to develop areas, which sometimes can
18 rise to slightly higher crime levels. And that's just
19 slightly higher, we're not saying it's disproportionately,
20 but as you mentioned, the beats in some 9 percents can
21 even be higher.

22 And the basis of comparison, by using beats,
23 sometimes can be a little bit flawed, if you ask me. In
24 the letter from Michael Daniels, he had send three beats
25 and Dallas has over 600 beats, so if I have a sample size

1 of 600 and I can choose three out of them, I can kind of
2 make a sample to say sort of what I want it to say.

3 MR. OXER: The question of those statistics.

4 MR. ARECHIGA: Yes, basically. It's just I can
5 make the statistics what I want them to be out of a sample
6 size of 600 when I choose three. So the rule itself is
7 just a little bit vague is all, and when it says an area,
8 what defines the area, and then it says significant
9 criminal activity rising to the level of frequent police
10 reports. What necessarily defines frequent, and are you
11 using a beat to define the area? And specifically, the
12 only crimes also mentioned are drug trafficking,
13 prostitution and gang activity.

14 MR. OXER: The big three.

15 MR. ARECHIGA: The big three. I mean, like
16 with the junkyard, for instance, there's a measurable
17 distance, 300 feet away, but from a gang I can't say I'm
18 300 feet from this gang right at the moment, and it's just
19 kind of a movable target. So I guess there's left open a
20 very broad interpretation of it and it can establish a
21 dangerous precedent.

22 And then the final thing with establishing
23 that, too, is I think it also goes a little bit against
24 the spirit of a QCT to a certain degree. I mean, it's
25 generally defined to be a difficult to develop area by

1 HUD, and we need some assistance. We don't want to just
2 give up on these areas. You know what I mean? Everything
3 has some crime, and what defines the type of crime? Some
4 higher opportunity areas may have a higher degree of DWI
5 or white collar crimes, or assault or burglary, or
6 whatever the case may be. This isn't exclusive to what
7 may be a poor area or what may be a higher opportunity
8 area, it can be anywhere.

9 And I guess as developers we want to help the
10 community, hence the CRPs, and we want to help everything,
11 we want to bring these areas up, and we don't want to
12 abandon them. Obviously, we do want to look for our
13 profits, we do want to develop the bond deals in the
14 future, but we don't want to be hamstrung, I guess, in the
15 future by having to abandon these areas because they may
16 qualify as being slightly -- have a little bit more crime
17 and what type of crime is that.

18 That's basically all wanted to say. I applaud
19 the decision, I think it was definitely the right move,
20 and thank you very much.

21 MR. OXER: You're quite welcome. Your comments
22 are noted.

23 Tim, did you have a comment?

24 MR. IRVINE: Michael has a letter to read into
25 the record too.

1 MR. OXER: Michael. And I have a quick comment
2 after that too.

3 MR. LYTTLE: It's addressed to Tim Irvine,
4 dated February 20, 2014.

5 "Mr. Irvine, The City of Dallas was recently
6 informed that questions had been raised within your
7 organization about crime in and around the Lancaster
8 Corridor, which is one of the main focus areas of my
9 economic development plan for southern Dallas called Grow
10 South. The Lancaster Corridor includes the Lancaster-
11 Kiest Shopping Center, the VA Medical Center, multiple
12 transit-oriented developments in the Dallas Area Rapid
13 Transit Police Department's headquarters.

14 "In recent years this area has achieved drastic
15 improvements in investment, development and crime
16 reduction. Overall, crime in Police Beat 726 which
17 contains 4623 S. Lancaster Road, has dropped 47 percent in
18 the past ten years, according to an analysis by the Dallas
19 Police Department. The positive momentum in this
20 neighborhood has been fueled by the opening in 2007 of the
21 DPD South Central Patrol Division which serves the
22 Lancaster Corridor, and the city's establishment of a
23 community court, the opening of a My Children's Medical
24 Center Clinic, and growth of public charter schools.

25 "The Lancaster Corridor is an area of great

1 opportunity. With new commercial and residential
2 developments coming to the area, we have a real
3 opportunity to make drastic improvements in the quality of
4 life for residents living in this area of our city. The
5 City of Dallas will continue to focus resources on the
6 Lancaster Corridor as part of my Grow South initiative.

7 "Please do not hesitate to contact me through
8 my chief of staff if you have any further questions or
9 desire specific information about Grow South.

10 Respectfully, Michael S. Rawlings, Mayor."

11 MR. OXER: Great. Thanks.

12 I think one of the things that should be noted,
13 and I think there were a lot of you that were here,
14 certainly Tim and Barbara and I were actually at TAAHP
15 conference meeting yesterday looking at the way that EARAC
16 addresses these issues, and none of these is going to be a
17 single check the box, you're in/you're out, at least my
18 interpretation of it -- and I speak as one member amongst
19 the Board here -- is to take a look at these and say if
20 it's a high crime area, and it's the subject of
21 evaluation -- that's why we have more than one set of eyes
22 that look at it and more than one perspective on it --
23 hold on, Claire, we're on your side, so just sit tight.
24 Okay?

25 The point is to take a look at these, if there

1 is high crime or if there is opportunity to develop an
2 area to put these resources there so that it begins to
3 improve it, what we're also looking for is to see that
4 those resources available for crime prevention and
5 protection are also being addressed into it so that that
6 drives it down over time.

7 So at this point, everybody got what they
8 wanted, so why don't we all be quiet.

9 Any other questions?

10 (No response.)

11 MR. OXER: I think we have a motion by Ms.
12 Bingham, second by Dr. Muñoz to accept staff
13 recommendation, as modified with all documentation,
14 certifications. Anything else to add to that, Counselor?

15 MS. DEANE: No. Specifically just included in
16 the record.

17 MR. OXER: Included in the record so that it
18 becomes part of our evaluation package for the things that
19 we have to do with respect to our legal requirements. So
20 that being the case, any other public comment?

21 (No response.)

22 MR. OXER: Okay. All in favor?

23 (A chorus of ayes.)

24 MR. OXER: Opposed?

25 (No response.)

1 MR. OXER: There are none. Congrats, Claire.

2 Okay. Item number 4.

3 MR. IRVINE: It's been pulled.

4 MR. OXER: It's been pulled. I hate to say
5 this, we may set a record here.

6 Everybody be still for a second and listen
7 because we've got to do this. We're about to go into
8 closed session, into executive session. The Governing
9 Board to the Texas Department of Housing and Community
10 Affairs will go into close session at this time, pursuant
11 to the Texas Open Meetings Act, to discuss pending
12 litigation with its attorney under Section 551.071 of the
13 Act, to receive legal advice from its attorney under
14 Section 551.071 of the Act, to discuss certain personnel
15 matters under Section 551.074 of the Act, to discuss
16 certain real estate matters under Section 551.072 of the
17 Act, and to discuss issues related to fraud, waste or
18 abuse under Section 2306.039(c) of the Texas Government
19 Code.

20 The closed session will be held in the anteroom
21 behind us. The date is February 20, 2014, the time is
22 10:36. We expect this will not be a particularly long
23 executive session, so we'll be back well before 11:30,
24 wrap this thing up and be out of here, so I'd suggest
25 everybody stand by and we'll be right back.

1 (Whereupon, at 10:36 a.m., the meeting was
2 recessed, to reconvene this same day, Thursday, February
3 20, 2014, following conclusion of the executive session.)

4 MR. OXER: The Board is now reconvened in open
5 session at 11:43. We received counsel on a couple of
6 items. No further action was taken, and we are back in
7 the game here.

8 So with respect to the agenda, are we at the
9 end of it here, Tim?

10 MR. IRVINE: We are, sir.

11 MR. OXER: Okay. We are at that point where we
12 take comment from the public for anything you'd like to
13 add to the agenda for the future. So we have some public
14 comment here? Which one of you is carrying the over/under
15 on twelve o'clock? You know, I have some influence on
16 this.

17 (General talking and laughter.)

18 MR. OXER: No other public comment here. Is
19 there any comment from staff? Any comment from Mr. ED or
20 general counsel? Any other Board member?

21 (No response.)

22 MR. OXER: Okay. I get the last word, and that
23 is thanks everybody. It's a good job that we do.

24 I'll entertain a motion to adjourn.

25 MS. BINGHAM ESCAREÑO: So moved.

1 MR. OXER: Motion by Ms. Bingham to adjourn.
2 DR. MUÑOZ: Second.
3 MR. OXER: Second by Dr. Muñoz. All in favor?
4 (A chorus of ayes.)
5 MR. OXER: We'll see you in two weeks.
6 (Whereupon, at 11:45 a.m., the meeting was
7 concluded.)

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C E R T I F I C A T E

MEETING OF: TDHCA Board
LOCATION: Austin, Texas
DATE: February 20, 2014

I do hereby certify that the foregoing pages, numbers 1 through 30, 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.

(Transcriber) 02/25/2014
(Date)

On the Record Reporting
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